2022

AMENDEMENT A01
TO THE UNIVERSAL REGISTRATION DOCUMENT

Working

every day

in the interest of our customers and society

Crédit Agricole Group Financial Statements

CRÉDIT AGRICOLE
S.A.

Summary

WORKING EVERY DAY IN YOUR INTEREST
AND FOR SOCIETY

Amendement A01
to the Universal registration document 2022

CRÉDIT AGRICOLE GROUP FINANCIAL STATEMENTS 2022

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

The English version of the Amendment A01 to the Universal registration document was filed on 4th April 2023 with the AMF, as competent authority under Regulation (EU) 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 to the public of financial securities or admission of financial securities to trading on a regulate 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 Amendment A01 to the Universal registration document/Annual Financial Report of the Company issued in French and it is available on the website of the Issuer.

Working

every day

in the interest of our customers and society

2022 Implementation of our raison d'être

In 2022, in a context of war in Ukraine, energy tensions and rising inflation, our customer-focused universal banking model has demonstrated its strength and Crédit Agricole's teams are more committed than ever to serving the economy by supporting our customers and society.

CRÉDIT AGRICOLE'S END PURPOSE

is to be a trusted partner to all its customers:

- Its solid position and the diversity of its expertise enable Crédit Agricole to offer all its customers ongoing support on a daily basis and for their projects in life, in particular by helping them to guard against uncertainties and to plan for the long term.
- Crédit Agricole is committed to seeking out and protecting its customers' interests in all it does. It advises them with transparency, loyalty and pedagogy.
- It places human responsibility at the heart of its model: it is committed to helping all its customers benefit from the best technological practices, while guaranteeing them access to competent, available local teams that can ensure all aspects of the customer relationship.

Proud of its cooperative and mutualist identity and drawing on a governance representing its customers, Crédit Agricole:

- Supports the economy, entrepreneurship and innovation in France and abroad. It is naturally committed to supporting its regions.
- Takes intentional action in societal and environment fields by supporting progress and transformations.
- Serves everyone: from the most modest to the wealthiest households, from local professionals to large international companies.

This is how Crédit Agricole demonstrates its usefulness and availability to its customers, and the commitment of its 145,000 employees to excellence in customer relations and operations.

Crédit Agricole Group

Crédit Agricole Group includes Crédit Agricole S.A., as well as all of the Regional Banks and local Banks and their subsidiaries.

REGIONAL BANKS

11.5 m
Mutual Shareholders
who hold mutual shares in:

2,401
Local Banks

39
Regional Banks
jointly holding the majority of Crédit Agricole S.A.'s share capital through SAS Rue La Boétie(2)

100% – Sacam Mutualisation
≃ 25%
Political link – Fédération Nationale du Crédit Agricole (FNCA)

Holding
56.8%(3)

FLOAT

29.6%
Institutional Investors

7%
Individual Shareholders

6%
Employee Share Ownership Plans (ESOP)

NS(1)
Treasury Shares

Holding
43.2%

(1) Non-significant: 0.6% treasury shares, including buy-backs in 2022 that will be cancelled in 2023. Once 16,658,366 shares are cancelled, the treasury shares will be non-significant and SAS Rue de la Boétie's holding will account for about 57%.

(2) The Regional Bank of Corsica, 99.9% owned by Crédit Agricole S.A., is a shareholder of SACAM Mutualisation.

(3) Excluding information made to the market by SAS Rue La Boétie, in November 2022, regarding its intention to purchase by the end of the first half year of 2023 Crédit Agricole S.A. shares on the market for a maximum amount of one billion euros.

(4) Disposal of Crédit du Maroc in December 2022.

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About Crédit Agricole Group

Rankings and key figures

NO. 1
provider of financing to the French economy[1]

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

10th largest global bank by balance sheet size[2]

Number 1
insurer[3] and institutional investor[4] in renewable energy in France

Number 1
European asset manager[5]

53 million customers

Number 1
cooperative mutual bank in the world[6]

11.5 million
mutual shareholders

46 Countries

8,700 branches
including 7,100 in France (Regional Banks and LCL)

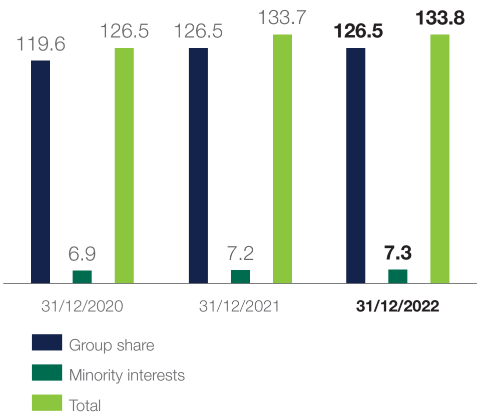
(1) Internal source: ECO 2022
(2) The Banker, 2022.
(3) L'Argus de l'Assurance 2022 (in revenues).
(4) CA Assurances, end 2022: 11,8 GW installed renewable energy capacity via CAA investments.
(5) IPE (Investment & Pensions Europe) 2022 Asset Management Guide.
(6) World Cooperative Monitor, November 2021 (in revenues).

BUSINESS AT 31 DECEMBER 2022

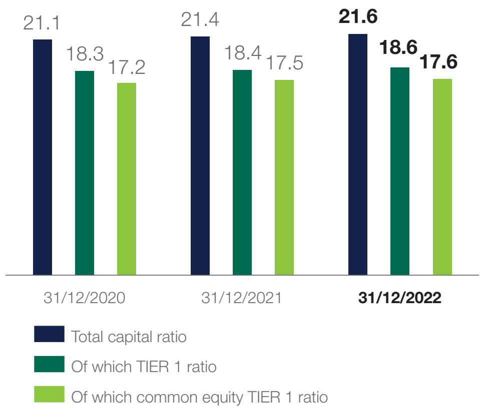
BALANCE SHEET TOTAL	GROSS LOANS(1)	CUSTOMER RESOURCES(2)
€2,379bn	€1,249.0bn	€1,365.5bn

FINANCIAL STRUCTURE

Equity
(in billions of euros)

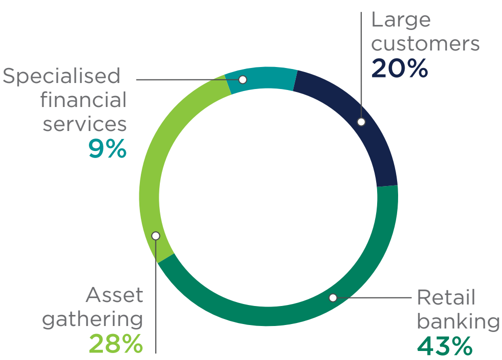


Phased-in solvency ratios
(as a percentage)

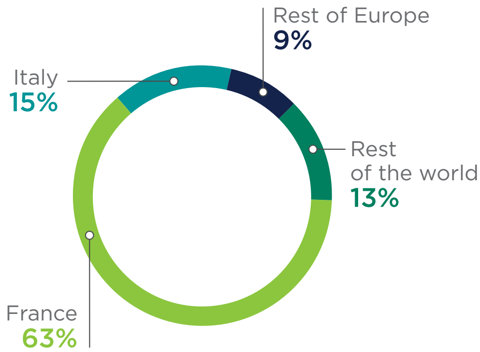


RESULTS IN 2022

By business line(3)



By geographic area



TRENDS IN EARNINGS

Condensed income statement

(in millions of euros)	2020	2021	2022
Revenues	33,596	36,822	38,162
Gross Operating Income	11,768	13,741	13,709
Net income	5,193	9,953	8,873
Net Income Group Share	4,689	9,101	8,144

Net income Group share 2022

€8,144m(4)

(1) Gross value of loans and receivables due from credit institutions and due from customers.
(2) Debt to customers, debt to credit institutions (excluding Crédit Agricole internal transactions), debt securities (excluding bonds).
(3) Excluding the Corporate Centre division.
(4) Underlying net income Group share for 2022 stood at €7,909 million.

Our universal customer-focused banking model – a global relationship bank for all

Crédit Agricole Group's universal customer-focused banking model is based on the close association of its retail banks with its specialised business lines. The Regional Banks, LCL and our international retail banks are at the heart of this model, based on recognised know-how in the distribution of all the financial products and services developed by the Group to all types of customers in France and internationally.

This model underscores the commitment of Crédit Agricole Group and its specialised subsidiaries to be the trusted partner of all of its customers and to cover the full breadth of their needs: financing, payment instruments, insurance, savings management, real estate, international expansion, energy transition support and technology services.

All of these services and skills are offered in a close relationship based on the Group's retail banks in France (Regional Banks, LCL, BforBank) and internationally (including Crédit Agricole Italia and CA Bank Polska etc.). The contacts maintained by employees and elected representatives of Local and Regional Banks in the field provide solid knowledge of customers and their problems over the long term. This understanding of the expectations and needs of customers, together with the strength of the Group's networks, enable Crédit Agricole S.A.'s specialised business lines to constantly improve their offerings and their competitiveness.

This universal and customer-focused model demonstrated its strength, resilience and usefulness to all stakeholders, including during the unprecedented events of the last three years. The Group was thus able to support all of its customers through the difficult times, but also seize the opportunities of recovery. Such experience also serves to underscore the value of the Group's project, implemented in 2019, which focuses on customers, people and society, and which has been formalised in a ten year vision plan for Regional Banks, and in Crédit Agricole S.A. strategic plan "Ambitions 2025" launched in June 2022.

CRÉDIT AGRICOLE S.A. – RATINGS AT 31 DECEMBER 2022

Ratings	LT/ST counterparty	Issuer/LT senior preferred debt	Outlook/Review	ST senior preferred debt	Date of last review	Rating action
S&P Global Ratings	AA-/A-1+ (RCR)	A+	Stable outlook	A-1	19/10/2022	▪ LT/ST ratings affirmed; outlook unchanged
Moody's	Aa2/P-1 (CRR)	Aa3	Stable outlook	P-1	15/12/2021	▪ LT/ST ratings affirmed; outlook unchanged
Fitch Ratings	AA- (DCR)	A+/AA-	Stable outlook	F1+	19/10/2022	▪ LT/ST ratings affirmed; outlook unchanged
DBRS	AA (high)/R-1 (high) (COR)	AA (low)	Stable outlook	R-1 (middle)	13/09/2022	▪ LT/ST ratings affirmed; outlook unchanged

ACTIVITIES AND ORGANISATION OF THE REGIONAL BANKS

The Crédit Agricole Regional Banks are cooperative entities and fully fledged banks that have a leading position in all their retail banking markets in France. With 21,2 million individual customers, the Regional Banks account for 24% of the household bank deposit market and 23.9% of the household credit market (source: Banque de France, December 2022).

They are leaders in the retail market of individuals above 18 years old (source: Sofia Kantar TNS 2022), in the retail market of individuals under 18 years old (source: Baromètre Jeunes 2022 CSA), in the agricultural market (85% market share; source: Adéquation 2022), SMEs and small businesses (32% market share; source: Pépites CSA 2021-2022), and in second place on the corporate market (38%; source: Kantar 2021).

The marketing of products and services covering the financial and wealth management needs of their customers is based on a network of nearly 6,000 branches, about 5,000 Relais CA installed at small retailers and a full range of remote banking services.

The Crédit Agricole Group 2022 business model for sustainable value creation

OUR RESOURCES

OUR ACTIVITIES

Providing financing, savings and insurance solutions

Supporting and advising our customers throughout the various key moments in their lives

OUR DNA

A mutualist and cooperative Group serving all.

A DIVERSE GEOGRAPHIC FOOTPRINT

In France:
Operating at the heart of communities, and committed to the economy, social cohesion and the acceleration of sustainable transformations

39 Regional Banks, LCL and BforBank

7,100 retail banking branches

Abroad:

46 countries

51% of Crédit Agricole S.A. employees

OUR TALENT

145,000

Crédit Agricole Group employees

OUR TECHNOLOGICAL AND ENERGY EXPERTISE

A **single centre of IT expertise** serving all of the Group's business lines

Energy transition experts in the Group's various business lines, serving professional and individual customers

100% green electricity for Crédit Agricole S.A.

OUR GOVERNANCE

Solid majority shareholder, provinglong-term commitment

OUR MULTIPLE PARTNERS

An organic growth model reinforced by external expertise and distribution partnerships in France and abroad.

OUR CAPITAL

Equity Group share

Group: **€126.5bn**

Crédit Agricole S.A.: **€64.6bn**

Our strategic commitments

Accessible to everyone, in all regions, via all channels

Protecting our customers' interests and assets

Human responsibility at the heart of our model

Sound and diverse range of expertise

Supporting the economy and social cohesion

Supporting the transition to other sources of energy

Contributing to the decarbonisation of society

(1) ECO, 2022 benchmark
(2) IPE (Investment & Pensions Europe) 2022 Asset Management Guide
(3) L'Argus de l'Assurance 2022 (2021 revenues)
(4) GCA – 2022 rankingOctober of recruiting corporates, Le Figaro, 15 February 2022
(5) GCA – Universum, 2021 survey
(6) Bloomberg

"Working every day in the interest of our customers and society".

Developing investment solutions

Offering complementary services

Payment instruments, real estate, healthcare etc.

Supporting the energy transition of all of our customers and contributing to the decarbonisation of society

OUR VALUE CREATION

Customers

Number 1 funder of the French economy[1] (€796bn in outstanding loans in retail banking in the Crédit Agricole Group)
Number 1 asset manager in Europe[2] (€1,904bn in assets under management)
Number 1 insurer in France[3]

Employees

81% participation in the Empowerment Index (IMR – *Indice de mise en responsabilité,* an internal survey)
12 825 internal transfers for Crédit Agricole S.A., France and International
Number 1 recruiter[4] in financial services in France and number 5 in all categories
Most committed employer in CSR[5] in its sector in France and number 5 in the CAC 40
37.5% of Crédit Agricole S.A. Executive Committee members are women

Shareholders and investors

€37.7bn in Crédit Agricole Group revenues (underlying)
€29.9bn in Crédit Agricole S.A. market capitalisation
€5.5bn in Crédit Agricole S.A. net income (underlying)
€8.1bn in reported revenues for the CA Group, of which approximately 75% is retained for regional services

Public authorities and partners

Group procurement: **€6.8bn**
Group taxes and social security costs: **€7.4bn**

Civil society and the environment

$35.5bn in arrangements for green, social and sustainable bonds (number 3 in the world), CACIB[6]
€16bn in outstanding green loans, CACIB
€20.4bn in cash invested in green, social and sustainable bonds, Crédit Agricole Group
100% of open-ended actively managed funds include ESG criteria[7], Amundi
€2.5bn Number 1 private funder of renewable energy in France, CAL&F[8]
11.8 GW installed renewable energy capacity by equity financing, CA Assurances
3,700 overindebted customers helped by CA Consumer Finance Point Passerelle: **10,000 families** helped by Regional Banks in 2021

Our foundation, the Regional Banks

That provide retail banking products and services to all customers, in all regions, as part of a global relationship.

Carbon neutrality – our Net Zero Banking Alliance targets

60% of AUM covered by the Net Zero target from 2023, Crédit Agricole Group[9]
-25% of carbon emissions per million euros invested in 2025 compared to 2019, CA Assurances[10]

(7) Where an ESG rating methodology is technically applicable
(8) Sofergie ASF data at the end of 2021.
(9) Goal of carbon neutrality by 2050: Net Zero Banking Alliance target
(10) Net Zero Asset Owner Alliance target, for the carbon footprint of listed equity and corporate bond portfolios managed by Amundi for CAA (€127bn at 31/12/2021)

The business lines of Crédit Agricole Group at 31 December 2022

RETAIL BANKING

REGIONAL BANKS

MISSION: With a presence across France, the 39 Regional Banks, cooperative companies and fully fledged banks help their customers to achieve their goals, whether individuals, high-net-worth customers, farmers, small businesses or corporates from the public sector or the social economy.

OUR OFFERING: An advisory approach based on a full range of products and services that can be accessed in-branch or remotely, aimed at meeting the needs of our customers in the areas of banking (payments, savings, financing, corporate financing and international banking), insurance (life, property and casualty, and death and disability) and real estate (consulting and valuation of property assets, property administration and rental management).

KEY FIGURES:

25.3 million customers (including 21.2 million individual customers)	11.5 million members	23.9% Share of the household credit market

LCL

MISSION: LCL is the only domestic network bank in France to focus exclusively on retail banking and insurance. It covers all markets: individual customers, SMEs and small businesses, and private and corporate banking, with strong positioning among urban customers.

OUR OFFERING: LCL provides a complete range of banking products and services, finance, insurance, savings and wealth management, payment services and cash flow management. With branches, especially in urban areas with high development potential, and an online banking service, it provides a close customer relationship (mobile app and website).

KEY FIGURES:

Loans outstanding €164bn (including €101bn in home loans)	Total customer assets €236bn	≈ 6 million individual customers

INTERNATIONAL RETAIL BANKING

MISSION: Crédit Agricole's international customer-focused universal banks are located in Italy, Poland, Ukraine and Egypt. They serve all types of customers (individuals, small businesses, agricultural and food processing businesses, and corporates – from SMEs to multinationals), working closely with the Group's specialised business lines and activities.

OUR OFFERING: The international retail banks offer a range of banking and specialised financial services as well as savings and insurance products, in synergy with the Group's other business lines (Crédit Agricole Corporate and Investment Bank, CAA, Amundi, CAL&F etc.).

KEY FIGURES:

Loans outstanding €66.3bn	Customer assets €72.1bn	5 million customers

ASSET GATHERING

INSURANCE

MISSION: As France's leading insurer[(1)], Crédit Agricole Assurances is highly focused on the needs of its customers, whether they are individuals, SMEs and small businesses, corporates or farmers.

TARGET: To be useful and effective, from designing solutions and services to handling claims.

OUR OFFERING: A full and competitive range, tailored to customers' needs in terms of savings/retirement, death & disability/creditor/group and property & casualty insurance, and backed by the efficiency of the largest banking network in Europe and international partnerships outside the Group.

KEY FIGURES:

Revenues €35.3bn	Savings/retirement outstandings €321bn	Number of property and casualty insurance contracts 15.3 million

ASSET MANAGEMENT

MISSION: Amundi is the leading European asset manager in terms of assets under management and ranks in the top 10 worldwide[(2)]. The Group manages €1,904 billion[(3)] and has six main management platforms (Boston, Dublin, London, Milan, Paris and Tokyo).

OUR OFFERING: Amundi offers its customers in Europe, Asia Pacific, the Middle East and the Americas a full range of savings and investment solutions in active and passive management, in traditional or real assets. It constantly strives to have a positive impact on society and the environment. This offering includes services and technological tools covering the entire savings value chain.

KEY FIGURES:

Assets under management €1,904bn[(3)]	No. 1 European asset management company[(2)]	Present in 35 countries

WEALTH MANAGEMENT

MISSION: Indosuez Wealth Management comprises Crédit Agricole Group's wealth management activities[(4)] in Europe, the Middle East and Asia-Pacific. Renowned for the breadth of its offering and its international reach on a human scale, it operates in 10 territories around the world.

OUR OFFERING: Indosuez Wealth Management offers a tailored approach, allowing each of its customers to preserve and grow their wealth in a manner which best fits their aspirations. Embracing a global vision, its multidisciplinary teams draw on excellence, experience and expertise to provide customers with appropriate, sustainable solutions.

KEY FIGURES:

€130bn Assets under management[(4)]	€4.1bn in inflows	Present in 10 territories

(1) Source: L'Argus de l'Assurance, 14 December 2022 (data at end-2021).
(2) Source: IPE "Top 500 Asset Managers" published in June 2022 and based on assets under management at 31 December 2021.
(3) Amundi data as at 31 December 2022.
(4) Excluding LCL Private Banking, Regional Banks and private banking activities within International Retail Banking.

SPECIALISED FINANCIAL SERVICES

CONSUMER FINANCE

MISSION: A major player in consumer finance in Europe, Crédit Agricole Consumer Finance offers its customers and partners a range of flexible, responsible financing and leasing solutions, tailored to their needs. Digital is a strategic priority, particularly through investments, in order to build with the clients a credit experience which meets their expectations and new consumption trends.

OUR OFFERING: A complete multi-channel range of financing, long- and short-term leasing, insurance and service solutions available online, in branches of CA Consumer Finance subsidiaries and at its banking, institutional, distribution and automotive partners.

KEY FIGURES:

Assets under management €103bn	Including €23.4bn on behalf of the Crédit Agricole Group	Present in 18 countries

LEASING, FACTORING AND FINANCE FOR ENERGIES AND REGIONS

MISSION: Crédit Agricole Leasing & Factoring (CAL&F) provides solutions for corporates of all sizes for their investment plans and the management of their trade receivables, through its offering of lease financing and factoring services in France and Europe. CAL&F is one of France's leading providers of finance for renewable energies and regions.

OUR OFFERING: In lease financing, CAL&F offers financing solutions to meet property and equipment investment and renewal requirements. In factoring, CAL&F provides trade receivable financing and management solutions for corporates, both for their day-to-day operations and for their expansion plans. Lastly, CAL&F, via its subsidiary Unifergie, helps corporates, local authorities and farmers to finance renewable energy, energy performance and sustainable infrastructure projects.

KEY FIGURES:

#1 private investor in renewable energy financing in France(1)	€29.7bn of managed outstandings	256,000 customers including 87,200 abroad

LARGE CUSTOMERS

CORPORATE AND INVESTMENT BANKING

MISSION: Crédit Agricole Corporate and Investment Bank is the corporate and investment bank of Crédit Agricole Group, with a franchise known for serving corporates and financing activities through a powerful network in the major countries of Europe, the Americas, Asia-Pacific and the Middle East.

OUR OFFERING: Products and services in investment banking, structured finance, international trade finance and commercial banking, capital market activities and syndication, and "green" finance expertise that is recognised worldwide.

KEY FIGURES:

$35.5bn Green, social, sustainable bonds bookrunner (top 5 worldwide, according to Bloomberg)	2nd largest bookrunner in syndicated loans for the EMEA region (source: *Refinitiv*)	More than 30 markets hedged

ASSET SERVICING

MISSION: CACEIS, a specialist asset servicing group, provides support to asset management companies, insurance companies, pension funds, private equity, real estate, infrastructure and private debt funds, banks, brokers and corporate clients from order execution to asset custody.

OUR OFFERING: With a network of offices across Europe, North America, South America and Asia, CACEIS offers *asset servicing* solutions across the entire life cycle of investment products and across all asset classes: execution, clearing, forex, securities lending, custody, depositary banking, fund administration, middle-office outsourcing solutions, fund distribution support and issuer services.

KEY FIGURES:

Assets under custody €4,090bn	Assets under administration €2,172bn	Assets under depositary €1,729bn

Specialised businesses and subsidiaries

Crédit Agricole Immobilier

- €1bn in annual fees
- ~ 3 million m² under management at end-2022
- More than 2,200 homes sold in 2022

Private equity (IDIA & CACIF)

- IDIA Capital Investissement: €2.0 billion in assets under management
- ~100 corporates given equity support

Crédit Agricole Payment Services

- France's leading provider of cardholder payment services with a 27.4%(2) market share and 22.8 million bank cards (payments and withdrawals)
- Merchant electronic payment systems(3): sixth in Europe for card payment acquisition
- 13.6 billion(4) payment transactions processed (an average of 38 million per day)

Crédit Agricole Group Infrastructure Platform

- 17 sites in France
- 170,000 workstations/platform positions enabling the connection of 120,000 teleworkers in the Group
- Power usage effectiveness (PUE) *indicator of the* Chartres data centre: 1.35 (down from 2019 and below the Uptime Institute benchmark of 1.67)

Uni-médias

- 12 publications, most of them leaders in their sector, with nearly 1.5 million subscribers
- 16 million unique visitors per month(5)
- 21 million visits per month(5)

BforBank

- 211,000 customers
- Award-winning customer service: Moneyvox "Banking Quality" award winner for best Project Adviser

(1) Internal CAL&F source based on 2021 ASF Sofergie market data.
(2) Source: ECB and Banque de France 2022 (2021 data).
(3) Source: Nilson Report 2022 (2021 data).
(4) Source: Crédit Agricole Payment Services (2022 data).
(5) Source: Piano Analytics 2022.

Retail banking - Regional Banks

BUSINESS AND ORGANISATION

The Crédit Agricole Regional Banks are cooperative entities and fully fledged banks that have a leading position in all retail banking markets in France, for both adult and minor individual customers. They are leaders in the agricultural market, SMEs and small businesses, and hold the second-largest share of the corporate market.

Structured especially around the Group's business lines, they offer a whole range of products and services aimed at meeting the financial and wealth management needs of their customers: payment instruments, insurance, savings, financing, corporate financing, real estate, and international support. They have a network of almost 6,000 branches, supported by around 5,000 Relais CA installed at small retailers, and also provide their customers with a full range of remote banking services.

With 21,2 million individual customers, the Regional Banks account for 24% of the household bank deposit market and 23.9% of the household credit market (source: Banque de France, December 2022).

Business bank for 85% of farmers (source: Adéquation 2022), who enjoy a network of over 2,000 dedicated advisors, fulfilling the private banking needs of the vast majority of this segment.

The Regional Banks are also the leader on the small business market, supporting both private and professional needs, with a penetration rate of 32% (source: CSA Pépites 2021–2022). The 4,500 Crédit Agricole experts and business advisors continually strive to help our corporate customers reach new heights.

The Regional Banks are the second-biggest player on the corporate market in France, with a penetration rate of 38% (source: Kantar 2021). With more than 2,000 corporate advisors, the Regional Banks are specifically structured to provide guidance and support to all companies in their local areas (start-ups, SMEs and mid-caps), and to assist local authorities and, more generally, local public sector and social economy actors.

2022 highlights

- The Client Project has been strengthened this year, and has made it possible to meet the new priorities of our customers: to have valuable services added, refocus on the essentials, focus on safety and responsible commitments.
- As part of its Societal Project, the Crédit Agricole Group announced a development plan structured around three priorities: taking action for the climate and transition to a low carbon economy; strengthening social cohesion and inclusion; and making the agricultural and agri-food transitions successful.

Client Project

The Client Project aims to accelerate the development of the Crédit Agricole Group and support all its customers during their transition process, thereby becoming the bank of choice for individuals, entrepreneurs and corporates alike.

To do this and to achieve the highest Net Promoter Score (NPS) in its sector, Crédit Agricole is working towards four targets:

1. pursuing a connected and human banking model that works for everyone;
2. putting the customer and collective interest at the heart of what we do;
3. implementing a development strategy expanded to new territories and growth drivers;
4. making every Group brand a benchmark and entity of choice in its scope of activity.

A connected and human banking model that works for everyone

Ensuring an omnichannel relationship where human interaction provides confidence, discernment and situational intelligence.

The entire Group ecosystem works together to provide our customers and prospects with a high value chain across all digital journeys.

Firstly, the Regional Banks have collectively organised the Group's digital acquisition services, giving full power to their dedicated platform, eDéveloppement. At the same time, in order to support their customers in their digital ecosystem, the Regional Banks are innovating with AI tools to make their digital interfaces and communications as efficient as possible.

The Group is carrying out major work to digitise all of its customer journeys, whether with total autonomy for the customer or with the support of an advisor: the momentum is strong, with a 30% increase in production and roll-out, a reduction in lead times, and a sharp rise in usage. For example, three-fifths of customers used the website and app in 2022, compared to 50% in 2020, which represents 11.5 million active customers.

Among the new functionalities available to our customers are the option for them to carry out KYC reviews themselves, the ability for 85% of credit offers to be signed by customers autonomously, and several pathways through the entire universe of needs.

2022 was also an important year with the development of the new app for Regional Bank customers, with 7.5 million users upgrading from the old version. This app has almost 200 million log-ins per month.

Reaching new heights in relational excellence and offering a successful customer and advisor experience.

In 2022, Crédit Agricole posted **positive Strategic Net Promoter Scores** on all markets for the second year running, and stable results, with the exception of corporates. 2022 saw the eleventh national Net Promoter Score calculated for all markets, and the first time for the local authorities market. With an NPS of +12 on the retail market, the Crédit Agricole Group now ranks second among the bank networks.

To enable each Regional Bank to identify levers for improving the customer experience (one of the major challenges faced by the Client Project), **the customer polling initiative is complemented by:**

- regional strategic NPSs across all customer markets;
- branch- and event-based NPSs;
- online reputation analysis;
- customer verbatim analysis.

Customer experience standards, at the highest levels of excellence, give our customers the opportunity to make comparisons on an almost daily basis and reinforce their expectations with regard to tailored advice, the autonomy and responsibility of advisors, consideration, recognition of loyalty, fluidity of processes, and zero errors.

This encourages us **to continuously assess our relationship model** through **two major programmes** already deployed or currently being deployed within Crédit Agricole entities:

- **The Relationship Model**, which aims to put the customer at the centre of our actions, concerns and day-to-day practices. This programme is based on the autonomy, responsibility and expertise of team members, the Responsible Human, with the balancing of focuses as a basis for the collective functioning. It acts to support the digital, human and organisational transformations of the Regional Banks and other Group entities both in France and abroad, at the heart of our connected and human banking model that works for everyone.
- **The Group Customer Annoyances Battle Plan,** which is reflected in the drafting and implementation of anti-annoyance plans (prevention, detection, resolution, cross-cutting communication and governance management actions) for each entity and the Group as a whole.

  In its third year of operation, the Relationship Excellence Academy continues to support all Group entities in fostering a customer-centric culture and relationship excellence, with 80 Customer Champions (one per entity) in charge of transforming the customer experience. The Academy has thus individually supported each requesting entity in its work, carried out diagnoses and produced deliverables to provide inspiration based on best practices, in particular those of the most virtuous external companies in terms of customer satisfaction.

Putting the customer and collective interest at the heart of what we do

Offers that are in the interest of customers and society

- The new everyday banking range, **Ma Banque au Quotidien**, has been marketed by all the Regional Banks since 2022. This range was built together with our customers and is composed of five different packages (Eko, Globe Trotter, Essentiel, Premium and Prestige), ensuring that there is something for everyone. Depending on the offer selected, customers can enjoy a bank card, insurance on their purchases and/or trips, a flat fee for foreign transactions, and more. They can be accessed online or in-branch and include access to an advisor as standard.
- **Propulse by CA**, launched in October 2022, helps entrepreneurs achieve success in their business with a number of free articles and guides, services (fully digital business account, business planning tool, and company creation assistance) and community support. The business accounts offered (Start and Start+) include management tools that make tasks easier (quote/invoice generator, expense report management, support with social security contribution declarations etc.), and insurance to protect business-owners when needed.
- **Epargne Engagée by CA**. A redesign of the range of 100% responsible investments, this range is accompanied by the creation of training tools for taking ESG preferences into account. This new range includes, for example, the CPR Invest Blue fund, which targets companies directly or indirectly linked to the ocean.
- **Livret Engagé Sociétaire (savings account)**. In 2022, Crédit Agricole wished to strengthen its commitment, and that of its 11.5 million customer-members, to the climate and the transition to a low-carbon economy, to the success of agricultural and food industry transitions, to support food sovereignty, and to strengthen social cohesion and inclusion. By upgrading its Livret Sociétaire account, the Group now offers holders of the Livret Engagé Sociétaire the opportunity to help finance projects in these areas. Crédit Agricole's social commitment is set out in a customer charter and illustrated by representative examples in the regions (creation of a shared house for senior citizens, installation of photovoltaic panels on co-working buildings, financing of a dairy farm with a short supply chain etc.). With the Livret Engagé Sociétaire, which has 1.25 million customers at the end of 2022, the Crédit Agricole Group is one of the first major banks to offer a bank savings product with a strong, measurable promise: every euro in this account actually contributes to the financing of an eligible project and no others. This is an opportunity for our member customers to become even more involved in the major climate and social challenges, regardless of their means. The Crédit Agricole Group has put in place a system to ensure that the commitment announced is fulfilled, in particular by improved monitoring of the nature, content and use of the financing granted. The transformation of the existing Livret Sociétaires into a Livret Engagé Sociétaire now guarantees a financial resource of more than €12 billion.
- **The Livret d'Épargne Populaire** (popular savings passbook account – LEP) is a regulated product that is subject to income conditions as set out in a reference scale. The eligibility of the holder must be verified upon subscription to the product and then on a yearly basis upon notification of tax assessment. Since March 2022, all LEP subscriptions have been carried out with automatic verification by the Direction Générale des Finances Publiques (French Treasury Department). This service removes a major annoyance for many customers and gives customers with lower incomes access to an inclusive savings account that protects their purchasing power.
- **Bond range.** Creation of the Opportunité Obligataire range to meet the economic expectations of our customers.
- **Transformation of the processing of unlisted securities** to provide customers with better transaction security and faster speeds, with a customer promise for transactions to be settled within four days.
- In 2022, the Crédit Agricole Group remained committed in this phase to supporting the economy and helping it to recover with the **Prêts Participatifs Relance** (PPR) fund (the government-backed equity loan scheme for businesses) and **Obligations Relance** (stimulus bonds – OR). PPRs make it possible to finance, over time, investment transactions (whether strengthening and modernising production tools or investing in research and development) and development projects (digital or energy transition, business development in France or abroad, external growth opportunities). The ORs are a government guarantee scheme. They aim to strengthen the balance sheet of French corporates and improve the financial position of SMEs and mid-cap companies.
- Crédit Agricole is supporting its customers with the launch of its new **Resonance** package, which contributes to targeted financing for the energy, ecological and societal transition for the corporate and public sector markets. This package was developed by CACIB and is marketed by the Regional Banks.
- **New social home ownership package**: The OFS-BRS scheme, which has already been rolled out in 10 Regional Banks. In order to give lower-income families access to property in areas where property prices are under pressure, successive governments have created a Bail Réel Solidaire (real solidarity ease – BRS) system, which relies on the creation of Organismes Fonciers Solidaires (community land trusts – OFS). Formed under the Loi pour l'Accès au Logement et à un Urbanisme Rénové (Access to Housing and Updated Urban Planning Act), these trusts own the land, and

leaseholders (whether households or social landlords) own the building. Crédit Agricole has positioned itself as a provider of financing to these new schemes. The Regional Banks have invested in several of these trusts. More than half of French social housing organisations are financed by Crédit Agricole.

- Against a backdrop of rising rates and liquidity constraints, in 2022, we launched our new **CA Obligat** range across all markets, made up of three new savings bond products.
- Enhancement of the wealth management and Private Banking offering with the marketing of funds dedicated to local regions and health. The launch of sub-funds enabling customers to combine both management delegation and investment autonomy. Innovative offerings for **the Private Banking and wealth management mandate range**, with diversified management and lower costs.
- As part of its Societal Project, Crédit Agricole is launching **"Ambition Agri-Agro Investissement"**, an investment fund dedicated to the agricultural and agri-food transitions. With a target of raising €300 million in funds from the Regional Banks, Crédit Agricole S.A. and its subsidiaries, this new vehicle will be managed by IDIA Capital Investissement, which boasts 30 years of experience as an investor in the agriculture and agri-food industries. It aims to meet the capital financing needs of all companies in the agri-food value chain, in France and Italy, which have ambitious transition strategies.
- To meet its ambitions in terms of food sovereignty, France has significant assets to be more autonomous and secure its production, whether for human or animal consumption. To meet this challenge, the Group is working on three pillars: To help new generations of farmers get started; to enhance the value of the farming profession; and to promote sustainable food by developing short supply chain distribution. In order to find concrete solutions to these sovereignty issues, Crédit Agricole issued a national call for ideas that ran between 1 September and 31 October 2022, asking all of its employees the question: How can Crédit Agricole support the agricultural sector? Of the 2,717 ideas proposed by all participants (employees and directors), 12 ideas caught the attention of the participants, the Group's agricultural and agri-food experts and the pre-selection jury. Three projects were then chosen as the overall winners of the call for ideas based on three themes: **generational renewal, promotion of the farming profession and sustainable food**. A call for solutions will be issued in 2023.

Protecting our customers and securing their life trajectories

- The **Ma Protection Maison** remote monitoring package is now part of Crédit Agricole and LCL's global protection-based approach. It is sold in-branch and via telephone platforms using the New Sesame subscription tool. Continuous improvement is made to the offering and its distribution, with adaptation of the decision tree integrated into New Sesame. This package is accompanied by a marketing events plan, implemented in collaboration with Crédit Agricole S.A. teams.
- To help and protect our customers, we are a distributor of the government-backed loan **Résilience**, which is open to corporates with a significant need for cash due to the economic consequences of the conflict in Ukraine.
- The introduction of the **European Guarantee Fund** offer with the European Investment Fund, a subsidiary body of the European Investment Bank. This offer is part of a new European programme awarded €25 billion to support the economic recovery in the wake of the Covid-19 pandemic.
- Crédit Agricole is committed to helping young people with a range of banking and non-banking services enabling them to achieve their goals. In 2022, the Crédit Agricole Group rolled out a **dedicated home insurance offer for young tenants**. This solution is aimed at all young people under 30 years of age and includes basic home insurance through a simple and inclusive offer costing €6 per month.
- Also in 2022, the Crédit Agricole Group expanded its societal commitment, in particular through its non-banking platform **Youzful**, which is dedicated to helping young people in matters of career guidance and employment (230,000 young people registered and 700,000 job, work-study and internship offers, since the launch of Youzful in January 2021).
- **Financial vulnerability support.** Since 1 October 2022, Crédit Agricole's Regional Banks have waived transaction and service charges for customers in vulnerable situations who have the Compte à Composer Module Budget Protégé offer, going beyond the legislator's request, which imposes a ceiling of €20 per month. This measure ensures that more than 128,000 customers will not be affected by transaction fees during the current period of economic hardship.
- In addition to this mechanism for automatically detecting situations of proven financial vulnerability, the Crédit Agricole Group's Regional Banks are strengthening their mechanism for the **early detection of potential financial vulnerability** among their customers, to enable advisers to intervene upstream with an analysis of the financial position and a proposal for support tailored to their situation, with a new, more effective algorithm introduced in November 2022.
- Implemented in 2022 and taking effect in January 2023, the **crop insurance** reform aims to review the entire crop loss compensation and climate risk management system, which has become inadequate. This reform should give way to a new system that is fairer, more accessible and more efficient, founded on a three-tier structure made up of farmers, insurers and the French government.
- **EKO AUTO**: Crédit Agricole Assurances includes comprehensive insurance in its new auto range in the form of EKO, which is available to all customers at an attractive price. The EKO AUTO offer has been subscribed to by almost 50,000 customers since its launch.
- **EKO Mobilités**: Since the end of 2022, Agilauto has offered a leasing package that makes cleaner mobility accessible to more people. Its lease agreements (with the option to buy the vehicle) provide access to a Crit'Air 0 or 1 vehicle that is either new or less than five years old for a monthly fee of €100.

A development strategy expanded to new territories and growth drivers

- Launch of the **J'écorénove Mon Logement** (Green-Renovating My Home) site: the J'écorénove site, which was launched on 30 November 2022, aims to encourage and support all customers and prospects in their home energy renovations. Customers and prospects will be able to view an estimate of their energy label, recommendations on the renovation work to be carried out, an estimate of costs for such work, the support they can benefit from and a simulation of financing to carry out the project. Users can access all this information independently or meet with their advisor to discuss it.
- Establishment of a partnership with ABF Décisions, a financial engineering firm that specialises in public financing consulting. ABF Décisions provides its customers with all the public funding (European, national and local) to which they are entitled for their development projects. More than 30 Regional Banks have already joined the ABF Décisions partnership since January 2022. This partnership was extended at the end of 2022 to include the local authorities market and associations.

- The Regional Banks are structured around the **healthcare business line**, with the support of dedicated coordinators and health advisors/managers. A training course on the health ecosystem was launched in March 2022 with our Group university, IFCAM. In 2022, **the healthcare business line** supported healthcare workers moving to local areas, with a particular focus on increasing the number of women in the profession, with the help of a €400 million partnership between Crédit Agricole and the European Investment Bank. Our support also gave rise to a webinar dedicated to getting set up in collaboration with Le Quotidien du Médecin, three guides with our subsidiary UNI MEDIAS for healthcare professionals covering phases of their lives, and a national communication campaign in which Crédit Agricole pledged "to support all healthcare professionals", whatever their field. To illustrate our universal support approach, we have set up a housing loan offer specifically for medical interns.

Making every Group brand a benchmark and entity of choice in its scope of activity

- Deployment of the **Property business sector and the "Banque-Immo" model** to provide start-to-finish support for Regional Bank customers in their real estate projects: property advisors from the Square Habitat subsidiary and Crédit Agricole advisors work together and share their professional expertise to offer a solution at every stage of the customer's project, from searching for a property to financing and protection.
- As part of its Societal Project, the Crédit Agricole Group is developing its **Agilauto** solution, which was launched in 2019. Mobility solutions are a growth driver and act as a buffer for the Group's car loan performance. The challenge is to obtain new centralised expertise, switching from financing only to financing and leasing. To this end, the 360-degree approach to customers' mobility needs in all products and markets has been reviewed collectively by CA Consumer Finance, Crédit Agricole Leasing & Factoring, Crédit Agricole S.A. and the Credit Portfolio Management Regional Banks.

In synthesis, and for each market

Retail customer market

With regard to the retail customer market, household purchasing power faced heavy constraints in 2022. Consumption patterns and the social and environmental scenario continue to change rapidly. The Societal Project deployed in the retail customer market aims to anticipate and support customers facing financial vulnerability and challenges relating to energy renovation, alternative mobility and ageing.

Financing of operations linked to the energy transition (mobility and housing) is on the rise, and the launch of the J'écorénove Mon Logement site makes it easier for our customers to renovate their homes in an eco-friendly way.

Worth customer market

It is a growing market, itself concentrating a significant share of French household savings.

The economic and financial context marked by a return of inflation, rising interest rates and high levels on the equity markets, is an opportunity to reconsider clients' wealth strategies. Advice on savings is once again at the heart of the stakeholders' strategy.

In 2022, Crédit Agricole renewed its sustainable savings offer to provide innovative solutions to its customers. Similarly, the transformation projects opened by 2025 are bearing their first results: a renewed approach of customer's potential and mapping of our customers; priority segments for conquest (young people and business leaders, Pro and Agri); strengthening the wealth expertise of advisors; and the convergence of the CA Private Banking brand with the Group's Societal Plan.

Small business market

In 2022, the small business market enjoyed momentum from the exit from the health crisis and subsequent boost in activity, but also faced rising costs and pressure on supplies, directly and indirectly linked to the Russia-Ukraine war.

In this context, Crédit Agricole has maintained its leading position with a stable market share (24%) and a good position in terms of customer satisfaction (third place among traditional French banks). Customers have largely continued to save (+3.4% in on-balance sheet deposits) and borrow massively (+6.5% in outstanding business loans). Customer default rates remain, for the time being, below pre-crisis levels.

In response to the sharp increase in the number of micro-entrepreneurs, growing demand for digitisation and the rise of neobanks, Crédit Agricole has developed several offerings aimed at these new business customers, which will be deployed in 2023.

Public sector and the social economy

The tense economic and social context resulting from the war in Ukraine, the rise in energy prices and the increase in inflation more generally has weighed on local authorities and affected the recovery projected for 2022. These circumstances have also impacted the social housing sector and raised fears of a slowdown on short-term investments. In the long term, the social housing sector is considered to be strong and able to overcome the challenges of rehabilitation/ production.

Our goal is to strengthen our support for the public sector and the social economy in order to reinforce our links and usefulness to our territories, with two-thirds of local authorities already Crédit Agricole customers and a market share on outstanding loans that stabilised at around 18% in 2022.

For social housing, our goal is to maintain and increase our presence with social landlords in their projects to support the energy renovation of low-income housing (green and social loans) and to promote social inclusion by facilitating social access to property (OFS-BRS scheme).

As part of the Societal Project, Crédit Agricole has extended its range of structured financing offered to corporate, public sector and social economy customers, with the creation of a targeted green and social loan offering developed with the expertise of Crédit Agricole CIB.

Corporate market

Crédit Agricole has consolidated its position as a leading bank alongside corporates and their executives with a historic production level of new medium-term equipment loans for the corporate market at €17.3 billion in 2022 (+18% in one year).

On the agricultural market

In 2022, agriculture has shown resilience to various challenges: geopolitical conflicts, soaring and volatile prices, carbon and agroecology, increasing climatic and health hazards, food sovereignty and generational renewal. In this changing context, Crédit Agricole's societal project takes on its full meaning, with concrete work on supporting agri-agro transitions, structuring the carbon sector of the France Farm and food sovereignty.

Crédit Agricole is progressing and consolidating its leading position with a penetration rate up to 85%.

2

Review of the 2022 financial position and performance

Operating and financial information

PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS OF CRÉDIT AGRICOLE GROUP

Changes to accounting policies and principles

Changes to accounting policies and principles are described in Note 1 to the consolidated financial statements for the year ended 31 December 2022.

Changes in the scope of consolidation

Changes in the scope of consolidation are described in Notes 2 and 12 to the consolidated financial statements for the year ended 31 December 2022.

ECONOMIC AND FINANCIAL ENVIRONMENT

Overview of 2022

The scenario developed at the end of 2021 assumed ban easing of both post-pandemic demand and supply constraints. This scenario was based on twofold normalisation with growth remaining sustained after a period of unusual vigorousness and a moderation of inflation. In February 2022, the dramatic shock of the Russia-Ukraine war broadsided this scenario through three main channels: confidence, by causing concern; supply, by causing actual or anticipated shortages; and demand, by stimulating inflation. As during the Covid crisis, a hierarchy of national vulnerabilities was established according to multiple criteria: distance from the war zone; level of trade with the warring parties (including dependence on grain, gas and oil imports and the energy mix); terms-of-trade shock; and ability to mitigate price increases (particularly by means of public subsidies). While countries have been affected differently by this new shock, none have escaped the acceleration and spread of inflation, leading to a more widespread and premature monetary tightening and a downward revision of growth. The only notable exception was China, which avoided inflation.

After strong growth (8.1%) in 2021 supported by exports that were boosted by Western stimulus packages and a highly accommodative monetary policy, **China** has indeed suffered a slowdown affecting all segments of its economy, including the property sector, private consumption and foreign trade. Anti-Covid restrictions disrupted industrial production and consumption, but sluggish domestic demand kept inflation in check; the global slowdown and rising commodity prices began to weigh on growth and the trade balance; structural imbalances (property, debt, demographics) exacerbated the situation's adverse impact on activity. Growth thus stood at 3%, far from the target of "around 5.5%" projected in March.

Although far from the centre of the conflict and still buoyed by the post-Covid recovery momentum (5.9% growth in 2021) largely due to "over-stimulated" consumption, the **United States** has seen a significant decline in growth (2.1% in 2022). After beginning 2022 with two consecutive quarters of GDP contraction[1], growth recovered thanks to the buffers resulting from the pandemic: the accumulation of abundant savings (concentrated in high revenues) and a very tight labour market. Strong job creation, coupled with a participation rate (62.3% in December) that is still one percentage point below its pre-pandemic level, has resulted in a decline in the unemployment rate (3.5%) and vigorous wage increases (6.2% year-on-year in November), partly offsetting the high inflation. Stimulated by supply and then rapidly by demand, 12-month inflation fell from 7.5% in January 2022 to 6.5% in December after reaching its peak in June at 9.1%. Core inflation dropped only slightly (5.7% in December compared to 6% in January and a peak of 6.6% in September).

Following very strong growth in 2021 (5.3%) and after being buoyed in the first half of 2022 by the post-Omicron upturn, from the summer onwards the **Eurozone** suffered the brutal materialisation of a much more limited supply of Russian gas, terms-of-trade shock[2], an acceleration in inflation and the tightening of financial terms. The slowdown was abrupt: from 5.5% in the first quarter of 2022, the annual GDP growth rate fell to 2.3% in the third quarter. Despite a slightly negative external contribution (-0.3 percentage points), growth nevertheless remained high over the year as a whole (3.5%) thanks to dynamic domestic demand: household consumption and investment grew by 4% and 4.3% respectively[3]. This robust consumption is largely explained by the aftermath of the Covid crisis: a resilient labour market paired with abundant savings.

(1) In terms of annualised quarterly change, GDP contracted by 1.6% and then by 0.6%. The decline in the first quarter was due to a highly negative contribution from net exports; the decline in the second quarter can mainly be explained by destocking. Considering that other variables necessary for the diagnosis (including real household income excluding transfers and non-agricultural paid employment etc.) have held up well, this period has not been officially classified as a recession by the NBER.

(2) The increase in energy imports in the first nine months of 2022 compared to the same period in 2021 stood at 4.3 GDP points. Before the redistribution of this burden among key players (mainly via government support to households and companies and the transfer of the cost increase from producers to consumers), this additional cost affects customers according to their relative energy consumption: 29% to households, 68% to companies and 3% to administrations.

(3) Domestic performances were very mixed, with Germany seeing growth of 1.8% (2.6% in 2021), France of 2.6% (6.8% in 2021) and Italy of 3.9% (6.7% in 2021), while Spain once again grew by 5.5% (5.5% in 2021).

Despite a slowdown in job creation and an increase in the participation rate (to 74.9% in the third quarter), "job retention", a key element of the strategy rolled out during Covid, has allowed the unemployment rate to continue to fall (to 6.5% in November 2022 compared to 7.1% one year earlier). While public support (1.3% of the GDP in 2022, more than half of which in favour of households) and the increase in nominal wages have not made it possible to preserve real disposable income (down by 0.4% over the first three quarters of the year), the loss of purchasing power has not led to a decrease in consumption: the excess savings built up during the crisis (of around €1,000 billion in mid-2022) have contributed to the resilience of domestic demand, which should have been crippled by very high inflation. The inflation rate more than doubled between January 2022 (5.1% year-on-year) and its peak (10.6% in October) before decreasing once again (9.2% in December): the deceleration of inflation in the energy sector (25.5% compared to 34.9% in November) cushioned accelerated price increases for other components (services, non-energy industrial goods, food). While the recovery in core inflation was initially caused by supply constraints (bottlenecks and input shortages), the importance of demand factors gradually increased as pandemic-related restrictions were lifted, particularly in services. Additionally, sources of upstream inflation have slowly spread. Core inflation thus rose from 2.3% in January to 5.2% in December.

As inflation accelerated and spread, with the risk of it becoming entrenched, the rhetoric and then the actions of Central Banks hardened. The focus on fighting inflation has resulted in aggressive monetary tightening.

In the **United States,** the FOMC's sudden hawkish reversal at the end of 2021 was particularly reinforced in the first quarter of 2022. Fed Fund rate hikes came into play from March onwards. These increases totalled 425 basis points over the year and brought the target range to 4.25%-4.50% by the end of the year. Quantitative Tightening (QT) began in June (monthly reimbursement ceilings of $30 billion in Treasuries and $17.5 billion in Mortgage-Backed Securities, for a total of $47.5 billion, which was then doubled to a monthly ceiling of $95 billion).

Finally, in December, the FOMC minutes shed light on the intentions of Fed officials: a strong commitment to returning inflation to its 2% objective; slowed rate hike pace signalling neither a lesser determination to achieve the price stability objective nor a judgement that inflation was already on a persistent downward path; maintenance of a restrictive policy "for a sustained period" (until inflation is clearly on a path to the objective), stating that it would be inappropriate to start cutting the Fed Funds rate in 2023.

In the **Eurozone,** after ten years of uninterrupted monetary accommodation, the ECB started the cycle of raising its key rates in July. Over the year, these rate hikes amounted to 250 basis points, bringing the deposit and refinancing rates to 2% and 2.50% respectively. The "non-conventional" component was also tightened, with the end of net purchases in March under the Pandemic Emergency Purchase Programme (PEPP) and in July under the Asset Purchase Programme (APP), and the tightening of liquidity conditions with the end of TLTRO 3 operations in June.

In the **financial markets,** 2022 was a difficult year, marked by abrupt increases in interest rates and declining equity markets.

US two-year rates rose by 380 basis points (bps) to 4.50% while ten-year rates rose by 240 bps to 3.90%. German two-year (2.70% at the end of December) and ten-year (2.55%) sovereign rates rose by 330 bps and 275 bps respectively. Sovereign rates (both two- and ten-year rates) have thus returned to levels not seen since reaching their peak in 2007, at the dawn of the 2008 financial crisis, which set them on the path of a major downturn, accompanied by a curve flattening trend and ending with a slight inversion in Germany and a sharp one in the United States. At the end of 2021, the interest rate curves (spread between two- and ten-year sovereign rates) were still on the rise, with a slope of around 80 bps and 50 bps in the United States and Germany respectively. Depending on the strength and maturity of monetary tightening, the curves gradually flattened to invert in the United States (in July) and in Germany (in November). The compensation differences between long and short maturities were negative at the end of December 2022 (by about 60 bps in the United States and 15 bps in Germany). In addition, risk premiums in France and Spain rose by about 20 bps to 55 bps and 97 bps, respectively, above the Bund, while the Italian spread increased by almost 80 bps to 213 bps.

While the US equity market (S&P500) lost 20% over the year, the Eurostoxx 50 and the CAC 40 fell by 12% and 10% respectively. Finally, risk aversion and strong, premature monetary tightening in the United States benefited the dollar. The euro thus fell continuously against the dollar until September, recording a depreciation of 14% over nine months. Thanks to economic growth being more resilient than expected and the ECB tightening, the euro then recovered, limiting its depreciation against the dollar to -6% over 2022.

CRÉDIT AGRICOLE GROUP CONSOLIDATED RESULTS

Over the full year 2022, stated net income Group share amounted to €8,144 million, versus €9,101 million for full year 2021, representing a decrease of -10.5%. As a reminder, the year 2021 was characterised by a base effect on net income Group share, which included +€473 million for the badwill and off-balance sheet DTA of Creval[1]. Excluding this effect, the decline in stated net income Group share would be limited to -5.6%.

Specific items in full year 2022 had a positive impact of +€236 million on stated net income Group share. These included: recurring volatile accounting items in revenues, such as the DVA (Debt Valuation Adjustment), i.e. the issuer spread portion of the FVA, and secured lending amounting to -€14 million in net income Group share, hedges on the Large customers loan book for +€16 million in net income Group share, and changes in provisions for home purchase savings plans in the amount of +€369 million in net income Group share. In addition, there were non-recurring items: they included the *Affrancamento-Reallineamento* tax gain in International Retail Banking for a positive impact of +€126 million in net income Group share; transformation costs arising from the agreement between Crédit Agricole Consumer Finance and Stellantis for -€16 million in net income Group share; CAGIP transformation costs with an impact of -€37 million on net income Group share; the IFRS 5 reclassification of Crédit du Maroc as an asset held for sale, with an impact of -€14 million on net income Group share; the provision for equity risk in Ukraine for -€195 million; the gain on the disposal of La Médicale for +€101 million; Lyxor and Creval integration costs for -€49 million; the exceptional provision on moratoria in Poland for -€17 million; the reclassification of Crédit du Maroc to assets held for sale in the amount of -€10 million; and the negative impact of the illiteracy donation for -€26 million.

(1) +€422 million in net income Group share from Creval badwill, +€89 million in net income Group share from Creval off-balance sheet DTA, -€12 million in net income Group share from other adjustments related to the Creval integration, as well as -€26 million in net income Group share from IT upgrades and migrations.

Specific items for 2021 had a positive impact of +€589 million on stated net income Group share due to recurring volatile accounting items, specifically the DVA for +€4 million, hedges of the Large customers loan book for -€13 million, and changes in the provision for home purchase savings plans for +€76 million. Added to this were the following items: the excess SRF contributions paid for financial years 2016 to 2020 for +€185 million; the *"Affrancamento"* gains related to exceptional tax provisions in Italy for the non-accounting revaluation of goodwill and its amortisation amounting to +€233 million in net income Group share for the IRB (+€82 million), AG (+€80 million) and SFS (+€71 million) divisions; badwill related to the acquisition of Credito Valtellinese for +€422 million; the Creval off-balance sheet DTA for +€89 million; additional provisioning for Creval performing loan outstandings for -€21 million; Credito Valtellinese acquisition and integration costs for -€26 million; other Creval adjustments for -€12 million. These were in addition to the costs of the CA Italia NextGeneration HR plan (voluntary redundancy plan) for -€109 million; the exceptional contribution to the Italian banks' safeguard plan for -€14 million; and the sale of receivables and additional provisioning for CA Italia's loan book for -€180 million. Lastly, specific items included the impact of the disposal of the wealth management activities in Miami and Brazil for +€2 million within the Wealth management business line; the reclassification of CA Serbia under assets held for sale (IFRS 5) for -€4 million; the costs of integration of Kas Bank and S3 by CACEIS for -€2 million; the Lyxor acquisition costs for -€8 million; the transformation costs related to the new generation network project for branch consolidation at LCL for -€9 million; and the costs related to the Turbo project and the CACEIS transformation and development plan for -€23 million.

(in millions of euros)	**2022 underlying**	**2021 underlying**	**Δ 2022/2021 underlying**	**2022 stated**	**2021 stated**	**Δ 2022/2021 stated**
Revenues	**38,162**	**36,822**	**+3.6%**	**37,682**	**36,730**	**+2.6%**
Operating expenses excluding SRF	(23,650)	(22,602)	+4.6%	(23,476)	(22,255)	+5.5%
SRF	(803)	(479)	+67.6%	(803)	(664)	+20.9%
GROSS OPERATING INCOME	**13,709**	**13,741**	**(0.2%)**	**13,403**	**13,812**	**(3.0%)**
Cost of risk	(2,893)	(2,193)	+31.9%	(2,698)	(1,849)	+45.9%
Cost of legal risk			ns			ns
Equity-accounted entities	419	392	+7.1%	427	387	10.5%
Net income on other assets	28	(27)	ns	28	(12)	ns
Change in value of goodwill		497	ns		0	ns
INCOME BEFORE TAX	**11,264**	**12,409**	**(9.2%)**	**11,161**	**12,337**	**(9.5%)**
Tax	(2,508)	(2,463)	+1.8%	(2,567)	(3,079)	(16.6%)
Net income from discontinued or held-for-sale operations	116	6	x 19.3	36	3	x 13.2
NET INCOME	**8,873**	**9,953**	**(10.9%)**	**8,630**	**9,261**	**(6.8%)**
Non controlling interests	(729)	(852)	(14.5%)	(722)	(748)	(3.6%)
NET INCOME GROUP SHARE	**8,144**	**9,101**	**(10.5%)**	**7,909**	**8,512**	**(7.1%)**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**62.0%**	**61.4%**	**+0.6 PP**	**62.3%**	**60.6%**	**+1.7 PP**

Excluding these specific items, **underlying net income Group share amounted to €7,909 million, down** -7.1% compared to full year 2021.

Underlying revenues were up **+2.6%** compared to 2021. Excluding scope effect[1], underlying revenues rose by +1.5%. This increase in revenues is explained in particular by the dynamic activity of the business lines, which offset the impact of the market effect on the stock business lines and the squeeze on net interest margins in a context of rapidly rising rates. More specifically, for Retail Banking in France, revenues were stable (-0.6% vs. 2021) with dynamic fee and commission income but a lower net interest margin, the increase in refinancing costs being partially offset by the progressive repricing of assets; in International Retail Banking in Italy, revenues were supported by the increase in rates on reserves and production and the growth in fee and commission income received; in International Retail Banking in Poland and Egypt, revenues were supported by the context of rising rates. As regards to the Asset Gathering division, the increase in insurance revenues was due to the increased recognition of the financial margin and the reversal of technical reserves. At the same time, private banking benefited from higher interest rates and a diversified product mix. Conversely, asset management revenues were adversely impacted by market effects, which brought down management and performance fees. In Large customers, corporate and investment banking revenues benefited from the strengthening of commercial positions, particularly in syndicated loans and bond issuance, and revenues from asset servicing were supported by a strong net interest margin. Specialised Financial Services were characterised by dynamic leasing revenues and consumer finance revenues driven by dynamic commercial production offsetting the contraction in margins.

Underlying **operating expenses** excluding SRF grew by +5.5% compared to 2021 – due in particular to support for the development of the business lines and IT expenses, as well as to the increase in compensation – and by +4.1% excluding scope effect. The cost/income ratio excluding SRF for 2022 thus stood at 62.3%, up +1.7 percentage point compared to 2021. The SRF totalled €803 million in 2022, up +20.9% compared to 2021. Note that the refund of an overpayment over financial years 2016-2020 was accounted for under specific items in the first quarter of 2021 for +€185 million. **Underlying gross operating income** totalled €13,403 million, down -3.0% compared to 2021.

(1) Integration of Creval and Lyxor in 2021.

The cost of risk for the year rose to -€2,698 million (of which -€959 million in cost of risk on performing loans (Stages 1 and 2), -€1,831 million in cost of proven risk (normalisation of Stage 3 cost of risk), and +€93 million in other risks corresponding mainly to reversals of legal provisions), i.e. an increase of +45.9% compared to 2021.

As at 31 December 2022, risk indicators confirm **the high quality of Crédit Agricole Group's assets and risk coverage level.** The diversified loan book is mainly geared towards home loans (46% of gross outstandings) and corporates (33% of gross outstandings). Loan loss reserves amounted to €19.9 billion at the end of December 2022 (€10.5 billion for Regional Banks), 42% of which represented provisioning for performing loans (48% for Regional Banks). The loan loss reserves for performing loans have increased at Group level by +€2.9 billion since fourth quarter 2019. The prudent management of these loan loss reserves has enabled the Crédit Agricole Group to have one of the best[1] overall coverage ratios for doubtful loans (82.9% at the end of December 2022) among the largest European banks.

Net income from other assets amounted to €28 million in 2022 compared to -€12 million in 2021, which mainly included the deconsolidation of Crédit Agricole CIB's Algerian subsidiary.

Underlying pre-tax income before discontinued operations and non-controlling interests fell by -9.5% to €11,161 million.

The tax charge was €2,567 million, down -16.6%, with an **underlying effective tax rate of 23.9%,** down -1.9 percentage point compared to 2021. The underlying net income before non-controlling interests was therefore down -6.8%.

Non-controlling interests amounted to -€722 million in 2022, a drop of -3.6% in line with the decline in underlying income before tax, discontinued operations and non-controlling interests.

Underlying net income Group share was therefore down -7.1% to €7,909 million.

Excluding these specific items, **underlying net income Group share amounted to €7,909 million, down -7.1%** compared to full year 2021.

(1) Analysis based on 31 December data for Crédit Agricole S.A. and the Crédit Agricole Group, as well as 30 September 2022 publications on customer loans, Stage 3 outstandings and Stages 1, 2 and 3 provisions from Banco Santander, Barclays, BNP Paribas, Crédit Suisse, Deutsche Bank, HSBC, Société Générale, Standard Chartered, UBS, and finally, from the 30 June 2022 Unicredit publication, Groupe BPCE and ING.

The specific items that had an impact on Crédit Agricole Group's consolidated financial statements in 2021 and 2022 are as follows:

	2022		2021	
(in millions of euros)	Gross impact[(1)]	Impact on net income	Gross impact[(1)]	Impact on net income
DVA (LC)	(19)	(14)	6	4
Loan portfolio hedges (LC)	21	16	(17)	(13)
Home Purchase Savings Plans (LCL)	34	26	(1)	(1)
Home Purchase Savings Plans (CC)	53	39	22	16
Home Purchase Savings Plans (RB)	412	306	85	61
Reclassification of held-for-sale operations - NBI (IRB)	0	0	(2)	(2)
Exceptionnal provisionning on moratoria Poland (IRB)	(21)	(17)	-	-
Ongoing sale project NBI (WM)	-	-	(1)	(1)
TOTAL IMPACT ON REVENUES	**480**	**355**	**92**	**65**
Creval integration costs (IRB)	(30)	(18)	-	-
Lyxor integration costs (AG)	(59)	(31)	-	-
CAGIP Transformation costs (CC)	(20)	(15)	-	-
CAGIP Transformation costs (RB)	(29.5)	(21.9)	-	-
S3/Kas Bank integration costs (LC)	-	-	(4)	(2)
Transformation costs (LC)	-	-	(45)	(23)
Transformation costs (FRB)	-	-	(13)	(9)
Lyxor acquisition costs (AG)	-	-	(16)	(8)
Voluntary redundancy plan CA Italia	-	-	(190)	(109)
Ongoing sale project Expenses (WM)	-	-	(2)	(2)
Creval integrations costs (IRB)	-	-	(32)	(17)
Donation for illiteracy (RB)	(35)	(26)	-	-
Creval other adjustments	-	-	(19)	(12)
Exceptional contribution to the Italian banks rescue plan (IRB)	-	-	(25)	(14)
Reclassification of held-for-sale operations - Costs (IRB)	(0)	(0)	(1)	(1)
TOTAL IMPACT ON OPERATING EXPENSES	**(174)**	**(111)**	**(347)**	**(197)**
Restatement SRF 2016-2020 (CR)	-	-	55	55
Restatement SRF 2016-2020 (CC)	-	-	130	130
TOTAL IMPACT ON SRF	**-**	**-**	**185**	**185**
Disposal in receivables and additional provisioning of the portfolio CA Italia	-	-	(319)	(180)
Creval - Cost of Risk Stage 1 (IRB)	-	-	(25)	(21)
Provision for own equity risk Ukraine (IRB)	(195)	(195)	-	-
TOTAL IMPACT ON COST OF CREDIT RISK	**(195)**	**(195)**	**(344)**	**(202)**
CACF/Stellantis transformation costs (SFS)	(8)	(16)	-	-
Affrancamento gain (SFS)	-	-	5	5
TOTAL IMPACT EQUITY-ACCOUNTED ENTITIES	**(8)**	**(16)**	**5**	**5**
Creval integrations costs (IRB)	-		1	
Creval acquisition costs (IRB)	-	-	(16)	(9)
TOTAL IMPACT ON NET INCOME ON OTHER ASSETS	**-**	**-**	**(15)**	**(9)**
Badwill Creval (IRB)	-	-	497	422
TOTAL IMPACT ON CHANGE OF VALUE OF GOODWILL	**-**	**-**	**497**	**422**
Affrancamento gain Tax (SFS)	-	-	108	66
Affrancamento gain (IRB)	-	-	97	82
Affrancamento/Reallineamento gain (IRB)	146	126	-	-
Affrancamento gain (AG)	-	-	114	80
Off-balance sheet DTA	-	-	105	89
TOTAL IMPACT ON TAX	**146**	**126**	**424**	**317**
Capital gain La Médicale (GEA)	101	101	-	-
Reclassification of held-for-sale operations Crédit du Maroc (IRB)	(14)	(14)	-	-
Reclassification of held-for-sale operations (IRB)	(7)	(10)	(1)	(1)
Ongoing sale project (WM)	-	-	5	5
TOTAL IMPACT ON NET INCOME FROM DISCOUNTED OR HELD-FOR-SALE OPERATIONS	**80**	**77**	**3**	**3**
TOTAL IMPACT OF SPECIFIC ITEMS	**330**	**236**	**500**	**589**
Asset Gathering	42	70	100	74
French Retail Banking	382	283	126	106
International Retail Banking	(121)	(128)	71	226
Specialised Financial Services	(8)	(16)	113	71
Large customers	2	1	(61)	(33)
Corporate Centre	32	24	152	146

(1) Impact before tax and before minority interests.

Solvency

At 31 December 2022, the **phased-in Common Equity Tier 1 (CET1) ratio** for the Crédit Agricole Group was 17.6%. Therefore, Crédit Agricole Group posted a substantial buffer of 8.7 percentage points between the level of its CET1 ratio and the 8.9% SREP requirement[1], and posted the largest difference with the SREP among European GSIB banks[2]. The fully loaded CET1 ratio is 17.2%.

The CET1 ratio improved by 0.1 percentage point in 2022. The very favourable impact of retained earnings on the ratio (+1.09 percentage points) absorbed the organic growth of the business lines, acquisitions and other effects (-0.37 percentage point), i.e. positive capital generation of +0.72 percentage points over the year. The year also saw largely reversible economic effects: the impact of long-term rates on Insurance unrealised gains and/or losses (for -0.35 percentage points) and the impact of the Russian invasion of Ukraine on RWA (for -0.11 percentage points). It should be noted that the additional dividend and the Crédit Agricole S.A. share buybacks aimed at offsetting the dilutive effect of the 2022 employee capital increase had an impact of -0.07 percentage points on the CET1 ratio. The anticipation in fourth quarter 2022 of the impact of the purchase of Crédit Agricole S.A. shares by SAS Rue La Boétie, due to take place before the end of June 2023, reduced the CET1 ratio by -0.17 percentage points.

The total stock of unrealised losses was -19 basis points at 31 December 2022. As a result, restated for the effects of the unrealised gains and/or losses, the CET1 ratio rose over 2022 to 17.7% in December 2022, versus 17.4% at end December 2021 net of +16 basis points of unrealised gains.

The phased-in **Tier 1 ratio** stood at 18.6% and the phased-in total ratio was 21.6% at end-December 2022.

The **phased-in leverage ratio** stood at 5.3%, well above the 3% regulatory requirement. In addition to the minimum requirement of 3%, from 1 January 2023 and only for global systemically important institutions (G-SII), a leverage ratio buffer will be added, defined as half of the G-SII buffer of the entity, amounting to 0.5% for the Crédit Agricole Group. Failure to comply with the leverage ratio buffer requirement would result in a restriction of distributions and the calculation of a maximum distributable amount (L-MDA). As of 1 January 2023, based on data as of 31 December 2022, Crédit Agricole Group would have a safety margin of 184 basis points above the L-MDA trigger threshold, i.e. €37 billion of Tier 1 capital.

Crédit Agricole Group's phased-in **risk weighted assets** amounted to €574.6 billion at end-December 2022, down -€10.9 billion compared to 31 December 2021. **Business line organic growth** generated a €23.6 billion increase in risk-weighted assets (€4 billion of which was in respect of ratings downgrades on Russo-Ukrainian exposures). Conversely, **mergers and acquisitions** freed up -€4.6 billion of risk weighted assets, while **insurance** contributed to a drop in risk weighted assets of -€27.2 billion, divided between -€22 billion from unrealised losses on the Insurance portfolio (impacted in particular by the rise in interest rates) and -€5 billion from the equity-accounted value (related to the CAA dividend increase). Finally, methodological effects freed up -€2.7 billion in additional risk weighted assets in 2022.

Maximum Distributable Amount (MDA) trigger

The transposition of Basel regulations into European law (CRD) introduced a restriction mechanism for distribution that applies to dividends, AT1 instruments and variable compensation. The Maximum Distributable Amount (MDA, the maximum sum a bank is allowed to allocate to distributions) principle aims to place limitations on distributions in the event the latter were to result in non-compliance with combined capital buffer requirements.

The distance to the MDA trigger is the lowest of the respective distances to the SREP requirements in CET1 capital, Tier 1 capital and total capital.

At 31 December 2022, **Crédit Agricole Group** posted a safety buffer of **796 basis points above the MDA trigger, i.e. €46 billion in CET1 capital.**

At 31 December 2022, Crédit Agricole S.A. posted a buffer of 329 basis points above the MDA trigger, i.e. €12 billion in CET1 capital.

TLAC

The TLAC ratio requirement has been transposed into European Union law via CRR2 and has been applicable since 27 June 2019. The Crédit Agricole Group must meet the following TLAC ratio requirements at all times:

- a TLAC ratio above 18% of risk weighted assets (RWA), plus – in accordance with EU Directive CRD 5 – a combined capital buffer requirement (including, for the Crédit Agricole Group, a 2.5% capital conservation buffer, a 1% G-SIB buffer and the counter-cyclical buffer set at 0.05% for the CA Group at 31 December 2022). Considering the combined capital buffer requirement, the Crédit Agricole Group must adhere to a TLAC ratio of above 21.5%;
- a TLAC ratio of above 6.75% of the Leverage Ratio Exposure (LRE).

The Crédit Agricole Group's 2025 target is to maintain a TLAC ratio greater than or equal to 26% of RWA excluding eligible senior preferred debt.

At 31 December 2022, **Crédit Agricole Group's TLAC ratio stood at 27.2% of RWA and 7.8% of leverage ratio exposure, excluding eligible senior preferred debt[3],** which is well above the requirements.

The Group thus has a TLAC ratio excluding eligible senior preferred debt that is 560 bps higher, i.e. €32 billion, than the current requirement of 21.5% of RWA.

Over the year 2022, €5.9 billion equivalent was issued in the market (senior non-preferred and Tier 2 debt). The amount of Crédit Agricole Group senior non-preferred securities taken into account in the calculation of the TLAC ratio was €27.6 billion.

(1) Countercyclical buffer of 5 bp at 31 December 2022, expected to be 42 bp at 31 December 2023 and 74 bp at 2 January 2024 for Crédit Agricole Group based on information known to date, in particular the increase in the French countercyclical buffer rate to 0.50% which comes into force in April 2023, rising to 1% from January 2024.

(2) On the basis of public data on 8 February 2023 for the 13 European G-SIB banks: BPCE (data at 30 September 2022), BNP Paribas (data at 31 December 2022), Crédit Agricole Group (data at 31 December 2022), Deutsche Bank (data at 31 December 2022), ING (data at 31 December 2022), Santander (data at 31 December 2022), Société Générale (data at 31 December 2022), Unicredit (Pillar 3 data at 30 September 2022), Crédit Suisse (data at 30 September 2022), Barclays (data at 30 September 2022), HSBC (data at 30 September 2022), Standard Chartered (data at 30 September 2022) and UBS (data at 31 December 2022), as well as Crédit Agricole S.A. at 31 December 2022. Distance from SREP or requirement in CET1 equivalent.

(3) As part of its annual resolvability assessment, Crédit Agricole Group has chosen to waive the possibility offered by Article 72 *ter*-(3) of the Capital Requirements Regulation (CRR) to use senior preferred debt for compliance with its TLAC requirements in 2022.

MREL

The required minimum levels are set by decisions of resolution authorities and then communicated to each institution, then revised periodically. As of 1 January 2022, the Crédit Agricole Group must comply with a total minimum MREL requirement of:

- 21.04% of RWA, plus – in accordance with EU Directive CRD 5 – a combined capital buffer requirement (including, for the Crédit Agricole Group, a 2.5% capital conservation buffer, a 1% G-SIB buffer and the counter-cyclical buffer set at 0.05% for the CA Group at 31 December 22). Considering the combined capital buffer requirement, the Crédit Agricole Group must adhere to a total MREL ratio of above 24.6%;
- 6.02% of the LRE.

At 31 December 2022, the **Crédit Agricole Group had an estimated MREL ratio of 31.6% of RWA and 9.1% of leverage exposure,** well above the total MREL requirement.

An additional subordination requirement to TLAC ("subordinated MREL") is also determined by the resolution authorities and expressed as a percentage of RWA and LRE, in which senior debt instruments are excluded, similar to TLAC, which ratio is equivalent to the subordinated MREL for the Crédit Agricole Group. Since 1 January 2022, this subordinated MREL requirement for the Crédit Agricole Group did not exceed the TLAC requirement.

The distance to the maximum distributable amount trigger related to MREL requirements (M-MDA) is the lowest of the respective distances to the MREL, subordinated MREL and TLAC requirements expressed in RWA.

At 31 December 2022, **Crédit Agricole Group** had a buffer of **560 basis points above the M-MDA trigger, taking into account the TLAC requirement applicable at 31 December 2022, i.e. €32 billion of CET1 capital.**

Liquidity

Liquidity is measured at Crédit Agricole Group level.

The liquidity position of Crédit Agricole Group is solid. Standing at €1,667 billion at 31 December 2022, the Group's banking cash balance sheet shows a surplus of stable funding resources over stable application of funds of €213 billion, down €66 billion compared to December 2021, due in particular to the repayment of a significant share of TLTRO 3 resources (€71 billion) raised in the context of the Covid-19 crisis.

Total TLTRO 3 outstandings for the Crédit Agricole Group amounted to €91 billion[1].

The Group's liquidity reserves, at market value and after haircuts, amounted to €467 billion at 31 December 2022, up by €2 billion compared with 31 December 2021. They covered short-term debt more than three times over (excluding the replacements with Central Banks).

At end-December 2022, the numerator of the LCR ratio (including the HQLA securities portfolio, cash and Central Bank deposits, excluding mandatory reserves), calculated as an average over 12 months, stood respectively at €403.5 billion for Crédit Agricole Group and at €373.2 billion for Crédit Agricole S.A. The denominator of the ratio (representing net cash outflows), calculated as an average over 12 months, stood respectively at €241.9 billion for Crédit Agricole Group and at €253.5 billion for Crédit Agricole S.A.

The average **LCRs** over 12 months for Crédit Agricole Group and Crédit Agricole S.A. were respectively 167.3% and 147.9% at end-December 2022. The LCR ratios at 31 December 2022 were 167.6% for Crédit Agricole Group and 162.7% for Crédit Agricole S.A. respectively. They were higher than the Medium-Term Plan target (set at around 110%) and the minimum regulatory requirement of 100% (applicable since 1 January 2018).

The **NSFR ratios** at 31 December 2022 were respectively 118.0% for Crédit Agricole Group and 114.2% for Crédit Agricole S.A, which is higher than the Medium-Term Plan target and the minimum regulatory requirement, both set at 100% (the latter applicable since 28 June 2021).

The Group continues to follow a prudent policy as regards **medium-to-long-term** refinancing, with a very diversified access to markets in terms of investor base and products.

In 2022, the Group's main issuers raised the equivalent of €49.5 billion[2][3], in medium/long-term debt on the markets, 43% of which was issued by Crédit Agricole S.A. Notable events for the Group in 2022 were as follows:

- Crédit Agricole CIB issued €17.5 billion, mainly structured and highly diversified private placements;
- Crédit Agricole Consumer Finance issued €7.6 billion in MLT refinancing, including €1.6 billion in ABS securitisations;
- Crédit Agricole Italia issued a €1.5 billion Covered Bond in two tranches (10 and 20 years);
- Crédit Agricole next bank (Switzerland) has completed three Covered Bond issuances this year for CHF 300 million, including a Covered Bond issue in Green format for CHF 100 million.

In addition, €10.1 billion[2] was raised through private agreements, comprising €7.8 billion from banking networks (the Group's retail banks or external networks), €1.6 billion from supranational organisations and €0.7 billion from national refinancing vehicles (including the credit institution CRH).

In 2022, Crédit Agricole S.A. raised the equivalent of €21.1 billion[2][3], through the open market (initially planned at €13 billion).

The bank raised the equivalent of €21.1 billion, of which €5.6 billion in senior non-preferred debt, €0.3 billion in Tier 2 debt, €8.1 billion in senior preferred debt and €7 billion in senior secured debt. The financing comprised a variety of formats and currencies[4].

Note that on 5 January 2022, Crédit Agricole S.A. issued a PerpNC7 v7 AT1 bond for $1.25 billion at an initial rate of 4.75%.

The 2023 refinancing programme totals €19 billion, consisting of €15 billion in senior preferred or senior secured debt and €4 billion in TLAC eligible debt (non-preferred senior debt or Tier 2 debt). At the end January 2023, 27% of the funding plan was realised.

Note that on 3 January 2023, Crédit Agricole S.A. issued a PerpNC6 AT1 bond for €1.25 billion at an initial rate of 7.25%.

(1) Excluding FCA Bank.
(2) Gross amount before buy-backs and amortisations.
(3) Excluding AT1 issuances.
(4) 83% in EUR, 4% in USD, 4% in GBP, 3% in JPY, 3% in CHF and 3% other (NOK, HKD, SGD, AUD).

ANALYSIS OF THE ACTIVITY AND THE RESULTS OF CRÉDIT AGRICOLE GROUP'S DIVISIONS AND BUSINESS LINES

— Contribution of business lines to Crédit Agricole Group's net income Group share

(in millions of euros)	**2022 stated**	**2021 stated**
Retail Banking in France	3,561	3,983
International Retail Banking	327	617
Asset Gathering and Insurance	2,513	2,443
Large customers	1,739	1,643
Specialised Financial Services	751	808
Corporate Centre	(747)	(393)
TOTAL	**8,144**	**9,101**

Retail Banking in France – Regional Banks

(in millions of euros)	**2022 stated**	**2021 stated**	**Δ 2022/2021 stated**	**2022 underlying**	**2021 underlying**	**Δ 2022/2021 underlying**
Revenues	**14,188**	**14,096**	**+0.6%**	**13,776**	**14,011**	**(1.7%)**
Operating expenses excluding SRF	(9,441)	(8,986)	+5.1%	(9,377)	(8,986)	+4.3%
SRF	(156)	(87)	+78.7%	(156)	(142)	+9.7%
GROSS OPERATING INCOME	**4,591**	**5,023**	**(8.6%)**	**4,243**	**4,883**	**(13.1%)**
Cost of risk	(1,136)	(606)	+87.7%	(1,136)	(606)	+87.7%
Equity-accounted entities	5	(11)	ns	5	(11)	ns
Net income on other assets	24	28	(14.5%)	24	28	(14.5%)
Change in value of goodwill	-	-	ns	-	-	ns
INCOME BEFORE TAX	**3,483**	**4,434**	**(21.4%)**	**3,136**	**4,294**	**(27.0%)**
Tax	(853)	(1,249)	(31.7%)	(762)	(1,225)	(37.8%)
NET INCOME	**2,630**	**3,185**	**(17.4%)**	**2,373**	**3,069**	**(22.7%)**
Non controlling interests	(1)	(1)	(39.2%)	(1)	(1)	(39.2%)
NET INCOME GROUP SHARE	**2,630**	**3,184**	**(17.4%)**	**2,372**	**3,068**	**(22.7%)**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**66.5%**	**63.8%**	**+2.8 PP**	**68.1%**	**64.1%**	**+3.9 PP**

Regional Banks' activity was dynamic in 2022. **Gross customer capture increased** by +1,183,000 new customers and the customer base grew by +215,800 new customers since the beginning of the year. **The share of customers using digital tools increased** to 73.7%[1] (+2.5 percentage points compared to end-December 2022) and the number of online signatures[2] increased by +85% between the fourth quarter of 2022 and the fourth quarter of 2021.

Loan production was up +2.5% year-on-year, driven by specialised markets[3] (+10.6% on 2021). The average customer loan production rate[4] rose steadily throughout 2022 and has topped the average loan outstanding rate since Q3 2022. In the fourth quarter of 2022, the production rate[5] for housing loans was up 33 basis points compared to the third quarter of 2022. **Loan outstandings** reached €631 billion at end December 2022, up +5.9% over the year, including +10.1% for corporates. The production rate[6] for housing loans was up 33 bps compared to the third quarter of 2022. **Loan outstandings** reached €631 billion at end December 2022, up +5.9% over the year, including +10.1% for corporates.

Total customer assets rose by +1.8% year on year to €854.9 billion at the end of December 2022. This growth was driven by on-balance sheet deposits, which reached €576.7 billion at the end of December 2022, up +4.1% compared to the end of December 2021 (including +11.6% for passbook accounts and +0.5% for demand deposits). Off-balance sheet customer assets totalled €278 billion, down -2.6% year-on-year due to the decline in stock markets over the year.

Over the full year 2022, underlying revenues were slightly down (-1.7%) compared to 2021 (up +0.6% according to stated data) and up +2.6% compared to 2019, due to portfolio revenues being unfavourably impacted by market conditions, despite good momentum on fees and commissions (+3.1% compared to 2021). The interest margin was down compared to 2021 (up according to stated data, including the provision for home purchase savings of €411 million). **Operating expenses excluding SRF** rose by +4.3%, with the SRF amounting to -€156 million (+9.7%), and underlying **gross operating income** was down -13.1%. The underlying **cost/income ratio** excluding SRF amounted to 68.1%, up +3.9 percentage points compared to 2021; by including, in revenues, the amount of the Crédit Agricole S.A. dividend received by the Regional Banks in the second quarter of 2022, i.e. €1,652 million, the cost/income ratio stood at 60.8%. The underlying cost of risk increased by +87.7% to €1,136 million, due to an increase in prudent provisioning on performing

(1) Number of customers with an active profile on the Ma Banque app or who had visited CAEL during the month/number of adult customers having an active demand deposit account.
(2) Signatures initiated in BAM deposit mode (multi-channel bank access), Mobile customer portal or Ma Banque app.
(3) Specialised markets: farmers, professionals, corporates and public authorities.
(4) Average quarterly rates, all markets, all loans (fixed rate term loans in euros).
(5) Credit rate on monthly achievements. Only maturity loans, in euros and at a fixed rate, are taken into account.
(6) Credit rate on monthly achievements. Only maturity loans, in euros and at a fixed rate, are taken into account.

loans (Stages 1 and 2) for -€689 million and an increase in proven risk in connection with a specific file which has fallen into default in the fourth quarter of 2022. **Cost of risk/outstandings** over a rolling four-quarter period remained low at 19 basis points (up +9 basis points compared to the fourth quarter of 2021); the non-performing loan ratio was low at 1.7% (compared to 1.6% in the fourth quarter of 2021) and the coverage ratio stood at 99.0% at the end of December 2022 (compared to 103.3% at the end of December 2021).

The Regional Banks' contribution to the Group's **underlying net income Group share** stood at €2,372 million for 2022, down -22.7% compared to 2021 and up +2.62% compared to 2019. The Regional Banks' contribution to the Group's **stated net income Group share** amounted to €2,630 million, down -17.4% compared to 2021 and down -8.7% compared to 2019.

Specific items in the full year 2022 had a positive impact on the Regional Banks' **stated net income Group share** of +€257 million (positive impact of the provision for home purchase savings for +€306 million, negative impact of CAGIP's restructuring costs for an amount of -€22 million, and negative impact of the illiteracy donation for -€26 million).

Specific items in the full year 2021 had a positive impact on the Regional Banks' **stated net income Group share** of +€116 million (positive impact of the provision for home purchase savings for +€85 million, positive impact of corrections on the contribution to the SRF for +€55 million).

All in all, the division contributed 27% to the underlying net income Group share of the Crédit Agricole S.A. core businesses (excluding the Corporate Centre division) in 2022 and 37% to underlying revenues excluding the Corporate Centre division.

Retail Banking in France (LCL)

— Retail Banking in France (LCL) – Contribution to results, stated and underlying 2022

(in millions of euros)	2022 stated	2021 stated	∆ 2022/2021 stated	2022 underlying	2021 underlying	∆ 2022/2021 underlying
Revenues	**3,851**	**3,696**	**+4.2%**	**3,817**	**3,696**	**+3.3%**
Operating expenses excluding SRF	(2,321)	(2,312)	+0.4%	(2,321)	(2,299)	+0.9%
SRF	(69)	(59)	+17.1%	(69)	(59)	+17.1%
GROSS OPERATING INCOME	**1,462**	**1,325**	**+10.3%**	**1,427**	**1,339**	**+6.6%**
Cost of risk	(237)	(222)	+6.7%	(237)	(222)	+6.7%
Net income on other assets	8	6	+18.7%	8	6	+18.7%
INCOME BEFORE TAX	**1,232**	**1,109**	**+11.1%**	**1,198**	**1,123**	**+6.7%**
Tax	(300)	(309)	(2.9%)	(292)	(313)	(6.9%)
NET INCOME	**932**	**800**	**+16.5%**	**906**	**810**	**+11.9%**
Non controlling interests	(0)	(0)	(4.1%)	(0)	(0)	(4.1%)
NET INCOME GROUP SHARE	**932**	**800**	**+16.5%**	**906**	**810**	**+11.9%**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**60.3%**	**62.6%**	**-2.3 PP**	**60.8%**	**62.2%**	**-1.4 PP**

In 2022, loan production at LCL was very robust, totalling €41.8 billion – an increase of +17.5% compared to 2021 – driven by corporate loans (+33.8%) and loans to small businesses (+22.6%). Outstanding loans totalled €164.3 billion at end December 2022 and were up +9.1% from end December 2021, including +8.9% for home loans, +8.6% for loans to small businesses, +11.4% for corporate loans and +4.2% for consumer finance. Customer assets, which totalled €235.2 billion at end December 2022, were also up: by +1.1% compared to end December 2021, driven by on-balance sheet deposits (+4.3%) from the increase in passbooks and time deposits, and despite off-balance sheet savings, which fell by -4.1% due to an unfavourable market effect.

Gross customer capture amounted to 342,300 new clients over the year and the increase in the customer base was 40,200 customers. Lastly, the equipment rate for car, home, health, legal, all mobile phones or personal accident insurance rose by +0.5 percentage points compared to the fourth quarter of 2021, standing at 27.1% at the end of December 2022.

In terms of offerings, 2022 saw the launch of a 100% digital offering, LCL Essentiel Pro, with extra-banking services for micro-entrepreneurs and self-employed professionals; the introduction of Flex, an innovative solution for instant mini-loans on the mobile application; the development of new partnerships within the framework of smart business; and outstandings to €1.9 billion in funds LCL Climate impact and LCL society and solidarity impact.

In 2022, LCL's stated **net income Group share** stood at €932 million, an increase of +16.5% compared to 2021. After taking into account specific items (in particular provisions for home purchase savings, with an impact of +€34 million on revenues and +€26 million on income), the underlying net income Group share came to €906 million, up 11.9%.

LCL's underlying revenues rose by 3.3% compared to 2022 to reach €3,817 million, driven by the net interest margin (+1.0%), which was supported by corporate and professional activity and, secondly, by fee and commission income (+5.8%), particularly on non-life insurance and payment instruments. Underlying costs excluding SRF increased slightly (+0.9%), still under control, and included support measures for salaries (collective compensation, value sharing premium for €15.5 million) in a context of increasing inflation. The underlying cost/income ratio excluding SRF, which stood at 60.8%, improved again this year compared to 2021 (-1.4 percentage points) and is well below the MTP target. The contribution to the SRF increased by +17.1% (+€10 million). As a result, gross operating income was up +6.6%. The cost of risk, which is normalising, increased by +6.7% to reach -€237 million (including -€193 million for proven risk, -€65 million for provisioning for healthy loans, and -€19 million for other risks). The cost of risk relative to outstandings came to 15 basis points at the end of 2022, versus 20 basis points for the quarterly average of 2019.

All in all, the division contributed 10% to the underlying net income Group share of the Crédit Agricole S.A. core businesses (excluding the Corporate Centre division) in 2022 and 10% to underlying revenues excluding the Corporate Centre division.

International Retail Banking

Within International Retail Banking, following the acquisition of Credito Valtellinese by CA Italia, Creval has been consolidated since 30 April 2021; the controlling interest in Crédit du Maroc was sold in Q4 2022, after its classification under IFRS 5 in first quarter 2022 (disposal of 63.7%, with the residual 15% stake accounted for under IFRS 5); finally, Crédit Agricole Serbia was sold on 1 April 2022 (results recognised in 2022 under IFRS 5).

— International Retail Banking (IRB) – Contribution to results, stated and underlying 2022

(in millions of euros)	2022 stated	2021 stated	Δ 2022/2021 stated	2022 underlying	2021 underlying	Δ 2022/2021 underlying
Revenues	**3,373**	**3,180**	**+6.1%**	**3,394**	**3,183**	**+6.6%**
Operating expenses excluding SRF	(2,131)	(2,299)	(7.3%)	(2,100)	(2,033)	+3.3%
SRF	(38)	(33)	+15.7%	(38)	(33)	+15.7%
GROSS OPERATING INCOME	**1,204**	**848**	**+42.0%**	**1,256**	**1,117**	**+12.4%**
Cost of risk	(701)	(786)	(10.8%)	(506)	(442)	+14.5%
Equity-accounted entities	2	3	(23.2%)	2	3	(23.2%)
Net income on other assets	7	(13)	ns	7	2	x 4.8
Change in value of goodwill	-	497	(100.0%)	-	0	(100.0%)
INCOME BEFORE TAX	**513**	**549**	**(6.5%)**	**760**	**679**	**+11.8%**
Tax	(67)	198	ns	(227)	(200)	+13.4%
Net income from discontinued or held-for-sale operations	(7)	1	ns	14	2	x 6.4
NET INCOME	**439**	**748**	**(41.3%)**	**546**	**481**	**+13.5%**
Non controlling interests	(113)	(132)	(14.3%)	(92)	(90)	+1.8%
NET INCOME GROUP SHARE	**327**	**617**	**(47.0%)**	**454**	**391**	**+16.2%**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**63.2%**	**72.3%**	**-9.1 PP**	**61.9%**	**63.9%**	**-2.0 PP**

For 2022, the underlying revenues of the International Retail Banking division amounted to €3,394 million, up +6.6% compared to 2021, helped by the impact of higher rates on the net interest margin, especially in Poland and in Egypt. Division's underlying operating expenses excluding SRF amounted to -€2,100 million in 2022, up 3.3% compared to 2021. The contribution to SRF amounted to -€38 million in 2022, up +15.7% compared to 2021. As a result, underlying gross operating income stood at +€1,256 million, an increase of 12.4% in 2022 compared to 2021. The stated cost of risk amounted to -€701 million in 2022, down -10.8% compared to 2021, including a Ukraine provision for -€195 million classified as a specific item. Underlying cost of risk totalled -€506 million in 2022, an increase of +14.5%. In summary, in 2022, the total amount of provisioning for Ukraine's cost of risk (as a reminder, Crédit Agricole Ukraine's gross operating income was zero in 2022) amounted to -€323 million, including -€195 million provisioned in the first quarter of 2022 (classified as specific items) and -€128 million in additional provisioning over 2022 by Crédit Agricole Ukraine (additional provisioning on the total of €842 million in loan outstandings in Ukraine).

All in all, the underlying net income Group share of the International Retail Banking division was €454 million in 2022, up +16.2% compared to 2021.

The entire International Retail Banking division contributed 5% to the underlying net income Group share of the Crédit Agricole S.A. core businesses (excluding the Corporate Centre division) in 2022 and 9% to underlying revenues excluding the Corporate Centre division.

Italy

CA Italia's activity was strong over the year, benefiting from the diversification of the Group's activities in Italy. Gross customer capture over twelve months thus reached 150,000 new customers[(1)]. Loan outstandings reached €60 billion at the end of December 2022, up +1.1% compared to the end of December 2021. The production of corporate loans[(2)] and consumer finance[(3)] was dynamic, increasing respectively by +21.7% and +26.6% compared to full-year 2021. Home loan production was resilient in a declining market in 2022, allowing CA Italia to gain market share year-on-year. Customer assets at the end of December 2022 amounted to €111.9 billion, down -3.4% compared to the end of December 2021 due to a negative market effect on managed savings and a decline in on-balance sheet savings despite positive inflows in the second half of the year.

CA Italia's equipment rate in car, multi-risk home, health, legal, all mobile phones or personal accident insurance increased to 21.2%, or 16.8% including Creval.

2022 was marked by the finalisation of the integration of the Credito Valtellinese banks and the merger of CA FriulAdria into CA Italia, allowing synergies to be strengthened with the other Crédit Agricole Group entities and the completion of the Banca Unica Project. CA Italia has strengthened its customers' energy transition journey by launching two ESG products dedicated to the agri-food sector: Agri Energia is a line of financing to support corporates in the construction, expansion and upgrade of sustainable energy production facilities, while Agri Blu aims to finance renovations and the purchase of machinery and equipment for the management of energy, irrigation and waste water, supply cycles, and the processing and distribution of products.

(1) Net customer capture: 22,500 customers.
(2) Excluding "Ecobonuses", the production of which increased 2.6 times that of all twelve months of 2021. "Ecobonuses" correspond to refinancing of the customer tax credit: Italian tax deductions for renovation, energy efficiency and building safety, introduced in 2021. Excluding SGL.
(3) Agos.

CA Italia was awarded the title of "Top Employer Italia 2023" for the 15th consecutive year. This recognition rewards Italian corporates that are leaders in human resources management.

For the full year 2022, Crédit Agricole Italia's underlying revenues increased by +11.5% to €2,543 million. Pro forma for the acquisition of Creval, which has been consolidated since 30 April 2021, revenues were up by +2.8%, thanks to the +6.0% increase in the net interest margin in 2022 vs. 2021 in a rising rates environment. Underlying expenses excluding SRF were up over 2021 (+10.0%) at -€1,599 million. Pro forma for Creval, expenses excluding SRF rose by 0.9%, with positive jaws effect of +1.9 percentage points.

The underlying cost of risk was -€312 million, down 10.1% (including -€25 million in provisions on performing loans and -€270 million in provisions for proven risks). Ultimately, underlying net income Group share was €370 million for CA Italia, up +34.9% compared to 2021.

International Retail Banking – excluding Italy

For International Retail Banking excluding Italy, loan outstandings were down -46.1% at end December 2022 compared to end December 2021, and customer assets were down -39.7% over the same period.

Excluding disposed entities[1] and Ukraine, i.e. while considering Poland and Egypt, loan outstandings were up by +8.8% at constant exchange rates (-2.6% at current exchange rates) and customer assets by +12.0% at constant exchange rates (-1.0% at current exchange rates) over the same period. In particular, in Poland, loan outstandings increased by +5.5% between end December 2022 and end December 2021 (+7.5% at constant exchange rates) and customer assets by +5.8% over the same period (+7.8% at constant exchange rates). In Egypt, loan outstandings were impacted by the devaluation of the Egyptian pound in the fourth quarter and fell by -23.7% between the end of December 2022 and the end of December 2021 (+13.5% at constant exchange rates) and customer assets by -15.7% over the same period (+25.3% at constant exchange rates). The surplus of deposits over loans in Poland and Egypt amounted to €2.4 billion at 30 December 2022, and reached €3.3 billion including Ukraine.

Finally, the Group continues to expand its universal customer-focused banking model in Poland. Gross customer capture stood at 228,000 new customers in the country in 2022 (net customer capture of 104,000 customers).

Within the scope of International Retail Banking excluding Italy, Crédit du Maroc was classified under IFRS 5 in first quarter 2022 and control was sold in fourth quarter 2022, and Crédit Agricole Serbia was sold on 1 April 2022. The income of these two entities is recognised in 2022 under IFRS 5, impacting all profit and loss lines of International Retail Banking excluding Italy. In a context of continued conflict in Ukraine, commercial activity remains heavily penalised and the operations of Crédit Agricole Ukraine reduced.

Asset Gathering division

This core business encompasses Insurance (Crédit Agricole Assurances), Asset management (Amundi) and Wealth management (CA Indosuez Wealth Management).

— Asset Gathering (AG) – Contribution to results, stated and underlying 2022

(in millions of euros)	2022 stated	2021 stated	Δ 2022/2021 stated	2022 underlying	2021 underlying	Δ 2022/2021 underlying
Revenues	**6,902**	**6,528**	**+5.7%**	**6,902**	**6,529**	**+5.7%**
Operating expenses	(3,322)	(3,005)	+10.5%	(3,263)	(2,987)	+9.2%
SRF	(7)	(7)	+6.3%	(7)	(7)	+6.3%
GROSS OPERATING INCOME	**3,573**	**3,516**	**+1.6%**	**3,632**	**3,535**	**+2.8%**
Cost of risk	(17)	(18)	(5.2%)	(17)	(18)	(5.2%)
Equity-accounted entities	88	84	+4.6%	88	84	+4.6%
Net income on other assets	(2)	(0)	x 10.3	(2)	(0)	x 10.3
INCOME BEFORE TAX	**3,642**	**3,582**	**+1.7%**	**3,701**	**3,601**	**+2.8%**
Tax	(830)	(643)	+29.1%	(844)	(762)	+10.9%
Net income from discontinued or held-for-sale operations	123	5	x 23.4	22	1	x 38.3
NET INCOME	**2,935**	**2,944**	**(0.3%)**	**2,878**	**2,840**	**+1.4%**
Non controlling interests	(422)	(501)	(15.8%)	(435)	(470)	(7.3%)
NET INCOME GROUP SHARE	**2,513**	**2,443**	**+2.9%**	**2,443**	**2,370**	**+3.1%**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**48.1%**	**46.0%**	**+2.1 PP**	**47.3%**	**45.8%**	**+1.5 PP**

At the end of December 2022, the €2,415 billion in assets under management of the Asset Gathering (AG) business line were down by -6.4% year on year. Net inflows were positive in 2022 at +€13.2 billion, driven by a good level of inflows in treasury products and medium and long-term assets (MLT), after a record level of net inflows at +€71 billion in 2021. Over the full year 2022, market movements had a very unfavourable impact on the evolution of assets under management (market and foreign exchange effects stood at -€182 billion over the period, out of which -€167 billion for Asset management). Excluding double counting, assets under management stood at €2,138 billion at 31 December 2022, down -5.2% compared to 31 December 2021.

Since 31 December 2021, Asset Gathering (AG) has experienced several scope effects: the disposal of La Médicale to Generali in July 2022 on behalf of Crédit Agricole Assurance and the integration of Lyxor on behalf of Amundi from 1 January 2022.

(1) Disposed entities: Serbia classified under IFRS 5 since second quarter 2021 (disposal effective 1 April 2022) and Crédit du Maroc classified under IFRS 5 since first quarter 2022 and disposal of controlling interest in fourth quarter 2022.

Over 2022, at current scope, in addition to the scope effect related to the integration of Lyxor, AG's dynamic activity allowed it to achieve revenue growth of +5.7% over one year to €6,902 million. Underlying costs excluding SRF were up +9.2%, related to the consolidation of Lyxor and investments in IT projects. Underlying gross operating income and pre-tax income increased by 2.8%. Tax increased by +10.9%, mainly due to a 2021 base effect[(1)]. The underlying cost/income ratio stood at 47.3%, up +1.5 percentage points compared to 2021. AG thus posted underlying net income Group share in the amount of €2,443 million, up 3.1% compared to 2021. The increase in insurance activities (+11.7%) and wealth management (+9.5%) income offset the decline in asset management (-11.9%) mainly related to the unfavourable base effect from the exceptional level of performance fees in 2021.

Over 2022, the Asset Gathering business line contributed 28% to the underlying net income Group share of the Crédit Agricole S.A. core businesses (excluding the Corporate Centre division) and by 18% to underlying revenues excluding the Corporate Centre division.

Insurance (CA Assurances)

The Insurance business line reflects the results of Crédit Agricole Assurances, a wholly-owned subsidiary of Crédit Agricole S.A., which covers all insurance businesses: savings/retirement, property & casualty, death & disability, creditor and group insurance.

— Insurance – Contribution to results, stated and underlying 2022

(in millions of euros)	2022 stated	2021 stated	Δ 2022/2021 stated	2022 underlying	2021 underlying	Δ 2022/2021 underlying
Revenues	**2,898**	**2,549**	**+13.7%**	**2,898**	**2,549**	**+13.7%**
Operating expenses excluding SRF	(786)	(722)	+8.9%	(786)	(722)	+8.9%
SRF	-	-	ns	-	-	ns
GROSS OPERATING INCOME	**2,112**	**1,827**	**+15.6%**	**2,112**	**1,827**	**+15.6%**
Cost of risk	(1)	(1)	+45.2%	(1)	(1)	+45.2%
Net income on other assets	0	(1)	ns	0	(1)	ns
INCOME BEFORE TAX	**2,111**	**1,826**	**+15.6%**	**2,111**	**1,826**	**+15.6%**
Tax	(483)	(345)	+40.0%	(483)	(345)	+40.0%
Net income from discontinued or held-for-sale operations	119	(2)	ns	18	(2)	ns
NET INCOME	**1,747**	**1,479**	**+18.1%**	**1,646**	**1,479**	**+11.3%**
Non controlling interests	(76)	(75)	+2.2%	(76)	(75)	+2.2%
NET INCOME GROUP SHARE	**1,671**	**1,405**	**+19.0%**	**1,570**	**1,405**	**+11.7%**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**27.1%**	**28.3%**	**-1.2 PP**	**27.1%**	**28.3%**	**-1.2 PP**

The Insurance business continued its commercial expansion and diversification in France and internationally. At the end of December 2022, total premium income reached €35.3 billion[(2)], down -3.1%[(2)] compared to 2021.

2022 was highlighted by several important events for Crédit Agricole Assurance (CAA):

- the signing of a master agreement between Banco BPM and CAA to establish a long-term distribution partnership for non-life and creditor insurance in Italy;
- the launch of the Crédit Agricole Assurance Retraite complementary professional retirement fund;
- the signing of a commercial partnership for car insurance with Mobilize Financial Services, Renault Group's non-life insurance subsidiary.

Savings/Retirement activity was impacted by the economic and financial environment, with premium income reaching €25.4 billion, down -6.6%[(2)] year-on-year.

Outstandings (savings, retirement and death and disability) remained stable over one year (+0.5%) at €321 billion, with a share in euro outstandings up +1.2% compared to the end of December 2021. Unit-linked contracts accounted for 25.6% of assets under management, down -1.2 percentage points over one year in connection with the decline in equity markets.

The **policyholders' deferred profit sharing rate** on Predica's euro-denominated policies stood at 2.32% at the end of 2022, up +106 percentage points compared to the end of 2021. Finally, the **Policy Participation Reserve** (PPE[(3)]) amounted to €12 billion at 31 December 2022, representing 5.7% of total euro outstandings.

(1) For the Crédit Agricole Assurance scope, the 2021 financial year benefited from a reduced effective rate, notably in connection with the disposal of securities at the reduced-tax rate.
(2) Excluding La Médicale.
(3) Scope "Life France".

Property and casualty insurance activity was dynamic, with premium income of €5.2 billion[2] at the end of December 2022, up +8.3%[2] compared to the end of 2021. At the end of December 2022, the portfolio of property and casualty policies totalled nearly 15.3 million[1], a +3.5% increase over one year. The equipment of individual customers in the banking networks of Crédit Agricole Group was stable compared to the end of December 2021 for the Regional Banks (42.6%, -0.1 percentage points) and up for LCL (27.1%, +0.5 percentage points), and CA Italia (21.2%, +2.2 percentage points; 16.8% including the Creval customer base). In addition to traditional activities (home, legal protection, personal accident, car), the growth of property and casualty insurance activity was boosted by a new car insurance offer in Italy designed to protect customers in all forms of mobility as well as by a home insurance offer at a unique rate of €6 per month for young tenants launched in France in December 2022. The combined ratio stood at 98.5%, a deterioration of +2.1 percentage points over the year, marked by several major weather events in France.

In **death & disability/creditor/group insurance,** premium income in 2022 stood at €4.7 billion[2], up +6.4%[2] compared to 2021, with creditor insurance activity still supported by a favourable real estate market (+8%) and good performance in consumer finance (+6%).

Underlying revenues in 2022 totalled €2,898 million, +13.7% versus 2021. Indeed, the increase in the recognition of the financial margin, the reversal of technical reserves, as well as the positive impact on 2022 revenues of the total unwinding of the Switch guarantee made it possible to offset negative market effects and increased claims. Expenses increased +8.9%, driven primarily by an increase in taxes related to growth in premium income adversely affecting the C3S[3], as well as to the costs associated with business development. The cost/income ratio therefore stood at 27.1%, down -1.2 percentage points compared to 2021. Underlying gross operating income increased by +15.6% compared to 2021, amounting to €2,111 million. The tax charge for 2022 increased by 40.0% to -€483 million, mainly due to the increase in the effective tax rate compared to 2021[4]. Net income from discounted or held-for-sale operations stood at €18 million, due to the finalisation of the disposal of La Médicale in the third quarter of 2022. Lastly, underlying net income Group share reached €1,570 million, an increase of +11.7% compared to 2021 (at current and constant scope). Including the +€101 million in gains from the disposal of La Médicale, the **stated net income Group share** amounted to €1,671 million.

Concerning the shift of the insurance activities to the IFRS 17 accounting standards from 1 January 2023, the impact on the results of Crédit Agricole Assurance is expected to be limited. The decline in the cost/income ratios announced in the 2025 Medium-Term Plan, i.e. lower than 15% for Crédit Agricole Assurance and lower than 59% for Crédit Agricole S.A. is confirmed. Finally, the recognition of the "internal margins" effect at the time of the consolidation of the insurance activities at the level of Crédit Agricole will be accounted through the Corporate Centre division, which should further contribute to a larger reduction of the cost/income ratio of Crédit Agricole S.A.

Insurance contributed 18% to the underlying net income Group share of the Crédit Agricole S.A. core businesses (excluding Corporate Centre division) over the year 2022 and 8% to underlying revenues.

Crédit Agricole Assurances also demonstrated its solidity and resilience with a Solvency 2 regulatory prudential ratio still high at 204% at 31 December 2022.

Asset management (Amundi)

Lyxor is integrated into Amundi's consolidated scope since fourth quarter 2021 with AUM of €148.0 billion.

— Asset management – Contribution to results, stated and underlying 2022

(in millions of euros)	2022 stated	2021 stated	Δ 2022/2021 stated	2022 underlying	2021 underlying	Δ 2022/2021 underlying
Revenues	**3,074**	**3,138**	**(2.0%)**	**3,074**	**3,138**	**(2.0%)**
Operating expenses excluding SRF	(1,765)	(1,577)	+11.9%	(1,705)	(1,561)	+9.2%
SRF	(5)	(4)	+12.5%	(5)	(4)	+12.5%
GROSS OPERATING INCOME	**1,305**	**1,557**	**(16.2%)**	**1,364**	**1,573**	**(13.3%)**
Cost of risk	(12)	(12)	(0.2%)	(12)	(12)	(0.2%)
Equity-accounted entities	88	84	+4.6%	88	84	+4.6%
Net income on other assets	4	(0)	ns	4	(0)	ns
INCOME BEFORE TAX	**1,385**	**1,629**	**(15.0%)**	**1,444**	**1,645**	**(12.2%)**
Tax	(324)	(284)	+14.1%	(339)	(403)	(15.9%)
NET INCOME	**1,061**	**1,345**	**(21.1%)**	**1,106**	**1,243**	**(11.0%)**
Non controlling interests	(335)	(415)	(19.3%)	(349)	(384)	(9.1%)
NET INCOME GROUP SHARE	**726**	**931**	**(22.0%)**	**757**	**859**	**(11.9%)**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**57.4%**	**50.2%**	**+7.2 PP**	**55.5%**	**49.7%**	**+5.7 PP**

(1) Scope: property and casualty in France and abroad.
(2) Excluding La Médicale.
(3) Corporate social welfare tax.
(4) For the Crédit Agricole Assurance scope, the 2021 financial year benefited from a reduced effective rate, notably in connection with the disposal of securities at the reduced-tax rate.

Assets under management reached €1,904 billion at the end of December 2022 (as a reminder, Lyxor's AuM were included for the first time as at 31 December 2021 for €148 billion). Over the year, assets under management were down by -7.7%, with positive inflows in MLT assets only partially offsetting the strongly unfavourable market and foreign exchange effects over the year (-€167 billion).

Over the year, **Retail activity** was also strong in the networks, mainly driven by third-party distributors, with positive inflows in MLT assets excluding JVs (+€6.5 billion); with regard to **institutional investor** inflows, we note the very positive performance of MLT assets excluding JVs, which only partially offset the outflow in cash products. **Asian JV** activity was positive in 2022 (+€14 billion), driven by a very strong inflows from the Indian JV, which maintained its leading position in the local market.

Amundi Technology continued its development, primarily by increasing the number of its customers (+ eight new customers in 2022).

In 2022, underlying revenues totalled €3,074 million, down -2.0% from financial year 2021, due to the unfavourable base effect related to the exceptional level of performance fees in 2021. Excluding this effect, the underlying revenues were up, compared to 2021. Net management fees were up from 2021 by +7.6% and stable at constant scope, at nearly €3 billion. The level of performance fees returned to normal at €171 million compared with the exceptional level of 2021 (€440 million including Lyxor in 2021). Underlying operating expenses excluding SRF rose by +9.2%, but were stable at constant scope thanks in particular to the first synergies generated with Lyxor. The underlying cost/income ratio excluding SRF was 55.5%, up +5.7 percentage points compared to 2021 (which benefited from very high performance fees). Thus, gross operating income fell by -13.3%. The revenues of the equity-accounted entities was €88 million, an increase of +4.6%. All in all, **net income Group share** stood at €757 million, a decrease of -11.9%.

Asset management contributed 9% to the underlying net income Group share of the Crédit Agricole S.A. core businesses (excluding Corporate Centre division) over 2022 and 8% to underlying revenues.

Wealth management(1) (CA Indosuez Wealth Management)

The assets under management mentioned in the business line's figures include those of CA Indosuez Wealth Management as well as the assets of LCL's Private Banking clients (also included in LCL's assets under management). The income statement items relate exclusively to CA Indosuez Wealth Management.

— Wealth management – Contribution to results, stated and underlying 2022

(in millions of euros)	2022 stated	2021 stated	Δ 2022/2021 stated	2022 underlying	2021 underlying	Δ 2022/2021 underlying
Revenues	**929**	**840**	**+10.6%**	**929**	**841**	**+10.5%**
Operating expenses excluding SRF	(771)	(707)	+9.1%	(771)	(704)	+9.5%
SRF	(3)	(3)	(2.0%)	(3)	(3)	(2.0%)
GROSS OPERATING INCOME	**155**	**131**	**+18.7%**	**155**	**134**	**+16.1%**
Cost of risk	(4)	(5)	(24.9%)	(4)	(5)	(24.9%)
Net income on other assets	(7)	1	ns	(7)	1	ns
INCOME BEFORE TAX	**145**	**127**	**+14.6%**	**145**	**130**	**+12.0%**
Tax	(23)	(14)	+64.2%	(23)	(14)	+59.5%
Net income from discontinued or held-for-sale operations	4	7	(39.7%)	4	2	+89.2%
NET INCOME	**127**	**120**	**+5.8%**	**127**	**118**	**+7.7%**
Non controlling interests	(10)	(11)	(9.1%)	(10)	(11)	(9.1%)
NET INCOME GROUP SHARE	**116**	**108**	**+7.4%**	**116**	**106**	**+9.5%**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**83.0%**	**84.1%**	**-1.1 PP**	**83.0%**	**83.7%**	**-0.8 PP**

In wealth management(2), total assets under management (CA Indosuez Wealth Management and LCL Private Banking) amounted to €190 billion at the end of December 2022 (including €130 billion for Indosuez Wealth Management). Over 2022, outstandings were down -2.4%, with very high inflows of +€6.2 billion (including a record level of +€4 billion for Indosuez Wealth Management), only partially offsetting the very strong negative market and foreign exchange impact (-€10 billion over 2022).

Over the year 2022, the underlying revenues of the wealth management business line totalled €929 million, a +10.5% increase over 2021 (+7.1% at constant foreign exchange rates), driven by the strong commercial momentum and the increase in the interest margin that offset the unfavourable market effects on stocks. Costs excluding SRF were up +9.5% (+5.5% excluding the foreign exchange impact) at €771 million, primarily related to IT and digital investments and also to variable compensation. Jaws over 2022 were positive at +1.0 percentage point (+1.5 percentage points at constant foreign exchange rates). Underlying gross operating income was up +16.1% at €155 million. Finally, **net income Group share** reached €116 million, an increase of +9.5% over the year in 2022, the highest historical level in ten years.

Wealth management contributed 1% to the underlying net income Group share of the Crédit Agricole S.A. core businesses (excluding Corporate Centre division) over 2022 and 2% to underlying revenues.

(1) Indosuez Wealth Management scope.
(2) LCL Private Banking and Indosuez Wealth Management.

Large customers

The Large customers division includes the Capital Markets, Investment Banking, Structured Finance and Commercial Banking business lines housed within Crédit Agricole Corporate & Investment Bank (Crédit Agricole CIB), as well as Asset servicing, housed within CACEIS.

— Large customers (LC) – Contribution to results, stated and underlying 2022

(in millions of euros)	2022 stated	2021 stated	Δ 2022/2021 stated	2022 underlying	2021 underlying	Δ 2022/2021 underlying
Revenues	**7,012**	**6,318**	**+11.0%**	**7,010**	**6,329**	**+10.8%**
Operating expenses excluding SRF	(3,905)	(3,707)	+5.3%	(3,905)	(3,658)	+6.8%
SRF	(442)	(328)	+34.7%	(442)	(328)	+34.7%
GROSS OPERATING INCOME	**2,665**	**2,283**	**+16.8%**	**2,663**	**2,344**	**+13.6%**
Cost of risk	(251)	(39)	x 6.4	(251)	(39)	x 6.4
Net income on other assets	15	8	x 2	15	8	x 2
INCOME BEFORE TAX	**(8)**	**(39)**	**(78.8%)**	**(8)**	**(39)**	**(78.8%)**
Tax	2,421	2,212	+9.5%	2,420	2,273	+6.5%
Net income from discontinued or held-for-sale operations	(592)	(512)	+15.6%	(591)	(529)	+11.7%
NET INCOME	**1,830**	**1,700**	**+7.6%**	**1,828**	**1,743**	**+4.9%**
Non controlling interests	(91)	(57)	+59.3%	(91)	(68)	+33.9%
NET INCOME GROUP SHARE	**1,739**	**1,643**	**+5.9%**	**1,738**	**1,676**	**+3.7%**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**55.7%**	**58.7%**	**-3.0 PP**	**55.7%**	**57.8%**	**-2.1 PP**

Over 2022, underlying revenues of the Large customers division was €7,010 million, an increase of +10.8% over 2021. Operating expenses excl. SRF increased by +6.8% to €3,905 million, reflecting support for growth and IT investments (including the enhancement of the F/O platform and improvement in the e-business offer in capital markets). SRF expenses recorded a net increase of +34.7% compared with 2021 at €442 million. Therefore, gross operating income for the period amounted to €2,663 million, an increase of +13.6% over 2021. The cost of risk over 2022 was a net provision of -€251 million compared with -€39 million over 2021, essentially because of the impact of the Russia/Ukraine war and its consequences for provisions on performing loans in 2022 (addition of -€374 million on Stages 1 and 2 Russian exposures). The business line's contribution to **underlying net income Group share** was at €1,738 million, up +3.7% compared to 2021.

The division contributed 20% to the underlying net income Group share of the Crédit Agricole S.A. core businesses (excluding the Corporate Centre division) in 2022 and 19% to underlying revenues excluding the Corporate Centre division.

Corporate and investment banking

Corporate and investment banking as a whole posted a record performance for the year 2022.

In full year 2022, the Corporate and investment bank put in an excellent commercial performance, with underlying revenues up +11.3% year-on-year to €5,734 million. Underlying revenues in financing activities increased to €3,101 million in 2022, up +11.7% over full year 2021. Financing activities thus strengthened its leading position in syndicated loans (#1 in France[1] and #2 in EMEA[2]) and was ranked #4 in project finance loans worldwide[3]. Revenues from capital markets and investment banking increased to €2,375 million over financial year 2022, i.e. +10.9% over 2021. Crédit Agricole CIB reaffirmed its leading positions in bond issues, becoming #3 All bonds in EUR Worldwide[3], and returning to #1 Green, Social & Sustainable bonds in euros[3]. Average regulatory VaR stood at €19.1 million for fourth quarter 2022, versus €6.4 million in fourth quarter 2021 (and €10.9 million in fourth quarter 2020), reflecting the market and interest rate shocks over the period. However, it remained at a low level, reflecting prudent risk management.

Underlying expenses excluding SRF increased by +9.1% (+6.3% at constant exchange rates), related to the organic growth strategy and business development of CIB, whereas SRF expenses were up more significantly in the financial year, by +30.2% to -€384 million. Underlying gross operating income at €2,327 million was up sharply (+11.7% compared to 2021), and the cost/income ratio (excluding SRF) was 52.7%. The cost of risk recorded a provision of -€248 million in 2022, due to the provisioning of Russian exposures (addition of -€536 million for Russian exposures, of which -€374 million for performing loans), compared to -€47 million in 2021. The tax charge was -€515 million, up +10.7%, and the contribution from the business line to **net income Group share** was up by +1.6% to €1,558 million.

(1) Refinitiv.
(2) Based on 31 March 2022 figures; for assets under administration.
(3) Bloomberg.

Asset servicing

On 17 October 2022, CACEIS announced it was entering into a Master Agreement stipulating CACEIS's potential acquisition of RBC's investors services activities in Europe. This was confirmed with the signing of a binding agreement (SPA) by the two parties end December 2022. With this acquisition, CACEIS will strengthen its position among the world leaders in asset servicing, becoming #1 in Europe in assets under administration with nearly €3,500 billion[(1)] and #2 in assets under custody at €4,800 billion[(3)]. This transaction will also diversify the customer profile by lowering the portion of French customers to 50%, primarily in favour of customers from English-speaking countries and Luxembourg.

The completion of the transaction is subject to the usual conditions precedent, including the applicable regularly approvals. This transaction is in line with the Group's development targets and will respect our profitability criteria with an expected return on investment of more than 10% over three years thanks to the realisation of synergies. After integration costs, the additional net income (before non-controlling interest) expected in 2026 would be higher than €100 million. The transaction will have a negative impact of less than -10 basis points on the CET1 of Crédit Agricole S.A. and Crédit Agricole Group[(2)] at the closing date planned for third quarter 2023.

The year-end also saw the formation of Uptevia on 1 January 2023, a 50/50 joint venture combining the issuer services business lines[(3)] of CACEIS and BNP Paribas. This new entity fulfils the aim of providing a specialised, enhanced and evolving services offer to Corporate customers in France, by building on a robust and agile architecture and dedicated teams.

Underlying revenues for 2022 were up +8.2% compared to 2021, driven by the increase in the net interest margin (+35.2%), which offset the decline in fee and commission income linked to the drop in assets and flow activities, which nevertheless remained high. Underlying expenses excluding SRF were under control at -€882 million, down slightly compared to 2021 (-0.4%), thanks in particular to the impacts of the operational efficiency plan, in which the HR transformation costs were provisioned in 2021. SRF expenses recorded a net increase of +74.6% compared with 2021 at -€58 million. Thus, underlying gross operating income was up +29.2% compared to 2021, and underlying net income was up +25.2%. The overall contribution of the business line to **net income Group share** in 2022 was €180 million, a +26.0% increase.

Specialised Financial Services

Specialised Financial Services includes the consumer finance (CA Consumer Finance – Crédit Agricole Consumer Finance) and leasing and factoring (CA Leasing & Factoring – CAL&F) activities.

— Specialised Financial Services (SFS) – Contribution to results, stated and underlying 2022

(in millions of euros)	2022 stated	2021 stated	Δ 2022/2021 stated	2022 underlying	2021 underlying	Δ 2022/2021 underlying
Revenues	**2,782**	**2,692**	**+3.3%**	**2,782**	**2,692**	**+3.3%**
Operating expenses excluding SRF	(1,443)	(1,379)	+4.7%	(1,443)	(1,379)	+4.7%
SRF	(34)	(23)	+47.9%	(34)	(23)	+47.9%
GROSS OPERATING INCOME	**1,304**	**1,290**	**+1.1%**	**1,304**	**1,290**	**+1.1%**
Cost of risk	(533)	(505)	+5.5%	(533)	(505)	+5.5%
Equity-accounted entities	308	307	+0.2%	316	302	+4.6%
Net income on other assets	2	(8)	n.m.	2	(8)	n.m.
INCOME BEFORE TAX	**1,081**	**1,084**	**(0.2%)**	**1,090**	**1,079**	**+1.0%**
Tax	(222)	(120)	+85.5%	(214)	(227)	(5.7%)
Net income from discontinued or held-for-sale operations	0	-	n.m.	0	-	n.m.
NET INCOME	**860**	**964**	**(10.9%)**	**875**	**852**	**+2.8%**
Non controlling interests	(109)	(157)	(30.6%)	(109)	(115)	(5.2%)
NET INCOME GROUP SHARE	**751**	**808**	**(7.0%)**	**767**	**737**	**+4.0%**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**51.9%**	**51.2%**	**+0.7 PP**	**51.9%**	**51.2%**	**+0.7 PP**

In 2022, production in leasing was up +8.9% to €7.4 billion, driven by excellent renewable energy sector production, which again exceeded €1 billion. However, factoring production was down to €16.5 billion (-9.6%).

A major component of the division's activity this year was the continuing implementation of the agreement between CACF and Stellantis, which is expected to enter into force in second quarter 2023. CAL&F also continued to integrate Olinn and to implement new offerings and new growth initiatives such as CAL&F's acquisition of a stake in Watèa (50/50 joint venture with Michelin in long-term rentals of electric vehicles for small businesses) and the launch of the ESG impact factoring service for large corporates, which offers price incentives based on CSR criteria.

At end December 2022, CACF's total outstandings therefore stood at €103.0 billion, i.e., 11.4% compared to end December 2021. Leasing outstandings were €17.6 billion at end December 2022 (of which €14.1 billion in France and €3.5 billion abroad), i.e., +8.4% compared to end December 2021. Over the year, factored revenues exceeded €100 billion, reaching €115.4 billion, up 26.4% from 2021.

(1) Based on 31 March 2022 figures; for assets under administration.
(2) Estimated on figures as at 30 June 2022.
(3) Operational register keeping, organisation of general meetings and other services to issuers in France.

In 2022, underlying revenues in Specialised Financial Services increased by 3.3%[1] compared to 2021, driven by a strong performance at CACF and CAL&F. Underlying expenses excluding SRF were up 4.7%. The underlying cost/income ratio excluding SRF remained low at 51.9%, an increase of 0.7 percentage points. The contribution to the SRF amounted to -€34 million for 2022, an increase of +47.9%. The underlying cost of risk therefore rose by +5.5% to -€533 million. The underlying contribution of equity-accounted entities increased by 4.6% to €316 million. Underlying net income Group share was therefore up +4.0% to €767 million.

The division contributed 9% to the underlying net income Group share of the Crédit Agricole S.A. core businesses (excluding the Corporate Centre division) in 2022 and 7% to underlying revenues excluding the Corporate Centre division.

Consumer finance

In 2022, underlying revenues were €2,126 million, up +1.4% from 2021, with buoyant activity and increase in outstandings, particularly in the automotive sector, offsetting pressure on the margins following the gradual but delayed rise in customer rates. Underlying expenses excluding SRF increased by +1.0% to €1,079 million, and the SRF contribution was -€16 million (+65.3% compared to 2021). The underlying cost/income ratio excluding SRF remained low at 50.7%, a decline of -0.2 percentage points. Underlying gross operating income was €1,031 million, up +1.1%.

The underlying cost of risk increased by +7.9% and reached -€480 million. The cost of risk on outstandings therefore stood at 127 basis points[2] in 2022. After integrating the cost of risk of automotive JVs, it stood at 100 basis points for the year, the non-performing loan ratio stood at 5.0%, stable compared to end December 2021, and the coverage ratio reached 86.3%, down -2.1 percentage points compared to end December 2021. The contribution of equity-accounted entities rose by +4.6% in underlying terms, to €316 million. All in all, the business line's contribution to underlying **net income Group share** amounted to €595 million for 2022, up +0.5% in underlying terms.

Leasing & Factoring

In 2022, underlying revenues were €655 million, up +10.3% from end December 2021 thanks to buoyant factoring activity that offset narrower margins on leasing operations. Underlying expenses excluding SRF were up +17.4% with activity growth and IT investments, and a rise in compensation. The contribution to the SRF amounted to -€18 million (+35.0%). Underlying gross operating income was €273 million, up +0.9%. The underlying cost/income ratio excluding SRF worked out at 55.6%, up 3.3 percentage points. Underlying cost of risk totalled -€53 million, down -11.9%. Lastly, underlying **net income Group share** was €172 million, up +18.4% (+15.7% at constant scope).

(1) Inc. Olinn acquired by CAL&F in Q4 2021 (in 2022, underlying GOI of €5.2 million with revenues of €30.9 million and expenses of -€25.7 million; excluding Olinn, 2022/2021, revenues +4.3%, expenses excluding SRF +7.5% / In Q4, revenues +6.7%, expenses excluding SRF +9.6%. – N.B.: CACF Spain fully consolidated since Q3 2021; Q1 and Q2 2021 to 50% as equity-accounted entities.

(2) Cost of risk for the last four quarters as a proportion of the average outstandings at the beginning of the period for the last four quarters.

Corporate Centre results

This division comprises three types of so-called structural activities:

- *Crédit Agricole S.A.'s Corporate Centre function, asset and liability management and management of debt connected with acquisitions of subsidiaries or equity investments and the net impact of tax consolidation for Crédit Agricole S.A.;*
- *the results of the private equity business and of various other Crédit Agricole S.A. companies (including CA Immobilier, Uni-médias, Foncaris, BforBank etc.);*
- *the results of resource companies carrying out dedicated activities on behalf of the Crédit Agricole Group and its subsidiaries: IT production (CAGIP), payment activities (CAPS) and real estate operations (SCI).*

This segment also includes other non-structural items, such as the volatile technical impacts of intragroup transactions.

— Corporate Centre (CC) – Contribution to results, stated and underlying 2022

(in millions of euros)	2022 stated	2021 stated	Δ 2022/2021 stated	2022 underlying	2021 underlying	Δ 2022/2021 underlying
Revenues	**55**	**312**	**(82.4%)**	**2**	**290**	**(99.3%)**
Operating expenses excluding SRF	(1,088)	(913)	+19.2%	(1,068)	(913)	+17.0%
SRF	(56)	58	ns	(56)	(72)	(21.3%)
GROSS OPERATING INCOME	**(1,090)**	**(543)**	**X 2**	**(1,122)**	**(695)**	**+61.4%**
Cost of risk	(18)	(18)	+1.5%	(18)	(18)	+1.5%
Equity-accounted entities	-	-	ns	-	-	ns
Net income on other assets	(2)	0	ns	(2)	0	ns
Change in value of goodwill	-	-	ns	-	-	ns
INCOME BEFORE TAX	**(1,109)**	**(561)**	**+97.9%**	**(1,142)**	**(713)**	**+60.2%**
Tax	356	172	x 2.1	365	178	x 2
Net income from discontinued or held-for-sale operations	0	(0)	ns	0	(0)	ns
NET INCOME	**(753)**	**(389)**	**+93.8%**	**(777)**	**(535)**	**+45.4%**
Non controlling interests	6	(4)	ns	6	(4)	ns
NET INCOME GROUP SHARE	**(747)**	**(393)**	**+90.1%**	**(771)**	**(539)**	**+43.1%**

The 2022 financial statements include several specific items for a total impact of +€24 million in net income Group share. They mainly concern the home purchase savings provision for +€39 million in net income Group share and CAGIP transformation costs for -€14.7 million in net income Group share.

The 2021 financial statements included several specific items for a total impact of +€146 million in net income Group share. They mainly concern the correction of the contribution to the Single Resolution Fund for 2016 to 2020 for +€130 million in net income Group share and the provision for home purchase savings plans for €16 million.

Over 2022, the underlying net income Group share of the Corporate Centre division was -€771 million, a decrease of -€232 million compared with 2021. It is in line with the target of net income Group share greater than -€800 million presented in the Ambitions 2025 Medium-Term Plan.

CREDIT AGRICOLE GROUP CONSOLIDATED BALANCE SHEET

Assets balance sheet

(in millions of euros)	Notes	31/12/2022	31/12/2021	Variation
Cash, Central Banks	6.1	210,804	241,191	(12.6%)
Financial assets at fair value through profit or loss	3.1-6.2-6.6-6.7	431,717	433,134	(0.3%)
Held for trading financial assets		242,005	233,031	+3.9%
Other financial instruments at fair value through profit or loss		189,712	200,103	(5.2%)
Hedging derivative Instruments	3.2-3.4	50,494	16,023	x 3.2
Financial assets at fair value through other comprehensive income	3.1-6.4-6.6-6.7	217,125	268,700	(19.2%)
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss		212,341	264,572	(19.7%)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss		4,784	4,128	+15.9%
Financial assets at amortised cost	3.1-3.3-6.5-6.6-6.7	1,344,545	1,258,283	+6.9%
Loans and receivables due from credit institutions		114,279	96,703	+18.2%
Loans and receivables due from customers		1,114,389	1,051,592	+6.0%
Debt securities		115,877	109,988	5.4%
Revaluation adjustment on interest rate hedged portfolios		(9,098)	5,231	ns
Current and deferred tax assets	6.10	10,052	8,113	+23.9%
Accruals, prepayments and sundry assets	6.11	58,448	43,081	+35.7%
Non-current assets held for sale and discontinued operations	6.12	134	2,965	(95.5%)
Deferred participation benefits	6.17	17,043	(3)	ns
Investments in equity-accounted entities	6.13	8,427	8,046	+4.7%
Investment property	6.14	9,000	8,292	+8.5%
Property, plant and equipment	6.15	10,770	10,909	(1.3%)
Intangible assets	6.15	3,470	3,483	(0.4%)
Goodwill	6.16	16,189	16,109	+0.5%
TOTAL ASSETS		**2,379,120**	**2,323,557**	**+2.4%**

Liabilities balance sheet

(in millions of euros)	Notes	31/12/2022	31/12/2021	Variation
Central Banks	6.1	59	1276	(95.4%)
Financial liabilities at fair value through profit or loss	6.2	272,192	243,555	+11.8%
Held for trading financial liabilities		231,702	205,075	+13.0%
Financial liabilities designated at fair value through profit or loss		40,490	38,480	+5.2%
Hedging derivative Instruments	3.2-3.4	47,316	16,827	x 2.8
Financial liabilities at amortised cost		1,467,676	1,447,463	+1.4%
Due to credit institutions	3.3-6.8	152,201	221,192	(31.2%)
Due to customers	3.1-3.3-6.8	1,095,758	1,044,566	+4.9%
Debt securities	3.3-6.8	219,717	181,705	+20.9%
Revaluation adjustment on interest rate hedged portfolios		6,987	5,841	+19.6%
Current and deferred tax liabilities	6.10	2,649	3,013	(12.1%)
Accruals, prepayments and sundry liabilities	6.11	64,907	58,637	+10.7%
Liabilities associated with non-current assets held for sale and discontinued operations	6.12	205	2,566	(92.0%)
Insurance company technical reserves	6.17	354,538	377,687	(6.1%)
Provisions	6.18	5,645	7,104	(20.5%)
Subordinated debt	3.3-6.19	23,155	25,873	(10.5%)
TOTAL LIABILITIES		**2,245,329**	**2,189,842**	**+2.5%**
EQUITY		**133,791**	**133,715**	**+0.1%**
Equity – Group share		126,470	126,498	(0.0%)
Share capital and reserves		30,456	29,927	+1.8%
Consolidated reserves		92,585	85,467	+8.3%
Other comprehensive income		(4,715)	2,029	ns
Other comprehensive income on discontinued operations		-	(26)	ns
Net income (loss) for the year		8,144	9,101	(10.5%)
Non-controlling interests		7,321	7,217	+1.4%
TOTAL LIABILITIES AND EQUITY		**2,379,120**	**2,323,557**	**+2.4%**

Main changes in the consolidated balance sheet

At 31 December 2022, Crédit Agricole Group's total consolidated balance sheet amounted to €2,379.1 billion, up +€55.6 billion, i.e. +2.4% compared to the 2021 balance sheet.

This increase essentially stemmed from:

- the increase in financial assets at amortised cost totalling +€86.3 billion;
- the increase in hedging derivatives for +€34.5 billion;
- offset by a decrease in financial assets at fair value through other comprehensive income of -€51.6 billion.

Analysis of the main items

Financial assets at fair value through profit or loss amounted to €431.7 billion at 31 December 2022, down -0.3% year-on-year, or -€1.4 billion (including +€9.0 billion on financial assets held for trading and -€10.4 billion on other financial instruments at fair value through profit or loss).

Financial assets at fair value through other comprehensive income stood at €217.1 billion at end-December 2022, down -€51.6 billion (-19.2%).

Financial assets at amortised cost amounted to €1,344.5 billion at end-December 2022, up +€86.3 billion (+6.9%). In essence, the rise in loans and receivables due from customers for +€62.8 billion accounts for this increase.

Accruals, prepayments and sundry assets represent €58.4 billion at 31 December 2022, up 35.7% in the year. This increase is primarily due to a rise in security deposits and margin calls on derivative transactions.

Cash and Central Bank deposits declined by -€30.4 billion (-12.6%) in assets and by -€1.2 billion (-95.4%) in liabilities.

Financial liabilities at fair value through profit or loss amounted to €272.2 billion at 31 December 2022, an increase of +€28.6 billion (including +€26.6 billion on financial liabilities held for trading) year-on-year (+11.8%).

Hedging derivatives increased by 215.1% on the assets side and 181.2% on the liabilities side, mainly due to changes in the rate curves.

Technical reserves for insurance contracts were down -6.1% in 2022 from 2021, to €354.5 billion. This -€23.1 billion fall was due in the main to a decrease in policyholders' deferred profit sharing.

Equity amounted to €133.8 billion at 31 December 2022, a year-on-year increase of 0.1%.

OUTLOOK

2023 economic outlook

The scenario continues to be overshadowed by the Russia-Ukraine war, with effects being felt both in neighbouring countries and in those further away, through the rise in prices or the risk of food or energy commodity shortages. The strong rebound of post-Covid recovery is easing and economies are poised to flirt with recession in varying degrees. While violent recessions seem to be avoidable, this is paradoxically due to the buffers resulting from the pandemic, mainly in the form of still abundant private savings and fairly resilient labour markets.

In the **United States,** the pillars that have enabled strong growth (particularly consumption) to go beyond expectations are gradually weakening: a tight labour market but slowing net job creation; high nominal wage growth but a loss of purchasing power, leading to the savings built-up during the pandemic being drained and credit card borrowing; declining business surveys; and slowdowns in non-residential and residential investments. Counting on the counter-cyclical action of budgetary and/or monetary policies is futile: the 2022 mid-term elections produced a divided government that is not conducive to any fiscal stimulus, and the Fed has made it clear that it is focusing on inflation, at the cost of enduring a short-term recession.

Although it has passed its peak, headline inflation is still high; core inflation appears to be resistant and should slowly decelerate. The slowdown in growth and better functioning supply chains should lead to a sharper decline in price increases by the end of 2023, with headline inflation approaching 3% and core inflation falling below 3%. If inflation were to fall faster than expected, a soft landing could not be ruled out. But our central scenario favours a slight recession in the middle of the year, leading to a pronounced slowdown in growth in 2023 (to 0.6%).

In **China,** the shift from its zero-Covid policy quickly pleased observers. The need to "live with the virus" should nevertheless continue to weigh on growth, whose expected upturn will depend essentially on domestic demand. The latter will itself be conditioned by three factors: the extent of the support granted by the authorities to the property sector (limited support because the Chinese government does not want to position itself as a last-resort lender to a sector that it considers responsible for its over-indebtedness); the capacity of the government to create sufficient confidence in order to free up part of its residents' precautionary savings and to stimulate consumption; and the attitude of the government towards the private sector, which has suffered over the last two years from the zero-Covid strategy and the tightening of regulations. Taking into account the slightly negative – or at best, zero – contribution from foreign trade, and investments still being curbed by the restructuring of the property sector, growth should accelerate to around 5%, mainly due to positive base effects in the service sectors.

In the **Eurozone,** the natural slowdown in post-pandemic growth has been compounded by the lasting shock of the war in Ukraine. It is difficult to read the economic situation due to the succession of shocks, mainly the Covid crisis and the war in Ukraine. What are the ongoing effects of the pandemic? A labour market that is still solid, a substantial but largely depleted savings surplus for the most modest households, inflation that was hoped to be temporary. While the debate on the precise nature of inflation and the respective responsibilities of supply and demand has not been settled, it is clear that supply chain tensions are decreasing, the slowdown in global inflation is spreading, but also that second-round effects are visible: the impact of energy price rises on consumer prices, via production costs, is obvious even before any wage-price spiral is implicated. What is the impact from the war in Ukraine? A sustained increase in the price of energy imports. The effects of deteriorating trade terms, inflation and loss of competitiveness on export volumes and market shares will gradually reveal themselves.

Our scenario for the Eurozone assumes a decline in average inflation (HICP definition) (projected at 7.5%), but it would still remain high (4.5% at the end of 2023) and weigh on domestic demand. While net exports would subtract from growth (negative contribution of 0.7 percentage points), domestic demand and inventories would still make slightly positive contributions (of 0.6 and 0.2 percentage points respectively). Our scenario thus assumes, overall, a marked deceleration in growth in 2023 (to 0.1% after 3.4% in 2022) but also, beyond that, a permanently weaker rate of expansion. This scenario is still based on strong assumptions about gas supply and its price. While the prospect of winter power cuts seems further and further away thanks to favourable weather and the restarting of nuclear power plants, the difficulties in obtaining natural gas at a “non-punitive” cost are likely to last as long as the war in Ukraine and beyond.

In **France,** even if partially cushioned by the price shield, the effects of inflation on customers’ income should result in a slowdown in demand in the first half of 2023; a brief contraction in GDP is also not excluded. Coupled with aggressive monetary tightening that will eventually limit investment at a time when most companies are already experiencing pressure on their margins, economic activity would only recover slowly in the second half of the year, with some industrial sectors remaining crippled by high energy prices over the longer term. In 2023, with household consumption rising by 0.2%, total investment stable, and a negative net external contribution, average growth would reach 0.3%. This scenario assumes a slightly less dynamic labour market: job creation should slow and defaults should return to their pre-crisis levels. A moderate increase in the unemployment rate (to 7.5%) and wage growth falling once again below price developments would therefore weigh on consumption. Inflation would peak at the beginning of 2023, but would only slowly decline throughout the year (consumer prices, INSEE definition: 5.2% on average, 3.7% at year-end). With inflation remaining high, households would then have to dip into their savings to maintain their essential expenses: the savings rate would fall before gradually returning to 15%, close to its pre-pandemic average.

In terms of monetary policy, fighting inflation remains the priority. Central Banks will not risk letting their guard down too quickly, and the pivot that the markets are hoping for will be more of a pause than a prelude to a rapid decline.

In the **United States,** after aggressive rate hikes in 2022 totalling 425 basis points, bringing the target range to 4.25%–4.50%, the Fed signalled its intention to slow the pace of these increases while making it clear that the tightening was not at an end. Our monetary scenario assumes a slowdown in the pace of rate hikes (25 basis points at each of the February, March and May FOMC meetings), bringing the target range for the Fed funds rate to a peak of 5%-5.25%, in line with the December dot plot. Based on its experience, the Fed should remain cautious and not engage in too much premature easing: its rates would remain on this plateau for the rest of 2023. Since inflation’s sustainable return to the 2% target is a prerequisite for easing, this would not take place before 2024. Additionally, after having reached its maximum pace in September, the Fed’s balance sheet will continue to shrink as announced in May. Quantitative tightening (QT) should come to an end when easing takes place through key rate cuts, so that the two monetary tools do not work against each other. The end of the QT would therefore not occur in 2023.

In the **Eurozone,** at its meeting at the end of December, the ECB revised its inflation forecasts upwards (6.3% in 2023, 3.4% in 2024, 2.3% in 2025) and growth forecasts downwards (0.5% in 2023, 1.9% in 2024 and 2025). In line with higher inflation, the ECB raised rates by 50 basis points to bring the deposit rate to 2%, and coupled this move with a very proactive rhetoric: interest rates will have to continue to rise significantly at a steady pace in order to reach sufficiently restrictive levels and ensure inflation’s rapid return to the 2% target in the medium term. In our scenario, the ECB would continue to raise its key rates until June 2023, when the refinancing and deposit rates would reach 4.25% and 3.75% respectively, levels at which they would remain for a fairly long time, since monetary easing would not take place before mid-2024. This scenario is aggressive, but a change of course from the ECB’s announcements would require a significant improvement in the inflation outlook, a drastic deterioration in growth or extreme tensions on financial markets: none of these factors seem to be looming.

In December, the ECB also unveiled some elements of its QT, announcing a cautious, gradual strategy to reduce its balance sheet by €15 billion between March and June by reducing the securities held under the Public Sector Purchase Programme (PSPP). Details of further QT developments will be provided in February. Our scenario assumes a decrease of €20 billion per month from the third quarter, concentrated in government securities (PSPP). Finally, tightening through rates and quantities is accompanied by a change in the terms of the TLTROs(Targeted Longer-Term Refinancing Operations), encouraging banks to repay these loans early: given the importance of bank credit in the Eurozone, this channel could prove to be the most powerful in terms of monetary tightening.

Under the influence of monetary tightening and inflation that remains high, long-term interest rates should continue to rise slightly before declining once again towards mid-2023, weighed down by the slowdown or even a likely recession. This scenario maintains the inversion of the interest rate curves (two years–ten years): sharp in the US, moderate in Germany.

The ten-year US Treasuries rate would peak at around 4.15% in the first half of 2023 and the two-year–ten-year slope would reach its maximum inversion (105 basis points) in the first quarter of 2023. Our scenario assumes the US 10-year rate will be very slightly above 4% at the end of 2023. In the Eurozone, expectations of a restrictive ECB policy should weigh on growth prospects and support demand for risk-free long-term securities: government bonds, which have not been popular with individual investors and the private sector over the past decade due to low returns, would regain favour with these investors. The ECB’s policy would therefore only lead to a limited increase in long-term interest rates. On the other hand, TLTRO redemptions could, in the short term, ease the shortage of securities and create modest pressure to widen spreads on peripherals. Our scenario assumes a Bund rate (German 10-year rate) of 2.60% at the end of 2023, and French and Italian risk premiums close to 60 and 220 basis points, respectively, compared to the Bund.

After being supported by risk aversion, over-stimulated growth and premature, powerful monetary tightening in the United States, the factors behind the US dollar’s sustained appreciation are gradually dissipating. The US currency is expected to lose some ground in 2023. Our scenario assumes a EUR/USD exchange rate of 1.10 at the end of 2023.

The Crédit Agricole Group, present in 46 countries, has 145,000 employees and 53 million customers worldwide. It has a highly diverse business and mainly operates in the areas of retail banking, asset management, insurance, consumer finance, leasing and factoring, and corporate and investment banking. The revenues, expenses, cost of risk and results of the Crédit Agricole Group and Crédit Agricole S.A. are therefore naturally impacted by macroeconomic developments in France, the Eurozone and the rest of the world. The Medium-Term Plan “Ambitions 2025”, as detailed in the following part of chapter 2, also relies on a set of macroeconomic assumptions, in particular, growth in France and the Eurozone, inflation and changes in rates. In Chapter 3 of this document, which sets out the Crédit Agricole Group’s risk factors, there is information on what potential impact the negative trend of some of these macroeconomic indicators could have on the Group’s results.

Subsequent to the approval of the accounts by the Board of Directors held on 8th February 2023, the collapse of several regional American banks and the planned takeover of CS by UBS in the end of march do not affect Credit Agricole's Group capacity to serve its clients, thanks to its strong financial strength. The direct exposure of the Group to the four troubled American banks and to Credit Suisse's AT1 is nil. In the current context, the Group is of course maintaining a very prudent risk policy.

Moreover, the solvency and the liquidity of the Group remain very solid. Credit Agricole Group's CET1 ratio stands at 17.6%, 870 basis points above the regulatory SREP requirement. Credit Agricole Group's LCR at 167.3% (average over 12 months), is also well above the 100% regulatory requirement. Finally, the Group's liquidity reserves are very high (€467 bn) and the share of bonds in these reserves (€132 bn) is of very high quality (composed mainly of HQLA securities and hedged against interest rates risk).

2025 Medium-Term Plan

On 22 June 2022, Crédit Agricole S.A. presented its new Medium-Term Plan, **Ambitions 2025.**

This plan was presented during a unique time: the "medium-term" has disappeared as an observable horizon to make way for a "short-term" that is particularly opaque under the stacked effects of multiple crises, and a long-term horizon that combines the decarbonisation of energy, the preservation of biodiversity and the environment, the progress of agricultural and agro-food techniques and the social inclusion that is essential for the stability of our societies.

All in all, **Ambitions 2025 is part of this paradigm, with a roadmap for the Group that remains clear:** to help all our customers and all our territories to overcome situations that can be very difficult, to commit ourselves as facilitators and accelerators of all societal transitions, and to take action for the future.

Our historical model, which combines utility and universality, and **our DNA as a stakeholder committed to major societal changes,** will enable us to achieve these targets.

- **Our amplification trajectory for 2025** is based on strong organic growth potential with a target of more than one million additional customers in the Crédit Agricole Group's retail banking network. Our business lines, which are leaders in Europe, should continue to develop and expand their offerings to meet new uses and support transitions.

  This Plan aims to produce a **net income Group share for Crédit Agricole S.A. of over €6 billion, and to further strengthen our profitability,** which is already among the best in Europe, with a return on tangible equity of over 12%.
- Looking towards 2030 and beyond, the Group is organising and structuring two new business lines, which are useful to society and offer development opportunities. **We are launching Crédit Agricole Transitions & Énergies to make energy transitions accessible to all and accelerate the advent of renewable energies. We are launching Crédit Agricole Santé & Territoires, to facilitate access to healthcare and ageing well.**

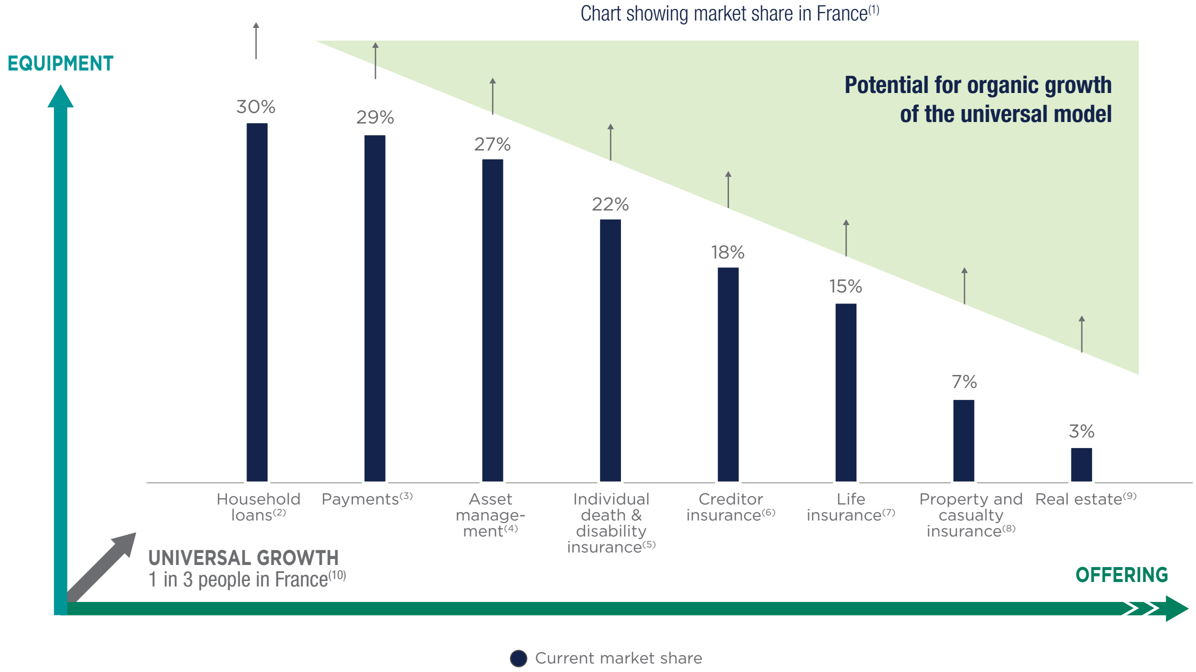
Strong organic growth potential rounded out by targeted partnerships and acquisitions

In this uncertain environment looking toward 2025, Crédit Agricole S.A. is able to rely on strong **organic growth** potential. The Group is aiming for one million additional retail banking customers in France, Italy and Poland by 2025 and intends to increase the **number of customers** with protection insurance, savings and real estate solutions. Its objective is **to expand and adapt its offers** (more accessible, more responsible and more digital) in order to meet new needs.

The chart below, which shows our current market shares, illustrates this organic growth potential, which is based on these three dimensions.

— An intrinsic development model based on the global customer relationship, and competitive and innovative business lines at their service

Chart showing market share in France[1]



Latest available data 2. Market shares of loans to households and similar LCL and Regional Banks at the end of November 2022, Crédit Agricole S.A.-France 3. Market shares of issuance, in number of transactions, Banque de France Monetics data 2021 4. Market shares on UCITS in France at the end of December 2022 on all customer segments 5. End of 2021, scope: annual contributions for Temporary death + Funeral guarantee + Dependency, 6. End of 2021, scope: annual contributions collected by CAA originated by CRCA and LCL / PDM including the Share of business originated by CRs via CNP/PREDICA co-insurance 24% 7. End of 2021, PREDICA outstandings in life insurance and individual savings, 8. End of 2021, P&C activities of Pacifica & La Médicale de France, annual contributions. Market size, source Argus de l'Assurance, 9. Internal source 10. 35% of French people - source: Sofia 2021 KANTAR

In addition, the strategy of **targeted acquisitions and partnerships** is set to continue, keeping within the profitability constraints (ROI >10% in three years). With Ambitions 2025, Crédit Agricole S.A. intends to pursue opportunities to forge new distribution partnerships with financial players, as well as industrial and technological partnerships.

The Group's priority, which was reiterated in the Ambitions 2025 Plan, is to continue to develop in Europe through our customer-focused banks, in particular with a major transformation plan in Poland, as well as the development of the business lines, either organically or through partnerships and acquisitions, in particular with strong potential in Germany and the Iberian zone. Elsewhere, development, driven mainly by the business lines, is more selective and is carried out in accordance with Crédit Agricole S.A.'s compliance and profitability criteria, taking into account geopolitical risk.

In more detail, each of the Group's entities has specified its targets and priorities for 2025

In Retail Banking, LCL has a distinctive positioning, with a strong urban, entrepreneurial and high-net-worth customer base. By 2025, the bank intends to strengthen this positioning and develop its offer and customer equipment rate. It aims to develop its expertise with a strategic equity advisory service and private banking offer for entrepreneurs and executives. Its objective is to accelerate the digitisation of its key processes, as well as the support of its SME and MSE customers in the energy transition.

In International Retail Banking, CA Italia is planning a major digital transformation and an acceleration in ESG, real estate, agri-agro, property and casualty insurance and managed savings, as well as a strengthening of its operational efficiency, with a decrease of almost 3% in the cost/income ratio by 2025 thanks to synergies linked to Creval, network optimisation and the increased use of digital technologies. **CA Bank Polska** is focusing on organic growth, with a target of more than 60% new customers by 2025, notably by developing its digital functionalities and expanding its banking offer. It aims to develop its SME, small business and VSB customers by capitalising on the customer base of the Crédit Agricole Leasing & Factoring subsidiary, the second largest leasing company in Poland. **Crédit Agricole Egypt** wants to continue to develop its brand for corporate and high-net-worth clients, with the aim of consolidating its position as the leading European bank in the country. In Ukraine, the Group's presence with **Crédit Agricole Ukraine** should help it contribute, in due time, to the country's reconstruction efforts.

In Specialised Financial Services, Crédit Agricole Consumer Finance (CACF), thanks to its new agreement with Stellantis, which should come into effect in the first half of 2023, aims to create a European leader in mobility with a target of one million vehicles under long-term lease by 2026. In addition, with the acquisition of FCA Bank and Leasys Rent, CACF is strengthening its automotive financing capabilities with an industrial platform covering 18 European countries, and its mobility offer (including short-term leasing) to respond to new uses and environmental challenges. By 2025, one in two new vehicles financed by CACF should be green. For its part, **Crédit Agricole Leasing & Factoring** (CAL&F) intends to pursue its development in Europe with a pan-European factoring platform and leasing marketplaces. CAL&F stands out as a partner in the transition of companies, with a digital diagnosis and advice platform and offering renewable energy financing (target of €2 billion in annual financing by 2025); and in the transition towards the economy of use, with the development of high value-added turnkey leasing solutions for its customers.

In the Asset Gathering division, Amundi's targets are to increase its commitment to responsible investment (in particular by stepping up its efforts in passive management and real assets), to become a leading player in services and technologies across the entire savings value chain, and to pursue value-creating acquisitions. **Indosuez Wealth Management** intends to accelerate its growth by developing its offer to its high-net-worth customers, the wealth clients of the Group's banks as well as family offices and the NextGen segment[1]. The bank will strengthen its support for customers' for their real assets and their responsible engagement, with the ambition of a fivefold increase in its annual distribution of ESG products.

Lastly, Crédit Agricole Assurances plans to continue to enhance its savings solutions with an expanded responsible investment offering, a higher proportion of unit-linked products in line with customer expectations, and a target of €345 billion in outstandings. It also aims to accelerate the equipment rate of property and casualty insurance with a target of 2.5 million new policies. The insurer is also striving to step up its efforts in health and retirement. It plans to build a management platform and is aiming to increase the number of health beneficiaries by 40% by 2025. Its goal is to offer a complete range of retirement products with the creation of a dedicated insurance company, the implementation of a digital guidance and advice platform for preparing for retirement and the roll-out of a range of "ageing well tomorrow" services with a target of €23 billion in retirement assets by 2025.

With regard to Large customers, Crédit Agricole CIB is evolving to better support its customers in the energy transition, notably by developing its expertise in emerging technologies (e.g. hydrogen) and creating a 'Sustainability Community' of approximately 250 experts and coordinators. The bank is pursuing this customer-focused strategy by ramping up its activities in Europe as well, with an expanded sector and product offering and through the industrialisation of its business lines, in particular on the bottom-line offering. Beyond the development of its core businesses, **CACEIS** aims to strengthen its offering (e.g. ETFs, pension funds, fund distribution services, middle office, PERES[2], digital assets) in an ever-changing asset servicing market. Its goal is to continue to improve its operational efficiency through revenue growth, as well as to pursue its strategy of developing skills centres and digitalising its processes further.

Ambitions 2025 also strives to ramp up cross-functional business lines and technological services

Payments: The Group's Payments business line is the French leader among consumers and merchants and aims to continue strengthening this position with new offerings, with 20% revenue growth between now and 2025. The business line plans: to launch a split payments and payment initiation offer for individuals; to develop its market share in e-commerce and an omnichannel all-segment acceptance offer via partnerships for merchants.

Real estate: For private individuals, the Group plans to integrate property services directly into its retail banking (transactions, property administration, support for energy renovation). It also plans to support corporate and institutional customers in the real estate aspect of their energy transition challenges, and local authorities in the environmental and societal renewal of their territories. A green and socially responsible real estate company will be created with the ambition of reaching €1 billion in assets by 2025.

Digital banks: At the beginning of 2023, BforBank is planning a new positioning with ambitions in Europe (€450 million invested over five years); Blank, the neobank for professionals, is continuing its own development and should soon be distributed as a white label by the Group's banks. It aims to have 250,000 customers by 2025.

The rise of Technology as a Service, a growth driver for the Group. Two technology platforms, Azqore and Amundi Technology, have already been marketed to several dozen players. The Group intends to continue this commercial development, targeting €240 billion in assets under management from Azqore by 2025 and a fivefold increase in revenues from Amundi Technology, with plans to develop and market new platforms as well.

(1) NextGen: children of customers or successful young entrepreneurs.
(2) Private Equity and Real Estate Services.

Two key success factors: digital transformation and human responsibility

Crédit Agricole S.A.'s ambitions are based on a **digital relationship model enhanced by human responsibility.** The bank is aiming for 75% of its customers to use its digital channels, as well as 15% of sales made by customers autonomously.

Innovation capabilities should also be strengthened by capitalising on La Fabrique by CA, the Group's start-up studio, to cover 100% of the innovation cycle. The plan is for this **digital transformation to be supported by an IT and digital budget of €20 billion over the period, including €1 billion in technological transformation investments through the IT 2025 programme**.

Crédit Agricole S.A. aims to continue its organisational streamlining and its managerial and cultural transformation with the objective of becoming France's preferred responsible employer in financial services and ranking among the top five in Europe.

Ambitions 2025: Financial trajectory

Ambitions 2025 is a **continuation** of the previous Plan, which, once again, was achieved a year early in terms of financial results. In 2021, net income Group share reached €5.4 billion, with a low underlying cost/income ratio excluding SRF at 57.8%. Underlying ROTE stood at 13.1% and the CET1 ratio was 11.9%, +4.0 percentage points above regulatory requirements.

This project strives for **ambitious growth in results and profitability, which further confirms the financial strength of Crédit Agricole S.A.** Against a backdrop of major economic uncertainties and climate change urgency, the Ambitions 2025 Plan relies on the Crédit Agricole Group's steady and ongoing development capabilities.

Crédit Agricole S.A. is **aiming for strong profitability, with net income Group share in excess of €6 billion by 2025, and an increase in the return on tangible equity (ROTE) target to over 12% by 2025.** This target is secured on the one hand by the Group's development model, which is based on a balanced and diversified business mix with leading and profitable businesses, and on the other hand thanks to its continued efforts to improve operational efficiency.

Revenues are set to be balanced and post growth across all business lines, with an average annual growth rate between 2021 and 2025 of around +3.5%[1]. The average positive jaws effect (excluding the contribution to the Single Resolution Fund (SRF)) is estimated to be around +0.5 percentage points on average between 2021 and 2025 (around +1.4 percentage points, including the contribution to the SRF), and the jaws effects are projected to be positive in all business lines. All in all, earnings growth is expected be around +3% per year between 2021 and 2025 on average.

The cost/income ratio is projected to remain low, with a ceiling of 60% throughout the MTP excluding the contribution to the SRF. This ceiling would be reduced to 59% after the IFRS 17 reform scheduled for early 2023. It includes investments in the development of new business lines and in IT and digital transformation. The decentralised management of operational efficiency within Crédit Agricole S.A. results in steering with cost/income ratio targets by business line[2].

The CET1 solvency ratio targets at the end of 2025 for the Crédit Agricole Group and Crédit Agricole S.A. are well above the regulatory requirements. Crédit Agricole Group is indeed the most solid of the European G-SIBs.

The CET1 target for the Crédit Agricole Group by 2025 is greater than or equal to 17%. The TLAC target is greater than or equal to 26%, excluding eligible preferred senior debt. In addition, the target **available stable funding position of between €110 to €130 billion** would more than meet the regulatory requirement for the long-term structural liquidity ratio (NSFR).

The Group's efficient and flexible structure makes it possible to set an **optimised CET1 ratio target of 11% for Crédit Agricole S.A. over the entire duration of the Medium-Term Plan, and a minimum of 250 basis points above the SREP requirements at all times.** Revenue growth is expected to outpace growth in risk-weighted assets for Crédit Agricole S.A., and the impact of Basel 4 should be neutral by 2025 for Crédit Agricole S.A.

The Crédit Agricole S.A. target dividend payout is 50% in cash, even if the CET1 ratio fluctuates around the target set in the Medium-Term Plan. This strikes the right balance between attractive returns and funding of Crédit Agricole S.A.'s growth. In 2023, Crédit Agricole S.A. intends to submit, for the approval of the General Meeting of Shareholders, the additional payment of €0.20 per share of the 2019 dividend that was not distributed. The capital increases reserved for employees should also be combined with share buybacks (subject to the Supervisor's approval) to offset their dilutive effect.

— Crédit Agricole S.A.'s 2025 financial targets

	Review of 2022 targets	2025 targets
Net income Group share	**>€5 billion**	**>€6 billion**
ROTE	**>11%**	**>12%**
C/I ratio (excluding SRF)	**<60%**	**<60%**
CET1 target	**11%**	**11%[1]**
	>16% CAG	**≥17% CAG**
Payout ratio	**50% cash**	**50% cash**

(1) 250 bp minimum above SREP regulatory requirements in CET1.

(1) The average annual revenue growth rates between 2021 and 2025 are 1-1.5% for LCL, 4-5% for CA Italia, 8-9% in the Specialised Financial Services division, and 4-5% in the Large customers division.

(2) Cost/income ratio excluding SRF below 65% for LCL, 61% for CA Italia, 15% for CAA, including a 15 percentage point effect from the IFRS 17 reform, 54% for asset management (excluding amortisation expenses on intangible assets), 78% for wealth management, 47% for consumer finance, 52% for leasing and factoring, 55% for corporate and investment banking, and 70% for asset servicing.

The Group has always been a stakeholder committed to major societal changes, and is structuring itself to achieve its ambition of contributing to carbon neutrality by 2050. It is also launching two new business lines to meet the needs of a changing society

As a responsible and engaged player, the Group has adopted an approach for a fair climate transition that preserves social and territorial cohesion. This approach is based on three priorities, which were presented in December 2021 and developed further as part of the new MTP: to take action for the climate; to strengthen social cohesion, in particular by promoting equal access to care; and to make the agricultural and agro-food transitions successful.

The details and initial results of CASA's ambitions have already been presented in Chapter 2, but a few points are reiterated here.

With regard to the climate, the Group is committed to contributing to global carbon neutrality by 2050. Following the initial commitments presented as part of the Medium-Term Plan, during a climate workshop held in December 2022, Crédit Agricole published the **2030 targets for Crédit Agricole S.A. and its subsidiaries, in line with the Net Zero Banking Alliance for five sectors** (Oil & Gas, Electricity, Automotive, Commercial Real Estate and Cement). For example, Crédit Agricole has mapped out its gradual withdrawal from the Oil and Gas sector by setting a target of reducing CO_2e emissions linked to the financing of this sector by 30% in absolute terms between 2020 and 2030; it has also committed to supporting the decarbonisation of the automotive sector by reducing the carbon intensity of its sector portfolio by 50% over the same period. The target for reducing the direct carbon footprint has also been set at a 50% reduction by 2030.

Crédit Agricole is working towards similar targets for other sectors such as shipping, aviation, steel, residential real estate and agriculture, most of which will be made public in 2023.

At the same time, Crédit Agricole is stepping up its support for renewable energies with targets such as increasing Crédit Agricole CIB's exposure to low-carbon energy by 60% by 2025; reaching 14 GW of installed renewable energy capacity through Crédit Agricole Assurances' investments by 2025; and doubling the annual financing granted to Unifergie for renewable energy by 2025.

To take its support for customers a step further, the Crédit Agricole Group is launching two new Group-wide business lines:

- **Crédit Agricole Transitions & Énergies** to make energy transitions accessible to all;
- **Crédit Agricole Santé & Territoires** to facilitate access to healthcare and ageing well.

The launch of **Crédit Agricole Transitions & Énergies** aims to support our customers in their transitions by providing them with effective and trusted solutions, from the diagnostic and advisory stage to the implementation of their roadmaps, all the way to the installation and financing of innovative equipment and infrastructure and the creation of new business models. Crédit Agricole Transitions & Énergies aims to support these customers over the long term, to make contractual commitments to tangible results and to draw on all of the Group's expertise and strategic partnerships.

Through Crédit Agricole Transitions & Énergies, and taking advantage of the Group's more than 20 years of experience in financing renewable energies, Crédit Agricole also aims to massively support investments in renewable energies by promoting the structuring of strategic partnerships and the relocation of production into short circuits. This activity should help support the installation and operation of energy production equipment for its own account and for third parties. Crédit Agricole Transitions & Énergies will also promote the establishment of short circuits to encourage the consumption of green energy.

Finally, the activity of **Crédit Agricole Santé & Territoires** will focus on four areas:

- the implementation of a **"Ma Santé by CA" platform for healthcare guidance and support;**
- the launch of measures to **combat medical deserts** in partnership with key stakeholders in the sector: creation of an **open national telemedicine platform;** roll-out of health centres in the territories; support for healthcare professionals in new practices combining telemedicine, connected equipment etc.;
- the creation of a **digital service platform for seniors and their caregivers,** capitalising on internal and external services;
- participation in the **roll-out of non-medical collective housing models that better meet the expectations of senior citizens** (assisted-living residences, inclusive housing), in partnership with specialised stakeholders.

3

Risks and Pillar 3

1. Risk factors

This section sets out the main risks to which the Crédit Agricole Group is exposed, as well as those related to holding shares and other securities issued by Crédit Agricole S.A. given the structure of the Crédit Agricole Group.

Other parts of this chapter discuss the Crédit Agricole Group's risk appetite and the policies employed to manage these risks. The information on the Crédit Agricole Group's risk management is presented in accordance with IFRS 7, relating to disclosures on financial instruments.

In this part the term "Crédit Agricole Group" is defined as the corporate entity Crédit Agricole S.A. (parent company and listed company) together with its consolidated direct and indirect subsidiaries, within the meaning of Article L. 233-3 of the French Commercial Code (Code de Commerce), the Regional Banks of Crédit Agricole Mutuel, the Local banks and their respective direct and indirect subsidiaries.

1.1 RISK FACTORS RELATED TO THE CRÉDIT AGRICOLE GROUP AND ITS ACTIVITY

Risks specific to the Crédit Agricole Group's business are presented in this section under the following six categories: (1.1) credit risks and counterparty risks, (1.2) financial risks, (1.3) operational risks and associated risks, (1.4) risks related to the environment in which the Crédit Agricole Group operates, (1.5) risks related to the strategy and transactions of the Crédit Agricole Group, and (1.6) risks related to the structure of the Crédit Agricole Group.

Within each of the six categories, the risks that the Crédit Agricole Group currently considers to be most significant, based on an assessment of likelihood of occurrence and potential impact, are presented first. However, even a risk that is currently considered to be less important could have a significant impact on the Crédit Agricole Group if it were to materialise in the future.

These risk factors are described below.

1.1.1 Credit and counterparty risks

a) The Crédit Agricole Group is exposed to the credit risk of its counterparties

The risk of insolvency of its customers and counterparties is one of the main risks to which the Crédit Agricole Group is exposed. Credit risk impacts the Crédit Agricole Group'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 companies, governments and their various entities, investment funds, or individuals. The level of counterparty defaults may increase compared to recent historically low levels; the Crédit Agricole Group may be required to record significant charges and provisions for possible bad and doubtful loans, affecting its profitability.

While the Crédit Agricole Group 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, it cannot be certain that these techniques will be effective to offset losses resulting from counterparty defaults that are covered by these techniques. Moreover, the Crédit Agricole Group is exposed to the risk of default by any party providing the credit risk hedging (such as a counterparty in derivatives) or to the risk of loss of value of the collateral. In addition, only a portion of the Crédit Agricole Group's overall credit risk is covered by these techniques. Accordingly, the Crédit Agricole Group has significant exposure to the risk of counterparty default.

As at 31 December 2022, the exposure of the Crédit Agricole Group to credit and counterparty risk (including dilution risk and settlement delivery risk) was €2,127.2 billion before taking into account risk mitigation methods. This is distributed as follows: 38% retail customers, 30% corporates, 20% governments and 7% credit institutions and investment firms. Moreover, the amounts of risk-weighted assets (RWAs) relating to credit risk and counterparty risk to which the Crédit Agricole Group is exposed were €464.7 billion and €24.5 billion, respectively, as at 31 December 2022. At that period-end, the gross amount of loans and receivables in default was €24.9 billion.

b) Any significant increase in provisions for loan losses or changes in the Crédit Agricole Group's estimate of the risk of loss in its loan book and receivables portfolio could adversely affect its results and financial position

In connection with its lending activities, the Crédit Agricole Group periodically recognises doubtful loan expenses, whenever necessary, to reflect actual or potential losses in respect of its loan book and receivables portfolio, which are recognised in profit or loss account under "cost of risk". The Crédit Agricole Group's overall level of such asset impairment provisions is based upon its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, statement of loans, economic conditions and other factors related to the recoverability of various loans, or scenario-based statistical methods applicable collectively to all relevant assets. Although the Crédit Agricole Group seeks to establish an appropriate level of provisions, its lending businesses may cause it to have to increase its provisions for doubtful loans in the future as a result of increases in non-performing assets or for other reasons (such as macroeconomic or sectoral changes), such as deteriorating market conditions or factors affecting particular countries or industry sectors notably in the current environment of crisis. Recent price tensions and the availability of energy and commodities could more particularly affect the solvency of certain customer segments (SMEs, professionals) or financed business sectors that are particularly sensitive to the level of these prices or their volatility (French agricultural sector, production and trading of commodities) by degrading their profitability and their cash flow or by causing interruptions in their activity. Any significant increase in provisions for doubtful loans or a significant change in Crédit Agricole S.A.'s estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the charges recorded with respect thereto, could have an adverse effect on the Crédit Agricole Group's results of operations and financial position.

As at 31 December 2022, the gross outstanding loans, receivables and debt securities of the Crédit Agricole Group were €1,398 billion. With regard to credit risk, the amounts of reserves, accumulated impairments and related adjustments amounted to €20.7 billion. The cost of risk on outstandings of Crédit Agricole Group for the year 2022[(1)] was 25 basis points.

c) A deterioration in the quality of corporate debt obligations could adversely impact the Crédit Agricole Group's results

The credit quality of corporate borrowers could experience a deterioration, primarily from increased economic uncertainty, and, in certain 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. If a trend towards deterioration in credit quality were to appear, the Crédit Agricole Group may be required to record asset impairment charges or to write off the value of its corporate debt portfolio, which would in turn impact the Crédit Agricole Group's profitability and financial position.

As at 31 December 2022, the Crédit Agricole Group's gross exposure to sectors other than financial and insurance activities; public administration and defence, compulsory social security; and administrative and support service activities amounted to €413.3 billion (of which €14.1 billion in default) and were subject to accumulated impairments of €11.2 billion.

d) The Crédit Agricole Group may be adversely affected by events impacting sectors to which it has significant exposure

Crédit Agricole Group's credit exposures are very diversified due to its comprehensive customer-focused universal banking model activities undertaken through both the LCL and CA Italia networks. The Crédit Agricole Group is mainly exposed to the retail bank with the network of regional banks, the network of LCL and through CA Italia. At end-December 2022, the share of retail customers in the Crédit Agricole Group's total portfolio of commercial lending was 44%, or €777.5 billion. Moreover, the Crédit Agricole Group is subject to the risk that certain events may have a disproportionately large impact on a particular sector to which it is significantly exposed. As at 31 December 2022, 19% of the Crédit Agricole Group's total portfolio of commercial lending involved borrowers in the public sector (including local authorities), representing an amount of approximately €329.8 billion, and 5.5% of borrowers in the energy sector, representing an amount of approximately €98.1 billion. Public sector borrowers can be affected by national and local budgetary policies and spending priorities. Borrowers in the energy sector are exposed to volatile energy prices and those who are large energy users. If these sectors were to experience adverse conditions, the Crédit Agricole Group's profitability and financial position could be adversely affected.

e) The soundness and conduct of other financial institutions and market participants could adversely affect the Crédit Agricole Group

The Crédit Agricole Group's ability to engage in financing or investment activities and derivative transactions could be adversely affected by a deterioration of the soundness of other financial institutions or market participants. Financial services institutions are interrelated as a result of trading, clearing, counterparty, funding or other relationships. As a result, defaults by, or even rumours or questions about, one or more financial services institutions, or the loss of confidence in the financial services industry generally, may lead to market-wide liquidity contractions and could lead to further losses or defaults. The Crédit Agricole Group has exposure to many counterparties in the financial industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds, and other institutional customers with which it regularly executes transactions. Many of these transactions expose the Crédit Agricole Group to credit risk in the event of default or financial distress. In addition, the Crédit Agricole Group's credit risk may be exacerbated when the collateral held by the Crédit Agricole Group cannot be disposed of or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to it.

As at 31 December 2022, the total amount of the Crédit Agricole Group's gross exposure to counterparties that are Credit institutions and related entities was €138.3 billion, of which €97.9 billion was using the internal ratings-based method.

f) The Crédit Agricole Group is exposed to country risk and may be vulnerable to concentrated counterparty risk in certain countries where it operates

The Crédit Agricole Group is subject to country risk, meaning the risk that economic, financial, political or social conditions in a given country in which it operates will affect its financial interests. The Crédit Agricole Group 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 environments may require it to record additional charges or to incur losses beyond the amounts previously written down in its financial statements. The Crédit Agricole Group is especially exposed in absolute value to the country risk for France and Italy. At 31 December 2022, the Group's commercial lending amounted to €1,301.5 billion in France and €139.5 billion in Italy, representing 72% and 8%, respectively, of the Crédit Agricole Group's total exposure over the period.

Adverse conditions that particularly affect these countries would have a significant impact on the Crédit Agricole Group. In addition, the Crédit Agricole Group 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.

At end-2022, commercial lending (including to bank counterparties) to Crédit Agricole Group customers in countries with ratings below A3 (Moody's) or A- (Standard & Poor's), excluding countries in Western Europe (Italy, Spain, Portugal, Greece, Cyprus and Iceland), totalled €71.9 billion.

(1) The cost of risk on outstandings is calculated by dividing the cost of risk on trade receivables recorded over four quarters on a rolling basis by the average outstandings at the beginning of the four quarters.

The Crédit Agricole Group remains directly and indirectly exposed in Ukraine and Russia:

- In Ukraine, Crédit Agricole Ukraine's commercial lending amounted to €961 million at 31 December 2022, of which €842 million was outstanding on the balance sheet, financed locally. The risks on these exposures were provisioned up to €323 million as at 31 December 2022 (including a provision of €195 million made as at 31 March 2022 at the level of Crédit Agricole S.A.).
- In Russia, the Group has stopped all financing of Russian corporates since the start of the conflict as well as all commercial activity in the country. However, the Group is directly and indirectly exposed in Russia due to its pre-conflict activities and has recorded provisions on performing loans in the first quarter of 2022 in accordance with IFRS. Exposures recognised in the Crédit Agricole CIB AO subsidiary (on-shore exposures) represented the equivalent of €0.2 billion at 31 December 2022 compared to €0.5 billion at 31 December 2021. The change over the period can be explained by a gradual reduction in outstandings, particularly deposits with the Central Bank of Russia. The subsidiary's equity amounted to around €151 million equivalent, including around €74 million in equity and €77 million in subordinated debt as at 31 December 2022 (the amount of equity remained stable overall throughout 2022).

  Exposures recognised outside Crédit Agricole CIB AO (offshore exposures[1]) represented the equivalent of €2.9 billion as at 31 December 2022 (€2.7 billion of which is recorded on the balance sheet[2]). They were down -€1.5 billion from 31 December 2021 and down -€1.8 billion from the start of the conflict in late February. The off-balance-sheet portion of the offshore exposures (documentary credits, financial guarantees and, to a lesser extent, undrawn confirmed credit facilities) amounted to €0.2 billion as at 31 December 2022, down sharply by -€1.4 billion since the outbreak of the conflict.

  As a result of the conflict and the international sanctions that followed, the quality of the portfolio (rated at 96% Investment Grade at 31 December 2021, consisting mainly of large Russian corporates, including commodities producers and exporters) was downgraded in the Group's internal rating scale at 31 March 2022. Thus, from the first quarter of 2022, exposures were subject to significant provisioning, mainly on performing exposures, which was then updated throughout the year. Overall, the cost of risk for 2022 relating to Russian exposures amounted to €536 million, including €374 million relating to performing exposures (Stages 1 and 2) and €162 million relating to specific provisions (Stage 3).

  The Russian exposure of Indosuez Wealth Management represented €220 million at 31 December 2022, a slight decrease from 31 December 2021 (equivalent to €250 million).

  The fluctuation risk[3] associated with derivative transactions has now been considerably reduced and amounted to €0.6 million at 31 December 2022 (compared to €60 million at 31 December 2021).

  Overall, these exposures, of limited size (0.7% of the total exposures of Crédit Agricole CIB at 31 December 2022) continue to be monitored closely.

g) The Crédit Agricole Group is subject to counterparty risk in the conduct of its market activities

The Crédit Agricole Group could suffer losses in the event of a counterparty defaulting in its securities, currency, commodities and other market activities. When the Crédit Agricole Group holds portfolios of debt securities, including in the context of its market making activities, it is subject to the risk of deterioration in the credit quality of issuers or default. As part of its trading activities, the Crédit Agricole Group is exposed to the risk of a counterparty defaulting in the execution of its transaction settlement obligations. The Crédit Agricole Group's derivatives activities are also subject to the risk of a counterparty default, as well as to significant uncertainty regarding the amounts due in the event of such a default. The risk-weighted assets (RWAs) corresponding to the counterparty risk on derivatives and deferred settlement transactions and indicated in Pillar 3 were €11.9 billion at 31 December 2022. Although the Crédit Agricole Group often obtains collateral or makes use of compensation rights to deal with these risks, these techniques may not be sufficient to ensure complete protection, and the Crédit Agricole Group may incur significant losses due to the failure of major counterparties. In addition, forward foreign exchange transactions were contracted with Russian counterparties. The market value of these transactions, which are sensitive to the ruble/dollar parity, was nevertheless not significant at 31 December 2022.

1.1.2 Financial risks

a) Crédit Agricole Group's profitability and financial position may be impacted by the end of the low interest rate environment

Since the beginning of 2022, there has been an interest rate hike after years of low interest rates. In this context, Crédit Agricole S.A.'s results have been and could continue to be significantly affected by the increased cost of its resources (increase in the compensation paid on liabilities, including regulated liabilities, under the combined effect of a rise in short-term rates and a lasting increase in inflation, or a risk of arbitrage by customers of non-remunerated liabilities, but also by the increase in the cost of market resources), and by the risk of the increase in market rates being passed on partially or in a deferred manner to originated loans under the combined effect of a possible decrease in new production, increased competition, and the usury rate mechanism impacting the net interest margin. For example, LCL's housing loan rates increased by around 1% between the fourth quarter of 2022 and the fourth quarter of 2021 while over the same period swap rates of the same maturity increased by more than 2% from the first half of the year 2022.

Moreover, inflation has become the focus of attention again. Its sharp acceleration was the result of a combination of several factors: upstream pressure with marked increases in commodity prices and bottlenecks at the end of the Covid crisis, downstream tension from the strong upturn in household consumption driven by significant financial support and high levels of savings in the wake of the 2020 health crisis, base effects following very low levels of inflation in 2020 and the beginning of 2021, and new and very strong pressures on commodity prices, particularly energy prices, following the war in Ukraine. While supply remained constrained at the end of the crisis (shortage in labour and goods), the normalisation of demand led to an increase in prices in specific sectors, in particular those that were previously hit hard by the pandemic (hotels, restaurants and automotive). The energy shock of the war in Europe and the gradual spread of imported inflation took over.

(1) On- and off-balance sheet commercial lending of customers and banks, net of the guarantees of export credit agencies, excluding the fluctuation risk.
(2) Used portion of credit facilities.
(3) The fluctuation risk corresponds to the amount at risk, the immediate loss given default, including any margin calls.

In addition to the indirect impacts relating to the consequences on interest rates, this inflation-related pressure could have a significant direct impact on Crédit Agricole S.A.'s expenses. (salaries, purchases) and consequently on its financial results.

b) Any unfavourable change in the yield curve affects or could affect the Crédit Agricole Group's consolidated revenues or profitability.

The Crédit Agricole Group is one of the leaders[(1)] in retail banking and is therefore exposed, via the Regional Banks, LCL, to changes in interest rates, with a combined market share of over 27%[(2)] in France.

The amount of the net interest margin earned by the Crédit Agricole Group during any given period significantly affects its overall consolidated revenues and profitability for that period. Interest rates are highly sensitive to many factors beyond the Crédit Agricole Group's control. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing debt. Any adverse change in the yield curve could cause a decline in both the Crédit Agricole Group's net interest margin from its lending activities and its economic value.

Sensitivity to the net interest income below is calculated with a pass-through rate[(3)] of 100% of market rate variations applied to variable-rate assets and liabilities (for all floating rate instruments already on the balance sheet, and only for new transactions for fixed rate instruments) and demand deposits maintained at their current high level. In fact, the variation in the net interest margin would materialise more gradually than the results presented below would suggest.

Analysis in terms of economic value

As at the end of December 2022, if interest rates in the main areas in which the Crédit Agricole Group is exposed[(4)] were to fall, this would have a positive impact of up to €3.2 billion on the economic value[(5)] of the Crédit Agricole Group; conversely, as at the end of December 2022, an increase in interest rates in the main areas in which the Crédit Agricole Group is exposed would have a negative impact of up to -€10.2 billion on its economic value. These impacts are calculated based on a balance sheet phased out over the next 30 years, meaning they do not take into account future production and do not include any dynamic impact from a change of positions on the balance sheet. The average maturity of deposits without contractual maturity (demand deposits and savings books) outside financial institutions is limited to five years; The balance sheet being used excludes equity and shareholdings in compliance with regulations governing interest rate risk (Supervisory Outlier Test).

Net interest margin analysis

Sensitivity below is calculated with a pass-through rate of 50% applied to home loans and a 25% migration of non-remunerated to demand deposits to passbook deposits and considering a one-, two- and three-year horizon and assuming a constant balance sheet (i.e. an identical renewal of maturing transactions), at end-December 2022, in the event of a -50 basis point drop in interest rates in the main areas where the Crédit Agricole Group is exposed[(2)], the Crédit Agricole Group's net interest margin would fall by -€-0.4 billion in year one, -€0.7 billion in year two and -€1.0 billion in year three. Conversely, in the event of an increase in interest rates of +50 basis points in the main areas where the Crédit Agricole Group is exposed, the Crédit Agricole Group's net interest margin would increase by +€0.5 billion in year one, +€0.7 billion in year two and +€1.0 billion in year three.

With a pass-through rate of 100% applied to housing loans, the sensitivities in year 1, year 2 and year 3 would be respectively -€0.6 billion, -€1.1 billion and -€1.5 billion for a parallel downward shock scenario, and respectively +€0.7 billion, +€1.1 billion and +€1.5 billion for a parallel upward shock scenario.

These impacts do not take into account the lagged effects of past rate increases. Moreover, in France, in the context of a sharp rise in interests rates observed in 2022, assets' pass-through rate was limited by the fixed rate model and by the usurary rate. In practise, it was around 20% (instead of 50%). On liabilities, regulated savings rates have risen not only with rising rates but also with inflation, and the bank's ALM is not able to fully cover this risk. In this context, the sensitivity of income to rising rates was significantly lower in 2022 than the figure posted in the 2021 Universal Registration Document.

Between the two approaches, sensitivities are reversed: the economic value of Crédit Agricole Group. falls if interest rates rise, while the net interest margin increases.

The fall in economic value in the event of a rate hike is due to a generally higher volume of fixed-rate assets than fixed-rate liabilities on future maturities. The overall sensitivity of the assets in stock to fluctuations in interest rates is therefore higher than that of the liabilities in stock.

Conversely, the net interest margin increases if interest rates rise, as the sensitivity of renewed assets to rate changes is higher than that of renewed liabilities, due to the fact that liabilities include equity and retail customer resources (demand deposits and regulated savings), which are not sensitive to interest rate increases. For asset/liability sensitivities, the renewals taken into account in the net interest margin simulations overcompensate the stock.

The Crédit Agricole Group's results could also be affected by a change in rates, both upwards and downwards, if hedges prove ineffective from an accounting perspective.

Finally, any rate increase that is sharper or more rapid than expected could i) threaten economic growth in the European Union, the United States and elsewhere, ii) test the resistance of loan and bond portfolios, and iii) lead to an increase in doubtful loans and defaults. More generally, the ending of accommodative monetary policies may lead to severe corrections in certain markets or assets (e.g., non-Investment Grade corporate and sovereign borrowers, certain sectors of equities and real estate) that particularly benefited from the prolonged low interest rate and high liquidity environment. Such corrections could potentially be contagious to financial markets generally, including through substantially increased volatility. The Crédit Agricole Group's operations could as a result be significantly disrupted, and, consequently, its business, results of operations and financial position could experience a material adverse effect.

(1) Internal sources, ECO studies.
(2) Total households, ECO studies
(3) The pass-through rate is the sensitivity of customer rates to a market rate variation.
(4) The interest rate shocks used correspond for the economic value analysis to the regulatory scenarios, namely +/-200 bps in the euro zone and in the United States and +/-100 bps in Switzerland, and for the net interest margin analysis at a uniform shock of +/-50 bps.
(5) Net present value of the current balance sheet from which the value of equities and fixed assets is excluded.

c) The Crédit Agricole Group may generate lower revenues from its insurance, asset management, asset servicing, brokerage and other businesses during market downturns

This year, market downturns have reduced the value of customer portfolios with subsidiaries specialised in asset management, insurance, asset servicing and wealth management and reduced the amount of inflows, thus reducing the Crédit Agricole Group's revenues from these activities. Over the course of 2022, 11%, 8% and 3% of the Crédit Agricole Group's revenues were generated from its asset and wealth management and insurance businesses, respectively. The Crédit Agricole Group is the leading insurer in France, through Crédit Agricole Assurances[1]. Amundi's assets under management stood at €1,904 billion at the end of December 2022, and Crédit Agricole Assurances' assets under management stood at €321 billion at the end of December 2022. Future downturns could have similar effects on the Crédit Agricole Group's results and financial position.

The management fees and commissions that the subsidiaries charge their customers are generally based on the value or performance of those portfolios, therefore any market downturn could impact the revenues earned for these services.

Furthermore, even in the absence of a market downturn, any below-market performance by the Crédit Agricole Group's undertaking for collective investment and life insurance products may result in increased withdrawals and reduced inflows, which would reduce Crédit Agricole Group's revenues from its asset management and insurance businesses.

Moreover, financial and economic conditions affect the number and size of transactions for which the Crédit Agricole Group provides securities underwriting, financial advisory and other corporate and investment banking services. Crédit Agricole S.A.'s revenues, which include fee and commission income from these services, are directly related to the number and size of the transactions in which the Crédit Agricole Group participates and can thus be significantly affected by market downturns.

d) Adjustments to the carrying amount of the Crédit Agricole Group's securities and derivatives portfolios and the Crédit Agricole Group's own debt could have an impact on its net income and equity

The carrying amount of the Crédit Agricole Group's securities and derivatives portfolios and certain other assets, as well as that of its own debt, in its balance sheet are adjusted as at each financial statement date. In addition, the financial investment portfolios held by CA Assurances for its own account in connection with certain savings products (euro funds) are also subject to adjusted valuations at each financial statement date. The carrying amount adjustments reflect, among other things, the credit risk inherent in the Crédit Agricole Group's own debt and variations in value in the fixed income and equity markets. Most of the adjustments are made on the basis of changes in fair value of the assets or liabilities of the Crédit Agricole Group during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. Changes that are recognised in the income statement, to the extent not offset by opposite changes in the fair value of other assets, affect the consolidated net income of the Crédit Agricole Group. All fair value adjustments affect shareholders' equity and, as a result, the capital adequacy ratios of the Crédit Agricole Group. 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 2022, the gross outstanding debt securities held by the Crédit Agricole Group were €149.2 billion. Accumulated impairments and reserves and negative fair value adjustments due to credit risk were €196 million.

In addition, CA Assurances holds a bond portfolio corresponding to its liability commitments and in particular guarantees granted to policyholders (mainly Euro-denominated contracts - excluding unit-linked policies and UCITS - and personal risk insurance, see "Risk management - Insurance sector risk") which also generates carrying amount adjustments recorded in the income statement or directly in shareholders' equity.

e) The Crédit Agricole Group is exposed to risks associated with changes in market prices and volatility with respect to a wide number of market parameters

The Crédit Agricole Group'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, Europe and in the other regions around the world where the Crédit Agricole Group operates. Adverse changes in market, economic or geopolitical conditions could create a challenging operating environment for financial institutions. The Crédit Agricole Group is therefore highly exposed to the following risks: fluctuations in interest rates, share prices, foreign exchange rates, the premium applicable to bond issues (including those of the Crédit Agricole Group) and the price of oil and precious metals. To measure the potential losses associated with these risks, the Crédit Agricole Group uses a Value at Risk (VaR) model detailed in "Risk management" – 2.5 "Market risk". The Group's VaR as at 31 December 2022 was €15 million.

The Crédit Agricole Group also carries out stress tests in order to quantify its potential exposure in extreme scenarios, as described and quantified in paragraphs 2.5.III.1 "Methodology for measuring and managing market risks – Indicators" and 2.5.IV "Exposures" in Chapter 3 "Risks and Pillar 3". These techniques are based on hypothetical or historical approaches from which future market conditions may differ significantly. Accordingly, the Crédit Agricole Group's exposure to market risk in extreme scenarios could be greater than the exposures predicted by its quantification techniques.

The amount of risk-weighted assets (RWAs) relating to the market risk to which the Crédit Agricole Group is exposed was €14.8 billion as at 31 December 2022.

Furthermore, the Crédit Agricole Group is sensitive to the potential market volatility that would be generated by concerted action by investors via a social networking platform to inflate the share price of certain issuers or certain commodities. These activities, whether or not the Crédit Agricole S.A. share is the target, can create uncertainty regarding valuations and lead to unpredictable market conditions, and could have an adverse impact on the Crédit Agricole Group and its counterparties.

f) The Crédit Agricole Group may suffer losses in connection with its holdings of equity securities

The value of the equity securities held by the Crédit Agricole Group could decline, resulting in losses for the Crédit Agricole Group. The Crédit Agricole Group bears the risk of a decline in value of equity securities in connection with its market-making and trading activities, mainly with respect to listed equity securities, in its private equity business, and in connection with transactions in which it acquires strategic equity investments in a company with a view to exercising control and influencing the management policies of the Crédit Agricole Group. In the case of strategic equity investments, the Crédit Agricole Group's degree of control may be limited, and any disagreement with other shareholders or with

(1) Source: *L'Argus de l'assurance.*

management may adversely impact the ability of the Crédit Agricole Group to influence the policies of the relevant entity. If the Crédit Agricole Group's equity securities decline in value significantly, the Crédit Agricole Group may be required to record fair value adjustments or recognise asset impairment charges in its consolidated financial statements, which could negatively impact its results of operations and financial position.

As at 31 December 2022, the Crédit Agricole Group held close to €53.2 billion in equity instruments, of which €42.9 billion were recorded at fair value through profit or loss; €5.5 billion were held for trading purposes and €4.8 billion in equity instruments recognised at fair value through equity.

g) The Crédit Agricole Group must ensure adequate asset and liability management in order to control the risk of loss; however, prolonged market downturns could reduce liquidity, making it more difficult to dispose of assets and could result in significant losses

The Crédit Agricole Group is exposed to the risk that the maturity, interest rate or currencies of its assets might not match those of its liabilities. The timing of payments on many of the Crédit Agricole Group's assets is uncertain and, if the Crédit Agricole Group receives lower revenues than expected at a given time, it might require additional funding from the market in order to meet its obligations on its liabilities. While the Crédit Agricole Group imposes strict limits on the gaps between its assets and its liabilities as part of its risk management procedures, it cannot be certain that these limits will be fully effective to eliminate potential losses arising from asset and liability mismatches.

The Crédit Agricole Group's primary objective in managing liquidity is to ensure that it has sufficient resources to meet its requirements in the event of any type of severe, prolonged liquidity crisis. As at 31 December 2022, Crédit Agricole Group had an LCR (Liquidity Coverage Ratio – the regulatory prudential ratio to ensure the short-term resilience of the liquidity risk profile) of 167.3%[(1)], higher than the regulatory minimum of 100% and exceeding the target of 110% under the Medium-Term Plan, and an NSFR (Net Stable Funding Ratio – the regulatory prudential ratio to ensure the long-term resilience of the liquidity risk profile) of 118.0%, higher than the regulatory minimum and the target of 100% under the Medium-Term Plan.

In some of the Crédit Agricole Group's business activities, notably its market, asset management and insurance activities, it is possible that protracted market movements, particularly asset price declines, reduce the level of activity in the market or reduce market liquidity. Such developments can lead to material losses if the Crédit Agricole Group cannot close out deteriorating positions in a timely manner. This may especially be the case of not very liquid assets held by the Crédit Agricole Group.

Assets that are not traded on stock exchanges or other regulated markets, such as certain derivatives, may have values that Crédit Agricole S.A. calculates using models other than publicly quoted prices. Crédit Agricole S.A. is exposed to the risk of changes in the value of products valued in this way, including when the valuation parameters are not observable parameters within the meaning of IFRS 13, and could consequently incur unanticipated losses.

h) The Crédit Agricole Group's hedging strategies may not eliminate all risk of losses

If an instrument or strategy that the Crédit Agricole Group uses to hedge its exposure to various types of risk in its businesses is not effective, the Crédit Agricole Group may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if the Crédit Agricole Group holds a long position in an asset, it may hedge that position by taking a short position in an asset where the short position has historically moved in a direction that would offset a change in the value of the long position. The Crédit Agricole Group may only be partially hedged, however, or these strategies may not be fully effective in mitigating its risk exposure in all market environments or against all types of risk in the future. Unexpected market developments may also reduce the effectiveness of the Crédit Agricole Group's hedging strategies. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in the Crédit Agricole Group's reported earnings.

At 31 December 2022, the notional amount of protection bought in the form of credit derivatives was €6.5 billion (€7.2 billion at 31 December 2021), the notional amount of short positions was zero at 31 December 2020.

1.1.3 Operational risks and associated risks

The **operational risk** and associated risks of the Crédit Agricole Group include non-compliance risk, legal risk and the risks generated by outsourced services.

Over the period from 2020 to 2022, operational risk incidents for the Crédit Agricole Group were divided as follows: the "Implementation, delivery and process management" category represents 25% of the operational loss, the "Customers, products and business practices" category represents 10% of the operational loss, and the "External fraud" category represents 41% of the operational loss. Other operational risk incidents can be broken down into employment and safety practice (9%), internal fraud (11%), business disruptions and system failures (2%).

In addition, the amount of risk-weighted assets (RWAs) relating to operational risk to which the Crédit Agricole Group is exposed was €60.3 billion as at 31 December 2022.

a) The Crédit Agricole Group is exposed to fraud risk

Fraud is defined as an intentional act carried out with the aim of obtaining a material or immaterial advantage to the detriment of a person or an organisation, perpetrated by violating laws, regulations or internal rules or by infringing the rights of others or by concealing all or part of an operation or set of operations or their characteristics.

At the end of 2022, the amount of proven fraud for Crédit Agricole Group was €148.5 million, representing a decrease of -2% compared with 2021 (€151 million).

Consumer finance, retail banking in France (LCL and Régional banks) and internationally accounted for 92% of total fraud (excluding exceptional cases).

(1) Average LCR at end-December 2021.

Excluding exceptional files, the risk breakdown for fraud is as follows:

- payment instrument fraud (electronic payment, transfers and cheques): 37%;
- identity and documentary fraud: 34%;
- robbery: 8%;
- PSA/NPAI: 8%;
- others: 13%.

In a context of increasing attempts at external fraud and of more complex operating methods (notably via cybercrime), the main challenges now lie in the proactivity of banking players. Fraud prevention thus aims to protect the interests of the Bank and protect customers. The consequences of these fraud risks could prove to be significant.

b) The Crédit Agricole Group is exposed to risks related to the security and reliability of its information systems and those of third parties

Technology is at the heart of the activity of the banks in France, and the Crédit Agricole Group continues to deploy its multichannel model as part of a lasting relationship with its customers. In this context, the Crédit Agricole Group is subject to cyber risk, which is the risk caused by a malicious and/or fraudulent act, perpetrated digitally in an effort to manipulate data (personal, banking/insurance, technical or strategic data), processes and users, with the aim of causing material losses to companies, their employees, partners and customers. Cyber risk has become a top priority in the field of operational risks. A company's data assets are exposed to new, complex and evolving threats which could have material financial and reputational impacts on all companies, and specifically on banking institutions. Given the increasing sophistication of criminal enterprises behind cyber-attacks, regulatory and supervisory authorities have begun highlighting the importance of risk management in this area.

As with most other banks, the Crédit Agricole Group relies heavily on communications and information systems throughout the Group to conduct its business. Any failure or interruption or breach in security of these systems could result in failures or interruptions in its customer relationship management, general ledger, deposit, servicing and/or loan organisation systems. If, for example, the Crédit Agricole Group's information systems failed, even for a short period of time, it would be unable to serve in a timely manner certain customers' needs and could thus lose business opportunities. Likewise, a temporary shutdown of the information systems of the Crédit Agricole Group, even though it has back-up recovery systems and contingency plans, could result in considerable costs required for information retrieval and verification. The Crédit Agricole Group cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. The occurrence of any failures or interruptions could have an adverse effect on its financial position and results of operations.

The Crédit Agricole Group is also exposed to the risk of an operational failure or interruption of one of its clearing agents, foreign exchange markets, clearing houses, custodians or other financial intermediaries or external service providers that it uses to execute or facilitate its securities transactions. The Crédit Agricole Group is also at risk in the event of a failure of an external information technology service provider, such as a cloud data storage company. As its interconnectivity with its customers grows, the Crédit Agricole Group may also become increasingly exposed to the risk of operational failure of its customers' information systems. The Crédit Agricole Group's communications and information systems, and those of its customers, service providers and counterparties, may also be subject to failures or interruptions resulting from cyber crime or cyber terrorism. The Crédit Agricole Group cannot guarantee that failures or interruptions in its systems or in those of other parties will not occur or, if they do occur, that they will be adequately resolved. Over the period from 2020 to 2022, operational losses due to the risk of business disruptions and system failures accounted for between 2% and 3% of operational losses.

c) The Crédit Agricole Group's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses

The Crédit Agricole Group's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all types of market environments or against all types of risk, including risks that it fails to identify or anticipate. Furthermore, the risk management procedures and policies used by the Crédit Agricole Group do not guarantee effective risk reduction in all market configurations. These procedures may not be effective against certain risks, particularly those that the Crédit Agricole Group has not previously identified or anticipated. Some of the qualitative tools and metrics used by the Crédit Agricole Group for managing risk are based upon its use of observed historical market behaviour. The Crédit Agricole Group applies statistical and other tools to these observations to assess its risk exposures. The tools and metrics may fail to predict future risk exposures of the Crédit Agricole Group. These risk exposures could, for example, arise from factors it did not anticipate or correctly evaluate in its statistical models or from unprecedented market movements. This would limit its ability to manage its risks and affect its results. The Crédit Agricole Group's losses could therefore be significantly greater than those anticipated based on historical measures. In addition, certain of the processes that the Crédit Agricole Group uses to estimate risk exposure, including expected credit losses under the IFRS standards in force, are based on both complex analysis and factors that could lead to uncertain assumptions. Both qualitative and quantitative models used by the Crédit Agricole Group may not be comprehensive and could lead the Crédit Agricole Group to significant or unexpected losses. While no material issue has been identified to date, risk management systems are also subject to the risk of operational failure, including fraud.

At 31 December 2022, the Crédit Agricole Group had a regulatory capital requirement of €4.8 billion in order to cover the operational risk, as calculated by the advanced measurement approach (AMA) based on past losses and medium and long-term loss assumptions, and the standardised approach (TSA).

d) Any damage to the Crédit Agricole Groups reputation could have a negative impact on the Crédit Agricole Group's business

The Crédit Agricole Group's business depends in large part on the maintenance of a strong reputation in compliance and ethics. If the Crédit Agricole Group were to become subject to legal proceedings or adverse publicity relating to compliance or similar issues, the Crédit Agricole Group's reputation could be affected, resulting in an adverse impact on its business. These issues include, but are not limited to, inappropriately dealing with potential conflicts of interest, legal and regulatory requirements, competition issues, ethics issues, social and environmental responsibility, money laundering laws, information security policies and sales and trading practices. Crédit Agricole Group may be dependent on data produced or transmitted by third parties, particularly in terms of social and environmental responsibility, and could be exposed to specific risks in this area in a context where guarantees of the reliability of this thirdparty data are still being developed. Crédit Agricole Group's reputation could also be damaged by an employee's misconduct or fraud or embezzlement by financial intermediaries. Any damage to the Crédit Agricole Group's reputation might lead to a loss of business that could impact its earnings and financial position. Failure to address these issues adequately could also give rise to additional legal risk, which might increase the number of litigation claims and expose the Crédit Agricole Group to fines or regulatory sanctions.

Reputational risk is a significant risk for the Crédit Agricole Group and is managed by the Compliance department of the Crédit Agricole Group and the Compliance departments of the Crédit Agricole Group member entities, which are responsible notably for the prevention and control of the risks of non-compliance with, in this context, the prevention of money laundering, the fight against the financing of terrorism, the prevention of fraud and corruption, compliance with embargoes and the obligations to freeze assets.

e) The Crédit Agricole Group is exposed to the risk of paying higher compensation for damages or fines as a result of legal, arbitration or regulatory proceedings

The Crédit Agricole Group has in the past been, and may in the future be, subject to significant legal proceedings (including class action lawsuits), arbitrations and regulatory proceedings. When determined adversely to the Crédit Agricole Group, these proceedings can result in awards of high damages, fines and penalties. Legal and regulatory proceedings to which the Crédit Agricole Group has been subject involve issues such as collusion with respect to the manipulation of market benchmarks, violation of international sanctions, inadequate controls and other matters. While the Crédit Agricole Group in many cases has substantial defences, even where the outcome of a legal or regulatory proceeding is ultimately favourable, the Crédit Agricole Group may incur substantial costs and have to devote substantial resources to defending its interests. For more information on changes in risks resulting from legal, arbitration or administrative proceedings under way within the Crédit Agricole Group, please refer to Section 2.9 "Developments in legal risks" of Part 2 "Risk management" of this Chapter 3 "Risks and Pillar 3".

Organised as a business line, the Legal Affairs Department has two main objectives: to control legal risk, which can give rise to disputes and liabilities, whether civil, disciplinary or criminal, and to provide the legal support needed by entities to enable them to carry out their activities. At the end of December 2022, provisions for legal risks amounted to €546 million compared to €758 million at 30 June 2022.

f) The international scope of the Crédit Agricole Group's operations exposes it to legal and compliance risks

The international scope of the Crédit Agricole Group'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 where the Crédit Agricole Group is active, such as local banking laws and regulations, internal control and disclosure requirements, data privacy restrictions, European, U.S. and local anti-money laundering and anti-corruption laws and regulations, international sanctions and other rules and requirements. Violations of these laws and regulations could harm the reputation of the Crédit Agricole Group, result in litigation, civil or criminal penalties, or otherwise have a material adverse effect on its business.

To illustrate, in October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) 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 acts covered by this agreement took place between 2003 and 2008. Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US federal authorities and New York State authorities during this investigation, agreed to pay a penalty of US$787.3 million (€692.7 million).

Despite the implementation and improvement of procedures designed to ensure compliance with these laws and regulations, there can be no assurance that all employees or contractors of the Crédit Agricole Group will follow its policies or that such programmes will be adequate to prevent all violations. It cannot be excluded that transactions in violation of the Crédit Agricole Group's policies may be identified, potentially resulting in penalties. The Crédit Agricole Group furthermore does not have direct or indirect majority voting control in certain entities with international operations, and in those cases its ability to require compliance with the Crédit Agricole Group's policies and procedures may be even more limited.

At end-2022, the Crédit Agricole Group had operations in 46 countries. It does not include held-for-sale and discontinued operations, nor any equity-accounted entities. Note that at end-2022, 79% of the revenues (excluding intercompany disposals) of the Crédit Agricole Group came from its two main locations (France and Italy).

1.1.4 Risks relating to the environment in which the Crédit Agricole Group operates

a) The Crédit Agricole Group's operating income and financial position may be affected by disruptions to the global economic situation and financial markets resulting from the conflict between Russia and Ukraine

The conflict between Russia and Ukraine, as well as economic sanctions measures against Russia adopted in response by a number of countries (including France, the European Union, the United Kingdom and the United States), may continue to have widespread economic and financial repercussions. The conflict has exacerbated instability in global markets, with an impact on stock market indexes and commodity prices (particularly oil, gas and agricultural products such as wheat), worsening supply chain disruptions, increased production costs, and additional inflationary pressures beyond those already observed. In the wake of the Covid pandemic. These difficult conditions in the global economy and financial markets could have significant negative impacts on the Crédit Agricole Group and its customers. These conditions may continue or worsen as the conflict evolves. Thus, cost of risk could be affected by changes in the geopolitical, financial and global macroeconomic situation, as well as by the deterioration in the repayment capacities of companies (decline in activity, insufficient capacity to pass on cost increases) and consumers (affected by consumer price increases), by the downgrading of the ratings of counterparties whose outstandings are downgraded from Stage 1 to Stage 2, and by the sensitivity of certain sectors, particularly:

- those where the activity of significant players, due to their location or nationality, is directly impacted by the conflict (energy, agriculture, aeronautics, raw materials and energy trading);
- exposed to shortages or significant increases in the cost of energy and raw materials used in their production process (food processing, heavy industry, automotive, construction and public works);
- where the level of demand would remain below normal for a long time due to increases in sales prices or loss of access to significant markets.

b) Adverse economic and financial conditions have in the past had and may in the future have an impact on the Crédit Agricole Group and the markets in which it operates

In the operation of its activities, the Crédit Agricole Group is significantly exposed to changes in the financial markets and to the development of the economic conditions in France, Europe and the rest of the world. In the financial year ended 31 December 2022, 70% of the Crédit Agricole Group's revenues were generated in France, 10% in Italy, 14% in the rest of Europe and 7% in the rest of the world as detailed in the notes to the financial statements. A deterioration in economic conditions in the markets where the Crédit Agricole Group operates could have one or several of the following impacts:

- adverse economic conditions would affect the business and operations of customers of the Crédit Agricole Group, which could decrease revenues and increase the rate of default on loans and other receivables;
- a decline in the prices of bonds, equities and commodities could impact a significant portion of the business of the Crédit Agricole Group, including in particular trading, investment banking and asset management revenues;
- macroeconomic policies adopted in response to actual or anticipated economic conditions could have unintended effects, and are likely to impact market parameters such as interest rates and foreign exchange rates, which in turn could affect the businesses of the Crédit Agricole Group that are most exposed to market risk;
- perceived favourable economic conditions generally or in specific business sectors could result in asset price bubbles, which could in turn exacerbate the impact of corrections when conditions become less favourable;
- a significant economic disruption (such as the global financial crisis of 2008 or the European sovereign debt crisis of 2011 or the Covid crisis of 2020) could have a severe impact on all of the activities of the Crédit Agricole Group, 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 at all;
- greater uncertainties and significant market disruptions may increase volatility. This could have a significant adverse impact on the Crédit Agricole Group's trading and investment activities in the bond, foreign exchange, commodities and equity markets, as well as on its positions in other investments. In recent years, the financial markets have experienced significant disruption and volatility, which could reoccur, exposing the Crédit Agricole Group to significant losses. Such losses could extend to many trading and hedging instruments used by the Crédit Agricole Group, including swaps, forwards, futures, options and structured products. In addition, financial market volatility makes it difficult to anticipate trends and implement effective trading strategies.

As such, in a context of declining global growth in 2022 and less accommodating monetary policies, a deterioration in economic conditions would increase the difficulties and failures of businesses and the unemployment rate could start rising again, increasing the probability of customer default. The heightened uncertainty could have a strong negative impact on the valuation of risky assets, on the currencies of countries in difficulty, and on the price of commodities.

- A worsening global environment could lead to a temporary halt in monetary tightening policies, particularly in the United States and Europe.
- The global political and geopolitical context – more conflictual and tenser – induces greater uncertainty and increases the overall level of risk. This can lead, in the event of rising tensions or the materialisation of latent risks, to major market movements and can weigh on economies. Such risks include trade war, tensions in the Middle East, social or political crises around the world, tensions in Eastern Europe, conflict between Russia and the Ukraine, etc.
- In France, there could also be a significant drop in confidence in the event of a more marked deterioration of the social context which could lead households to consume less and save more as a precaution, and companies to delay investments, which could be harmful to growth and to the quality of private debt, which has increased more than in the rest of Europe.

- In Italy, a political crisis, against the backdrop of growth lower than inflation and high public debt, would have a negative impact on confidence and the economy, and could also cause an additional rise in interest rates and in the cost of refinancing for the government and the banks. It could also lead to losses on the sovereign portfolios of banks and insurers. For example, the Crédit Agricole Group's exposure to Italy was €137.8 billion at the end of December 2022 (Pillar 3), which represents 6.33% of the Crédit Agricole Group's exposures.

It is difficult to predict when economic or financial market downturns will occur, and which markets will be most significantly impacted. If economic or market conditions in France or elsewhere in Europe, or global markets more generally, were to deteriorate or become significantly more volatile, the Crédit Agricole Group's operations could be disrupted, and its business, results of operations and financial position could as a result experience a material adverse effect.

c) The absence of a sustained decline in inflation rates may negatively affect the business, operations and financial performance of the Crédit Agricole Group

The Covid pandemic and the subsequent economic recovery resulted in economic bottlenecks (which have been or are currently being resolved), upstream cost pressures, a sharp upturn in inflation, and the implementation of restrictive monetary policies. The economic and financial scenario is based on a gradual decline in inflation, leading to a stabilisation of key interest rates in 2023 with moderate pressure on risk-free interest rates. However, the drop in inflation could be hindered by factors such as: rising energy prices (see in particular the Russia-Ukraine conflict); localised outbreaks of Covid slowing down activity and leading to new disruptions in supply chains; more resistant underlying inflation; accelerated increases in wages without guaranteeing that purchasing power is maintained.

In the absence of support to limit its impact on customer types (consumers and businesses), high inflation coupled with restrictive monetary policies and the consequences on the international economy and financial markets have had and are likely to continue to have a significant adverse impact on the results of the business lines and the financial position of Crédit Agricole Group.

At 31 December 2022, Crédit Agricole Group.'s exposure to sectors considered "sensitive" was as follows: (a) real estate (excluding housing loans) with EAD (Exposure at Default) of €66 billion, of which 1.6% in default; (b) non-food goods and retail with EAD of €27.2 billion, of which 2.8% in default; (c) automotive,, with EAD of €26.2 billion, of which 0.6% in default; (d) heavy industries, with EAD of €23.2 billion, of which 3% in default and (e) construction and public works with EAD of €11.9 billion, of which 2.1% in default.

d) The Crédit Agricole Group operates in a highly regulated environment, and its profitability and financial position could be significantly impacted by ongoing legal and regulatory changes

A variety of regulatory and supervisory regimes apply to the Crédit Agricole Group in each of the jurisdictions in which it operates.

To illustrate, such regulations pertain to, in particular:

- regulatory prudential requirements applicable to credit institutions, including prudential rules in terms of adequacy and minimum capital and liquidity requirements, risk diversification, governance, restrictions in terms of equity investments and compensation as defined in particular by (i) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (as amended, in particular, by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 and by Regulation (EU) 2020/873 of the European Parliament and the Council of 24 June 2020) and (ii) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the regulatory prudential supervision of credit institutions and investment firms (as modified, notably, by the Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019) as transposed into domestic law; under these regulations, credit institutions such as the Crédit Agricole Group must notably meet the requirements regarding minimum capital ratio, risk diversification and liquidity, monetary policy, reporting/disclosures, as well as restrictions on equity investments. At 31 December 2022, the Crédit Agricole Group's phased-in common equity tier 1 (CET1) ratio was 17.6% and the Crédit Agricole Group's overall phased-in ratio was 21.6%;
- the rules applicable to bank recovery and resolution as defined notably by (i) Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms), as transposed into domestic law and (ii) Regulation (EU) 806/2014 of the European Parliament and of the Council 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 (as modified, notably, by Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019); accordingly, the Crédit Agricole Group is placed under the supervision of the ECB to which a Crédit Agricole Group recovery plan is submitted each year in accordance with the applicable regulations (for more information, see the "Risk Management" part of the Chapter 3). In addition, the contribution of the Crédit Agricole Group to the annual financing of the Single Resolution Fund can be significant. Thus, in 2022, the Crédit Agricole Group's contribution to the Single Resolution Fund amounted to €803 million;

- the regulations applicable to financial instruments (including shares and other securities issued by Crédit Agricole S.A.), as well as the rules relating to financial reporting, information disclosure and market abuse (Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse), which in particular increases the obligations of Crédit Agricole Group in terms of transparency and reporting;
- the monetary, liquidity, interest rate and other policies of central banks and regulatory authorities;
- the regulations governing certain types of transactions and investments, such as derivatives and securities financing activities and money market funds (Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 over-the-counter derivatives, central counterparties and trade repositories);
- regulations of market infrastructures, such as trading platforms, central counterparties, central securities depositories and securities settlement systems;
- tax and accounting legislation in the jurisdictions where the Crédit Agricole Group operates; and
- the rules and procedures relating to internal control, anti-money laundering and combating terrorist financing, risk management and compliance.

As a result of some of these measures, the Crédit Agricole Group was notably forced to reduce the size of some of its activities in order to comply with the new requirements created by them. These measures have also increased compliance costs and it is likely that they will continue to do so. In addition, some of these measures may also significantly increase the Crédit Agricole Group's funding costs, particularly by requiring the Crédit Agricole Group to increase the portion of its funding consisting of capital and subordinated debt, which carry higher costs than senior debt instruments.

Failure to comply with these regulations could have significant consequences for the Crédit Agricole Group: a significant intervention by regulatory authorities and fines, international sanctions, public reprimand, reputational damage, enforced suspension of operations or, in extreme cases, withdrawal of authorisation to operate. Moreover, regulatory constraints could significantly limit the Crédit Agricole Group's ability to expand its business or to pursue certain existing activities.

In addition, legislative and regulatory measures have entered into force in recent years or may be adopted or modified to introduce or strengthen a number of changes, some of which are permanent, in the overall financial environment. While the objective of these measures is to avoid a recurrence of the global financial crisis, the new measures have changed substantially, and may continue to change, the environment in which the Crédit Agricole Group and other financial institutions operate. The measures that have been or may be adopted include more stringent capital and liquidity requirements (particularly for large global institutions and groups such as the Crédit Agricole Group), tax on financial transactions, caps or tax on employee compensation over specified levels, limits on the types of activities that commercial banks can undertake (prohibition or limitation of proprietary trading and investment, investments and holdings in private equity funds and hedge funds), ring-fencing requirements relating to certain activities, restrictions on the types of entities permitted to conduct 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 a resolution procedure and, more generally, enhanced recovery and resolution regimes, new risk-weighting methodologies (particularly with respect to insurance businesses), periodic stress testing, and the strengthening of the powers of supervisory authorities and new rules for managing environmental, social and governance (ESG) risks.

- The measures relating to the banking and financial sector in which Crédit Agricole S.A. operates could be amended again, expanded or strengthened, and new measures could be introduced, further affecting the predictability of the regulatory regimes to which Crédit Agricole S.A. is subject and requiring rapid implementation likely to mobilise significant resources within Crédit Agricole S.A. In addition, the adoption of these new measures could increase the constraints on Crédit Agricole S.A. and require a strengthening of the actions carried out by Crédit Agricole S.A. presented above in response to the existing regulatory context.
- In addition, the general political environment has evolved unfavourably for banks and the financial industry, resulting in additional pressure on legislative and regulatory bodies to adopt more stringent regulatory measures, despite the fact that these measures can have adverse consequences on lending and other financial activities, and on the economy.

Given the continuing uncertainty linked to new legislative and regulatory measures, the scale and scope of which are largely unpredictable, it is impossible to predict their real impact on the Crédit Agricole Group, but their impact could be very significant.

1.1.5 Risk related to the strategy and transactions of the Crédit Agricole Group

a) The Crédit Agricole Group may not achieve the targets set out in its Medium-Term Plan

On 22 June 2022, Crédit Agricole S.A announced its new Medium-Term Plan for 2025: "Ambitions 2025" (the "2025 Medium-Term Plan"). The 2025 Medium-Term Plan builds on the strength of the Crédit Agricole Group's development model, which is based on a global, sustainable relationship serving all customers, in all territories, and through all channels. This development is also based on business lines that are pursuing their own development dynamics and have become leaders and consolidators in their respective markets. The 2025 Medium-Term Plan is also based on the Crédit Agricole Group's organic growth strategy. The Group is aiming for 1 million additional retail banking customers by 2025 and intends to increase the number of customers with protective insurance, savings and real estate solutions. It aims to expand and adapt its offers (more accessible, more responsible and more digital) in order to meet new needs. In addition, the strategy of targeted acquisitions and partnerships will continue, while respecting the profitability constraints (ROI >10% in three years) set for Crédit Agricole S.A. Within this framework, the Crédit Agricole Group aims to forge new distribution partnerships with financial players, as well as industrial and technological partnerships. As part of the 2025 Medium-Term Plan, Crédit Agricole S.A. also aims to develop its global business lines, accelerate its growth in cross-functional business lines such as payments, real estate, digital banking and as-a-service technology, and accelerate its technological, digital and human transformation. The main driver of growth in the Medium-Term-Plan is organic, and this growth can be complemented by partnerships and or acquisitions. An operational integration risk is always attached to such transactions. Over the year 2022, Crédit Agricole S.A. has demonstrated its strong integration capacity with the integration of Lyxor and Creval complete at year end, including IT integration.

The 2025 Medium-Term Plan includes a number of financial targets relating to revenues, expenses, net income and capital adequacy ratios, among other things. 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 the economic climate and the activity of the business lines of the Crédit Agricole Group. The financial targets do not constitute projections or forecasts of anticipated results. The actual results of the Crédit Agricole Group 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, the Crédit Agricole Group expects to have a solvency ratio greater than or equal to 17% for its Common Equity Tier 1 (CET1) ratio, a TLAC[(1)] ratio greater than or equal to 26% (excluding non-preferred senior debt) and a SRP[(2)] of between €110 and €130 billion.

Furthermore, as a responsible and committed player, the Crédit Agricole Group has adopted an approach for a fair climate transition that preserves social and territorial cohesion. This approach is based on three priorities: to take action for the climate; to strengthen social cohesion by taking action for equal access to care; and to make the agricultural and agro-food transitions successful.

The acceleration of investment and financing in green energies and taking ESG criteria into account more broadly is imperative to effectively contribute to the urgency of the energy transition, in place of fossil fuels. In this sense, stopping only the financing of fossil fuels would allow the Bank’s balance sheet to become “greener” more quickly, but would negatively impact all the populations still dependent on these energies without supporting them in their own transition.

Crédit Agricole has also made the demanding choice to use its universal banking model to support transitions for as many people as possible. By equipping all its customers, from large international corporates to the most financially modest households, with products and services that use green energy and by constantly striving for innovation and progress, Crédit Agricole is continuing its role as a company heavily involved in major societal changes.

Ambitious targets have been set for Crédit Agricole S.A. to accelerate the pace of the transition to carbon neutrality by 2050. Following the announcement of the Net Zero Asset Owner (CA Assurances) and Net Zero Asset Managers (Amundi) commitments, Crédit Agricole S.A. published the 2030 targets for Crédit Agricole S.A. and its subsidiaries, in line with the Net Zero Banking Alliance for five sectors (Oil & Gas, Electricity, Automotive, Commercial Real Estate and Cement).

In a second phase, the Crédit Agricole Group will unveil targets for five other sectors (Shipping, Aviation, Steel, Residential Real Estate and Agriculture) in 2023. These commitments cover 10 sectors that account for more than 75% of global greenhouse gas emissions and approximately 60% of the Crédit Agricole Group’s exposure. Crédit Agricole has also committed to reducing its own direct carbon footprint by 50% by 2030.

The Crédit Agricole Group’s climate action is consistent with its commitment to contribute to the goal of global carbon neutrality by 2050, and the Group’s climate strategy fully contributes to the revenue generation objectives of Crédit Agricole S.A.’s 2025 Medium-Term Plan.

Failure to comply with these ESG commitments could damage the reputation of the Crédit Agricole Group, which could have a negative impact on its business. In addition, the lack of reliability of some ESG data could lead to the recalculation of trajectories to achieve the targets set, and thus shift them over time.

More generally, the success of the 2025 Medium-Term Plan is based on a large number of initiatives of varying scope, to be rolled out within the various Crédit Agricole Group entities. Although many of the targets set out in the 2025 Medium-Term Plan are expected to be achievable, it is not possible to predict which ones will be achieved and which ones will not. The 2025 Medium-Term Plan also provides for important investments, but their return could be lower than expected if the targets pursued under the 2025 Medium-Term Plan are not ultimately achieved. Thus, if Crédit Agricole S.A. was unable to achieve the targets set out in the 2025 Medium-Term Plan (in whole or in part), there could be a material adverse impact on its financial position and results.

b) Claims made to the Crédit Agricole Group subsidiaries in the exercise of their insurance activities could be inconsistent with the assumptions they use to price their insurance products and the fees for obligations related to claims experience and technical reserves

Revenues from the insurance activities of the members of the Crédit Agricole Group specialising in this field depend significantly upon the extent to which the actual claims experience is consistent with the assumptions they use in setting the prices for their products and establishing technical reserves. Crédit Agricole Assurances uses both its own empirical analysis and industry data to develop its products and estimate future policy benefits, including information used in pricing the insurance products and establishing the related actuarial liabilities. However, there can be no assurance that the claims experience is not higher than the assumptions used for pricing and provisioning, and unanticipated risks such as pandemic diseases or natural disasters could result in loss experience inconsistent with the relevant assumptions related to the pricing of these products and the establishment of reserves. To the extent that the actual claims paid by Crédit Agricole Assurances to policyholders are higher than the underlying assumptions used in initially establishing the future policy reserves, or if events or trends cause Crédit Agricole Assurances to change the underlying assumptions, Crédit Agricole Assurances may be exposed to greater liabilities than expected, which may adversely affect the Crédit Agricole Group’s insurance business, results of operations and financial position.

Crédit Agricole Assurances continues to adapt its strategy to the current context of low interest rates, in particular by strengthening its policy of redirecting funds to unit-linked policies and by increasing its profit-sharing reserves (provision pour participation aux excédents – PPE), which were €12.0 billion at 31 December 2022 (compared with €13.8 billion at 30 June 2022), i.e. 5.7% of outstanding euro-denominated policies, which represents several years’ worth of interest rates provided to policyholders and which constitutes a level of coverage higher than the market average in France. Moreover, the unit-linked portion in assets under management of Crédit Agricole Assurances reached 25.6% at 31 December 2022, down 1.2 points year-on-year. In Property and Casualty insurance the combined ratio remained well under control. It achieved 98.5%%[(3)].

Finally, Crédit Agricole Assurances maintains a high level of solvency, posting a ratio of 204%[(4)] at 31 December 2022.

(1) TLAC (Total Loss Absorbing Capacity).
(2) SRP (Stable Resource Position).
(3) Ratio (claims experience + overheads + fee and commission income)/premiums, net of reinsurance, Pacifica scope, restated for climate events.
(4) Standard formula without transitory measures, except for the grandfathering of subordinated debt.

c) Adverse events may affect several of the Crédit Agricole Group's businesses simultaneously

While each of the Crédit Agricole Group's principal activities are subject to risks specific to them and are subject to different market cycles, it is possible that adverse events could affect several of the Crédit Agricole Group's activities at the same time. For instance, a decrease in interest rates could simultaneously impact the interest margin on loans, the yield and therefore the fee and commission income earned on asset management products, and the returns on investments of the insurance subsidiaries. A general and prolonged decline in financial markets combined with adverse macroeconomic conditions could impact the Crédit Agricole Group in multiple ways, by increasing default risk in its lending activities, causing a decline in the value of its securities portfolios and reducing revenues in its fee and commission income-generating activities. In addition, a deterioration in the regulatory and tax environment of the main markets in which the Crédit Agricole Group operates could affect the Crédit Agricole Group's activities or lead to an overtaxation of their profits. In such event, the Crédit Agricole Group might not realise the benefits that it otherwise would hope to achieve through the diversification of its activities. For example, adverse macroeconomic conditions could impact the Crédit Agricole Group in multiple ways, by increasing default risk in its lending activities, causing a decline in the value of its securities portfolios and reducing revenues in its fee and commission income-generating activities. Where an event adversely affects multiple activities, the impact on the result and financial position of the Crédit Agricole Group is all the more important.

d) The Crédit Agricole Group is exposed to environmental and social risks

Environmental risks can affect the Crédit Agricole Group in two ways. First, they may have a direct impact on physical risks on its operating tools: these risks are components of operational risk and should remain marginal at the Crédit Agricole Group level. The Crédit Agricole Group is also exposed to reputational risk related to its compliance with public commitments, particularly in the fight against global warming. Crédit Agricole Group may thus face controversy by being challenged by third parties if they believe that these commitments are not being met. These risks have not had any consequences so far.

Environmental risks may also affect the Crédit Agricole Group's counterparties. Environmental risks are thus considered to be risk factors that influence the other main categories of existing risks, notably credit, but also market, liquidity and operational risks. However, these risks could mainly materialise through credit risk: for instance, if the Crédit Agricole Group lends to businesses that conduct activities that emit greenhouse gases, it is subject to the risk that more stringent regulations or limitations will be imposed on its borrower, which could have an adverse impact on the latter's credit quality and the value of the assets financed (e.g. sudden drop in revenues). Such consequences may also arise as a result of technological changes accelerating the transition to a more low-carbon economy, or changes in the behaviour of end consumers (increase in leverage ratios to finance the transition). Similarly, these adverse impacts may be associated with physical risk events – such as natural disasters, but also long-term changes in climate models (increasing frequency and the impacts of events such as droughts, flooding, rising sea levels etc.) – having a negative impact on the counterparties of the Crédit Agricole Group in the performance of their activities. Crédit Agricole Group could thus face reputational risk if one of its subsidiaries' counterparties were to be the subject of a controversy related to environmental factors (e.g. non-compliance with regulations on greenhouse gas emissions, damage to biodiversity in the event of an industrial accident leading to the pollution of ecosystems etc.).

With the acceleration of transitional restrictions to address climate change, the increasing intensity of acute weather phenomena and concern surrounding the preservation of resources, the Crédit Agricole Group will have to adapt its activities and its counterparty selection appropriately in order to achieve its strategic targets and to avoid suffering losses.

These developments have been communicated by Crédit Agricole S.A. in its Medium-Term Plan and in its climate strategy. More specifically, after making commitments in the thermal coal sector, Crédit Agricole S.A. is gradually formalising its ambitions for new sectors, in particular as part of the Net Zero Banking Alliance to which the Crédit Agricole Group belongs. Amundi has joined the Net Zero Asset Manager Alliance initiative and CAA has joined the Net Zero Assets Owners' Alliance initiative. These commitments confirm the Crédit Agricole Group's dedication in supporting the economy towards its goal to be carbon neutral by 2050, with binding milestones in the interim period.

In terms of social risk, the Crédit Agricole Group could fail to achieve the targets of its Societal Project, which strives to economically and socially strengthen all territories and all customers, in particular by promoting the inclusion of young people, access to care, and ageing well – everywhere and for all.

Furthermore, it may not fully achieve the targets set in the 2025 Medium-Term Plan with regard to pursuing its managerial, cultural and human transformation. This could result in not achieving the quality of the environment and working conditions that it intended.

e) The Crédit Agricole Group, along with its corporate and investment banking subsidiary, must maintain high credit ratings, or their business and profitability could be adversely affected

Credit ratings have an important impact on the liquidity of the Crédit Agricole Group and the liquidity of each of its Subsidiaries individually that are active in financial markets (principally its corporate and investment banking subsidiary, Crédit Agricole CIB). A downgrade in credit ratings could adversely affect the liquidity and competitive position of the Crédit Agricole Group or Crédit Agricole CIB, increase borrowing costs, limit access to the capital markets, trigger obligations in the Crédit Agricole Group's covered bond programme or under certain bilateral provisions in some trading, derivative and collateralised financing contracts, or adversely affect the market value of the bonds.

The Crédit Agricole Group's cost of obtaining long-term unsecured funding from market investors, and that of Crédit Agricole CIB, is directly related to their credit spreads (the amount in excess of the interest rate of government securities of the same maturity that is paid to debt investors), which in turn depend to a certain extent on their credit ratings. Increases in credit spreads can significantly increase the Crédit Agricole Group's or Crédit Agricole CIB's cost of funding. 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. In addition, credit spreads may be influenced by movements in the acquisition cost of credit default swaps indexed to the Crédit Agricole Group's or Crédit Agricole CIB's debt securities, which are influenced both by the credit quality of those securities, and by a number of market factors that are beyond the control of the Crédit Agricole Group and Crédit Agricole CIB.

Of the three rating agencies solicited, Moody's, S&P Global Ratings and Fitch Ratings long term issuer ratings for Crédit Agricole S.A. are Aa3, A+ and A+ respectively and their outlook is stable.

Non-financial ratings may have an impact on Crédit Agricole S.A.'s image with its stakeholders, particularly investors, who use these ratings to build their portfolios. A significant downgrade of its rating could have an adverse effect on investor interest in securities issued by Crédit Agricole S.A.

In 2022, Crédit Agricole S.A.'s non-financial rating was maintained or even improved by MSCI (AA), Moody's ESG Solutions (from 63 to 67/100), ISS ESG (from C to C+) and CDP (B).

f) The Crédit Agricole Group faces intense competition

The Crédit Agricole Group faces intense competition in all financial services markets and for the products and services it offers, including retail banking services. For example, the Regional Banks have a market share of over 24% in France[1]. The European financial services markets are mature, and the demand for financial services products is, to some extent, related to overall economic development. Competition in this environment is based on many factors, including the products and services offered, pricing, distribution systems, customer service, brand recognition, perceived financial strength and the willingness to use capital to serve customer needs. Consolidation has created a number of firms that, like the Crédit Agricole Group, have the ability to offer a wide range of products, from insurance, loans and deposit taking to brokerage, investment banking and asset management services.

In addition, new rivals that are more competitive (including those utilising innovative technology solutions), which may be subject to separate or more flexible regulation, or other requirements relating to regulatory prudential ratios, are also emerging in the market. Technological advances and the growth of e-commerce have made it possible for non-bank institutions to offer products and services that traditionally were banking products, and for financial institutions and other companies to provide electronic and Internet-based financial solutions, including electronic securities trading. These new players exert downward price pressure on the Crédit Agricole Group's products and services and can succeed in winning market share in areas that have been historically stable and dominated by traditional financial institutions. In addition, new applications, particularly in payment processing and retail banking, and new technologies facilitating transaction processing, such as blockchain, have been gradually transforming the financial sector and the ways in which customers consume banking services. It is difficult to predict the effects of the emergence of such new technologies, for which the regulatory framework is still being defined, but their increased use may transform the competitive landscape of the banking and financial industry. The Crédit Agricole Group must therefore strive to maintain its competitiveness in France and in the other major markets in which it operates by adapting its systems and strengthening its technological footprint to maintain its current market share and level of results.

1.1.6 Risks related 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 its own resources) to support such member

Crédit Agricole S.A. (legal entity) is the corporate centre of the Crédit Agricole Network made up of Crédit Agricole S.A. (social entity), Regional Banks and the Local Banks, pursuant to Article R. 512-18 of the French Monetary and Financial Code, as well as Crédit Agricole Corporate and Investment Bank and Bforbank as its affiliated members (the **"Network"**).

Under the statutory financial support mechanism provided for in Article L. 511-31 of the French Monetary and Financial Code, Crédit Agricole S.A., as the central body of the Network, must take all necessary measures to guarantee the liquidity and solvency of each member of the Network, as well as the Network as a whole. As a result, each member of the Network benefits from the statutory financial support mechanism and contributes thereto. The general provisions of the French Monetary and Financial Code are transposed into internal provisions setting out the operational measures required for this legal mechanism for internal financial solidarity. In particular, they established a Liquidity and Solvency Bank Risk Fund (Fonds pour Risques Bancaires de Liquidité et de Solvabilité, FRBLS) to enable Crédit Agricole S.A. (legal entity) to fulfil its role as a corporate centre by providing assistance to any member of the Network that may be experiencing difficulties.

Although Crédit Agricole S.A. is not currently aware of circumstances likely to require recourse to the FRBLS to support a member of the Network, there can be no assurance that it will not be necessary to use the Fund in the future. In such a case, if the resources of the FRBLS were to be insufficient, Crédit Agricole S.A. (legal entity), under its duties as a corporate centre, will be required to make up the shortfall by mobilising its own resources and, where appropriate, those of the other members of the Network.

As a result of this obligation, if a member of the Network were to face major financial difficulties, the event underlying these financial difficulties could impact the financial position of Crédit Agricole S.A. (legal entity) and that of the other members of the Network that are relied upon for support under the financial support mechanism.

The European banking crisis management framework was adopted in 2014 by EU Directive 2014/59 (known as the "Bank Recovery and Resolution Directive – DRRB"), transposed into French law by the French Decree-Law n° 2015-1024 of 20 August 2015 (Ordonnance n°2015-1024 portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière), which also adapted French law to take into account 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) 2019/879 of 20 May 2019, known as "DRRB2", amended the DRRB 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, ensure the continuity of activities, services and operations of institutions whose failure could significantly impact the economy, protect depositors, and avoid or limit to the greatest extent possible, the use of public financial support as much as possible. In this context, the European Resolution Authorities, including the Single Resolution Board, have been given very broad 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.

(1) This market share applies to household bank deposits. The market share for household loans is 24% (source: Banque de France, September 2021).

For cooperative banking groups, the "extended single point of entry" ("extended SPE") resolution strategy is preferred by the resolution authorities, whereby resolution tools would be applied simultaneously at the level of Crédit Agricole S.A. and its affiliated members. (legal entity) and affiliated members. In this regard, and in the case of resolution of the Crédit Agricole Group, the scope comprising Crédit Agricole S.A. (in its capacity as corporate centre) and the affiliated entities would be considered as a whole to be the extended single entry point. Given the foregoing and the solidarity mechanisms that exist within the Network, a member of the Network cannot be put individually in resolution.

The resolution authorities may initiate resolution proceedings against a credit institution when it determines 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 required, and a liquidation procedure would fail, to achieve objectives of the resolution mentioned above.

The resolution authorities may use one or more resolution tools, as described below, with the target 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 losses greater 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 (Code de Commerce) ("Non Creditor Worse Off than in Liquidation" principle referred to in Article L. 613-57.I of the French Monetary and Financial Code). Thus, investors are entitled to claim compensation if the treatment they receive in 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 would first write down the par value of 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, internal bailouts. In such an event, the impairment or conversion measures and, where applicable, internal bailout measures would apply to all entities within the 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 French Monetary and Financial Code, effective as at the date of implementation of the resolution.

The holders of equity and any creditors of the same rank or with identical rights in liquidation will then be treated equally, irrespective of which entity of Crédit Agricole Group 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 be aware that there is therefore a significant risk, for the holders of shares, mutual shares, CCI and CCA, and for the holders of debt instruments issued or implemented by any member of the Network to lose all or part of their investment if a resolution proceeding is implemented on the Crédit Agricole Group, irrespective of which entity they are a creditor.

The other resolution tools available to the Resolution Authorities are essentially the total or partial disposal 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 French Monetary and Financial Code, which applies to the 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.

b) The practical advantage of the 1988 Guarantee issued by the Regional Banks may be limited by the implementation of the resolution regime that would apply prior to liquidation

The resolution regime provided for by the BRRD/BRRD2 could limit the practical effect of the guarantee granted by all Regional Banks jointly and severally among them up to the amount of their capital, reserves and retained earnings (the **"1988 Guarantee"**).

This resolution regime does not affect the statutory financial support mechanism provided for under Article L. 511-31 of the French Monetary and Financial Code, which applies to the Network prior to the implementation of any resolution measures.

However, the application of resolution measures on the Crédit Agricole Group could limit the occurrence of the conditions for implementing the 1988 Guarantee, as the 1988 Guarantee can only be called if Crédit Agricole S.A.'s assets prove to be insufficient to cover its obligations at the end of its liquidation or dissolution. Due to this limitation, bondholders and creditors of Crédit Agricole S.A. may not be able to benefit from the protection that the 1988 Guarantee would offer.

(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.

2. Risk management

This section of the management report presents the Group's risk appetite, the nature of the main risks to which the Group is exposed, their magnitude and the measures implemented to manage them.

The information presented under IFRS 7 on financial instrument disclosures covers the following main types of risks[1]:

- credit risks;
- market risks;
- structural balance sheet risks: global interest rate risk, foreign exchange risk and liquidity risk, including risks associated with the insurance industry.

In order to cover all risks inherent in the banking business, additional information is provided concerning:

- operational risks;
- non-compliance risks.

In accordance with legislation and best business practices, risk management within Crédit Agricole S.A. Group is reflected by a form of governance in which the roles and responsibilities of each individual are clearly identified, as well as by effective and reliable risk management methodologies and procedures which make it possible to measure, monitor and manage all the risks to which the Group is exposed.

2.1 RISK APPETITE, GOVERNANCE AND ORGANISATION OF RISK MANAGEMENT

Concise statement on risks

(Statement prepared in compliance with Article 435(1)(f) of Regulation (EU) No. 575/2013)

The Board of Directors of the Crédit Agricole Group makes a formal statement every year regarding its risk appetite. The Group's Risk Appetite Statement is prepared in line with the risk identification process. The statement is an integral and strategic part of the governance framework which covers strategy, business targets, risk management and global financial management for the Group. The strategic orientations of the Medium-Term Plan, the Risk Appetite Statement, the budgetary process and the allocation of resources to the business lines are mutually coherent.

The risk appetite of the Crédit Agricole Group is the type and aggregate amount of risk that the Group is ready to take on, in the framework of its strategic targets.

The Group's risk appetite is determined by particular reference to the financial policy and the risk management policy, which are based on:

- a selective and responsible investment policy;
- limited exposure to market risk;
- control of ALM risks (Liquidity, RTIG and Foreign Exchange) as well as control of the growth of risk weighted assets and the size of the balance sheet;
- a strict framework for exposure to operational risk with zero appetite for legal risk and a rigorous IT and cyber risk management framework including an IS security policy and a strong organisation of the IT security function;
- a risk of non-compliance limited only to the risk incurred, which is strictly controlled;
- management of environmental risks through the major risk factors (particularly credit), in line with the Group's strategy and commitments, and in accordance with changing regulations. The formal definition of risk appetite allows Executive Management and the Board of Directors to define the Group's development direction consistent with the Medium-Term Plan and translate it into operational strategies. This results in a consistent approach shared by the Strategy, Finance, Risk and Compliance departments.

The Risk Appetite Statement is coordinated with the Operational departments of the various entities and aims to:

- engage Directors and senior Management in reflection and dialogue on risk taking;
- formalise, standardise and make explicit the acceptable level of risk for a given strategy;
- fully integrate risk/return considerations into the strategic planning and decision-making processes;
- define advance indicators and alert thresholds to improve resilience by taking action as soon as alerts for risk appetite standards are triggered;
- improve external communications to third parties on financial strength and risk management.

The Group's risk appetite takes into account the main strategic indicators defined in the Medium-Term Plan and forms the risk management framework for the strategy. The MTP targets set by the Group are then reported annually in the budget. Risk appetite is therefore included every year in the risk statement and appetite matrix. These draw on a set of strategic indicators defined by appetite, tolerance and, for indicators with regulatory thresholds, capacity thresholds.

In addition to the annual statement, the Group also reports on its risk appetite throughout the year through risk frameworks approved by the Board of Directors, based on recommendations from the Board's Risk Committee. The Risk Committee bases its reviews on approvals given by the Group Risk Committee chaired by the Chief Executive Officer or Deputy Chief Executive Officer of Crédit Agricole S.A.

In addition to the summary statement and matrix, the Group produces a dashboard of its risks and internal and regulatory limits, which is used to monitor more operational indicators that represent major risks and consists of a selection of limits or alert thresholds set in these risk frameworks. This dashboard is presented to the Board's Risk Committee and Crédit Agricole S.A.'s Board of Directors on a quarterly basis.

The Group's risk appetite is defined through:

- **key indicators covering:**
  - **Crédit Agricole S.A.'s external rating,** which has an impact on refinancing terms and on the Group's image in the market,
  - **solvency** which guarantees the Crédit Agricole Group's sustainability by ensuring it has sufficient capital to back the risks it is taking on,

(1) These disclosures are an integral part of the consolidated financial statements as at 31 December 2018 and, as such, are covered by the Statutory Auditor's Report.

- **liquidity**, the management of which aims to prevent the Crédit Agricole Group's sources of finances drying up with the consequent threat of default on payments, or even resolution,
- **business**, the monitoring of which makes it possible both to provide a measure of the business risk and to ensure the achievement of the strategy defined by the Group and thus to guarantee its long-term sustainability,
- **profit** of the Crédit Agricole Group, because it is a direct source of future solvency and shareholder dividends and therefore constitutes a key part of the Group's financial communications. Moreover, its level also reflects the materialisation of risks,
- **interest rate and inflation risks**, which are likely to have a significant impact on the Crédit Agricole Group's results given its business of processing and collecting regulated savings,
- **credit risk**, which constitutes its main risk due to its commercial positioning and its growth strategy. Special vigilance is dedicated to this risk in the context of the aftermath of the health crisis and the crisis in Ukraine and key risks such as market risk, and more specifically Crédit Agricole CIB's market risk, the Group's operational risk, non-compliance risk and insurance risk;

- **limits and alert thresholds on risks defined in line with these indicators;**
- **qualitative priorities,** inherent to the Group's strategy and businesses. The qualitative criteria are largely based on the corporate social responsibility (CSR) policy of the Company, which embodies the Group's concern with supporting sustainable development and controlling all risks including non-financial risks.

The key indicators reflect three levels of risk:

- **appetite** is used for managing normal everyday risk and indicators which breach tolerance thresholds;
- **tolerance** corresponds to a level of steering that is closer to that of the Board of Directors. Any breach of tolerance thresholds in key indicators or limits triggers a report to the Risk Committee or the Board of Directors. Suitable corrective measures must then be presented;
- **capacity**, which is only defined for indicators for which there is a regulatory threshold, begins once this regulatory threshold is crossed. Entry into the capacity range leads to close dialogue with supervisors.

The Group's risk appetite system is based on the risk identification process which aims to list as exhaustively as possible the Group's major risks and to apply a uniform classification to placing them in categories and sub-categories.

Overall risk profile

The Group's business is built around the customer-focused universal banking model in Europe with a low level of defaults and prudent provisioning. The market risk profile has also considerably reduced, as a result of a change in the Group's strategy more than a decade ago.

The Group's risk profile is monitored and presented at least every quarter to the Group Risk Committee and to the Board of Directors. Breach of tolerance levels for central indicators or limits on the system are reported and corrective actions proposed to the Board of Directors. The Executive Directors and the supervisory body are thus kept regularly informed of how the risk profile corresponds to the risk appetite.

The main components of the Group's risk profile at 31 December 2022 are broken down in the "Risk Management" and "Pillar 3" sections, respectively, of this Registration Document:

- Credit risk: Part 2.4 (Risk management) and Part 3.2 (Pillar 3);
- Market risk: Part 2.5 (Risk management) and Part 3.4 (Pillar 3);
- Financial risks (interest rate, exchange rate, liquidity and financing): Part 2.6 (Risk factors) and Parts 4 and 5 (Pillar 3);
- Operational risk: Part 2.8 (Risk management) and Part 3.6 (Pillar 3).

A selection of key indicators from the Risk Appetite Statement is presented in the table below:

	CET ratio (phased in)	LCR ratio (year-end level)	Cost of risk	Net Income Group Share	Impaired loan ratio on outstandings
31/12/2022	17.6%	167.6%	€2.9 billion reported/ €2.7 billion underlying	€8.1 billion reported/ €7.9 billion underlying	2.11%
31/12/2021	17.5%	183.0%	€2.19 billion reported/ €1.8 billion underlying	€9.1 billion reported/ €8.5 billion underlying	2.02%

At 31 December 2022, the indicators of the Group's risk appetite in terms of solvency, earnings, cost of risk and impairment of receivables were within the risk appetite levels defined by the Group. They have not reached the tolerance thresholds.

Adequacy of the institution's risk management arrangements pursuant to Article 435-1-(e) of Regulation (EU) No. 575/2013

Organisation of risk management

Risk management, which is inherent in banking activities, lies at the heart of the Group's internal control system. All staff involved, from the initiation of transactions to final maturity, play a part in this system.

Measuring and monitoring risk is the responsibility of the dedicated Risk Management Business line (headed by the Group Risk department (Direction des risques Groupe – DRG)), which is independent from Group functions and reports directly to the Deputy Chief Executive Officer.

Although risk management is primarily the responsibility of the business lines which oversee their own business development (first line of defence), DRG's task is to ensure that the risks to which the Group is exposed are consistent with the risk frameworks defined by the business lines (in terms of global and individual limits and selection criteria) and compatible with the Group's growth and profitability targets.

The DRG performs consolidated Group-wide monitoring of risks using a network of risk managers who report hierarchically to the Chief Risk and Permanent Controls Officer and functionally to the executive body of their entity or business line.

To ensure a consistent view of risks within the Group, the DRG has the following duties:

- it coordinates the risk identification process and the implementation of the Group's risk appetite framework in cooperation with the Finance, Strategy and Compliance functions and the business lines;

- it defines and/or validates methods and procedures for analysing, measuring and monitoring all of the Group's risks that are considered to be major, as defined in the annual risk identification process;
- it takes part in the critical analysis of the business lines' commercial development strategies, focusing on the risk impact of these strategies;
- it provides independent opinions to Executive Management on risk exposure arising from business lines' positions (credit transactions, setting of market risk limits) or anticipated by their risk framework;
- it lists and analyses Group entities' risks, on which data is collected in risk information systems.

The Financial Steering unit of the Group Finance department (Direction des finances Groupe – FIG) is responsible for the management of structural asset/liability risk (interest rate, exchange rate and liquidity) as well as for the refinancing policy and for the management of capital requirements.

Supervision of these risks by Executive Management is carried out through Liquidity and ALM (Asset Liability Management) Committee meetings, in which the DRG takes part.

The DRG keeps the Executive Directors and the supervisory body informed of the degree of risk control in Crédit Agricole S.A., presents various risk frameworks of the major business lines of the Group for validation, and warns them of any risk of deviation from risk policies approved by executive bodies. It informs them of the outcomes and performance of prevention measures, whose organisational principles are approved by them. It makes suggestions for any improvement of such measures that may be required as a result of changes to business lines and their environment.

At consolidated level, this action falls within the remit of governance bodies, in particular:

- **the Risk Committee** (a Board of Directors sub-committee, nine meetings per year): it analyses key factors in the Group's risk appetite statement defined by Executive Management, regularly examines the Group's risk management and internal control issues, reviews the half-yearly information and annual report on internal control and risk measurement and monitoring;
- **the Group Risk Committee** (Comité des risques Groupe – CRG, 12 meetings per year and when necessary) chaired by the Chief Executive Officer of Crédit Agricole S.A.: defines Group policy in terms of risks, sets the Group's overall limits, validates the risk frameworks of the entities and business lines, monitors the Group's major risks in a cross-divisional manner;
- **the Group Individual Risk Committee** (Comité des risques Individuels de niveau Groupe – CRIG, one meeting per week on average) chaired by the Chief Executive Officer of Crédit Agricole S.A., decides on all individual cases requiring approval from Executive Management excluding exceptions, examines all cases at the request of Executive Management, presents at the request of the Group Chief Risk Officer any sensitive cases relating to an entity or any cases covered by the procedure;
- **the Group Internal Control Committee** (Comité de contrôle interne Groupe – CCIG, chaired by the Deputy Chief Executive Officer of Crédit Agricole S.A., minimum of four meetings per year) which coordinates the three control functions: examines internal control issues common across the Group (incl. regulatory developments), drives cross-functional actions to be implemented within the Group, validates Crédit Agricole S.A.'s Consolidated Supervision Scope ES, validates the half-yearly information and the annual report on internal control before presentation to the supervisory body;
- **the Asset-Liability Management Committee** (ALM Committee, chaired by the Deputy General Manager in charge of the Steering division, six meetings per year): analyses the financial risks facing the Crédit Agricole Group, including Crédit Agricole S.A. (interest rate, exchange rate and liquidity risks) and validates the guidelines for their management; validates certain methodologies specific to interest rate risk, decisions relating to the management of solvency and resolution ratios, and various other financial elements including notably the dividend policy of subsidiaries and the guidelines for the management of liquidity portfolios in terms of limits validated by the Group Risk Committee;
- **the Group Compliance Management Committee** (Comité de management de la conformité Groupe – CCMG, chaired by the Deputy Chief Executive Officer of Crédit Agricole S.A., 12 meetings per year): defines and validates the Group's Compliance policy, examines all draft compliance-related standards and procedures, prior to their implementation, examines all significant irregularities and approves corrective measures, makes all decisions related to remedial action for deficiencies, takes note of the main compliance-related conclusions of audits conducted, conducts arbitrations within its remit, is informed of any new businesses and partnerships developed by Group entities that have received a favourable opinion from the New Business and New Product Committee (NAP Committee), approves the annual compliance report;
- **the Group Security Committee** (Comité sécurité Groupe – CSG, four meetings per year) chaired by the Deputy General Manager in charge of the Technologies and Digital division is a decision-making committee that defines the Crédit Agricole Group's security strategy in terms of information systems security, physical safety and security, data protection, business continuity and insurable corporate risk management, determines the Group's security projects, supervises the execution of the strategy and assesses the Group's level of control in the following four areas: security of people and property, security of Information Systems, business continuity plans, data protection.

Main Group-level committees dealing with risk

In addition, each Group operating entity defines its own risk appetite framework and sets up a Risk Management and Permanent Controls function. Accordingly, within each business line and legal entity:

- a risk manager (responsable de la fonction Gestion des risques – RFGR) is appointed;
- the RFGR supervises all the last-line control units within their areas of responsibility, covering oversight and permanent control of risks falling within the remit of the relevant business line; and
- has access to appropriate human, technical and financial resources. RCPRs must be provided with the information required by their role and have systematic and permanent access to any information, document, body (Committees, etc.), tools or even IT systems across their entire area of responsibility. They are associated with entity projects far enough in advance to be able to play their role effectively.

This principle of decentralising the Risk management function to operating entities aims to ensure that the business lines' risk management and permanent controls systems operate efficiently.

Group risk management is also reliant on a certain number of tools which enable the DRG and the Group's executive bodies to fully comprehend the risks that present themselves:

- a robust IT and global risk consolidation system, within the trajectory defined by the Basel Committee on Banking Supervision for global systemically important banks (BCBS 239);
- generalised use of stress testing methodologies in Group credit, financial or operational risk procedures;
- formalised and up-to-date control standards and procedures, which define lending systems, based on an analysis of profitability and risks, monitoring of geographical, individual and sectoral concentrations, as well as limits on interest rate, foreign exchange and liquidity risks;
- a Group recovery plan updated on an annual basis, in accordance with the provisions of EU Directive 2014/59 of 15 May 2014, which establishes a framework for the recovery and resolution of credit institutions.

Risk culture

The risk culture is disseminated across the Group via diverse and effective channels:

- career and talent committees within the Risk Management business line, which plan the succession to key posts, facilitate the mobility of both men and women with the relevant expertise and thus enhance their future career paths by diversifying their skill sets;
- highly valued careers and experience sought after by other business sectors as a result of time spent within the Risk Management business line;
- a range of training on risk comprising modules tailored to the needs of employees within and outside the Risk Management business line. This includes awareness training for all Group employees with, in particular, an e-learning component, to better understand the risks inherent in the bank's business lines;
- communication efforts to foster the spreading of the risk culture, under way since 2015. They are designed to increase the knowledge and involvement of all employees, in order to turn risk into a day-to-day advantage.

Consolidated risk monitoring

Each quarter, the Board of Directors' Risk Committee and the Group Risk Committee examine the main changes in the risk position, the risk and limits dashboard produced by the Group Risk Management and Permanent Controls department. The dashboard provides a detailed review of the Group's risk position across all business lines and on a consolidated basis.

The Group's consolidated alert procedures are coordinated by the Alert Committee (Comité de suivi des alertes – CSA, chaired by the Chief Risk Officer, eight meetings per year or more if necessary) by reviewing all the risk alerts centralised by the Group Risk Management department.

2.2 STRESS TESTING

Stress tests, crisis simulations and resistance tests, form an integral part of the Crédit Agricole Group's risk management system. Stress tests play a role in proactive risk management, the assessment of capital adequacy under an adverse scenario and meeting regulatory requirements. In this regard, by measuring the economic, accounting or regulatory impact of severe but plausible economic scenarios, stress testing provides a measure of the resilience of a portfolio, business, entity or of the Group used as inputs for the ICAAP and the Risk Appetite. Stress testing covers credit, market and operational risks as well as liquidity risk and risks related to interest rates and exchange rates. Stress testing used to manage the Crédit Agricole Group risks involves a range of different exercises.

Different types of stress tests

- **Using stress testing for proactive risk management:** specific exercises that are recurring or carried out upon request are performed centrally and with the contribution of Group entities to supplement and enhance the various analyses performed to properly monitor risks. This work is presented to Executive Management at Group Risk Committee Meetings. In this respect, stress testing focused on market risk or liquidity risk is periodically undertaken.

  In the case of credit risk, stress tests were performed to measure the risk stemming from economic trends in certain major Group risks. The exercises underpin the decisions taken by the Group Risk Committee on aggregate exposure limits.
- **Budget stress tests or ICAAP (Internal Capital Adequacy and Assessment Process) stress testing**: the Crédit Agricole Group undertakes an annual exercise as part of the budgetary process, with the results of this stress testing being used in the ICAAP. It plays a part in capital requirements planning and makes it possible to estimate the Group's profitability over a three-year period, under various economic scenarios. The goal of this stress testing in the budgetary process and the ICAAP is to measure the effects of the economic scenarios (baseline and adverse) on the businesses, entities and the Group as a whole and the sensitivity of their results. It is necessarily based on an economic scenario (change in a series of economic variables) from which the impact on the various risks and geographic regions are determined. This scenario is supplemented to reflect operational risks and the risk of improper conduct.

  The aim of this exercise is to estimate a solvency ratio by measuring the impact on the income statement (cost of risk, interest margin, fee and commission income etc.), risk weighted assets and equity and to compare these indicators to the Group's tolerance thresholds.
- **Regulatory stress testing**: this stress testing encompasses all requests from the ECB, the EBA (European Banking Authority) or other supervisor. In 2021, the Group was particularly successful in managing the global stress test organised by the EBA. In this regard, the Crédit Agricole Group was among the leading European systemic banks in terms of the CET1 solvency ratio level in the stress scenario at the end of 2023.

Governance

In line with the guidelines of the EBA, the stress test programme for the Group and major entities clearly details the governance and responsibilities of each party involved in the stress testing encompassing credit, market, operational and liquidity risks and structural risks related to interest rates and exchange rates.

The scenarios used in the ICAAP processes, Risk Appetite for regulatory purposes are prepared by the Economic department (ECO) and are presented to the Board of Directors. These economic scenarios show central and stressed fluctuations in macroeconomic and financial variables (GDP, unemployment, inflation, interest rates and exchange rates etc.) for all countries to which the Group is exposed.

2.3 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

Crédit Agricole Group's internal control organisation reflects an architecture in line with legal and regulatory requirements, as well as the recommendations of the Basel Committee.

The internal control system and procedures are defined within the Crédit Agricole Group as all systems designed to control activities and risks of all kinds and to ensure regularity (in the sense of compliance with laws, regulations and internal standards), safety and efficiency of operations, in accordance with the references presented in Section 1 below.

The internal control system and procedures are characterised by the objectives assigned to them:

- application of Executive Management instructions and guidelines;
- financial performance, through the efficient and appropriate use of the Group's assets and resources, as well as protection against the risk of loss;
- comprehensive, accurate and regular knowledge of the data needed for decision making and risk management;
- compliance with legal and regulatory requirements and internal standards;
- prevention and detection of fraud and errors;
- accuracy, completeness of accounting records and the timely preparation of reliable accounting and financial information.

These procedures have, nonetheless, the inherent limitations of any internal control system, due in particular to technical or human failures.

In accordance with the principles in force within the Group, the internal control system applies over a broad scope aimed at supervising and controlling activities, as well as measuring and monitoring risks on a consolidated basis. This principle, applied by each entity of Crédit Agricole S.A. and its subsidiaries to its own subsidiaries, makes it possible to apply the internal control system according to a pyramidal logic and to all entities. Each of these entities reports to a supervision unit and is subject to an appropriate escalation process. The system implemented by Crédit Agricole S.A., which is in line with the standards and principles set out below, is thus deployed in a manner adapted to the different business lines and risks at each of the Crédit Agricole Group's levels in order to best meet the regulatory obligations specific to banking activities.

The resources, tools and reports implemented in this normative environment provide regular information, in particular to the Board of Directors, the Risk Committee, to Executive Management and to management, on the functioning of internal control systems and their adequacy (permanent and periodic control system, reports on risk measurement and monitoring, corrective action plans, etc.).

I. References in terms of internal control

References to internal control are based on the provisions of the French Monetary and Financial Code[1], the Decree of 3 November 2014 as amended on internal control of companies in the banking, payment services and investment services sector subject to control by the French Regulatory and Resolution Supervisory Authority (ACPR), the General Regulation of the AMF and the recommendations on internal control, risk management and solvency issued by the Basel Committee and their European transposition (CRR2/CRD5), and the guidelines of the European Banking Authority (EBA) on corporate governance and internal control of institutions.

These national and international standards are supplemented by Crédit Agricole's own internal standards:

- a corpus of communications of a permanent, regulatory nature (external regulations and internal Group rules) and of mandatory application, relating in particular to accounting (Crédit Agricole's accounting plan), financial management, risk management and permanent controls, and internal control organisation, applicable to the entire Crédit Agricole Group;
- Code of Conduct of the Crédit Agricole Group;
- the aggregate of "procedural notes", applicable to Crédit Agricole S.A. relating to organisation, operation or risks. In this context, Crédit Agricole S.A. adopted a set of procedural notes in 2004 to monitor compliance with laws and regulations. This procedural system has since been adapted to regulatory changes and deployed in the Group's entities, particularly in the areas of financial security (prevention of money laundering, fight against terrorist financing, freezing of assets, compliance with embargoes etc.) or detection of malfunctions in the application of laws, regulations, professional standards and standards of conduct, for example. The procedural notes are updated regularly, as necessary, in particular in light of the regulatory changes and in the scope of supervision on a consolidated basis.

II. Principles for the organisation of the internal control system

In order to ensure that internal control systems are effective and consistent between the Group's various organisational levels, the Crédit Agricole Group has adopted a set of common rules (incl. a procedural note on the internal control organisation within the Group) and recommendations based on the implementation of and compliance with fundamental principles.

Thus, each entity of the Crédit Agricole Group (Regional Banks, Crédit Agricole S.A., subsidiaries of credit institutions or investment firms, insurance companies, other, etc.) must apply these principles at its own level.

Fundamental principles

The organisational principles and components of the internal control systems of Crédit Agricole S.A., which are common to all Crédit Agricole Group entities, include obligations in terms of:

- informing the supervisory body (risk frameworks, limits set on risk taking, internal control activity and results, significant incidents);
- direct involvement of the management body in the organisation and operation of the internal control system;
- exhaustive coverage of activities and risks, liability of all actors;
- a clear definition of tasks, effective separation of engagement and control functions, formalised and up-to-date delegations;
- formalised and updated standards and procedures.

These principles are complemented by:

- risk measurement, monitoring and control systems: credit, market, liquidity, financial, operational (operational processing, quality of financial and accounting information, IT processes), non-compliance and legal risks;
- a control system, as part of a dynamic and corrective process, including permanent controls carried out by the operational units or by dedicated employees, and periodic controls (carried out by the units of the Group Control and Audit department or by the Audit units);
- the adoption of the Group's remuneration policies (following the deliberations of the Board of Directors of 9 December 2009 and 23 February 2011) and internal control procedures – in accordance with applicable national, European or international regulations, in particular those relating to the Capital Requirements Directive (CRD 5), the AIFMD, the UCITS V Directive and Solvency 2, the provisions relating to the Volcker Rule, the French banking separation act (Loi de séparation bancaire) and the MiFID, as well as the professional banking recommendations relating to, on the one hand, the adequacy between the compensation policy and the risk control objectives, and on the other hand the compensation of the members of the executive bodies and that of the risk takers (see Part I of this report).

System monitoring

In application of the decree of 3 November 2014, amended in 2021, an obligation has been imposed on each entity or business line manager, each manager, each employee and each Group body to be able to report and justify, at any time, the proper control of its activities and the risks involved, in accordance with the standards for the exercise of banking and financial professions, in order to ensure the long-term security of each activity and each development project and to adapt the control measures to be implemented to the intensity of the risks incurred.

This requirement is based on organisational principles and an architecture of responsibilities, operating and decision-making procedures, controls and reporting to be implemented in a formal and effective manner at each level of the Group: central functions, business lines, subsidiaries, operational units and support functions.

Group Internal Control Committee

The Internal Control Committee of the Group and of Crédit Agricole S.A., the umbrella body for steering the systems, met regularly under the chairmanship of the Deputy Chief Executive Officer of Crédit Agricole S.A.

By its nature, the purpose of this Committee is to examine internal control issues common to the entire Group (Crédit Agricole S.A., subsidiaries of Crédit Agricole S.A., Regional Banks, common resource structures) and to ensure the consistency and effectiveness of internal control on a consolidated basis. The Group's Internal Control Committee, a decision-making body with binding decisions, is composed of Crédit Agricole S.A. employee executives. As such, it is distinguished from the Risk Committee, which is a division of the Board of Directors, and is responsible for coordinating the three control functions: Internal audit, Risk management, Compliance monitoring.

(1) Article L. 511-41.

Three functions operating throughout the Group

The Group Chief Risk Officer, the Head of the Group Control and Audit department and the Group Head of Compliance report directly to the Executive Director of Crédit Agricole S.A. and have access to the Risk Committee and the Board of Directors of Crédit Agricole S.A.

In addition, under the decree of 3 November 2014, as amended, on the internal control of companies in the banking, payment services and investment services sector that are subject to the supervision of the French Regulatory and Resolution Supervisory Authority, the Group Chief Risk Officer has been designated as the person in charge of risk management for Crédit Agricole S.A. as well as for the Crédit Agricole Group.

The audit functions are responsible for supporting the business lines and operational units to ensure the regularity, safety and efficiency of operations. In this capacity they carry out:

- the management and control of credit, market, liquidity, financial and operational, and climate and environmental risks by the Group Risk Management department, which is also responsible for the ultimate control of accounting and financial information and for monitoring deployment by the Group IT Security Officer of information systems security and business continuity plans;
- the prevention and control of non-compliance risks by the Group Compliance department, which ensures in particular the prevention of money laundering, the fight against terrorist financing, the prevention of fraud, compliance with embargoes and asset freezing obligations;
- independent and periodic control of the proper functioning of all entities of the Crédit Agricole Group by the Group Control and Audit department.

In addition to the involvement of the various control functions, the other central functions of Crédit Agricole S.A. and its departments and business lines contribute to the implementation of internal control systems on a consolidated basis, whether within specialised committees or through actions to standardise procedures and centralise data.

Organised as a business line, the Legal Affairs department has two main objectives: to control legal risk, which can give rise to disputes and liabilities, whether civil, disciplinary or criminal, 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.

With regard to Crédit Agricole S.A. and its subsidiaries

The functions, departments and business lines are themselves supported by decentralised mechanisms within each of the legal entities, which are first-tier subsidiaries and are part of the consolidated supervisory scope of Crédit Agricole S.A., and include:

- quarterly Internal Control Committee meetings, which are decision-making and binding in nature, consisting of an executive director of the entity and representatives of the control functions of the entity and of Crédit Agricole S.A., responsible in particular for steering the internal control system implemented in the entity, examining the main risks to which the entity is exposed, critically evaluating the internal control systems and the audit action, monitoring missions and taking any necessary corrective measures, and monitoring the standards and their implementation;
- special Committees that are specific to each entity;
- a network of correspondents and authorities dedicated to each business line.

With regard to the Crédit Agricole Regional Banks

For the Regional Banks, the application of all the Group's rules is made possible by the dissemination of national recommendations on internal control by the plenary Internal Control Committee (Comité plénier de contrôle interne – CPCI) of the Regional Banks and by the activity of the central control functions of Crédit Agricole S.A. The Plenary Committee is responsible for strengthening the management of the Regional Banks' internal control systems and is composed of Chief Executive Officers, senior managers and heads of the Regional Banks' audit functions, as well as representatives of Crédit Agricole S.A.'s control functions. Its activities are extended through regular regional meetings and working and information meetings between the heads of the audit functions of Crédit Agricole S.A. and their counterparts in the Regional Banks.

The role of Crédit Agricole S.A. as a corporate centre requires it to be very active and vigilant in terms of internal control. In particular, specific monitoring of the risks and controls of the Regional Banks is carried out at Crédit Agricole S.A. by dedicated units of the Group Risk Management department and by the Group Compliance department.

Role of the Board of Directors

The Board of Directors of Crédit Agricole S.A. is aware of the Company's general organisation. It approves the Group's general organisation and internal control system and defines the Group's risk appetite in an annual statement. It is informed of the organisation, activity and results of internal controls. Other than the information it regularly receives, it has access to the Annual Report and the half-yearly presentation on internal controls, such in accordance with banking regulations and standards defined by Crédit Agricole S.A. The Chairman of the Board of Directors of Crédit Agricole S.A. receives detailed summary notes presenting the conclusions of the Group Control and Audit department's missions.

The Board is informed, through the Risk Committee, of the main risks incurred by the Company and the significant incidents revealed by the internal control and risk management systems.

The Chairman of the Risk Committee of Crédit Agricole S.A. reports to the Board on the work of the Committee, and in particular on the annual report on internal controls and on risk measurement and monitoring. By the date of the General Meeting, the Annual Report will have been presented to the Risk Committee, forwarded in due course to the French Regulatory and Resolution Supervisory Authority (Autorité de contrôle prudentiel et de résolution – ACPR), and to the Statutory Auditors. It will also have been presented to the Board of Directors.

Role of the Chief Executive Officer in internal control

The Chief Executive Officer (CEO) defines the general organisation of the Company and ensures its efficient implementation by qualified and competent persons. He is directly and personally involved in the organisation and operation of the internal control system, ensuring its effectiveness and overall consistency. In particular, the CEO sets out the roles and responsibilities for internal control and allocates appropriate resources to it.

The CEO ensures that the risk frameworks and limits are compatible with the financial position (equity levels, results) and the strategies adopted by the Board of Directors, as part of the Group's Risk Appetite Statement.

The CEO ensures that risk identification and measurement systems, adapted to the Company's activities and organisation, are adopted. The CEO also ensures that the main information from these systems is regularly reported to him.

The CEO personally ensures that the internal control system is constantly monitored to verify its adequacy and effectiveness. The CEO is informed of any malfunctions that the internal control system would identify and of the corrective measures proposed. In this respect, the executive director receives detailed summary notes presenting the conclusions of the Group Control and Audit department's missions.

III. Specific internal control systems and risk control and monitoring systems of Crédit Agricole S.A.

Crédit Agricole S.A. implements processes and mechanisms for measuring, monitoring and controlling its risks (counterparty, market, operational, financial and other risks) adapted to its activities and organisation, which are an integral part of the internal control system and are periodically reported to the management body, the supervisory body and the Risk Committee, in particular via reports on internal control and risk measurement and monitoring.

Detailed information on risk management is presented in the chapter "Risk Management" and in the notes to the consolidated financial statements dedicated to these (Note 3).

Risk Management and Permanent Controls function

The Risk Management business line was created in 2006 pursuant to amendments to Regulation 97-02 (repealed and replaced by the decree of 3 November 2014, as amended, on the internal control of companies in the banking, payment services and investment services sector subject to the supervision of the French Regulatory and Resolution Supervisory Authority).

The Risk Management business line is responsible for both the overall management and the permanent control of the Group's risks: credit, financial and operational risks, in particular those related to the quality of financial and accounting information, physical security and information systems, business continuity and the supervision of outsourced essential services.

Risk management is based on a Group system whereby the strategies of the business lines, including in the event of the launch of new activities or new products, are the subject of a risk notice, and risk limits are formalised in the risk frameworks for each sensitive entity and activity. These limits are reviewed at least once a year or in the event of a change in an activity or risks and are validated by the Group Risk Committee. They are accompanied by cross-Group limits, particularly on major counterparties. The mapping of potential risks, the measurement and monitoring of proven risks are regularly adjusted with regard to the activity.

Audit plans are adapted to changes in the activity and the risks, to which they are proportionate.

The business line is placed under the responsibility of Crédit Agricole S.A.'s Group Chief Risk Officer, who is independent of any operational function and reports to the Crédit Agricole S.A. Executive Director. It consists of the cross functions of Crédit Agricole S.A. (Group Risk department) and the decentralised Risk Management and Permanent Controls functions, working closely with the business lines at the level of each Group entity in France and around the world. The Risk Management business line employed around 3,048 people at end-2021 (in full-time equivalent) within the scope of the Crédit Agricole Group.

Central Risk Management and Permanent Controls functions of Crédit Agricole S.A.

Within Crédit Agricole S.A., the Group Risk department is responsible for the overall management of the Group's risks and permanent control systems.

Global Group risk management

The consolidated measurement and management of all Group risks is carried out centrally by the Group Risk department, with units specialised by risk type that define and implement consolidation and risk management measures (standards, methodologies, information systems).

The Group Risk department also has a "business line risk management" function in charge of the global and individualised relationship with each of the subsidiaries of Crédit Agricole S.A. and the Regional banks.

Group risks are monitored by the business line risk management units, in particular through the Group Risk Committee and the Regional Banks' Risk Monitoring Committee.

It is also carried out through an alert procedure applied to all entities and which allows the most significant risks to be presented to a specific committee on a bi-monthly basis (Alert Monitoring Committee).

Crédit Agricole S.A. measures its risks in an exhaustive and precise manner, namely by integrating all categories of commitments (on- and off-balance sheet) and positions, consolidating commitments on companies belonging to the same group, aggregating all portfolios and distinguishing risk levels.

This is supplemented by ad hoc measurements of risk profile distortion under stress scenarios and a regular assessment based on various scenario types.

In addition to regulatory exercises, from an internal management viewpoint, stress tests are carried out at least once a year by all entities. This work is performed in particular as part of the annual budgetary process to strengthen the practice of measuring the sensitivity of the Group's risks and income statement and its various components to a significant downturn in the economy. This global stress testing is supplemented by sensitivity tests on the main portfolios.

Risk monitoring by Crédit Agricole S.A., its subsidiaries and the Regional Banks on an individual or collective basis requires a system to monitor the overruns and their regularisation, the operation of accounts, the correct classification of receivables in accordance with current regulations (in particular impaired loans), the adequacy of the level of provisioning for risks under the supervision of the Risk Committees, and the periodic review of the main risks and portfolios, in particular for sensitive business.

In a context of contrasting and uncertain risk, Crédit Agricole S.A. pursues a policy of actively reviewing the risk policies and frameworks applied by its subsidiaries. Moreover, the Group's main cross-functional portfolios (housing, energy, professionals and farmers, consumer finance, private equity etc.) have been analysed by the Group Risk Committee (CRG). The scope of risks covered in the risk frameworks reviewed by the CRG also includes model risks, operational risks and conglomerate risks and environmental risk.

Alert and escalation procedures are in place in the event of a prolonged anomaly, depending on its materiality.

Permanent control of operational risks

The Group Risk department coordinates the Permanent Controls system (definition of key control indicators by type of risk, deployment of a single software platform integrating the assessment of operational risks and the results of permanent controls, organisation of reporting of control results to the various consolidation levels concerned within the Group).

Decentralised Risk Management and Permanent Control functions, at the level of each of the Group's business lines

Within Crédit Agricole S.A.

The business line function operates under a hierarchical organisation, with a Risk Manager (Responsable de la Fonction de Gestion des Risques – RFGR) appointed at each subsidiary or business line. The business line RFGR reports hierarchically to the Group Chief Risk Officer and functionally to the management body of the relevant entity. This positioning ensures the independence of the local Risk Management and Permanent Controls departments.

Each subsidiary or business line, under the responsibility of its RFGR, obtains the necessary resources to ensure the management of its risks and the compliance of its permanent control system, in order to implement a full-fledged function (exhaustive and consolidated vision of risks, likely to guarantee the sustainability of the entity over its entire scope of supervision on a consolidated basis).

The relationship between each subsidiary or business line and Group Risk department is organised around the following main elements:

- implementation by each subsidiary or business line of the Group's cross-functional standards and procedures, developed by the Group Risk department;
- determination for each subsidiary or business line of a risk framework, validated by the Group Risk Committee on the advice of the Group Risk department, specifying in particular the entity's overall commitment limits;
- principle of delegation of powers from the Group RFGR to the business line RFGRs that report to the former in the performance of their duties, subject to the latter's transparency and alerting the Group Risk department.

Within the scope of the Regional Banks

Banking regulations relating to risks apply to each of the Regional Banks individually. Each is responsible for its own permanent risk and control system and has a risk manager (RFGR) – who reports to its Chief Executive Officer – in charge of risk management and permanent controls. The RCPR may also be responsible for the duties of the Compliance Officer. If this is not the case, the Compliance Officer reports directly to an executive director.

Moreover, as the corporate centre, Crédit Agricole S.A., via the Group Risk department, consolidates the risks carried by the Regional Banks and has the role of standardising, monitoring, coordinating and managing the Risk Management business line in the Regional Banks, including by disseminating the necessary standards to them, in particular for the implementation of a permanent control system at Group level.

In addition, the significant credit risks taken by the Regional Banks are presented for partial guarantee to Foncaris, a credit institution and wholly owned subsidiary of Crédit Agricole S.A. The obligation imposed on the Regional Banks to request a counter-guarantee from Foncaris on their main operations (above a threshold defined between the Regional Banks and Foncaris) thus provides the corporate centre with an effective tool enabling it to assess the associated risk before accepting it.

Internal control system for business continuity and information system security plans

The internal control system implemented makes it possible to provide the Group's security governance bodies with periodic reporting on the position of the main entities with regard to risk monitoring relating to business continuity plans and information system security.

Business continuity plans

With regard to IT backup plans, the IT productions of most of the subsidiaries of Crédit Agricole S.A. and of the 39 Regional Banks hosted on the Greenfield secure bi-site structurally benefit from backup solutions from one site to another.

These solutions are tested on a recurring basis for Crédit Agricole S.A. and its subsidiaries. The Regional Banks follow the same process in terms of testing.

The subsidiaries of Crédit Agricole S.A. for which IT is not managed by Greenfield have IT backup solutions that are regularly tested with reasonable assurance of restart in the event of a disaster.

With regard to user back-up plans, the Group has partially dismantled the physical bi-site back-up system and replaced it with a massive teleworking system that was broadly tested during the Covid-19 crisis. However, certain activities (trading room) still have a physical back-up site and the Group has developed cross-functional use of its entities' premises.

In addition, and in accordance with Group policy, most entities are able to cope with a massive viral attack on workstations through the use of adapted solutions (physical back-up site, workstation matrixing bench and crisis PCs in stock).

Information Systems Security

The Crédit Agricole Group continued to reinforce its resilience to the scale of IT risks, particularly cyber threats, in terms of organisation and projects.

Group security governance has been implemented with a Group Security Committee (CSG) which is the decision-making and executive body that defines the Group's security strategy by domain, integrating the orientations of Group security policies into it, determines Group security projects, supervises the execution of the strategy on the basis of indicators for managing Group projects and applying policies, and finally assesses the Group's level of control in the four areas falling within its competence: business continuity plan, data protection, personal and property security and information system security.

The Information Systems Risk Manager (Manager des risques systèmes d'information – MRSI) and Chief Information Security Officer (CISO) functions are now deployed in most of the Group's entities: the MRSI, who reports to the RFGR, consolidates the information to act as a second set of eyes.

Specific internal control systems and risk control and monitoring systems of Crédit Agricole S.A.

Internal control system for accounting and financial information

In keeping with the applicable rules within the Group, the organisational principles and responsibilities of the Group Finance department functions are set out in an operational note.

The Finance function is organised as a Business line within Crédit Agricole S.A. The Crédit Agricole S.A. Finance function defines the financial strategy, in conjunction with other departments within Crédit Agricole S.A. where necessary, and determines and/or validates the standards and methods applicable in the Group in terms of accounting and regulatory information, taxation, solvency and the management of liquidity, interest rate and foreign exchange risks. It also ensures that these standards and methods are disseminated to and implemented by all the Groups entities.

Within the subsidiaries, the Chief Financial Officers report hierarchically to the head of the business line or subsidiary and functionally to the Director of the Group Finance department. The Finance department of each subsidiary is responsible for implementing the Group's standards and principles in these areas in line with each business line's specific attributes. In some cases, it also constitutes an intermediate level for consolidation of the business line's accounting and business management data.

Each Risk Management and Permanent Controls department in a subsidiary within the Group is also responsible for producing the risk data used to prepare financial information and for implementing controls to ensure that this information is accurately reconciled to accounting data.

Each entity is equipped with the means to ensure the quality of the accounting, management and risk data transmitted to the Group in line with consolidation requirements, in particular with regard to the following aspects: compliance with the standards applicable to the Group, consistency with the parent company financial statements approved by its supervisory body, reconciliation of accounting and management data.

Organisation of Group Finance

Within Finance, the Accounting and Regulatory Information and Financial Communication departments and the Management Control department mainly contribute to the preparation of published accounting and financial information.

Accounting and regulatory information

The main purpose of the Accounting and Regulatory Information department is to produce the Group's parent company and consolidated financial statements and regulatory reporting, including segment information for Crédit Agricole S.A. based on the definition of the business lines for financial reporting purposes and in compliance with IFRS 8.

To fulfil this purpose, the department, in accordance with applicable regulations, defines and circulates the accounting standards and principles that apply to the Group. It oversees the accounting framework, lays down the rules governing the architecture of the accounting information and regulatory reporting system, and manages the accounting processes for consolidation of the financial statements and regulatory reporting.

Management Control

The Group Management Control function, within the Financial Steering department, defines the rules for allocating economic equity (definition, allocation policy), consolidates, prepares and quantifies the budget and the Medium-Term Plan for Crédit Agricole S.A., and monitors the budget. To meet this objective, Group Management Control defines the management control procedures and methods and the structure and management regulations for the Group management control system.

Financial Communication

Crédit Agricole S.A.'s Financial Communication department ensures message consistency across all investor categories. It is responsible for information published in press releases and presentations to shareholders, financial analysts, institutional investors and rating agencies, as well as information contained in documents subject to approval by the French Financial Market Authority (AMF). In this respect, working under the responsibility of the Chief Executive Officer and Deputy Chief Executive Officer in charge of the Steering and Control division, the Financial Communication department provides the materials used as the basis for presentations of Crédit Agricole S.A.'s results, financial structure and changes in business lines, as needed to enable third parties to formulate an opinion, particularly on the Group's financial strength, profitability and outlook.

Procedures for the preparation and processing of accounting and financial information

Each Group entity has responsibility, vis-à-vis the Group and the regulatory authorities to which it reports, for its parent company financial statements, which are approved by its supervisory body. Depending on the entity's size, these financial statements are subject to prior review by the entity's Audit Committee, if it has one.

As for the Crédit Agricole Regional Banks, once their financial statements are drawn up, they are approved by the Accounting and Regulatory Information department of Crédit Agricole S.A.; this is one of its responsibilities as corporate centre.

The Crédit Agricole S.A. Group's consolidated financial statements are submitted to the Audit Committee and approved by the Board of Directors of Crédit Agricole S.A.

Most published financial information is based on accounting data and on management and risk data.

Accounting data

Figures for each individual entity are drawn up in accordance with the accounting standards applicable in the country in which the entity operates. For the purposes of preparing the Group's consolidated financial statements, local financial statements are restated to be conforming with IFRS policies and principles, as adopted by Crédit Agricole S.A.

Management and risk data

Management and/or risk data is produced by the Group Finance department or the Group Risk Management department. The data are reported, sometimes in advance of the final accounting data, in accordance with the same definition and granularity standards and are used as inputs to the Group's internal management reporting, as well as the Group's regulatory consolidated reporting.

Furthermore, external sources of information (such as the European Central Bank and Banque de France) may be used for management data, particularly for calculating market shares.

In accordance with the AMF and ESMA (European Securities and Markets Authority) recommendations, the use of management data for preparing published financial information must comply with the following guidelines:

- classification of the types of financial information published: historical information, pro forma data, projections or trends;
- a clear description of the sources from which the financial information was drawn. When published data are not extracted directly from accounting information, the sources and definition of calculation methods are mentioned;
- comparability of figures and indicators over time, which implies ongoing use of the same sources, calculation methods and methodologies.

Description of the control system

The purpose of the control system is to ensure that coverage of risks likely to affect the quality of accounting information and regulatory reporting is satisfactory and effective.

This function is carried out in two departments in a complementary manner: the Accounting and Regulatory Information department within the Group Finance department (level 2.1 controllers) and the Group Financial Risk department within the Group Risk department (level 2.2 controllers).

The Guide to Accounting Control and Regulatory Reporting is the reference document for all of Crédit Agricole Group's level 2.1 and 2.2 controllers.

System within the Accounting and Regulatory Information department

With no hierarchical link to Management's production departments, the controllers exercise control over the operational activities carried out on Crédit Agricole S.A.'s corporate data and Crédit Agricole Group's consolidated data, as well as over the production of regulatory reports. They participate in the definition of methodologies relating to the control applicable within the Group in terms of accounting and regulatory information and offer support to the level 2.1 controllers of the Regional Banks and subsidiaries.

System within the Group Risk department

Reporting hierarchically to the Group Financial Risk department, within the Group Risk department, the permanent control services ensure:

- the Permanent Control of the Operational departments of the Finance department, excluding the Financial Steering department of the Crédit Agricole S.A. corporate entity;
- oversight of the Financial Steering department (Direction du Pilotage Financier – DPF), including Management Control;
- the management, oversight and supervision of the Permanent Control systems related to the accounting and regulatory reporting of all Crédit Agricole Group entities, in close collaboration with the network of level 2.2 controllers of the Regional Banks and subsidiaries;
- the governance coordination of Permanent Control for the Crédit Agricole S.A. departments under its responsibility;
- the definition of the accounting and financial information control methodologies, within the Crédit Agricole Group;
- the issuing of opinions on accounting risk in connection with the risk frameworks presented by the entities, based on in-depth analyses of the permanent control systems monitored.

Relations with the Statutory Auditors

The Universal registration document, its updates, the securities notes and the prospectuses prepared for new debt or share issues, which contain comprehensive financial information, are subject to approval by or registration with the AMF.

In accordance with applicable professional standards, the Statutory Auditors perform those procedures they deem appropriate on published accounting and financial information:

- audit of the parent company and consolidated financial statements;
- review of interim consolidated financial statements;
- read through of quarterly financial information and materials used as a basis for presenting financial information to financial analysts.

As part of the duties assigned to them by law, the Statutory Auditors submit to Crédit Agricole S.A.'s Audit Committee their overall work programme, the various spot checks they have carried out, the conclusions of their work on the accounting and financial information they have reviewed in carrying out their assignment, as well as any significant weaknesses of the internal controls, with regards to the procedures used for the preparation and processing of accounting and financial information.

Non-compliance risk prevention and control

See Part 2.9 "Non-compliance risks" below.

Periodic control

The Group Control and Audit department, which reports directly to Crédit Agricole S.A.'s Executive Management in order to guarantee its independence, is the highest level of control within the Crédit Agricole Group. Its sole responsibility is to ensure the Crédit Agricole Group's periodic control through the missions it carries out, the management of the Crédit Agricole S.A. Group's Audit-Control business line, which reports to it hierarchically (or functionally, in exceptional cases, when local regulations require a local hierarchical reporting line) and the coordination of the internal audit units of the Regional Banks.

It carries out its work in accordance with the texts governing the system:

- article 12 of the Order of 3 November 2014, as amended by the Order of 25 February 2021, on the internal control of companies in the banking, payment services and investment services sector subject to the supervision of the French Regulatory and Resolution Supervisory Authority (hereinafter "the order of 3 November 2014");
- article 13 of the Order of 6 January 2021, as amended by the Order of 25 February 2021, on the fight against money laundering, terrorist financing and the freezing of assets (hereinafter the "Order of 6 January 2021");
- Internal Audit Standards, defined in the International Professional Practices Framework (IPPF) by the Institute of Internal Audit (IIA), represented in France by the French Institute of Audit and Internal Control (Institut Français de l'Audit et du Contrôle Interne – IFACI).

Based on an updated risk mapping approach resulting in an audit cycle of between two and five years maximum, it conducts on-site and documentary audits in the Regional Banks and their subsidiaries, units of Crédit Agricole S.A. and its subsidiaries, including when they have their own internal audit and control units, as part of a coordinated approach to audit plans.

The assignments carried out by the Group Control and Audit department are assurance assignments as defined by professional standards. Their purpose is to assess:

- the adequacy and effectiveness of the control systems referred to in Article 11 of the Order of 3 November 2014 and Article 13 of the Order of 6 January 2021, as well as those that ensure the reliability and accuracy of the financial, management and operating information of the audited areas;
- the control and actual level of risks assumed directly by the Crédit Agricole Group or through outsourced activities (identification, recording, management, hedging) mentioned in the above-mentioned orders, in particular credit risk (including concentration, dilution and residual value risk), market risk, liquidity risk, global interest rate risk, intermediation risk, settlement risk, anti-money laundering and terrorism financing risk and the various components of operational risk, including internal and external fraud risk, IT risk, business interruption risk, legal risk, non-compliance risk, basis risk, securitisation risk, systemic risk, model risk, excessive leverage risk and environmental risk;
- the compliance of operations with applicable laws and regulations, as well as with internal rules and procedures;
- the compliance of procedures with the risk appetite framework, the Group strategy and the decisions of Executive Management;
- the adequacy, quality and effectiveness of the checks carried out and reported by the first and second lines of defence;
- the implementation, within a reasonable time frame, of the recommendations made by the various internal or external audit bodies in the course of their work;

and to ensure the quality and efficiency of the overall functioning of the organisation.

The Group Control and Audit department's assignments provide the Chief Executive Officer, Deputy Chief Executive Officers, Chief Risk Officer and Head of Compliance of Crédit Agricole S.A., the Board of Directors of Crédit Agricole S.A. and the executives and supervisory bodies of the departments or entities audited, with a professional and independent opinion on the operation and internal control of the entities making up the Crédit Agricole Group.

The Group Control and Audit department may also carry out investigations when significant internal or external fraud is suspected or proven, or special assignments related to issues that do not fall within the classification of the audit plan mapping, or provide operational support. The Group Control and Audit department may, from time to time, carry out consulting assignments on its own proposal or at the request of Executive Management. The purpose of these consulting assignments is to propose improvements to the Group's governance, risk management and control processes.

The Group Control and Audit department also provides centralised monitoring of the Audit-Control business line for all subsidiaries and leads the periodic control of the Regional Banks, thereby enhancing the effectiveness of controls by harmonising audit practices at their best level, to ensure the security and regularity of operations in the various Group entities and to develop common areas of expertise.

Joint audit engagements of the Group Control and Audit department and the audit departments of subsidiaries are regularly carried out, which contributes to exchanges on best audit practices. Particular importance is given to thematic and transversal investigations.

In addition, the Group Control and Audit department ensures, within the framework of the Internal Control Committees of the relevant Group subsidiaries – in which the Executive Management, the Head of Internal Audit, the Head of the Risk Management and Permanent Controls function and the Compliance Officer of each entity participate – that audit plans are properly carried out, that risks are properly controlled and, more generally, that each entity's internal control systems are adequate.

The assignments carried out by the Control and Audit department of Crédit Agricole S.A., the audit-control units or any external audit (regulatory authorities, external firms where applicable) are subject to a formal monitoring system. For each of the recommendations made at the end of these assignments, the system makes it possible to ensure the progress of the planned corrective actions, their implementation according to a precise timetable, in line with their priority level, and for the Head of the Group Control and Audit department to exercise, if necessary, their duty to alert the supervisory body and the Risk Committee pursuant to Article 26 b) of the decree of 3 November 2014, as amended, on the internal control of companies in the banking, payment services and investment services sector subject to the supervision of the French Regulatory and Resolution Supervisory Authority.

In accordance with Article 23 of the order of 3 November 2014, as amended, on internal control, the Head of the Group Control and Audit department reports to the Board of Directors of Crédit Agricole S.A. regarding the performance of the assignments.

The Audit-Control business line consisted of 1,196 full-time equivalent employees, at end-2022:

- 741 within the Crédit Agricole S.A. Group;
- 444 within the scope of the Regional Banks.

2.4 CREDIT RISKS

A credit risk is realised when a counterparty is unable to honour its obligations and when the carrying amount of these obligations in the bank's books is positive. The counterparty may be a bank, an industrial or commercial enterprise, a government and its various controlled entities, an investment fund, or an individual person.

Definition of default

The definition of default used in management, which is the same as the one used for regulatory calculations, changed in 2020 in line with the regulatory prudential requirements relating to the new default in the various Group entities.

A debtor is, therefore, considered to be in default when at least one of the following conditions has been met:

- a payment arrear of more than 90 days past due and above the regulatory materiality thresholds, unless specific circumstances demonstrate 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.

The exposure may be a loan, debt security, deed of property, performance exchange contract, performance bond or unutilised confirmed commitment. The risk also includes the settlement risk inherent in any transaction entailing an exchange of cash or physical goods outside a secure settlement system.

Restructured loans

Restructuring as defined by the EBA (forbearance) consists of all changes made to one or more credit agreements, as well as to refinancings, agreed to by virtue of a customer's financial difficulties.

Once the restructuring as defined by the EBA has been carried out, the exposure continues to be classified as "restructured" for at least two years, if the exposure was performing when restructured, and three years if the exposure was in default when restructured. These periods are extended when certain events covered by the Group standards occur (further incidents for example).

In this respect, Group entities have put in place solutions to identify and manage these exposures, tailored to their specificities and to their business lines, depending on the circumstances: based on expert judgement, algorithmic solutions or a combination of these two approaches. These solutions have been maintained and tailored as necessary to the public health crisis situation, in compliance with EBA guidelines. These mechanisms also make it possible to satisfy the requirement to produce quarterly regulatory statements on this matter.

The volume of loans in forbearance under the ITS 2013-03 definition are given in the accompanying Note 3.1. The accounting policies and principles applicable to receivables are specified in Note 1.2 to the Group's financial statements.

I. Objectives and policy

Credit risk-taking by the Crédit Agricole Group is subject to the risk appetite of the Group and its entities and risk frameworks confirmed by the Board of Directors and approved by the Group Risk Committee, a sub-committee of Crédit Agricole S.A.'s Executive Committee chaired by the Chief Executive Officer. The risk frameworks are adjusted to each business line and its development plan. They set out applicable overall limits, intervention criteria (types of eligible counterparties, nature and maturity of eligible products, collateral required) and arrangements for delegating decision-making authority. These risk frameworks are adjusted as required for each business line, entity, business sector or country. Business lines are responsible for complying with these risk frameworks, and compliance is controlled by the Risk Managers.

Crédit Agricole Corporate and Investment Bank also carries out active portfolio management, in order to reduce the main concentration risks borne by the Crédit Agricole S.A. Group. The Group uses market instruments, such as credit derivatives or securitisation mechanisms, to reduce and diversify counterparty risk and enable it to optimise its use of capital. Similarly, potential risk concentration is mitigated by syndication of loans with external banks and use of risk hedging instruments (credit insurance, derivatives).

Crédit Agricole S.A., its subsidiaries, and the regional banks seek to diversify their risks in order to limit their exposure to credit and counterparty risks, particularly in the event of a crisis affecting a particular industry or country. To this end, Crédit Agricole S.A. and its subsidiaries regularly monitor their total exposures by counterparty, by trading portfolio, by business sector and by country, using different internal calculation methods depending on the type of exposure (see in particular Section II.2.2 "Credit risk measurement").

To reduce the risk associated with the deterioration of the quality of its exposure to credit and counterparty risks, the Group may apply a hedging strategy consisting notably of the purchase of credit derivatives (see Credit risks under paragraph II.4.3 "Use of credit derivatives" and Asset and liability management Part V "Hedging policy").

When the risk is proven, an individual or portfolio-based impairment policy is implemented.

In particular, with respect to counterparty risk on market transactions, the policy on credit reserves constitution on this type of risk is similar to credit risk, with a credit valuation adjustment (CVA) for "performing" customers that is economically comparable to a collective provision, and for defaulted counterparties, an individual provision sized in accordance with the derivative instrument position, taking into account the CVA amount already provisioned prior to the default.

In case of default, the 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 rank in the "waterfall". But it takes into account the CVA process, with two possible outcomes: either derivatives are left in place (CVA or individual impairment), or they are unwound (individual impairment).

II. Credit risk management

1. General principles of risk-taking

All credit transactions require in-depth analysis of the customer's ability to repay the debt and the most efficient way of structuring the transaction, particularly in terms of security and maturity. This analysis must comply with the risk framework of the business line or entity concerned and with all limits in force, both individual and aggregate. The final commitment decision is based on an internal rating and is taken by the commitment units or by the Credit Committees, on the basis of an independent opinion given by a representative of the Risk Management and Permanent Controls business line as part of the authorisation system in place. The Group Risk Committee and its Chair constitute the Group's ultimate decision-making authority.

Each lending decision requires a risk-return analysis. For the Corporate and Investment bank this means an ex ante calculation of the profitability of the transaction.

In addition, the principle of an individual risk limit applies to all types of counterparty, whether corporates, banks, financial institutions, public sector or semi-public sector entities.

2. Risk measurement methods and systems

2.1 Internal rating systems and credit risk consolidation systems

The internal rating systems cover all of the methods, procedures and controls used for assessment of credit risk, rating of borrowers and estimation of losses given default by the borrower. Governance of the internal rating system relies on the Standards and Models Committee (Comité des normes et méthodologies – CNM), chaired by the Group Chief Risk Officer, who is responsible for the validation and circulation of risk measurement and control standards and methodologies within the Crédit Agricole Group. In particular, the CNM reviews:

- the rules for identifying and measuring risks, in particular, counterparty rating methods, credit scoring and Basel risk parameter estimates (probability of default, credit conversion factor, loss given default) and related organisational procedures;
- the segmentation between retail customers and large customers, with related procedures such as risk consolidation information system data entry;
- the performance of rating and risk assessment methods by reviewing back-testing results at least once a year;
- the use of ratings (validation of common syntaxes, glossaries and benchmarks).

For retail customers, including loans to individuals (in particular, home loans and consumer finance) and small businesses, each entity is responsible for defining, implementing and substantiating its rating system, in accordance with the Group standards established by Crédit Agricole S.A.

LCL, CA Italia and the consumer finance subsidiaries (Crédit Agricole Consumer Finance) have their own rating systems. Crédit Agricole Regional Banks have shared risk assessment models which are managed at Crédit Agricole S.A. level. Procedures for back-testing the parameters used in calculating the regulatory capital requirements have been defined and are operational in all entities. The internal models used by the Group are based on statistical models established on explanatory behavioural variables (e.g. average current account balance) and identifying variables (e.g. business sector). The approach taken can be either customer-centred (Individual Customers, Farmers, Small Businesses and Very Small Enterprises), or product-centred. The estimated one-year probability of default, to which the rating relates, is updated on a yearly basis.

In the Large customers scope, the Crédit Agricole Group has adopted a single rating scale for all Large customers. This scale is composed of 13 "performing" ratings (A+, A, B+, B, C+, C, C-, D+, D, D-, E+, E and E-) and 2 "default" ratings (F and Z). Each "performing" rating in the single rating scale is defined by (i) a probability of default (PD) range across the accessible cycle, such that (ii) the ranges of two consecutive ratings are non-overlapping and (iii) the median probability of two consecutive ratings shows an exponential increase.

Such a scale ensures the following three principles:

1. **Principle of comparability**, allowing the credit risk level of any counterparty to be assessed, regardless of the rating scope or the Group entity, whether it is a counterparty, a group, its subsidiaries or a guarantor;
2. **Principle of homogeneity within a rating**, ensuring that two counterparties assigned the same rating have the same level of default risk;

3. **Principle of heterogeneity among ratings**, ensuring that two counterparties assigned different ratings have significantly different levels of default risk.

The single scale makes it possible to define a common, shared reference for risk levels at the Crédit Agricole Group level, encouraging the establishment of a common language and practices, and the development of cross-functional uses across Group entities and business lines.

— Comparison between the Group ratings and the rating agencies

Crédit Agricole Group	A+	A	B+	B	C+	C	C-	D+	D	D-	E+	E	E-
S&P/Fitch	AAA	AA+	AA/AA-	A+/A/A-	BBB+	BBB	BBB-	BB+/BB	BB-	B+/B	B-	CCC+	CCC/CCC-/ CC/C
Moody's	Aaa	Aa1	Aa2	Aa3/A1/ A2/A3	Baa1	Baa2	Baa3	Ba1/Ba2	Ba3	B1/B2/B3	Caa1	Caa2	Caa3/Ca/C
Benchmark PD	*(0% - 0.01%)*	*(0.01% - 0.02%)*	*(0.02% - 0.04%)*	*(0.04% - 0.10%)*	*(0.10% - 0.20%)*	*(0.20% - 0.30%)*	*(0.30% - 0.60%)*	*(0.60% - 1.00%)*	*(1.00% - 1.90%)*	*(1.90% - 4.90%)*	*(4.90% - 11.80%)*	*(11.80% - 19.80%)*	*(19.80% - 100%)*

Within Crédit Agricole Group, the large customer category comprises primarily sovereigns and central banks, corporates, local authorities, specialised financings as well as banks, insurance companies, asset management companies and other financial companies. An internal rating method tailored to each specific risk profile, based on financial and qualitative criteria, is applied to each type of large customer. For large customers, Crédit Agricole Group entities have common internal rating methodologies. Counterparties are rated, at the latest, when they apply for support and the rating is updated with each renewal or upon any event that could affect risk quality. The rating assigned must be approved by a unit independent of the Front Office. The rating is reviewed at least annually. To ensure that each counterparty has a unique Crédit Agricole Group rating, a single Group entity is responsible for rating said counterparty on behalf of all the entities providing it with support.

Whether relating to large customers or retail customers, the rating oversight system implemented by Crédit Agricole S.A., its subsidiaries and the Regional Banks across the entire rating process concerns:

- the rules for identifying and measuring risks, in particular, the methods used;
- the uniformity in the handling of default events on a consolidated basis;
- the proper utilisation of the internal rating methodologies;
- the reliability of data substantiating the internal rating.

The Standards and Methodology Committee, amongst others, ensures that these principles are respected, in particular, when rating methodologies are approved and during annual back-testing.

Furthermore, Crédit Agricole S.A. and its subsidiaries continue to focus on improving the risk-tracking system for:

- the risk management of third parties and groups which is designed to ensure accurate identification of third parties and groups presenting a risk within the entities and to improve cross-functional risk information management on third parties and groups, which is crucial to ensuring rating uniqueness and consistent allocation of exposures to Basel portfolios;
- the closing process, which aims to guarantee the quality of the process of production of the solvency ratio.

The French Regulatory and Resolution Supervisory Authority (ACPR) has authorised the Crédit Agricole Group to use internal rating systems to calculate regulatory capital requirements for credit risk of its retail and large customer portfolios on the greater part of its scope. During 2021, the European Central Bank authorised the Group to use probability of default models dedicated to property professionals and extend the use of probability of default models relating to leverage buy-outs (LBO) at CRCA and LCL.

Having internal rating systems deployed throughout the Group enables it to implement counterparty risk management based on risk indicators compliant with current regulatory rules. For large customers, the single rating system (identical tools and methods, shared data) which has been implemented for several years now, has helped to improve counterparty monitoring, in particular, for counterparties common to several Group entities. The system has also made it possible to have a common reference framework on which to base standards and procedures, monitoring tools, alert procedures and risk provisioning policies.

Finally, in the corporate and investment banking business lines, expected loss, economic capital and risk-adjusted return measurements are used in the processes for making loan approval decisions, defining frameworks for risks and limits.

2.2 Credit risk measurement

The measurement of credit risk exposures includes both drawn facilities and confirmed unutilised facilities.

To measure counterparty risk on market transactions, Crédit Agricole S.A. and its subsidiaries use different types of approaches to estimate the current and potential risk of derivative instruments (such as swaps and structured products).

Crédit Agricole CIB uses an internal methodology to estimate the risk in relation to such instruments, using a net portfolio approach for each customer:

- current risk corresponds to the sum the counterparty would owe in the event of instantaneous default;
- the potential future risk corresponds to the estimated maximum Crédit Agricole CIB's exposure for a given confidence interval.

The methodology used is based on "Monte-Carlo"-type simulations, making it possible to assess the risk related to the changes in the market value of a portfolio of derivatives over the derivatives' residual maturity on the basis of a statistical modelling of the change in underlying market parameters.

This model considers the different risk reduction factors, such as the use of offsetting and collateralisation in agreements negotiated with counterparties prior to transactions taking place. It includes also exchanges of collaterals on initial margin for derivative instruments which are not cleared under regulatory thresholds.

Situations of specific risk of unfavourable correlations (risk that an exposure to a derivative is positively correlated with the counterparty's probability of default as a result of a legal tie 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 of general risk of unfavourable correlations (risk that market conditions have a correlated effect on a counterparty's credit quality and derivative exposures with this counterparty) were monitored by means of ad hoc exercises in 2022.

The internal model is used to manage internal limits on transactions with each counterparty and to measure Basel 2 Pillar 2 economic capital by determining the 95% quantile (Peak Exposure) or average (Expected Positive Exposure) risk profile across the portfolio.

As allowed by this regulatory framework, the French Regulatory and Resolution Supervisory Authority (ACPR) authorised Crédit Agricole CIB as of 31 March 2014 to use the internal model method to calculate its capital requirements in respect of counterparty risk. The model uses the Effective Expected Positive Exposure (EEPE) and is applied to all derivatives. The same method is used to calculate credit exposure at default for capital requirement purposes to address the risk of credit value adjustment (CVA).

For the calculation of capital requirements for counterparty risk for repo transactions and derivative transactions at its subsidiaries, Crédit Agricole CIB uses the standardised approach, as does the rest of the Group.

During the year the Group deployed the SA-CCR method of measuring introduced by CRR2 on the standardised scope.

Credit risk on these market transactions is managed in accordance with rules set by the Group. The policy on setting counterparty risk limits is as described above in Section II.1 "Credit risk management – General principles of risk-taking". The techniques used to reduce counterparty risk on market transactions by Crédit Agricole CIB are described in "Credit risk mitigation mechanisms".

The Group includes a Credit Valuation Adjustment (CVA) in its calculation of the fair value of derivative assets. This valuation adjustment is described in the accompanying consolidated Note 1.2 on accounting policies and principles and Note 11.2 on information about financial instruments measured at fair value of the consolidated financial statements.

The positive gross fair value of the contracts, as well as the gains from the offsetting and the guarantees held, and the net exposure on derivative instruments after the impact of offsetting and guarantees are discussed in the accompanying consolidated Note 6.9 on Offsetting – Financial Assets of the consolidated financial statements.

At other Group entities, the base for counterparty risk on market transactions is either calculated by the Crédit Agricole CIB tool under an internal provision of services agreement or based on the regulatory approach.

3. Supervision system of commitments

Rules for dividing and limiting risk exposures, along with specific processes relating to commitments and grant criteria, are used to prevent any excessive concentration of the portfolio and to limit the impact of any underperformance.

3.1 Process for monitoring concentrations by counterparty or group of related counterparties

The consolidated commitments of all Crédit Agricole Group entities are monitored by counterparty and by group of related counterparties. A group of counterparties is a group of French or international legal entities that are connected, regardless of their status and economic activity, enabling the total exposure to the risk of default of this group to be measured on the basis of the exposure of one or more of these entities. Commitments to a counterparty or group of related counterparties include all loans granted by the Group as well as corporate finance transactions, bond portfolios, financing commitments and counterparty risks relating to capital market transactions. Exposure limits for counterparties and groups of related counterparties are recorded in the internal information systems of each subsidiary or business line. When several subsidiaries have a counterparty in common, a Group-level aggregate limit is set on the basis of commitment authorisation limits that depend on the internal rating.

Each operating entity reports the amount of its commitments by risk category on a monthly or quarterly basis to the Group Risk Management and Permanent Controls department. Exposures to major non-bank counterparties, i.e. those on which the aggregate commitments of Crédit Agricole Group exceed €300 million after offsetting, are reported separately to the Group Risk Committee.

At end-2022, the commercial lending commitments of Crédit Agricole S.A., its subsidiaries, and the Regional Banks to their 10 largest non-sovereign, non-bank customers, amounted to 5.91% of the total non-bank commercial lending portfolio (compared with 5.61% at 31 December 2021). The diversification of the portfolio on an individual basis is satisfactory.

3.2 Portfolio review and sector monitoring process

Periodic portfolio reviews conducted by entity or business line strengthen the monitoring process, thus serving to identify counterparties that are underperforming, update counterparty ratings, monitor risk frameworks and check on changes in concentration ratios, for instance, by business sector.

Moreover, corporate and investment banking has a portfolio modelling tool that it uses to test how well portfolios hold up under stress scenarios.

The regional banks organise a portfolio review and sector monitoring process at their level that is adapted to their risk profile.

3.3 Process for monitoring counterparties in default and on credit watch

Counterparties in default and on credit watch are monitored closely by the business lines, in collaboration with the Risk Managers. They are also the object of formal monitoring by the entities' Sensitive Exposure Committees and of quarterly monitoring by the Group Risk Committee and the Risk Committee on a consolidated basis.

3.4 Consolidated credit risk monitoring process

The Group's credit risk profile is monitored and presented at least every quarter at the Group Risk Committee and the Board of Directors' Meetings using the main changes in the risk position, its supplement and the Group risk appetite dashboard.

In addition, detailed periodic reviews of banking risks, country risks and the main non-banking risks are conducted during Group Risk Committee Meetings.

3.5 Country risk monitoring and management system

Country risk is the risk that economic, financial, political, judicial or social conditions in a country will affect the Bank's financial interests. This risk does not differ in nature from "elementary" risk (credit, market and operational risks), but is an aggregate of risks resulting from vulnerability to a specific political, social, macroeconomic and financial environment. Country risk covers the assessment of the overall risk environment in a country as opposed to sovereign risk, which refers to a government's counterparty risk.

The system for assessing and monitoring country risk within Crédit Agricole Group is based on its own rating methodology. Internal country ratings are based on criteria relating to the financial strength of the government, the banking system and the economy, criteria relating to ability and willingness to pay, governance and political stability.

Annually reviewed limits and risk frameworks are applied to each country whose business volume justifies it, with some exceptions.

This approach is supplemented by scenario analyses aimed at testing the impact of adverse macroeconomic and financial assumptions. These tests provide the Group with an integrated view of the risks to which it may be exposed in situations of extreme tension.

The Group manages and controls its country risks according to the following principles:

- acceptable country risk exposure limits are determined through reviews of country strategies, depending on the portfolio's vulnerability to country risk. The degree of vulnerability is determined by the type and structure of transactions, the quality of counterparties and the term of commitments. The exposure limits may be reviewed more frequently if developments in a particular country make it necessary. These strategies and limits are validated according to the issues in terms of risks by the Crédit Agricole CIB's Strategy and Portfolio Committees (CSP) and Crédit Agricole S.A.'s Group Risk Committee (CRG) ;
- the Corporate and Investment bank maintains a system for regular assessment of country risk and for updating the country risk rating quarterly for each country in which the Group operates. This rating is produced using an internal country rating model based on various criteria (structural solidity, governance, political stability, ability and willingness to pay). Specific events may cause ratings to be adjusted before the next quarterly review;
- Crédit Agricole CIB's Country and Portfolio Risk department validates transactions whose size, maturity and degree of country risk could affect the quality of the portfolio.

Country risk exposure is monitored and controlled in both quantitative (amount and term of exposure) and qualitative (portfolio vulnerability) terms through regular specific reporting on all exposures to countries.

Western European countries with an internal rating (below B) qualifying them for close country risk monitoring undergo a separate ad hoc monitoring procedure. Sovereign and non-sovereign exposures to these countries are detailed in Note 6.7 to the consolidated financial statements.

Moreover, exposures to other countries rated below B are detailed in Chapter III paragraph 2.4 "Country risk" below.

3.6 Credit risk stress testing

Credit risk stress testing is primarily based on satellite models that link changes in credit risk parameters (PD and LGD) to macroeconomic and financial variables. These models are independently reviewed and approved by the Standards and Methodology Committee in the same way as the Basel models. In addition, the quantitative stress testing system is back-tested each year. These satellite models are used for the regulatory stress testing (2021 stress tests done by the EBA, for example) for budgetary stress (or ICAAP stress) and for certain specific portfolio stresses. Moreover, since 1 January 2018 these models also contribute to the calculation of ECLs according to IFRS 9 (see Part IV 1. below).

In line with EBA methodology, the credit risk stress tests employ IFRS 9 Basel parameters (PD, LGD, EAD) conditioned on economic scenarios to estimate the cost of risk including provisions for assets not in default and on Basel parameters to estimate the impact in terms of risk-weighted assets.

The Group Risk department, in collaboration with the relevant business lines and entities, is conducting specific recurring or on-demand exercises to supplement and enhance the various analyses ensuring proper risk monitoring. This work is presented to Executive Management at Group Risk Committee Meetings.

A global credit risk stress test is carried out at least once a year as part of the budgetary process. The works, coordinated by the DRG, involve all Crédit Agricole Group entities and all Basel portfolios, whether they are treated for regulatory purposes using the IRB or Standardised method. The period examined is set at three years (or four years for the 2021 budgetary process). The stress process is part of corporate governance and aims to improve dialogue between risk and finance on the sensitivity of the cost of risk and capital requirements to a downturn in the economic climate. In addition to being used for budgetary purposes and to manage capital requirements, the results of the global credit risk stress tests are a key component of the ICAAP. They are reviewed by the Executive Committee and are also reported to Crédit Agricole S.A. Board of Directors.

4. Credit risk mitigation mechanism

4.1 Collateral and guarantees received

Guarantees or collateral are intended to provide partial or full protection against credit risk.

The principles governing the eligibility, utilisation and management of collateral and guarantees received as security are defined by Crédit Agricole Group's Standards and Methodology Committee (CNM), (in accordance with the CRR2/CRD 5 system for the calculation of the solvency ratio).

This common framework, defined in Group standards, ensures a consistent approach across the various Group entities. It notably documents the conditions for prudential recognition, and the valuation and revaluation methods of all the credit risk mitigation techniques that are used: collateral (notably for the financing of assets: property, aircraft, ships, etc.), personal guarantees, public export credit insurers, private credit insurance policies, financial guarantee insurance, credit derivatives, and cash collateral.

The entities are in charge of implementing this framework at the operational level (management, monitoring of valuations, implementation).

The collateral commitments received are provided in Notes 3.1 and 9 to the consolidated financial statements.

Regarding financial assets obtained by enforcement of guarantees or credit enhancement measures, the Group's policy is to sell them as soon as possible.

4.2 Use of netting agreements

If a "master" agreement has been signed with a counterparty and said counterparty defaults or enters bankruptcy proceedings, Crédit Agricole S.A., its subsidiaries and the Regional Banks apply close out netting, enabling them to terminate current contracts early and to calculate a net balance on the debts and debt obligations in respect of this counterparty. They also use collateralisation techniques to enable securities or cash to be transferred in the form of collateral or transfer of full ownership during the lifetime of the hedged transactions, which can be offset, in the event of default by one of the parties, in order to calculate the net balance of reciprocal debt and debt obligations resulting from the master agreement signed with the counterparty.

4.3 Use of credit derivatives

In managing its corporate financing portfolio Crédit Agricole CIB uses credit derivatives together with a range of risk-transfer instruments, including, in particular, securitisation.

At 31 December 2022, the notional amount of protection bought in the form of credit derivatives was €6.5 billion (€7.2 billion at 31 December 2021), the notional amount of short positions was zero (the same at 31 December 2021).

Crédit Agricole CIB processes its derivatives through ten leading, competent and regulated bank counterparties, all Investment Grade. Furthermore, 69% of these derivatives are processed through clearing houses (64% at 31 December 2021).

These credit derivative transactions carried out as part of credit risk mitigation transactions are subject to adjustment calculation under Prudent Valuation, to cover market risk concentrations.

The outstanding amounts of credit derivatives are shown in the accompanying consolidated Note 3.2 "Derivative instruments: total commitments".

III. Exposures

1. Maximum exposure

The maximum exposure to credit risk of Crédit Agricole S.A., its subsidiaries and the Regional Banks corresponds to the net carrying amount of loans and receivables, debt instruments and derivative instruments before the effect of non-recognised netting contracts and collateral. It is shown in Note 3.1 to the financial statements.

At 31 December 2022, the Crédit Agricole Group's maximum exposure to credit and counterparty risk amounted to €2,269 billion (€2,188 billion at 31 December 2021), an increase of 3.7% compared to 2021.

2. Concentration

An analysis of credit risk on commercial lending commitments excluding Crédit Agricole Group internal transactions and collateral given by the Group as part of repurchase agreements (loans and receivables to credit institutions, loans and receivables to customers, financing commitments given, and guarantee commitments given for €1,805.3 billion) is presented below. This scope excludes, in particular, derivative instruments, which are mainly monitored in VaR (see market risks) and financial assets held by insurance companies (€186 billion excluding unit-linked policies and UCITS – see Insurance sector risks).

2.1 Portfolio diversification by geographic area

On the commercial lending portfolio (including bank counterparties), the breakdown by geographic area covers a total portfolio of €1,805.3 billion at 31 December 2022, compared with €1,716.9 billion at 31 December 2021. The breakdown reflects the country in which the commercial lending risk is based.

— Breakdown by geographic area of the Crédit Agricole Group's commercial lending

Geographic area of exposure	2022	2021
Africa and Middle East	2%	2%
Central and South America	1%	1%
North America	4%	3%
Asia and Oceania excluding Japan	3%	3%
Eastern Europe	1%	1%
Western Europe excluding Italy	8%	8%
France (retail banking)	39%	39%
France (excluding retail banking)	33%	35%
Italy	8%	7%
Japan	1%	1%
TOTAL	**100%**	**100%**

The breakdown of commercial lending by geographic area was unchanged overall, although the relative share of French customers outside retail banking fell by 2 points, mainly in favour of Italy and to a lesser extent North America. At end-2022, lending in France accounted for 72% of the total, versus 74% at end-2021. Commercial lending in Italy, the Group's second largest market, now stands at 8%, compared to 7% at end-2021.

Note 3.1 to the financial statements presents the breakdown of loans and receivables and commitments given to customers and credit institutions and by geographic area on the basis of accounting data.

2.2 Portfolio diversification by business sector

On the commercial lending portfolio (including bank counterparties outside the Group) the scope broken down by business sector stood at €1,780.7 billion at 31 December 2022, versus €1,719.2 billion at 31 December 2021. These breakdowns reflect the business sector in which the commercial lending risk to customers is based.

— Breakdown by business sector of the Crédit Agricole Group's commercial lending

Business sector	2022	2021
Air/Space	1.1%	1.0%
Agriculture and food processing	2.6%	2.3%
Insurance	0.8%	0.7%
Automotive	2.2%	1.7%
Other non-banking financial activities	3.7%	5.1%
Other industries	1.2%	1.0%
Other transport	1.0%	0.9%
Institutions	1.4%	1.6%
Wood/Paper/Packaging	0.3%	0.2%
Building and public works	1.3%	1.2%
Retail/Consumer goods industries	1.9%	1.7%
Other	3.2%	2.7%
Energy	5.5%	4.5%
o/w Oil and Gas	*3.0%*	*2.7%*
o/w Electricity and Utilities	*2.5%*	*2.3%*
Real estate	4.5%	4.1%
Heavy industry	1.9%	1.4%
IT/Technology	1.0%	0.8%
Shipping	0.9%	0.9%
Media/Publishing	0.2%	0.2%
Healthcare/Pharmaceuticals	1.2%	1.1%
Non-trading services/Public sector/ Local authorities	18.5%	20.1%
Telecom	1.2%	0.9%
Tourism/Hotels/Restaurants	0.8%	0.8%
Retail banking customers	43.7%	44.3%
TOTAL	**100%**	**100%**

The commercial lending portfolio by business sector is well diversified and remained overall unchanged in 2022. Only two sectors represent more than 10% of activity and account for the majority of commitments, as in 2021: the "Retail Banking" sector, which continues to dominate and whose relative share has fallen slightly to 43.7% from 44.3% of the total in 2021, and the "Non-trading services/ public sector/local authorities" sector, which remains in second place with 18.5% of total commercial lending, compared with 20.1% in 2021.

Among the other sectors:

- more than half of the exposure of the "Other" segment is composed of securitisations (mainly liquidity facilities granted to securitisation programmes financed via our channels), whose outstandings were relatively stable in 2022. The other components of the lending portfolio relate to clients whose activities are highly diversified (notably asset/financial holding companies);
- the "Oil and Gas" sector is the main component of the "Energy" exposure. This segment includes a wide variety of underlyings, players and types of financing. Most of the exposure in the oil sector relates to players that are structurally less sensitive to the drop in oil prices (public sector companies, large international companies, transportation/storage/refinery companies). Conversely, customers focused on exploration/production and those dependent on industry investment levels (oil services) are the most sensitive to market conditions. Already under scrutiny for several years, the "Oil and Gas" sector continues to be more closely monitored and is subject to a very selective approach to projects, with any significant new transactions giving rise to an in-depth analysis of credit and CSR risk where necessary. The increase in exposures in 2022 compared to 2021 is mainly due to foreign exchange effects and higher oil prices;
- the "Electricity and Utilities" sector is another component of the exposure to "Energy" but with its own characteristics not directly related to the oil and gas segments. Half of the exposure focuses on large integrated or diversified groups;
- the "Real Estate and Tourism" portfolio consists mainly of specialised financing of quality assets to real estate investment professionals; other financing on a corporate basis is mainly granted to large real estate companies and is often accompanied by interest rate hedges. The balance of Crédit Agricole CIB's lending relates to guarantees issued to major French developers and interest rate hedges for (mainly public) social housing organisations in France. The context of the health crisis has significantly slowed investments and leases, shops have been hit hard due to the consequences of the lockdowns, and the tourism industry has been strongly impacted on an international scale. Furthermore, with an uncertain macroeconomic environment and inflationary pressures, the sharp rise in interest rates over the last few months has resulted in a repricing of real estate assets. Crédit Agricole CIB's high-quality portfolio shows its resilience but remains under close monitoring;
- the "Aviation" sector financing involves either financing of very high-quality assets, or financing of some of the world's leading aircraft or equipment manufacturers;
- the "Automotive" portfolio has been the focus of particular attention since the end of 2018. It is still deliberately focusing on the major car manufacturers, with limited development in terms of the main equipment manufacturers. After a significant increase in our lending to the sector in 2020 (mainly linked to the establishment of an exceptional envelope for a period of 24 months intended for our best customers' liquidity needs in the context of the current health crisis), lending decreased slightly in 2021 and increased again in 2022;
- the current position of the "Shipping" sector is the result of the expertise and background of Crédit Agricole CIB in mortgage financing for ships, which it provides to its international ship-owning customers. After 10 difficult years, shipping has showed signs of recovery since 2018 and, bolstered by a far more stable tonnage supply, recorded a clear recovery in 2021, albeit still uneven and fragile depending on the sector, strengthened by order books and a more moderate supply of ships/tonnage. Nevertheless, the sector is still subject to some volatility in the context of China's health crisis, supply chain disruptions and Russia's invasion of Ukraine, which are affecting global growth and international maritime trade. However, this portfolio remains relatively protected by its diversification (financing of oil and gas tankers, offshore vessels, bulk carriers, container ships, cruise ships, etc.), as well as by the quality of ship financing structures, secured by mortgages and coverage from credit insurers;

- the "heavy industry" sector mainly comprises large global steel, metal and chemical groups. Within the sector, commitments in the Coal segment have continued along a reduction trajectory, in line with the Crédit Agricole Group's CSR policy;
- exposure in the "Telecom" sector is slightly higher than in 2021 due to a growth in activity focused on large groups. The sector involves lending to operators and equipment manufacturers. It consists primarily of Corporate financing.

2.3 Breakdown of loans and receivables outstanding by customer type

Concentration by customer type of loans and receivables given to credit institutions and customers are presented in Note 3.1 to the financial statements.

The gross amount of loans and receivables outstanding (€1,249 billion at 31 December 2022, including accrued interests, compared with €1,167.7 billion at 31 December 2021) was up 7% from 2022. It is split mainly between large corporates and retail customers (respectively, 32.7% and 54.8%).

2.4 Exposure to country risk

At 31 December 2022, commercial lending (including to bank counterparties) to Crédit Agricole Group 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), totalled €71.9 billion versus €73.6 billion at 31 December 2021. Most of this lending comes from Crédit Agricole CIB, UBAF (47%-owned by Crédit Agricole CIB) and International retail banking. They include guarantees received which are deducted (export credit insurance, cash deposits, securities pledged, etc.). The concentration of total exposures in these countries was generally stable in 2022: the top 20 countries accounted for 95% of the lending portfolio at end-2022, compared to 94% at end-2021. Two geographic areas are dominant: Asia (33%) and Middle East/North Africa (29%).

— Changes in commercial lending for countries with a credit rating lower than B *(in millions of euros)*

Date	Northern Africa/ Middle East	Sub-Saharan Africa	Americas	Asia	Central and Eastern Europe	Total
2022	21,058	1,807	8,360	23,786	16,900	71,911
2021	26,785	1,513	6,938	20,190	18,129	73,555

The Middle East and North Africa

Cumulative lending in Middle Eastern and North African countries amounted to €21.1 billion at 31 December 2022, down 21% compared to the end of 2021, mainly due to the disposal of the Crédit du Maroc subsidiary. Saudi Arabia, the United Arab Emirates, Egypt, Qatar and Kuwait accounted for 92% of the lending in the Middle East and North Africa at 31 December 2022.

Central and Eastern Europe

Cumulative lending in Central and Eastern European countries were down 7% compared to last year, a decrease due to the geopolitical context (Russia and, to a lesser extent, Ukraine) and the disposal of the Crédit Agricole Serbia subsidiary, which became 100% effective on 1 April 2022. These decreases are partially offset by the exposure increase in Poland. At 31 December 2021, the Group's lending portfolio was concentrated in three countries: Poland, Russia and Ukraine, 94% of the total for this region.

Asia

The increase in lending in Asia (+18% or +€3.6 billion compared to 31 December 2021) is concentrated in the two largest exposures in the region. China remains the largest regional one (€15.7 billion vs. €14.5 billion at 31 December 2021) ahead of India (€5.9 billion vs. €3.7 billion at 31 December 2021).

Latin America

At end-December 2022, exposure to this region represented 11% of all exposure to countries rated lower than "B". Commitments in Brazil and Mexico made up 90% of the Latin America total compared to 87% at end-December 2021.

Sub-Saharan Africa

The Group's lending in Sub-Saharan Africa totalled €1.8 billion at 31 December 2022, i.e. 2.5% of the total for countries with a rating below B, compared to 2% as at end-2021. Exposure to South Africa accounted for 46% of commitments in this region. (vs. 24% at 31 December 2021).

3. Credit quality

3.1 Analysis of loans and receivables by category

The breakdown of loans and receivables to credit institutions and customers is presented as follows:

Loans and receivables *(in millions of euros)*	31/12/2022	31/12/2021
Neither past due nor impaired	1,206,162	1,131,021
Past due but not impaired	18,352	14,557
Impaired	24,463	22,078
TOTAL	**1,248,978**	**1,167,656**

The loan and receivables book at 31 December 2022 was 96.6% made up of amounts that were neither past due nor impaired, compared to 96.9% at end-2021.

According to IFRS 7, a financial asset is past due when a counterparty has not made a payment by its contractual maturity date. The Group considers that there is no proven risk on assets fewer than 90 days past due, i.e. 99.9% of non-impaired past-due loans (same at end-2021).

Details of financial assets that were past due or impaired are presented in Note 3.1 to the financial statements.

3.2 Analysis of outstanding amounts by internal rating

The internal rating policy used by the Crédit Agricole Group aims to cover the entire Group customer portfolio, i.e. retail customers, corporates, banks and financial institutions, government agencies and local authorities.

On the performing commercial lending portfolio excluding retail customers (€995.5 billion at 31 December 2022, compared with €958.7 billion at 31 December 2021), internally rated borrowers accounted for 92.4% of the total, compared with 92.6% at end-2021 (€919.5 billion at 31 December 2022, compared with €888.0 billion at 31 December 2021). The breakdown of this portfolio is presented according to the Standard & Poor's equivalents of the Group's internal ratings:

Change in the performing non-retail commercial lending portfolio of the Crédit Agricole Group by indicative S&P equivalent internal rating

	31/12/2022	31/12/2021
AAA	34.2%	36.7%
AA	13.3%	13.7%
A	11.8%	9.3%
BBB+	25.1%	24.0%
BB	13.3%	13.6%
B	1.5%	1.7%
On credit watch	0.8%	1.0%
TOTAL	**100.0%**	**100.0%**

This breakdown reflects a loan book that remains of good quality with, at 31 December 2022, 84.4% of lending to borrowers with investment-grade ratings (ratings equal to or greater than BBB) compared to 83.8% at 31 December 2021, and only 0.8% on credit watch (compared to 1% at 31 December 2021).

3.3 Impairment and risk hedging

Impairment policy and risk hedging

The policy for hedging loan loss risks is based on two kinds of value adjustments for credit losses:

- impairment allowances on an individual basis intended to cover probable losses on impaired loans;
- impairment allowances for credit losses, pursuant to IFRS 9, following a significant decline in the loan quality for a transaction or loan book. These impairments are designed to cover the risk profile of commitments in certain countries, business sectors or counterparties, not because they are in default but because their ratings have been downgraded. Loan book-based impairments are also performed in retail banking. These impairments are for the most part calculated on a statistical basis, based on the expected loss amount up to the transaction's maturity, using Basel criteria to estimate the probability of default (PD) and the loss given default (LGD).

Impaired loans and receivables

At 31 December 2022, total individually impaired commitments amounted to €24.5 billion, compared with €22.1 billion at 31 December 2021. These consist of commitments for which the Group sees potential non-recovery. Individually impaired outstandings represent 2.0% of the Group's gross book value, versus 1.9% at 31 December 2021.

Restructured loans[1] totalled €14.9 billion at 31 December 2022.

4. Cost of risk

The main factors that had an impact on the level of impairment observed during the year are detailed below:

4.1 Main economic and industry-specific factors of 2022

A description of the overall environment and macroeconomic outlook is detailed in the "Economic and financial environment" section of Chapter 2 "Review of financial position and results".

After a 2021 marked by a strong upturn in GDP growth in the eurozone and the United States but also the start of an inflation shock, 2022 was strongly impacted by the effects of the geopolitical crisis in Ukraine, with direct repercussions on CIB and IRB cases and wider indirect repercussions (inflation in the cost of energy and commodities, supply chain tensions etc.). After the crisis observed in 2020 (GDP down by -8.0% in France), the economic recovery was strong in 2021 (+6.8%) but was further weakened in 2022 by uncertainties linked to the public health situation, geopolitical tensions due to the Russia-Ukraine conflict and a sharp rise in inflation in general and energy prices in particular.

The main sectors to watch are: shipping, automotive, commercial real estate and energy.

4.2 Facts and figures

In 2022, the cost of risk rose sharply to €2.9 billion, i.e. 26 bps, due in particular to the Russia-Ukraine conflict (€0.9 billion in direct impacts in 2022, including €0.3 billion for default and €0.4 billion in prudential provisions).

Excluding the direct impact of the conflict, the Group's cost of risk in 2022 remained contained at €2.0 billion or 18 bps, (identical to the 2021 level), despite a 31% increase in proven risk (€1.6 billion or 14 bps) caused mainly by a specific corporate case for €0.2 billion or 2 bps. Apart from this case, the level of proven risk remained stable overall (12 bps, as in 2021), with the level of defaults limited by the various published economic support programmes instituted in 2020 and maintained in 2021.

The cost of default is thus beginning to return to normal while still remaining below the pre-crisis level (20 bps in 2019).

The cost of risk related to prudential provisions remained below the 2021 level, at 5 bps (compared to 6 bps in 2021), with sector supplements undertaken in 2022.

Excluding the effect of the conflict, prudential provisions represented -€540 million of net reversals (5 bps) in 2022, explained by the effects of a more deteriorated macro-economic environment in the IFRS calculation parameters (+€140 million), globally positive portfolio effects (-€230 million) and reinforced local stresses (+€655 million), with the balance coming from globally favourable this year methodological changes.

In 2021, the cost of risk on non-default risk represented a expense of €595 million, broken down between the effects of macro scenarios that were more favourable than at the start of the health crisis (net reversal of -€460 million), additional local stresses (+€895 million), a change in methodology on significant deterioration thresholds implemented in the fourth quarter (+€200 million), with the balance coming from portfolio effects that were almost neutral over the year (-€40 million impact on ECL).

In addition, reversals of various cases (legal disputes) were recorded for -€97 million in 2022, whereas €65 million in additions had been made in 2021.

In French retail banking and consumer finance, credit risk increased in 2022, while internationally and excluding the direct effects of the conflict, there was a slight decrease, with a net recovery in financing activities as detailed below:

In regards to the Regional Banks, the net expense increased by 86% in 2022 (1,137 million compared with 612 million in 2021), driven by higher prudential provisions (+58%) as a result of the effects of portfolio deterioration and the inclusion of more unfavourable macroeconomic conditions in the IFRS 9 central calculation parameters, partially offset by lower supplementary provisions for subsidiaries than in 2021. In terms of proven risk, half of the increase in expenses in 2022 (+€270 million) is explained by one specific corporate case and the remainder by a gradual normalisation of default rates after the low point reached in 2021.

(1) The definition of restructured loans is detailed in Note 1.2 "Accounting policies and principles" to the consolidated financial statements.

With regard to LCL, the increase in the net charge was limited to +7% despite a €60 million effect on the specific corporate case. Without this case, the cost of risk is lower than in 2021, mainly due to very low corporate risk.

With regard to International retail banking, the net cost of risk decreased by -10% for CA Italia, which benefited from its risk reduction policy initiated in 2021.

With regard to consumer finance, the cost of risk increased by a limited amount (+8%) while including an increase of €100 million in proven risk.

With regard to financing activities, excluding the impact of the conflict, a strong net recovery was noted in 2022 (-€310 million compared to +€52 million in 2021). It is explained by net reversals on both default and non-default risks (-€280 million), made possible by an improvement in the portfolio in 2022 (increase in new outstandings in Stage 1 associated with a rating improvement on the stock).

Details of the movements that affected the cost of risk are presented in Note 4.9 to the financial statements. This is broken down by business line in Note 5.1 to the financial statements.

5. Counterparty risk on derivative instruments

The counterparty risk on derivative instruments is established according to market value and potential credit risk calculated and weighted in accordance with regulatory standards. The measure relating to this credit risk is presented below in Part 2.2 "Credit risk measurement" of Section II "Credit risk management".

IV. Application of IFRS 9

1. Credit risk rating measurement

In the context of the health and economic crisis surrounding Covid-19, the Group continues to regularly revise its forward-looking macroeconomic outlook to determine the credit risk estimate.

Information relating to the macroeconomic scenarios applied at 31 December 2022

The Group used four scenarios for calculating IFRS 9 provisioning parameters in production during December 2022, with the following projections for 2025.

These four scenarios were prepared in October 2022. They incorporate different assumptions on the effects of the Russia-Ukraine conflict, the inflationary shock suffered in particular by the eurozone and the monetary tightening carried out by the central banks.

It should be noted that macroeconomic projections were based, as a starting point, on the end of 2021, which saw a marked increase in GDP in the eurozone and the United States as well as the start of an inflation shock. The outlook for 2022 and beyond is described in the following scenarios.

First scenario: "Central" scenario

This scenario, **weighted at 50%,** foresees an intense Russia-Ukraine war and a peace process that is still very far off.

Strong acceleration in inflation in the eurozone

Inflation in the eurozone in 2022 would average 8.3% per year. It would decelerate in 2023 to reach 6.7% on average. Energy price increases would indeed be lower and demand would slow down significantly, but second-round effects would continue (food and manufactured goods prices). Inflation in France would be more moderate thanks to the price cap. This inflation shock would be linked to the post Covid-19 recovery and the Russia-Ukraine conflict, with a shock to energy prices (in particular a surge in gas prices, due to the sharp reduction in Russian gas imports by Europe) and a sharp rise in input prices (metals, agricultural products etc). More generally, there would be an increase in intermediate costs, supply difficulties, value chain disruptions and a risk of shortages in certain sectors.

These shocks lead to a downwards revision of eurozone growth. Production in certain sectors would be affected by the increase in intermediate costs and value chain disruptions. Corporate margins deteriorate, resulting in a slowdown in investment. Household purchasing power is reduced by the inflationary shock. Wage increases remain fairly moderate and confidence deteriorates. However, accumulated savings could cushion these negative impacts on consumption.

The negative impacts on demand would partly be offset by fiscal support measures. Overall, growth in 2022 in the eurozone remained high at 3.2%, thanks to growth carried over, but would be reduced to 0.4% in 2023.

This inflationary shock leads to a tightening of monetary policies.

In the United States, the Fed continues to increase its interest rates at an accelerated pace up to the beginning of 2023 before stabilising them. The Fed Funds rates, which stood at 0.50% in Q1 2022, would be raised to 4.25% in early 2023. Nonetheless, the increases in long-term rates would be more moderate, with even a slight decrease in 2023 (expected slowdown in growth and gradual easing of inflation).

In the eurozone, monetary tightening is more cautious and slower, as the rise in inflation came later. After stabilising its balance sheet, the ECB started to raise its key interest rates in July 2022 and will continue to do so in 2023, to 2.25% for the deposit rate and 2.75% for the refi rate, before stabilising them.

Long-term rates increased in the eurozone in 2022, though quite moderately, and would fall slightly in 2023. The yield curve would invert as the ECB pursues its monetary adjustment. Spreads would widen, in particular in Italy, but the ECB would work to correct any unjustified spread gaps.

Second scenario: "Moderate adverse" scenario

This scenario, **weighted at 35%**, replicates the gas crisis scenario outlined by the ECB in September 2022.

Triggering of the crisis: It is assumed that there will be a total disruption of Russian gas supplies to Europe at the beginning of 2023 and that there will be major difficulties in making up for this disruption, in particular with insufficient supply of liquefied natural gas. In addition, the winter of 2023 proves to be very harsh. As a result, European states launch gas rationing plans that mainly affect industry.

Sharp inflation shock in 2022 and 2023: These difficulties would drive gas prices in Europe in 2023 to very high levels, due to high energy consumption (notably linked to the climate) and a clearly insufficient gas supply. This would be reflected in electricity prices, also due to persistent difficulties for the French nuclear industry. Average inflation in the eurozone is forecast at 8.8% in 2023, 2.1 points higher than in the central scenario.

Rationing measures would reduce activity in sectors highly dependent on gas. In addition, for some companies, soaring energy costs would undermine profitability and lead to voluntary production shutdowns. There would be fewer investments (declining profitability and worsening business climate) and consumption would decline slightly (loss of purchasing power, deterioration of the labour market, weaker support measures than in 2022). The annual average GDP in the eurozone would see a decrease in 2023 (-0.7%).

Somewhat tighter monetary policy. The Fed and the ECB raise their interest rates slightly faster than in the central scenario in response to higher and more sustainable inflation. However, the ECB's action would be considered by the markets as insufficiently aggressive, and "core" sovereign rates, incorporating an inflation premium, would recover. Unlike budgetary stress (see fourth scenario), there would be no specific shocks in France and Italy. Nevertheless, spreads would widen moderately.

Third scenario: "Favourable" scenario

In this favourable scenario, **weighted at 5%**, it is assumed that pressure from China will lead to a softening of Russia's position on Ukraine and then to a ceasefire before negotiations can begin. Sanctions, while being extended, would then be eased on Russia. Energy prices would fall fairly quickly in 2023. We see a gradual easing in the prices of metals and grain, but some production chains remain severely disrupted.

In the eurozone, this scenario would lead to a sharp decline in inflation and a rebound in confidence and the expectations of customer types. We see a rebound in consumption relating to the improvement in purchasing power, restored confidence and use of a part of the accumulated savings surplus. The improvement in expectations and a partial reduction in supply tensions leads to an upturn in investment spending in 2023-2024.

Financial changes

Central banks would not immediately lower their guard (only a small amount of monetary easing would be noted) but long-term rates would anticipate the decline in inflation and short-term rates. The ECB would lower its key rates in 2023. The Bund would sit slightly below the level retained in the central scenario, while the French and Italian spreads would be slightly more moderate. The stock market and real estate markets are robust.

Fourth scenario: Severe adverse scenario

Scenario **weighted at 10%.**

Cumulative shocks in 2023: The Russia-Ukraine conflict would stall in 2023 and sanctions against Russia would increase. China would be more explicit in its support for Russia; sanctions against China would therefore be put in place. Winter is very harsh in Europe in the first quarter of 2023. In addition, France would experience a specific crisis, with strong protests against certain reforms and intense social conflicts such as the "yellow vest" crisis; the country would be at a standstill. Italy would also be in crisis, with the right-wing coalition challenging European treaties and a power struggle with the European Commission.

Persistent inflationary shock in 2023. Energy price tensions would persist, particularly with regard to the price of gas, which would soar. Food prices would also be rising sharply. The inflationary process at work in 2022 in the "central" scenario would thus repeat in 2023 in this "stress" scenario. Inflation would be very high in 2023 in both the eurozone and France.

Strong response from central banks. The Fed and the ECB would pursue monetary tightening in 2023 to a greater extent than in the central scenario, in response to higher and longer-lasting inflation. The ECB would continue to raise rates quite significantly in 2023 (deposit at 2.75% and refi at 3.25% at the end of 2023). Long-term rates would be on the rise again: the 10-year swap rate for the eurozone would reach 3.25% at the end of 2023, the *Bund* 2.75%. In 2023, the French and Italian spreads would widen significantly and reach real crisis levels (OAT-*Bund* spread at 185 bps and BTP-*Bund* spread at 360 bps).

Eurozone recession in 2023. The Eurozone's GDP would fall by around 1.5%, as would that of France and Italy, the unemployment rate would rise significantly, stock markets would fall sharply (-35% for the CAC 40 in 2023) and property markets would undergo a major correction in France and Italy: between -10% and -20% on aggregate over three years for residential property and -30% cumulatively for commercial property.

— Focus on changes to the main macro-economic variables under each of the four scenarios

	Ref.	Central scenario				Moderate adverse				Budgetary stress				Favourable			
	2021	2022	2023	2024	2025	2022	2023	2024	2025	2022	2023	2024	2025	2022	2023	2024	2025
GDP – eurozone	5.3	3.2	0.4	1.2	1.5	3.2	(0.7)	1.2	1.1	2.5	(1.5)	1.7	1.6	3.2	0.6	1.6	1.6
Unemployment rate – eurozone	7.8	7.0	7.4	7.5	7.1	7.0	7.7	8.0	7.7	7.1	8.1	7.7	7.5	7.0	7.2	7.0	6.7
Inflation rate – eurozone	2.6	8.3	6.7	3.4	2.2	8.3	8.8	3.5	2.4	8.0	8.0	2.4	1.8	8.3	4.6	2.3	2.2
GDP – France	6.8	2.6	0.6	1.7	1.7	2.6	(0.3)	1.2	1.5	2.4	(1.6)	2.0	1.8	2.6	1.2	2.1	1.8
Unemployment rate – France	7.9	7.2	7.5	7.7	7.5	7.2	8.2	8.5	8.0	7.4	8.6	8.9	8.2	7.2	7.2	7.0	6.8
Inflation rate – France	1.6	5.1	4.8	2.5	2.0	5.1	6.9	3.5	2.0	5.5	7.5	1.5	1.6	5.1	3.8	1.5	1.5
10-year OAT	0.20	2.40	2.30	2.10	2.10	2.40	3.20	2.00	1.75	2.40	4.60	2.00	1.75	2.40	2.10	2.00	2.00

For all scenarios

The governmental support measures were included in IFRS 9 projections: the process of forecasting central risk parameters was revised in 2020 to better reflect the impact of government programmes in IFRS 9 forecasts. The effect of this revision was to mitigate the sudden intensity of the crisis and the strength of the recovery, and to spread these over a longer period (three years, i.e. up to and including 2022).

The variables relating to the interest rates level, and more generally all the variables linked to the capital markets, have not been modified, because their forecasts already structurally include the effects of the support policies.

In addition, since the second half of 2022, the economic scenarios include an unprecedented inflationary shock, not observed over the reference period. Given the exceptional nature of this shock, and in order to neutralize the favorable effects of higher inflation on expected credit losses, price variables have been adapted to reflect mediumterm dynamics.

Finally, in an effort to take specific local circumstances into account (related to geographical area and/or certain activities/ business lines), sector supplements are established at the local level ("forward looking local") by some Group entities, which can round out the centrally defined macroeconomic scenarios.

Breakdown of *Stage 1-Stage 2* and *Stage 3*

At the end of December 2022, including local forward-looking scenarios, the Stage 1/Stage 2 provisions on the one hand (provisioning for performing loans) and Stage 3 provisions on the other hand (provisioning for proven risks) represented 42% and 58%, respectively, of the stock of hedges for the Crédit Agricole Group scope (P4).

At the end of December 2022, additions net of reversals for Stage 1/ Stage 2 provisions represented 36% of the Crédit Agricole Group's half-year cost of risk (P4) compared with 64% for the share of proven risk in Stage 3 and other provisions. Excluding the direct effects of the Russia-Ukraine conflict, additions to prudential provisions represented 27% of the total cost of risk (and 73% of the proven risk).

Sensitivity analysis of macroeconomic scenarios in the calculation of IFRS 9 provisions (ECL *Stages 1* and *2*) based on central parameters

The central scenario is currently weighted at 50% for the calculation of the central IFRS ECLs for 31/12/2022.

In the Crédit Agricole Group scope:

Change in ECL when applying 100% of the scenario (Crédit Agricole Group scope)			
Central scenario	**Moderate adverse**	**Severe adverse**	**Favourable scenario**
- 2.9%	2.8%	8.3%	- 6.5%

This sensitivity to ECLs defined based on central parameters may be subject to adjustments due to the local forward-looking scenarios which, where necessary, may reduce or increase it.

2. ECL trends

Changes in the structure of outstanding amounts and ECL during the period are detailed in Part 3.1 of the financial statements as at 31 December 2022.

The comments below pertain to the scope of financial assets at amortised cost (loans and receivables from customers), which represent approximately 90% of value adjustments for losses.

Loan structure on customer balance sheet

2022 saw credit activity still dynamic, with an increase in loans of €64 billion after an increase of €86 billion in 2021. The main business lines contributing to this were retail banking in France (+€47 billion), financing activities (+€15 billion) and specialised business lines (+€6 billion), partially offset by a reduction in international retail banking (-€6 billion, mainly due to the scope effect).

The weight of the least risky performing loans (Stage 1) was down very slightly to 88.0% vs 88.2% at the end of 2021, or -0.2%. For the period, Stage 1 customer loans increased despite everything by €54 billion (the same in 2021: +€55 billion).

The share of performing loans showing signs of significant deterioration in credit risk *(Stage 2)* increased to 9.9% versus 9.8% at the end of 2021. For the period, Stage 2 customer loans increased by €7 billion, mainly in French retail banking (+€7 billion).

Defaulting loans (Stage 3) were up by €2.3 billion over 2022, with the default rate remaining low at only 2.11% compared to 2.02% at the end of 2021. The increase is partly due to a specific corporate case that went into default in the fourth quarter of 2022.

ECL trends

Value adjustments for losses on the best-rated counterparties *(Stage 1)* increased in 2022 (+12% compared to +6% in 2021) mainly due to the growth in loans and more unfavourable effects related to the macro scenarios used in the IFRS 9 central calculation parameters. Overall this year, the level of hedging of loans in Stage 1 rose to 0.28% on average for the Crédit Agricole Group (compared to 0.26% at the end of 2021).

Stage 2 ECLs were also up (+11.8% compared to +14.5% in 2021), in line with the increase in loans and with additional stress by the business lines. The level of hedging of loans in Stage 2 was 5.0% on average for the Crédit Agricole Group (compared to 4.8% at the end of 2021).

The coverage ratio for impaired loans (Stage 3) decreased for the Crédit Agricole Group (48.0% versus 53.1% at the end of 2021). This decrease is partly explained by an adapted level of hedging on the specific case that defaulted this year and partly by a slight decrease in trends.

2.5 MARKET RISK

Market risk is the risk of a negative impact on the income statement or balance sheet of adverse fluctuations in the value of financial instruments following changes in market parameters, the principle ones being: interest rates, foreign exchange rates, equity prices and indexes, credit spreads, and their respective volatilities.

I. Objectives and policy

Crédit Agricole S.A. and its subsidiaries have a specific market risk management system with their own organisation independent of operational hierarchies, risk identification and measurement methods, monitoring and consolidation procedures. In terms of scope, this system hedges all market risk.

In an uncertain market environment marked by the Russia-Ukraine conflict and rising interest rates/inflation, the Crédit Agricole Group continued its prudent market risk management policy in line with its risk appetite framework.

II. Risk management

1. Local and central organisation

Crédit Agricole S.A. and its subsidiaries have two distinct and complementary levels of market risk management:

- **at the central level**, the Group Risk department ensures coordination on all subjects related to the management and control of cross-functional market risks. It standardises data and data processing to ensure consistency of both consolidated risk measurement and controls. It keeps the executive bodies (Executive Management of Crédit Agricole S.A.) and decision-making bodies (Board of Directors and the Board's Risk Committee) up-to-date on the Group's market risk exposure; Finally, it analyses the market risk frameworks defined by the entities on an annual basis, for subsequent validation by Crédit Agricole S.A.'s Executive Management;

- **at the local level,** for Crédit Agricole S.A. and its subsidiaries, a Risk Management and Permanent Controls department steers the monitoring and control of the market risks of the entity. Within the Crédit Agricole Corporate and Investment Bank subsidiary, where the main capital market activities of the Crédit Agricole S.A. Group take place, the Risk Management and Permanent Controls department includes the Market and Counterparty Risks (MCR) department, which is responsible for identifying, measuring and monitoring market risks. This department provides assistance in monitoring the market risks of international retail banks in addition to the local risk teams, as well as for the trading book of the Financial Steering department of Crédit Agricole S.A., whose transactions are managed in the IT system of Crédit Agricole Corporate and Investment bank. The IT architecture put in place within Crédit Agricole Corporate and Investment bank for market risk management is based on sharing the platforms used in the Front Office, on which risk indicators are calculated. The independence of the process is based on the selection of market data and the validation of valuation models by the Risk department.

Group procedures define the level of information, the format and frequency of reporting that the entities must send to Crédit Agricole S.A. (Risk Management and Permanent Controls department).

2. Decision-making and risk monitoring Committees

Four governance bodies are involved in managing market risk at the level of Crédit Agricole S.A. :

- the Group Risk Committee, chaired by the Chief Executive Officer of Crédit Agricole S.A., approves the aggregate limits (VaR and stress) on each entity's market risks when it presents its risk framework and makes the main decisions in the matter of risk management. It reviews Crédit Agricole Corporate and Investment Bank's market and risk position on a half-yearly basis;
- the Executive Committee reviews the market risk alerts issued every two weeks by the Group Risk department;
- the Alert Monitoring Committee, chaired by the Chief Risk Officer, reviews all reported alerts on a monthly basis;
- the Standards Committee of Crédit Agricole S.A. (respectively the Ethics Committee of Crédit Agricole Corporate and Investment Bank) is in charge of validating the regulatory prudential standards and models implemented within the scope of capital market activities, excluding Crédit Agricole Corporate and Investment Bank, (respectively Crédit Agricole Corporate and Investment Bank, by delegation).

In addition, each entity has its local own Risk Committee. The most important of these is Crédit Agricole Corporate and Investment Bank's Market Risk Committee (MRC), which meets once a month and is chaired by the Management Committee member in charge of risk. The Market Risk Committee involves Crédit Agricole Corporate and Investment Bank's Head of Capital Market Activities and those responsible for monitoring market risks. This Committee reviews Crédit Agricole Corporate and Investment Bank's positions and the profit and loss account of its capital market activities and verifies compliance with the limits assigned to each activity. It has the authority to make decisions on requests for increases in operational limits.

III. Market risk measurement and supervision methodology

1. Indicators

The market risk measurement and supervision system is based on a combination of several indicators, most of which are subject to global or specific limits. It relies principally on Value at Risk (VaR), stressed VaR, stress scenarios and complementary indicators (nominal positions, wrong way risk, sensitivities to risk factors etc.) and a process that values all positions in each entity giving rise to market risks. The permanent control process includes procedures to validate and back-test models.

1.1 VaR (Value at Risk)

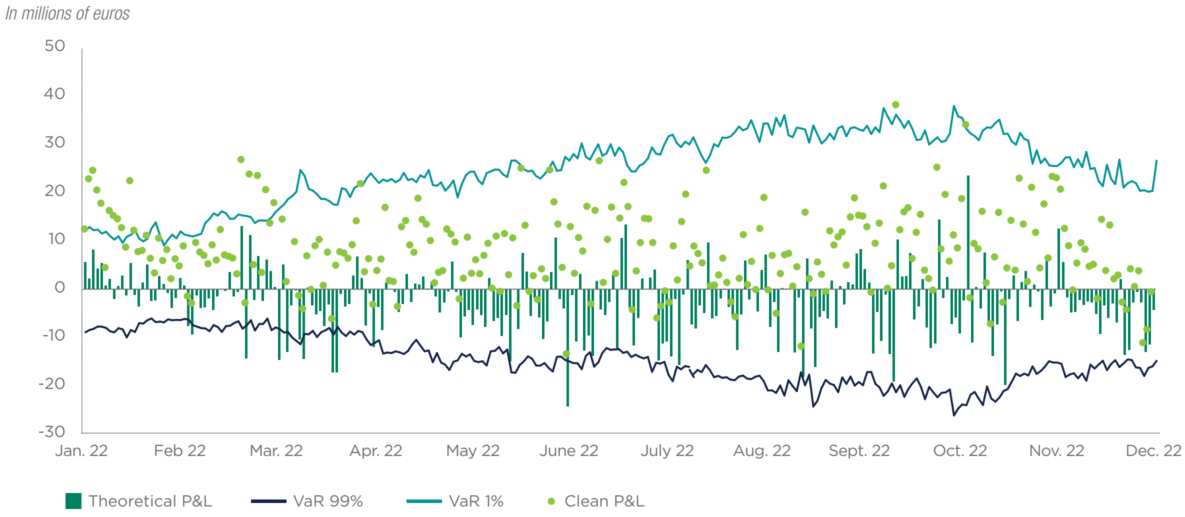
The central element of the market risk measurement system is the historical Value at Risk (VaR). VaR can be defined as the maximum theoretical loss on a portfolio in the event of adverse movements in market parameters (interest rates, exchange rates, asset prices, etc.) over a given time frame and for a given confidence interval. Crédit Agricole S.A. use a confidence interval of 99% and a time frame of one day using one year of historical data. In this way, market risks incurred by the Group in its trading activities can be monitored on a daily basis by quantifying the estimated maximum level of loss in 99 out of 100 cases, after inclusion of a number of risk factors.

Back-testing

A back-testing process is applied to check the relevance of the VaR model for each of entity of Crédit Agricole S.A. and its subsidiaries that has capital market activities. This process verifies a posteriori whether the number of exceptions (days when actual losses exceeded estimated VaR) was within the 99% confidence interval (a daily loss should statistically exceed the calculated VaR only two or three times a year).

At 31 December 2022, within the regulatory scope of Crédit Agricole Corporate and Investment bank (see chart below) was subject to 10 VaR exceptions over a consecutive 12-month period. Consequently, the multiplier, used to calculate capital requirements, stood at 5, up +0.5 points from end-2021.

— Back-testing of the regulatory VaR of Crédit Agricole Corporate and Investment Bank for 2022 *(in millions of euros)*



1.2 *Stress scenarios*

Stress scenarios complement the VaR measure, which does not capture the impact of extreme market conditions. Stress scenarios are calculated following Group principles to simulate extreme market conditions and are the result of different complementary approaches:

- **historical scenarios**, which consist in replicating the impact on the current portfolio of major crises observed in the past. The past crises used in historical stress scenarios are the 1987 stock market crash, the 1994 bond market crisis, the 1998 credit market crisis, coupled with falling equity markets, sharply rising interest rates and declining emerging-country currencies; the 2008 crisis following the failure of Lehman Brothers (two stress scenarios measuring the impact of market movements after the failure);
- **hypothetical scenarios** anticipating plausible shocks, which are developed in conjunction with economists. The hypothetical scenarios used are **economic recovery** (rising equity and commodity markets, flattening yield curves, appreciation of the US dollar and narrowing credit spreads), **liquidity crunch** (flattening yield curves, widening credit spreads, falling equity markets), and **international tensions** (scenario representing economic conditions in a context of international tensions between China and the United States: rising volatility and falling prices on the equity markets, falling futures prices and rising volatility on the commodities market, flattening yield curves, fall of the US dollar against other currencies, widening credit spreads).

In addition, other types of stress tests are performed:

- at the level of the entities, adverse stress tests enabling evaluation of the impact of major and unfavourable market movements on the different business lines;
- at the level of Crédit Agricole Corporate and Investment bank, extreme adverse stress tests are used to measure the impact of even more severe market shocks.

The stress scenarios are calculated weekly.

1.3 Complementary indicators

Other complementary indicators (sensitivity to various risk factors, loss alerts, stop-loss indicators, outstandings, maturities, wrong way risk etc.) are also produced by the entities and can, as part of the risk management system, be subject to limits. These indicators provide fine-grained measurements of exposure to different market risk factors, serve to identify atypical transactions and fill out the summary picture of risks supplied by VaR and global stress scenarios.

1.4 Indicators related to the CRD 4 Directive

Stressed VaR

The so-called "stressed" VaR is intended to correct the pro-cyclical nature of historical VaR. It is calculated using a 99% confidence interval of one day and over a period of tension corresponding to the worst period observed for the most significant risk factors. The calibration period of the stressed VaR is reassessed every six months.

At end-2022, for Crédit Agricole Corporate and Investment Bank it corresponds to the period 13 November 2007 to 12 November 2008. In addition to the VaR capital requirement, there is now a stressed VaR capital requirement.

Incremental Risk Charge

The IRC (Incremental Risk Charge) is an additional equity requirement related to the risk of default and migration on so-called linear credit positions (i.e. not including credit correlation positions), required by the CRD 4 Directive.

Its purpose is to quantify any unexpected losses caused by credit events on the issuers, i.e. default and migration of rating (the case of either a fall or a rise in credit rating).

The IRC is calculated with a confidence interval of 99.9% over a risk period of one year, by Monte Carlo simulations of migration scenarios based on three sets of data:

1) a one-year transition matrix provided by S&P and adapted to the internal rating system of Crédit Agricole Corporate and Investment Bank. This matrix gives the transition probabilities for an issuer based on its initial credit rating to higher or lower credit ratings, as well as its probability of default;
2) the correlation of issuers with systemic factors;
3) average spread curves by rating from which the shocks resulting from migrations are deducted.

These simulated credit default and migration scenarios then make it possible to value positions using the Crédit Agricole Corporate and Investment Bank models.

Credit Value Adjustment (CVA)

CRD 4 brought in a new capital charge to cover volatility in the CVA. Under this Directive, institutions authorised to calculate their capital requirements using their internal models for both counterparty risk and specific rate risk must calculate their CVA risk capital charge using the advanced approach ("CVA VaR"): these requirements are based on two indicators, the VaR CVA and the Stressed VaR CVA. The other entities of Crédit Agricole S.A. have adopted the standard method for calculating their prudential CVA.

Prudent Valuation (PVA)

In the context of CRD 4, the Basel 3 Committee requires the application of an additional prudential measure (Prudent Valuation) to the market carrying amount. It is applied to all trading and banking book positions recognised at fair market value with a confidence interval of 90%.

Prudent valuation is broken down into nine accounting adjustments: price uncertainty, liquidation costs, model risk, concentrated positions, prepaid credit spreads, borrowing cost, early termination, future administrative costs and operational risk. All the different categories are then aggregated and deducted from the Common Equity Tier One.

The calculation of adjustments on the basis of regulatory requirements resulted in an equity impact at the end of December 2022 of €975 million for Crédit Agricole CIB, including €757 million for market risks.

IV. Exposures

VaR (Value at Risk)

Given the Regional Banks' low exposure to market risk, the total VaR of Crédit Agricole S.A. is representative of the Crédit Agricole Group's VaR on market activities.

The VaR of the Crédit Agricole S.A. Group is calculated by incorporating the impacts of diversification between the different Group entities.

The scope considered for capital market activities of Crédit Agricole Corporate and Investment Bank is the regulatory VaR (measured through an internal model approved by the ACPR).

The change in VaR on the capital markets activities of Crédit Agricole S.A. and its subsidiaries between 31 December 2021 and 31 December 2022, broken down by major risk factor, is shown in the table below:

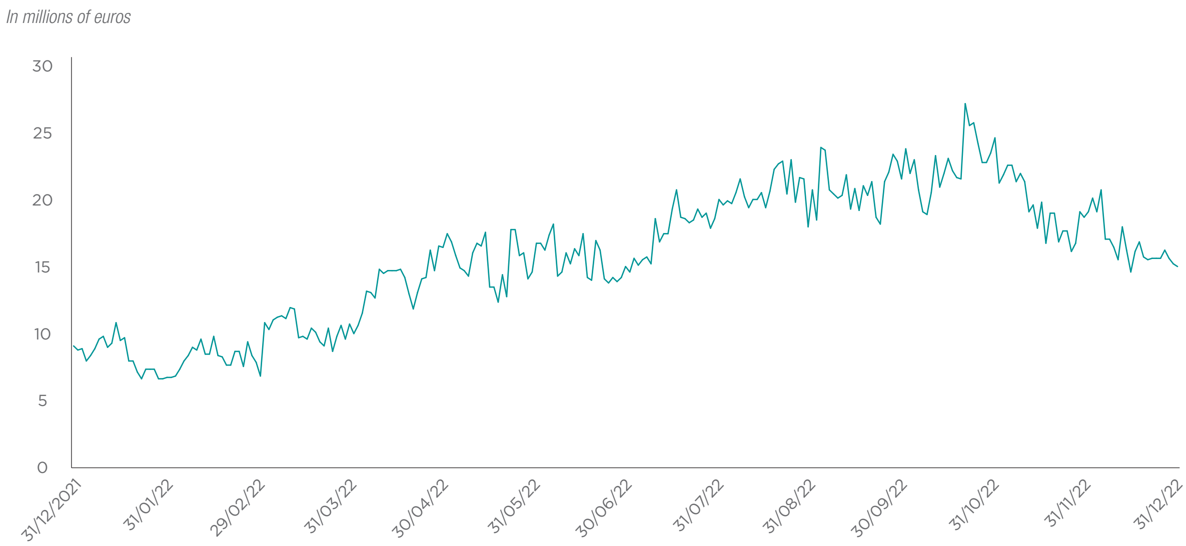
— Breakdown of VaR (99%, 1 day)

(in millions of euros)	31/12/2022	Minimum	Maximum	Average	31/12/2021
Rate	9	4	16	11	6
Credit	6	3	12	6	3
Foreign exchange	5	1	5	3	4
Equity securities	3	1	5	2	2
Commodities	0	0	0	0	0
Offsetting effect	(8)	-	-	(7)	(6)
VAR OF CRÉDIT AGRICOLE S.A.	**15**	**7**	**27**	**15**	**9**

Averaged over the full year, VaR for 2022 was €15 million, versus €9 million for 2021. This increase is explained by the change in the market environment due to geopolitical tensions and increases in interest rates and inflation, which expanded the magnitude of the shocks in the VaR calculation.

The following graph shows VaR over the course of 2022:

— VaR for Crédit Agricole S.A. and its subsidiaries between 31 December 2021 and 31 December 2022



Stressed VaR (Crédit Agricole Corporate and Investment Bank)

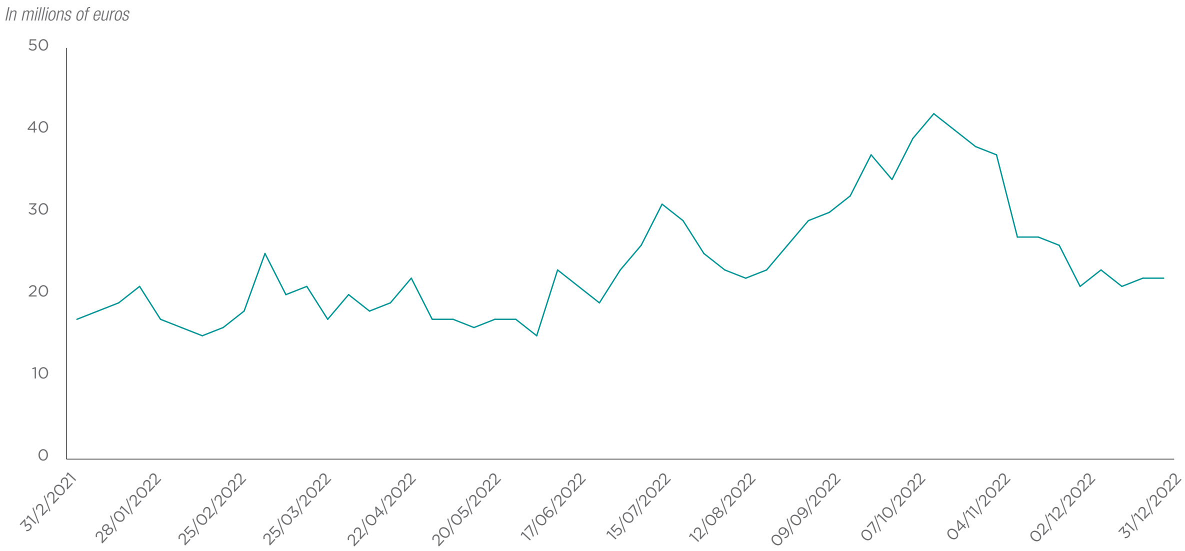
The stressed VaR is calculated on the scope of Crédit Agricole Corporate and Investment bank.

The table below shows the change in regulatory stressed VaR on the capital market activities of Crédit Agricole CIB, between 31 December 2021 and 31 December 2022:

(in millions of euros)	31/12/2022	Minimum	Maximum	Average	31/12/2021
Crédit Agricole CIB stressed VaR	22	15	42	24	17

— Change in stressed VaR (99%, 1 day)

The graph below shows the change in regulatory stressed VaR of Crédit Agricole Corporate and Investment bank over the course of 2022.



At end-December 2022, stressed regulatory VaR of Crédit Agricole Corporate and Investment bank was €22 million, an increase of €5 million compared to end-2021. On average over the year, stressed VaR (€24 million) was up by €6 million compared to the 2021 average, a change strongly correlated to the scope of interest rate activities.

Capital requirement related to IRC (Crédit Agricole Corporate and Investment Bank)

IRC is calculated on the so-called linear credit positions (i.e. excluding correlation positions) scope of Crédit Agricole Corporate and Investment Bank.

The table below shows the change in regulatory stressed VaR on the capital market activities of Crédit Agricole Corporate and Investment Bank, between 31 December 2021 and 31 December 2022:

(in millions of euros)	31/12/2022	Minimum	Maximum	Average	31/12/2021
IRC capital	147	147	250	190	188

V. Equity risk

1. Trading portfolios and banking book

The different types of business are exposed to equity risk. The equity risk incurred by the market activities of Crédit Agricole CIB is hedged by the overall management through VaR (see section IV above). The other outstandings exposed to equity risk correspond to portfolios that are invested partly in equities and structured products whose market value depends on prices of underlying equities and equity indexes.

2. Equity risk from other activities

A number of Crédit Agricole S.A. entities hold portfolios that are invested partly in equities and structured products whose market value depends on prices of underlying equities and equity indexes.

Note 1.2 "Accounting policies and principles" to the financial statements presents the various valuation methods for equity instruments measured at fair value. At 31 December 2020, outstanding amounts exposed to equity risk amounted to €36.4 billion, including portfolios of insurance companies for €31.2 billion.

Note 6.4 to the financial statements shows in particular the outstanding amounts and the unrealised gains and losses on shares recorded at fair value non-recyclable through equity. Information on market risk (including equity risk) on the portfolios held by the insurance companies is presented below in the section on "insurance sector risks".

2.6 BALANCE SHEET MANAGEMENT

I. Asset and liability management – Structural financial risks

Crédit Agricole S.A.'s Financial Management department defines the principles of financial management and ensures their consistent application within the Crédit Agricole S.A. Group The department is responsible for organising financial flows, defining and implementing refinancing rules, performing asset and liability management and managing regulatory prudential ratios.

Optimising financial flows within the Crédit Agricole S.A. Group is an ongoing objective. Pooling of surplus resources and making it systematically possible to hedge the associated risks contribute to this objective.

Thus, the principles of the Crédit Agricole S.A. ALM approach ensure that any surpluses and shortfalls in terms of customer resources, in particular resources collected by the Regional Banks, are centralised in the books of Crédit Agricole S.A. This resource pooling helps in refinancing other Group entities as needed (including Crédit Agricole Leasing & Factoring and Crédit Agricole Consumer Finance).

The system for centralising the management of liquidity at Crédit Agricole S.A. serves to control and optimise cash management, especially since it is accompanied by partial interest rate matching.

Consequently, Crédit Agricole S.A. has a high level of financial cohesion, with limited spreading of financial risks, particularly liquidity risk. Nevertheless, the various entities are responsible for managing the risk that remains at their level, within the limits assigned to them.

The limits are determined by the Chief Executive Officer of Crédit Agricole S.A. within the Group Risk Committee, approved by Crédit Agricole S.A.'s Board of Directors and concern the Crédit Agricole S.A. Group scope:

- subsidiaries taking asset and liability risks must adhere to limits set by the Crédit Agricole S.A. Group Risk Committee;
- methods of measuring, analysing and managing Crédit Agricole S.A. assets and liabilities are defined by Crédit Agricole S.A. Regarding the Retail banking balance sheets in particular, a consistent system of run-off conventions and models has been adopted for the Regional Banks, LCL and the international subsidiaries;
- Crédit Agricole S.A. consolidates the subsidiaries' measurements of their asset and liability risks. The results of these measures are monitored by the Crédit Agricole S.A. Liquidity and ALM (Asset Liability Management) Committee;
- Crédit Agricole S.A.'s Financial Management department and Risk Management and Permanent Controls department take part in meetings of the ALM Committees of the main subsidiaries.

Within the Regional Banks, the Boards of Directors set the limits for the overall interest rate risk and the trading portfolio and determine the alert thresholds for the management of their investment portfolios (available-for-sale securities). These limits are monitored by Crédit Agricole S.A.

II. Global interest rate risk

Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 ("CRR2"), amending Regulation (EU) 575/2013, introduced new publication requirements under Pillar 3 with regard to global interest rate risk. The anticipated qualitative information, set forth in Article 448, covers certain topics that until now have been covered in the section entitled "Risk management".

For greater readability, all information related to measuring and managing the global interest rate risk is included in the section "Pillar 3 Disclosures" of Chapter 3 "Risks and Pillar 3". With regard to the management of global interest rate risk, see paragraphs a) and b) of the section 3.7.1 "Qualitative information on interest rate risk management in the banking portfolio".

III. Foreign exchange risk

Foreign exchange risk is treated differently depending on whether it relates to structural foreign exchange positions (revalued through OCI) or to operational foreign exchange positions (revalued through P&L).

1. Structural foreign exchange risk

The Crédit Agricole Group's structural foreign exchange risk arises from long-term investments by the Group in assets denominated in foreign currencies (equity of the international operating entities, whether resulting from acquisitions, transfers of funds from the head office, or capitalisation of local earnings), with the Group's reference currency being the euro.

At 31 December 2022, Crédit Agricole S.A.'s main structural foreign exchange positions, on a gross basis before hedging, were in US dollars and currencies pegged to the dollar (in particular the Hong-Kong dollar), in Swiss francs, pounds sterling, Chinese yuan, Polish zloty, Japanese yen and Egyptian pounds.

The main principles of the management of structural foreign exchange positions are:

- over the next year, the coverage of the portion of structural positions that are expected to become operational positions (results in the process of being formed that are expected to be distributed, shares that are expected to be sold in the near future);
- over a more medium/long term horizon, an adjustment to the level of hedging of structural foreign exchange positions in order to immunise the Group's CET1 ratio against exchange rate fluctuations. This should include the implementation of new hedging in the event of over-immunisation or the termination of existing coverage in the event of under-immunisation.

  An entity may, however, choose not to hedge a position denominated in a currency that is over-immunised if the cost of the hedge is considered too high in relation to the profit earned or the amount of the position in question is not material.

Five times a year, the Group structural foreign exchange positions are presented to Crédit Agricole S.A. Liquidity and ALM (Asset Liability Management) Committee, which is chaired by the Chief Executive Officer.

2. Operational foreign exchange risk

Operational foreign exchange risk arises from income and expenses of all kinds that are denominated in currencies other than the euro (provisions, net income generated by international subsidiaries and branches, dividends in foreign currencies, etc.), and from balance sheet imbalances.

Crédit Agricole S.A. manages the positions affected by foreign currency income and expenses that appear on its books, as does each entity within the Group that bears significant risk. The Treasury departments of international subsidiaries' manage their operational foreign exchange risk in their local currency.

The Group's general policy is to limit its operational foreign exchange positions and not to hedge revenues that have not yet materialised, unless there is a strong probability that losses will materialise and unless the impairment risk is high.

In accordance with the foreign exchange risk monitoring and management procedures, operational foreign exchange positions are updated monthly or daily for foreign exchange trading operations.

IV. Liquidity and financing risk

Like all credit institutions, the Group is exposed to liquidity risk, i.e. the risk of not having sufficient funds to honour its commitments. This risk could materialise if, for instance, there were a general crisis of confidence among investors in the money and bond markets or massive withdrawals of customer deposits.

1. Objectives and policy

The Group's primary objective in managing liquidity is to ensure that it has sufficient resources to meet its requirements in the event of any type of severe, prolonged liquidity crisis.

To manage this, Crédit Agricole S.A.uses an internal liquidity risk management and control system whose objectives are:

- to maintain liquidity reserves;
- to match these reserves with future liabilities coming due;
- to organise its refinancing (to achieve an appropriate short and long-term refinancing time frame and diversify sources of refinancing);
- to ensure a balanced development between customer loans and deposits.

The system includes indicators, limits and alert thresholds. These are calculated and monitored for all Group entities and consolidated to allow monitoring of liquidity risk across the whole Crédit Agricole Group scope.

It also incorporates compliance with regulatory liquidity constraints. The LCR, the NSFR and the Additional Liquidity Monitoring Metrics (ALMM), calculated on a company or sub-consolidated basis for the Group entities in question and on a consolidated basis for the Group, are disclosed in monthly (LCR/ALMM) or quarterly (NSFR) reports to the ECB.

2. Methodology and governance of the internal liquidity risk management and control system

Crédit Agricole Group's liquidity risk management and control system is built around indicators defined in a standard and divided into four separate groups:

- short-term indicators derived largely from simulations of crisis scenarios. The purpose of these is to schedule maturities and volumes of short-term refinancings as a function of liquidity reserves, cash flow from commercial activity and repayment of long-term debt;
- long-term indicators used to assess and schedule long-term debt maturities: limits on maturity concentrations, allowing the Group to anticipate its refinancing needs and avoid any risk of difficulties with refinancing on the markets;
- diversification indicators, which allow the Group to monitor and manage concentrations of sources of market refinancing (by refinancing channel, type of debt, currency, geographic area, investor);
- cost indicators used to measure the short-term and long-term trends in the Group's issue spreads and their impact on the cost of liquidity.

The Standards and Methodology Committee is responsible for validating the definition of these indicators and any changes in them proposed by Crédit Agricole S.A.'s Group Finance department, on the advice of the Group Risk Management and Permanent Controls department.

The Crédit Agricole S.A. Board of Directors approves the general policy for Group liquidity risk management and sets limits for key indicators in light of the Group's liquidity risk appetite. The Group Risk Committee, which proposes these limits to the Board of Directors, determines how they are translated to each of the Group's constituent entities.

Accordingly, each subsidiary of Crédit Agricole S.A. and each Regional bank is notified of the limits for the indicators controlled at Group level. In addition to this translation of the Group system, the ALM Committees of these entities define a specific set of limits for the risks relating to their own business. They are also free to decide locally to apply a stricter control than that required by the Group.

3. Liquidity management

Crédit Agricole S.A. controls the management of liquidity risk. The Finance department is responsible, in respect of short-term refinancing, for:

- setting spreads on short-term funds raised under the various programmes (mainly negotiable certificates of deposit – NCDs);
- centralising assets eligible for refinancing by the central banks of Group entities and specifying the terms and conditions of use in the framework of tenders;
- monitoring and forecasting cash positions.

And in respect of long-term refinancing, for:

- assessing needs for long-term funds;
- planning refinancing programmes to meet these needs;
- executing and monitoring these programmes over the course of the year;
- reallocating the funds raised to Group entities;
- setting prices for liquidity in intragroup flows.

Long-term refinancing programmes comprise various instruments (see below). The body in charge of these tasks at an operational level is the Group's Treasury and Liquidity Committee, which reviews all matters relating to liquidity issues ranging from intraday to medium/long-term. It proposes policy directions for the Group's Asset-Liability Management and Capital Liquidity Committee.

The Asset-Liability Management and Capital Liquidity Committee, chaired by the Deputy General Manager and Chief Financial Officer of Crédit Agricole S.A. (who is also informed of the Group's liquidity position) is responsible for all key decisions concerning the management of funding programmes, the launch of new programmes, the validation of funding budgets and management of the balance between loans and deposits.

If funding markets tighten, a Committee is set up by the Executive Management, the Group Risk Management and Permanent Controls department and the Group Finance department in order to keep a close watch on the Group's liquidity situation.

4. Quantitative information

4.1 Cash balance sheet at 31 December 2022

In order to provide simple, pertinent and auditable information on the Group's liquidity position, the cash balance sheet long-term sources surplus is calculated quarterly.

The cash balance sheet is derived from Crédit Agricole Group's IFRS financial statements. It is based on the definition of a comparison table between the Group's IFRS financial statements and the sections of the cash balance sheet, the definition of which corresponds to that commonly accepted in the market.

It relates to the banking scope, with insurance activities being managed in accordance with their own specific prudential constraints.

Further to the breakdown of the IFRS financial statements in sections of the cash balance sheet, netting calculations are carried out. They relate to certain assets and liabilities that have a symmetrical impact in terms of liquidity risk. Deferred taxes, fair value impacts, collective impairments, short-selling transactions and other assets and liabilities were netted for a total of €38 billion at end-December 2022. Similarly, €94 billion in repos/reverse repos were eliminated insofar as these outstandings reflect the activity of the securities desk carrying out securities borrowing and lending transactions that offset each other. Other nettings calculated in order to build the cash balance sheet – for an amount totalling €202 billion at end-December 2022 – relate to derivatives, margin calls, adjustment/settlement/delivery accounts and to non-liquid securities held by corporate and investment banking (CIB) and are included in the “Customer-related trading assets” section.

Note that deposits centralised with Caisse des Dépôts et Consignations are not netted in order to build the cash balance sheet; the amount of centralised deposits (€81 billion at end-December 2022) is booked to assets under “Customer-related trading assets” and to liabilities under “Customer-related funds”.

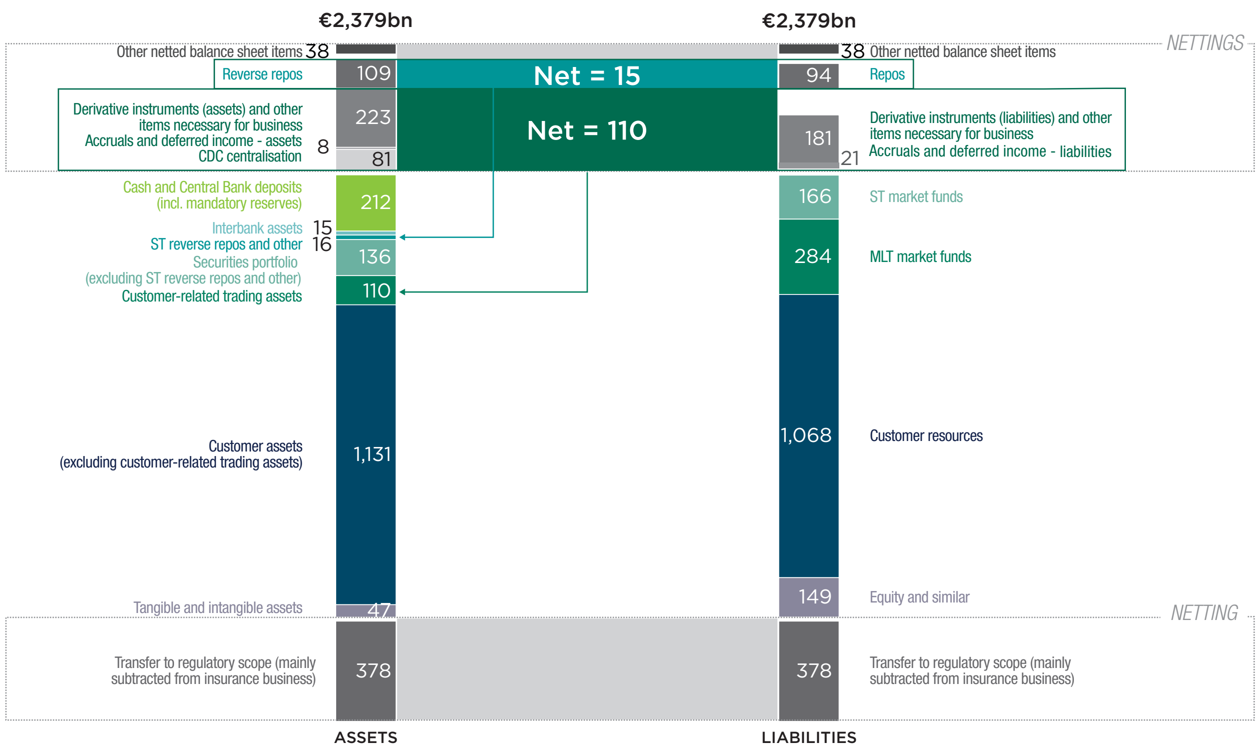
In a final stage, other restatements reassign outstandings that accounting standards allocate to one section, when they are economically related to another. As such, senior issues placed through the banking networks as well as financing by the European Investment Bank, the Caisse des Dépôts et Consignations and other refinancing transactions of the same type backed by customer loans, which accounting standards would classify as “Long-term market funds”, are reclassified as “Customer-related funds”.

Note that for Central Bank refinancing transactions, outstandings related to the TLTRO (Targeted Longer-Term Refinancing Operations) are included in “Long-term market funds”. The TLTRO III operations do not allow for early redemption by the ECB and, given their three-year contractual maturity, are equivalent to long-term secured refinancing, identical in liquidity risk terms to a secured issue.

Medium to long-term repurchase agreements are also included in “Long-term market funds”.

Finally, the CIB’s counterparties that are banks with which we have a commercial relationship are considered as customers in the construction of the cash balance sheet.

— Crédit Agricole Group cash balance sheet before netting at 31 December 2022



Standing at €1,667 billion at 31 December 2022, the Group’s banking cash balance sheet shows a surplus of stable funding resources over stable application of funds of €213 billion, down €66 billion compared to end-December 2021, due in particular to the repayment of a significant share of TLTRO III resources (€71 billion) raised in the context of the Covid-19 crisis.

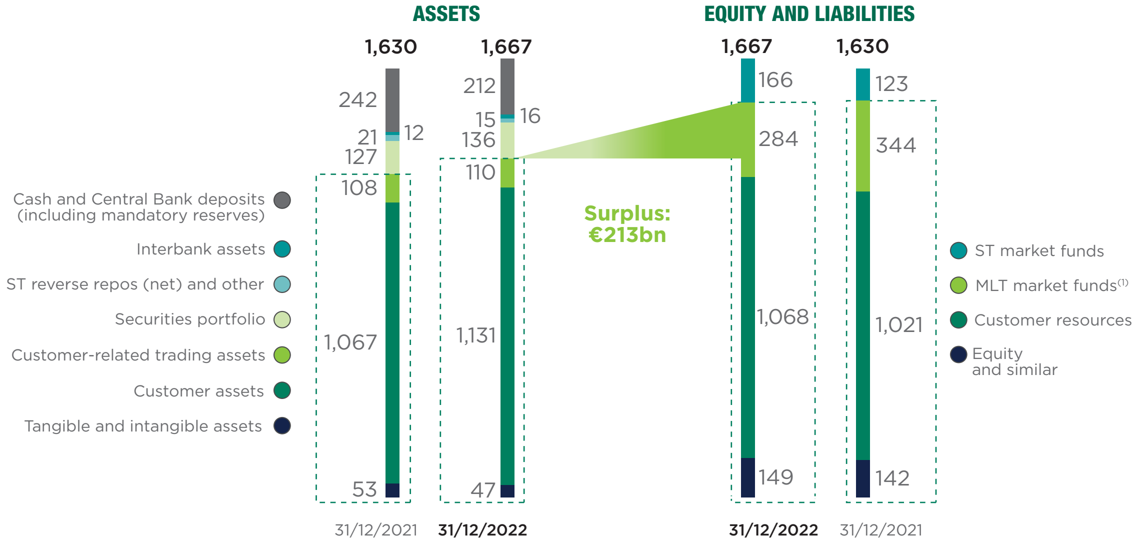
Total TLTRO III outstandings for the Crédit Agricole Group amounted to €91 billion[1] at 31 December 2022. *Note that the bonus applicable to the refinancing rate for these operations was spread over the drawdown period until 23 November 2022, in accordance with the ECB’s announcement of 27 October 2022. The additional bonus was spread over the duration of the additional bonus period considered. Consequently, the special interest rate applicable to the refinancing rate for these operations for the second period (June 2021 to June 2022) was taken into account in Q2 2022 for all drawdowns.* Internal steering does not factor in the temporary surplus of stable funding resources resulting from the increase in TLTRO III financing, in order to secure the Medium-Term Plan target of €110 billion to €130 billion in surplus of stable funding resources, independently of the future repayment strategy.

In addition, the Group recorded strong commercial activity in 2022, with a €47 billion increase in customer deposits and a €66 billion increase in loans and trading assets.

Furthermore, given the excess liquidity, the Group posted a short-term lending position at 31 December 2022 (central bank deposits and short-term replacements exceeding the amount of short-term debt).

(1) Excluding FCA Bank.

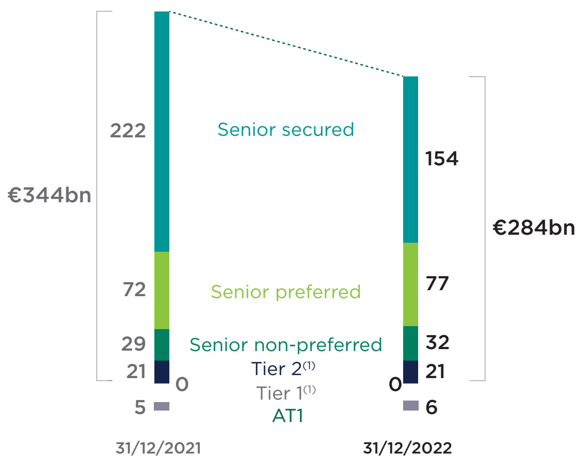
— Crédit Agricole Group cash balance sheet at 31 December 2022



(1) MLT market resources include TLTRO drawdowns.

Medium-to-long-term market resources were €284 billion at 31 December 2022, down by €60 billion over the financial year due in particular to the repayment of a significant share of TLTRO III resources. Excluding the impact of TLTRO III, medium- and long-term market resources increased by €11 billion over the year, driven by a sustained market refinancing plan.

— Changes in long term market resources of the Crédit Agricole Group



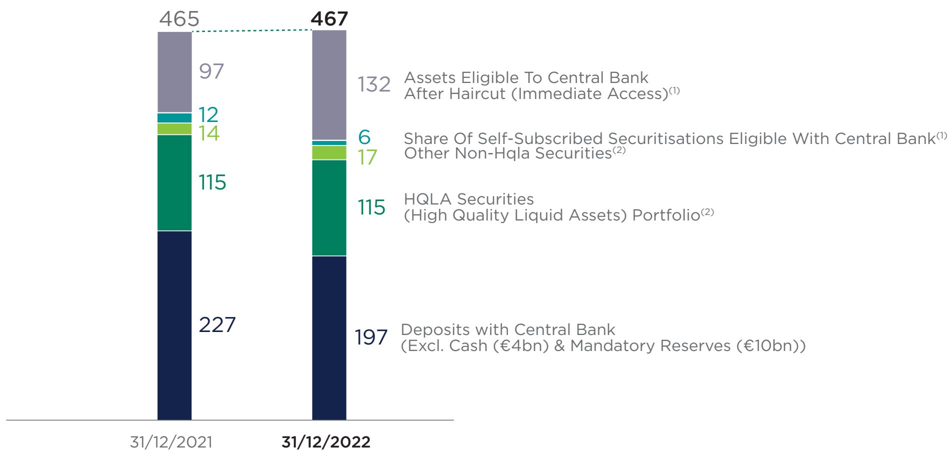
(1) Notional amount.
Accounting view (excluding solvency prudential adjustement).

4.2 Change in the Crédit Agricole Group's liquidity reserves

Liquidity reserves after haircuts totalled €467 billion at 31 December 2022. They covered short-term debt more than three times over (excluding the replacements with Central Banks).

They remain at a high level, the significant repayment of a portion of TLTRO III resources having had a minimal impact overall but nevertheless leading to a change in the structure of the liquidity reserves (decrease in Central Bank deposits offset by the payment in full of eligible loans previously used as collateral for TLTRO III operations). Crédit Agricole Group also continued its efforts to maintain immediately available reserves (after recourse to ECB financing). Assets eligible for Central Bank refinancing after haircuts totalled €142 billion.

— Liquidity reserves of the Crédit Agricole Group at 31 December 2022



(1) Eligible for central bank refinancing for potential LCR coverage.
(2) Available securities at market value after haircut.

Available liquidity reserves at end-2022 comprised:

- €132 billion in receivables eligible for central bank refinancing operations after the ECB haircut;
- €6 billion in self-held securitisation units that are eligible for central bank refinancing operations, after haircut;
- €197 billion in central bank deposits (excluding cash and mandatory reserves);
- a securities portfolio amounting to €132 billion after haircut, consisting of HQLA marketable securities of €115 billion and other marketable securities of €17 billion after liquidity haircut (including €4 billion eligible for central bank refinancing).

Liquidity reserves in 2022 averaged €467 billion.

The allocation of limits arising from Crédit Agricole Group's liquidity risk management and control system to each Crédit Agricole S.A. subsidiary and Regional bank ensures that local liquidity risks are matched by adequate coverage from reserves.

4.3 Regulatory ratios

Since March 2014, Eurozone credit institutions have been obliged to report to their supervisory authorities their Liquidity Coverage Ratio (LCR), as defined by the EBA (European Banking Authority). The aim of the LCR is to boost the short-term resilience of banks' liquidity risk profile by ensuring that they have 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.

Credit institutions are subject to a threshold for this ratio, set at 100% since 1 January 2018.

12-month average at 31/12/2022 *(in billions of euros)*	**Crédit Agricole Group**	**Crédit Agricole S.A.**
Liquidity buffer	403.5	373.2
Total net cash outflows	241.9	253.5
Liquidity Coverage Ratio (LCR)	167.3%	147.9%

Note: the average LCRs reported above now correspond to the arithmetic mean of the last 12 month-end ratios reported over the observation period, in compliance with the requirements of the European CRR2 regulation.

The average LCR ratios over 12 months for Crédit Agricole Group and Crédit Agricole S.A. were respectively 167.3% and 147.9% at end-December 2022. They exceeded the Medium-Term Plan target of around 110%.

In the context of the Covid-19 health crisis, the high level of the LCRs of the Crédit Agricole Group and Crédit Agricole S.A. is in line with the Group's use of TLTRO III drawdowns through the ECB.

In addition, since 28 June 2021, eurozone credit institutions have been obliged to report to their supervisory authorities their Net Stable Funding Ratio (NSFR), as defined by the EBA (European Banking Authority). The NSFR is intended to ensure that the institution has sufficient "stable" resources (i.e. with an initial maturity greater than one year) to finance its medium-to-long-term assets.

Credit institutions are subject to a threshold for this ratio, set at 100% since 28 June 2021.

12-month average at 31/12/2022 *(in billions of euros)*	**Crédit Agricole Group**	**Crédit Agricole S.A.**
Stable financing requirement	1,015.8	835.8
Available stable financing	1,198.5	954.5
Net Stable Funding Ratio (NSFR)	118.0%	114.2%

5. Refinancing strategy and conditions in 2022

2022 was marked by a sustained, strong return of inflation, compounded by the war in Ukraine, supply chain problems due to the lockdown measures in China, and high volatility in the commodities market. These combined factors drove the central banks into an accelerated cycle of rate hikes and the progressive end of their bond purchase programmes amid concerns about the extent of the impact on growth. This contributed to high volatility in the markets, with temporary closures of the primary market and an increase in credit spreads and rates, making the cost of financing more expensive for issuers.

In Europe, in order to curb inflationary pressures, the European Central Bank (ECB) increased its benchmark interest rates to 2.5% at the end of 2022, gradually reduced its purchase programmes (Asset Purchase Programme, Pandemic Emergency Purchase Programme, Covered Bond Purchase Programme) and decided to modify TLTRO terms. From November 2022, the TLTRO rate became the same as the deposit facility rate, encouraging banks to anticipate the repayment of their drawdowns from the central bank. In this environment, the volume of covered bonds issued in 2022 by financial institutions was significantly higher than those issued in previous years (€206 billion vs €98 billion in 2021), similarly for the senior format (€202 billion vs €159 billion in 2021) and to a lesser extent for the subordinated format (€39 billion vs €33 billion in 2021). Across the Atlantic, the US Federal Reserve (Fed) also increased its benchmark interest rate from a range of 0%–0.25% to 4.25%–4.50% during 2022.

The second half of 2022 was marked by slightly lower inflation figures in the eurozone (9.2% in December vs 10.1% in November), mainly due to government measures regarding energy costs in particular and a slowdown by central banks in raising interest rates from already high levels. In this context, the fourth quarter was exceptionally dynamic in the primary market, with rates and credit spreads trending downwards and significant volumes raised on the markets.

V. Hedging policy

Within Crédit Agricole S.A., derivative instruments are used for three main purposes:

- to meet demand from Group customers;
- to manage the Group's financial risks;
- to take positions for the Group's own account (as part of specific trading activities).

Derivatives not held for hedging purposes (as defined by IAS 39[1]) are classified as derivative instruments held for trading and are monitored for market risk as well as counterparty risk, where applicable. Certain derivative instruments may be held for the economic hedging of financial risks, without however meeting the IAS 39 criteria. They are also classified as derivative instruments held for trading.

In all cases, the intent of the hedge is documented at the outset and verified quarterly by appropriate tests (forward-looking and backward-looking).

Each Group entity manages its financial risks within limits set by the Group Risk Committee chaired by the Chief Executive Officer of Crédit Agricole S.A.

The charts in Note 3.4 to the consolidated financial statements give the market values and notional amounts of hedging derivatives.

1. Fair value hedges and cash flow hedges

All information relating to the policy for hedging global interest rate risk is grouped together in the "Pillar 3 Disclosures" section of Chapter 3 "Risks and Pillar 3" in the text of paragraph f) of the section 3.7.1 "Qualitative information on interest rate risk management in the banking portfolio".

2. Net investment hedges in foreign currencies

A third hedging category relates to the hedging of investments made in the entities (mostly international subsidiaries and branches) whose functional currency is different to that of the Group. The level of hedging is adjusted by currency, primarily in order to immunise the Group's CET1 ratio against foreign exchange rate fluctuations. These hedging derivatives used for international investments (mainly currency bonds and exchange rate swaps) are subject to net investment hedge documentation. The changes in hedge value associated with the hedged risk (i.e. foreign exchange risk) are recorded, for the effective portion, through other comprehensive income that can be reclassified, where the amount of the hedged foreign currency asset is greater than or equal to the nominal (or notional) amount of the hedging instrument. Any ineffectiveness is recognised directly through profit or loss.

(1) In accordance with a decision made by the Group, Crédit Agricole S.A. chooses not to apply the IFRS 9 "hedge accounting" option, as allowed by the standard. All hedging relationships continue to be documented in accordance with the rules of IAS 39, until, at the latest, the date of application of the regulations on fair value macro hedges when adopted by the European Union. However, hedge accounting under IAS 39 uses the classification and measurement principles of IFRS 9 to decide which financial instruments qualify.

2.7 INSURANCE SECTOR RISKS

The information in this section supplements Note 4 to the consolidated financial statements of Crédit Agricole Assurances and is covered by the Statutory Auditor's Report on the consolidated financial statements.

In view of the predominance of its savings and retirement activities, the Crédit Agricole Assurances Group is more particularly exposed to market risks (equity risk, spread risk) and asset/liability risks (liquidity and interest rate risk). The Crédit Agricole Assurances Group also faces insurance risks. Lastly, it is exposed to operational risk linked to non-compliance risk and to legal risk particularly in process execution.

I. Governance and organisation of risk management in the Crédit Agricole Assurances Group

The risk governance system of the Crédit Agricole Assurances Group is based on the following principles:

- it is within the remit of the control function mechanism at Crédit Agricole S.A. level that includes the Group Risk Management and Permanent Controls business line, which is responsible for steering (supervision and prevention) and second-degree control, the Internal Audit business line, which is responsible for periodic control, and the Compliance business line. In addition to these functions is the Actuarial function at the Crédit Agricole Assurances level, as required by insurance company regulations;
- it is overseen by the Risk Management function of the Crédit Agricole Assurances Group, which heads the "Risk Management" business line, supervises the systems, and uses Group standards and principles to ensure that subsidiary risk management systems are compliant. It is supported by experts for each major risk category;
- it is based on the principle of subsidiarity. Each Crédit Agricole Assurances Group entity is responsible for defining and implementing its solo risk management policy, in accordance with Crédit Agricole S.A. principles and rules, the principles and rules for the management of Crédit Agricole Assurances Group, and local regulations for international subsidiaries.

Risk governance falls on:

- Executive Management (the CEO and second Executive Directors as defined by Solvency 2) and the Board of Directors, ultimately responsible for the Crédit Agricole Assurances Group's compliance with all applicable regulations and legislation;
- the Crédit Agricole Assurances Executive Committee, which is the primary strategic body of the Group's Executive Management and the Group committees (in particular the Finance Committee, the Risks and Internal Control Committee, the ALM and Investment Committee and the Reinsurance Strategy Committee);
- the four key functions (Risks, Compliance, Actuarial function, Internal Audit), whose representatives have been appointed by the Chief Executive Officer. Their appointment is validated by the Board of Directors and notified to the competent national supervisory authority. The four key functions are coordinated by the Risk and Internal Control Committee of the Crédit Agricole Assurances Group. The heads of the key functions have direct access to the Board of Directors, to whom they present the results of their work at least once a year;
- an internal control system, defined as the framework designed to manage and control all types of operations and risks and to ensure that all transactions are carried out in a manner that is proper (in compliance with regulations), secure and effective. Crédit Agricole Assurances asks its Board of Directors to validate its risk policies;
- the internal process for evaluating Crédit Agricole Assurances Group's solvency and risks (Organisational Readiness Self-Assessment – ORSA), synchronised with the other MTP/Budget strategic processes, capital planning and the updating of the risk framework and business line policies. Prospective assessments completed within this framework make it possible to analyse the consequences of adverse situations on the Group's management indicators and to take the necessary action, where appropriate.

1. Organisation of risk management

The risk management system of the Crédit Agricole Assurances Group is managed by the Head of the Risk Management function, who reports operationally to the Crédit Agricole Assurances Chief Executive Officer and hierarchically to the Group Chief Risk Officer of Crédit Agricole S.A. It is supported by the Risk Managers of the entities that report to it hierarchically, for French entities, and functionally, for international entities. The Insurance Risk business line operates like a matrix, combining entity-level organisations with Group approaches by type of risk.

The hierarchical reporting by business line guarantees independence, with a "second pair of eyes" role (to issue a recommendation) to back the operating functions, which manage risks day-to-day, make decisions and exercise first-level controls to ensure that their processes are performed properly.

2. Risk management system

At Crédit Agricole Assurances Group level

The Crédit Agricole Assurances Group has established a risk appetite framework that must be adhered to in order to achieve its strategic orientations by controlling and managing its risks appropriately. This consists of key indicators for each risk category that constitute the core of its risk framework.

The risk framework implemented by the Crédit Agricole Assurances Group is based on the overall risk management framework and the limits and alert thresholds for the range of different risks it is exposed to through the implementation of its strategy.

It is reviewed at least annually and validated, along with the risk appetite statement, by the Board of Directors of Crédit Agricole Assurances, after examination by the Crédit Agricole S.A. Group Risk Committee (a sub-committee of Crédit Agricole S.A. Executive Committee, chaired by its Chief Executive Officer) of the indicators and major limits. Crédit Agricole Assurances' Executive Management and Board of Directors or even the Risk Committee of the Crédit Agricole S.A. Group, depending on the scope of its authority, are notified of any breaches of alert thresholds or limits and any resulting corrective measures.

The quarterly risk dashboard of Crédit Agricole Assurances Group, supplemented by a monthly report, is used to monitor the Group's risk profile and identify potential deviations.

The Board of Directors receives regular updates on compliance with the risk appetite framework.

Dedicated bodies have been established to manage risk consistently at Group level: the Risk Monitoring Committee, which meets bi-monthly, and the Financial Risk Committee, which meets monthly; portfolios are reviewed by asset type and current risks are reported monthly to the Executive Committee.

Moreover, a Committee on Insurance Models at the level of the Crédit Agricole Assurances Group, steered by the Risk Management business line, approves the methodologies underpinning the models and indicators used to address major risks for Crédit Agricole Assurances Group or presenting cross-sector challenges for the Crédit Agricole Assurances Group.

At entity level

In accordance with the Group framework, companies define their own risk monitoring and control systems: process and risk mapping resulting in a risk framework that defines, according to their risk appetite, the Crédit Agricole Assurances Group's global limits in accordance with a process coordinated by the holding company, accompanied if necessary by limits to manage their specific risks.

The entities also draw up formal policies and procedures providing a strict framework for risk management (including the rules for accepting risk when insurance policies are taken out, provisioning and hedging of technical risks by reinsurance, claims management etc.).

For its international subsidiaries, Crédit Agricole Assurances has drawn up a set of standards to be implemented by each entity, which sets out the scope and rules for decentralised decision-making and specifies the rules to follow during the decision-making process.

Operational risk management is supervised in each entity by committees that meet periodically (investment, ALM, technical, reinsurance and others) in order to monitor developments in the risk position, based on reporting by business lines, present analyses to support the risk management process, and, if necessary, draw up proposals for action. Significant incidents and limit breaches lead to alerts being triggered and notified either to the Crédit Agricole S.A. Group's Risk Management department (for Crédit Agricole Assurances group-level limits), or to Crédit Agricole Assurances Executive Management or the entity's management. Corrective measures are implemented accordingly.

The risk management system is examined during meetings of the Risk Management and Internal Control Committees of each subsidiary, in light of the permanent control reports, the analysis of their Risk dashboard and the conclusions of periodic controls.

II. Market risk

In view of the predominance of savings activities in the French and international (Italy mainly) life insurance subsidiaries, and therefore the very large volume of financial assets held to cover policyholder liabilities, the Crédit Agricole Assurances Group is particularly concerned by market risks.

Market risk is the risk of loss that can result from fluctuations in the price of financial instruments in a portfolio.

The Crédit Agricole Assurances Group is exposed to several types of market risk:

- interest rate risk;
- equity risk;
- foreign exchange risk;
- spread risk. This risk is fully described in a specific section.

In particular, these risks have an impact on the valuation of portfolio assets and their long-term yield, and must be managed closely with matching liabilities and, particularly for life insurance, with guarantees granted to policyholders (minimum guaranteed rate, floor guarantee etc.).

Liquidity risk is monitored specifically.

Thus, the Crédit Agricole Assurances Group's financial policy provides for an asset/liability framework aimed at reconciling objectives of seeking yield for policyholders, conserving ALM balances and delivering shareholder value. This framework is based on "risk/yield" analyses, "stress scenarios", and "risk factor sensitivity analyses" to identify the characteristics of the amounts to invest, the limitations and targets over short/medium and long-term horizons, with market analysis, supported by economic scenarios, to identify opportunities and limitations in terms of the environment and the market.

The Investment department of Crédit Agricole Assurances is involved in developing and monitoring implementation of the investment policies of Crédit Agricole Assurances Group and of the subsidiaries (taking into account individual ALM limitations and financial targets), which are submitted to their respective Board of Directors for approval. It is responsible for oversight of the investment management services provided by Amundi (management mandates granted by the companies). Moreover, it makes investments directly (without a mandate) on behalf of the Crédit Agricole Assurances Group companies (in real estate and infrastructure, in particular), as part of the policy of diversification.

1. Interest rate risk

Type of exposure and risk management

Interest rate risk refers to the risk of a change in the value of the bond portfolio due to upward or downward movements in interest rates.

The Crédit Agricole Assurances Group's bond portfolio, excluding unit-linked policies and excluding UCITS, amounted to €186 billion at 31 December 2022 (in market value), compared to €232 billion at end-2021.

Interest rate risk for the life insurance companies is linked to interactions between assets (financial management) and liabilities (policyholder behaviour). Management of this risk requires a global approach combining financial strategy, the constitution of reserves and sales and income policies. Crédit Agricole Assurances' framework for managing interest rate risk sets out the limits on risks and the related (ALM Committee, presentation of stress scenarios to the Board of Directors etc.).

A risk arising from an increase in interest rates could occur if there is a gap between the rate of return delivered by the insurer (related to bond yields) and the rate expected by policyholders in a high-rate environment, or the rate achieved by other savings vehicles. This could result in a wave of redemptions by policyholders, forcing the insurer to dispose of assets, notably bonds, with unrealised losses (which would generate losses).

Crédit Agricole Assurances thus implements measures to manage the risk of a rise in rates:

- adjustment of asset duration according to projected outflows of liabilities;
- retention of liquidities or liquid investments with a low risk of loss;
- dynamic management of the investment portfolio and setting aside reserves to provide the capacity to increase the return (capitalisation reserve, and profit-sharing reserves);
- upward interest rate hedging through derivatives;
- building customer loyalty to limit early redemptions.

A low interest rate environment puts pressure on the profitability of the life insurance activities of Crédit Agricole Assurances: it creates a situation in which returns from securities in the portfolio are lower than the rates paid out on life insurance contracts. Risks related to the minimum guaranteed returns in France are handled at regulatory level by means of prudential provisions.

Crédit Agricole Assurances also has a range of levers to tackle this risk of falling rates:

- no longer issuing policies with a guaranteed minimum rate above zero (since 2000 for the main French life insurance company), so that the overall average guaranteed minimum rate has steadily fallen;
- moderation of the profit-sharing paid;
- hedging using bond assets and swaps/swaptions to manage reinvestment risk;
- adaptation of ALM and investment policies to the very low interest rate environment;
- prudential increase in the weight of diversification assets;
- adaptation of the sales policy in favour of deposits to unit-linked contracts.

The Crédit Agricole Assurances Group's dashboard, presented to the Executive Committee, includes indicators to monitor the nature of this risk: average guaranteed minimum rate, bond portfolio coverage ratio, allocation to reserves, etc.

Analysis of sensitivity to interest rate risk

Technical liabilities

The Crédit Agricole Assurances Group's technical liabilities are largely insensitive to rate risks for the following reasons:

- **savings provisions** (over 90% of technical reserves, excluding unit-linked policies): these technical reserves are based on the pricing rate which is constant over time for a particular policy. As a result, a change in interest rates will have no impact on the value of these commitments;
- **property and casualty reserves**: these technical reserves are not discounted to present value and changes in interest rates therefore have no impact on the value of these commitments;
- **mathematical reserves for benefits** (personal injury, disability): the discount rate used in calculating these reserves is based on the interest rate in force at the calculation date. Therefore, the size of these commitments varies with interest rates. However, given the limited amount of these technical commitments, they pose no material risk for the Crédit Agricole Assurances Group.

Financial investments

The sensitivity to rate risk of the Crédit Agricole Assurances Group's bond portfolio is used to assess the impact of a rate movement. It is calculated by assuming a 100-basis point rise or fall in interest rates (net of policyholders' deferred profit-sharing and tax):

(in millions of euros)	31/12/2022		31/12/2021	
	Impact on net income	**Impact on equity**	**Impact on net income**	**Impact on equity**
100 bps rise in risk-free rates	(58)	(1,600)	(63)	(2,035)
100 bps decline in risk-free rates	58	1,600	85	2,039

This table shows the immediate mechanical impact on the asset portfolio on a static balance sheet basis, i.e. without taking into account future production. It therefore does not take into account the impact over time of a change in rates on returns and on insurance revenues. The impacts are calculated on the basis of IFRS 4.

The impacts presented above take the following elements into account:

- the profit-sharing rate for the entity holding the financial investments;
- the tax rate in force.

Where securities are recognised as assets at fair value through equity, the impacts are presented in the "Impact on equity" column. Where they are recognised as assets at fair value through profit or loss, the impacts are presented in the "Impact on net income" column.

To reiterate, Crédit Agricole S.A. uses the overlay approach for financial assets held for the purpose of an activity involving insurance contracts, which are designated in accordance with the option provided by the amendments to IFRS 4 (this approach is explained in Note 1 to the Crédit Agricole Assurances consolidated financial statements). The sensitivity of designated assets is recorded in shareholders' equity.

Financing debt

Borrowings arranged by the Crédit Agricole Assurances Group mainly pay fixed rates; interest is therefore not very sensitive to changes in interest rates.

2. Equity and other diversification asset risk

Type of exposure and risk management

Exposure to the equity markets and other so-called diversification assets (private equity and listed or unlisted infrastructures, real estate and alternative management) is intended to capture yield in these markets (notably with a low correlation between real estate and other asset classes). Market risk on equities and other diversification assets is defined as a risk of volatility in terms of valuation and therefore, an accounting provisioning risk that could have an impact on policyholder compensation (provision for permanent impairment, provision for liquidity risk). To limit this effect, particularly for the life insurance portfolios, allocations are analysed to determine a ceiling for the share of these diversification assets and a maximum volatility level.

Equities and other diversification assets are held directly or via dedicated Crédit Agricole Assurances Group UCITS to provide regional diversification, in accordance with the relevant risk policies. Exposure to these assets is managed by a series of limits (by asset class and overall for the diversification) and concentration rules.

Compliance with these limits is monitored on a monthly basis.

The main asset classes in the global portfolio are presented in Note 6.4 to the consolidated financial statements. The fair value of financial assets and liabilities recognised at acquisition cost in the balance sheet is disclosed in Note 6.5.1 to the consolidated financial statements. Both items can be found in the Crédit Agricole Assurances Universal registration document.

Analysis of sensitivity to equity risk

A quantified measurement of equity risk can be expressed by the sensitivity calculated by assuming a 10% rise or fall in equity markets (impacts are shown net of policyholders' deferred profit-sharing and tax):

(in millions of euros)	31/12/2022		31/12/2021	
	Impact on net income	**Impact on equity**	**Impact on net income**	**Impact on equity**
10% rise in equity markets	136	122	154	179
10% decline in equity markets	(138)	(122)	(156)	(179)

The impacts are calculated on the basis of IFRS 4.

The impacts presented above take the following elements into account:

- the profit-sharing rate for the entity holding the financial investments;
- the tax rate in force.

These sensitivity measurements include the impact of changes in the benchmark equity index on assets measured at fair value, reserves for guaranteed minimum return and reserves for the right to withdraw from unit-linked contracts as well as any additional impairment provisions required by a decline in equity markets.

Changes in the fair value of equity instruments at fair value through profit or loss impact net income; changes in the fair value of equity instruments classified as non-recyclable under the fair value option impact unrealised gains and/or losses.

Moreover, Crédit Agricole Assurances uses the overlay approach for financial assets held for the purpose of an activity involving insurance contracts, which are designated in accordance with the option provided by the amendments to IFRS 4 (this approach is presented in Note 1 to the consolidated financial statements). The sensitivity of designated assets is recorded in shareholders' equity.

3. Foreign exchange risk

Foreign exchange risk is defined as the risk of loss due to movements in foreign exchange rates against the euro. For Crédit Agricole Assurances, this risk is marginal, as shown by the sensitivity to foreign exchange risk, calculated by assuming a 10% rise or fall in each currency relative to the euro (impacts are shown net of policyholders' deferred profit-sharing and tax):

(in millions of euros)	31/12/2022		31/12/2021	
	Impact on net income	**Impact on equity**	**Impact on net income**	**Impact on equity**
10% rise of each currency relative to the euro	0.0	2.7	0.0	2.0
10% fall of each foreign currency relative to the euro	(0.0)	(2.2)	(0.0)	(1.7)

The impacts are calculated on the basis of IFRS 4.

Crédit Agricole Assurances' exposure to foreign exchange risk falls into two categories:

- limited structural exposure: in yen for the CA Life Japan subsidiary, with a hedging ratio of 96% (low net exposure of €4.3 million at end-2022) and in PLN for the CA Zycie subsidiary, with a hedging ratio of 85% (net exposure of €3.7 million at end-2022);
- operational foreign exchange exposure arising from a mismatch between the asset's currency and that of its liabilities: the Crédit Agricole Assurances Group's global portfolio, representing commitments in euros, is primarily invested in euro-denominated financial instruments. However, to achieve the aim of optimising risk/return and diversification, the Group seeks to profit from projected growth and interest rate differentials between major geographic areas, in dedicated funds and fixed-income mandates. The general foreign exchange risk hedging strategy is not to hedge exposure to the currencies of emerging economies, regardless of the asset class, and, in contrast, to hedge exposure to the currencies of mature countries, with the option of limited tactical exposure to the US dollar. Crédit Agricole Assurances Group's overall foreign exchange exposure is bound by a maximum market value limit relative to the total portfolio, and two sub-limits for emerging currencies and the US dollar.

4. Liquidity risk

Type of exposure and risk management

For Crédit Agricole Assurances, liquidity risk essentially corresponds to its ability to meet its current liabilities.

From this perspective, the companies combine several approaches.

On the one hand, liquidity is an investment selection criterion (majority of securities listed on regulated markets, limits on assets in markets that lack depth, such as private equity, unrated bonds, and alternative management etc.).

On the other hand, systems for managing liquidity are consistent across the Crédit Agricole Assurances Group, and are defined by the companies as part of their ALM policy:

- for life insurance companies, these systems have the goal to ensure a match between the maturities of assets and those of liabilities under normal and stressed conditions (wave of buybacks/deaths, see below the liquidity monitoring indicator). The objective is to ensure liquidity in the long-term (monitoring and limiting of annual cash run-off gaps), medium term (so-called "reactivity" ratio described below), and, in case of uncertainty regarding net inflows, short-term (one-week and one-month liquidity, with daily monitoring of redemptions). Temporary liquidity management mechanisms also exist for exceptional circumstances where markets are unavailable (repurchase agreements with collateral in cash or ECB-eligible assets);

- for non-life insurance companies, liquidities or assets with low reactivity are retained, and the share is calculated to respond to a shock to liabilities.

The "reactivity" ratio measures the ability to mobilise current assets of less than two years or variable-rate assets by limiting the impacts in terms of capital loss; it is measured and compared against a threshold set by each life insurance company.

Furthermore, in a situation of rising interest rates, the value of the securities purchased decreases, leaving the portfolio with an unrealised loss. An unexpected increase in redemptions could require insurance companies that have not made the necessary provisions to liquidate these fixed maturity investments in order to obtain cash to meet their commitments at a time when the prices of these assets are not favourable, which could result in significant losses on disposals for the Group. To remedy this situation, Crédit Agricole Assurances has implemented systems to measure, monitor and control liquidity risks. In particular, for several years now the Group has established a provision for policyholder profit-sharing (PPS) of €12.0 billion, or 5.7% of the euro assets at 31 December 2022. Crédit Agricole Assurances also has significant sources of cash through, in particular, the maturing of securities held and the cashing of coupons and dividends. At 31 December 2022, after one year of rising interest rates, the policyholders' deferred profit sharing, which represents the direct effects on policyholders' rights of the realisation of unrealised gains or losses on assets, was €16.8 billion (see Note 5.11 to the consolidated financial statements). The redemption rate of Predica, the Group's main savings and retirement subsidiary, was 3.5% (3.4% in 2021).

Profile of financial investment portfolio maturities

Note 6.6 to the consolidated financial statements of Crédit Agricole Assurances, which can be found in Part 6 of the Universal registration document, contains the bond portfolio maturity schedule (excluding unit-linked contracts).

Breakdown of financial liabilities by contractual maturity

Note 6.23 to the consolidated financial statements of Crédit Agricole Assurances, which can be found in part 6 of the Universal registration document, provides information on the estimated schedule for Crédit Agricole Assurances insurance liabilities (excluding unit-linked contracts for which the risk is borne by policyholders).

Financing

As a holding company, Crédit Agricole Assurances is responsible for subsidiary refinancing enabling them to meet their solvency requirements and operational cash needs. It is refinanced through its shareholder Crédit Agricole S.A. and, since 2014, through issuing subordinated debt directly in the market.

The structure of the financing debt and its breakdown by maturity is shown in Note 6.21 to the consolidated financial statements of Crédit Agricole Assurances (part 6 of the Universal registration document).

III. Counterparty risk

Credit risk is the risk of loss due to default by an issuer. For debt securities, this risk translates as a decrease in value.

This section deals only with counterparty risk on financial instruments. Exposure to counterparty risk on reinsurers' receivables is covered in the section on "insurance risk".

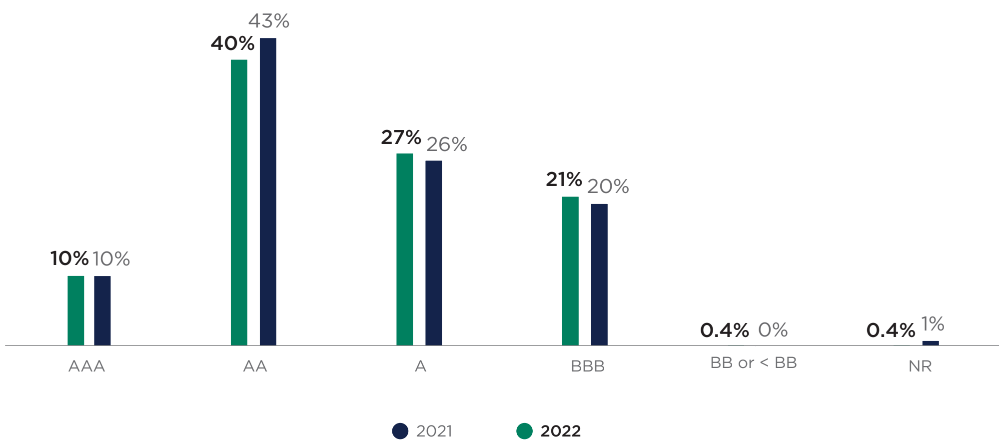
Amundi's risk management teams perform the analysis of counterparty risk for issuers and for OTC market transactions (derivatives) under the management mandates granted to them by the insurance companies.

Counterparty risk is contained overall for Crédit Agricole Assurances Group and at portfolio level for each entity on the basis of limits in terms of ratings, issuer and sector concentration.

Hence, aggregate limits are defined to manage the breakdown of issues between rating classes. The rating used is the "Solvency 2" rating corresponding to the second best of the three Standard & Poor's, Moody's and Fitch ratings. The share of "high-yield" issues held directly or indirectly via funds, is subject to strict limits. Only issues with a minimum BB rating are authorised for purchase in mandates. Issuers that have not been rated by an external agency but have an internal Crédit Agricole S.A. rating are selected according to a rigorous process.

The breakdown of the bond portfolio by financial rating makes it possible to assess its credit quality.

The bond portfolio (excluding unit-linked policies and UCITS) by credit rating breaks down as follows:



Concentration in a single issuer (equities and interest rate instruments) may not exceed a given percentage of the global portfolio, which is determined according to issuer type and quality. Furthermore, limiting the relative weighting of the top ten issuers ensures diversification within rating levels A and BBB. Exposure is reviewed quarterly with the Amundi Risk teams and the Risk Management department of Crédit Agricole S.A.

Concentration in sovereign debt and similar is subject to individual limits according to debt-to-GDP ratio and the country's internal credit rating.

The exposure to sovereign debt in Italy, Spain, Portugal and Ireland is subject to authorisations by the Crédit Agricole S.A. Group Risk Committee. Such exposure is concentrated in Italian sovereign debt held by the Italian subsidiary of Crédit Agricole Assurances. The purchase of Greek issuers' debt remains prohibited.

Cash collateral contracts are used to manage counterparty risk for over-the-counter derivatives used by companies to hedge exposure to rate risk on their balance sheets.

IV. Insurance risk

The Crédit Agricole Assurances Group is exposed to insurance risk through the insurance business. Such risk primarily relates to the underwriting, valuation of provisions and reinsurance processes.

Each entity implements an approach in collaboration with all the operating departments concerned, as well as Risk, Compliance, Actuarial functions and Legal Affairs, to manage risks when new insurance products are created or substantial changes are made to the features of an existing product. Products are approved by an ad hoc committee (New Business and New Product Committee).

1. Insurance underwriting risk

Insurance underwriting risk takes different forms depending on the whether the insurance is life or non-life:

Life insurance underwriting risk

Through its Savings, Retirement and Death & Disability activities and life insurance guarantees in respect of its creditor insurance, Crédit Agricole Assurances is exposed to biometric risks (longevity, mortality, occupational incapacity, long-term care and disability risks), loading risk (insufficient loading to cover operating expenses and fee and commission expenses paid to distributors), but most of all to behavioural risk for redemptions (for example, due to an increase in interest rates that reduces the competitiveness of life insurance, a deterioration in trust in the Crédit Agricole Group, or a legal development, such as the Bourquin amendment to the Sapin II law or the Lemoine law).

Life insurance technical reserves, recognised in the main by French companies, are chiefly constituted from savings denominated in euro or unit-linked (UL) policies. For the majority of UL policies, the risk of fluctuation in the value of the underlying is borne directly by the policyholder. Some policies may include a floor guarantee in the event of the death of the insured, which exposes the insurer to a financial risk determined by the value of the policies' UL and the probability of death of the insured. A specific technical reserve is recognised for this floor guarantee.

In savings, redemption rates are monitored for each life insurance company and compared with the structural redemption rates established on the basis of historic and market data.

In death and disability, creditor insurance and yields, the underwriting policy, which specifies the risks covered, the underwriting conditions (target customers, exclusions) and pricing standards (notably the statistical tables established either from national or international statistics or from experience tables) helps to control risk in this area.

"Catastrophe" risk, related to a mortality shock, is likely to impact the results for individual or group death & disability insurance. The adequacy of the reinsurance programme helps to limit this risk.

Non-life insurance underwriting risk

For property and casualty insurance and non-life benefits included in creditor insurance policies, the underwriting risk can be defined as the risk that the premiums collected are insufficient compared to the claims to be settled. Crédit Agricole Assurances is specifically exposed to frequency risk and exceptional risk, whether originating from a catastrophe risk (particularly climatic) or the occurrence of individual incidents for significant amounts.

For distribution partners, underwriting policy defines the framework for accepting risk (to ensure appropriate selection of risks and the spread within the policy portfolio to optimise technical margins). Formal rules and procedures for pricing are also drawn up.

The ratio of claims paid to premiums earned is compared to targets that are reviewed annually. This claims ratio is the key indicator for monitoring risk and is used to identify priorities for improving the technical result, where necessary.

Concentration risk in non-life insurance relates to an aggregation of liabilities in respect of a single claim, arising from:

- underwriting concentration in which insurance policies are written by one or more Group entities on the same risk;
- claim concentration, where policies are written by one or more Crédit Agricole Assurances Group entities on risks that are different, but liable to be triggered by a single covered event or the same primary cause.

This type of risk is hedged, first, by a policy of diversifying the risks written in a single region and, second, by reinsurance to limit the financial impact of a major event (storms, natural disasters etc.), under a reinsurance policy (see reinsurance risk below) that incorporates this dimension.

2. Provisioning risk

Provisioning risk is the risk of a gap between the provisions set aside and those required to meet liabilities. It may be related to risk valuation (volatility introduced by discount rates, regulatory changes, or new risks for which statistical depth is inadequate etc.) or a change in risk factors (population ageing, for example, leading to increased long-term care risks or health issues, stricter laws governing professional liability insurance, personal injury compensation, and others).

The objective of the provisioning policy established in each of the companies is to guarantee a prudent assessment of loadings for past and projected claims to ensure a high probability that the accounting provisions set aside will be sufficient to cover the ultimate load.

The methods used to constitute provisions (on a case-by-case basis) for property and casualty insurance, according to the products and benefits affected, are documented and the management rules applied by claims managers are set out in the manuals.

The choice of statistical methodology to calculate accounting provisions (including provisions for late payment) is justified at each reporting date.

The local permanent control plan encompasses control of provisioning policy.

The Statutory Auditors perform an actuarial review of provisions as part of the review of the annual financial statements.

The breakdown of technical reserves relating to life and non-life insurance contracts is presented in Note 6.23 to the consolidated financial statements.

3. Reinsurance risk

Reinsurance risks are of three types:

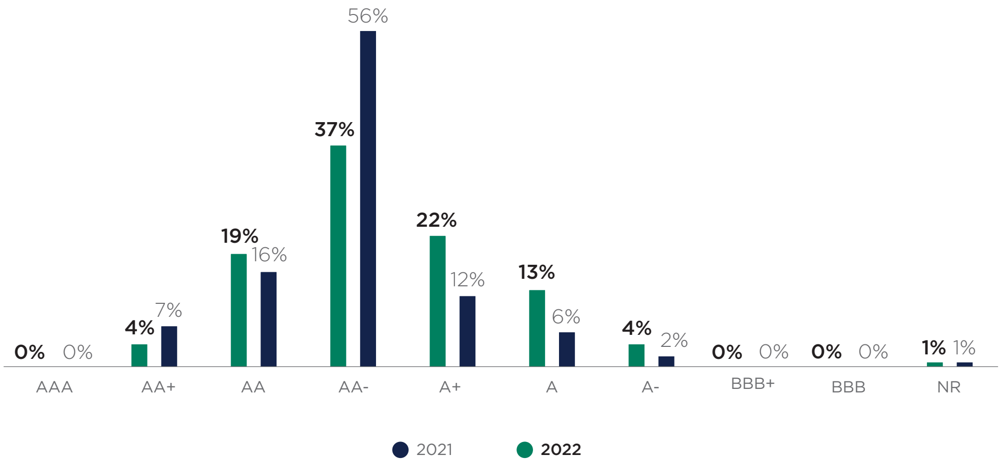
- inappropriate reinsurance (insufficient cover or, on the other hand, payment of too high a premium, which erodes technical margins and competitiveness);
- risk of a reinsurer defaulting and not being able to pay its share of the claims;
- no or virtually no reinsurance on a given activity or guarantee given (reinsurance offer, amounts that can be covered and the cost of cover, depending on market conditions that are liable to vary significantly).

Each company draws up its own reinsurance plan aimed at protecting equity in case of systemic or exceptional events and at limiting volatility in the Company's results, based on the principles of Crédit Agricole Assurances Group's strategy for common and uniform risks limitation, namely:

- selecting reinsurers that meet minimum financial strength criteria, with reinsurers' ratings monitored at the Crédit Agricole Assurances Group level;
- ensuring adequate dispersion of premiums across reinsurers;
- monitoring the adequacy of reinsurance cover relative to the commitments to policyholders and of results on each reinsurance agreement.

The reinsurance plans are reviewed annually by the Board of Directors in each subsidiary.

Their breakdown by reinsurer rating is as follows:



4. Emerging risks

The Risk department is responsible for the ongoing monitoring of insurance risk, in cooperation with other key functions.

This monitoring comes from many sources (economic research, internal and external analysis, research published by the French Regulatory and Resolution Supervisory Authority (ACPR), the European regulator – EIOPA etc.). It is reported in the News pages of the Risk Monitoring Committee, which meets every two months with all the Risk Managers and risk experts, and in the Flash (Crédit Agricole Assurances Group's risk dashboard), which is sent to Crédit Agricole Assurances' Executive Committee every month.

A Monitoring Committee comprising the Risk Managers and risk experts has been established in order to share information on these issues and identify any potential impacts on the Crédit Agricole Assurances Group.

V. Operational risks

Operational risk is the risk of loss resulting from shortcomings or failure in internal procedures, human error, information systems or external events. It includes the risks generated by key outsourced services.

The Crédit Agricole Assurances entities apply Crédit Agricole S.A. Group directives on operational and compliance risk management.

The operational risk management system in each entity, including the holding company, is thus comprised of the following components:

- a mapping of risk events, periodically updated to incorporate organisational changes, new activities and even changes in the cost of risk. It is based on a breakdown of activities into processes and the seven risk categories of the Basel 2 classification. The financial and non-financial (regulatory, image) impacts of these identified risk events, whether actual or potential, are assessed as well as their probability of occurrence, based on business expertise. Internal control is assessed on the basis of the results of controls at the different levels defined in the local control plans and standardised controls defined by Crédit Agricole S.A. Group's Risk department and the findings of periodic controls to highlight the most critical net risks and prioritise actions plans to reduce them;
- a process of collecting data on risk-related incidents and operating losses, backed by an early warning system, is used to monitor identified risks and use them to introduce remedial measures and ensure consistency with mapping. The amount of collected losses is compared each quarter to an annually defined alert threshold.

Crédit Agricole Assurances and its subsidiaries have prepared a Business Continuity Plan (BCP) focusing on essential activities in order to cover a failure of information systems, operational sites and staff. It meets the standards of the Crédit Agricole S.A. Group, with an IT back-up plan based on the Crédit Agricole S.A. Group's shared IT operating and production environment. This plan is regularly tested. IT system security is an inherent component of the Group's security policies. A three-year programme of security projects (including accreditation, intrusion tests, and IT system failure scenarios) is being implemented.

A Crédit Agricole Assurances Group-wide general subcontracting policy, describing amongst others the monitoring and control system associated with outsourcing, has been rolled out by Group entities. The system for managing outsourced services was reinforced in 2021, following the publication of the EBA guidelines on outsourced services, the French Order of 03/11/2014 as amended, and the publication of the EIOPA guidelines on the outsourcing of cloud-based services.

VI. Non-compliance risks

Non-compliance risks refer to a potential lack of adherence to rules governing financial activities. These rules may be laws, regulations (Solvency 2, securities regulations, data protection, customer protection, or anti-money laundering and combating the financing of terrorism requirements, fighting of corruption, etc.), professional or ethics standards, and instructions from the executive body. These risks are identified in the operational risk mapping of each Crédit Agricole Assurances Group entity.

In each entity, the Compliance Officer is responsible for the implementation of the Group procedures issued by the Compliance department of Crédit Agricole S.A. (FIDES Corpus) and for the development of procedures specific to the activities of his/her entity. The Compliance Officer is also responsible for training and for the dedicated control system aimed at controlling these risks, with the ongoing goal of limiting the potential impacts (financial losses, legal, administrative or disciplinary sanctions), while protecting the reputation of the Crédit Agricole Assurances Group. In this respect, the launch of new business activities and the creation of new products, are subject to enhanced security by referral to the New Activities and New Products Committees, established in each entity to review in particular the contractual and marketing documents for products, as well as the training materials and sales aids intended for distributors.

The supervision of the compliance systems of the subsidiaries of Crédit Agricole Assurances is carried out by the Compliance Officer of the Crédit Agricole Assurances Group. Coordination for the Insurance business is carried out mainly through exchanges with the subsidiaries.

In all areas of compliance, from the prevention of money laundering and financing of terrorism to protecting customers, the Group has strengthened coordination with distributors (Regional Banks, LCL, other international networks) to ensure implementation of the controls to guarantee correct application of procedures by all parties.

VII. Legal risks

Responsibility for legal management, regulatory monitoring and consulting with the various Business line departments lies with the companies' Legal departments.

There are currently no governmental, legal or arbitration proceedings (or any proceedings known by the Company, suspended or threatened) that could have or has had, in the previous 12 months, any material effect on the financial position or profitability of the Company and/or of the Crédit Agricole Assurances Group.

To Crédit Agricole Assurances' knowledge, there is no significant litigation to note.

2.8 OPERATIONAL RISKS

Operational risk is the risk of loss resulting from shortcomings or failure in internal procedures, staff, information systems or external events.

It includes legal risk, non-compliance risk, internal and external fraud risk, the model risk and risks generated by the use of outsourced services, including critical or important services under the EBA.

I. Organisation and supervision system

The operational risk system, adjusted to each Group entity, comprises the following components common to the entire Group.

Organisation and governance of the Operational Risk Management function:

- supervision of the system by Executive Management (via the Operational Risk Committee or the operational risk unit of the Group Risk Committee and the Internal Control Committee);
- tasks of the Risk Management Officers (Crédit Agricole S.A. and its subsidiaries) and the Operational Risk Managers at local level in terms of management of the operational risk management system;
- responsibility of the entities in managing their own risks;
- set of standards and procedures;
- dissemination of the Crédit Agricole Group's risk appetite approach implemented in 2015 and incorporating operational risk.

Identification and qualitative assessment of risks through risk mapping

Risk mapping is done annually by the entities and is used by each entity with a validation of the results and associated action plans by the Operational Risk Committee (operational risk unit of the Internal Control Committee) and a presentation to the Risk Committee of the Board of Directors.

This mapping is supplemented by the establishment of risk indicators to monitor the most sensitive processes.

Collection of operational loss data and an early warning system to report sensitive, significant incidents (including IT incidents), which are consolidated in a database used to measure and monitor the cost of risk

The reliability and quality of the data collected are submitted to systematic audits both at the local and central levels.

The calculation and regulatory reporting of capital for operational risk at the consolidated and entity levels

The quarterly production of an operational risk dashboard at entity level, accompanied by a Crédit Agricole Group summary, taking into account the main sources of risks affecting the business lines and associated action plans for major incidents.

Tools

The RCP (Risk Management and Permanent Controls) platform contains the four essential elements of the system (collection of loss data, operational risk mapping, permanent controls and action plans) sharing the same framework and thus making it possible to establish a connection between the risk mapping systems and risk management system (permanent controls, action plans etc.).

Regarding the IT system component used for the calculation and allocation of regulatory capital, the upgrade plan was continued along with a rationalisation of the databases, enhanced information granularity and the automation of the controls on data taken from COREP's regulatory statements to bring IT into line with best management principles defined by the Basel Committee.

These components are subjected to consolidated verifications at the central level.

The risks associated with outsourced services are incorporated into each component of the Operational Risk system and are the subject of consolidated controls that are centrally communicated. The Crédit Agricole Group's system has been adapted in accordance with the EBA guidelines on outsourcing issued in February 2019, in particular to ensure compliance with the outsourcing stock and to record outsourcing in a dedicated register.

II. Methodology

The main entities of the Crédit Agricole Group use the advanced measurement approach (AMA): Crédit Agricole CIB, Amundi, LCL, Crédit Agricole Consumer Finance, Agos and the Regional Banks. The use of the AMA for these entities was approved by the French Regulatory and Resolution Supervisory Authority (ACPR) in 2007. These entities currently represent 77% of the capital requirement for operational risks.

For the entities that use the standardised approach (TSA), the regulatory weighting coefficients used in calculating the capital requirement are those recommended by the Basel Committee (percentage of revenues according to business line).

AMA regulatory capital requirement calculation

The AMA method for calculating capital requirements for operational risk has the following main objectives:

- increase control over the cost of operational risk, and prevent exceptional risks across the various Group entities;
- determine the level of capital needed for the measured risks;
- promote improvements in risk management through the monitoring of action plans.

The systems implemented within the Group aim for compliance with all qualitative criteria (integration of risk measurement into day-to-day management, independence of the Risk function, periodic disclosure of operational risk exposures, etc.) and Basel 3 quantitative criteria (99.9% confidence interval over a one-year period; incorporation of internal data, external data, scenario analyses and factors reflecting the operating environment; incorporation of risk factors that influence the statistical distribution, etc.).

The AMA model for calculating capital requirements is based on a unique actuarial model called the **Loss Distribution Approach.**

Internal factors (change in the entity's risk profile) are considered according to:

- changes within the entity (organisational, new business activities, etc.);
- changes in risk mapping;
- an analysis of the history of internal losses and the quality of the risk management system, in particular via the permanent controls system.

For external factors, the Group uses:

- the ORX Insight external consortium database to monitor incidents recorded in other institutions;
- the SAS OpRisk and ORX News external public databases for:
  - raising awareness among the entities of the main risks that have impacted other institutions,
  - assisting experts in the valuation of the main Group vulnerabilities (key scenarios).

The model was designed and developed according to the following principles:

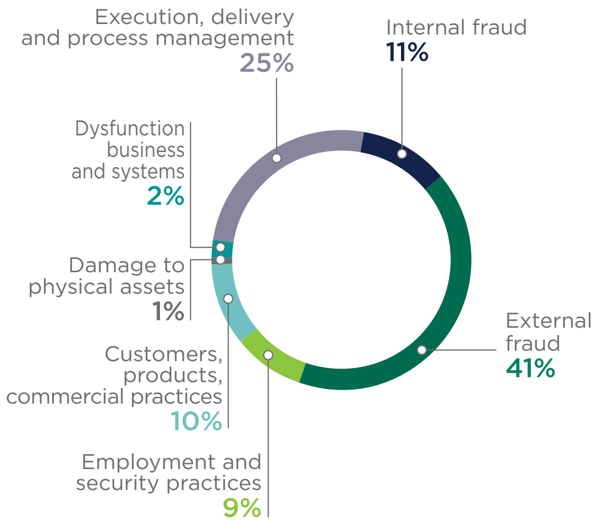
- it must form an integral part of the risk policy;
- it must be pragmatic, i.e. the methodology must be applicable to real operating conditions;
- it must have educational value, in order to be endorsed by Executive Management and the business lines;
- it must be robust, i.e. it must be able to provide estimates that are realistic and stable from one financial year to the next.

An interim committee for back-testing the Advanced Measurement Approach (AMA) model is in place and analyses the model's sensitivity to changes in the risk profile of the entities. Every year, this committee identifies areas where improvements are possible, and draws up corresponding action plans.

The operational risk system and methodology have been subject to external audits by the ECB in 2015, 2016 and 2017. These missions made it possible to note the Group's progress, but also to complete the regulatory prudential approach relating to emerging risks (cyber risk, compliance/conduct risk).

III. Exposure

— Breakdown of operational losses by Basel risk category (2020 to 2022)



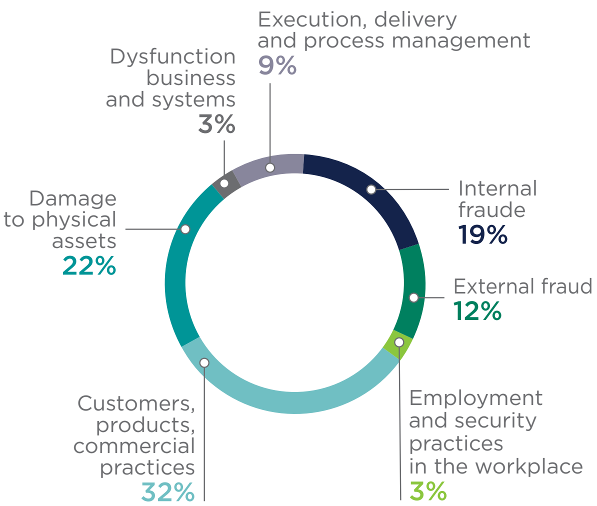
Generally, the exposure profile in terms of operating risks detected in the last three years reflects the principal activities of the Crédit Agricole Group.

- an exposure to external fraud that remains significant, mainly in connection with credit boundary operational risk (document fraud, fraudulent invoices etc., as well as one-off defaults in 2020 associated with bankruptcies with suspicion of fraud) and payment instruments fraud (e.g. bank cards, fraudulent transfers);

- execution and delivery risks, process management risks due to processing errors (absent or incomplete legal documentation, collateral management, litigation with suppliers, input errors etc.). An exceptional incident in 2021 should be noted for CAMCA following the abandoning of an IT project, as well as an exceptional incident in 2022 for an RC concerning fiduciary suspense;
- an exposure to the Customer category marked in particular by a regulatory prudential provision for liability risks related to Agos's (CACF Group) settlement of legal disputes in 2020 and a provision following the questioning of unfair terms relating to mortgage loans in Swiss francs at CA Bank Polska in 2022;
- notable in 2020 was the rise in the share of the Internal Fraud category due to one-off incidents, and in the Employment and Safety Practices category due to additional costs connected to the Covid-19 health crisis (health protection kits, cancellation of travelling and events).

Remedial and preventive action plans at local or Group level were introduced to reduce the exposure of the Crédit Agricole Group to Operational Risk. Periodic monitoring of action plans for incidents with an impact higher than €5 million has been implemented since 2014 within the Group Operational Risk Committee and since 2016 in the Group Risk Committee.

— Breakdown of risk-weighted assets by Basel risk category (2022)



IV. Insurance and coverage of operational risks

The Crédit Agricole Group has obtained insurance coverage for its operational risks to protect its assets and profits. For high-intensity risks, Crédit Agricole S.A. has taken out insurance policies to cover itself and its subsidiaries with major insurance companies and with CAMCA for the Regional Banks. These policies harmonise the transfer of personal and property risks and the setting up of specific professional liability and fraud insurance programmes for each business line. Lower intensity risks are managed directly by the relevant entities.

In France, third-party civil liability risks are covered by operating civil, general and professional liability policies. It should be noted that property and casualty insurance for operating assets (property and IT equipment) also includes third-party liability coverage for all property exposed to this risk.

The MRB (Multirisques Bureaux – Comprehensive Office), PAB (Perte d'Activité Bancaire – Loss of banking business), Cyber and RCJ (Responsabilité Civile Juristes – Lawyers' Liability) policies were renewed on 1 January 2023. The RCP (Responsabilité Civile Professionnelle – Professional liability) and GDB (Globale de Banque – Global Bank = All Securities Risks + Fraud) policies expire on 1 May 2023 and will be renewed on that date.

"Basel 2 eligible" policies contribute to reducing the capital requirement for operational risks (within the 20% authorised limit).

High-frequency and low-intensity risks that cannot be insured on satisfactory financial terms are retained in the form of deductibles or pooled within the Crédit Agricole Group.

2.9 NON-COMPLIANCE RISKS

Through its medium-term Smart Compliance for Society project, the Compliance business line reaffirms its desire to implement regulations operationally and to promote an ethical culture within the Group. It expresses and implements this commitment through three vectors of usefulness and six goals that are fully in line with Crédit Agricole Group's raison d'être and project.

Useful to society

- Preventing and combating financial crime is an essential investment in order to comply with international sanctions and to combat money laundering, terrorist financing, fraud and market abuses.
- Working towards sustainable finance that respects the Group's social commitments, by developing an ethical approach that complements adherence to regulations, with the aim of preventing and avoiding reputational risks.

Useful to its customers

- Contributing to protecting our customers and differentiating ourselves by respecting their legitimate interests and personal data, through a transparent and fair relationship.
- Promoting the simplicity of our customer relationships by natively integrating regulations into the process through an innovative approach using the potential of new technologies.

Useful to teams

- Strengthening the commitment of the business lines through native implementation of the regulations, which encourages compliant development, optimisation of the necessary efforts, and distribution of useful skills in compliance and ethics.
- Empowering the Compliance business line teams even more through an operational approach to regulation, encouraging innovation, initiative, skills development and career development.

Organisation and governance

The non-compliance risk management system is organised around a governance structure that is fully integrated into the Group's internal control framework. The Group Compliance Management Committee, chaired by Executive Management, holds a meeting every month. It makes the decisions required to prevent non-compliance risks and to implement and monitor corrective measures following the reporting of irregularities to the Committee. Non-compliance risks and the decisions taken to control them are regularly presented to the Risk Committee of the Board of Directors and the Board of Directors of Crédit Agricole S.A.

The Crédit Agricole Group has defined and implemented an updated, adequate and proportionate non-compliance risk-management system that involves all Group stakeholders (employees, executives and Directors, control functions including Compliance). This system is based in particular on an organisation, procedures, information systems or tools – which may in some cases include an artificial intelligence component – used to identify, assess, monitor and control these risks and, where relevant, to determine and follow up on the necessary corrective action plans.

A dedicated monitoring plan that ensures that control of the risks of non-compliance and their impacts (financial losses, or legal, administrative or disciplinary sanctions) is minimised, with the ongoing target to preserve the Group's reputation.

The control of non-compliance risks is in particular based on permanent indicators and controls deployed within the entities, supervised at Group level by the Group Compliance department (including analyses of compliance failures). These indicators (including KPIs, KRIs, control results) and the evaluation of the quality of the system are the subject of regular reporting to the steering and governance bodies of the entities and the Group.

The system is structured and deployed by the Crédit Agricole Group's Compliance business line. It is placed under the authority of the Group Head of Compliance, who reports directly to the Deputy Chief Executive Officer of Crédit Agricole S.A., responsible for ensuring the coherence and effectiveness of the internal controls. To develop the integration of the business line and ensure the independence of its roles, the Compliance Officers of Crédit Agricole S.A. subsidiaries report hierarchically to the Group Head of Compliance, unless prevented by local law. The Compliance Officers of the Regional Banks have a functional link with the Compliance department.

The workforce of the Group Compliance business line has almost doubled in seven years, reaching more than 1,900 positions at end-2022. 49% of these positions are dedicated to Financial Security, 20% to Customer Protection, 8% to Fraud Prevention and the remaining 23% to activities such as training, market integrity, management and personal data protection. Retail Banking in France and abroad accounts for 42% of this workforce, while 26% are involved in Large Customer and Private Banking activities. The Group has also significantly strengthened its governance and teams located in the United States, in particular with a 70% increase in local compliance staff. Lastly, in 2022, the Group Compliance department strengthened its Human Resources management in order to facilitate career development and increase the attractiveness of the Compliance business line within the Group.

The Group Compliance department of Crédit Agricole S.A. establishes Group policies pertaining to compliance with regulations and legislation and ensures that these are properly disseminated and applied throughout the Group entities. To this end, it has teams specialised by area of expertise: financial market integrity and transparency, financial security, international sanctions and asset freezing, customer protection, fraud and corruption prevention.

In the context of the entry into force of the European General Data Protection Regulation (GDPR), the Group Data Protection Officer (DPO) reports directly to the Head of Group Compliance and is in charge of managing the DPO division of Crédit Agricole.

The Group Compliance department also leads and supervises the Compliance business line. Launched in 2021 and enhanced in 2022, the *Smart Supervision* system is intended to strengthen the supervision of the entities through a uniform, structured and consolidated methodology. The methodology aims, via a risk-based approach, to prioritise supervision issues by entity and ensure tighter management of the entities according to the identified shortcomings. This method relies on automated dashboards and optimised and rationalised risk sensors. Thus, numerous actions to strengthen the system for combating financial crime, in particular with regard to combating money laundering and the financing of terrorism, were carried out in 2022. In addition, the Compliance department continued to strengthen the asset freezing system, with particular attention paid to the supervision of the Consolidated Surveillance Perimeter in the context of the applicability of asset freezing standards.

Financial crime

The measures aimed at combating financial crime through customer knowledge, anti-money laundering systems and the prevention of the financing of terrorism are the subject of ongoing action plans to take into account changes in risks, regulatory requirements and supervisory authorities.

Know Your Customer (KYC)

The year 2022 was a continuation of the preceding year with the deployment throughout the Group, and to all its customers, of indicators for managing the customer knowledge approach. This pertained, in particular, to the periodic review, both from a quantitative point of view (progress rate) and from a qualitative point of view (results of level 2 controls). At the same time, the Group's KYC-standard was completed and clarified for certain customer segments, with particular attention paid to the riskiest customers in terms of the fight against money laundering and the financing of terrorism, as well as to the 2.2.c control body for entry into relegation. The Group is also fully committed to involving customers in this process, in particular through the widespread use of Selfcare solutions.

Anti-money laundering and combating the financing of terrorism

The Group's system is based on (i) classification of AML/CFT risks, (ii) KYC with assessment of the risk profile, (iii) detection of unusual transactions and, where applicable, reporting them to financial information units, and (iv) intragroup exchanges of AML/CFT information. The Crédit Agricole Group is particularly mindful of developing its system to continually adapt to new risks and the expectations of regulators.

In 2022, this resulted in particular in work aimed at strengthening the tools for detecting atypical transactions with regard to combating money laundering and terrorist financing, notably by using artificial intelligence:

- in retail banking, work was carried out to develop a new tool and prepare for its deployment in 2023, which should allow (i) a greater agility and performance in creating or developing detection scenarios (simulation and short-cycle development capacities), (ii) better adaptation of the parameters to the risk of each customer, (iii) better detection of small-value transactions in a context of terrorist financing;
- In 2022, Crédit Agricole CIB deployed a new detection tool specifically adapted to correspondent banks, based on an innovative approach using artificial intelligence.

International sanctions

The invasion of Ukraine last February led to an avalanche of restrictive measures against Russia, taken mainly by the European Union, the United States, the United Kingdom and Switzerland. This sanctions programme, the largest and most complex ever issued, mobilised numerous resources within the Compliance department to implement these measures throughout the Group, to assist the entities and also to ensure support of customers and sales staff.

Faced with sanctions of a totally novel nature, a crisis mechanism was implemented, in particular through the creation of a crisis unit with the Group entities most affected, the definition of operational guides to implement the regulations, and very regular exchanges with the competent authorities and specialised law firms.

As an example, this system made it possible to define which luxury goods were subject to the export ban, to identify the customers affected by deposit limits and restrictions on securities, to apply the freezing measure imposed on the Russian Central Depository (NSD), and to implement measures to limit the price of oil products.

When new sanctions are communicated by the authorities, the Group carries out two types of checks, using local tools:

- the identification of third parties that are subject to international sanctions in the databases of Crédit Agricole Group entities ("screening"). These are customers and their related parties (in particular major shareholders, executives, beneficial owners, agents), as well as other types of third parties (suppliers in particular);
- the verification of Financial Messages (mainly SWIFT and SEPA) ("filtering") in order to detect transactions that are potentially precluded by the International Sanctions, in order to cancel and reject them, freeze the associated funds, report these and/or take any other action in accordance with the International Sanctions.

The effectiveness of these mechanisms therefore depends on updating the lists published by the authorities in a timely manner. In order to integrate the lists as quickly as possible, an on-call duty system was organised within the teams from the start of the conflict.

Market transparency

Market transparency relies on investors having equal access to the same information on listed companies. In this regard, Crédit Agricole Group has a global system for centralising all Group entity holdings that allows any threshold breach to be declared within the statutory time limits.

Market integrity

Through the systems implemented, the Group contributes to the fairness, efficiency and integrity of the financial markets by combating abuses or attempted market abuses. The Group also ensures respect for the primacy of customers' interests through its system for the prevention, detection and management of conflicts of interest. These systems, made obligatory by the MAR, MIF and DDA regulations, are based on regularly updated policies, procedures, tools and training programmes.

Over the last financial year, the tools for detecting market abuses and potential conflicts of interest underwent major changes that improved their efficiency. The procedures are regularly reviewed, and the most recent major project was the review of the permanent framework for insider information at Group level, which is essential for the prevention and detection of market abuses.

Fight against fraud

To protect customers and the Bank's interests, a structured fraud prevention system has been deployed in all Crédit Agricole Group entities since 2018. A dedicated unit for coordinating the fight against fraud has been created at Group level, within the Group Compliance department, as well as equivalent units in each Group entity. A head of Coordination of Fraud Prevention has been appointed in all Regional Banks and all French and international subsidiaries, and an umbrella Fraud Prevention Committee meets regularly, bringing together the other support functions concerned by fraud issues (IT, payments service etc.) and the main Group entities.

There is a high level of governance in the entities with significant involvement of management and the creation of units specialising in handling fraud reports (experts, specific tools) in many entities. In each entity, a dedicated committee (Internal Control Committee or Fraud Prevention Coordination Committee) has been established notably to manage action plans appropriate to each entity.

IT tools have been deployed at Group level to detect cases of fraud in payment instruments and in fraudulent transfers, as well as in the area of loans and credit facilities. Work has also been carried out to optimise the detection of forged documents, and a partnership is currently being finalised with the services of the French Ministry of the Interior (Agence Nationale des Titres Sécurisés – National Agency for Secured Documents).

Fight against corruption

In accordance with national and international anti-corruption directives, and in an extension of the measures taken by Crédit Agricole for many years, since 2018 (implementation of the Sapin II law) the Group has strengthened its anti-corruption system. This system is now deployed in all Group entities in France and abroad, regardless of the nature of their activities (retail banking, investment banking, consumer finance, insurance, real estate etc.).

Thus, the Group has procedures and operating methods based on committed governance, a dedicated Anti-Corruption Code, a whistleblowing system, accounting controls and training programmes for all employees. Taking the most recent recommendations of the French anti-corruption authority (Agence française anticorruption) into account, the corruption risk mapping processes have been updated. After the effective implementation of a supplier assessment system, work is currently being done to optimise the assessment of customers and intermediaries with regard to corruption risks.

Crédit Agricole is thus one of the first French banks to have obtained ISO 37001 certification for its anti-corruption management system. This international certification was renewed in 2022, attesting to the strength of the system and the overall commitment of Crédit Agricole.

Whistleblower rights

In the context of its anti-corruption system, in 2019 Crédit Agricole set up an online whistleblowing platform that allows any employee or any person from outside the company (service providers or suppliers in particular) to securely report any situation that they deem irregular (corruption, fraud, harassment, discrimination, etc.).

Administered by qualified experts, the platform guarantees the strict confidentiality of the whistleblower, the facts reported, the persons involved and the exchanges between the whistleblower and the person in charge of processing the alert. It also guarantees anonymity, if this option is chosen by the whistleblower.

The deployment of this online platform was completed in 2020 across the entire Crédit Agricole Group, covering more than 300 entities and almost 150,000 people. To date, nearly 400 alerts have been reported and processed through this new system.

This whistleblower scheme immediately incorporated the provisions of the Waserman law of 21 March 2022, aimed at strengthening the protection of whistleblowers and the implementing Decree of 3 October 2022.

Fight against tax avoidance

The fight against tax avoidance involves a number of regulations, including FATCA (Foreign Account Tax Compliance Act), AEI (Automatic Exchange of Information), QI (Qualified Intermediary) and DAC6 (European Directive on the Reporting of Cross-border Arrangements). The Crédit Agricole Group has set up procedures to implement these regulations and the resulting reporting obligations within its entities.

In 2022, several actions were undertaken at the level of the Regional Banks in order to comply, natively, with the FATCA and EAI regulations (digitalisation of self-certification for qualified major clients). Lastly, ad hoc actions to collect tax information (self-certifications of tax residence and/or tax identification numbers in the context of FATCA and EAI) were carried out in retail banking in 2022.

Protecting our customers and their data

Compliance helps to protect our customers, their legitimate interests and their personal data through a transparent and fair relationship and advice focused on customer needs and satisfaction.

Customer protection

Customer protection is a firm priority for the Crédit Agricole Group. It is completely central to the “Excellence in Customer Relation” and “Societal commitment” components of the Group Project. In 2022 the Crédit Agricole Group furthered its actions within a continuous improvement approach with regard to the transparency and loyalty of customer journeys. Thus, several measures have been strengthened in terms of the duty to advise, with the integration of customers’ ESG preferences in the development of sustainable finance and the strengthening of the system of free choice of loan insurance with the rapid implementation of the Lemoine law.

In the context of strains on purchasing power and the impact of the climate transition on household budgets, the support system for financially vulnerable customers remains a high priority, in particular with the implementation of an artificial intelligence solution enabling early detection of weak signals of financial vulnerability.

Quality of service and transparency towards customers, pricing

Crédit Agricole Group has implemented a system to reduce the reasons for customer dissatisfaction as part of its Excellence in Customer Relations approach by identifying and addressing customer complaints. This approach is based in particular on the complaints handling process, the improvement of the information contained in the documentation on financial savings products and customer advice. Crédit Agricole has amended its advisory processes to integrate its clients’ ESG preferences. In this regard, the Group Compliance Department participates in the project to deploy the rules of sustainable finance, particularly on the component relating to the publication of information on the integration of sustainability risks in investment and insurance advice. Finally, with regard to pricing, the Group Compliance Department is closely associated with the work carried out by the Group on transparency of charges and on banking inclusion.

Priority of customer interests through the prevention of conflicts of interest

The system for preventing conflicts of interest was updated in 2022 to incorporate regulatory changes. In addition, a new tool to detect conflicts of interest with optimised detection algorithms was deployed at Group level in 2022.

Protection of privacy and personal data

In terms of personal data protection, the Group established an ethical framework in 2017 by adopting a Personal Data Charter jointly developed with a panel of customers. It is based on five key principles (data security, usefulness and fairness, ethics, transparency and education, control and monitoring by customers). The commitments made in this Charter are fully consistent with the European Regulation on the protection of personal data (RGPD) which came into force in 2018: minimisation of data collection, data protection policy published on the Group’s websites (example: Data protection policy), information to third parties in case of data leaks concerning them, notification of incidents to the authorities, strengthened IT security policy (e.g. strong authentication, SécuriPass), clear retention policy, notification of the use of data for legal obligations and purging of personal data...

Since then, all Crédit Agricole entities have adopted a set of procedures, tools and controls to improve the management and protection of personal data, including that of their employees and third parties (suppliers, agents etc.). The body of standards was fully updated during 2022 to incorporate new regulations (e.g. cookie management), case law from regulators and use cases encountered by the Group. In the same spirit, the mandatory training on personal data protection has been completely revamped. The information document on the collection and use of personal data, which is made available to all stakeholders via the Regional Banks' website, has been greatly expanded in order to better meet our requirement for transparency. Finally, diagnostics and control simulations are becoming widespread in the entities in order to measure the maturity of the personal data protection control system and, if necessary, to draw up action plans to strengthen the system.

More generally, the protection of personal data is a priority addressed by the Group's highest decision-making bodies, such as the Data Coordination Committee and the Group Security Committee. Particular attention is paid to the proper use of customers' personal data and the minimisation of data collection, data security; and the proper exercise of people's rights (access, deletion etc.) with regard to the protection of privacy and individual freedoms.

Culture of ethics

The system for controlling non-compliance risks is based primarily on the dissemination of a solid culture of ethics and compliance among all Group employees, directors and executives. The ethics and compliance culture is based on a reference framework consisting of:

i) the Code of Ethics distributed in 2017, common to all Group entities, which promotes the values of proximity, responsibility and solidarity held by the Group;

ii) a Code of Conduct specific to each entity, which is the operational expression of the Code of Ethics and which aims to guide daily actions, decisions and behaviour by integrating behavioural rules in the face of ethical problems that each person may encounter in the course of their professional and extra-professional missions. As part of the approach to controlling the risks of non-compliance, it also includes a specific "anti-corruption" component in application of the obligations arising from the Sapin II law relating to the prevention of corruption and influence peddling;

iii) the Fides Corpus, which brings together all the procedures that reflect regulatory changes in the area of compliance;

iv) other texts, such as charters (Personal Data Protection Charter, Responsible Lobbying Charter, Responsible Purchasing Charter etc.) and sector policies (armaments policy etc.), give substance to the Group's ethical commitments.

The spreading of this culture of ethics also relies on awareness-raising and training activities with regard to the challenges and risks of non-compliance that strongly mobilise all Group stakeholders: employees, managers and directors.

In addition, training modules and materials – general or intended for employees who are at a higher risk of exposure – cover all areas of day-to-day compliance, fraud prevention and detection, personal data protection, anti-money laundering and combating terrorist financing, as well as compliance with international sanctions.

In 2022, with a focus on preventing the risk of misconduct, ethics awareness actions were structured with the creation of a community of Group ethics advisors and stepped up with publications (newsletter, comic strips, a hybrid course including videos and podcasts, interviews with Crédit Agricole S.A. employees) and the renewal of the "Ethics and You" quiz.

Training plan

Five mandatory courses ("Everyday compliance", "Combating money laundering and the financing of terrorism (LAB-FT)", "International sanctions", "Prevention of external fraud" and "Combating corruption") make up the basic requirements that must be taken by all Group employees.

As at 31 December 2022, 97% of Group employees were trained in the "Everyday compliance" module. This course will be supplemented in 2023 so as to accompany the Ethics Project, intended to create awareness of and acculturation to ethical behaviour among all Group employees. In this same regard, an awareness course is made available to all Group entities. The first two topics, "Ethics and social media" and "Ethics and diversity", were made available to the employees in 2022, and the next two topics will become available in 2023. At the end of the year, a test on ethics will round off the plan and measure the acculturation of employees.

Finally, and in accordance with the guidelines of the European Banking Authority and the provisions of the French Monetary and Financial Code, all members of the Board of Directors are trained in current regulatory issues, with training materials tailored to whether they are newly appointed or already sitting members of the Board. In addition to the compliance of the Group's operations with regulations, the dissemination of a culture of ethics and anti-corruption among Directors and employees is a powerful vector of growth for the Group.

Innovation and technology

Within the Compliance department, the Native Compliance team is responsible for assisting entities with their innovative projects and new customer journeys in order to natively integrate regulatory compliance requirements and innovative solutions proposed by fintechs.

In addition, Native Compliance represents Crédit Agricole Group in industry projects, such as the digital identity wallet supported by the new European regulation project eIDAS2, euro-digital and digital assets. Native Compliance is in charge of assisting Group entities with these major regulatory and technological changes.

Furthermore, the innovation laboratory dedicated to "Compliance Valley", established in 2019, which relies on a community of more than 100 employees from all Group entities, is driven to transform compliance through innovation. In 2022, Compliance Valley organised an event around current issues and new technologies on digital assets and digital identity, bringing employees together to be educated on the subject.

3. Pillar 3 Disclosures

— Key phased-in metrics at Crédit Agricole Group level (EU KM1)

The key metrics table below provides information required by Articles 447 (a to g) and 438-(b) of CRR2. It presents an overview of the institution's solvency, leverage and liquidity regulatory prudential ratios as well as their related input components and minimum requirements.

Note that the amounts composing the solvency and leverage regulatory prudential ratios shown below take into account the transitional provisions related to the application of IFRS 9 and the transitional provisions concerning hybrid debt instruments. They also include retained earnings for the period. Lastly, the leverage ratio exposure and minimum leverage ratio requirement as at 31 March 2022 and 31 December 2021 take into account the effect of the temporary neutralisation of Central Bank exposures, applicable until 1 April 2022.

EU KM1 – Phased-in Key metrics *(in millions of euros)*		31/12/2022	30/09/2022	30/06/2022	31/03/2022	31/12/2021
	Available own funds *(amounts)*					
1	Common Equity Tier 1 (CET1) capital	100,861	101,445	101,234	100,395	102,693
2	Tier 1 capital	107,064	108,114	107,557	106,410	107,549
3	Total capital	124,016	125,273	124,864	123,868	125,340
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	574,595	588,643	579,519	591,960	585,441
	Capital ratios *(as a percentage of risk-weighted exposure amount)*					
5	Common Equity Tier 1 ratio *(%)*	17.55%	17.23%	17.47%	16.96%	17.54%
6	Tier 1 ratio *(%)*	18.63%	18.37%	18.56%	17.98%	18.37%
7	Total capital ratio *(%)*	21.58%	21.28%	21.55%	20.93%	21.41%
	Additional own funds requirements to address risks other than the risk of excessive leverage *(as a percentage of risk-weighted exposure amount)*					
EU-7a	Additional own funds requirements to address risks other than the risk of excessive leverage *(%)*	1.50%	1.50%	1.50%	1.50%	1.50%
EU-7b	of which: to be made up to CET1 capital *(percentage points)*	0.84	0.84	0.84	0.84	0.84
EU-7c	of which: to be made up to Tier 1 capital *(percentage points)*	1.13	1.13	1.13	1.13	1.13
EU-7d	Total SREP own funds requirements *(%)*	9.50%	9.50%	9.50%	9.50%	9.50%
	Combined buffer and overall capital requirement *(as a percentage of risk-weighted exposure amount)*					
8	Capital conservation buffer *(%)*	2.50%	2.50%	2.50%	2.50%	2.50%
EU-8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State *(%)*	0.00%	0.00%	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer *(%)*	0.05%	0.03%	0.03%	0.02%	0.02%
EU-9a	Systemic risk buffer *(%)*	0.00%	0.00%	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer *(%)*	1.00%	1.00%	1.00%	1.00%	1.00%
EU-10a	Other Systemically Important Institution buffer *(%)*	0.00%	0.00%	0.00%	0.00%	0.00%
11	Combined buffer requirement *(%)*	3.55%	3.53%	3.53%	3.52%	3.52%
EU-11a	Overall capital requirements *(%)*	13.05%	13.03%	13.03%	13.02%	13.02%
12	CET1 available after meeting the total SREP own funds requirements *(%)*	11.51%	11.24%	11.43%	10.85%	11.25%
	Leverage ratio					
13	Total exposure measure	2,004,273	2,111,884	2,044,773	1,844,129	1,765,793
14	Leverage ratio *(%)*	5.34%	5.12%	5.26%	5.77%	6.09%
	Additional own funds requirements to address the risk of excessive leverage *(as a percentage of total exposure amount)*					
EU-14a	Additional own funds requirements to address the risk of excessive leverage *(%)*	0.00%	0.00%	0.00%	0.00%	0.00%
EU-14b	of which: to be made up of CET1 capital *(percentage points)*	0.00%	0.00%	0.00%	0.00%	0.00%
EU-14c	Total SREP leverage ratio requirements *(%)*	3.00%	3.00%	3.00%	3.11%	3.11%
	Leverage ratio buffer and overall leverage ratio requirement *(as a percentage of total exposure measure)*					
EU-14d	Leverage ratio buffer requirement *(%)*	0.00%	0.00%	0.00%	0.00%	0.00%
EU-14e	Overall leverage ratio requirement *(%)*	3.00%	3.00%	3.00%	3.11%	3.11%
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	403,468	412,118	414,625	412,728	401,940
EU-16a	Cash outflows – Total weighted value	317,713	316,831	311,318	307,607	299,251
EU-16b	Cash inflows – Total weighted value	75,787	71,104	66,353	65,382	64,102
16	Total net cash outflows (adjusted value)	241,925	245,727	244,966	242,226	235,148
17	Liquidity coverage ratio *(%)*	167.35%	168.56%	170.17%	171.41%	171.90%
	Net Stable Funding Ratio					
18	Total available stable funding	1,198,492	1,234,674	1,235,506	1,288,767	1,268,040
19	Total required stable funding	1,015,823	1,025,836	1,021,220	1,023,257	1,009,418
20	NSFR ratio *(%)*	117.98%	120.36%	120.98%	125.95%	125.62%

Note: the average LCRs reported in the table above now correspond to the arithmetic mean of the last 12 month-end ratios reported over the observation period, in compliance with the requirements of the European CRR2 regulation.

— Impact of the application of the IFRS 9 transitional provisions (IFRS 9-FL)

IFRS 9 transitional provisions were applied for the first time from the Decree of 30 June 2020.

Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs

(in millions of euros)		31/12/2022	30/09/2022	30/06/2022	31/03/2022	31/12/2021
	Available capital *(amounts)*					
1	Common Equity Tier 1 (CET1) capital	100,861	101,445	101,234	100,395	102,693
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	99,060	99,564	99,498	98,943	100,521
3	Tier 1 capital	107,064	108,114	107,557	106,410	107,549
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	105,263	106,233	105,820	104,958	105,376
5	Total capital	124,016	125,273	124,864	123,868	125,340
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	122,214	123,392	123,127	122,416	123,167
	Risk-weighted assets *(amounts)*					
7	Total risk-weighted assets	574,595	588,643	579,519	591,960	585,441
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	574,431	588,395	579,303	591,783	584,825
	Capital ratios					
9	Common Equity Tier 1 *(as a percentage of risk exposure amount)*	17.55%	17.23%	17.47%	16.96%	17.54%
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	17.24%	16.92%	17.18%	16.72%	17.19%
11	Tier 1 *(as a percentage of risk exposure amount)*	18.63%	18.37%	18.56%	17.98%	18.37%
12	Tier 1 *(as a percentage of risk exposure amount)* as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	18.32%	18.05%	18.27%	17.74%	18.02%
13	Total capital *(as a percentage of risk exposure amount)*	21.58%	21.28%	21.55%	20.93%	21.41%
14	Total capital *(as a percentage of risk exposure amount)* as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	21.28%	20.97%	21.25%	20.69%	21.06%
	Leverage ratio					
15	Leverage ratio total exposure measure	2,004,273	2,111,884	2,044,773	1,844,129	1,765,793
16	Leverage ratio	5.34%	5.12%	5.26%	5.77%	6.09%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	5.26%	5.03%	5.18%	5.70%	5.97%

The Crédit Agricole Group did not apply the temporary treatment described in Article 468 of Regulation No. 2020/873 and was not impacted by any change related to this provision during the period. The Crédit Agricole Group's capital and capital and leverage ratios already reflect the full impact of unrealised gains and losses measured at their fair value through other comprehensive income.

3.1 COMPOSITION AND MANAGEMENT OF CAPITAL

Within the framework of Basel 3 agreements, Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (the Capital Requirements Regulation, or "CRR"), as amended by CRR o. 2019/876 ("CRR2"), requires relevant financial institutions (notably credit institutions and investment firms) to disclose quantitative and qualitative information on their risk management activities. The risk management system and exposure levels of the Crédit Agricole Group are presented in this section and in the section entitled "Risk management".

The Basel 3 agreements are categorised into three pillars:

- **Pillar 1** sets the minimum capital adequacy requirements and level of ratios in accordance with the current regulatory framework;
- **Pillar 2** completes the regulatory approach with the quantification of a capital requirement covering the major risks to which the bank is exposed, on the basis of internal approaches (see section on "Economic Capital Adequacy");
- **Pillar 3** introduces standards for financial disclosure to the market, with the requirement to give details of the regulatory capital components and risk assessments, both for the regulations applied and the business during the period.

The Crédit Agricole Group has chosen to disclose its Pillar 3 information in a separate section from its Risk Factors and Risk Management in order to isolate the items that meet the regulatory prudential publication requirements.

The main purpose of solvency management is to assess the Crédit Agricole Group's equity and to verify that this is sufficient to cover the risks to which the Crédit Agricole Group is or could be exposed, given its activities. The objective is to secure its customers' deposits and allow the Group access to the financial markets under the desired conditions.

To achieve this objective, the Group measures regulatory capital requirements (Pillar 1) and conducts regulatory capital management, by relying on both short- and medium-term prospective measures that are consistent with the budgetary projections, based on a central economic scenario.

Moreover, the Group relies on an internal process, named ICAAP (Internal Capital Adequacy and Assessment Process), which has been developed in accordance with the interpretation of the regulatory texts specified below. More specifically, the ICAAP includes:

- the governance of capital management, adapted to the specificities of the Group's subsidiaries, which enables centralised and coordinated monitoring at Group level;
- a measurement of economic capital requirements based on the risk identification process and quantification of capital requirements using an internal approach (Pillar 2);
- conducting ICAAP stress test exercises that aim to simulate the destruction of capital after a three-year adverse economic scenario;
- the management of economic capital (see section on "Economic Capital Adequacy");
- a qualitative ICAAP mechanism that formalises, amongst other items, the major areas for risk management improvement.

The ICAAP is highly integrated within the Group's other strategic processes, such as the ILAAP (Internal Liquidity Adequacy and Assessment Process), the risk appetite framework, the budgetary process, the recovery plan and the risk identification process.

In addition to solvency, Crédit Agricole S.A. also manages resolution ratios (MREL & TLAC) on behalf of Crédit Agricole Group.stly, the solvency and resolution ratios are an integral part of the risk appetite framework applied within Crédit Agricole Group (described in the chapter on "Risk management").

3.1.1 Applicable regulatory framework

Tightening up the regulatory framework, Basel 3 agreements enhanced the quality and level of regulatory capital required and added new risk categories to the regulatory framework.

In addition, a specific regulatory framework, allowing an alternative to bank default, has entered into force following the 2008 financial crisis.

The legislation concerning the regulatory prudential requirements applicable to credit institutions and investment firms was published in the Official Journal of the European Union on 26 June 2013. It includes Directive 2013/36/EU (Capital Requirements Directive, known as "CRD 4") and Regulation 575/2013 (Capital Requirements Regulation, known as "CRR") and entered into force on 1 January 2014, in accordance with the transitional provisions specified in the legislation.

Directive 2014/59/EU, the Bank Recovery and Resolution Directive (known as "BRRD"), was published in the Official Journal of the European Union on 12 June 2014 and has been in effect in France since 1 January 2016. The European Single Resolution Mechanism Regulation (known as "SRMR", Regulation 806/2014) was published on 15 July 2014 and came into effect on 19 August 2016, in accordance with the transitional provisions specified in the legislation.

On 7 June 2019, four pieces of legislation constituting the banking package were published in the Official Journal of the European Union:

- **CRR2:** Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 575/2013;
- **SRMR2:** 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;
- **BRRD2:** Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU.

Regulations SRMR2 and CRR2 came into force 20 days after their publication, i.e. on 27 June 2019 (although not all the provisions are immediately applicable). The CRD 5 and BRRD2 Directives were both transposed into French law on 21 December 2020 by Decrees 2020-1635 and 2020-1636 and came into force seven days after their publication, i.e., on 28 December 2020.

Regulation 2020/873, known as "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 the CRR2/CRD 5 regime, four levels of capital requirements are calculated:

- the Common Equity Tier 1 (CET1) ratio;
- the Tier 1 ratio;
- the total capital ratio;
- the leverage ratio.

A phasing-in period of calculation for these ratios shall permit to take into account:

- the transition from Basel 2 calculation rules to Basel 3 rules (the transitional provisions applied to own funds until 1 January 2018 and until 1 January 2022 for hybrid debt instruments);

- the eligibility criteria defined by CRR2 (until 28 June 2025 as capital instruments are concerned);
- the impacts related to the application of the IFRS 9 accounting standard.

In addition, two ratios are used to assess the adequacy of loss absorption and recapitalisation capacities in the context of bank resolution. These two requirements are applicable at Crédit Agricole Group level:

- the TLAC (Total Loss Absorbing Capacity) ratio, defined for Global Systemically Important Institutions (G-SII) and applicable in the European Union through its integration into the CRR2;
- the MREL (Minimum Requirement for Own Funds and Eligible Liabilities) ratio, applicable to all banking institutions in the European Union and defined in the BRRD.

3.1.2 Supervision and regulatory scope

Credit institutions and certain investment activities referred to in Annex 1 of Directive 2004/39/EC are subject to solvency ratios, resolution ratios and large exposure ratios on an individual, and where applicable, sub-consolidated basis.

The French Regulatory and Resolution Supervisory Authority (ACPR) has accepted that certain subsidiaries of the Group may benefit from individual exemption or, as necessary, on a sub-consolidated basis under the conditions specified by Article 7 of the CRR. Accordingly, Crédit Agricole S.A. has been exempted by the ACPR from application 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 concerned by a difference between the accounting and prudential scopes is detailed in the part on “Appendix to the regulatory capital”.

3.1.3 Capital policy

The Capital Management Committee, chaired by the Deputy Chief Executive Officer in charge of the Steering and Control functions, meets quarterly and includes the Chief Risk Officer, the Head of Group Finance, the Head of Financial Communications and the Head of Treasury and Funding.

This Committee has the following main tasks:

- to review the short- and medium-term solvency, leverage ratio and resolution projections for Crédit Agricole Group and for Crédit Agricole S.A. as well as the ratios monitored by rating agencies;
- to approve the structuring assumptions with an effect on solvency in line with the Medium-Term Plan;
- to set the rules for capital management and distribution within the Group;
- to decide on liability management transactions (subordinated debt management);
- to keep up to date with the latest supervision and regulatory news;
- to examine the relevant problems relating to the subsidiaries and to the Regional Banks;
- to prepare the decisions to be submitted if necessary to the Asset-Liability Management Committee and the Board of Directors;
- to study any other subject affecting solvency and resolution ratios at Group level.

The management of regulatory capital is performed using a process called capital planning.

Capital planning is designed to provide projections for capital and rare resource consumption (risk-weighted assets and size of the balance sheet) over the current Medium-Term Plan, covering both scopes of consolidation (the listed entity Crédit Agricole S.A. and Crédit Agricole Group, a global systemically important institution), with a view to determining the trajectories for solvency ratios (CET1, Tier 1, total ratio and leverage ratio) and resolution ratios (MREL and TLAC, if applicable).

It covers the budgetary components of the financial trajectory, including organisational transaction projects, regulatory accounting and prudential changes, as well as model effects against risk bases. It also reflects the issuance policy (subordinated debts and eligible TLAC and MREL debts) and distribution with regard to the capital structure targets defined in line with the Group’s strategy.

It determines the leeway available to the Group for development. It is also used to set various risk thresholds used for risk appetite. It thus ensures compliance with the various regulatory prudential requirements and is used to calculate the Maximum Distributable Amount (MDA), as defined by regulations.

Capital planning is submitted to various governance bodies and is communicated to the competent authorities, either in the context of regular discussions or for specific transactions (such as authorisation requests).

The subsidiaries subject to regulatory prudential requirement compliance and the Regional Banks also perform this forecast exercise at a sub-consolidated level.

At the Investor Day on 22 June 2022, the Group unveiled its financial trajectory for the “Ambitions 2025” Medium-Term Plan, which builds on the previous Plan, whose financial targets were achieved a year early:

- the CET1 solvency ratio targets at the end of 2025 for the Crédit Agricole Group and Crédit Agricole S.A. are well above the regulatory requirements. Crédit Agricole Group is indeed the most solid of the European G-SIBs. The mutual model has enabled organic CET1 capital generation of 60 basis points per year at the Crédit Agricole Group level between 2015 and 2021;
- the CET1 target for the Crédit Agricole Group by 2025 is greater than or equal to 17%. The TLAC target is greater than or equal to 26%, excluding eligible preferred senior debt;
- the Group’s efficient and flexible structure makes it possible to set an optimised CET1 ratio target of 11% for Crédit Agricole S.A. over the entire duration of the Medium-Term Plan, and a minimum of 250 basis points above the SREP requirements at all times (with a strategy of optimising the AT1 compartment). Revenue growth is expected to outpace growth in risk-weighted assets (RWAs) for Crédit Agricole S.A., and the impact of Basel 4 should be neutral by 2025 for Crédit Agricole S.A.;
- lastly, the Crédit Agricole S.A. target dividend payout is 50% in cash, even if the CET1 ratio fluctuates around the target set in the Medium-Term Plan. This strikes the right balance between attractive returns and funding of Crédit Agricole S.A.’s growth. In 2023, Crédit Agricole S.A. intends to submit, for the approval of the General Meeting of Shareholders, the additional payment of €0.20 per share of the 2019 dividend that was not distributed. The capital increases reserved for employees should also be combined with share buybacks (subject to the Supervisor’s approval) to offset their dilutive effect.

Through their financial structure, the Regional Banks have a strong ability to generate capital by retaining most of their earnings. Capital is also strengthened by the issuance of mutual shares by the Local Banks.

Subsidiaries under Crédit Agricole S.A.'s exclusive control and subject to compliance with capital requirements are capitalised at a consistent level, taking into account among other things the local regulatory requirements and the capital requirements necessary to finance their development.

3.1.4 Financial conglomerate

3.1.4.1 Overall system

The European Directive of 16 December 2002 imposes supplementary consolidated supervision on "financial conglomerates", in particular for those carrying out both banking and insurance activities.

This Directive notably requires the financial conglomerates to have appropriate risk management procedures and internal control systems for overall risk monitoring.

The conglomerate approach is appropriate to the Crédit Agricole Group, as it corresponds to the Group's natural scope, which combines banking and insurance activities, as well as to its internal governance (reflected in particular through the Risk Appetite framework). The ICAAP approach of Crédit Agricole Group is also based on a conglomerate approach to define both the economic capital requirement and the internal capital available at Group level to cover this requirement (see section on "Economic capital adequacy").

For supervision of the financial conglomerate, the Crédit Agricole Group and Crédit Agricole S.A. rely on three regulatory scopes:

- the banking scope (Basel 3) – banking ratios;
- the insurance scope (Solvency 2[1]) – insurance solvency ratio;
- the conglomerate scope – financial conglomerate ratio.

$$\textbf{Financial conglomerate ratio} = \frac{\text{Total Conglomerate Own Funds}}{\text{Banking requirements} + \text{Insurance requirements}} > 100\%$$

The conglomerate ratio is defined as the ratio of the phased-in total conglomerate own funds to the sum of banking and insurance capital requirements:

- a restatement is made, in both the numerator and the denominator for the intragroups related to equity investments;
- the financial conglomerate's own funds include the insurance subsidiary's own funds raised outside of the consolidation scope;
- the denominator includes the banking and insurance activities according to their respective regulatory solvency requirements, thus taking into account the actual specific risks related to each of these two business sectors.

The conglomerate ratio must at all times be greater than 100%. The 100% threshold remains a binding requirement, the non-compliance with which would be detrimental: in the event of non-compliance or risk of non-compliance with the financial position of a conglomerate, the necessary measures must be taken to address the situation as soon as possible (as defined in the European FICOD Directive 2002/87).

— Financial conglomerates – information on own funds and the adequacy ratio of own funds (EU INS2)

The table below provides information required by Article 438-(g) of CRR2.

	31/12/2022
Supplementary own fund requirements of the financial conglomerate (amount)	60,137
CAPITAL ADEQUACY RATIO OF THE FINANCIAL CONGLOMERATE *(%)*	**170%**

At 31 December 2022, the phased-in financial conglomerate ratio of the Crédit Agricole Group, which includes the Solvency 2 requirement for the equity investment in Crédit Agricole Assurances, was 170%, far above the minimum regulatory requirement of 100%. The level of the Crédit Agricole Group's phased-in financial conglomerate ratio as at 31 December 2022 corresponds to a surplus of own funds of the financial conglomerate of the Crédit Agricole Group of €60.1 billion.

This situation follows logically from compliance with the solvency requirements of each of the two sectors, banking and insurance.

3.1.4.2 Regulatory prudential requirements with respect to insurance in banking ratios

Financial conglomerates may, with the authorisation of the competent authority, use the option not to deduct their equity holdings in insurance companies from their prudential own funds but to treat them as risk-weighted assets. This provision, known as the "Danish compromise" (or Article 49-(1) of the CRR) has not been amended by CRR2 (Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 575/2013).

On 18 October 2013, Crédit Agricole Group and Crédit Agricole S.A. received the authorisation from the ACPR to apply this treatment to Crédit Agricole Assurances Group entities.

Risk-weighted assets include the equity-accounted value of insurance investments for the validated conglomerate scope, pursuant to Article 49-(1) of the CRR. Due to the unlisted status of Crédit Agricole Assurances (CAA), the weighting given to this value is 370%.

The table below shows the amount of holdings covered under Article 49-(1) of the CRR.

— Insurance participations (EU INS1)

The table below provides information required by Article 438-(f) of CRR2.

(in millions of euros)	Exposure value	Risk exposure amount
Own fund instruments held in insurance or re-insurance undertakings or insurance holding company not deducted from own funds	5,209	19,272

(1) Solvency 2 is a European regulatory reform of the insurance industry.

3.1.5 Regulatory capital

3.1.5.1 Regulatory capital

Basel 3 defines three levels of capital:

- Common Equity Tier 1 (CET1);
- Tier 1 capital, which consists of Common Equity Tier 1 and Additional Tier 1 (AT1) capital;
- total capital, consisting of Tier 1 capital and Tier 2 capital.

All the tables and remarks below include the retained earnings of the period.

3.1.5.1.1 Common Equity Tier 1 (CET1)

This includes:

- **share capital;**
- **reserves,** including share premiums, retained earnings, income net of tax after dividend payments as well as accumulated other comprehensive income, including unrealised capital gains and losses on financial assets held for collection and sale purposes and translation adjustments;
- **non-controlling 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 excess capital compared to the amount required to cover the subsidiary's capital requirements and applies to each tier of capital;
- **deductions,** which mainly include the following items:
  - CET1 instruments held under market-making agreements and share buyback programmes,
  - intangible assets, including start-up costs and goodwill,
  - prudent valuation, which consists of adjusting the amount of the institution's assets and liabilities if, in accounting terms, it does not reflect a valuation that is deemed to be prudent by the regulations (see details in the EU PV1 table in the next section),
  - deferred tax assets (DTA) that rely on future profitability arising from tax losses carryforwards,
  - expected losses shortfall in relation to the credit exposures monitored using the internal ratings-based (IRB) approach, as well as anticipated losses related to equity exposures,
  - capital instruments held in financial sector equity investments of less than or equal to 10% (non-significant investments), for the amount exceeding a ceiling of 10% of the CET1 capital of the subscribing institution, up to the proportion of CET1 instruments in the total capital instruments held; items not deducted are included in risk-weighted assets (variable weighting depending on the nature of instruments and the Basel methodology),
  - deferred tax assets (DTAs) that rely on future profitability arising from temporary differences for the amount exceeding an individual ceiling of 10% of the institution's CET1 capital; items not deducted are included in risk-weighted assets (weighting at 250%),
  - CET1 instruments held in financial sector equity investments of more than 10% (significant investments) for the amount exceeding an individual ceiling of 10% of the institution's CET1 capital; items not deducted are included in risk-weighted assets (weighting at 250%),
  - the total of deferred tax assets (DTAs) dependent on future profitability related to temporary differences and CET1 instruments held in financial sector equity investments greater than 10% ("significant investments") for the amount exceeding an individual ceiling of 17.65% of the institution's CET1 capital; components not deducted are included in risk-weighted assets (weighting at 250%).

3.1.5.1.2 Additional Tier 1 (AT1) capital (AT1)

This includes:

- eligible AT1 capital, which consists of perpetual debt instruments without any requirements or incentives to redeem (in particular step-up clauses);
- direct deductions of AT1 instruments (including market making);
- deductions of capital instruments held in financial sector equity investments of less than or equal to 10% (non-significant investments), for the amount exceeding a ceiling of 10% of the CET1 capital of the subscribing institution, up to the proportion of AT1 instruments in the total capital instruments held; items not deducted are included in risk-weighted assets (variable weighting depending on the nature of instruments and the Basel methodology);
- deductions of AT1 instruments held in equity investments in the financial sector of more than 10% (significant investments);
- other AT1 capital components or other deductions (including AT1 eligible non-controlling interests).

AT1 instruments eligible under CRR No. 575/2013 as amended by CRR No. 2019/876 (CRR2) include a bail-in mechanism that is triggered when the CET1 ratio is below a threshold that must be set at no lower than 5.125% (or 7% for the CET1 ratio of the Crédit Agricole Group). Instruments may be converted into equity or suffer a reduction in their par value. Payments must be totally flexible: no automatic compensation mechanisms and/or suspension of coupon payments at the issuer's discretion are permitted.

The amount of AT1 instruments used in fully loaded ratios corresponds to the Additional Tier 1 capital instruments eligible under CRR575/2013 as amended by CRR2019/876 (CRR2).

The AT1 instruments issued by Crédit Agricole S.A. have two loss absorption mechanisms that are triggered when at least one of these two following conditions is met:

- Crédit Agricole S.A.'s CET1 ratio drops below 5.125%;
- Crédit Agricole Group's CET1 ratio drops below 7%.

At 31 December 2022, the phased-in CET1 ratios of Crédit Agricole S.A. and of Crédit Agricole Group were 11.2% and 17.6%, respectively. These ratios represent capital buffers of €22.1 billion for Crédit Agricole S.A. and €60.6 billion for the Crédit Agricole Group relative to the loss absorption thresholds of 5.125% and 7%, respectively.

At 31 December 2022, there were no applicable restrictions on the payment of coupons.

At the same date, the distributable items of Crédit Agricole S.A. totalled €42.9 billion, including €29.5 billion in distributable reserves and €13.4 billion in share premiums.

The CRR2 regulation adds eligibility criteria. For example, instruments issued by an institution established in the European Union that are subject to the law of a third country must include a bail-in clause in order to be eligible. These provisions apply to each category of AT1 and Tier 2 capital instruments.

These instruments are published on the internet[1] in the Appendix "Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA)" and correspond to deeply subordinated notes (TSS).

3.1.5.1.3 Tier 2 capital

This includes:

- subordinated debt instruments, which must have a minimum maturity of five years and for which:
  - early redemption incentives are prohibited,
  - a haircut applies during the five-year period prior to their maturity date;
- deductions of directly held Tier 2 instruments (including market making);
- the surplus provisions relative to expected eligible losses determined in accordance with the internal ratings-based (IRB) approach, limited to 0.6% of risk-weighted assets under IRB;
- deductions of capital instruments held in financial sector equity investments of less than or equal to 10% (non-significant investments), for the amount exceeding a ceiling of 10% of the CET1 capital of the subscribing institution, up to the proportion of Tier 2 instruments in the total capital instruments held; items not deducted are included in risk-weighted assets (variable weighting depending on the nature of instruments and the Basel methodology);
- deductions of Tier 2 instruments held in financial sector equity investments of more than 10% (significant investments), predominantly in the insurance sector;
- Tier 2 capital components or other deductions (including Tier 2 eligible non-controlling interests).

The amount of Tier 2 instruments used in fully loaded ratios corresponds to the Tier 2 capital instruments eligible under CRR No. 575/2013, as amended by CRR No. 2019/876 (CRR2).

These instruments are published[2] on the internet in the Appendix "Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA)". They correspond to undated subordinated notes (*titres subordonnés à durée indéterminée* – TSDI), equity investments (*titres participatifs* – TP) and dated subordinated notes (*titres subordonnés remboursables* – TSR).

3.1.5.1.4 Transitional implementation

To facilitate compliance by credit institutions with CRR2/CRD 5, less stringent transitional provisions have been provided for, notably with the gradual introduction of new prudential treatment of capital components.

All these transitional provisions ended on 1 January 2018; those relating to hybrid debt instruments ended on 1 January 2022.

CRR2 introduced a new grandfather clause: non-eligible instruments issued before 27 June 2019 will remain eligible under transitional provisions until 28 June 2025.

During the transitional phase, the amount of Tier 1 included in the ratios corresponds to the sum of:

- Additional Tier 1 capital eligible under CRR2 (AT1);
- Additional Tier 1 capital instruments eligible for CRR issued before 27 June 2019.

During the transitional phase, the amount of Tier 2 included in the ratios corresponds to the sum of:

- Tier 2 capital eligible under CRR2;
- CRR eligible Tier 2 capital instruments issued before 27 June 2019.

Finally, the "Quick Fix" regulation of 26 June 2020 extended until 2024 the transitional provisions set out in the CRR, by allowing inclusion of the impacts associated with the application of the IFRS 9 accounting standard in the solvency ratios. Crédit Agricole S.A. and the Crédit Agricole Group had not opted for this provision when IFRS 9 was first applied in 2018. Following the publication of the "Quick Fix" regulation, it was decided to opt for this provision as from 30 June 2020.

During the transitional phase (until 2024), the impacts related to the application of the IFRS 9 accounting standard can be included in the CET1 equity, according to a calculation composed of several components:

- a static component making it possible to neutralise, in shareholders' equity, part of the impact of the first-time application of IFRS 9. In 2022, neutralisation is achieved on the basis of a rate of 25%;
- a dynamic component, making it possible to neutralise part of the net increase in provisions recorded between 1 January 2018 and 1 January 2020 on performing outstandings (Stages 1 and 2 of IFRS 9). In 2022, neutralisation is achieved on the basis of a rate of 25%;
- a second dynamic component, making it possible to neutralise part of the net increase in provisions recorded between 1 January 2020 and the balance sheet date on performing loans (compartments 1 and 2 of IFRS 9). In 2022, neutralisation is achieved on the basis of a rate of 75%.

(1) https://www.credit-agricole.com/en/finance/finance/financial-publications
(2) https://www.credit-agricole.com/en/finance/finance/financial-publications

3.1.5.1.5 Position at 31 December 2022

— Simplified regulatory capital

Simplified regulatory capital *(in millions of euros)*	31/12/2022		31/12/2021	
	phased-in	fully-loaded	phased-in	fully-loaded
Share capital and reserves	30,456	30,456	29,927	29,927
Consolidated reserves	92,584	92,584	85,467	85,467
Other comprehensive income	(4,715)	(4,715)	2,003	2,003
Net income (loss) for the year	8,144	8,144	9,101	9,101
EQUITY – GROUP SHARE	**126,470**	**126,470**	**126,498**	**126,498**
(-) AT1 instruments accounted as equity	(5,989)	(5,989)	(4,888)	(4,888)
Eligible minority interests	3,571	3,571	3,557	3,557
(-) Expected dividend	(1,648)	(1,648)	(1,594)	(1,594)
(-) Prudential filters	(909)	(909)	(1,920)	(1,920)
o/w: Prudent valuation	(2,063)	(2,063)	(1,732)	(1,732)
(-) Regulatory adjustments	(19,588)	(19,588)	(19,970)	(19,970)
Goodwills and intangible assets	(19,136)	(19,136)	(19,014)	(19,014)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	(142)	(142)	(494)	(494)
Shortfall in adjustments for credit risk relative to expected losses under the internal ratings-based approach	(310)	(310)	(462)	(462)
Amount exceeding thresholds	-	-	-	-
Other CET1 components	(1,046)	(2,847)	1,009	(1,164)
COMMON EQUITY TIER 1 (CET1)	**100,861**	**99,060**	**102,693**	**100,521**
Additional Tier 1 (AT1) instruments	6,467	4,711	5,107	3,435
Other AT1 components	(264)	(264)	(251)	(251)
TOTAL TIER 1	**107,064**	**103,507**	**107,549**	**103,704**
Tier 2 instruments	16,140	14,329	18,098	15,719
Other Tier 2 components	811	811	(307)	(307)
TOTAL CAPITAL	**124,016**	**118,647**	**125,340**	**119,116**
TOTAL RISK-WEIGHTED EXPOSURE AMOUNT (RWA)	**574,595**	**574,431**	**585,441**	**584,825**
CET1 RATIO	17.55%	17.24%	17.54%	17.19%
TIER 1 RATIO	18.63%	18.02%	18.37%	17.73%
TOTAL CAPITAL RATIO	21.58%	20.65%	21.41%	20.37%

For clarity, the full tables of the composition of capital (EU CC1 and EU CC2) are available directly on the internet[1].

(1) https://www.credit-agricole.com/en/finance/finance/financial-publications.

— Value adjustments for the purpose of prudent valuation, PVA (EU PV1)

The table below provides information required by Article 436-(e) of CRR2.

	Risk category					Valuation uncertainty				
(in millions of euros)	**Equity**	**Interest rates**	**Foreign exchange**	**Credit**	**Commodities**	**Unearned credit spreads AVA**	**Investment and funding costs AVA**	**Total post-diversification**	**Of which: trading book**	**Of which: banking book**
Market price uncertainty	211	215	17	37	0	10	5	240	146	94
Close-out cost	58	238	28	9	0	6	3	165	162	3
Concentrated positions	14	39	-	19	-	-	-	72	49	23
Early termination	-	-	0	-	-	-	-	0	0	-
Model risk	53	366	4	-	0	195	29	347	347	-
Operational risk	2	0	-	0	-	-	-	2	0	2
Future administrative costs	-	43	-	-	-	-	-	43	43	-
TOTAL ADDITIONAL VALUATION ADJUSTMENTS (AVAS)								**2,063**	**747**	**1,317**

Changes during the period

Phased-in Common Equity Tier 1 (CET1) capital stood at €100.9 billion at 31 December 2022, showing a decrease of €1.8 billion compared to year-end 2021. This change is attributable to the decrease of -€6.7 billion in unrealised gains and/or losses and the provision for Crédit Agricole S.A. share buybacks by SAS Rue La Boétie totalling -€1 billion, which was not fully absorbed by the retained earnings of €6.5 billion for the year. Finally, the evolution of the IFRS 9 phasing-in had an impact of -€0.4 billion.

Phased-in Tier 1 capital was €107.1 billion, down €0.5 billion from 31 December 2021, with an increase in Additional Tier 1 capital of €1.3 billion driven by the issuance of an Additional Tier 1 capital instrument for an equivalent of €1.1 billion in January 2022 (US$1.25 billion) and a favourable foreign exchange impact of +€0.2 billion for the year.

Phased-in Tier 2 capital was €17.0 billion, down €0.8 billion compared to 31 December 2021. This change is explained as follows:

- issues over the period (an equivalent of +€0.3 billion at 31 December 2022) net of redemptions, haircuts and foreign exchange impact (-€2.3 billion) resulted in a -€2 billion decrease in Tier 2 instruments, which reached €16.1 billion;
- on the other hand, Tier 2 capital benefited from a €0.9 billion decrease in the deduction of subordinated debt of banks and insurance companies, following the redemption of subordinated debt securities issued by Crédit Agricole Assurances and held by Crédit Agricole S.A. in December 2022;
- finally, the provision surplus relative to expected losses in accordance with the internal ratings-based (IRB) approach was up €0.2 billion.

In all, phased-in total capital stood at €124.0 billion, down -€1.3 billion compared to 31 December 2021. This regulatory capital does not take into account the senior non-preferred debt issuances, which are discussed in the "Resolution ratios" section below.

3.1.6 Capital adequacy

The regulatory perspective of capital adequacy is ensured through the monitoring of solvency, leverage and resolution ratios. Each of these ratios reports the amount of regulatory capital and/or, when applicable, eligible instruments, to the risk or leverage exposures. These exposures are defined and calculated in section "Composition of and changes in risk-weighted assets". The regulatory perspective is supplemented by the economic internal perspective of capital adequacy, which is ensured by the monitoring of the economic capital requirements' coverage ratio.

3.1.6.1 Solvency ratios

Solvency ratios are intended to check the adequacy of the various categories of capital (CET1, Tier 1 and total capital) to cover risk-weighted assets arising as a result of credit risk, market risk and operational risk. These risk-weighted assets are computed using either a standardised approach or an internal approach (see section "Composition of and changes in risk-weighted assets").

3.1.6.1.1 Regulatory prudential requirements

The CRR regulation governs the requirements with regard to Pillar 1. The supervisor also sets, on a discretionary basis, the minimum requirements within the framework of Pillar 2.

The overall capital requirement is as follows:

SREP own funds requirement	31/12/2022	31/12/2021
Pillar 1 minimum CET1 requirement	4.50%	4.50%
CET1 additional Pillar 2 requirement (P2R)	0.84%	0.84%
Combined buffer requirement	3.55%	3.52%
CET1 REQUIREMENT	**8.89%**	**8.87%**
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	**13.05%**	**13.02%**

Minimum requirements with regard to Pillar 1

The Pillar 1 capital requirements include a minimum CET1 capital ratio of 4.5%, a minimum Tier 1 capital ratio of 6% and a minimum overall capital ratio of 8%.

Minimum requirements with regard to Pillar 2

The European Central Bank (ECB) annually notifies Crédit Agricole Group and Crédit Agricole S.A. of their minimum capital requirements following the results of the Supervisory Review and Evaluation Process (SREP):

- a Pillar 2 Requirement (P2R) of 1.5%, which applies to each level of capital; failure to comply with this requirement automatically results in restrictions on distributions (additional Tier 1 capital instrument coupons, dividends, variable compensation); accordingly, this requirement is public. The P2R can be met with 75% Tier 1 capital including as a minimum 75% CET1 capital;
- a Pillar 2 Guidance (P2G), which is not public and must be fully met with Common Equity Tier 1 (CET1) capital.

Combined capital buffer requirement and restriction on distributions threshold

Regulations provide for the establishment of capital buffers, fully covered with CET1 capital and for which the overall capital requirement works out as follows:

Combined buffer requirement	31/12/2022	31/12/2021
Phased-in capital conservation buffer	2.50%	2.50%
Phased-in systemic buffer	1.00%	1.00%
Countercyclical buffer	0.05%	0.02%
COMBINED BUFFER REQUIREMENT	**3.55%**	**3.52%**

More specifically:

- the capital 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 (a rate set within a range of 0% to 2.5%) aims to prevent excessive credit growth. The rate is set by the competent authorities from each country (the *Haut Conseil de Stabilité Financière* or HCFS/High Council for Financial Stability in the case of France) and the buffer applying at the institution's level therefore results from the weighted average of the buffers defined for each country in which the institution operates applied to the relevant exposures at default (EAD); when the countercyclical buffer rate is calculated by one of the national authorities, the application date should be no later than 12 months from the publication date, except in exceptional circumstances;
- the systemic risk buffer (0% to 3% in general, up to 5% after agreement from the European Commission and more exceptionally above that figure) is designed to prevent or attenuate the non-cyclical risk dimension. It is set by the competent authorities from each country (the *Haut Conseil de Stabilité Financière* or HCFS/High Council for Financial Stability in the case of France) and depends on the structural characteristics of the banking industry, in particular its size, level of concentration and its share in financing the economy;
- the buffers for systemically important institutions (0% to 3% in general, up to 5% after agreement from the European Commission and more exceptionally above that figure); for global systemically important institutions (G-SII), between 0% and 3.5%, or for other systemically important institutions (O-SII), between 0% and 2%. These buffers are not cumulative, and in general, with some exceptions, the highest buffer rate applies. Only Crédit Agricole Group is a G-SII and has a buffer of 1% since 1 January 2019. Crédit Agricole S.A. is not subject to these requirements. When an institution is subject to a buffer for systemically important institutions (G-SII or O-SII) and a buffer for systemic risk, the two buffers are combined.

To date, countercyclical buffers have been activated in 12 countries by the relevant national authorities. With respect to the Crédit Agricole Group's exposures in these countries, the Crédit Agricole Group's countercyclical buffer rate was 0.05% at 31 December 2022.

In addition, the *Haut Conseil de Stabilité Financière* (HCSF – High Council for Financial Stability) recognises the reciprocal application of the sectoral systemic risk buffers activated by Germany, Lithuania, the Netherlands, Belgium, Norway and Estonia. With respect to the methods for applying these buffers and the materiality of the exposures held by the Crédit Agricole Group, the systemic risk buffer rate was 0% at 31 December 2022.

The tables below provide information required by Article 440 (a and b) of CRR2.

— Amount of institution-specific countercyclical capital buffer (EU CCYB2)

		31/12/2022	31/12/2021
1	Total risk exposure amount	574,595	585,441
2	Institution specific countercyclical capital buffer rate	0.05%	0.02%
3	INSTITUTION SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER REQUIREMENT	281	137

— Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (EU CCYB1)

		General credit exposures		Relevant credit exposures – Market risk				Own fund requirements						
	31/12/2022 *(in millions of euros)*	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and 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 exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights *(%)*	Counter cyclical buffer rate *(%)*
	Breakdown by country:													
1	Australia	28	5,111	-	-	-	5,139	71	-	-	71	888	0.20%	0.00%
2	Belgium	5,883	4,417	-	-	21	10,321	207	-	1	207	2,592	0.57%	0.00%
3	Bulgaria	1	2	-	-	-	2	0	-	-	0	1	0.00%	1.00%
4	Croatia	2	1	-	-	-	3	0	-	-	0	1	0.00%	0.00%
5	Czech Republic	36	145	-	-	-	181	9	-	-	9	116	0.03%	1.50%
6	Denmark	234	1,125	-	-	70	1,429	38	-	1	38	480	0.11%	2.00%
7	Estonia	1	27	-	-	-	27	0	-	-	0	2	0.00%	1.00%
8	France	59,772	741,119	164	1,839	26,099	828,994	22,669	160	367	23,196	289,951	63.89%	0.00%
9	Germany	4,727	17,708	-	-	2,905	25,340	697	-	31	728	9,095	2.00%	0.00%
10	Hong Kong	139	5,627	-	-	179	5,945	100	-	3	103	1,290	0.28%	1.00%
11	Iceland	0	0	-	-	-	0	0	-	-	0	0	0.00%	2.00%
12	Ireland	113	5,093	-	-	81	5,287	89	-	1	90	1,121	0.25%	0.00%
13	Lithuania	30	0	-	-	22	53	2	-	1	3	41	0.01%	0.00%
14	Luxembourg	2,797	192,082	-	-	5,001	199,879	1,640	-	1	1,640	20,503	4.52%	0.50%
15	Netherlands	1,762	9,244	-	-	1,120	12,126	403	-	15	418	5,221	1.15%	0.00%
16	Norway	7	2,103	-	-	104	2,214	44	-	1	46	570	0.13%	2.00%
17	Romania	6	41	-	-	-	47	3	-	-	3	32	0.01%	0.50%
18	Slovakia	3	6	-	-	-	9	0	-	-	0	6	0.00%	1.00%
19	Sweden	103	2,352	-	-	46	2,502	88	-	0	88	1,103	0.24%	1.00%
20	United Kingdom	1,504	18,089	-	-	3,027	22,620	539	-	42	582	7,269	1.60%	1.00%
21	Other countries*	66,108	165,522	0	-	27,793	259,423	8,724	0	360	9,084	113,554	25.02%	0.00%
22	**TOTAL**	**143,255**	**1,169,816**	**164**	**1,839**	**66,467**	**1,381,541**	**35,322**	**160**	**824**	**36,307**	**453,836**	**100%**	**0.05%**

* *For which no countercyclical buffer has been defined by the competent authority.*

3.1.6.1.2 Situation at 31 December 2022

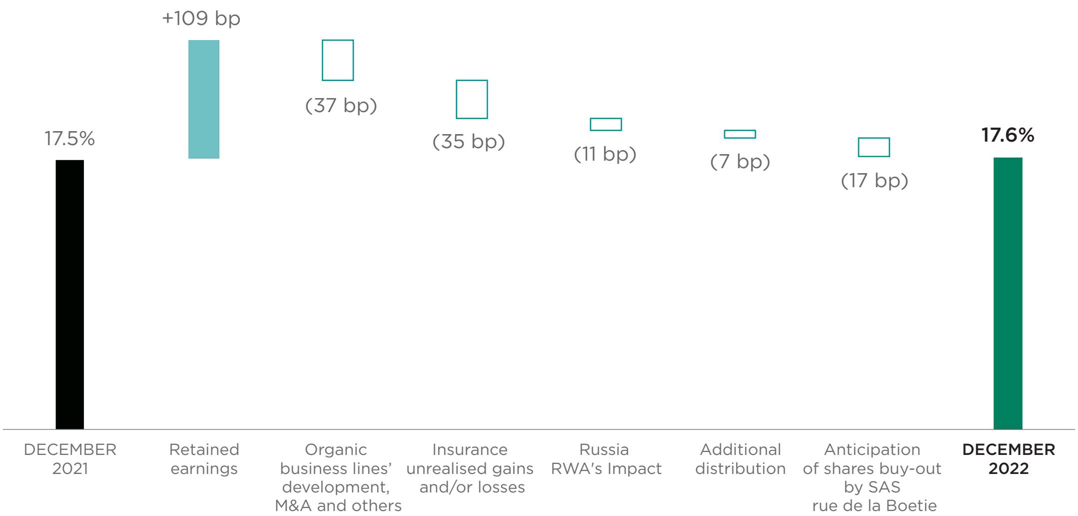
The transposition of Basel regulations into European law (CRD) has established a distribution restriction mechanism applicable to dividends, AT1 instruments and variable compensation. The principle of the Maximum Distributable Amount (MDA), the maximum amount that a bank can allocate to distributions, aims at restricting distributions where they would result in non-compliance with the combined capital buffer requirement.

The distance to the MDA trigger is the lowest of the respective distances to the SREP requirements in CET1 capital, Tier 1 capital and total capital.

	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	1.00%	1.00%	1.00%
Countercyclical buffer	0.05%	0.05%	0.05%
SREP REQUIREMENT (a)	**8.89%**	**10.67%**	**13.05%**
31/12/2022 PHASED-IN SOLVENCY RATIOS (b)	**17.55%**	**18.63%**	**21.58%**
Distance to SREP requirement (b-a)	866 bp	796 bp	853 bp
DISTANCE TO MDA TRIGGER THRESHOLD		**796 BP (€46 BN)**	

At 31 December 2022, the Crédit Agricole Group had a buffer of 796 basis points above the MDA trigger, i.e. approximately €46 billion in CET1 capital.

— Changes in CET1 over 2022



The CET1 ratio increased by 0.1 percentage point over the year. The very positive impact of retained earnings on the ratio (+1.09 pp) made it possible to absorb the growth of the businesses and other effects (-0.37 pp), with an organic capital generation of +0.72 percentage points over the year. In addition, the year was marked by largely reversible cyclical effects, linked on the one hand to the impact of long-term rates on Insurance unrealised gains and/or losses (-0.35 pp) and on the other hand to the impact of the Russian-Ukrainian conflict on RWA (-0.11 pp). It should be noted that the additional dividend and the Crédit Agricole S.A. share buybacks aimed at offsetting the dilutive effect of the 2022 employee capital increase had an impact of -0.07 percentage points on the CET1 ratio. Finally, the anticipation in Q4 2022 of the impact of the Crédit Agricole S.A. share buybacks by SAS Rue La Boétie, expected before the end of June 2023, reduces the CET1 ratio by -0.17 percentage points.

— Solvency ratios of the Regional Banks[1]

The 2022 retained earnings are taken into account in the regulatory capital as at 31 December 2022.

Regional Banks' capital ratios *(in millions of euros)*	**31/12/2022**	**31/12/2021**
COMMON EQUITY TIER 1 CAPITAL	**68,324**	**65,886**
Additional Tier 1	14	13
TIER 1	**68,337**	**65,899**
Tier 2	1,033	1,008
TOTAL CAPITAL	**69,370**	**66,907**
Credit risk	240,934	233,268
Market risk	285	294
Operational risk	21,473	20,589
RISK WEIGHTED ASSETS	**262,692**	**254,150**
CET1 RATIO	**26.01%**	**25.92%**
TIER 1 RATIO	**26.01%**	**25.93%**
TOTAL CAPITAL RATIO	**26.41%**	**26.33%**

(1) Total of 38 Regional Banks (excluding Caisse régionale de la Corse).

The phased-in CET1 capital ratio of all the Regional Banks (excluding Corsica) increased by 0.1 percentage point to 26.0%, well above the minimum requirements (7% for the CET1 ratio and 10.5% for the total ratio).

Common Equity Tier 1 capital (CET1) increased by €2.4 billion over the year, thanks in particular to the inclusion of the retained earnings for the period (€3.7 billion) and taking into account the advance granted in Q4 2022 to SAS Rue La Boétie, intended to finance the Crédit Agricole S.A. share buyback programme in the amount of -€1 billion before the end of June 2023. Phased-in total capital increased by an equivalent amount.

Overall, the growth of equity over the period was slightly faster than that of risk weighted assets, despite a strong expansion of activity over the year.

3.1.6.2 Leverage ratio

3.1.6.2.1 Regulatory framework

The objective of the leverage ratio is to help preserve financial stability by acting as a safety net to supplement risk-based capital requirements and by limiting the accumulation of excessive leverage in times of economic recovery. The Basel Committee, in the context of Basel 3 agreements, defined the leverage ratio rule, which was transposed into European law via Article 429 of the CRR, amended by Delegated Act 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 measure, i.e. balance sheet and off-balance-sheet assets after certain restatements of derivatives, transactions between Group affiliates, securities financing activities, items deducted from the numerator, and off-balance-sheet items.

Since the publication of European regulation CRR2 in the Official Journal of the European Union on 7 June 2019, the leverage ratio has been subject to a minimum Pillar 1 requirement applicable as from 28 June 2021:

- the minimum leverage ratio requirement is 3%;
- from 1 January 2023, a leverage ratio buffer, defined as half of the entity's systemic buffer, will be added to this level for global systemically important institutions (G-SII), i.e. for Crédit Agricole Group;
- lastly, failure to comply with the leverage ratio buffer requirement will result in a distribution restriction and the calculation of a maximum distributable amount (L-MDA).

Regulation CRR2 stipulates that certain Central Bank exposures may be excluded from the overall leverage ratio exposure if macroeconomic circumstances so justify. If this exemption is applied, the institutions must satisfy an adjusted leverage ratio requirement of over 3%. On 18 June 2021, the European Central Bank declared that credit institutions under its supervision could apply this exclusion in light of the exceptional circumstances existing since 31 December 2019; this measure remained applicable until 31 March 2022 inclusive. The Crédit Agricole Group applied this provision and had to comply with a leverage ratio requirement of 3.11% during this period.

As of 1 January 2015 publication of the leverage ratio is mandatory at least once a year; institutions can choose to publish a fully loaded ratio or a phased-in ratio. If the institution decides to change its publication choice, at the time of first publication it must reconcile the data for all of the ratios previously published with the data for the new ratios selected for publication.

The Crédit Agricole Group has opted to publish a phased-in leverage ratio.

3.1.6.2.2 Position at 31 December 2022

The items below provide information required by Article 451 of CRR2.

Publication of qualitative information on the leverage ratio (EU LRA)

The leverage ratio of the Crédit Agricole Group was 5.3% on a phased-in Tier 1 basis.

The leverage ratio was down by 0.8 percentage point over 2022, mainly due to the end of the neutralisation of Central Bank exposures. Apart from that, the leverage ratio fell by 0.1 percentage point, in line with the drop in Tier 1 capital over the year and with an increase in exposures though limited by the partial repayment of TLTRO's at the end of the year. The leverage ratio remained at a high level, 2.3 percentage points above the requirement at 31 December 2022. From 1 January 2023, and only for global systemically important institutions (G-SII), a leverage ratio buffer, defined as half of the entity's systemic buffer, i.e. 0.5% for the Crédit Agricole Group, will be added to this minimum requirement. Failure to comply with the leverage ratio buffer requirement would result in a distribution restriction and the calculation of a maximum distributable amount (L-MDA). At 1 January 2023, based on the data at 31 December 2022, the Crédit Agricole Group had a buffer of 184 basis points above the L-MDA trigger, i.e. €37 billion in Tier 1 capital.

The leverage ratio is not sensitive to risk factors and, on this basis, is considered to be a measurement that supplements the solvency (solvency ratio/resolution ratio) and liquidity risk management, which already limit the size of the balance sheet. Under the excessive leverage monitoring framework, the Group controls and sets limits on the size of the balance sheet and on the leverage exposure for businesses with low consumption of risk-weighted assets.

— LRCom: Leverage ratio – common disclosure (EU LR2)

LRCom: Leverage ratio common disclosure (EU LR2) *(in millions of euros)*		**31/12/2022**	**30/06/2022**
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	1,702,487	1,729,822
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	4,834	6,272
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(13,443)	(17,991)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(21,732)	(20,693)
7	**TOTAL ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES AND SFTS)**	**1,672,146**	**1,697,409**
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	35,298	34,730
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	50,717	53,480
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	(2,841)	(2,651)
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	15,008	14,769
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(4,803)	(4,909)
13	**TOTAL DERIVATIVES EXPOSURES**	**93,378**	**95,418**
	Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	243,243	358,419
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(119,727)	(218,684)
16	Counterparty credit risk exposure for SFT assets	4,781	9,711
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e-(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	**TOTAL SECURITIES FINANCING TRANSACTION EXPOSURES**	**128,298**	**149,446**
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	391,981	396,427
20	(Adjustments for conversion to credit equivalent amounts)	(187,554)	(204,907)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	**OFF-BALANCE SHEET EXPOSURES**	**204,426**	**191,521**

LRCom: Leverage ratio common disclosure (EU LR2) *(in millions of euros)*		31/12/2022	30/06/2022
	Excluded exposures		
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a-(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a-(1) CRR (on and off balance sheet))	(81,101)	(75,513)
EU-22c	(Excluded exposures of public development banks (or units) – Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) – Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	(12,876)	(13,508)
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a-(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a-(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22K	**(TOTAL EXEMPTED EXPOSURES)**	**(93,976)**	**(89,021)**
	Capital and total exposure measure		
23	**TIER 1 CAPITAL**	**107,064**	**107,557**
24	**TOTAL EXPOSURE MEASURE**	**2,004,273**	**2,044,773**
	Leverage ratio		
25	**LEVERAGE RATIO** *(%)*	**5.34%**	**5.26%**
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) *(%)*	5.34%	5.26%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of Central Bank reserves) *(%)*	5.34%	5.26%
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	148,366	N/A
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	123,517	N/A
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)	2,029,123	N/A
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)	2,029,123	N/A
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)	5.28%	N/A
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)	5.28%	N/A

— LRSum: Summary reconciliation of accounting assets and leverage ratio exposures (EU LR1)

Applicable amount *(in millions of euros)*		**31/12/2022**
1	Total assets as per published financial statements	2,379,120
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(384,315)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	(15)
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	(359,770)
9	Adjustment for securities financing transactions (SFTs)	(114,945)
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	204,437
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)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a-(1) CRR)	(81,101)
12	Other adjustments	360,862
13	**TOTAL EXPOSURE MEASURE**	**2,004,273**

— LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) (EU LR3)

CRR leverage ratio exposures *(in millions of euros)*		**31/12/2022**
EU-1	**TOTAL ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES, SFTS, AND EXEMPTED EXPOSURES), OF WHICH:**	**1,612,320**
EU-2	Trading book exposures	33,019
EU-3	Banking book exposures, of which:	1,579,301
EU-4	Covered bonds	6,077
EU-5	Exposures treated as sovereigns	328,986
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	45,476
EU-7	Institutions	37,580
EU-8	Secured by mortgages of immovable properties	482,080
EU-9	Retail exposures	239,528
EU-10	Corporates	345,299
EU-11	Exposures in default	22,255
EU-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	72,021

3.1.6.3 Resolution ratios

The TLAC and MREL requirements described below are applicable at the level of the Crédit Agricole Group.

3.1.6.3.1 TLAC ratio

The Financial Stability Board (FSB) has defined the calculation of a ratio aimed at estimating the adequacy of the loss absorbing and recapitalisation capacity of Globally Systemically Important Banks (G-SIB). The Total Loss Absorbing Capacity (TLAC) ratio provides resolution authorities with the means to assess whether G-SIBs have sufficient loss absorption and recapitalisation capacity before and during resolution. This ratio applies to global systemically important financial institutions, and therefore to the Crédit Agricole Group.

The Group's regulatory capital, as well as eligible subordinated debt and senior non-preferred debt with a residual maturity of more than one year issued by Crédit Agricole S.A., are eligible for the TLAC ratio numerator.

The TLAC ratio requirement has been transposed into European Union law via CRR2 and has been applicable since 27 June 2019. The Crédit Agricole Group must meet the following TLAC ratio requirements at all times:

- a TLAC ratio above 18% of risk-weighted assets (RWA), plus – in accordance with CRD 5 – a combined capital buffer requirement (including, for the Crédit Agricole Group, a capital conservation buffer of 2.5%, a G-SIB buffer of 1% and a countercyclical buffer set at 0.05% for the Crédit Agricole Group at 31 December 2022). Considering the combined capital buffer requirement, the Crédit Agricole Group must comply with a TLAC ratio of above 21.5%;
- a TLAC ratio of above 6.75% of the Leverage Ratio Exposure (LRE).

The 2025 target of the Crédit Agricole Group is to maintain a TLAC ratio greater than or equal to 26% of RWA excluding eligible senior preferred debt.

At 31 December 2022, the Crédit Agricole Group TLAC ratio was 27.2% of RWA and 7.8% of leverage exposure, excluding eligible preferred senior debt, i.e. well above the requirements. The Group thus has a TLAC ratio excluding eligible preferred senior debt of 560 basis points, i.e. €32 billion, above the currently required 21.5% of RWA.

In 2022, an equivalent of €5.9 billion was issued in the market (senior non-preferred debt and Tier 2). The amount of senior non-preferred debt of the Crédit Agricole Group taken into account in the calculation of the TLAC ratio is €27.6 billion.

— Key metrics – Capital requirement and eligible liabilities requirement applicable to G-SIIs (EU KM2)

The table below provides information required by Article 447-(h) of CRR2 and Article 45i-3 (a and c) of BRRD2. It presents an overview of the ratios and components of the TLAC requirement applicable to global systemically important institutions, and therefore to the Crédit Agricole Group.

	EU KM2: Own funds and eligible liabilities, ratios and components *(in millions of euros)*	**31/12/2022**	**30/09/2022**	**30/06/2022**	**31/03/2022**	**31/12/2021**
1	Own funds and eligible liabilities[1]	156,263	156,134	154,601	153,329	154,060
2	Total risk exposure amount of the resolution group (TREA)[2]	574,595	588,643	579,519	591,960	585,441
3	**OWN FUNDS AND ELIGIBLE LIABILITIES AS A PERCENTAGE OF TREA**	**27.20%**	**26.52%**	**26.68%**	**25.90%**	**26.32%**
4	Total exposure measure of the resolution group[2]	2,004,273	2,111,884	2,044,773	1,844,129	1,765,793
5	**OWN FUNDS AND ELIGIBLE LIABILITIES AS PERCENTAGE OF THE TOTAL EXPOSURE MEASURE**	**7.80%**	**7.39%**	**7.56%**	**8.31%**	**8.72%**
6a	Does the subordination exemption in Article 72b-(4) of the CRR apply? (5% exemption)	No	No	No	No	No
6b	Pro-memo item – Aggregate amount of permitted non-subordinated eligible liabilities instruments if the subordination discretion as per Article 72b-(3) CRR is applied (max 3.5% exemption)[3]	0	0	0	0	0
6c	Pro-memo item: If a capped subordination exemption applies under Article 72b-(3) CRR, the amount of funding issued that ranks *pari passu* with excluded liabilities and that is recognised under row 1, divided by funding issued that ranks *pari passu* with excluded Liabilities and that would be recognised under row 1 if no cap was applied *(%)*	N/A	N/A	N/A	N/A	N/A

(1) Total loss absorbing capacity.

(2) For the purpose of computing resolution ratios, the Total Exposure Risk Amount (TREA) of the resolution group is equivalent to the Risk Weighted Assets (RWA) at Crédit Agricole Group level; the Total Exposure Measure (TEM) of the resolution group is equivalent to the Leverage Ratio Exposure (LRE) at Crédit Agricole Group level.

(3) As part of its annual resolvability assessment, Crédit Agricole Group has chosen to waive the possibility offered by Article 72b-(3) of the Capital Requirements Regulation to use senior preferred debt for compliance with its TLAC requirements in 2022.

— Composition of the TLAC at the level of the resolution group (EU-TLAC1)

The table below provides information required by Article 437a (a, c and d) of CRR2 and Article 45i-3-(b) of BRRD2. It presents the composition of own funds and liabilities eligible for the TLAC requirement applicable to global systematically important institutions, and therefore to the Crédit Agricole Group.

EU TLAC1 – Composition – G-SII Requirement for own funds and eligible liabilities *(in millions of euros)*		**31/12/2022**
	Own funds and eligible liabilities and adjustments	
1	Common Equity Tier capital (CET1)	100,861
2	Additional Tier capital (AT1)	6,203
6	Tier 2 capital (T2)	16,951
11	**OWN FUNDS FOR THE PURPOSE OF ARTICLES 92A CRR**	**124,016**
	Own funds and eligible liabilities: Non-regulatory capital elements	
12	Eligible liabilities instruments issued directly by the resolution entity that are subordinated to excluded liabilities (not grandfathered)(1)	27,642
EU-12a	Eligible liabilities instruments issued by other entities within the resolution group that are subordinated to excluded liabilities (not grandfathered)	0
EU-12b	Eligible liabilities instruments that are subordinated to excluded liabilities, issued prior to 27 June 2019 (subordinated grandfathered)	0
EU-12c	Tier 2 instruments with a residual maturity of at least one year to the extent they do not qualify as Tier 2 items	4,605
13	Eligible liabilities that are not subordinated to excluded liabilities (not grandfathered pre cap)(2)	N/A
EU-13a	Eligible liabilities that are not subordinated to excluded liabilities issued prior to 27 June 2019 (pre-cap)(2)	N/A
14	Amount of non subordinated instruments eligible, where applicable after application of Article 72b-(3) CRR(2)	0
17	**ELIGIBLE LIABILITIES ITEMS BEFORE ADJUSTMENTS**	**32,247**
EU-17a	Of which subordinated	32,247
	Own funds and eligible liabilities: Adjustments to non-regulatory capital elements	
18	Own funds and eligible liabilities items before adjustments	156,263
19	(Deduction of exposures between MPE resolution groups)	N/A
20	(Deduction of investments in other eligible liabilities instruments)	0
22	**OWN FUNDS AND ELIGIBLE LIABILITIES AFTER ADJUSTMENTS**	**156,263**
EU-22a	Of which own funds and subordinated	156,263
	Risk-weighted exposure amount and leverage exposure measure of the resolution group	
22	**TOTAL RISK EXPOSURE AMOUNT (TREA)(3)**	**574,595**
23	**TOTAL EXPOSURE MEASURE (TEM)(3)**	**2,004,273**
	Ratio of own funds and eligible liabilities	
25	**OWN FUNDS AND ELIGIBLE LIABILITIES (AS A PERCENTAGE OF TREA)**	**27.20%**
EU-25a	Of which own funds and subordinated	27.20%
26	**OWN FUNDS AND ELIGIBLE LIABILITIES (AS A PERCENTAGE OF TEM)**	**7.80%**
EU-26a	Of which own funds and subordinated	7.80%
27	CET1 (as a percentage of TREA) available after meeting the resolution group's requirements(4)	9.20%
28	Institution-specific combined buffer requirement	3.55%
29	Of which: capital conservation buffer requirement	2.50%
30	Of which: countercyclical buffer requirement	0.05%
31	Of which: systemic risk buffer requirement	0.00%
EU-31a	Of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	1.00%
	Memorandum items	
EU-32	Total amount of excluded liabilities referred to in Article 72a-(2) CRR	814,373

(1) Senior non preferred debt instruments.

(2) As part of its annual resolvability assessment, Crédit Agricole Group has chosen to waive the possibility offered by Article 72b-(3) of the Capital Requirements Regulation to use senior preferred debt for compliance with its TLAC requirements in 2022.

(3) For the purpose of computing resolution ratios, the Total Exposure Risk Amount (TREA) of the resolution group is equivalent to the Risk Weighted Assets (RWA) at Crédit Agricole Group level; the Total Exposure Measure (TEM) of the resolution group is equivalent to the Leverage Ratio Exposure (LRE) at Crédit Agricole Group level.

(4) CET1 available after meeting Pillar 1, Pillar 2 requirement and resolution requirements as of 31 December 2022.

Crédit Agricole Group's TLAC items, which rank from the most senior to the most junior, include senior non-preferred debt securities, subordinated securities not recognised as prudential capital (prudentially amortised portion), Tier 2 instruments, additional Tier 1 items and common equity Tier 1 capital items.

All these eligible liability items and their features can be consulted in Appendix II, "Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA)", available online[1].

— Ranking in the creditor hierarchy at the level of the Crédit Agricole S.A. resolution entity (EU-TLAC3)

The table below provides information required by Article 437a (a and b) of CRR2 and Article 45i-3-(b) of BRRD2. It presents, at the level of the resolution entity Crédit Agricole S.A., the breakdown of own funds and liabilities based on their maturities and TLAC-eligibility, as well as their ranking in the creditor hierarchy in normal insolvency proceedings.

EU TLAC3: creditor ranking at the level of the resolution entity Crédit Agricole S.A.

31/12/2022 *(in millions of euros)*		Insolvency ranking (by increasing order of seniority)				
1	**Description of insolvency rank**	**Equity[1]**	**Deeply subordinated notes[2]**	**Subordinated notes[3]**	**Senior non-preferred unsecured claims[4]**	**Total**
2	**LIABILITIES AND OWN FUNDS**	**56,194**	**6,499**	**21,174**	**31,887**	**115,754**
3	*Of which excluded liabilities*	*0*	*0*	*0*	*0*	*0*
4	Liabilities and own funds less excluded liabilities	56,194	6,499	21,174	31,887	115,754
5	**SUBSET OF ROW 4 THAT ARE OWN FUNDS AND LIABILITIES POTENTIALLY ELIGIBLE FOR MEETING TLAC[5]**	**56,194**	**6,497**	**20,715**	**27,927**	**111,333**
6	*Of which residual maturity ≥ 1 year <2 years*	*0*	*0*	*707*	*3,154*	*3,861*
7	*Of which residual maturity ≥ 2 years <5 years*	*0*	*0*	*10,804*	*15,548*	*26,352*
8	*Of which residual maturity ≥ 5 years <10 years*	*0*	*0*	*5,495*	*8,254*	*13,748*
9	*Of which residual maturity ≥ 10 years, but excluding perpetual securities*	*0*	*0*	*3,710*	*971*	*4,680*
10	*Of which perpetual securities*	*56,194*	*6,497*	*0*	*0*	*62,692*

(1) Equity excluding Fund for General Banking Risk.
(2) Deeply subordinated claims issued before 28 December 2020 which are or have been recognized as Additional Tier 1 instruments, as well as deeply subordinated claims issued since 28 December 2020 which are fully or partially recognized as Additional Tier 1.
(3) Subordinated claims issued before 28 December 2020 which are or have been recognized as Tier 2 instruments, as well as subordinated claims issued since 28 December 2020 which are fully or partially recognized as Tier 2.
(4) Senior non preferred claims in accordance with Article L. 613-30-3-I-4° of the Monetary and Financial Code.
(5) Instruments with a residual maturity below one year, as well as instruments issued towards entities within the resolution group are not included in eligible liabilities for meeting TLAC.

3.1.6.3.2 MREL ratio

The MREL (Minimum Requirement for Own Funds and Eligible Liabilities) ratio is defined in the European Bank Recovery and Resolution Directive (BRRD). This Directive establishes a framework for the resolution of banks throughout the European Union, with the aim to provide resolution authorities with instruments and common powers to prevent the occurrence of banking crises, preserve financial stability and reduce taxpayers' exposure to losses. Directive (EU) 2019/879 of 20 May 2019, known as "BRRD2", amended the BRRD and was transposed into French law by Decree 2020-1636 of 21 December 2020.

The MREL ratio corresponds to an own funds and eligible liabilities buffer required to absorb losses in the event of resolution. Under BRRD2, the MREL ratio is calculated as the amount of own funds and eligible liabilities expressed as a percentage of risk-weighted assets (RWA) and as a percentage of leverage exposure (LRE). The total regulatory capital of the Group, in addition to the eligible liabilities issued by the Central body and its affiliated entities, i.e. the subordinated notes, senior non-preferred debt and some senior preferred debt with a residual maturity of more than one year, qualify for inclusion in the MREL ratio numerator.

The required minimum levels are determined in the decisions taken by the resolution authorities and communicated to each institution, then revised periodically. As of 1 January 2022, the Crédit Agricole Group must comply with a total minimum MREL requirement of:

- 21.04% of RWA, plus – in accordance with CRD 5 – a combined capital buffer requirement (including, for the Crédit Agricole Group, a capital conservation buffer of 2.5%, a G-SIB buffer of 1% and a countercyclical buffer set at 0.05% for the Crédit Agricole Group at 31 December 2022). Considering the combined capital buffer requirement, the Crédit Agricole Group must comply with a MREL ratio of above 24.6%;
- 6.02% of LRE.

At 31 December 2022, the Crédit Agricole Group had an estimated MREL ratio of 31.6% of RWA and 9.1% leverage exposure, well above the total MREL requirement.

(1) https://www.credit-agricole.com/en/finance/finance/financial-information

An additional subordination requirement to TLAC ("subordinated MREL") is also defined by the resolution authorities and expressed as a percentage of RWA and of LRE, from which the senior debt instruments are excluded, similarly to the TLAC, whose ratio is equivalent to that of the subordinated MREL for the Crédit Agricole Group. Since 1 January 2022, the subordinated MREL requirement did not exceed the TLAC requirement for the Crédit Agricole Group.

The distance to the maximum distributable amount trigger related to the MREL requirements (M-MDA) is, for the G-SIBs, the lower of the respective distances to the MREL, subordinated MREL and TLAC requirements expressed in terms of RWA.

At 31 December 2022, the Crédit Agricole Group thus has a buffer of 560 basis points above the M-MDA trigger, considering the TLAC requirement applicable as of 31 December 2022, i.e. €32 billion in CET1 capital.

3.1.6.4 Economic Capital Adequacy

In order to assess and permanently maintain the adequate capital level to cover the risks to which it is (or may be) exposed, the Group supplements its framework for the regulatory perspective of capital adequacy with an economic internal perspective. Economic capital requirement (Pillar 2) therefore supplements regulatory capital requirement (Pillar 1). Economic capital requirement is based on the risks identification process and on an evaluation using internal approaches. The economic capital requirement must be covered by internal capital which is the Group's internal view of its available own funds.

The assessment of the economic capital requirement is one of the ICAAP components, which also covers the stress test programme – with the objective of introducing a forward-looking view of the impact of more unfavourable scenarios on the Group's risk level and solvency.

The monitoring and management of the economic perspective of capital adequacy has been developed in accordance with the interpretation of the main regulatory texts:

- Basel agreements;
- CRD 5 through its transposition into French regulations by the Decree of 21 December 2020;
- the guidelines of the European Banking Authority;
- the guide to the ICAAP and ILAAP and the harmonised collection of information on the subject.

ICAAP is first and foremost an internal process, and it is up to each institution to implement it in a proportionate way. The implementation as well as the update of ICAAP process are the responsibility of each subsidiary.

ICAAP information (EU OVC)

The items below provide information required by Article 438 (a and c) of CRR2.

The Group's approach for measuring economic capital requirement has been implemented at Crédit Agricole Group, Crédit Agricole S.A., and within the Group's main French and foreign entities.

The primary aim of the risk identification process is to accurately identify all major risks that are likely to impact the Group's balance sheet, income statement, regulatory prudential ratios, or the reputation of an entity or the Group and to apply a Group-wide, standard approach to placing them in categories and sub-categories. As a second stage, the risk identification aims to assess the importance of these risks in a systematic and exhaustive manner in order to establish the final list of major risks.

The risk identification process brings together several sources: an internal analysis based on the information gathered from the Risk department and other control functions, and an additional analysis based on information obtained from external sources. The process is formalised by each entity; for the Group it is coordinated by the Risk department and approved by the Board of Directors.

For each of the major risks, the economic capital requirement is quantified as follows:

- the risk measurements already covered by Pillar 1 are reviewed and, where necessary, completed by economic capital adjustments;
- the risks absent from Pillar 1 are subject to a specific calculation of economic capital needs, based on internal approaches;
- generally, the measures for economic capital needs are carried out with a calculation horizon of one year, and with a quantile (probability of default occurrence) for which the level is set on the basis of the Group's appetite in terms of external rating;
- lastly, the economic capital needs measurement takes into account, with caution, the impacts of diversification resulting from the broad spread of business activities within the same Group, including between banking and insurance.

A specific governance within the Group ensures the coherence of all risk quantification methodologies for the economic capital requirement.

The measurement of the economic capital requirement is supplemented by a projection over the current year, consistent with capital planning forecasts at that date, in order to integrate the impact of changes in activity on the risk profile.

At 31 December 2022, all the major risks identified during the risk identification process were taken into account for assessing economic capital requirement. The Group notably measures: interest rate risk on the banking portfolio, issuer risk, business and strategic risk, credit risk, and liquidity price risk.

The Group ensures that its internal capital covers the economic capital requirements (an internal view of own funds) defined in a conglomerate approach given the importance of the Group's insurance businesses and considering the going concern principle. At the Crédit Agricole Group level, internal capital covered approximately 180% of the economic capital requirement at 31 December 2022.

Crédit Agricole S.A. entities subject to the requirement to measure their economic capital requirement are responsible for doing so in accordance with standards and methodologies defined by the Group. In particular, they must ensure that their ICAAP approach is appropriately organised and governed. The economic capital requirement computed by the entities is reported in detail to Crédit Agricole S.A.

In addition to the quantitative aspect, the Group's approach relies on a qualitative component that supplements the calculation of the economic capital requirement with indicators of the business lines' exposure to risk and their permanent controls. The qualitative component meets three targets:

- evaluation of the risk management system and the control of entities within the scope of deployment along different axes, this assessment is a component of the risk identification system;
- if required, identification and formalising of points for improvement of the risk management and permanent control system, in the form of an action plan formalised by the entity;
- identification of any elements that are not adequately captured in quantitative ICAAP measures.

3.1.7 Appendix regarding regulatory capital (EU LIA - see as well below in sections 3.2 and 3.3)

3.1.7.1 Differences in the treatment of equity exposures between the accounting and regulatory scopes

Exposure type	Accounting treatment	Fully loaded Basel 3 regulatory treatment
Subsidiaries with financial operations	Fully consolidated	Full consolidation generating capital requirements for the subsidiary's operations.
Jointly held subsidiaries with financial operations	Equity method	Proportional consolidation.
Subsidiaries with insurance operations	Fully consolidated	Regulatory treatment of these equity investments using equity accounting method, since the Group is identified as being a "financial conglomerate": ▪ CET1 instruments weighted at 370% (for non-listed entities), with expected loss calculation at 2.4%, subject to approval by the banking supervisor; otherwise, deduction of the subsidiary's CET1 financial instruments from the Group's total CET1 instruments; ▪ AT1 and Tier 2 instruments deducted from the total of corresponding financial instruments of the Group. In turn, as in previous years, Crédit Agricole S.A. and Crédit Agricole Group are subject to additional capital requirements and capital adequacy ratios applying to financial conglomerates.
Equity investments of >10% with operations that are financial in nature	▪ Equity method ▪ Equity investments in credit institutions	▪ Deduction of CET1 instruments from CET1, beyond an exemption threshold of 17.65% of CET1. This exemption threshold, applied after calculation of a 10% threshold of CET1, is common to the non-deducted portion of deferred tax assets that rely on future profitability arising from temporary differences. ▪ AT1 and Tier 2 instruments deducted from the corresponding class of instruments of the Group.
Equity investments of ≤10% with financial or insurance operations	Equity investments and securities held for collection and sale	Deduction of CET1, AT1 and Tier 2 instruments, beyond an exemption threshold of 10% of CET1.
Investments ≤10% in a global systemically important institution (G-SII)	Financial assets	Deduction of eligible elements, or where not available in a sufficient quantity, deduction of Tier 2 instruments, beyond an exemption threshold of 10% of CET1 (for global systemically important institutions).
ABCP (Asset-backed commercial paper) business securitisation vehicles	Fully consolidated	Risk weighting of the equity-accounted value and commitments on these structures (liquidity facilities and letters of credit).

3.1.7.2 Difference between the accounting and regulatory scopes of consolidation

Entities consolidated for accounting purposes, but excluded from the regulatory scope of consolidation of credit institutions on a consolidated basis predominantly comprise insurance companies and several *ad hoc* entities that are equity-accounted for regulatory purposes. In addition, entities consolidated on an accounting basis using proportional consolidation at 31 December 2013 and now equity-accounted in accordance with IFRS 11, are still consolidated proportionally for regulatory purposes. Information on these entities and their consolidation method for accounting purposes is provided in the notes to the consolidated financial statements, "Scope of consolidation at 31 December 2022".

— Differences between accounting and regulatory scopes of consolidation and correspondence between financial statements and regulatory risk categories (LI1)

	a	b	c	d	e	f	g
							Carrying values of items
31/12/2022 *(in millions of euros)*	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
ASSETS							
Cash, Central Banks	210,804	211,132	211,132	-	-	-	(0)
Available-for-sale financial assets	242,005	241,750	-	215,252	-	143,813	-
Other financial assets at fair value through profit or loss	189,712	12,953	12,742	211	-	-	1
Hedging derivative instruments	50,494	50,785	-	50,785	-	-	-
Accounted debt's instruments at fair value through recyclable own funds	212,341	36,921	31,914	2,540	2,466	-	1
Accounted own funds' instruments at fair value through non recyclable own funds	4,784	4,666	4,665	-	-	-	0
Loans and receivables due from credit institutions	114,279	110,642	102,425	8,217	-	-	(0)
Loans and receivables due from customers	1,114,389	1,126,011	1,120,282	5,730	-	-	(0)
Held-to-maturity financial assets	115,877	104,702	100,967	3,735	-	-	0
Revaluation adjustment on interest rate hedged portfolios	(9,098)	(9,343)	-	-	-	-	(9,343)
Deferred tax assets	10,052	8,709	8,709	-	-	-	-
Accruals, prepayments and sundry assets	58,448	56,358	51,449	4,579	-	623	330
Non-current assets held for sale	134	2	2	-	-	-	-
Deferred participation benefits	17,043	-	-	-	-	-	-
Investments in equity-accounted entities	8,427	9,410	7,607	-	-	-	1,803
Investment property	9,000	1,236	1,236	-	-	-	-
Property, plant and equipment	10,770	10,553	10,553	-	-	-	-
Intangible assets	3,470	3,228	-	-	-	-	3,228
Goodwill	16,189	15,093	-	-	-	-	15,093
TOTAL ASSETS	**2,379,120**	**1,994,809**	**1,663,682**	**291,049**	**2,466**	**144,436**	**11,113**
LIABILITIES							
Central Banks	59	73	-	-	-	-	73
Available-for-sale financial liabilities	231,702	232,011	-	81,446	-	-	150,565
Financial liabilities at fair value through options	40,490	39,495	-	-	-	-	39,495
Hedging derivative instruments	47,316	46,714	-	-	-	-	46,714
Due to credit institutions	152,201	136,733	-	4,550	-	-	132,183
Due to customers	1,095,758	1,117,865	-	2,049	-	-	1,115,816
Debt securities	219,717	195,449	-	-	-	-	195,449
Revaluation adjustment on interest rate hedged portfolios	6,987	7,042	-	-	-	-	7,042
Current and deferred tax liabilities	2,649	2,876	2,589	-	-	-	287
Accruals, deferred income and sundry liabilities	64,907	59,423	9,194	-	-	-	50,229
Liabilities associated with non-current assets held for sale	205	27	-	-	-	-	27
Insurance company technical reserves	354,538	-	-	-	-	-	-
Provisions	5,645	5,774	-	-	-	-	5,774
Subordinated debt	23,155	19,160	-	-	-	-	19,160
TOTAL LIABILITIES	**2,245,329**	**1,862,642**	**11,783**	**88,045**	**-**	**-**	**1,762,815**
EQUITY	**133,791**	**132,167**	**-**	**-**	**-**	**-**	**132,167**
Equity, Group share	**126,470**	**126,717**	**-**	**-**	**-**	**-**	**126,717**
Share capital and reserves	30,456	30,456	-	-	-	-	30,456
Consolidated reserves	92,585	92,780	-	-	-	-	92,780
Other comprehensive income	(4,718)	(4,718)	-	-	-	-	(4,718)
Other comprehensive income on non-current assets held for sale and discontinued operations	3	3	-	-	-	-	3
Net income/(loss) for the year	8,144	8,196	-	-	-	-	8,196
Non-controlling interests	**7,321**	**5,450**	**-**	**-**	**-**	**-**	**5,450**
TOTAL EQUITY AND LIABILITIES	**2,379,120**	**1,994,809**	**11,783**	**88,045**	**-**	**-**	**1,894,982**

The carrying amounts for the regulatory scope of consolidation (column b) are not equal to the sum of their breakdown by the risk (columns c to g) as an exposure may be subject to several types of risk.

3.2 MAIN SOURCES OF DIFFERENCES BETWEEN REGULATORY EXPOSURE AMOUNTS AND CARRYING AMOUNTS IN FINANCIAL STATEMENTS (LI2)

		a	b	c	d	e
			Items subject to:			
31/12/2022 *(in millions of euros)*		**Total**	**Credit risk framework**	**Counterparty credit risk framework**	**Securitisation framework**	**Market risk framework[1]**
1	**ASSET CARRYING VALUE AMOUNT UNDER THE SCOPE OF REGULATORY CONSOLIDATION (AS PER TEMPLATE EU LI1)[2]**	**1,983,696**	**1,663,682**	**291,049**	**2,466**	**144,436**
2	Liabilities carrying value amount under the regulatory scope of consolidation (as per template EU LI1)	99,828	11,783	88,045	-	-
3	**TOTAL NET AMOUNT UNDER THE REGULATORY SCOPE OF CONSOLIDATION**	**1,883,868**	**1,651,898**	**203,004**	**2,466**	**144,436**
4	Off-balance-sheet amounts[3]	777,317	207,930	1	58,008	
5	Differences in valuations	58,274	13,854	44,420	-	
6	Differences in netting rules	(160,100)	-	(160,100)	-	
7	Difference due to consideration of provisions	19,378	19,378	0	-	
8	Differences due to the use of credit risk mitigation techniques (CRMs)	(29,222)	(29,222)	-	-	
9	Differences due to credit conversion factors	(113,037)	-	-	-	
10	Differences due to Securitisation with risk transfer	-	-	-	-	
11	Other adjustments	(14,364)	(9,152)	(5,219)	7	
12	**EXPOSURE AMOUNT CONSIDERED FOR REGULATORY PURPOSES**	**1,997,275**	**1,854,687**	**82,106**	**60,481**	

(1) Exposures related to market risk include the exposures subject to the calculation of counterparty risk on the derivatives.
(2) The "Total" column includes the assets deductible from the prudential capital.
(3) In line item "Off-balance sheet amounts", the amounts shown in the Total column, which relates to exposures pre-CCF, do not equal the sum of the amounts shown in the remaining columns, as these are post-CCF

3.3 OUTLINE OF THE DIFFERENCES IN THE SCOPES OF CONSOLIDATION (LI3: ENTITY BY ENTITY)(1)

		Method of regulatory consolidation			
Name of the entity	**Method of accounting**	**Full consolidation**	**Proportional consolidation**	**Equity method**	**Description of the entity**
Uni-médias	Full consolidation			X	Information and Communication
Crédit Agricole Assurances (CAA)	Full consolidation			X	Financial and insurance activities – Insurance
Crédit Agricole Life Insurance Company Japan Ltd.	Full consolidation			X	Financial and insurance activities – Insurance
CA ASSICURAZIONI	Full consolidation			X	Financial and insurance activities – Insurance
Crédit Agricole Créditor Insurance (CACI)	Full consolidation			X	Financial and insurance activities – auxiliary activities of financial and insurance services
Spirica	Full consolidation			X	Financial and insurance activities – Insurance
Crédit Agricole Assurances Solutions	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
PREDICA	Full consolidation			X	Financial and insurance activities – Insurance
PACIFICA	Full consolidation			X	Financial and insurance activities – Insurance
CREDIT AGRICOLE ASSURANCES RETRAITE	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
IRIS HOLDING FRANCE	Full consolidation			X	Real-estate activities
HOLDING EUROMARSEILLE	Full consolidation			X	Real-estate activities
Crédit Agricole Life Insurance Europe	Full consolidation			X	Financial and insurance activities – Insurance
CDT AGRI ZYCIE TU	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
MUDUM SEGUROS	Full consolidation			X	Financial and insurance activities – Insurance
Crédit Agricole Life	Full consolidation			X	Financial and insurance activities – Insurance
Crédit Agricole Vita S.p.A.	Full consolidation			X	Financial and insurance activities – Insurance
VAUGIRARD INFRA S.L.	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
SAS ALTA VAI HOLDCO P	Full consolidation			X	Real-estate activities
Predica Infrastructure SA	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
UBAF	Equity method		X		Financial and insurance activities – activities of financial services, excluding insurance and pension funds
CAIRS Assurance S.A.	Full consolidation			X	Financial and insurance activities – Insurance
Atlantic Asset Securitization LLC	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
LMA SA	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Héphaïstos Multidevises FCT	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Eucalyptus FCT	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Pacific USD FCT	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Pacific EUR FCC	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Pacific IT FCT	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Triple P FCC	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
La Fayette Asset Securitization LLC	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds

(1) The scope of consolidation is described in full in Note 12 to the consolidated financial statements.
UCITS, UL and SCI (non-trading real estate investment company) funds held by the insurance entities and detailed in Note 12 to the consolidated financial statements follow the same accounting in regulatory treatment as their holding entity.

Name of the entity	Method of accounting	Method of regulatory consolidation: Full consolidation	Proportional consolidation	Equity method	Description of the entity
La Route Avance	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
L&E Services	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Santander CACEIS Latam Holding 1, S.L.	Equity method		X		Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Santander CACEIS Brasil Participações S.A.	Equity method		X		Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Banco Santander CACEIS México, S.A., Institución de Banca Múltiple	Equity method		X		Financial and insurance activities – activities of financial services, excluding insurance and pension funds
SANTANDER CACEIS COLOMBIA S.A, SOCIEDAD FIDUCIARIA	Equity method		X		Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Santander CACEIS Latam Holding 2, S.L.	Equity method		X		Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Santander CACEIS Brasil D.T.V.M., S.A.	Equity method		X		Financial and insurance activities – activities of financial services, excluding insurance and pension funds
FCA Bank S.P.A	Equity method		X		Financial and insurance activities – activities of financial services, excluding insurance and pension funds
CREDIT AGRICOLE MOBILITY	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
CACI Reinsurance Ltd.	Full consolidation			X	Financial and insurance activities – auxiliary activities of financial and insurance services
SPACE HOLDING (IRELAND) LIMITED	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
SPACE LUX	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
CACI LIFE LIMITED	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
CACI NON LIFE LIMITED	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
FCT compartiment LCL	Full consolidation			X	Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Sacam Assurance Caution	Full consolidation			X	Financial and insurance activities – auxiliary activities of financial and insurance services
GROUPE CAMCA	Full consolidation			X	Financial and insurance activities – Insurance

3.4 COMPOSITION AND CHANGES IN RISK-WEIGHTED ASSETS

3.4.1 Summary of risk weighted assets

3.4.1.1 Overview of total risk exposure amounts (OV1)

The risk-weighted assets in respect of credit risk, market risk and operational risk were €574.6 billion at 31 December 2022 vs. €585.4 billion at 31 December 2021.

		Total risk exposure amounts (RWA)			Total own funds requirements
31/12/2022		**31/12/2022**	**30/09/2022**	**31/12/2021**	**31/12/2022**
1	**Credit risk (excluding CCR)**	**464,686**	**470,348**	**479,724**	**37,175**
2	Of which the standardised approach	118,871	123,187	136,748	9,510
3	Of which the Foundation IRB (F-IRB) approach	105,273	106,170	86,032	8,422
4	Of which slotting approach	-	-	-	-
EU-4a	Of which equities under the simple risk weighted approach	50,589	45,382	74,805	4,047
5	Of which the Advanced IRB (A-IRB) approach	182,841	188,765	175,192	14,627
6	**Counterparty credit risk – CCR**	**24,485**	**31,789**	**23,699**	**1,959**
7	Of which the standardised approach	3,636	5,319	4,476	291
8	Of which internal model method (IMM)	11,854	15,812	10,131	948
EU-8a	Of which exposures to a CCP	184	464	435	15
EU-8b	Of which credit valuation adjustment – CVA	5,011	5,948	4,864	401
9	Of which other CCR	3,800	4,246	3,792	304
15	**Settlement risk**	**94**	**105**	**15**	**8**
16	**Securitisation exposures in the non-trading book (after the cap)**	**10,245**	**11,005**	**10,456**	**820**
17	Of which SEC-IRBA approach	3,409	3,451	3,180	273
18	Of which SEC-ERBA (including IAA)	5,631	6,090	5,895	450
19	Of which SEC-SA approach	1,198	1,464	1,382	96
EU-19a	Of which 1250%	7	-	0	1
20	**Position, foreign exchange and commodities risks (Market risk)**	**14,823**	**15,638**	**12,881**	**1,186**
21	Of which the standardised approach	3,549	4,109	5,472	284
22	Of which IMA	11,274	11,529	7,409	902
EU-22a	**Large exposures**	**-**	**-**	**-**	**-**
23	**Operational risk**	**60,261**	**59,758**	**58,666**	**4,821**
EU-23a	Of which basic indicator approach	-	-	-	-
EU-23b	Of which standardised approach	14,115	14,231	12,968	1,129
EU-23c	Of which advanced measurement approach	46,147	45,527	45,698	3,692
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	13,739	13,605	13,258	1,099
29	**TOTAL**	**574,595**	**588,643**	**585,441**	**45,968**

Information on the Crédit Agricole Group's approach to risk management is discussed in Chapter 3, Part 2 "Risk management" (EU OVA) of this document:

- for a concise statement on risks, see Section 2.1 "Risk appetite, Governance and organisation of risk management", in the paragraph titled "Concise statement on risks";
- for a risk governance structure for each type of risk, see Section 2.1 "Risk appetite, Governance and organisation of risk management", in the paragraph titled "Organisation of risk management";
- for the scope and nature of risk reporting and/or assessment systems, see Section 2.4 "Credit risks";
- for the main features of the information and risk assessment systems, see, respectively, Sections 2.4.II.2 "Risk measurement methods and systems", 2.5.III "Market risk measurement and management methodology", 2.6 "Asset and liability management", 2.7 "Insurance sector risks" and 2.8 "Operational risks", 2.1 "Risk appetite, Governance and organisation of risk management" and the paragraphs that discuss the robustness of the information system and the overall consolidation of risks (BCBS 239) in the section "Organisation of risk management";
- for the risk management strategies and processes in place for each separate risk category, see, respectively Section 2.3.III "Specific internal control systems and risk control and monitoring systems of Crédit Agricole S.A." and the description of the main types of risk in Part 2 "Risk management";
- for risk management, hedging and mitigation strategies and processes, monitoring of the effectiveness of hedges and mitigation techniques, see, respectively, Section 2.3.II "Principles for the organisation of the internal control system", the description of the main types of risks in Part 2 "Risk management" and Section 3.4.2.4.1 "Credit risk mitigation techniques" in Part 3 "Pillar 3 disclosures".

Information on the Crédit Agricole Group's approach to corporate governance (EU OVB) is discussed in Chapter 3 "Corporate Governance" of the URD[(1)] and in Chapter 3, Part 2, "Risk management" of this document:

- for the number of management positions held by members of the management body, see Chapter 3 "Corporate Governance" of the URD, Part 3 "Information on executives and management bodies" in Section 3.1 "Information on executives";
- for the recruitment policy for the selection of members of the management body and their knowledge, skills and expertise, see Chapter 3 "Corporate Governance" of the URD, Part 1 "Report of the Board of Directors" in Section 1.3.7 "Appointments and Governance Committee" and in Section 1.2.1 "Board activity" in the paragraph "The Board's relations with management bodies and succession planning for key functions";
- for the diversity policy applicable to the selection of members of the management body, see Chapter 3 "Corporate Governance" of the URD, Part 1 "Report of the Board of Directors" in Section 1.1.3 "Governance and diversity policy";
- for the Risk Committee and frequency of its meetings, see Chapter 3 "Corporate Governance" of the URD, Part 1 "Report of the Board of Directors" in Section 1.3.1 "Operating principles of the Committees" in paragraph 1.3.2 "Risk Committee";
- for the flow to the management body of information on risks, see Chapter 3 of the present document, Part 2 "Risk management" in Section 2.1 "Risk appetite, Governance and organisation of risk management" in the paragraph "Organisation of risk management".

3.4.1.2 Operating segment information

31/12/2022 *(in millions of euros)*	Credit risk								
	Standardised approach	Weighting approach IRB	IRB Approach[(1)]	Contributions to a CCP default fund	Credit risk	Credit valuation adjustment risk	Operational Risk	Market risk	Total risk-weighted assets
French Retail Banking	23,280	25,022	190,283	-	238,586	81	25,495	74	264,236
International Retail Banking	34,063	1,367	7,484	-	42,915	32	4,995	46	47,988
Asset Gathering and Insurance	6,722	20,342	839	-	27,904	404	7,896	104	36,307
Specialized Financial Services	37,628	2,736	18,288	-	58,653	153	3,952	12	62,770
Large customers	14,876	1,319	91,394	263	107,852	4,341	16,885	11,815	140,894
Corporate Centre	7,748	6,913	3,929	-	18,590	-	1,038	2,772	22,400
TOTAL RISK-WEIGHTED ASSETS	**124,317**	**57,701**	**312,219**	**263**	**494,500**	**5,011**	**60,261**	**14,823**	**574,595**

(1) Advanced IRB or Foundation IRB approach depending on business lines.

31/12/2021 *(in millions of euros)*	Credit risk								
	Standardised approach	Weighting approach IRB	IRB Approach[(1)]	Contributions to a CCP default fund	Credit risk	Credit valuation adjustment risk	Operational Risk	Market risk	Total risk-weighted assets
French Retail Banking	43,109	23,874	164,953	-	231,935	275	24,596	40	256,847
International Retail Banking	38,223	935	8,650	-	47,808	114	4,846	299	53,068
Asset Gathering and Insurance	7,311	47,332	921	-	55,564	514	7,646	111	63,835
Specialized Financial Services	32,609	1,783	18,583	-	52,975	52	3,888	3	56,918
Large customers	14,568	1,573	87,229	245	103,615	3,909	16,814	9,193	133,531
Corporate Centre	6,770	6,255	4,106	-	17,131	-	876	3,235	21,242
TOTAL RISK-WEIGHTED ASSETS	**142,590**	**81,752**	**284,442**	**245**	**509,029**	**4,864**	**58,666**	**12,881**	**585,441**

(1) Advanced IRB or Foundation IRB approach depending on business lines.

(1) https://www.credit-agricole.com/en/finance/finance/financial-information

3.4.1.3 Changes in risk-weighted assets

The table below shows the changes in the Crédit Agricole Group's risk-weighted assets in 2022:

(in millions of euros)	31/12/2021	Foreign exchange	Organic change and optimisation	Equity-accounted value Insurance	Scope	Method and regulatory changes	Total variation 2022	31/12/2022
Credit risk	509,029	709	18,683	(27,160)	(4,054)	(2,706)	(14,529)	494,500
of which Equity risk	*81,752*	-	*2,887*	*(27,160)*	*222*	-	*(24,052)*	*57,701*
CVA	4,864	-	146	-	-	-	146	5,011
Market risk	12,881	-	1,941	-	-	-	1,941	14,823
Operational risk	58,666	-	2,095	-	(500)	-	1,595	60,261
TOTAL	**585,441**	**709**	**22,866**	**(27,160)**	**(4,554)**	**(2,706)**	**(10,846)**	**574,595**

Risk-weighted assets totalled €574.6 billion at 31 December 2022, down €10.9 billion (-1.8%) over the year, primarily because of the change in the Equity-accounted Value of Insurance (-€27.2 billion in connection with the decrease in unrealised gains and/or losses and the payment of an exceptional dividend in the second quarter), but also due to merger-acquisition transactions that freed up -€4.6 billion (with the sale of Crédit du Maroc in particular).

This change is partially offset by the increase in risk-weighted assets of the business lines for €23.6 billion, including foreign exchange over the year, essentially in Large customers (+€5.2 billion), Specialised Financial Services (+€7.4 billion) and Retail Banking (+€9.8 billion). In addition, methodological and regulatory effects contributed to a reduction of -€2.7 billion in RWA.

3.4.2 Credit and counterparty risk

Definitions:

- **probability of default (PD):** the probability that a counterparty will default within a period of one year;
- **exposure at default (EAD):** the exposure amount in the event of default. The concept of exposure encompasses balance sheet assets plus a proportion of off-balance sheet commitments;
- **loss given default (LGD):** ratio between the loss experienced on an exposure on a counterparty at default and the size of the exposure at default;
- **gross exposure:** amount of the exposure (balance sheet + off-balance sheet), after the impacts of offsetting and before the application of any credit risk mitigation techniques (guarantees and collateral) and the credit conversion factor (CCF);
- **credit conversion factor (CCF):** ratio between the unused portion of a commitment that will be drawn and at risk at the time of default and the unused portion of the commitment calculated on the basis of the authorised limit or, where applicable, the unauthorised limit if higher;
- **expected losses (EL):** the amount of the average loss the bank expects to have to recognise in its loan book within one year;
- **risk-weighted assets (RWA):** risk-weighted assets are calculated by applying a weighting ratio to each exposure at default. The ratio is a function of the characteristics of the exposure and the calculation method used (IRB or standardised);
- **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 provided by an external credit rating agency recognised by Regulation (EC) No. 1060/2009.

Part 1 of the present section presents a general overview of the change in credit and counterparty risk. This is followed by a more detailed look at credit risk in Part 2 by regulatory approach (i.e. standardised approach and IRB approach). Counterparty risk is covered in Part 3, while Part 4 covers credit and counterparty risk mitigation techniques.

General qualitative information on credit risk **(EU CRA)** is discussed in Chapter 3 of the present document, Part 2 "Risk management" of this document:

- for a concise statement on risks, see Section 2.1 "Risk appetite, Governance and organisation of risk management", in the paragraph titled "Overall risk profile";
- for the credit risk management strategy and process and risk mitigation policy, see, respectively, Sections 2.4.II.1 "General principles of risk-taking" and 2.4.II.4 "Credit risk mitigation mechanisms";
- for information on the structure and organisation of the risk management function, see Section 2.3.III, the paragraph titled "Risk management and Permanent Controls function";
- for other risk management provisions, see Section 2.3.II, the paragraph titled "Three business lines operating throughout the Group".

3.4.2.1 General overview of credit and counterparty risk

3.4.2.1.1 Exposures by type of risk

The table below shows the Crédit Agricole Group's exposure to global risk (credit, counterparty, dilution and settlement and delivery) by exposure class for the standardised and Internal Ratings-Based approaches at 31 December 2022 and at 31 December 2021.

The exposure classes under the Standardised Approach are grouped together to ensure the presentation aligns with the IRB exposures.

— Overall risk exposure (credit, counterparty, dilution, settlement and delivery) at 31 December 2022

	Standardised				IRB				Total				
31/12/2022 *(in billions of euros)*	**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 require ment**
Central governments or Central Banks	77.2	83.5	83.3	8.1	355.3	385.5	381.3	3.4	432.5	469.0	464.6	11.5	0.9
Institutions	40.4	61.4	58.3	10.2	97.9	104.0	98.0	20.7	138.3	165.3	156.3	30.9	2.5
Corporates	135.4	111.1	77.7	59.4	508.6	446.3	386.8	163.5	644.0	557.4	464.4	222.9	17.8
Retail customers	49.0	40.1	36.9	22.5	758.2	758.2	767.9	115.6	807.2	798.3	804.8	138.1	11.0
Loans to individuals	29.9	26.2	24.7	15.5	601.2	601.2	607.5	73.3	631.0	627.4	632.2	88.9	7.1
o/w secured by real estate assets	7.7	7.5	7.5	2.8	453.9	453.9	453.9	41.6	461.6	461.4	461.4	44.4	3.6
o/w revolving	2.1	2.0	1.0	0.8	20.0	20.0	25.4	4.8	22.1	22.0	26.4	5.6	0.4
o/w other	20.1	16.7	16.2	11.9	127.3	127.3	128.2	27.0	147.4	144.0	144.4	38.9	3.1
Loans to small and medium businesses	19.1	13.9	12.2	7.0	157.0	157.0	160.4	42.2	176.1	170.9	172.5	49.2	3.9
o/w secured by real estate assets	0.7	0.7	0.6	0.2	28.3	28.3	28.3	7.5	28.9	28.9	28.8	7.7	0.6
o/w other	18.4	13.2	11.6	6.8	128.8	128.8	132.1	34.7	147.2	142.0	143.7	41.5	3.3
Shares	1.6		1.6	1.9	15.2		15.1	50.6	16.8		16.7	52.5	4.2
Securitisations	5.7		5.0	1.2	55.5		55.5	9.0	61.2		60.5	10.2	0.8
Assets other than credit obligation	27.3		27.1	21.0	-		-	-	27.3		27.1	21.0	1.7
TOTAL	**336.5**		**289.9**	**124.2**	**1,790.7**		**1,704.5**	**362.8**	**2,127.2**		**1,994.4**	**487.0**	**39.0**

(1) Initial gross exposure.
(2) Gross exposure after credit risk mitigation (CRM).

— Overall risk exposure (credit, counterparty, dilution, settlement and delivery) at 31 December 2021

	Standardised				IRB				Total				
31/12/2021 *(in billions of euros)*	**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 require ment**
Central governments or Central Banks	115.3	117.0	116.9	8.8	330.6	353.1	350.3	2.9	445.8	470.0	467.1	11.7	0.9
Institutions	35.9	55.4	53.0	8.5	98.1	109.4	99.0	17.1	134.0	164.8	152.0	25.6	2.0
Corporates	155.7	131.7	102.7	78.7	453.0	403.6	340.4	146.5	608.8	535.3	443.1	225.2	18.0
Retail customers	44.3	40.7	37.8	22.9	717.5	717.5	728.4	108.9	761.8	758.2	766.3	131.8	10.5
Loans to individuals	28.9	27.3	25.7	15.9	572.1	572.1	578.2	70.5	601.1	599.4	603.9	86.4	6.9
o/w secured by real estate assets	9.5	9.2	9.1	3.6	431.8	431.8	431.8	39.5	441.3	441.0	440.9	43.1	3.5
o/w revolving	2.5	2.4	1.1	0.9	19.7	19.7	24.7	4.5	22.2	22.1	25.8	5.3	0.4
o/w other	17.0	15.8	15.4	11.4	120.6	120.6	121.7	26.5	137.6	136.4	137.2	37.9	3.0
Loans to small and medium businesses	15.3	13.4	12.1	7.0	145.4	145.4	150.3	38.4	160.7	158.8	162.4	45.4	3.6
o/w secured by real estate assets	0.8	0.8	0.6	0.2	26.4	26.4	26.5	7.2	27.2	27.2	27.1	7.5	0.6
o/w other	14.5	12.6	11.5	6.7	119.0	119.0	123.8	31.2	133.5	131.6	135.4	37.9	3.0
Shares	1.6		1.6	1.9	21.7		21.6	74.8	23.3		23.2	76.7	6.1
Securitisations	6.2		4.9	1.4	49.5		49.5	9.1	55.7		54.4	10.5	0.8
Assets other than credit obligation	26.3		26.1	20.4	-		-	-	26.3		26.1	20.4	1.6
TOTAL	**385.3**		**343.0**	**142.6**	**1,670.4**		**1,589.2**	**359.2**	**2,055.7**		**1,932.3**	**501.8**	**40.1**

(1) Initial gross exposure.
(2) Gross exposure after credit risk mitigation (CRM).

Measured in terms of gross exposure, the Group's total outstanding amounts were up 3.5%, reflecting the favourable business climate in the main business lines.

The main portfolio remains the "Retail customers" category, with total gross exposure of €807.2 billion at 31 December 2022 compared with €761.8 billion at the end of 2021.

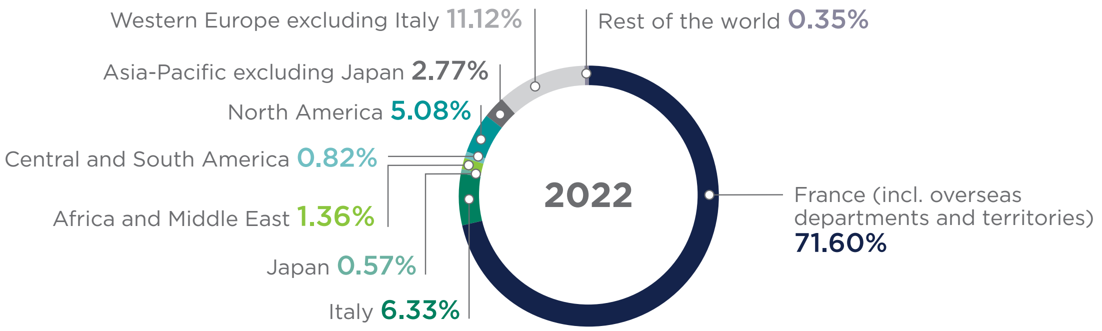
The "Central governments and Central Banks" portfolio fell by -3.0% due mainly to the decline in Central Bank deposits.

RWA density (defined as the ratio of risk weighted assets/EAD) was 17.2% on average for Retail customers and 48.0% for Corporates at 31 December 2022.

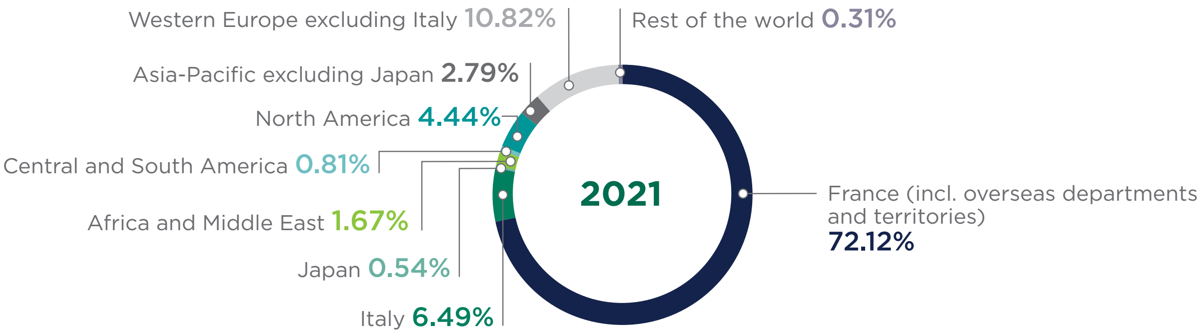
3.4.2.1.2 Exposures by geographic area

The breakdown by geographic area is calculated based on the total gross carrying amount from the first column of the CQ4 (on- and off-balance sheet amounts are aggregated to present a single % by geographic area) for the Crédit Agricole Group.

— At 31 December 2022



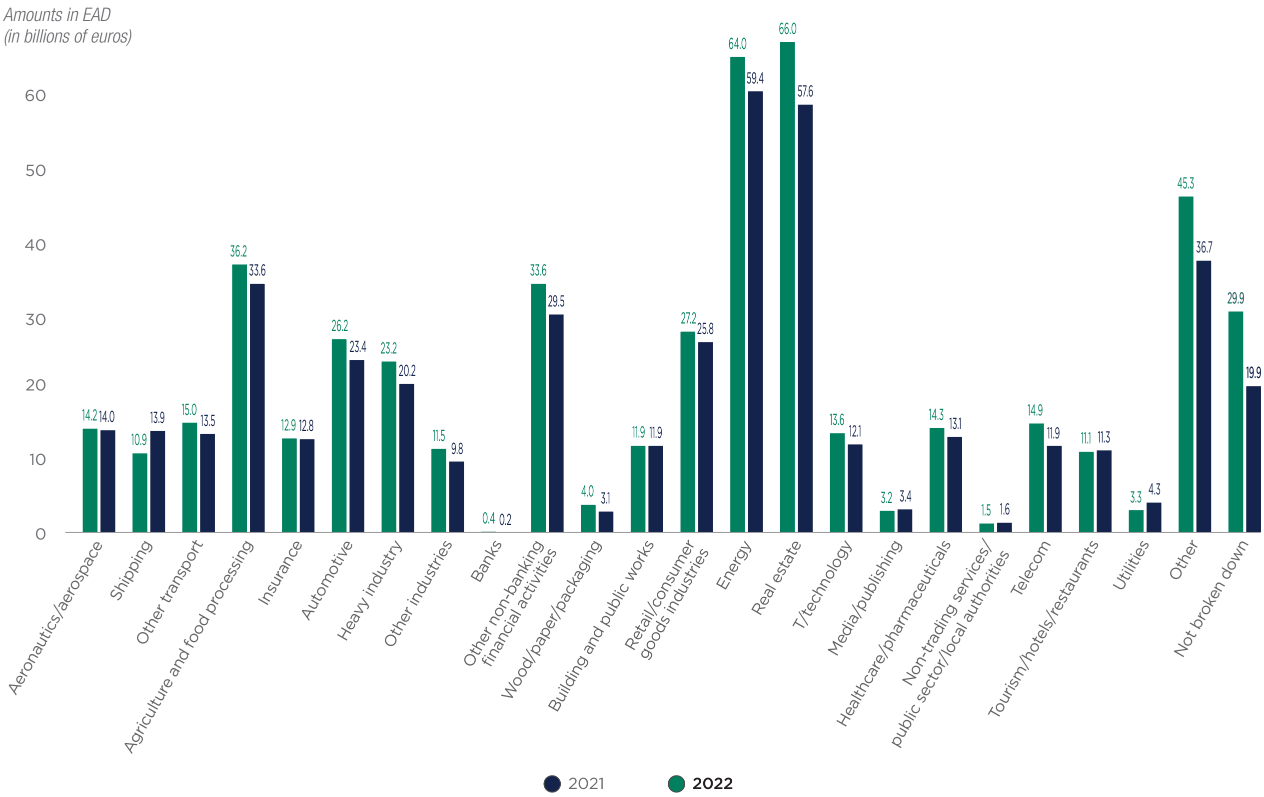
— At 31 December 2021



3.4.2.1.3 Exposures by business sector

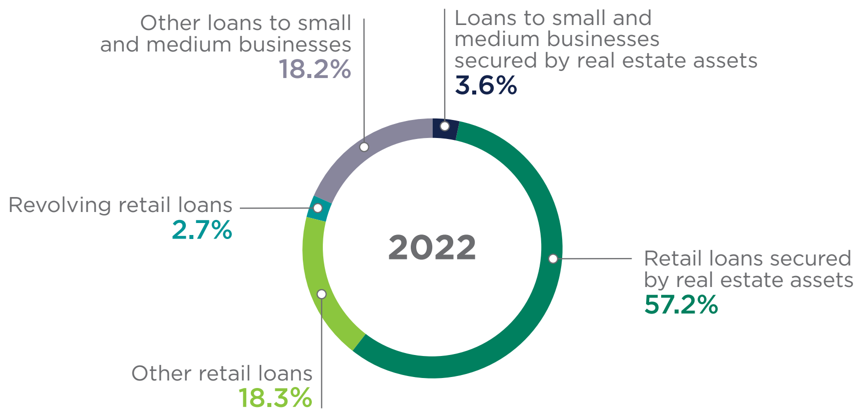
A focus on the Corporate portfolio is shown below. A breakdown of the Retail customers portfolio is also provided by Basel sub-portfolio (home loans, revolving credit, other loans to microenterprises, farmers and professional customers, other loans to individuals).

— Breakdown of the Corporate portfolio

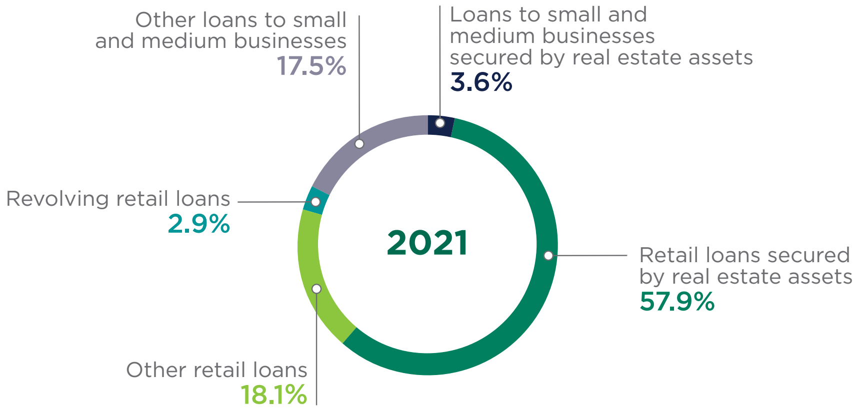


The breakdown of EAD amounts by economic sector remained stable overall with good diversification by sector.

— Retail customers at 31 December 2022



— Retail customers at 31 December 2021



Breakdown of the Retail customers portfolio

The chart above shows a breakdown of the initial gross on- and off-balance sheet exposures for Retail customers of the Crédit Agricole Group by Basel sub-portfolio (outstanding amounts of €807.2 billion at 31 December 2022 compared with €761.8 billion at 31 December 2021, an increase of +6.0% on an annual basis).

Within the "Retail customers" portfolio, the relative share of "loans to individuals secured by real estate assets" remains the largest (57.2% in 2022, compared with 57.9% in 2021). The share of "revolving exposures to individuals" fell further in 2022 to 2.7% of outstanding Retail customer loans from 2.9% in 2021.

3.4.2.1.4 Loans, receivables and debt securities by maturity

— Maturity of exposures (CR1-A)

31/12/2022		Net exposure value on balance sheet					
(in millions of euros)		**On demand**	**≤1 year**	**>1 year ≤5 years**	**>5 years**	**No stated maturity**	**Total**
1	Loans and advances	413	384,814	466,920	481,415	1,362	1,334,924
2	Debt securities	-	48,874	59,506	53,055	6,811	168,246
3	**TOTAL**	**413**	**433,687**	**526,426**	**534,470**	**8,173**	**1,503,170**

31/12/2021		Net exposure value on balance sheet					
(in millions of euros)		**On demand**	**≤1 year**	**>1 year ≤5 years**	**>5 years**	**No stated maturity**	**Total**
1	Loans and advances	148	381,075	423,565	429,691	3,392	1,237,871
2	Debt securities	-	45,847	80,875	54,487	9,476	190,685
3	**TOTAL**	**148**	**426,922**	**504,440**	**484,178**	**12,869**	**1,428,556**

3.4.2.1.5 Default exposures and value adjustments

— Performing and non-performing exposures and related provisions (CR1)

31/12/2022 *(in millions of euros)*	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			
005 Cash balances at Central Banks and other demand deposits	**215,739**	**215,733**	**6**	**18**	**-**	**18**	**(6)**	**(3)**	**(3)**	**(18)**	**-**	**(18)**	**-**	**46**	**-**
010 Loans and advances	**1,224,030**	**1,111,447**	**112,224**	**24,793**	**134**	**24,652**	**(8,399)**	**(2,864)**	**(5,534)**	**(12,066)**	**(84)**	**(11,982)**	**-**	**687,154**	**7,550**
020 Central Banks	1,620	1,589	31	-	-	-	(15)	(0)	(15)	-	-	-	-	-	-
030 General governments	41,177	40,138	1,039	199	3	195	(35)	(28)	(8)	(54)	-	(54)	-	4,103	114
040 Credit institutions	101,292	101,199	92	481	-	481	(45)	(41)	(4)	(370)	-	(370)	-	6,139	-
050 Other financial corporations	36,364	34,145	2,196	672	1	672	(353)	(198)	(155)	(529)	-	(529)	-	10,267	69
060 Non-financial corporations	438,634	378,536	59,895	14,806	107	14,698	(4,937)	(1,784)	(3,153)	(6,909)	(81)	(6,828)	-	205,091	4,735
070 Of which SMEs	213,431	186,178	27,213	8,328	26	8,301	(3,286)	(1,331)	(1,955)	(4,494)	(3)	(4,491)	-	118,170	2,293
080 Households	604,942	555,840	48,971	8,636	24	8,606	(3,013)	(814)	(2,199)	(4,205)	(3)	(4,202)	-	461,553	2,631
090 Debt securities	**149,087**	**140,916**	**800**	**118**	**-**	**105**	**(99)**	**(87)**	**(12)**	**(97)**	**-**	**(97)**	**-**	**2,149**	
100 Central Banks	5,921	5,648	274	-	-	-	(9)	(8)	(1)	-	-	-	-	-	-
110 General governments	79,555	79,255	299	-	-	-	(54)	(51)	(3)	-	-	-	-	1,468	-
120 Credit institutions	31,652	31,526	2	5	-	5	(16)	(16)	(0)	(5)	-	(5)		430	-
130 Other financial corporations	16,519	9,570	39	7	-	-	(4)	(3)	(1)	-	-	-	-	26	-
140 Non-financial corporations	15,439	14,917	186	106	-	100	(15)	(9)	(7)	(92)	-	(92)	-	225	-
150 Off-balance sheet exposures	**774,965**	**754,676**	**20,288**	**2,353**	**4**	**2,349**	**(1,343)**	**(602)**	**(741)**	**(501)**	**-**	**(501)**		**40,965**	**237**
160 Central Banks	274,361	274,361	-	-	-	-	(0)	(0)		-	-	-		-	-
170 General governments	21,028	20,218	810	-	-	-	(8)	(5)	(3)	-	-	-		2,387	-
180 Credit institutions	92,766	92,627	138	34	-	34	(17)	(17)	(1)	(23)	-	(23)		181	-
190 Other financial corporations	102,322	101,021	1,301	819	-	819	(73)	(43)	(30)	(12)	-	(12)		1,256	-
200 Non-financial corporations	239,460	223,169	16,290	1,404	3	1,400	(1,077)	(465)	(612)	(439)	-	(439)		25,200	220
210 Households	45,028	43,280	1,749	96	-	96	(168)	(72)	(96)	(27)	-	(27)		11,941	16
220 TOTAL	**2,363,820**	**2,222,772**	**133,319**	**27,282**	**138**	**27,124**	**(9,846)**	**(3,556)**	**(6,291)**	**(12,682)**	**(84)**	**(12,598)**	**-**	**730,314**	**7,786**

31/12/2021 *(in millions of euros)*		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			
005	**Cash balances at Central Banks and other demand deposits**	**245,056**	**245,056**	**-**	**17**	**-**	**17**	**(2)**	**(2)**	**-**	**(17)**	**-**	**(17)**	**-**	**20**	**-**
010	**Loans and advances**	**1,147,547**	**1,042,607**	**104,731**	**22,504**	**237**	**22,260**	**(7,567)**	**(2,585)**	**(4,981)**	**(11,946)**	**(30)**	**(11,916)**	**-**	**658,528**	**7,090**
020	Central Banks	672	672	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	42,328	41,153	1,175	85	2	83	(45)	(34)	(11)	(41)	-	(41)	-	3,944	16
040	Credit institutions	87,835	87,779	56	419	-	419	(35)	(35)	(1)	(366)	-	(366)	-	3,947	-
050	Other financial corporations	38,139	35,386	2,729	859	2	857	(319)	(146)	(172)	(654)	-	(654)	-	17,874	79
060	Non-financial corporations	401,355	340,467	60,844	12,342	117	12,224	(4,285)	(1,483)	(2,802)	(6,341)	(14)	(6,327)	-	194,844	4,111
070	Of which: SMEs	198,770	168,452	30,275	7,451	107	7,343	(2,982)	(1,073)	(1,909)	(4,345)	(13)	(4,331)	-	110,820	2,122
080	Households	577,218	537,151	39,928	8,799	116	8,677	(2,883)	(887)	(1,996)	(4,543)	(15)	(4,528)	-	437,920	2,884
090	**Debt securities**	**158,230**	**147,742**	**976**	**106**	**2**	**88**	**(84)**	**(74)**	**(10)**	**(83)**	**-**	**(83)**	**-**	**2,554**	**-**
100	Central Banks	4,869	4,434	434	-	-	-	(3)	(1)	(1)	-	-	-	-	-	-
110	General governments	83,126	82,784	341	-	-	-	(51)	(48)	(3)	-	-	-	-	1,700	-
120	Credit institutions	35,398	35,233	5	5	-	5	(18)	(18)	(0)	(5)	-	(5)	-	526	-
130	Other financial corporations	18,046	8,994	13	9		1	(2)	(2)	-	-	-	-	-	75	-
140	Non-financial corporations	16,791	16,296	182	92	2	83	(11)	(5)	(6)	(78)	-	(78)	-	253	-
150	**Off-balance sheet exposures**	**791,298**	**771,236**	**20,062**	**2,175**	**20**	**2,155**	**(1,295)**	**(532)**	**(763)**	**(548)**	**(7)**	**(542)**		**40,179**	**208**
160	Central Banks	299,349	299,349	--	-	-	-	-	-	-	-	-	-		-	-
170	General governments	19,615	18,724	891	4	-	4	(8)	(4)	(4)	-	-	-		2,437	-
180	Credit institutions	103,266	103,235	32	21	-	21	(12)	(12)	(0)	(24)	-	(24)		159	-
190	Other financial corporations	82,782	81,031	1,751	655	-	655	(150)	(58)	(92)	(20)	-	(20)		1,246	2
200	Non-financial corporations	242,142	226,357	15,785	1,367	1	1,366	(985)	(387)	(598)	(448)	-	(448)		24,977	193
210	Households	44,144	42,541	1,603	128	18	110	(139)	(70)	(69)	(56)	(7)	(49)		11,359	13
220	**TOTAL**	**2,342,130**	**2,206,641**	**125,769**	**24,802**	**259**	**24,521**	**(8,947)**	**(3,192)**	**(5,755)**	**(12,594)**	**(37)**	**(12,557)**	**-**	**701,281**	**7,298**

— Changes in the stock of non-performing loans and receivables (CR2)

31/12/2022 *(in millions of euros)*		Gross carrying amount
1	**Initial stock of non-performing loans and advances (31/12/2021)**	**22,504**
2	Inflows to non-performing portfolios	9,304
3	Outflows from non-performing portfolios	(7,015)
4	Outflows due to write-offs	
5	Outflow due to other situations	
6	**Final stock of non-performing loans and advances (31/12/2022)**	**24,793**

— Credit quality of renegotiated exposures (CQ1)

31/12/2022 *(in millions of euros)*		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 forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	of which impaired				
005	**Cash balances at Central Banks and other demand deposits**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
010	**Loans and advances**	**6,169**	**8,252**	**8,154**	**8,154**	**(459)**	**(3,275)**	**6,855**	**2,682**
020	Central Banks	-	-	-	-	-	-	-	-
030	General governments	66	4	4	4	(1)	(3)	1	-
040	Credit institutions	-	46	46	46	-	(26)	-	-
050	Other financial corporations	90	116	116	116	(9)	(65)	93	34
060	Non-financial corporations	3,991	5,605	5,542	5,542	(312)	(2,151)	4,545	1,923
070	Households	2,023	2,481	2,446	2,446	(137)	(1,030)	2,217	725
080	**Debt Securities**	**-**	**5**	**5**	**1**	**-**	**(1)**	**-**	**-**
090	**Loan commitments given**	**386**	**119**	**112**	**112**	**(25)**	**(12)**	**189**	**22**
100	**TOTAL**	**6,554**	**8,376**	**8,270**	**8,266**	**(484)**	**(3,288)**	**7,044**	**2,703**

31/12/2021 *(in millions of euros)*		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 forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performin g forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	of which impaired				
005	**Cash balances at Central Banks and other demand deposits**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
010	**Loans and advances**	**7,264**	**8,362**	**8,101**	**8,101**	**(601)**	**(3,470)**	**7,899**	**3,101**
020	Central Banks	0	-	-	-	-	-	-	-
030	General governments	65	8	6	6	(2)	(4)	22	0
040	Credit institutions	-	46	45	45	-	(26)	-	-
050	Other financial corporations	106	144	142	142	(11)	(81)	115	44
060	Non-financial corporations	4,839	5,460	5,363	5,363	(430)	(2,269)	5,470	2,317
070	Households	2,253	2,703	2,545	2,545	(158)	(1,090)	2,292	740
080	**Debt Securities**	**-**	**5**	**5**	**1**	**-**	**(1)**	**-**	**-**
090	**Loan commitments given**	**351**	**133**	**126**	**126**	**(23)**	**(25)**	**166**	**43**
100	**TOTAL**	**7,615**	**8,499**	**8,232**	**8,228**	**(624)**	**(3,495)**	**8,065**	**3,145**

— Credit quality of performing and non-performing exposures by number of past due days (CQ3)

31/12/2022 *(in millions of euros)*		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			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 years ≤5 years	Past due >5 years ≤7 years	Past due >7 years	Of which defaulted
005	**Cash balances at Central Banks and other demand deposits**	**215,739**	**215,739**	**-**	**18**	**-**	**-**	**-**	**-**	**17**	**-**	**-**	**18**
010	**Loans and advances**	**1,224,030**	**1,220,979**	**3,051**	**24,793**	**11,350**	**1,292**	**2,888**	**1,648**	**3,319**	**1,078**	**3,219**	**24,652**
020	Central Banks	1,620	1,620										
030	General governments	41,177	41,114	63	199	34	8	112	2	13	1	29	195
040	Credit institutions	101,292	101,291	1	481	46	-	1	-	-	-	434	481
050	Other financial corporations	36,364	36,336	29	672	183	17	19	22	79	24	328	672
060	Non-financial corporations	438,634	436,664	1,970	14,806	7,252	721	1,685	879	2,140	632	1,497	14,698
070	Of which SMEs	213,431	212,872	559	8,328	4,070	344	698	622	1,194	453	947	8,301
080	Households	604,942	603,953	989	8,636	3,836	546	1,070	745	1,087	421	930	8,606
090	**Debt securities**	**149,087**	**149,067**	**20**	**118**	**91**	**1**	**-**	**-**	**-**	**-**	**26**	**109**
100	Central Banks	5,921	5,921	-	-	-	-	-	-	-	-	-	-
110	General governments	79,555	79,555	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	31,652	31,652	-	5	4	1	-	-	-	-	1	5
130	Other financial corporations	16,519	16,500	20	7	7	-	-	-	-	-	-	-
140	Non-financial corporations	15,439	15,439	-	106	80	-	-	-	-	-	25	104
150	**Off-balance sheet exposures**	**774,965**			**2,353**								**2,349**
160	Central Banks	274,361			-								-
170	General governments	21,028			-								-
180	Credit institutions	92,766			34								34
190	Other financial corporations	102,322			819								819
200	Non-financial corporations	239,460			1,404								1,400
210	Households	45,028			96								96
220	**TOTAL**	**2,363,820**	**1,585,785**	**3,071**	**27,282**	**11,441**	**1,293**	**2,888**	**1,648**	**3,337**	**1,078**	**3,245**	**27,128**

	31/12/2021 *(in millions of euros)*	Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			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 years ≤5 years	Past due >5 years ≤7 years	Past due >7 years	Of which defaulted
005	**Cash balances at Central Banks and other demand deposits**	**245,056**	**245,056**	**-**	**17**	**-**	**-**	**-**	**-**	**16**	**-**	**-**	**17**
010	**Loans and advances**	**1,147,547**	**1,144,892**	**2,655**	**22,504**	**9,841**	**926**	**1,527**	**2,181**	**3,754**	**1,471**	**2,804**	**22,260**
020	Central Banks	672	672	-	-	-	-	-	-	-	-	-	-
030	General governments	42,328	42,220	108	85	28	-	1	3	25	-	28	83
040	Credit institutions	87,835	87,835	-	419	5	-	-	-	-	296	118	419
050	Other financial corporations	38,139	37,781	359	859	348	10	14	20	81	43	343	857
060	Non-financial corporations	401,355	400,034	1,321	12,342	5,606	472	507	1,431	2,315	639	1,371	12,224
070	Of which SMEs	198,770	198,288	482	7,451	3,292	206	420	488	1,685	454	906	7,343
080	Households	577,218	576,351	867	8,799	3,854	443	1,005	728	1,333	493	944	8,677
090	**Debt securities**	**158,230**	**158,217**	**13**	**106**	**77**	**1**	**-**	**-**	**1**	**-**	**27**	**93**
100	Central Banks	4,869	4,869	-	-	-	-	-	-	-	-	-	-
110	General governments	83,126	83,126	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	35,398	35,398	-	5	3	1	-	-	1	-	1	5
130	Other financial corporations	18,046	18,034	13	9	9	-	-	-	-	-	-	1
140	Non-financial corporations	16,791	16,791	-	92	65	-	-	-	-	-	26	87
150	**Off-balance sheet exposures**	**791,298**			**2,175**								**2,155**
160	Central Banks	299,349			-								-
170	General governments	19,615			4								4
180	Credit institutions	103,266			21								21
190	Other financial corporations	82,782			655								655
200	Non-financial corporations	242,142			1,367								1,366
210	Households	44,144			128								110
220	**TOTAL**	**2,342,130**	**1,548,164**	**2,668**	**24,802**	**9,919**	**926**	**1,527**	**2,181**	**3,771**	**1,471**	**2,831**	**24,525**

— Quality of non-performing exposures by geographic location (CQ4)

31/12/2022 *(in millions of euros)*	Gross carrying/nominal amount	Of which non-performing	Of which defaulted	Of which subject to impairment	Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
ON BALANCE SHEET EXPOSURES	1,398,028	24,911	24,761	1,390,278	(20,662)		-
Europe	**1,276,620**	**21,905**	**21,756**	**1,268,942**	**(18,845)**		**-**
France	1,019,257	15,987	15,961	1,012,788	(13,903)		-
Italy	114,002	3,247	3,211	113,743	(2,452)		-
Germany	28,298	386	386	28,292	(323)		-
Luxembourg	20,850	112	112	20,070	(94)		-
United Kingdom	14,355	50	50	14,406	(84)		-
Spain	8,548	178	176	8,546	(176)		-
Switzerland	14,091	159	159	14,087	(108)		-
Netherland	11,593	122	122	11,593	(167)		-
Poland	10,543	370	358	10,406	(375)		-
Other European countries	35,083	1,294	1,222	35,011	(1,162)		-
Asia and Oceania	**46,330**	**677**	**677**	**46,305**	**(321)**		**-**
Japan	7,691	183	183	7,691	(39)		-
Other Asia and Oceania	38,640	495	495	38,614	(283)		-
North America	**38,674**	**319**	**319**	**38,631**	**(249)**		**-**
USA	31,258	237	237	31,215	(171)		-
Other Northern America	7,416	82	82	7,416	(78)		-
Central and South America	**12,488**	**1,368**	**1,368**	**12,487**	**(736)**		**-**
Africa and Middle East	**19,194**	**642**	**641**	**19,192**	**(508)**		**-**
Rest of the World	**4,721**	**-**	**(0)**	**4,721**	**(1)**		**-**
OFF BALANCE SHEET EXPOSURES	777,317	2,353	2,349			1,844	
Europe	**660,666**	**2,265**	**2,262**			**1,595**	
France	538,294	831	830			1,246	
Italy	23,776	904	904			116	
Germany	17,462	1	1			14	
Luxembourg	12,808	0	0			9	
United Kingdom	23,794	0	0			26	
Spain	5,812	27	27			20	
Switzerland	8,884	8	8			10	
Netherland	8,111	415	415			76	
Poland	2,386	12	10			9	
Other European countries	19,339	68	67			70	
Asia and Oceania	**26,356**	**2**	**2**			**27**	
Japan	4,721	-	-			0	
Other Asia and Oceania	21,635	2	2			26	
North America	**71,791**	**30**	**30**			**161**	
USA	67,524	0	0			150	
Other Northern America	4,267	30	30			11	
Central and South America	**5,318**	**11**	**11**			**33**	
Africa and Middle East	**10,360**	**45**	**45**			**28**	
Rest of the World	**2,827**	**0**	**0**			**0**	
TOTAL	**2,175,345**	**27,264**	**27,110**	**1,390,278**	**(20,662)**	**1,844**	**-**

31/12/2021 *(in millions of euros)*	Gross carrying/nominal amount	Of which non-performing			Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which defaulted	Of which subject to impairment			
ON BALANCE SHEET EXPOSURES	1,328,386	22,610	22,353	1,318,644	(19,680)		-
Europe	**1,207,964**	**19,434**	**19,226**	**1,198,330**	**(17,421)**		**-**
France	955,767	14,300	14,110	947,376	(13,332)		-
Italy	111,667	3,176	3,173	111,488	(2,367)		-
Germany	27,687	344	344	27,681	(318)		-
Luxembourg	17,719	49	48	16,906	(105)		-
United Kingdom	14,939	62	62	14,918	(105)		-
Spain	8,129	183	181	8,129	(170)		-
Switzerland	12,176	97	97	12,172	(71)		-
Netherland	13,186	144	144	13,184	(160)		-
Poland	9,654	403	392	9,508	(375)		-
Other European countries	37,040	676	676	36,968	(419)		-
Asia and Oceania	**46,792**	**397**	**397**	**46,767**	**(279)**		**-**
Japan	7,438	130	130	7,438	(65)		-
Other Asia and Oceania	39,354	267	267	39,328	(214)		-
North America	**33,003**	**239**	**239**	**32,960**	**(289)**		**-**
USA	**26,425**	**187**	**187**	**26,382**	**(210)**		**-**
Other Northern America	6,578	52	52	6,578	(79)		-
Central and South America	**11,738**	**1,384**	**1,384**	**11,737**	**(775)**		**-**
Africa and Middle East	**24,759**	**1,156**	**1,106**	**24,719**	**(914)**		**-**
Rest of the World	**4,131**	**-**	**-**	**4,131**	**(1)**		**-**
OFF BALANCE SHEET EXPOSURES	793,477	2,175	2,155			1,843	
Europe	**689,797**	**2,034**	**2,031**			**1,531**	
France	574,601	691	689			1,185	
Italy	26,121	743	743			99	
Germany	13,507	21	21			37	
Luxembourg	12,708	-	-			10	
United Kingdom	21,389	0	0			38	
Spain	4,512	59	59			33	
Switzerland	9,332	3	3			6	
Netherland	8,111	399	399			66	
Poland	1,846	13	13			10	
Other European countries	17,669	105	105			49	
Asia and Oceania	**23,955**	**6**	**6**			**24**	
Japan	4,022	0	0			0	
Other Asia and Oceania	19,933	6	6			23	
North America	**61,151**	**14**	**14**			**200**	
USA	56,287	4	4			189	
Other Northern America	4,865	10	10			11	
Central and South America	**5,405**	**42**	**42**			**32**	
Africa and Middle East	**10,636**	**79**	**62**			**56**	
Rest of the World	**2,533**	**-**	**-**			**0**	
TOTAL	**2,121,863**	**24,785**	**24,508**	**1,318,644**	**(19,680)**	**1,843**	**-**

— Credit quality of loans and receivables to non-financial corporations by business line (CQ5)

31/12/2022 *(in millions of euros)*		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
				Of which non-performing	Of which loans and advances subject to impairment		
				Of which defaulted			
010	Agriculture, forestry and fishing	36,853	1,286	1,236	36,853	(1,606)	-
020	Mining and quarrying	11,613	477	477	11,613	(377)	-
030	Manufacturing	74,776	2,025	2,005	74,660	(1,720)	-
040	Electricity, gas, steam and air conditioning supply	27,872	237	236	27,872	(295)	-
050	Water supply	3,076	50	50	3,076	(49)	-
060	Construction	15,788	856	853	15,788	(621)	-
070	Wholesale and retail trade	56,385	1,858	1,843	56,385	(1,597)	-
080	Transport and storage	27,394	1,826	1,824	27,394	(672)	-
090	Accommodation and food service activities	12,802	935	932	12,802	(815)	-
100	Information and communication	14,488	159	158	14,488	(146)	-
105	Financial and insurance activities	26,688	303	303	26,678	(337)	-
110	Real estate activities	87,668	1,981	1,973	87,647	(1,940)	-
120	Professional, scientific and technical activities	25,071	746	744	25,071	(726)	-
130	Administrative and support service activities	11,871	332	332	11,814	(252)	-
140	Public administration and defence, compulsory social security	1,626	11	11	1,626	(15)	-
150	Education	573	28	28	573	(19)	-
160	Human health services and social work activities	6,657	1,262	1,261	6,657	(303)	-
170	Arts, entertainment and recreation	1,618	130	130	1,618	(86)	-
180	Other services	10,621	305	301	10,619	(271)	-
190	**TOTAL**	**453,440**	**14,806**	**14,698**	**453,236**	**(11,846)**	**-**

31/12/2021 *(in millions of euros)*		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
				Of which non-performing	Of which loans and advances subject to impairment		
				Of which defaulted			
010	Agriculture, forestry and fishing	34,753	1,201	1,183	34,752	(1,294)	-
020	Mining and quarrying	11,255	109	109	11,255	(120)	-
030	Manufacturing	69,111	1,376	1,350	69,096	(1,135)	-
040	Electricity, gas, steam and air conditioning supply	20,431	170	170	20,431	(238)	-
050	Water supply	2,502	52	52	2,502	(47)	-
060	Construction	14,530	812	810	14,523	(666)	-
070	Wholesale and retail trade	53,888	1,633	1,623	53,888	(1,479)	-
080	Transport and storage	27,602	1,829	1,828	27,602	(787)	-
090	Accommodation and food service activities	12,836	932	911	12,836	(893)	-
100	Information and communication	11,032	167	167	11,032	(118)	-
105	Financial and insurance activities	22,351	483	483	22,342	(469)	-
110	Real estate activities	77,148	1,515	1,494	77,137	(1,637)	-
120	Professional, scientific and technical activities	23,562	953	952	23,562	(770)	-
130	Administrative and support service activities	13,162	278	278	13,161	(257)	-
140	Public administration and defence, compulsory social security	2,101	42	42	2,101	(33)	-
150	Education	572	20	19	572	(22)	-
160	Human health services and social work activities	6,346	120	119	6,346	(96)	-
170	Arts, entertainment and recreation	1,743	130	130	1,743	(98)	-
180	Other services	8,772	520	506	8,772	(466)	-
190	**TOTAL**	**413,697**	**12,342**	**12,224**	**413,652**	**(10,626)**	**-**

In accordance with Implementing Regulation (EU) No. 2021/637, the table (EU CQ5) presents the breakdown of loans and receivables within the scope of non-financial corporations. It does not include other exposures to financial corporations, namely debt securities, assets held for sale and off-balance sheet commitments. It does not take into account all exposures to central governments and Central Banks, credit institutions and households.

— Collateral obtained by taking possession and execution processes (CQ7)

(in millions of euros)	31/12/2022		31/12/2021	
	Collateral obtained by taking possession		Collateral obtained by taking possession	
	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
010 Property, plant and equipment (PP&E)	-	-	2	-
020 Other than PP&E	186	(126)	210	(136)
030 Residential immovable property	29	(11)	35	(13)
040 Commercial Immovable property	30	(17)	60	(33)
050 Movable property (auto, shipping, etc.)	125	(97)	112	(89)
060 Equity and debt instruments	-	-	-	-
070 Other collateral	3	(1)	3	(1)
080 TOTAL	**187**	**(126)**	**212**	**(136)**

Definitions of assets that are past due, impaired, in default, provisioned or restructured (EU CRB) appear in the following sections of this document:

- for exposures that are past due, impaired and in default, see Chapter 4 "Consolidated financial statements", the "Notes to the consolidated financial statements", Note 1.2 "Accounting policies and principles";
- please note that Crédit Agricole S.A. does not report exposures over 90 days past due that are not considered impaired;
- for the methods for determining adjustments for general and specific credit risk, see Chapter 3, "Risk management", Section 2.4.IV "Application of IFRS 9", which discusses the determination of expected loss amounts;
- the definition of restructured exposures is given in Chapter 4 "Consolidated financial statements", Note 1, "Restructuring due to financial difficulty".

3.4.2.2 Credit risk

Since late 2007, the ACPR has authorised the Crédit Agricole Group to use its internal rating systems to calculate regulatory capital requirements for credit risk on Retail and Large customer exposures throughout almost all of its scope. The main recent developments concerning the Group's roll-out plan are the transition to the advanced IRB approach for all "Retail Banking" portfolios in the CA Italia and FriulAdria entities in Italy in 2013 (authorisation extended to the Carispezia entity in 2022), the validation in the IRB approach of the LCL and CRCA "Corporates" portfolio with effect from 1 October 2014, as well as the authorisation issued by the ECB in July 2021 to use the probability of default models for real estate professionals and extend the use of the probability of default models for leveraged buy-outs (LBOs) to the LCL scope.

The main Group entities or portfolios still using the Standardised Approach for measuring credit and/or operational risk at 31 December 2022 were as follows:

- the not-yet-validated CA Italia portfolios (non-retail customer portfolios) as well as all other entities in the international Retail Banking division;
- the Crédit Agricole Leasing & Factoring Group;
- some portfolios and international subsidiaries of the Crédit Agricole Consumer Finance Group.

Pursuant to the Group's commitment to phase in the advanced approach, agreed with the Supervisor (rollout plan), work on the rollout of the IRB approach continues. An update of the rollout plan is sent annually to the competent authority. In addition, pursuant to Article 150 of the delegated Regulation (EU) No. 575/2013 of 26 June 2013 on regulatory prudential requirements for credit institutions and investment firms, a request for authorisation for the use of the permanent partial use (PPU) of the Standardised Approach in certain areas of the Crédit Agricole Group was submitted to the ECB in 2021.

3.4.2.2.1 Exposures under the Standardised Approach (EU CRD)

The exposure classes under the Standardised Approach are classified by counterparty type and financial product type, in one of the 17 classes set out in Article 112 of Regulation (EU) 575/2013 of 26 June 2013 (CRR), as amended. The weightings applied to these same assets are calculated in accordance with Articles 114 to 134 of said regulation.

For the "Central governments and Central Banks" and "Institutions" exposure classes, the Crédit Agricole Group has chosen, under the Standardised Approach, to use evaluations from several rating agencies: S&P, Moody's, Fitch, Cerved and BdF.

Accordingly, when the counterparty's credit valuation from the rating agency is known, it is used to determine the applicable weighting. With respect to the counterparties in the "Institutions" or "Corporates" exposure classes for which the credit valuation is not known, the weighting used is determined having regard to the credit valuation of the jurisdiction of the central government in which this counterparty is established, in accordance with the provisions of Articles 121 and 122 of the aforementioned regulation.

With respect to exposures on debt instruments in the banking portfolio, the rule is to apply the issuer's weighting ratio. This rate is determined using the rules described in the foregoing paragraph.

— Standardised Approach – Credit risk exposure and CRM effects (CR4)

31/12/2022 Exposure classes (in millions of euros)		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWA and RWA density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWA	RWA density (%)
1	Central governments or Central Banks	71,376	51	77,559	13	8,063	10.40%
2	Regional government or local authorities	1,148	487	1,148	53	147	12.24%
3	Public sector entities	4,526	82	4,560	13	310	6.78%
4	Multilateral development banks	412	25	452	-	22	4.89%
5	International organisations	912	-	912	-	-	-
6	Banks (Institutions)	18,961	5,771	40,002	3,225	7,330	16.96%
7	Corporates	75,597	29,636	53,271	5,584	47,703	81.05%
8	Retail	35,104	4,092	27,483	920	18,996	66.88%
9	Secured by mortgages on immovable property	10,134	172	10,129	56	3,886	38.16%
10	Exposures in default	1,600	142	1,329	37	1,681	123.05%
11	Exposures associated with particularly high risk	573	85	573	29	903	150.00%
12	Covered bonds	1,130	-	1,130	-	113	10.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	8,223	14,338	8,223	4,963	6,870	52.10%
15	Equity	1,624	0	1,624	0	1,879	115.65%
16	Other items	27,036	54	27,036	54	20,968	77.40%
17	**TOTAL**	**258,356**	**54,937**	**255,431**	**14,949**	**118,872**	**43.97%**

— Standardised Approach – Credit risk exposure and CRM effects (CR4)

31/12/2021 Exposure classes (in millions of euros)		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWA and RWA density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWA	RWA density (%)
1	Central governments or Central Banks	102,796	1,085	104,526	1,010	8,796	8.34%
2	Regional government or local authorities	969	81	1,113	53	170	14.61%
3	Public sector entities	5,030	83	5,226	55	408	7.72%
4	Multilateral development banks	447	15	453	3	24	5.33%
5	International organisations	1,105	-	1,105	-	-	-
6	Banks (Institutions)	15,410	5,116	34,756	2,730	5,897	15.73%
7	Corporates	86,125	26,864	64,786	9,612	61,999	83.34%
8	Retail	28,892	3,550	26,801	831	18,462	66.82%
9	Secured by mortgages on immovable property	12,936	300	12,825	94	5,231	40.49%
10	Exposures in default	1,506	104	1,274	46	1,575	119.37%
11	Exposures associated with particularly high risk	1,796	639	1,693	301	2,991	150.00%
12	Covered bonds	869	-	869	-	87	10.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	12,351	18,779	12,351	7,284	8,824	44.94%
15	Equity	1,627	1	1,627	1	1,866	114.63%
16	Other items	26,040	4	26,040	4	20,417	78.39%
17	**TOTAL**	**297,899**	**56,621**	**295,443**	**22,023**	**136,748**	**43.08%**

— Standardised Approach to exposures by asset class and risk weighting coefficient (CR5)

31/12/2022		Risk weight																
	Exposure classes *(in millions of euros)*	**0%**	**2%**	**4%**	**10%**	**20%**	**35%**	**50%**	**70%**	**75%**	**100%**	**150%**	**250%**	**370%**	**1250%**	**Others**	**Total**	**o/w unrated**
1	Central governments or Central Banks	72,477	-	-	-	33	-	-	-	-	2,611	683	1,768	-	-	-	77,572	77,572
2	Regional government or local authorities	476	-	-	-	722	-	-	-	-	2	-	-	-	-	-	1,201	1,199
3	Public sector entities	3,227	-	-	-	1,279	-	27	-	-	41	-	-	-	-	-	4,573	3,929
4	Multilateral development banks	426	-	-	-	5	-	-	-	-	21	-	-	-	-	-	452	452
5	International organisations	912	-	-	-	-	-	-	-	-	-	-	-	-	-	-	912	912
6	Banks (Institutions)	21,066	4,147	-	-	9,169	-	6,906	-	-	1,897	42	-	-	-	-	43,227	34,310
7	Corporates	-	-	-	-	6,758	-	7,683	-	-	42,052	2,363	-	-	-	-	58,856	29,617
8	Retail	-	-	-	-	-	666	-	-	27,738	-	-	-	-	-	-	28,404	28,404
9	Secured by mortgages on immovable property	-	-	-	-	-	7,331	2,502	-	352	-	-	-	-	-	-	10,185	10,185
10	Exposures in default	-	-	-	-	-	-	-	-	-	737	630	-	-	-	-	1,366	1,366
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	602	-	-	-	-	602	602
12	Covered bonds	-	-	-	1,130	-	-	-	-	-	-	-	-	-	-	-	1,130	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Collective investment undertakings	5,970	-	1	94	2,058	-	1,906	-	-	2,708	255	-	-	192	-	13,186	11,838
15	Equity	-	-	-	-	-	-	-	-	-	1,455	-	170	-	-	-	1,625	1,625
16	Other items	4,405	-	-	-	2,147	-	-	-	-	20,539	-	-	-	-	-	27,090	26,926
17	**TOTAL**	**108,959**	**4,147**	**1**	**1,224**	**22,170**	**7,997**	**19,024**	**-**	**28,090**	**72,063**	**4,576**	**1,938**	**-**	**192**	**-**	**270,380**	**228,939**

— Standardised Approach to exposures by asset class and risk weighting coefficient (CR5)

31/12/2021 **Asset classes** *(in millions of euros)*		**Risk weight**																
		0%	**2%**	**4%**	**10%**	**20%**	**35%**	**50%**	**70%**	**75%**	**100%**	**150%**	**250%**	**370%**	**1250%**	**Others**	**Total**	**o/w unrated**
1	Central governments or Central Banks	99,739	-	-	-	5	-	0	-	-	3,789	0	2,003	-	-	-	105,536	105,535
2	Regional government or local authorities	315	-	-	-	851	-	-	-	-	0	-	-	-	-	-	1,166	1,164
3	Public sector entities	3,476	-	-	-	1,734	-	20	-	-	51	-	-	-	-	-	5,281	4,506
4	Multilateral development banks	334	-	-	-	121	-	-	-	-	-	-	-	-	-	-	456	456
5	International organisations	1,105	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,105	1,105
6	Banks (Institutions)	19,369	2,979	-	-	8,552	-	4,949	-	-	1,603	33	-	-	-	-	37,486	30,493
7	Corporates	-	-	-	-	6,314	-	8,286	-	-	57,424	2,375	-	-	-	-	74,398	43,751
8	Retail	-	-	-	-	-	603	-	-	27,028	-	-	-	-	-	-	27,632	27,632
9	Secured by mortgages on immovable property	-	-	-	-	-	8,355	3,476	-	1,088	-	-	-	-	-	-	12,919	12,919
10	Exposures in default	-	-	-	-	-	-	-	-	-	808	511	-	-	-	-	1,319	1,319
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	1,994	-	-	-	-	1,994	1,994
12	Covered bonds	-	-	-	869	-	-	-	-	-	-	-	-	-	-	-	869	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Collective investment undertakings	9,392	-	4	104	2,641	-	2,839	-	-	4,251	221	-	-	183	-	19,635	18,338
15	Equity	-	-	-	-	-	-	-	-	-	1,469	-	159	-	-	-	1,628	1,628
16	Other items	4,438	-	-	-	1,486	-	-	-	-	20,119	-	-	-	-	-	26,044	25,428
17	**TOTAL**	**138,168**	**2,979**	**4**	**973**	**21,706**	**8,958**	**19,571**	**-**	**28,117**	**89,513**	**5,134**	**2,161**	**-**	**183**	**-**	**317,466**	**276,269**

Exposures to the asset classes “Central government and Central Banks” and “Banks” (institutions) treated under the Standardised Approach were mainly risk-weighted at 0% at 31 December 2022, as at the end of 2021. This reflects the quality of the activities carried out with these types of counterparties.

3.4.2.2.2 Credit risk – Internal Ratings-Based approach (EU CRE)

Outstanding loans are classified by counterparty type and financial product type, based on the seven exposure classes described below and set out in Article 147 of Regulation (EU) 575/2013 of 26 June 2013 on capital requirements for credit institutions and investment firms:

- the exposure class "Central governments and Central Banks" includes, in addition to exposures to central governments and Central Banks, exposures to certain regional governments or local authorities or public sector entities that are treated as central governments, as well as certain multilateral development banks and international organisations;
- the "Institutions" class comprises exposure to credit institutions and investment companies, including those recognised in other countries. It also includes some exposures to regional and local authorities, public sector agencies and multilateral development banks that are not classified under central governments;
- the "Corporates" class is divided into large corporates and small and medium-sized companies, which are subject to different regulatory treatments;
- the "Retail customers" class is broken down into loans secured by real estate granted to individuals and to small and medium businesses, revolving credit, other loans granted to individuals and to small and medium businesses;
- the "Equity" class comprises exposures that convey a residual, subordinated claim on the assets or revenues of the issuer or have a similar economic substance;
- the "Securitisation" class includes exposures to securitisation transactions 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" exposure class does not currently include any assets using the IRB approach.

In accordance with the regulatory rules in force, the risk-weighted exposure amounts for "Central governments and Central Banks", "Institutions", "Corporates" and "Retail customers" exposures are calculated by applying a regulatory formula, the main parameters of which are the EAD, PD, LGD and the maturity associated with each exposure:

- for exposures to Large customers (Central governments and Central Banks, Institutions and Corporates), the formula is given in Article 153 of EU Regulation 575/2013 of 26 June 2013;
- for exposures to Retail customers, the formula is given in Article 154 of EU Regulation 575/2013 of 26 June 2013.

Risk-weighted assets in the "Equities" category are calculated by applying standardised weightings to the carrying amount of the exposures. These weightings, set out in Article 155 of EU Regulation 575/2013 of 26 June 2013, depend on the nature of the equities involved: 190% for private equity exposures in sufficiently diversified portfolios, 290% for exchange traded equity exposures and 370% for all other "Equity" exposures excluding equity investments of over 10% in financial firms used in the calculation of the exemption threshold (250% weighting).

The risk-weighted assets of "Other non credit-obligation assets" exposures are calculated in accordance with Article 156 of Regulation (EU) 575/2013 of 26 June 2013. The parameters of the formulas cited above are estimated using historical default and loss data collected internally by the Crédit Agricole Group. Note that the definition of default used for the calculation of these parameters has a significant influence on the value thereof.

Exposure at Default (EAD) is the amount of exposure to a counterparty at the time of said counterparty's default. For balance sheet items, EAD corresponds to exposure net of provisions for hedged items using the Standardised Approach to credit risk, and to gross amounts for hedged items using internal ratings. In the case of limits and financing commitments not used by the counterparty, a portion of the total commitment is taken into account by applying a credit conversion factor (CCF). The CCF is estimated using an internal method validated by the supervisory authority for Retail customers portfolios. The Internal CCF is estimated on the basis of the CCF observed in cases of default by class of exposure. For other portfolios, a standard CCF of 20%, 50% or 100% is applied, depending on the nature of the commitment and its term.

For Large customers, default is defined on a customer-by customer basis. As a result, it factors in the principle of contagion: an exposure to a defaulting customer causes the classification under default of all of said customer's loans within the entity responsible for the uniformity of the rating ("RUN") and all of its loans within the Crédit Agricole Group.

For Retail customers, following the change in the internal definition of default pursuant to the new EBA guidelines, the definition of default now also applies solely at the debtor level. Contagion rules are defined and precisely documented by the entity (joint account, outstandings of individuals or professionals, notion of risk group, etc.).

The pertinence and reliability of the rating data used are guaranteed by a process consisting in the initial validation and subsequent maintenance of internal models based on a structured and documented organisation implemented throughout the Group and involving entities, the Group Risk Management department and the Audit function.

The use of internal models for calculating solvency ratios has strengthened the Crédit Agricole Group's risk management. In particular, the development of "internal rating" approaches has led to the systematic collection of reliable data in respect of historical default and loss for the majority of Group entities. The collection of historical data of this nature now makes it possible to quantify credit risk by giving each rating an average probability of default (PD) and, for "advanced internal rating" approaches, a loss given default (LGD).

In addition, the parameters of the "internal rating" models are used in the definition, implementation and monitoring of the entities' risk and credit policies. For Large customers, the Group's unique rating system (identical tools and methods, shared data), in place for many years, has contributed to strengthening and normalising the use of ratings and the associated risk parameters within the entities. The uniqueness of ratings for the Large customer class thereby provides a shared framework on which to base standards and procedures, management tools, provisioning and risk-hedging policies, as well as alerts and close monitoring procedures. Due to their role in the monitoring and managing of risk within the various entities, ratings are subject to quality controls and regular monitoring at all stages of the rating process.

Internal models for measuring risks accordingly promote the development of sound risk-management practices among Group entities and improve the efficiency of the process of capital allocation by allowing a more accurate measurement of its consumption by business line and by entity.

In accordance with internal model validation procedures, all internal models used within the Crédit Agricole Group to calculate capital requirements for credit risk are submitted to the Standards and Models Committee (SMC) for approval, following an independent review by the Group's Internal Validation function. This internal validation process pre-dates the application for formal approval to the ECB.

After validation, systems governing internal ratings and the calculation of risk parameters are subject to permanent and periodic control within each Group entity.

Pursuant to Article 189 of Regulation (EU) 575/2013 of 26 June 2013, as amended, an annual summary of the functioning of the rating system is presented to the management bodies (Crédit Agricole S.A. Risk Committee and Group Risk Committee). This presentation incorporates the overall findings of the independent review and validation processes for internal models.

Modelled Parameter	Portfolio/Entity	Number of models
PD	Sovereigns	5
	Local authorities	8
	Financial institutions (banks, insurance, funds, etc.)	8
	Specialised financing	9
	Corporates	9
	Retail Banking – Regional Banks	4
	Retail Banking – LCL	2
	Retail Banking – Crédit Agricole Consumer Finance	19
	Retail Banking – Crédit Agricole CIB	1
	Retail Banking – CA Italia	7
LGD	Sovereigns	1
	Financial institutions (banks, insurance, funds, etc.)	4
	Specialised financing	8
	Corporates	1
	Retail Banking – Regional Banks	12
	Retail Banking – LCL	8
	Retail Banking – Crédit Agricole Consumer Finance	4
	Retail Banking – Crédit Agricole CIB	1
	Retail Banking – CA Italia	2
CCF	Retail Banking – Regional Banks	2
	Retail Banking – LCL	2
	Retail Banking – Crédit Agricole Consumer Finance	3
	Retail Banking – CA Italia	2

3.4.2.2.3 Quality of exposures under the Internal Ratings-Based approach (EU CRE)

Presentation of the internal ratings system and procedure

The internal ratings systems and procedures are described in the section entitled "Risk management – Credit risk – Risk measurement methods and systems".

The Retail customers credit risk exposure classes are presented separately as the internal ratings used for them are not the same as those for the other classes.

— Foundation Internal Ratings Based Approach – Credit risk exposures by exposure class and probability of default (PD) category at 31 December 2022 (CR6)

31/12/2022 *(in millions of euros)* F-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Central governments and Central Banks	0.00 to <0.15	222,694	835	56.40%	234,218	0.00%	45.21%	2.50	927	0.40%	1	34
	0.00 to <0.10	222,675	835	56.40%	234,205	0.00%	45.21%	2.50	922	0.39%	1	34
	0.10 to <0.15	19	-	75.00%	13	0.12%	45.00%	2.50	5	34.94%	-	-
	0.15 to <0.25	688	9	75.00%	694	0.16%	45.00%	2.50	286	41.13%	-	1
	0.25 to <0.50	141	7	63.05%	152	0.33%	44.96%	2.50	91	59.73%	-	-
	0.50 to <0.75	21	-	59.38%	22	0.60%	45.00%	2.50	17	79.99%	-	-
	0.75 to <2.50	67	2	68.40%	55	0.98%	45.00%	2.50	53	95.92%	-	-
	0.75 to <1.75	67	2	68.40%	55	0.98%	45.00%	2.50	53	95.92%	-	-
	1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-
	2.50 to <10.00	10	1	98.26%	10	3.53%	45.00%	2.50	15	141.61%	-	-
	2.5 to <5	9	1	98.26%	9	3.00%	45.00%	2.50	13	136.14%	-	-
	5 to <10	1	-	-	1	8.00%	45.00%	2.50	2	188.21%	-	-
	10.00 to <100.00	28	-	50.00%	28	20.02%	45.00%	2.50	71	252.54%	3	-
	10 to <20	-	-	-	-	15.00%	45.00%	2.50	-	234.83%	-	-
	20 to <30	28	-	50.00%	28	20.05%	45.00%	2.50	70	252.64%	3	-
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	100.00%	45.08%	2.50	-	-	-	-
SUB-TOTAL		**223,648**	**854**	**56.70%**	**235,180**	**0.00%**	**45.21%**	**2.50**	**1,458**	**0.62%**	**4**	**36**
Institutions	0.00 to <0.15	46,156	3,526	51.16%	49,571	0.04%	41.81%	2.50	8,014	16.17%	7	23
	0.00 to <0.10	43,790	3,491	51.04%	47,181	0.04%	43.03%	2.50	7,611	16.13%	7	22
	0.10 to <0.15	2,366	35	63.17%	2,390	0.11%	17.57%	2.50	403	16.88%	-	-
	0.15 to <0.25	1,237	108	61.75%	1,376	0.18%	38.20%	2.50	514	37.34%	1	2
	0.25 to <0.50	631	32	55.79%	688	0.31%	44.46%	2.50	471	68.52%	1	2
	0.50 to <0.75	287	25	64.07%	306	0.60%	43.03%	2.50	247	80.88%	1	2
	0.75 to <2.50	485	65	49.16%	515	1.19%	44.95%	2.50	583	113.24%	3	4
	0.75 to <1.75	456	57	49.61%	483	1.14%	44.95%	2.50	543	112.43%	2	4
	1.75 to <2.5	29	8	45.86%	32	1.90%	45.00%	2.50	40	125.34%	-	1
	2.50 to <10.00	30	4	33.20%	31	4.86%	45.00%	2.50	57	185.70%	1	-
	2.5 to <5	3	-	92.20%	3	3.58%	45.00%	2.50	4	143.07%	-	-
	5 to <10	27	3	25.45%	28	5.00%	45.00%	2.50	53	190.42%	1	-
	10.00 to <100.00	57	2	58.44%	57	19.73%	44.87%	2.50	150	262.28%	5	-
	10 to <20	2	-	50.00%	2	12.05%	44.95%	2.50	5	253.97%	-	-
	20 to <30	55	1	60.14%	55	20.02%	44.87%	2.50	145	262.59%	5	-
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	28	-	75.00%	28	100.00%	45.00%	2.50	-	-	13	11
SUB-TOTAL		**48,911**	**3,761**	**51.54%**	**52,573**	**0.14%**	**41.79%**	**2.50**	**10,037**	**19.09%**	**31**	**43**
Corporates – SME	0.00 to <0.15	3,824	1,425	56.36%	4,503	0.10%	43.42%	2.50	928	20.60%	2	13
	0.00 to <0.10	1,170	548	43.67%	1,410	0.04%	44.18%	2.50	189	13.42%	-	2
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	26	5	63.53%	25	0.16%	44.11%	2.50	7	28.63%	-	-
	0.25 to <0.50	14,389	4,560	57.64%	16,109	0.39%	42.96%	2.50	6,944	43.11%	27	121
	0.50 to <0.75	83	13	57.07%	89	0.60%	44.29%	2.50	53	60.24%	-	1
	0.75 to <2.50	22,452	4,568	65.03%	22,944	1.11%	42.59%	2.50	14,753	64.30%	108	395
	0.75 to <1.75	22,181	4,527	64.95%	22,643	1.10%	42.56%	2.50	14,483	63.96%	106	383
	1.75 to <2.5	271	41	74.04%	301	1.92%	44.50%	2.50	270	89.59%	3	12
	2.50 to <10.00	8,886	1,397	66.77%	8,184	4.16%	42.47%	2.50	7,478	91.37%	145	425
	2.5 to <5	7,081	1,146	66.87%	6,661	3.28%	42.44%	2.50	5,730	86.02%	93	299
	5 to <10	1,805	250	66.32%	1,523	7.99%	42.64%	2.50	1,748	114.77%	52	126
	10.00 to <100.00	1,266	255	65.77%	1,121	19.59%	42.55%	2.50	1,742	155.41%	94	118
	10 to <20	429	74	63.10%	336	14.63%	42.44%	2.50	483	143.76%	21	36
	20 to <30	837	180	66.87%	785	21.71%	42.59%	2.50	1,259	160.40%	73	81
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	1,790	206	70.03%	1,545	100.00%	44.15%	2.50	-	-	683	1,086
SUB-TOTAL		**52,717**	**12,428**	**61.61%**	**54,520**	**4.45%**	**42.80%**	**2.50**	**31,905**	**58.52%**	**1,058**	**2,158**

31/12/2022 *(in millions of euros)* F-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – Specialised Lending	0.00 to <0.15	157	76	56.45%	200	0.06%	42.01%	2.50	43	21.27%	-	-
	0.00 to <0.10	157	65	53.29%	192	0.06%	42.17%	2.50	40	20.90%	-	-
	0.10 to <0.15	-	11	75.00%	8	0.12%	38.33%	2.50	2	29.76%	-	-
	0.15 to <0.25	692	125	52.56%	752	0.16%	43.10%	2.50	291	38.64%	1	3
	0.25 to <0.50	1,139	257	75.06%	1,321	0.31%	43.97%	2.50	748	56.60%	2	4
	0.50 to <0.75	731	213	69.93%	880	0.60%	43.76%	2.50	680	77.23%	2	5
	0.75 to <2.50	883	101	75.22%	953	1.12%	43.71%	2.50	899	94.37%	5	24
	0.75 to <1.75	755	51	75.11%	790	0.96%	43.92%	2.50	713	90.33%	3	20
	1.75 to <2.5	128	51	75.33%	163	1.90%	42.71%	2.50	186	113.89%	1	4
	2.50 to <10.00	51	18	73.74%	63	4.70%	40.94%	2.50	87	137.48%	1	1
	2.5 to <5	10	-	74.97%	10	3.00%	44.15%	2.50	10	109.37%	-	-
	5 to <10	41	18	73.74%	54	5.00%	40.36%	2.50	77	142.48%	1	1
	10.00 to <100.00	62	22	75.00%	79	17.63%	42.84%	2.50	182	231.02%	6	1
	10 to <20	20	5	75.00%	23	12.00%	41.91%	2.50	48	203.48%	1	1
	20 to <30	43	17	75.00%	55	20.00%	43.23%	2.50	135	242.62%	5	-
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	23	-	-	23	100.00%	45.00%	2.50	-	-	10	1
SUB-TOTAL		**3,739**	**813**	**68.50%**	**4,270**	**1.43%**	**43.56%**	**2.50**	**2,929**	**68.58%**	**27**	**40**
Corporates – Other	0.00 to <0.15	37,238	22,043	65.39%	51,616	0.06%	45.04%	2.51	12,034	23.32%	15	74
	0.00 to <0.10	26,363	15,411	66.56%	36,115	0.04%	45.34%	2.52	6,605	18.29%	6	37
	0.10 to <0.15	10,876	6,632	62.68%	15,501	0.12%	44.34%	2.50	5,429	35.02%	8	37
	0.15 to <0.25	949	196	75.78%	1,081	0.16%	40.73%	2.50	425	39.29%	1	1
	0.25 to <0.50	25,143	12,496	60.94%	31,253	0.35%	44.19%	2.50	19,177	61.36%	49	188
	0.50 to <0.75	761	299	73.43%	982	0.60%	44.79%	2.50	827	84.21%	3	5
	0.75 to <2.50	17,955	6,705	64.59%	19,139	1.06%	43.97%	2.50	18,602	97.20%	89	409
	0.75 to <1.75	17,395	6,438	64.16%	18,431	1.02%	43.94%	2.50	17,751	96.31%	83	387
	1.75 to <2.5	560	267	74.83%	708	1.92%	44.64%	2.50	851	120.23%	6	22
	2.50 to <10.00	4,576	1,801	66.67%	4,174	4.38%	43.80%	2.50	6,199	148.51%	80	216
	2.5 to <5	3,347	1,095	63.87%	3,121	3.28%	43.69%	2.50	4,256	136.36%	45	158
	5 to <10	1,229	706	71.02%	1,053	7.67%	44.16%	2.50	1,943	184.53%	36	58
	10.00 to <100.00	784	202	63.76%	668	20.38%	44.03%	2.50	1,680	251.56%	60	70
	10 to <20	230	64	51.22%	145	16.02%	43.98%	2.50	339	233.95%	10	23
	20 to <30	554	138	69.63%	523	21.59%	44.05%	2.50	1,340	256.44%	50	47
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	2,601	262	66.48%	2,399	100.00%	44.63%	2.50	-	-	1,090	1,096
SUB-TOTAL		**90,007**	**44,004**	**64.16%**	**111,311**	**2.76%**	**44.51%**	**2.51**	**58,944**	**52.95%**	**1,385**	**2,058**
TOTAL (ALL EXPOSURES CLASSES)		**419,023**	**61,860**	**62.83%**	**457,853**			**2.50**	**105,273**	**22.99%**	**2,506**	**4,334**

— Foundation Internal Ratings Based Approach – Credit risk exposures by exposure class and probability of default (PD) category at 31 December 2021 (CR6)

31/12/2021 *(in millions of euros)* F-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Central governments and Central Banks	0.00 to <0.15	220,159	791	56.93%	231,264	-	45.00%	2.50	998	0.43%	1	31
	0.00 to <0.10	220,149	790	56.92%	231,254	-	45.00%	2.50	994	0.43%	1	31
	0.10 to <0.15	10	-	75.00%	10	0.12%	45.00%	2.50	4	34.94%	-	-
	0.15 to <0.25	568	-	0.00%	567	0.16%	45.00%	2.50	233	41.13%	-	-
	0.25 to <0.50	51	2	30.40%	49	0.35%	43.86%	2.50	30	60.67%	-	-
	0.50 to <0.75	84	3	53.57%	85	0.60%	45.00%	2.50	68	79.98%	-	-
	0.75 to <2.50	243	14	61.44%	237	1.69%	45.00%	2.50	272	115.09%	2	8
	0.75 to <1.75	82	13	62.03%	76	1.25%	45.00%	2.50	79	104.62%	-	-
	1.75 to <2.5	161	1	52.84%	161	1.90%	45.00%	2.50	193	119.99%	1	8
	2.50 to <10.00	20	1	83.51%	21	3.33%	45.00%	2.50	30	139.54%	-	-
	2.5 to <5	19	1	83.51%	20	3.00%	45.00%	2.50	27	136.14%	-	-
	5 to <10	1	-	0.00%	1	8.00%	45.00%	2.50	3	188.21%	-	-
	10.00 to <100.00	9	1	75.00%	9	20.00%	45.00%	2.50	23	252.53%	1	-
	10 to <20	-	-	0.00%	-	-	-	-	-	-	-	-
	20 to <30	9	1	75.00%	9	20.00%	45.00%	2.50	23	252.53%	1	-
	30.00 to <100.00	-	-	0.00%	-	-	-	-	-	-	-	-
	100.00 (Default)	0	-	0.00%	0	100.00%	45.00%	2.50	-	-	-	-
SUB-TOTAL		**221,134**	**811**	**56.99%**	**232,233**	**0.00%**	**45.00%**	**2.50**	**1,654**	**0.71%**	**4**	**40**
Institutions	0.00 to <0.15	45,837	3,978	50.21%	49,117	0.03%	41.88%	2.50	7,549	15.37%	7	20
	0.00 to <0.10	45,820	3,978	50.21%	49,099	0.03%	41.88%	2.50	7,543	15.36%	7	20
	0.10 to <0.15	18	1	66.67%	18	0.12%	45.00%	2.50	6	34.98%	-	-
	0.15 to <0.25	918	73	67.96%	1,022	0.16%	35.59%	2.50	361	35.31%	1	1
	0.25 to <0.50	828	29	60.22%	846	0.32%	44.95%	2.50	584	69.06%	1	1
	0.50 to <0.75	602	30	55.25%	620	0.60%	44.91%	2.50	589	95.14%	2	2
	0.75 to <2.50	232	39	44.34%	239	1.09%	44.87%	2.50	243	101.43%	1	3
	0.75 to <1.75	221	37	45.20%	231	1.06%	44.86%	2.50	232	100.57%	1	3
	1.75 to <2.5	11	1	20.00%	9	1.90%	45.00%	2.50	11	124.69%	-	-
	2.50 to <10.00	34	23	66.50%	49	3.60%	45.00%	2.50	72	146.95%	1	1
	2.5 to <5	21	20	68.62%	35	3.00%	45.00%	2.50	48	136.13%	-	-
	5 to <10	12	3	51.94%	14	5.10%	45.00%	2.50	24	174.12%	-	-
	10.00 to <100.00	201	14	37.12%	207	19.98%	45.00%	2.50	525	253.42%	19	-
	10 to <20	1	1	21.01%	1	13.18%	45.00%	2.50	2	235.53%	-	-
	20 to <30	200	13	39.03%	206	20.00%	45.00%	2.50	523	253.47%	19	-
	30.00 to <100.00	-	-	0.00%	-	-	-	-	-	-	-	-
	100.00 (Default)	34	2	59.20%	34	100.00%	45.00%	2.50	-	-	16	12
SUB-TOTAL		**48,686**	**4,187**	**50.62%**	**52,134**	**0.20%**	**41.87%**	**2.50**	**9,923**	**19.03%**	**46**	**39**
Corporates – SME	0.00 to <0.15	3,361	797	67.01%	3,801	0.08%	44.02%	2.50	711	18.70%	1	6
	0.00 to <0.10	1,626	342	67.71%	1,860	0.04%	44.62%	2.50	246	13.24%	-	2
	0.10 to <0.15	-	-	0.00%	-	-	-	-	-	-	-	-
	0.15 to <0.25	143	27	58.96%	141	0.16%	44.48%	2.50	42	30.01%	-	-
	0.25 to <0.50	9,907	2,330	66.42%	10,406	0.38%	43.05%	2.50	4,452	42.78%	17	67
	0.50 to <0.75	411	97	71.14%	438	0.60%	43.17%	2.50	229	52.25%	1	3
	0.75 to <2.50	16,331	3,303	70.16%	16,051	1.14%	42.96%	2.50	10,405	64.82%	79	271
	0.75 to <1.75	15,487	3,135	70.26%	15,229	1.10%	42.97%	2.50	9,775	64.19%	72	245
	1.75 to <2.5	844	168	68.42%	822	1.90%	42.90%	2.50	630	76.59%	7	26
	2.50 to <10.00	7,593	1,209	69.20%	6,554	4.25%	42.86%	2.50	6,080	92.76%	119	349
	2.5 to <5	5,315	866	68.91%	4,691	3.00%	42.86%	2.50	4,009	85.45%	60	186
	5 to <10	2,278	343	69.94%	1,863	7.39%	42.84%	2.50	2,071	111.16%	59	163
	10.00 to <100.00	1,399	248	69.53%	1,173	18.04%	42.92%	2.50	1,849	157.56%	91	130
	10 to <20	637	103	69.83%	524	14.34%	43.35%	2.50	784	149.75%	33	54
	20 to <30	762	145	69.32%	650	21.02%	42.57%	2.50	1,064	163.85%	58	76
	30.00 to <100.00	-	-	0.00%	-	-	-	-	-	-	-	-
	100.00 (Default)	1,477	175	71.57%	1,357	100.00%	44.25%	2.50	-	-	601	1,004
SUB-TOTAL		**40,622**	**8,188**	**68.63%**	**39,921**	**5.20%**	**43.12%**	**2.50**	**23,767**	**59.53%**	**909**	**1,830**

31/12/2021 *(in millions of euros)* F-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – Specialised Lending	0.00 to <0.15	116	72	73.60%	180	0.07%	43.50%	2.50	44	24.29%	-	-
	0.00 to <0.10	115	13	67.54%	134	0.05%	43.00%	2.50	28	20.71%	-	-
	0.10 to <0.15	2	58	75.00%	45	0.12%	45.00%	2.50	16	34.94%	-	-
	0.15 to <0.25	472	100	63.25%	533	0.16%	43.13%	2.50	210	39.43%	-	2
	0.25 to <0.50	862	274	73.37%	1,063	0.30%	44.16%	2.50	606	56.99%	1	5
	0.50 to <0.75	665	160	77.00%	787	0.60%	43.91%	2.50	618	78.52%	2	6
	0.75 to <2.50	773	193	75.84%	911	1.23%	43.50%	2.50	901	98.97%	5	23
	0.75 to <1.75	543	130	76.51%	639	0.94%	43.86%	2.50	590	92.41%	3	8
	1.75 to <2.5	230	63	74.46%	272	1.90%	42.65%	2.50	311	114.38%	2	15
	2.50 to <10.00	22	10	75.00%	30	4.88%	43.74%	2.50	46	153.06%	1	2
	2.5 to <5	4	0	75.00%	5	3.00%	43.25%	2.50	6	132.27%	-	-
	5 to <10	18	10	75.00%	25	5.22%	43.83%	2.50	40	156.87%	1	2
	10.00 to <100.00	15	10	80.02%	23	14.77%	45.00%	2.50	54	230.29%	2	1
	10 to <20	14	2	75.00%	15	12.00%	45.00%	2.50	33	218.51%	1	-
	20 to <30	2	8	81.36%	8	20.00%	45.00%	2.50	20	252.53%	1	1
	30.00 to <100.00	-	-	0.00%	-	-	-	-	-	-	-	-
	100.00 (Default)	-	-	0.00%	-	-	-	-	-	-	-	-
SUB-TOTAL		**2,925**	**818**	**73.55%**	**3,527**	**0.71%**	**43.75%**	**2.50**	**2,479**	**70.28%**	**11**	**39**
Corporates – Other	0.00 to <0.15	26,547	14,835	66.88%	37,007	0.06%	44.67%	2.50	8,423	22.76%	10	43
	0.00 to <0.10	20,358	10,281	68.77%	27,763	0.04%	44.67%	2.50	5,173	18.63%	5	25
	0.10 to <0.15	6,189	4,554	62.60%	9,245	0.12%	44.69%	2.50	3,250	35.16%	5	18
	0.15 to <0.25	1,479	1,322	77.65%	2,511	0.16%	44.49%	2.50	1,037	41.32%	2	4
	0.25 to <0.50	17,672	9,561	61.88%	22,633	0.35%	44.29%	2.50	13,832	61.11%	35	104
	0.50 to <0.75	1,318	563	68.49%	1,663	0.60%	44.24%	2.50	1,329	79.96%	4	10
	0.75 to <2.50	14,991	5,461	65.47%	15,597	1.11%	43.81%	2.50	15,337	98.33%	76	316
	0.75 to <1.75	14,238	5,340	65.43%	14,883	1.07%	43.81%	2.50	14,497	97.40%	70	294
	1.75 to <2.5	752	121	67.45%	714	1.90%	43.77%	2.50	841	117.71%	6	21
	2.50 to <10.00	4,847	1,396	67.81%	4,170	4.36%	43.96%	2.50	6,196	148.60%	80	209
	2.5 to <5	3,183	908	68.18%	2,887	3.00%	43.84%	2.50	3,868	133.95%	38	124
	5 to <10	1,664	487	67.13%	1,282	7.41%	44.22%	2.50	2,329	181.58%	42	85
	10.00 to <100.00	1,002	258	56.19%	846	18.37%	44.08%	2.50	2,055	242.87%	69	76
	10 to <20	416	126	59.21%	336	14.73%	43.80%	2.50	766	227.99%	22	35
	20 to <30	586	132	53.32%	510	20.78%	44.26%	2.50	1,289	252.67%	47	41
	30.00 to <100.00	-	-	0.00%	-	-	-	-	-	-	-	-
	100.00 (Default)	1,494	241	53.90%	1,324	100.00%	44.61%	2.50	-	-	610	906
SUB-TOTAL		**69,349**	**33,637**	**65.54%**	**85,751**	**2.27%**	**44.36%**	**2.50**	**48,209**	**56.22%**	**886**	**1,667**
TOTAL (ALL EXPOSURES CLASSES)		**382,716**	**47,642**	**64.75%**	**413,566**			**2.50**	**86,032**	**20.80%**	**1,856**	**3,615**

— Credit risk exposures by portfolio and probability of default (PD) range Advanced Internal Ratings-Based approach at 31 December 2022 (CR6)

31/12/2022 *(in millions of euros)* A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Central governments and Central Banks	0.00 to <0.15	109,735	2,557	67.44%	128,632	0.01%	8.10%	1.63	670	0.52%	1	10
	0.00 to <0.10	109,735	2,557	67.44%	128,632	0.01%	8.10%	1.63	670	0.52%	1	10
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	59	-	-	3,104	0.16%	8.63%	4.01	325	10.46%	14	-
	0.25 to <0.50	134	-	-	175	0.30%	10.00%	2.54	23	12.91%	-	-
	0.50 to <0.75	1,148	453	73.72%	849	0.60%	10.00%	1.69	131	15.47%	1	2
	0.75 to <2.50	473	493	75.00%	31	1.84%	45.00%	4.33	45	143.27%	-	1
	0.75 to <1.75	44	30	75.00%	3	1.25%	45.00%	4.81	4	137.03%	-	-
	1.75 to <2.5	429	463	75.00%	28	1.90%	45.00%	4.27	40	143.96%	-	1
	2.50 to <10.00	811	1,034	75.00%	73	5.00%	60.00%	4.39	179	243.84%	2	1
	2.5 to <5	-	-	-	-	-	-	-	-	-	-	-
	5 to <10	811	1,034	75.00%	73	5.00%	60.00%	4.39	179	243.84%	2	1
	10.00 to <100.00	306	340	75.02%	70	15.74%	66.63%	1.86	237	337.83%	8	4
	10 to <20	76	16	75.00%	37	12.00%	61.25%	1.07	102	273.94%	3	1
	20 to <30	230	324	75.02%	33	20.00%	72.75%	2.76	135	410.49%	5	4
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	139	-	-	32	100.00%	45.00%	3.89	-	1.10%	18	18
SUB-TOTAL		**112,804**	**4,877**	**70.92%**	**132,966**	**0.05%**	**8.21%**	**1.69**	**1,610**	**1.21%**	**44**	**37**
Institutions	0.00 to <0.15	10,038	4,101	51.67%	18,425	0.07%	32.59%	1.62	1,707	9.26%	3	17
	0.00 to <0.10	8,900	2,527	60.69%	15,880	0.06%	31.59%	1.68	1,123	7.07%	2	-
	0.10 to <0.15	1,138	1,574	37.19%	2,546	0.12%	38.80%	1.28	583	22.92%	1	17
	0.15 to <0.25	1,687	2,890	63.52%	1,793	0.18%	28.44%	1.94	483	26.95%	1	3
	0.25 to <0.50	323	1,071	29.43%	573	0.30%	50.77%	1.53	401	69.93%	1	1
	0.50 to <0.75	186	318	24.86%	267	0.60%	52.50%	2.06	256	96.09%	1	-
	0.75 to <2.50	583	941	31.48%	822	1.03%	35.12%	1.18	649	78.86%	4	2
	0.75 to <1.75	440	820	31.99%	688	0.86%	28.67%	1.23	443	64.34%	2	1
	1.75 to <2.5	143	121	28.03%	135	1.90%	68.06%	0.88	206	153.00%	2	1
	2.50 to <10.00	113	402	31.54%	85	5.00%	62.32%	1.59	194	229.17%	3	-
	2.5 to <5	-	-	-	-	-	-	-	-	-	-	-
	5 to <10	113	402	31.54%	85	5.00%	62.32%	1.59	194	229.17%	3	-
	10.00 to <100.00	66	64	34.69%	88	12.25%	69.25%	1.21	318	362.22%	7	-
	10 to <20	66	51	37.84%	85	12.00%	69.71%	1.20	309	363.21%	7	-
	20 to <30	0	12	21.72%	3	20.00%	54.66%	1.35	9	331.07%	-	-
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	225	191	0.07%	415	100.00%	45.00%	1.62	7	1.71%	384	384
SUB-TOTAL		**13,221**	**9,977**	**48.05%**	**22,468**	**2.04%**	**33.53%**	**1.63**	**4,014**	**17.87%**	**403**	**408**
Corporates – SME	0.00 to <0.15	2,103	633	36.01%	2,622	0.12%	39.74%	2.35	553	21.07%	1	2
	0.00 to <0.10	140	228	64.54%	287	0.04%	40.86%	2.63	45	15.77%	-	-
	0.10 to <0.15	1,963	405	19.97%	2,336	0.13%	39.60%	2.32	507	21.73%	1	2
	0.15 to <0.25	7,211	265	63.24%	7,387	0.18%	44.23%	2.50	2,218	30.02%	6	9
	0.25 to <0.50	7,402	508	56.65%	7,690	0.39%	43.88%	2.50	3,431	44.62%	13	28
	0.50 to <0.75	55	10	73.80%	63	0.53%	43.92%	2.60	34	53.91%	-	-
	0.75 to <2.50	7,903	582	108.28%	8,274	1.23%	43.09%	2.50	5,667	68.49%	44	139
	0.75 to <1.75	6,473	458	117.18%	6,750	1.04%	42.88%	2.51	4,436	65.71%	30	97
	1.75 to <2.5	1,430	123	75.13%	1,524	2.06%	44.02%	2.50	1,231	80.79%	14	42
	2.50 to <10.00	3,679	217	59.17%	3,815	5.21%	41.43%	2.47	3,890	101.96%	84	291
	2.5 to <5	1,910	118	47.13%	1,974	3.68%	38.78%	2.45	1,717	86.99%	28	140
	5 to <10	1,769	99	73.61%	1,841	6.85%	44.27%	2.50	2,172	118.01%	56	151
	10.00 to <100.00	1,025	73	68.16%	1,075	23.56%	39.65%	2.49	1,588	147.74%	100	202
	10 to <20	696	33	66.24%	719	15.01%	41.42%	2.50	1,069	148.62%	46	102
	20 to <30	70	3	40.11%	68	23.46%	42.21%	2.29	113	165.89%	7	8
	30.00 to <100.00	260	37	72.16%	287	44.98%	34.58%	2.50	406	141.24%	48	92
	100.00 (Default)	724	16	48.32%	733	100.00%	45.83%	2.49	205	27.94%	336	436
SUB-TOTAL		**30,102**	**2,304**	**65.39%**	**31,659**	**4.21%**	**43.02%**	**2.49**	**17,584**	**55.54%**	**585**	**1,107**

31/12/2022 *(in millions of euros)* A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – Specialised Lending	0.00 to <0.15	1,655	1,193	35.39%	1,941	0.06%	14.36%	3.15	204	10.52%	1	1
	0.00 to <0.10	1,514	911	36.33%	1,709	0.05%	13.86%	3.26	180	10.54%	1	1
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	7,238	1,724	65.54%	7,954	0.16%	9.72%	3.76	844	10.61%	1	2
	0.25 to <0.50	13,077	4,907	44.75%	13,625	0.31%	13.15%	3.36	2,475	18.17%	6	14
	0.50 to <0.75	7,016	1,488	57.07%	6,424	0.60%	13.02%	3.48	1,626	25.31%	5	14
	0.75 to <2.50	13,334	5,335	54.45%	10,922	1.13%	14.82%	3.28	3,864	35.38%	18	57
	0.75 to <1.75	9,749	3,513	49.42%	9,046	0.98%	14.85%	3.34	3,088	34.14%	13	30
	1.75 to <2.5	3,585	1,822	64.16%	1,875	1.90%	14.69%	2.98	776	41.37%	5	28
	2.50 to <10.00	2,283	615	73.84%	1,976	4.56%	19.77%	3.21	1,410	71.32%	18	51
	2.5 to <5	636	236	75.00%	739	3.00%	15.16%	3.45	370	50.14%	3	3
	5 to <10	1,646	380	73.13%	1,238	5.48%	22.53%	3.07	1,039	83.97%	15	48
	10.00 to <100.00	2,191	759	64.14%	1,904	15.65%	14.54%	3.43	1,486	78.03%	42	142
	10 to <20	1,278	369	68.60%	1,076	12.31%	16.91%	3.39	934	86.80%	23	82
	20 to <30	913	390	59.92%	828	20.00%	11.47%	3.48	552	66.64%	19	60
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	2,345	91	77.24%	1,915	100.00%	34.08%	2.67	298	15.57%	479	479
SUB-TOTAL		**49,138**	**16,112**	**52.84%**	**46,661**	**5.40%**	**14.18%**	**3.39**	**12,207**	**26.16%**	**570**	**761**
Corporates – Other	0.00 to <0.15	39,164	88,985	62.53%	90,334	0.06%	34.76%	2.13	14,285	15.81%	18	40
	0.00 to <0.10	28,868	71,949	62.52%	72,702	0.04%	34.18%	2.17	9,756	13.42%	10	26
	0.10 to <0.15	10,295	17,036	62.59%	17,632	0.12%	37.15%	1.99	4,529	25.69%	8	15
	0.15 to <0.25	586	1,401	70.90%	1,830	0.15%	38.74%	2.32	672	36.73%	1	2
	0.25 to <0.50	14,473	27,195	63.66%	25,206	0.31%	38.35%	2.53	12,942	51.34%	32	69
	0.50 to <0.75	162	166	56.63%	318	0.52%	45.91%	1.83	248	77.88%	1	2
	0.75 to <2.50	9,507	9,039	70.34%	11,163	1.02%	40.87%	2.75	10,902	97.67%	51	246
	0.75 to <1.75	8,908	8,339	70.53%	10,184	0.94%	38.40%	2.66	8,935	87.74%	39	225
	1.75 to <2.5	599	699	68.01%	979	1.88%	66.53%	3.68	1,967	200.98%	13	21
	2.50 to <10.00	5,997	2,657	71.09%	4,029	4.92%	44.22%	2.30	6,277	155.81%	88	438
	2.5 to <5	3,256	1,375	63.46%	2,530	3.18%	45.24%	2.48	3,625	143.24%	38	167
	5 to <10	2,741	1,283	79.28%	1,498	7.84%	42.50%	2.00	2,652	177.04%	50	271
	10.00 to <100.00	1,015	1,074	81.47%	1,139	16.57%	41.57%	1.68	2,471	216.84%	81	154
	10 to <20	436	612	81.36%	681	13.87%	39.78%	1.93	1,381	202.82%	39	128
	20 to <30	566	461	81.62%	446	20.21%	44.55%	1.26	1,065	238.99%	40	25
	30.00 to <100.00	13	0	-	13	34.03%	32.87%	2.50	24	191.27%	1	1
	100.00 (Default)	1,899	542	28.03%	1,963	100.00%	44.77%	2.31	670	34.13%	1,621	1,622
SUB-TOTAL		**72,804**	**131,059**	**63.57%**	**135,982**	**1.91%**	**36.49%**	**2.26**	**48,466**	**35.64%**	**1,894**	**2,574**
Retail – Secured by immovable property SME	0.00 to <0.15	2,330	64	100.09%	2,395	0.13%	22.50%	1.00	129	5.38%	1	2
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	2,330	64	100.09%	2,395	0.13%	22.50%	1.00	129	5.38%	1	2
	0.15 to <0.25	3,721	109	101.33%	3,832	0.21%	24.07%	1.00	322	8.41%	2	8
	0.25 to <0.50	6,359	199	100.05%	6,557	0.40%	21.27%	1.00	765	11.67%	6	25
	0.50 to <0.75	2,357	28	100.00%	2,385	0.53%	13.90%	1.00	248	10.41%	2	4
	0.75 to <2.50	7,134	404	100.01%	7,538	1.21%	23.05%	1.00	1,969	26.12%	20	106
	0.75 to <1.75	6,287	381	100.01%	6,668	1.10%	24.03%	1.00	1,746	26.19%	17	81
	1.75 to <2.5	847	23	100.00%	870	2.05%	15.48%	1.00	222	25.54%	3	25
	2.50 to <10.00	3,586	226	99.88%	3,811	5.37%	25.87%	1.00	2,717	71.29%	54	283
	2.5 to <5	1,796	149	99.78%	1,944	3.72%	27.69%	1.00	1,238	63.68%	20	115
	5 to <10	1,790	77	100.08%	1,867	7.08%	23.97%	1.00	1,479	79.22%	33	168
	10.00 to <100.00	1,014	61	100.13%	1,075	19.62%	23.72%	1.00	1,128	104.94%	53	153
	10 to <20	808	38	100.21%	846	15.53%	23.45%	1.00	862	101.96%	32	117
	20 to <30	84	1	100.00%	85	26.45%	19.17%	1.00	84	99.19%	4	9
	30.00 to <100.00	123	22	100.00%	144	39.51%	27.95%	1.00	182	125.79%	17	27
	100.00 (Default)	671	2	47.81%	672	100.00%	53.99%	1.00	190	28.27%	363	327
SUB-TOTAL		**27,171**	**1,094**	**100.02%**	**28,265**	**4.35%**	**23.10%**	**1.00**	**7,469**	**26.42%**	**500**	**907**

31/12/2022 *(in millions of euros)* A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	Risk weighted exposure amount after supportin g factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail – Secured by immovable property non SME	0.00 to <0.15	284,146	9,897	100.00%	294,043	0.07%	13.07%	1.00	7,279	2.48%	26	58
	0.00 to <0.10	196,904	6,777	100.00%	203,681	0.05%	12.19%	1.00	3,399	1.67%	11	20
	0.10 to <0.15	87,242	3,120	99.99%	90,362	0.11%	15.06%	1.00	3,880	4.29%	15	38
	0.15 to <0.25	45,850	2,030	99.98%	47,880	0.22%	16.12%	1.00	3,656	7.64%	17	52
	0.25 to <0.50	41,384	1,864	100.00%	43,249	0.37%	14.28%	1.00	4,359	10.08%	23	85
	0.50 to <0.75	16,344	946	99.98%	17,290	0.69%	14.61%	1.00	2,706	15.65%	18	78
	0.75 to <2.50	27,149	1,210	99.94%	28,358	1.41%	17.00%	1.00	8,141	28.71%	68	334
	0.75 to <1.75	25,679	1,181	99.94%	26,859	1.37%	17.12%	1.00	7,626	28.39%	63	310
	1.75 to <2.5	1,470	30	100.00%	1,499	2.13%	14.84%	1.00	516	34.40%	5	24
	2.50 to <10.00	15,717	764	100.00%	16,481	5.63%	17.56%	1.00	10,858	65.88%	163	590
	2.5 to <5	9,487	410	100.00%	9,897	4.13%	17.82%	1.00	5,647	57.06%	73	327
	5 to <10	6,230	354	100.00%	6,584	7.89%	17.16%	1.00	5,211	79.15%	90	264
	10.00 to <100.00	3,098	106	100.00%	3,204	19.71%	19.73%	1.00	3,673	114.63%	130	260
	10 to <20	2,310	79	100.00%	2,389	15.23%	19.50%	1.00	2,651	110.97%	71	168
	20 to <30	380	16	100.00%	396	25.16%	18.06%	1.00	466	117.74%	18	38
	30.00 to <100.00	408	12	100.00%	420	40.08%	22.67%	1.00	556	132.49%	41	54
	100.00 (Default)	3,402	16	207.87%	3,410	100.00%	37.81%	1.00	892	26.17%	1,289	1,113
SUB-TOTAL		**437,091**	**16,834**	**100.09%**	**453,915**	**1.31%**	**14.21%**	**1.00**	**41,565**	**9.16%**	**1,735**	**2,570**
Retail – Qualifying revolving	0.00 to <0.15	389	6,883	164.35%	11,790	0.06%	41.52%	1.00	231	1.96%	3	2
	0.00 to <0.10	169	4,995	160.82%	8,225	0.04%	41.71%	1.00	118	1.43%	2	1
	0.10 to <0.15	220	1,888	173.67%	3,565	0.12%	41.08%	1.00	113	3.18%	2	1
	0.15 to <0.25	197	3,964	87.34%	3,659	0.19%	92.21%	1.00	390	10.67%	6	2
	0.25 to <0.50	289	1,114	149.01%	1,973	0.37%	51.70%	1.00	197	9.99%	4	2
	0.50 to <0.75	316	933	107.14%	1,319	0.66%	62.34%	1.00	257	19.51%	5	3
	0.75 to <2.50	911	1,618	117.85%	2,852	1.48%	43.56%	1.00	719	25.20%	18	13
	0.75 to <1.75	704	1,397	122.82%	2,446	1.37%	41.57%	1.00	543	22.20%	14	10
	1.75 to <2.5	207	221	86.40%	406	2.14%	55.51%	1.00	176	43.27%	5	3
	2.50 to <10.00	1,458	743	145.42%	2,600	5.27%	45.12%	1.00	1,634	62.84%	62	44
	2.5 to <5	806	490	149.84%	1,553	3.81%	43.09%	1.00	747	48.11%	25	21
	5 to <10	652	253	136.88%	1,047	7.43%	48.13%	1.00	887	84.69%	37	24
	10.00 to <100.00	653	177	127.08%	911	23.48%	49.80%	1.00	1,317	144.55%	109	91
	10 to <20	336	123	143.83%	529	14.13%	47.01%	1.00	621	117.55%	34	32
	20 to <30	68	8	203.70%	88	25.01%	56.31%	1.00	162	184.20%	12	11
	30.00 to <100.00	249	46	69.64%	295	39.79%	52.86%	1.00	534	181.11%	62	49
	100.00 (Default)	300	18	10.37%	302	100.00%	65.45%	1.00	60	20.02%	198	208
SUB-TOTAL		**4,512**	**15,450**	**133.64%**	**25,406**	**2.86%**	**51.87%**	**1.00**	**4,806**	**18.92%**	**405**	**367**
Retail – Other SME	0.00 to <0.15	7,118	973	137.59%	8,457	0.13%	24.09%	1.00	500	5.92%	3	8
	0.00 to <0.10	650	-	225.64%	650	0.09%	7.67%	1.00	12	1.82%	-	-
	0.10 to <0.15	6,469	973	137.57%	7,807	0.13%	25.46%	1.00	488	6.26%	3	8
	0.15 to <0.25	17,324	3,330	125.05%	21,492	0.19%	19.15%	1.00	1,384	6.44%	8	30
	0.25 to <0.50	21,556	3,187	147.80%	26,281	0.37%	19.94%	1.00	2,640	10.05%	20	84
	0.50 to <0.75	1,158	769	15.07%	1,274	0.57%	37.58%	1.00	360	28.24%	3	3
	0.75 to <2.50	21,908	3,465	122.51%	26,218	1.25%	25.23%	1.00	5,928	22.61%	80	353
	0.75 to <1.75	17,382	2,802	109.57%	20,489	1.02%	27.83%	1.00	4,930	24.06%	61	239
	1.75 to <2.5	4,526	663	177.23%	5,729	2.05%	15.93%	1.00	998	17.42%	19	115
	2.50 to <10.00	9,839	1,454	129.12%	11,854	5.33%	29.17%	1.00	4,346	36.66%	185	658
	2.5 to <5	4,685	858	109.41%	5,658	3.71%	33.65%	1.00	2,300	40.65%	71	257
	5 to <10	5,154	596	157.49%	6,196	6.82%	25.07%	1.00	2,046	33.03%	115	402
	10.00 to <100.00	3,296	303	138.31%	3,923	19.68%	27.73%	1.00	2,042	52.05%	232	453
	10 to <20	2,675	229	152.00%	3,154	15.51%	26.57%	1.00	1,465	46.45%	137	328
	20 to <30	179	13	66.86%	188	25.80%	28.22%	1.00	135	71.94%	14	25
	30.00 to <100.00	442	61	102.31%	580	40.41%	33.87%	1.00	441	76.03%	81	100
	100.00 (Default)	3,404	201	16.63%	3,440	100.00%	62.41%	1.00	952	27.67%	2,142	2,115
SUB-TOTAL		**85,602**	**13,682**	**123.55%**	**102,939**	**5.18%**	**24.46%**	**1.00**	**18,151**	**17.63%**	**2,672**	**3,703**

31/12/2022 *(in millions of euros)* A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail – Other non-SME	0.00 to <0.15	52,242	3,044	111.60%	55,690	0.07%	16.81%	1.00	2,005	3.60%	7	12
	0.00 to <0.10	34,982	1,922	119.36%	37,316	0.05%	15.19%	1.00	891	2.39%	3	5
	0.10 to <0.15	17,260	1,122	98.30%	18,373	0.12%	20.11%	1.00	1,114	6.06%	4	8
	0.15 to <0.25	14,454	706	111.42%	15,252	0.21%	23.38%	1.00	1,652	10.83%	8	14
	0.25 to <0.50	12,479	869	103.72%	13,394	0.37%	25.99%	1.00	2,355	17.58%	13	23
	0.50 to <0.75	6,001	325	100.49%	6,339	0.65%	29.69%	1.00	1,699	26.81%	12	17
	0.75 to <2.50	19,265	848	107.35%	20,219	1.41%	34.04%	1.00	8,804	43.54%	97	115
	0.75 to <1.75	16,044	758	109.86%	16,920	1.25%	33.80%	1.00	7,019	41.49%	71	93
	1.75 to <2.5	3,220	90	86.22%	3,299	2.21%	35.26%	1.00	1,784	54.08%	26	23
	2.50 to <10.00	10,387	335	106.62%	10,844	5.14%	35.42%	1.00	6,420	59.21%	195	227
	2.5 to <5	6,269	144	111.63%	6,491	3.74%	35.05%	1.00	3,641	56.10%	83	101
	5 to <10	4,118	192	102.85%	4,353	7.23%	35.98%	1.00	2,779	63.84%	111	126
	10.00 to <100.00	3,183	34	103.53%	3,364	23.95%	38.32%	1.00	3,184	94.65%	354	372
	10 to <20	1,967	23	106.41%	2,052	14.65%	37.18%	1.00	1,668	81.27%	112	143
	20 to <30	293	8	94.22%	385	25.18%	28.89%	1.00	330	85.83%	28	31
	30.00 to <100.00	923	2	106.28%	928	43.99%	44.77%	1.00	1,186	127.91%	214	198
	100.00 (Default)	3,088	9	44.67%	3,126	100.00%	57.34%	1.00	851	27.23%	1,696	1,830
SUB-TOTAL		**121,100**	**6,170**	**108.88%**	**128,228**	**3.85%**	**25.03%**	**1.00**	**26,970**	**21.03%**	**2,381**	**2,611**
TOTAL (ALL EXPOSURES CLASSES)		**953,546**	**217,558**	**75.29%**	**1,108,489**			**1.39**	**182,841**	**16.50%**	**11,188**	**15,044**

Credit risk exposures by portfolio and probability of default (PD) range Advanced Internal Ratings-Based approach at 31 December 2021 (CR6)

31/12/2021 *(in millions of euros)* A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Central governments and Central Banks	0.00 to <0.15	93,100	2,021	69.12%	107,602	0.01%	5.31%	1.60	432	0.40%	-	8
	0.00 to <0.10	93,100	2,021	69.12%	107,602	0.01%	5.31%	1.60	432	0.40%	-	8
	0.10 to <0.15	-	-	0.00%	-	-	-	-	-	-	-	-
	0.15 to <0.25	238	10	75.00%	814	0.16%	10.00%	3.04	82	10.08%	6	-
	0.25 to <0.50	102	-	0.00%	140	0.30%	10.00%	3.79	22	15.97%	-	-
	0.50 to <0.75	931	159	75.00%	642	0.60%	10.00%	1.27	92	14.31%	-	1
	0.75 to <2.50	128	484	75.00%	24	1.81%	45.00%	4.60	34	146.45%	-	1
	0.75 to <1.75	4	70	75.00%	3	1.24%	45.00%	4.56	4	133.05%	-	-
	1.75 to <2.5	123	414	75.00%	20	1.90%	45.00%	4.61	30	148.54%	-	1
	2.50 to <10.00	1,001	1,029	75.00%	153	5.00%	59.13%	4.53	208	135.71%	3	1
	2.5 to <5	-	-	0.00%	-	-	-	-	-	-	-	-
	5 to <10	1,001	1,029	75.00%	153	5.00%	59.13%	4.53	208	135.71%	3	1
	10.00 to <100.00	371	349	75.02%	43	14.14%	71.11%	3.20	159	370.24%	4	2
	10 to <20	259	132	75.05%	31	12.00%	69.56%	3.10	108	345.24%	3	1
	20 to <30	111	217	75.00%	11	20.00%	75.38%	3.48	50	438.93%	2	1
	30.00 to <100.00	-	-	0.00%	-	-	-	-	-	-	-	-
	100.00 (Default)	39	-	0.00%	23	100.00%	45.00%	3.85	-	-	17	17
SUB-TOTAL		**95,909**	**4,052**	**72.07%**	**109,440**	**0.04%**	**5.50%**	**1.62**	**1,029**	**0.94%**	**31**	**30**
Institutions	0.00 to <0.15	11,250	4,010	50.15%	20,131	0.06%	28.52%	1.82	832	4.13%	1	-
	0.00 to <0.10	11,080	4,010	50.15%	14,783	0.04%	23.78%	1.54	713	4.82%	1	-
	0.10 to <0.15	170	-	0.00%	5,348	0.13%	41.62%	2.59	119	2.22%	-	-
	0.15 to <0.25	1,291	2,050	68.43%	2,111	0.18%	36.67%	1.77	468	22.18%	1	1
	0.25 to <0.50	886	1,532	23.15%	1,176	0.30%	34.83%	1.49	548	46.59%	1	1
	0.50 to <0.75	87	688	31.64%	305	0.60%	44.33%	1.46	244	80.11%	1	-
	0.75 to <2.50	462	823	32.13%	620	1.24%	45.77%	1.60	676	108.97%	4	1
	0.75 to <1.75	309	512	22.37%	384	0.83%	45.62%	1.10	362	94.37%	1	1
	1.75 to <2.5	153	311	48.18%	236	1.90%	46.00%	2.42	314	132.68%	2	-
	2.50 to <10.00	46	267	31.78%	29	5.00%	83.87%	1.66	93	317.90%	1	-
	2.5 to <5	-	-	0.00%	-	-	-	-	-	-	-	-
	5 to <10	46	267	31.78%	29	5.00%	83.87%	1.66	93	317.90%	1	-
	10.00 to <100.00	-	22	32.63%	5	13.11%	82.64%	2.10	24	459.41%	1	-
	10 to <20	-	19	34.62%	4	12.00%	81.30%	2.09	20	447.66%	-	-
	20 to <30	-	3	20.07%	1	20.00%	90.97%	2.15	4	532.73%	-	-
	30.00 to <100.00	-	-	0.00%	-	-	-	-	-	-	-	-
	100.00 (Default)	213	180	0.00%	393	100.00%	45.01%	1.59	-	-	379	379
SUB-TOTAL		**14,234**	**9,572**	**45.37%**	**24,770**	**1.71%**	**30.48%**	**1.78**	**2,885**	**11.65%**	**388**	**383**
Corporates – SME	0.00 to <0.15	89	304	24.02%	164	0.06%	39.50%	2.72	26	15.89%	-	-
	0.00 to <0.10	41	136	51.18%	111	0.04%	44.12%	2.86	18	16.22%	-	-
	0.10 to <0.15	48	167	1.91%	54	0.11%	30.01%	2.43	8	15.22%	-	-
	0.15 to <0.25	178	323	1.15%	188	0.21%	27.51%	2.47	37	19.58%	-	1
	0.25 to <0.50	342	361	3.95%	324	0.36%	29.82%	2.47	97	29.93%		1
	0.50 to <0.75	5	5	9.63%	6	0.64%	26.39%	2.32	2	29.51%	-	-
	0.75 to <2.50	1,032	713	37.52%	1,087	1.08%	31.68%	2.46	499	45.97%	3	8
	0.75 to <1.75	957	698	37.26%	1,004	1.02%	32.65%	2.53	469	46.76%	3	8
	1.75 to <2.5	76	15	50.15%	83	1.90%	20.06%	1.64	30	36.37%	-	-
	2.50 to <10.00	399	108	7.51%	403	3.56%	21.61%	2.49	187	46.51%	3	9
	2.5 to <5	382	97	2.84%	391	3.47%	21.12%	2.50	175	44.79%	3	9
	5 to <10	17	11	48.84%	12	6.59%	37.79%	2.10	12	102.79%	-	-
	10.00 to <100.00	160	48	13.59%	166	20.09%	24.64%	2.63	155	93.34%	8	9
	10 to <20	81	20	1.60%	82	11.55%	20.57%	2.46	53	64.40%	2	5
	20 to <30	29	23	26.74%	33	20.03%	42.90%	3.25	61	184.56%	3	-
	30.00 to <100.00	50	5	0.00%	51	34.03%	19.41%	2.50	41	81.15%	3	4
	100.00 (Default)	730	33	1.67%	751	100.00%	45.78%	2.50	329	43.76%	321	420
SUB-TOTAL		**2,935**	**1,895**	**19.74%**	**3,089**	**26.30%**	**33.38%**	**2.50**	**1,332**	**43.12%**	**336**	**448**

31/12/2021 (in millions of euros) A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – Specialised Lending	0.00 to <0.15	1,580	1,953	26.22%	9,771	0.04%	8.94%	3.51	435	4.45%	1	1
	0.00 to <0.10	1,238	598	32.08%	9,013	0.03%	7.39%	3.64	321	3.56%	-	-
	0.10 to <0.15	-	-	0.00%	-	-	-	-	-	-	-	-
	0.15 to <0.25	6,647	1,524	49.51%	9,348	0.16%	10.39%	3.78	1,105	11.82%	2	1
	0.25 to <0.50	10,915	3,909	43.28%	11,569	0.31%	13.13%	3.07	2,030	17.54%	5	14
	0.50 to <0.75	7,857	1,617	46.65%	7,137	0.60%	13.24%	3.17	1,691	23.70%	6	27
	0.75 to <2.50	14,022	5,050	51.37%	11,218	1.12%	16.72%	3.26	4,346	38.74%	21	94
	0.75 to <1.75	10,095	3,378	44.18%	9,047	0.93%	17.04%	3.27	3,400	37.58%	15	56
	1.75 to <2.5	3,928	1,672	65.89%	2,172	1.90%	15.41%	3.22	946	43.56%	6	39
	2.50 to <10.00	2,062	467	74.17%	1,906	4.45%	17.65%	3.10	1,194	62.67%	15	85
	2.5 to <5	605	106	75.00%	620	3.00%	14.63%	2.83	277	44.60%	3	3
	5 to <10	1,457	361	73.93%	1,285	5.14%	19.10%	3.23	918	71.40%	12	82
	10.00 to <100.00	2,547	342	75.40%	1,771	15.54%	16.00%	3.36	1,499	84.63%	43	129
	10 to <20	1,411	94	77.08%	988	12.00%	17.80%	3.34	882	89.22%	21	66
	20 to <30	1,136	248	74.76%	783	20.00%	13.74%	3.37	617	78.84%	22	63
	30.00 to <100.00	-	-	0.00%	-	-	-	-	-	-	-	-
	100.00 (Default)	1,618	11	84.42%	1,415	100.00%	36.35%	2.59	0	0.02%	455	455
SUB-TOTAL		**47,248**	**14,873**	**46.53%**	**54,135**	**3.69%**	**13.52%**	**3.32**	**12,300**	**22.72%**	**547**	**806**
Corporates – Other	0.00 to <0.15	33,063	79,921	55.63%	71,895	0.06%	38.27%	2.11	12,233	17.02%	15	21
	0.00 to <0.10	25,205	56,937	64.33%	59,603	0.04%	37.60%	2.08	8,588	14.41%	9	14
	0.10 to <0.15	7,859	22,984	34.05%	12,292	0.12%	41.49%	2.21	3,644	29.65%	6	7
	0.15 to <0.25	4,979	8,164	54.92%	7,880	0.16%	42.36%	1.56	2,548	32.34%	5	9
	0.25 to <0.50	13,662	20,083	64.67%	22,385	0.31%	41.56%	2.39	12,273	54.83%	30	42
	0.50 to <0.75	1,891	4,127	67.47%	3,158	0.59%	39.70%	2.85	2,295	72.67%	8	73
	0.75 to <2.50	11,272	11,251	64.43%	12,935	1.04%	41.50%	2.76	12,161	94.02%	56	225
	0.75 to <1.75	10,351	9,796	63.62%	11,536	0.94%	41.24%	2.68	10,365	89.85%	45	161
	1.75 to <2.5	921	1,455	69.89%	1,400	1.86%	43.67%	3.49	1,796	128.36%	12	64
	2.50 to <10.00	4,566	2,938	72.79%	3,987	5.06%	37.98%	2.48	5,516	138.37%	78	246
	2.5 to <5	2,460	1,158	62.04%	2,243	3.16%	37.54%	2.56	2,702	120.47%	27	61
	5 to <10	2,106	1,780	79.78%	1,744	7.50%	38.54%	2.38	2,815	161.38%	50	185
	10.00 to <100.00	1,033	1,673	69.72%	975	15.28%	31.84%	2.16	1,618	165.91%	51	113
	10 to <20	676	1,047	72.53%	810	13.83%	28.54%	2.05	1,204	148.66%	34	85
	20 to <30	333	621	65.58%	139	20.20%	52.02%	2.76	373	268.31%	15	26
	30.00 to <100.00	24	5	0.00%	26	34.03%	26.68%	2.50	40	154.99%	2	2
	100.00 (Default)	1,690	628	34.79%	1,824	100.00%	43.39%	2.43	111	6.07%	1,524	1,572
SUB-TOTAL		**72,157**	**128,786**	**58.61%**	**125,039**	**1.96%**	**39.50%**	**2.23**	**48,755**	**38.99%**	**1,767**	**2,302**
Retail – Secured by immovable property SME	0.00 to <0.15	2,214	39	101.90%	2,254	0.13%	22.06%	1.00	117	5.19%	1	2
	0.00 to <0.10	-	-	0.00%	-	-	-	-	-	-	-	-
	0.10 to <0.15	2,214	39	101.90%	2,254	0.13%	22.06%	1.00	117	5.19%	1	2
	0.15 to <0.25	3,478	65	101.75%	3,545	0.21%	25.43%	1.00	313	8.82%	2	7
	0.25 to <0.50	5,762	167	100.16%	5,930	0.40%	22.60%	1.01	728	12.27%	5	18
	0.50 to <0.75	2,364	28	98.60%	2,392	0.53%	14.08%	1.08	237	9.90%	2	2
	0.75 to <2.50	6,730	307	99.45%	7,036	1.22%	24.32%	1.06	1,929	27.42%	20	85
	0.75 to <1.75	5,862	288	99.41%	6,149	1.11%	25.59%	1.06	1,705	27.74%	17	68
	1.75 to <2.5	868	19	100.00%	887	2.05%	15.56%	1.00	223	25.19%	3	17
	2.50 to <10.00	3,371	169	99.55%	3,540	5.32%	26.96%	1.15	2,627	74.20%	52	244
	2.5 to <5	1,617	105	99.48%	1,721	3.67%	29.86%	1.18	1,181	68.60%	19	101
	5 to <10	1,755	64	99.66%	1,819	6.87%	24.22%	1.12	1,446	79.50%	32	143
	10.00 to <100.00	976	47	100.06%	1,023	18.94%	23.99%	1.20	1,088	106.30%	49	122
	10 to <20	779	35	100.47%	815	15.33%	24.17%	1.13	859	105.52%	32	98
	20 to <30	111	1	85.46%	111	26.81%	19.48%	1.86	107	96.26%	6	7
	30.00 to <100.00	86	11	100.00%	98	40.16%	27.66%	1.02	121	124.30%	11	17
	100.00 (Default)	729	1	55.93%	730	100.00%	55.66%	1.13	204	27.91%	404	351
SUB-TOTAL		**25,625**	**824**	**99.86%**	**26,450**	**4.71%**	**24.17%**	**1.05**	**7,242**	**27.38%**	**535**	**832**

31/12/2021 *(in millions of euros)* A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail – Secured by immovable property non SME	0.00 to <0.15	266,052	9,578	100.00%	275,629	0.07%	13.17%	1.00	6,849	2.49%	25	51
	0.00 to <0.10	181,877	6,608	100.00%	188,485	0.05%	12.26%	1.00	3,166	1.68%	10	17
	0.10 to <0.15	84,174	2,970	100.00%	87,144	0.11%	15.16%	1.01	3,683	4.23%	15	34
	0.15 to <0.25	45,370	2,051	99.99%	47,421	0.22%	16.23%	1.02	3,535	7.46%	17	49
	0.25 to <0.50	40,643	1,797	99.92%	42,440	0.37%	14.43%	1.02	4,277	10.08%	23	75
	0.50 to <0.75	16,141	960	100.00%	17,100	0.69%	14.64%	1.03	2,685	15.70%	18	74
	0.75 to <2.50	26,498	1,159	99.93%	27,657	1.43%	17.06%	1.06	7,920	28.64%	67	299
	0.75 to <1.75	24,686	1,130	99.93%	25,816	1.37%	17.26%	1.03	7,352	28.48%	61	278
	1.75 to <2.5	1,812	29	99.68%	1,841	2.17%	14.22%	1.47	568	30.88%	6	21
	2.50 to <10.00	14,447	676	99.99%	15,123	5.68%	17.60%	1.05	9,958	65.85%	151	505
	2.5 to <5	8,616	386	99.99%	9,002	4.16%	17.88%	1.05	5,158	57.30%	67	275
	5 to <10	5,831	290	100.00%	6,121	7.90%	17.18%	1.05	4,800	78.41%	83	229
	10.00 to <100.00	2,906	90	100.00%	2,997	19.28%	19.67%	1.06	3,390	113.13%	119	206
	10 to <20	2,158	73	100.00%	2,231	15.01%	19.65%	1.00	2,477	111.00%	66	148
	20 to <30	412	12	99.96%	424	24.58%	17.01%	1.43	456	107.52%	18	30
	30.00 to <100.00	336	5	100.00%	341	40.59%	23.11%	1.00	457	134.05%	35	28
	100.00 (Default)	3,410	13	31.78%	3,414	100.00%	39.52%	1.05	895	26.22%	1,347	1,205
SUB-TOTAL		**415,467**	**16,323**	**99.93%**	**431,780**	**1.35%**	**14.35%**	**1.01**	**39,511**	**9.15%**	**1,766**	**2,464**
Retail – Qualifying revolving	0.00 to <0.15	352	7,247	157.96%	11,896	0.07%	36.58%	1.00	211	1.77%	3	2
	0.00 to <0.10	149	4,637	167.68%	7,948	0.04%	35.64%	1.00	97	1.23%	1	1
	0.10 to <0.15	204	2,611	140.70%	3,948	0.11%	38.47%	1.00	114	2.88%	2	1
	0.15 to <0.25	133	785	180.37%	1,548	0.22%	28.87%	1.00	54	3.51%	1	1
	0.25 to <0.50	301	1,795	101.16%	2,144	0.37%	42.21%	1.00	172	8.05%	3	2
	0.50 to <0.75	259	2,129	80.71%	1,981	0.62%	53.98%	1.00	300	15.15%	6	5
	0.75 to <2.50	1,116	1,975	103.32%	3,193	1.60%	47.23%	1.00	927	29.03%	25	18
	0.75 to <1.75	748	1,263	121.71%	2,313	1.42%	41.31%	1.00	520	22.46%	13	9
	1.75 to <2.5	368	712	70.69%	879	2.08%	62.80%	1.00	407	46.31%	11	9
	2.50 to <10.00	1,513	1,331	110.27%	3,032	4.63%	52.64%	1.00	1,956	64.53%	71	57
	2.5 to <5	1,206	1,195	98.85%	2,399	3.80%	54.61%	1.00	1,444	60.20%	49	40
	5 to <10	306	136	210.40%	633	7.78%	45.20%	1.00	512	80.92%	22	16
	10.00 to <100.00	362	152	144.12%	598	19.34%	53.01%	1.00	790	132.07%	61	66
	10 to <20	282	136	142.87%	487	13.60%	53.49%	1.00	624	128.08%	35	37
	20 to <30	17	3	318.81%	31	24.89%	42.50%	1.00	40	132.26%	3	2
	30.00 to <100.00	64	13	111.10%	80	52.05%	54.06%	1.00	125	156.15%	23	27
	100.00 (Default)	272	17	9.43%	274	100.00%	81.68%	1.00	64	23.47%	224	188
SUB-TOTAL		**4,309**	**15,432**	**130.43%**	**24,666**	**2.48%**	**42.23%**	**1.00**	**4,475**	**18.14%**	**394**	**339**
Retail – Other SME	0.00 to <0.15	8,134	1,001	142.23%	9,559	0.13%	28.71%	1.29	929	9.72%	4	10
	0.00 to <0.10	122	-	225.65%	122	0.07%	4.19%	1.00	1	0.82%	-	-
	0.10 to <0.15	8,013	1,001	142.21%	9,437	0.13%	29.03%	1.29	928	9.84%	4	10
	0.15 to <0.25	22,777	2,364	161.42%	26,592	0.19%	24.65%	1.36	3,156	11.87%	13	33
	0.25 to <0.50	26,997	2,942	150.41%	31,468	0.37%	24.16%	1.31	5,247	16.67%	29	91
	0.50 to <0.75	1,504	425	33.09%	1,743	0.57%	37.84%	1.26	444	25.50%	4	3
	0.75 to <2.50	28,634	2,927	141.02%	32,840	1.26%	28.56%	1.33	10,486	31.93%	115	422
	0.75 to <1.75	22,510	2,183	129.56%	25,414	1.02%	30.71%	1.35	8,337	32.80%	83	297
	1.75 to <2.5	6,125	745	174.60%	7,426	2.05%	21.18%	1.27	2,149	28.94%	32	125
	2.50 to <10.00	12,269	1,354	124.54%	14,018	5.28%	32.22%	1.35	7,226	51.55%	235	789
	2.5 to <5	5,563	750	102.94%	6,376	3.67%	37.52%	1.33	3,436	53.90%	87	301
	5 to <10	6,706	603	151.40%	7,642	6.62%	27.79%	1.36	3,789	49.58%	149	487
	10.00 to <100.00	3,550	373	125.62%	4,034	20.97%	27.91%	1.34	2,691	66.72%	267	445
	10 to <20	2,841	246	143.15%	3,203	15.16%	25.69%	1.29	1,868	58.30%	129	345
	20 to <30	171	13	45.25%	181	25.15%	35.22%	1.49	161	88.90%	16	21
	30.00 to <100.00	537	114	96.65%	649	48.45%	36.82%	1.54	662	102.06%	121	79
	100.00 (Default)	3,529	183	15.20%	3,566	100.00%	62.78%	1.20	990	27.76%	2,236	2,280
SUB-TOTAL		**107,394**	**11,568**	**139.31%**	**123,819**	**4.65%**	**28.12%**	**1.33**	**31,168**	**25.17%**	**2,902**	**4,072**

31/12/2021 *(in millions of euros)* A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail – Other non-SME	0.00 to <0.15	50,949	2,896	114.04%	54,354	0.07%	16.58%	1.00	1,872	3.44%	7	15
	0.00 to <0.10	34,034	1,902	119.48%	36,314	0.05%	14.82%	1.00	799	2.20%	3	6
	0.10 to <0.15	16,914	994	103.62%	18,039	0.12%	20.11%	1.01	1,072	5.95%	4	9
	0.15 to <0.25	13,382	720	103.94%	14,196	0.21%	22.98%	1.01	1,486	10.47%	7	13
	0.25 to <0.50	11,536	784	97.57%	12,380	0.38%	27.87%	1.02	2,341	18.91%	13	23
	0.50 to <0.75	5,288	399	94.28%	5,712	0.68%	28.13%	1.03	1,468	25.71%	11	18
	0.75 to <2.50	17,916	840	107.31%	18,905	1.49%	37.61%	1.01	9,085	48.06%	105	139
	0.75 to <1.75	14,514	765	111.51%	15,432	1.31%	38.34%	1.01	7,325	47.47%	78	108
	1.75 to <2.5	3,402	75	64.55%	3,472	2.28%	34.35%	1.04	1,760	50.69%	27	31
	2.50 to <10.00	10,657	297	105.28%	11,081	4.56%	43.83%	1.01	7,726	69.73%	205	255
	2.5 to <5	7,785	127	110.68%	7,994	3.51%	46.39%	1.01	5,746	71.88%	122	143
	5 to <10	2,872	171	101.28%	3,086	7.29%	37.20%	1.01	1,980	64.14%	83	112
	10.00 to <100.00	1,874	57	109.53%	2,072	23.23%	35.43%	1.01	1,699	82.02%	213	274
	10 to <20	1,220	30	109.02%	1,310	14.30%	33.51%	1.00	918	70.09%	62	88
	20 to <30	284	15	116.17%	378	26.20%	38.94%	1.04	397	105.21%	38	46
	30.00 to <100.00	370	11	102.01%	384	50.78%	38.50%	1.00	384	99.89%	113	140
	100.00 (Default)	2,976	9	35.91%	3,019	100.00%	67.60%	1.02	817	27.07%	2,046	1,863
SUB-TOTAL		**114,576**	**6,003**	**107.83%**	**121,717**	**3.65%**	**26.35%**	**1.01**	**26,495**	**21.77%**	**2,607**	**2,600**
TOTAL (ALL EXPOSURES CLASSES)		**899,855**	**209,329**	**71.61%**	**1,044,906**			**1.40**	**175,192**	**16.77%**	**11,272**	**14,275**

The disparities between customer classes seen in prior years in the Retail Banking portfolio were again apparent in 2022. The PD levels observed in loans secured by real estate assets are significantly lower than for other classes. For instance, 85.0% of gross exposures to the "Retail customers – secured by non-SME real estate assets" portfolio have a PD of under 0.5%, while this figure is 53.7% for "Other Retail customer exposures – SME" of the Group's IRB – Retail Banking portfolio.

The differences in respect of PD levels are even more pronounced if we observe the contributions of expected losses attributable to significant differences in LGD levels from one portfolio to another: exposures to "Retail customers – secured by non-SME real estate assets" accounted for 61.4% of total Retail customer EAD, but only 22.6% of expected losses.

Scope of application of the IRB and SA approaches (CR6-A)

31/12/2022 *(in millions of euros)*		Total exposure value as defined in Article 166 of regulation (EU) No. 575/2013	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA *(%)*	Percentage of total exposure value subject to IRB Approach *(%)*	Percentage of total exposure value subject to a roll-out plan *(%)*
1	Central governments or Central Banks	340,526	433,257	15.54%	84.03%	0.44%
1.1	Of which Regional governments or local authorities		7,294	7.03%	92.97%	0.00%
1.2	Of which Public sector entities		115,833	1.92%	97.72%	0.36%
2	Institutions	79,553	90,565	17.19%	78.06%	4.75%
3	Corporates	408,236	613,801	7.68%	59.82%	32.50%
3.1	Of which Corporates – Specialised lending, excluding slotting approach		69,802	0.00%	99.77%	0.23%
3.2	Of which Corporates – Specialised lending under slotting approach		-	0.00%	0.00%	0.00%
4	Retail	738,027	775,994	2.86%	94.53%	2.61%
4.1	Of which Retail – Secured by real estate SMEs		28,497	1.22%	97.98%	0.80%
4.2	Of which Retail – Secured by real estate non-SMEs		461,294	1.34%	98.32%	0.34%
4.3	Of which Retail – Qualifying revolving		21,987	2.21%	96.12%	1.67%
4.4	Of which Retail – Other SMEs		117,392	6.95%	87.46%	5.59%
4.5	Of which Retail – Other non-SMEs		146,825	4.81%	87.31%	7.88%
5	Equity	-	43,166	18.54%	81.46%	0.00%
6	Other non-credit obligation assets	-	32,967	100.00%	0.00%	0.00%
7	**TOTAL**	**1,566,342**	**1,989,751**	**8.26%**	**81.56%**	**10.18%**

31/12/2021 *(in millions of euros)*		Total exposure value as defined in Article 166 of regulation (EU) No. 575/2013	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA *(%)*	Percentage of total exposure value subject to IRB Approach *(%)*	Percentage of total exposure value subject to a roll-out plan *(%)*
1	Central governments or Central Banks	322,759	445,528	23.35%	74.11%	2.54%
1.1	Of which Regional governments or local authorities		7,887	7.83%	92.17%	0.00%
1.2	Of which Public sector entities		102,300	4.23%	95.33%	0.43%
2	Institutions	73,117	90,333	23.43%	74.35%	2.23%
3	Corporates	334,164	540,635	9.04%	51.47%	39.49%
3.1	Of which Corporates – Specialised lending, excluding slotting approach		65,864	0.00%	99.96%	0.04%
3.2	Of which Corporates – Specialised lending under slotting approach		-	0.00%	0.00%	0.00%
4	Retail	728,433	759,894	3.33%	94.76%	1.91%
4.1	Of which Retail – Secured by real estate SMEs		26,695	1.44%	97.66%	0.90%
4.2	Of which Retail – Secured by real estate non-SMEs		440,959	1.74%	97.87%	0.40%
4.3	Of which Retail – Qualifying revolving		22,094	2.53%	95.57%	1.90%
4.4	Of which Retail – Other SMEs		133,267	6.96%	90.30%	2.75%
4.5	Of which Retail – Other non-SMEs		136,879	5.34%	88.55%	6.12%
5	Equity	-	58,820	24.56%	75.44%	0.00%
6	Other non-credit obligation assets	-	33,868	100.00%	0.00%	0.01%
7	**TOTAL**	**1,458,472**	**1,929,079**	**11.34%**	**77.60%**	**11.06%**

A progress report on the roll-out plan is presented annually to the management body.

3.4.2.2.4 Use of credit derivatives for hedging purposes

Effect of credit derivatives used for credit risk mitigation (CRM) on risk-weighted assets (RWA) under the Internal Ratings-Based approach at 31 December 2022.

— IRB approach – Effect on RWA of credit derivatives used for CRM (CR7)

		31/12/2022		31/12/2021	
(in millions of euros)		Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount	Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount
1	**Exposures under F-IRB**	**105,273**	**105,273**	**86,032**	**86,032**
2	Central governments and Central Banks	1,458	1,458	1,654	1,654
3	Institutions	10,037	10,037	9,923	9,923
4	Corporates	93,777	93,777	74,455	74,455
4.1	Of which Corporates – SMEs	31,905	31,905	23,767	23,767
4.2	Of which Corporates – Specialised lending	2,929	2,929	2,479	2,479
5	**Exposures under A-IRB**	**184,912**	**182,841**	**177,663**	**175,192**
6	Central governments and Central Banks	1,610	1,610	1,029	1,029
7	Institutions	3,673	4,014	2,711	2,885
8	Corporates	80,669	78,257	65,031	62,387
8.1	Of Corporates – SMEs	17,584	17,584	1,332	1,332
8.1	Of which Corporates – Specialised lending	12,207	12,207	12,300	12,300
9	Retail	98,960	98,960	108,891	108,891
9.1	Of which Retail – SMEs – Secured by immovable property collateral	7,469	7,469	7,242	7,242
9.2	Of which Retail – non-SMEs – Secured by immovable property collateral	41,565	41,565	39,511	39,511
9.3	Of which Retail – Qualifying revolving	4,806	4,806	4,475	4,475
9.4	Of which Retail – SMEs – Other	18,151	18,151	31,168	31,168
9.5	Of which Retail – Non-SMEs- Other	26,970	26,970	26,495	26,495
10	**TOTAL (INCLUDING F-IRB EXPOSURES AND A-IRB EXPOSURES)**	**290,184**	**288,114**	**263,694**	**261,224**

Exposures to SMEs greater than €1 million, previously presented by Crédit Agricole Group, for the portion calculated using the advanced IRB approach, among “Retail customers” exposures, have been presented since 30 June 2022 among the Corporates (SME) exposures for the purpose of COREP. As the weightings are identical, this transfer has no impact on the RWA amounts.

— IRB approach – Information to be published on the extent to which CRM is used (CR7-A)

31/12/2022 *(in millions of euros)* F-IRB		Total exposures	Credit risk mitigation techniques											
			Funded Credit Protection (FCP)									Unfunded Credit Protection (UFCP)		RWA with substitution effects (both reduction and substitution effects)
			Part of exposures covered by financial collaterals *(%)*	Part of exposures covered by other eligible collaterals *(%)*				Part of exposures covered by other funded credit protection *(%)*						
					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 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 *(%)*	
1	Central governments and Central Banks	235,180	-	0.00%	0.00%	0.00%		-	-	-	-	-	-	1,458
2	Institutions	52,573	0.05%	0.17%	0.07%	0.10%	-	-	-	-	-	-	-	10,037
3	Corporates	170,101	0.41%	11.47%	7.70%	3.16%	0.60%	-	-	-	-	-	-	93,777
3.1	Of which Corporates – SMEs	54,520	0.68%	20.21%	14.78%	4.66%	0.78%	-	-	-	-	-	-	31,905
3.2	Of which Corporates – Specialised lending	4,270	0.05%	15.94%	3.39%	12.13%	0.42%	-	-	-	-	-	-	2,929
3.3	Of which Corporates – Other	111,311	0.29%	7.02%	4.41%	2.09%	0.52%	-	-	-	-	-	-	58,944
4	**TOTAL**	**457,853**	**0.16%**	**4.28%**	**2.87%**	**1.19%**	**0.22%**	**-**	**-**	**-**	**-**	**-**	**-**	**105,273**

31/12/2021 *(in millions of euros)* F-IRB		Total exposures	Credit risk mitigation techniques											
			Funded Credit Protection (FCP)									Unfunded Credit Protection (UFCP)		RWA with substitution effects (both reduction and substitution effects)
			Part of exposures covered by financial collaterals *(%)*	Part of exposures covered by other eligible collaterals *(%)*				Part of exposures covered by other funded credit protection *(%)*						
					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 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 *(%)*	
1	Central governments and Central Banks	232,233	-	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	1,654
2	Institutions	52,134	0.00%	0.16%	0.05%	0.11%	-	-	-	-	-	-	-	9,923
3	Corporates	129,199	0.55%	8.83%	5.87%	2.23%	0.73%	-	-	-	-	-	-	74,455
3.1	Of which Corporates – SMEs	39,921	0.96%	15.76%	11.31%	3.40%	1.05%	-	-	-	-	-	-	23,767
3.2	Of which Corporates – Specialised lending	3,527	0.08%	12.93%	2.07%	10.52%	0.34%	-	-	-	-	-	-	2,479
3.3	Of which Corporates – Other	85,751	0.39%	5.44%	3.49%	1.35%	0.60%	-	-	-	-	-	-	48,209
4	**TOTAL**	**413,566**	**0.17%**	**2.78%**	**1.84%**	**0.71%**	**0.23%**	**-**	**-**	**-**	**-**	**-**	**-**	**86,032**

31/12/2022 *(in millions of euros)* A-IRB		Total exposures	Credit risk mitigation techniques											RWA with substitution effects (both reduction and substitution effects)
			Funded Credit Protection (FCP)									Unfunded Credit Protection (UFCP)		
			Part of exposures covered by financial collaterals *(%*	Part of exposures covered by other eligible collaterals *(%)*				Part of exposures covered by other funded credit protection *(%)*						
					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 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 *(%)*	
1	Central governments and Central Banks	132,966	0.00%	0.06%	-	-	0.06%	-	-	-	-			1,610
2	Institutions	22,468	0.91%		-	-		-	-	-	-			4,014
3	Corporates	214,302	1.68%	11.91%	6.93%	-	4.99%	-	-	-	-	0.67%		78,257
3.1	Of which Corporates – SMEs	31,659	0.27%	13.16%	13.16%	-		-	-	-	-	4.50%		17,584
3.2	Of which Corporates – Specialised lending	46,661	0.90%	45.32%	22.43%	-	22.89%	-	-	-	-			12,207
3.3	Of which Corporates – Other	135,982	2.27%	0.16%	0.16%	-		-	-	-	-			48,466
4	Retail	738,753		24.03%	24.03%	-		-	-	-	-	41.75%		98,960
4.1	Of which Retail – Immovable property SMEs	28,265	-	81.94%	81.94%	-		-	-	-	-	6.43%		7,469
4.2	Of which Retail – Immovable property non-SMEs	453,915	-	33.94%	33.94%	-		-	-	-	-	65.22%		41,565
4.3	Of which Retail – Qualifying revolving	25,406	-	-	-	-		-	-	-	-			4,806
4.4	Of which Retail – Other SMEs	102,939	-	0.08%	0.08%	-		-	-	-	-	9.23%		18,151
4.5	Of which Retail – Other non-SMEs	128,228	-	0.19%	0.19%	-		-	-	-	-	0.79%		26,970
5	**TOTAL**	**1,108,489**	**0.34%**	**18.33%**	**17.36%**	**-**	**0.97%**	**-**	**-**	**-**	**-**	**27.95%**		**182,841**

31/12/2021 *(in millions of euros)* A-IRB		Total exposures	Credit risk mitigation techniques											RWA with substitution effects (both reduction and substitution effects)
			Funded Credit Protection (FCP)									Unfunded Credit Protection (UFCP)		
				Part of exposures covered by other eligible collaterals *(%)*				Part of exposures covered by other funded credit protection *(%)*						
			Part of exposures covered by financial 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 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 *(%)*	
1	Central governments and Central Banks	109,440	0.00%	-	-	-	-	-	-	-	-	-	-	1,029
2	Institutions	24,770	-	-	-	-	-	-	-	-	-	-	-	2,885
3	Corporates	182,263	2.08%	11.08%	5.31%	-	5.76%	-	-	-	-	-	-	62,387
3.1	Of which Corporates – SMEs	3,089	3.56%	0.26%	0.26%	-	-	-	-	-	-	-	-	1,332
3.2	Of which Corporates – Specialised lending	54,135	0.82%	36.73%	17.32%	-	19.41%	-	-	-	-	-	-	12,300
3.3	Of which Corporates – Other	125,039	2.59%	0.24%	0.24%	-	-	-	-	-	-	-	-	48,755
4	Retail	728,433	-	24.15%	24.15%	-	-	-	-	-	-	39.38%	-	108,891
4.1	Of which Retail – Immovable property SMEs	26,450	-	77.36%	77.36%	-	-	-	-	-	-	6.34%	-	7,242
4.2	Of which Retail – Immovable property non-SMEs	431,780	-	35.14%	35.14%	-	-	-	-	-	-	63.07%	-	39,511
4.3	Of which Retail – Qualifying revolving	24,666	-	-	-	-	-	-	-	-	-	-	-	4,475
4.4	Of which Retail – Other SMEs	123,819	-	2.95%	2.95%	-	-	-	-	-	-	9.54%	-	31,168
4.5	Of which Retail – Other non-SMEs	121,717	-	0.03%	0.03%	-	-	-	-	-	-	0.88%	-	26,495
5	**TOTAL**	**1,044,906**	**0.36%**	**18.76%**	**17.76%**	**-**	**1.01%**	**-**	**-**	**-**	**-**	**27.46%**	**-**	**175,192**

3.4.2.2.5 Change in RWA

— RWA flow statement for credit risk exposures using the IRB approach (CR8)

31/12/2022 *(in millions of euros)*		RWA amounts
1	**RWAS AS AT THE END OF THE PREVIOUS REPORTING PERIOD (30/09/2022)**	**294,935**
2	Asset size (+/-)	5,022
3	Asset quality (+/-)	(5,925)
4	Model updates (+/-)	(1,100)
5	Methodology and policy (+/-)	-
6	Acquisitions and disposals (+/-)	(523)
7	Foreign exchange movements (+/-)	(3,895)
8	Other (+/-)	(401)
9	**RWAS AS AT THE END OF THE REPORTING PERIOD (31/12/2022)**	**288,114**

The change in line 8 "Other (+/-)" of the CR8 table can be explained mainly by the establishment of a proprietary synthetic securitisation transaction at Crédit Agricole CIB in the fourth quarter of 2022, which allows that entity to transfer credit risk to investors.

3.4.2.2.6 Backtesting results

In the following paragraphs, backtesting covers all the methods and procedures used to verify the performance and stability of the internal risk models (PD, LGD, CCF), specifically by comparing forecasts with actual results.

With regard to permanent control, a Backtesting Committee has been established within each entity. The Committee (which may, for some entities, be a specific agenda item for the Risk Committee) is chaired by the Risk Management department of the relevant entity and includes a representative from the Group Risk Management department. Reports are submitted to the Chief Executive Officer and the Head of the entity's Permanent Control department, as well as the Group Risk Management department.

Periodic control is conducted annually by the Internal Audit function or any third party specifically authorised by it. The audit plan covers:

- systems for calculating ratings and estimating risk parameters, as well as compliance with minimum requirements;
- systems functioning (correct implementation).

The corresponding reports are sent to the person responsible for monitoring the relevant entity within the Group Risk Management department.

The entity performs internal controls (permanent and periodic) on:

- the quality of input and output data within the system;
- the conceptual and technical quality of systems for calculating ratings and estimating risk parameters;
- the completeness of data used for the calculation of risk-weighted assets.

Backtesting is critical in maintaining the pertinence and performance of rating models. A first phase of analysis is based chiefly on the quantitative analysis of the predictive model as a whole and its main explanatory variables.

This exercise can also detect significant changes in the structure and behaviour of portfolios and customers. Backtesting then results in decisions to adjust or recast models in order to factor in the new structural elements. This allows changes in non-cyclical behaviour or change in the franchise to be identified, revealing the impact of commercial or risk strategies implemented by the Bank.

Across the Group as a whole, each rating method is back-tested at least once a year by the unit responsible for the method (Group Risk Management department or its delegate). This provides the Group annually, through the Standards and Models Committee, with the result of the backtesting after consulting the Group's Internal Validation function, whose conclusions are presented to the Technical Committee, to confirm the proper application of selected statistical methods and the validity of results, and proposes, where appropriate, suitable corrective measures (revision of the method, recalibration, training, recommendations for control, etc.).

These ex-post controls are performed – through the cycle – on historical data covering as long a period as possible. The following tables show the backtesting results for 2022 in respect of the Probability of Default (PD) models.

— Backtesting of probability of default (PD) by exposure class and method (simple or advanced) – (CR9) at 31 December 2022

31/12/2022 *(in millions of euros)* **IRBF**	**PD range**	**Number of obligors in the end of previous year**		**Observed average default rate** *(%)*	**Exposures weighted average PD** *(%)*	**Average PD** *(%)*	**Average historical annual default rate** *(%)*
			Of which number of obligors which defaulted in the year				
Central governments and Central Banks	0.00 to <0.15	598	-	-	0.00%	0.01%	0.03%
	0.00 to <0.10	595	-	-	0.00%	0.01%	0.03%
	0.10 to <0.15	3	-	-	0.12%	0.12%	-
	0.15 to <0.25	9	-	-	0.16%	0.16%	-
	0.25 to <0.50	27	-	-	0.33%	0.34%	-
	0.50 to <0.75	10	-	-	0.60%	0.60%	-
	0.75 to <2.50	44	-	-	0.98%	1.13%	0.66%
	0.75 to <1.75	37	-	-	0.98%	0.99%	0.56%
	1.75 to <2.5	7	-	-	-	1.90%	1.22%
	2.50 to <10.00	4	-	-	3.53%	4.25%	-
	2.5 to <5	3	-	-	3.00%	3.00%	-
	5 to <10	1	-	-	8.00%	8.00%	-
	10.00 to <100.00	1	-	-	20.02%	20.00%	-
	10 to <20	-	-	-	15.00%	-	-
	20 to <30	1	-	-	20.05%	20.00%	-
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	1	1	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**694**	**1**	**0.14%**	**0.00%**	**0.30%**	**0.21%**
Institutions	0.00 to <0.15	26,846	22	0.08%	0.04%	0.03%	0.06%
	0.00 to <0.10	26,843	22	0.08%	0.04%	0.03%	0.06%
	0.10 to <0.15	3	-	-	0.11%	0.12%	-
	0.15 to <0.25	533	1	0.19%	0.18%	0.16%	0.15%
	0.25 to <0.50	398	1	0.25%	0.31%	0.30%	0.33%
	0.50 to <0.75	166	-	-	0.60%	0.60%	0.13%
	0.75 to <2.50	65	2	3.08%	1.19%	1.19%	2.06%
	0.75 to <1.75	53	1	1.89%	1.14%	1.03%	2.15%
	1.75 to <2.5	12	1	8.33%	1.90%	1.90%	1.67%
	2.50 to <10.00	32	-	-	4.86%	4.88%	-
	2.5 to <5	2	-	-	3.58%	3.00%	-
	5 to <10	30	-	-	5.00%	5.00%	-
	10.00 to <100.00	18	1	5.56%	19.73%	16.17%	1.87%
	10 to <20	9	1	11.11%	12.05%	12.33%	3.73%
	20 to <30	9	-	-	20.02%	20.00%	-
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	27	27	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**28,085**	**54**	**0.19%**	**0.14%**	**0.16%**	**0.16%**
Corporates – SME	0.00 to <0.15	2,258	-	-	0.10%	0.11%	0.03%
	0.00 to <0.10	406	-	-	0.04%	0.05%	0.19%
	0.10 to <0.15	1,852	-	-	0.12%	0.12%	-
	0.15 to <0.25	117	-	-	0.16%	0.16%	0.02%
	0.25 to <0.50	15,618	7	0.05%	0.39%	0.39%	0.09%
	0.50 to <0.75	1,227	4	0.33%	0.60%	0.60%	0.15%
	0.75 to <2.50	31,349	141	0.45%	1.11%	1.18%	0.40%
	0.75 to <1.75	28,595	108	0.38%	1.10%	1.11%	0.35%
	1.75 to <2.5	2,754	33	1.20%	1.92%	1.90%	1.00%
	2.50 to <10.00	13,924	394	2.83%	4.16%	4.56%	2.53%
	2.5 to <5	8,787	152	1.73%	3.28%	3.05%	2.24%
	5 to <10	5,137	242	4.71%	7.99%	7.16%	3.01%
	10.00 to <100.00	2,815	310	11.01%	19.59%	17.23%	9.27%
	10 to <20	1,519	162	10.67%	14.63%	13.83%	6.83%
	20 to <30	1,296	148	11.42%	21.71%	21.22%	12.14%
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	4,123	4,123	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**71,431**	**4,979**	**6.97%**	**4.45%**	**7.96%**	**6.83%**

31/12/2022 *(in millions of euros)* IRBF	PD range	Number of obligors in the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate *(%)*	Exposures weighted average PD *(%)*	Average PD *(%)*	Average historical annual default rate *(%)*
Corporates – Specialised Lending	0.00 to <0.15	9	-	-	0.06%	0.05%	1.78%
	0.00 to <0.10	9	-	-	0.06%	0.05%	1.78%
	0.10 to <0.15	-	-	-	0.12%	-	-
	0.15 to <0.25	39	-	-	0.16%	0.16%	-
	0.25 to <0.50	75	-	-	0.31%	0.30%	-
	0.50 to <0.75	114	-	-	0.60%	0.60%	0.49%
	0.75 to <2.50	131	-	-	1.12%	1.24%	-
	0.75 to <1.75	94	-	-	0.96%	0.98%	-
	1.75 to <2.5	37	-	-	1.90%	1.90%	-
	2.50 to <10.00	5	-	-	4.70%	5.60%	1.47%
	2.5 to <5	-	-	-	3.00%	-	-
	5 to <10	5	-	-	5.00%	5.60%	1.47%
	10.00 to <100.00	16	-	-	17.63%	18.00%	-
	10 to <20	4	-	-	12.00%	12.00%	-
	20 to <30	12	-	-	20.00%	20.00%	-
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	1	1	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**390**	**1**	**0.26%**	**1.43%**	**1.73%**	**0.46%**
Corporates – Other	0.00 to <0.15	3,572	3	0.08%	0.06%	0.08%	0.07%
	0.00 to <0.10	2,027	1	0.05%	0.04%	0.04%	0.10%
	0.10 to <0.15	1,545	2	0.13%	0.12%	0.12%	0.03%
	0.15 to <0.25	347	1	0.29%	0.16%	0.16%	0.12%
	0.25 to <0.50	6,596	22	0.33%	0.35%	0.37%	0.20%
	0.50 to <0.75	569	3	0.53%	0.60%	0.60%	0.25%
	0.75 to <2.50	7,977	20	0.25%	1.06%	1.14%	0.49%
	0.75 to <1.75	7,404	16	0.22%	1.02%	1.08%	0.44%
	1.75 to <2.5	573	4	0.70%	1.92%	1.90%	1.12%
	2.50 to <10.00	2,755	46	1.67%	4.38%	4.06%	0.85%
	2.5 to <5	2,075	33	1.59%	3.28%	3.05%	0.40%
	5 to <10	680	13	1.91%	7.67%	7.15%	2.24%
	10.00 to <100.00	536	54	10.08%	20.38%	18.17%	10.29%
	10 to <20	222	9	4.05%	16.02%	13.79%	4.66%
	20 to <30	314	45	14.33%	21.59%	21.27%	14.27%
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	916	916	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**23,268**	**1,065**	**4.58%**	**2.76%**	**5.36%**	**4.52%**

31/12/2022 *(in millions of euros)* IRB-A	PD range	Number of obligors in the end of previous year		Observed average default rate *(%)*	Exposures weighted average PD *(%)*	Average PD *(%)*	Average historical annual default rate *(%)*
			Of which number of obligors which defaulted in the year				
Central governments and Central Banks	0.00 to <0.15	91	-	-	0.01%	0.01%	-
	0.00 to <0.10	91	-	-	0.01%	0.01%	-
	0.10 to <0.15	-	-	-	-	-	-
	0.15 to <0.25	5	-	-	0.16%	0.16%	-
	0.25 to <0.50	1	-	-	0.30%	0.30%	-
	0.50 to <0.75	3	-	-	0.60%	0.60%	-
	0.75 to <2.50	5	-	-	1.84%	1.38%	-
	0.75 to <1.75	4	-	-	1.25%	1.25%	-
	1.75 to <2.5	1	-	-	1.90%	1.90%	-
	2.50 to <10.00	8	-	-	5.00%	5.00%	-
	2.5 to <5	-	-	-	-	-	-
	5 to <10	8	-	-	5.00%	5.00%	-
	10.00 to <100.00	13	1	7.69%	15.74%	15.08%	6.92%
	10 to <20	8	1	12.50%	12.00%	12.00%	5.00%
	20 to <30	5	-	-	20.00%	20.00%	10.00%
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	6	6	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**132**	**7**	**5.30%**	**0.05%**	**6.41%**	**5.23%**
Institutions	0.00 to <0.15	224	-	-	0.07%	0.05%	-
	0.00 to <0.10	224	-	-	0.06%	0.05%	-
	0.10 to <0.15	-	-	-	0.12%	-	-
	0.15 to <0.25	57	-	-	0.18%	0.16%	-
	0.25 to <0.50	69	-	-	0.30%	0.30%	-
	0.50 to <0.75	42	-	-	0.60%	0.60%	-
	0.75 to <2.50	59	1	1.70%	1.03%	1.23%	0.34%
	0.75 to <1.75	39	1	2.56%	0.86%	0.89%	0.51%
	1.75 to <2.5	20	-	-	1.90%	1.90%	-
	2.50 to <10.00	33	-	-	5.00%	5.00%	-
	2.5 to <5	-	-	-	-	-	-
	5 to <10	33	-	-	5.00%	5.00%	-
	10.00 to <100.00	13	-	-	12.25%	14.46%	1.26%
	10 to <20	9	-	-	12.00%	12.00%	1.82%
	20 to <30	4	-	-	20.00%	20.00%	-
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	12	12	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**509**	**13**	**2.55%**	**2.04%**	**3.32%**	**2.43%**
Corporates – SME	0.00 to <0.15	1,395	4	0.29%	0.12%	0.13%	2.17%
	0.00 to <0.10	14	-	-	0.04%	0.04%	-
	0.10 to <0.15	1,381	4	0.29%	0.13%	0.13%	2.19%
	0.15 to <0.25	3,988	7	0.18%	0.18%	0.19%	0.89%
	0.25 to <0.50	4,434	17	0.38%	0.39%	0.39%	1.65%
	0.50 to <0.75	28	-	-	0.53%	0.55%	0.16%
	0.75 to <2.50	5,484	25	0.46%	1.23%	1.26%	3.86%
	0.75 to <1.75	4,229	17	0.40%	1.04%	1.03%	2.97%
	1.75 to <2.5	1,255	8	0.64%	2.06%	2.05%	6.87%
	2.50 to <10.00	2,454	56	2.28%	5.21%	5.31%	8.59%
	2.5 to <5	1,071	15	1.40%	3.68%	3.79%	8.57%
	5 to <10	1,383	41	2.97%	6.85%	6.49%	8.60%
	10.00 to <100.00	681	47	6.90%	23.56%	17.16%	16.93%
	10 to <20	527	39	7.40%	15.01%	14.95%	19.57%
	20 to <30	122	2	1.64%	23.46%	20.64%	3.34%
	30.00 to <100.00	32	6	18.75%	44.98%	40.26%	25.30%
	100.00 (Default)	382	382	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**18,846**	**538**	**2.85%**	**4.21%**	**13.69%**	**5.61%**

31/12/2022 *(in millions of euros)* IRB-A	PD range	Number of obligors in the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate *(%)*	Exposures weighted average PD *(%)*	Average PD *(%)*	Average historical annual default rate *(%)*
Corporates – Specialised Lending	0.00 to <0.15	46	-	-	0.06%	0.07%	0.30%
	0.00 to <0.10	37	-	-	0.05%	0.05%	0.38%
	0.10 to <0.15	9	-	-	0.12%	0.12%	-
	0.15 to <0.25	180	-	-	0.16%	0.16%	-
	0.25 to <0.50	373	-	-	0.31%	0.31%	0.23%
	0.50 to <0.75	275	3	1.09%	0.60%	0.60%	0.27%
	0.75 to <2.50	489	7	1.43%	1.13%	1.15%	1.06%
	0.75 to <1.75	372	4	1.08%	0.98%	0.91%	0.60%
	1.75 to <2.5	117	3	2.56%	1.90%	1.90%	2.53%
	2.50 to <10.00	79	5	6.33%	4.56%	5.15%	3.89%
	2.5 to <5	9	1	11.11%	3.00%	3.00%	11.11%
	5 to <10	70	4	5.71%	5.48%	5.43%	2.96%
	10.00 to <100.00	77	7	9.09%	15.65%	15.22%	21.17%
	10 to <20	46	3	6.52%	12.31%	12.00%	16.38%
	20 to <30	31	4	12.90%	20.00%	20.00%	28.28%
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	64	64	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**1,583**	**86**	**5.43%**	**5.40%**	**5.59%**	**5.70%**
Corporates – Other	0.00 to <0.15	1,041	-	-	0.06%	0.06%	-
	0.00 to <0.10	861	-	-	0.04%	0.05%	-
	0.10 to <0.15	180	-	-	0.12%	0.12%	-
	0.15 to <0.25	222	-	-	0.15%	0.16%	0.14%
	0.25 to <0.50	783	3	0.38%	0.31%	0.33%	0.08%
	0.50 to <0.75	245	-	-	0.52%	0.60%	0.34%
	0.75 to <2.50	790	3	0.38%	1.02%	1.23%	0.91%
	0.75 to <1.75	591	2	0.34%	0.94%	1.00%	0.76%
	1.75 to <2.5	199	1	0.50%	1.88%	1.90%	1.34%
	2.50 to <10.00	152	2	1.32%	4.92%	4.99%	2.08%
	2.5 to <5	75	-	-	3.18%	3.24%	-
	5 to <10	77	2	2.60%	7.84%	6.70%	4.10%
	10.00 to <100.00	85	-	-	16.57%	17.25%	7.01%
	10 to <20	41	-	-	13.87%	14.01%	6.10%
	20 to <30	44	-	-	20.21%	20.27%	7.86%
	30.00 to <100.00	-	-	-	34.03%	-	-
	100.00 (Default)	117	117	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**3,435**	**125**	**3.64%**	**1.91%**	**4.48%**	**3.93%**
Retail – Secured by immovable property SME	0.00 to <0.15	14,305	15	0.11%	0.13%	0.13%	0.36%
	0.00 to <0.10	-	-	-	-	-	-
	0.10 to <0.15	14,305	15	0.11%	0.13%	0.13%	0.36%
	0.15 to <0.25	22,311	24	0.11%	0.21%	0.21%	0.40%
	0.25 to <0.50	36,798	59	0.16%	0.40%	0.39%	0.44%
	0.50 to <0.75	11,231	31	0.28%	0.53%	0.54%	0.29%
	0.75 to <2.50	40,809	229	0.56%	1.21%	1.25%	1.16%
	0.75 to <1.75	32,589	153	0.47%	1.10%	1.05%	0.80%
	1.75 to <2.5	8,220	76	0.93%	2.05%	2.05%	2.59%
	2.50 to <10.00	18,175	518	2.85%	5.37%	5.46%	4.23%
	2.5 to <5	8,040	134	1.67%	3.72%	3.84%	2.44%
	5 to <10	10,135	384	3.79%	7.08%	6.74%	5.66%
	10.00 to <100.00	6,138	690	11.24%	19.62%	17.61%	15.65%
	10 to <20	5,263	470	8.93%	15.53%	15.12%	13.47%
	20 to <30	309	57	18.45%	26.45%	23.21%	17.75%
	30.00 to <100.00	566	163	28.80%	39.51%	37.74%	34.78%
	100.00 (Default)	6,378	6,378	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**156,145**	**7,944**	**5.09%**	**4.35%**	**5.91%**	**5.71%**

31/12/2022 *(in millions of euros)* IRB-A	PD range	Number of obligors in the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate *(%)*	Exposures weighted average PD *(%)*	Average PD *(%)*	Average historical annual default rate *(%)*
Retail – Secured by immovable property non SME	0.00 to <0.15	2,184,048	1,115	0.05%	0.07%	0.07%	0.06%
	0.00 to <0.10	1,540,672	591	0.04%	0.05%	0.05%	0.05%
	0.10 to <0.15	643,376	524	0.08%	0.11%	0.11%	0.10%
	0.15 to <0.25	335,256	436	0.13%	0.22%	0.22%	0.17%
	0.25 to <0.50	353,331	850	0.24%	0.37%	0.36%	0.29%
	0.50 to <0.75	149,548	791	0.53%	0.69%	0.67%	0.55%
	0.75 to <2.50	199,333	1,686	0.85%	1.41%	1.40%	1.06%
	0.75 to <1.75	186,852	1,558	0.83%	1.37%	1.35%	1.02%
	1.75 to <2.5	12,481	128	1.03%	2.13%	2.05%	1.67%
	2.50 to <10.00	113,612	3,952	3.48%	5.63%	5.86%	4.97%
	2.5 to <5	60,522	1,669	2.76%	4.13%	4.17%	3.38%
	5 to <10	53,090	2,283	4.30%	7.89%	7.79%	6.78%
	10.00 to <100.00	27,581	4,439	16.09%	19.71%	17.78%	17.29%
	10 to <20	21,689	2,629	12.12%	15.23%	14.21%	14.19%
	20 to <30	3,081	915	29.70%	25.16%	24.91%	25.93%
	30.00 to <100.00	2,811	895	31.84%	40.08%	37.55%	31.72%
	100.00 (Default)	34,365	34,365	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**3,397,074**	**47,634**	**1.40%**	**1.31%**	**1.56%**	**1.49%**
Retail – Qualifying revolving	0.00 to <0.15	7,865,482	4,116	0.05%	0.06%	0.07%	0.05%
	0.00 to <0.10	5,595,749	2,158	0.04%	0.04%	0.05%	0.04%
	0.10 to <0.15	2,269,733	1,958	0.09%	0.12%	0.11%	0.09%
	0.15 to <0.25	2,995,157	3,857	0.13%	0.19%	0.20%	0.15%
	0.25 to <0.50	1,327,865	3,783	0.29%	0.37%	0.37%	0.28%
	0.50 to <0.75	935,031	4,659	0.50%	0.66%	0.67%	0.48%
	0.75 to <2.50	2,648,813	21,015	0.79%	1.48%	1.44%	1.06%
	0.75 to <1.75	2,346,446	16,832	0.72%	1.37%	1.35%	0.99%
	1.75 to <2.5	302,367	4,183	1.38%	2.14%	2.09%	1.62%
	2.50 to <10.00	1,494,585	56,039	3.75%	5.27%	5.27%	3.99%
	2.5 to <5	921,254	24,613	2.67%	3.81%	3.88%	2.80%
	5 to <10	573,331	31,426	5.48%	7.43%	7.50%	5.90%
	10.00 to <100.00	411,605	64,771	15.74%	23.48%	21.39%	16.25%
	10 to <20	258,139	27,700	10.73%	14.13%	13.96%	10.83%
	20 to <30	55,671	12,086	21.71%	25.01%	24.46%	19.77%
	30.00 to <100.00	97,795	24,985	25.55%	39.79%	39.25%	28.57%
	100.00 (Default)	189,652	189,652	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**17,868,190**	**347,892**	**1.95%**	**2.86%**	**2.33%**	**2.02%**
Retail – Other SME	0.00 to <0.15	94,134	97	0.10%	0.13%	0.13%	0.12%
	0.00 to <0.10	81	1	1.24%	0.09%	0.05%	0.70%
	0.10 to <0.15	94,053	96	0.10%	0.13%	0.13%	0.11%
	0.15 to <0.25	264,407	268	0.10%	0.19%	0.19%	0.13%
	0.25 to <0.50	334,073	1,078	0.32%	0.37%	0.35%	0.27%
	0.50 to <0.75	58,323	234	0.40%	0.57%	0.59%	0.43%
	0.75 to <2.50	487,561	4,761	0.98%	1.25%	1.30%	0.95%
	0.75 to <1.75	398,306	3,406	0.86%	1.02%	1.12%	0.79%
	1.75 to <2.5	89,255	1,355	1.52%	2.05%	2.12%	1.67%
	2.50 to <10.00	228,200	9,690	4.25%	5.33%	5.37%	4.09%
	2.5 to <5	118,788	3,458	2.91%	3.71%	3.72%	2.78%
	5 to <10	109,412	6,232	5.70%	6.82%	7.16%	5.52%
	10.00 to <100.00	105,887	19,989	18.88%	19.68%	22.61%	18.47%
	10 to <20	71,408	8,830	12.37%	15.51%	16.05%	12.63%
	20 to <30	7,311	2,116	28.94%	25.80%	24.60%	20.67%
	30.00 to <100.00	27,168	9,043	33.29%	40.41%	39.34%	33.24%
	100.00 (Default)	84,172	84,172	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**1,656,757**	**120,289**	**7.26%**	**5.18%**	**7.73%**	**7.18%**

31/12/2022 *(in millions of euros)* IRB-A	PD range	Number of obligors in the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate *(%)*	Exposures weighted average PD *(%)*	Average PD *(%)*	Average historical annual default rate *(%)*
Retail – Other non-SME	0.00 to <0.15	1,889,334	1,348	0.07%	0.07%	0.07%	0.07%
	0.00 to <0.10	1,063,817	493	0.05%	0.05%	0.04%	0.05%
	0.10 to <0.15	825,517	855	0.10%	0.12%	0.11%	0.10%
	0.15 to <0.25	724,558	1,278	0.18%	0.21%	0.21%	0.17%
	0.25 to <0.50	859,249	2,344	0.27%	0.37%	0.37%	0.28%
	0.50 to <0.75	643,283	3,317	0.52%	0.65%	0.65%	0.50%
	0.75 to <2.50	1,836,890	20,020	1.09%	1.41%	1.43%	1.10%
	0.75 to <1.75	1,570,427	15,748	1.00%	1.25%	1.30%	1.01%
	1.75 to <2.5	266,463	4,272	1.60%	2.21%	2.19%	1.60%
	2.50 to <10.00	1,106,366	46,588	4.21%	5.14%	5.07%	4.01%
	2.5 to <5	741,614	26,465	3.57%	3.74%	3.94%	3.12%
	5 to <10	364,752	20,123	5.52%	7.23%	7.35%	5.80%
	10.00 to <100.00	529,537	105,173	19.86%	23.95%	24.73%	19.67%
	10 to <20	297,730	33,473	11.24%	14.65%	14.70%	11.92%
	20 to <30	107,004	28,564	26.69%	25.18%	28.26%	25.52%
	30.00 to <100.00	124,803	43,136	34.56%	43.99%	45.66%	33.16%
	100.00 (Default)	383,888	383,888	100.00%	100.00%	100.00%	100.00%
SUB-TOTAL		**7,973,105**	**563,956**	**7.07%**	**3.85%**	**7.62%**	**7.03%**

Long-term average PD rates are calculated without overlapping time windows.

3.4.2.2.7 Comparison between estimated and actual losses

The Expected Losses (EL)/Exposure at Default (EAD) ratio was 0.97% at 31 December 2022 (1.05% at 31 December 2021). This ratio is calculated for the Central governments and Central Banks, Institutions, Corporates, Retail customers and Equity portfolios under the A-IRB approach.

At the same time, the provisions to gross exposures ratio was 1.20% at 31 December 2022, compared with 1.20% at end-2021.

3.4.2.3 Counterparty risk (EU CCRA)

The Group calculates counterparty risk for all its exposures, whether in the banking portfolio or the trading book. 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 portfolio is defined on a regulatory basis in Regulation (EU) 575/2013 of 26 June 2013, as amended. To measure its exposure to counterparty risk on transactions on forward financial instruments in the banking portfolio, the Crédit Agricole Group uses the Standardised Approach (Article 274) or the internal model method (Article 283).

Counterparty risk is determined by several indicators, depending on the nature of the transactions involved and the sub-categories of counterparty risk incurred:

Risk of change:

- the maximum future exposure of transactions with a single counterparty, taking into account the netting/collateral contracts in place with that counterparty. The maximum future exposure is calculated using an internal model (for Crédit Agricole CIB – model validated in 2014) or the SA-CCR Standardised Approach (for the other entities of the Crédit Agricole Group – regulatory model in effect since June 2021);
- nominal amount of repo/reverse repo and securities lending/borrowing transactions with a single counterparty.

Delivery risk:

The value of assets (cash or securities) to be received from a counterparty on a given date, when the entity will have delivered on the same date the assets it owes in return (e.g. deliverable foreign exchange transactions settled outside of a clearing house such as Continuous Linked Settlement, or securities lending/borrowing where delivery is made free of payment).

For central counterparties (CCPs):

- values of assets (securities or cash) deposited with the CCP to cover its initial margin requirements;
- risk of change on transactions cleared by the CCP, taking into account variation margin calls and payments made by the CCP;
- exposure to its default fund.

The sales teams request limits suitable to the risk profile of the counterparty and the volume of transactions planned with it. The limits are approved by the holders of an appropriate counterparty risk delegation, based on a risk opinion issued by a representative of the entity's Risk Management Business Line. This independent opinion is based on an analysis of several factors:

- the entity's risk appetite in the counterparty's sector or geographic area;
- the counterparty's fundamentals: internal and, if applicable, external ratings, balance sheet, business volume, results, NAV for counterparties that are funds, etc.;
- applicable sector policies (ESG criteria);
- the contractual framework/guarantees provided by the counterparty (Independent Amount, collateral agreement, pledge, etc.);
- the transaction products/maturities envisaged.

CCPs are subject to a specific risk procedure that takes into account their specific features and the fact that EMIR and equivalent regulations in other jurisdictions require Crédit Agricole Group entities to clear certain instruments for an authorised CCP. In Crédit Agricole CIB, for example, CCP limits are decided at the highest level (Executive Management). Joining a new CCP, either directly or indirectly via a clearing broker, or clearing a new type of instrument on an existing CCP are examined by all support functions involved in the "new products" or "CCP Committee".

The Crédit Agricole Group does not allocate equity to individual counterparties ex-ante. Capital requirements are calculated globally on the basis of the portfolios of all of the entities using the SA-CCR method or an internal model, depending on the entity.

To hedge its counterparty risk on market transactions, Crédit Agricole CIB buys single-name CDS and index CDS from dealers selected according to strict criteria: major banks with which Crédit Agricole CIB has signed "Golden" CSA agreements (bilateral and daily margin calls, thresholds at 0, low minimum transfer amounts). The fundamentals of these counterparties are reviewed annually by the Risk functions.

In line with regulator incentives, a very large part of our single-name CDS and index CDS positions are cleared.

Further information on counterparty risk is provided in Chapter 3, Part 2 "Risk management" of this document:

- for the methodology for setting credit limits, see Section 2.4.II.2.2 "Credit risk measurement";
- for policies on collateral and other credit risk mitigation measures, see Section 2.4.II.4 "Credit risk mitigation mechanisms";
- for correlation risk policies, see Section 2.4.II.2.2 "Credit risk measurement".

3.4.2.3.1 Analysis of exposure to counterparty risk

— Exposure to counterparty risk by approach at 31 December 2022

31/12/2022 *(in billions of euros)*	Standard		IRB		Total		
	Exposure value (EAD)	RWA	Exposure value (EAD)	RWA	Exposure value (EAD)	RWA	Capital Requirement
Central governments and Central Banks	0.7	0.0	13.1	0.3	13.8	0.3	0.0
Institutions	11.9	2.3	22.9	6.6	34.8	8.9	0.7
Corporates	2.0	1.9	31.5	8.1	33.5	10.0	0.8
Retail customers	-	-	-	-	-	-	-
Shares	-	-	-	-	-	-	-
Securitisations	-	-	-	-	-	-	-
Other non credit-obligation assets	-	-	-	-	-	-	-
TOTAL	**14.5**	**4.1**	**67.6**	**15.1**	**82.1**	**19.2**	**1.5**

— Exposure to counterparty risk by approach at 31 December 2021

31/12/2021 *(in billions of euros)*	Standard		IRB		Total		
	Exposure value (EAD)	RWA	Exposure value (EAD)	RWA	Exposure value (EAD)	RWA	Capital Requirement
Central governments and Central Banks	6.1	-	8.6	0.2	14.7	0.2	-
Institutions	11.9	1.9	22.1	4.2	34.0	6.2	0.5
Corporates	2.7	2.5	29.0	9.7	31.6	12.2	1.0
Retail customers	-	-	-	-	-	-	-
Shares	-	-	-	-	-	-	-
Securitisations	-	-	-	-	-	-	-
Other non credit-obligation assets	-	-	-	-	-	-	-
TOTAL	**20.6**	**4.4**	**59.7**	**14.1**	**80.3**	**18.6**	**1.5**

The total exposure to counterparty risk was €82.1 billion at 31 December 2022 (in the form of derivatives: €53.2 billion and in the form of securities financing transactions: €28.9 billion).

Information on exposures on transactions on forward financial instruments is also presented in Note 3.1 to the consolidated financial statements "Credit risk".

3.4.2.3.2 Exposure to counterparty risk by approach

— Analysis of exposure to counterparty risk by approach (CCR1)

31/12/2022 *(in millions of euros)*		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWA
EU-1	EU – Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU – Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	3,266	2,182		1.4	13,300	7,628	7,598	3,911
2	IMM (for derivatives and SFTs)			26,167	1.65	104,630	43,175	42,975	11,854
2a	Of which securities financing transactions netting sets			-		-	-	-	-
2b	Of which derivatives and long settlement transactions netting sets			26,167		104,630	43,175	42,975	11,854
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					262,888	26,250	25,757	3,606
5	VaR for SFTs					-	-	-	-
6	**TOTAL**					**380,818**	**77,053**	**76,330**	**19,370**

31/12/2021 *(in millions of euros)*		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWA
EU-1	EU – Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU – Simplified SA-CCR (for derivatives)	-	16		1.4	24	24	24	24
1	SA-CCR (for derivatives)	3,288	3,123		1.4	13,468	8,976	8,935	4,476
2	IMM (for derivatives and SFTs)			20,941	1.65	65,145	34,553	34,384	10,131
2a	Of which securities financing transactions netting sets			-		-	-	-	-
2b	Of which derivatives and long settlement transactions netting sets			20,941		65,145	34,553	34,384	10,131
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					260,996	30,457	30,384	3,827
5	VaR for SFTs					-	-	-	-
6	**TOTAL**					**339,632**	**74,010**	**73,726**	**18,458**

3.4.2.3.3 Exposure to counterparty risk under the Standardised Approach

— Exposure to counterparty risk under the Standardised Approach by regulatory portfolio and by risk weighting at 31 December 2022 (CCR3)

31/12/2022 **Exposure classes** *(in millions of euros)*	**Risk weight** 0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Other	Total exposure to credit risk
Central governments or Central Banks	679	-	-	-	-	-	-	-	-	-	-	679
Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	2	-	-	-	5	-	-	-	-	-	-	7
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	1	5,776	-	-	3,278	2,698	-	-	131	-	-	11,884
Corporates	-	-	-	-	5	116	-	-	1,815	9	-	1,945
Retail	-	-	-	-	-	-	-	3	-	-	-	3
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	5	-	6
TOTAL EXPOSURE VALUE	**682**	**5,776**	**-**	**-**	**3,288**	**2,814**	**-**	**3**	**1,947**	**14**	**-**	**14,524**

— Exposure to counterparty risk under the Standardised Approach by regulatory portfolio and by risk weighting at 31 December 2021 (CCR3)

31/12/2021 **Exposure classes** *(in millions of euros)*	**Risk weight** 0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Other	Total exposure to credit risk
Central governments or Central Banks	6,036	-	-	-	-	-	-	-	7	-	-	6,042
Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	19	-	-	-	9	-	-	-	-	-	-	28
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	6,576	-	-	3,022	2,209	-	-	80		-	11,887
Corporates	-	-	-	-	11	315	-	-	2,307	44	-	2,677
Retail	-	-	-	-	-	-	-	5	-	-	-	5
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-		2	-	2
TOTAL EXPOSURE VALUE	**6,055**	**6,576**	**-**	**-**	**3,042**	**2,525**	**-**	**5**	**2,393**	**46**	**-**	**20,642**

3.4.2.3.4 Exposure to counterparty risk under the advanced approach

— Exposure to counterparty risk by portfolio and probability of default (PD) range, supervisory portfolios for foundation internal ratings-based approach (CCR4) at 31 December 2022 (CCR4)

31/12/2022 Exposure classes *(in millions of euros)*	PD scale	Exposure value	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	RWA	Density of risk weighted exposure amounts
Institutions	0.00 to <0.15	81	0.09%	45.00%	2.50	30	37.54%
	0.15 to <0.25	23	0.21%	45.00%	2.50	14	63.59%
	0.25 to <0.50	-	-	-	-	-	-
	0.50 to <0.75	1	0.60%	45.00%	2.50	1	79.98%
	0.75 to <2.50	-	1.10%	45.00%	2.50	-	124.50%
	2.50 to <10.00	-	-	-	-	-	-
	10.00 to <100.00	-	20.00%	45.00%	2.50	1	286.68%
	100.00 (Default)	-	-	-	-	-	-
SUB-TOTAL		**104**	**0.17%**	**45.00%**	**2.50**	**46**	**44.17%**
Corporates – Other	0.00 to <0.15	466	0.04%	45.00%	3.78	114	24.40%
	0.15 to <0.25	6	0.16%	45.00%	2.66	3	42.65%
	0.25 to <0.50	73	0.33%	45.00%	2.48	44	59.79%
	0.50 to <0.75	20	0.60%	45.00%	2.50	16	80.01%
	0.75 to <2.50	27	0.97%	45.00%	2.54	26	95.92%
	2.50 to <10.00	12	5.25%	45.00%	2.50	21	173.55%
	10.00 to <100.00	7	16.57%	45.00%	2.50	17	243.69%
	100.00 (Default)	5	100.00%	45.00%	2.51	-	-
SUB-TOTAL		**617**	**1.22%**	**45.00%**	**3.47**	**241**	**38.99%**
Corporates – SME	0.00 to <0.15	5	0.08%	45.00%	2.50	1	19.63%
	0.15 to <0.25	-	0.16%	45.00%	2.50	-	34.47%
	0.25 to <0.50	11	0.40%	45.00%	2.50	5	45.71%
	0.50 to <0.75	2	0.60%	45.00%	2.50	1	60.18%
	0.75 to <2.50	21	1.01%	45.00%	2.50	14	65.71%
	2.50 to <10.00	8	4.12%	45.00%	2.50	9	100.90%
	10.00 to <100.00	1	19.37%	45.00%	2.50	1	175.10%
	100.00 (Default)	2	100.00%	45.00%	2.50	-	-
SUB-TOTAL		**50**	**5.12%**	**45.00%**	**2.50**	**31**	**61.93%**
TOTAL		**771**	**1.33%**	**45.00%**	**3.28**	**318**	**41.18%**

— Exposure to counterparty risk by portfolio and probability of default (PD) range, supervisory portfolios for foundation internal ratings-based approach (CCR4) at 31 December 2021 (CCR4)

31/12/2021 **Exposure classes** *(in millions of euros)*	**PD scale**	**Exposure value**	**Exposure weighted average PD** *(%)*	**Exposure weighted average LGD** *(%)*	**Exposure weighted average maturity** *(years)*	**RWA**	**Density of risk weighted exposure amounts**
Institutions	0.00 to <0.15	219	0.03%	45.00%	2.50	48	21.92%
	0.15 to <0.25	38	0.16%	45.00%	2.50	16	41.68%
	0.25 to <0.50	1	0.30%	45.00%	2.50	1	76.44%
	0.50 to <0.75	34	0.60%	45.00%	2.50	34	102.21%
	0.75 to <2.50	-	0.77%	45.00%	2.50	-	105.50%
	2.50 to <10.00	-	-	-	0.00	-	-
	10.00 to <100.00	-	20.02%	44.98%	2.50	-	286.63%
	100.00 (Default)	-	-	-	0.00	-	-
SUB-TOTAL		**292**	**0.12%**	**45.00%**	**2.50**	**99**	**34.11%**
Corporates – Other	0.00 to <0.15	380	0.05%	45.00%	4.35	120	31.47%
	0.15 to <0.25	49	0.16%	45.00%	2.75	21	43.38%
	0.25 to <0.50	152	0.33%	45.00%	2.47	92	60.33%
	0.50 to <0.75	107	0.60%	45.00%	2.50	86	80.02%
	0.75 to <2.50	67	1.12%	45.00%	2.54	67	100.85%
	2.50 to <10.00	39	5.30%	45.00%	2.56	63	162.26%
	10.00 to <100.00	17	16.21%	45.00%	2.50	41	244.37%
	100.00 (Default)	5	100.00%	45.00%	2.50	-	-
SUB-TOTAL		**815**	**1.40%**	**45.00%**	**3.38**	**489**	**60.08%**
Corporates – SME	0.00 to <0.15	17	0.06%	45.00%	2.50	3	17.74%
	0.15 to <0.25	5	0.16%	45.00%	2.50	1	27.90%
	0.25 to <0.50	34	0.34%	45.00%	2.50	15	46.07%
	0.50 to <0.75	12	0.60%	45.00%	2.55	8	61.55%
	0.75 to <2.50	66	0.94%	45.00%	2.60	46	69.30%
	2.50 to <10.00	27	3.37%	45.00%	2.50	25	91.68%
	10.00 to <100.00	3	18.12%	45.00%	2.50	5	170.19%
	100.00 (Default)	3	100.00%	45.00%	2.50	-	-
SUB-TOTAL		**167**	**3.26%**	**45.00%**	**2.54**	**103**	**61.49%**
TOTAL		**1,273**	**1.35%**	**45.00%**	**3.07**	**692**	**54.32%**

— Exposure to counterparty risk by portfolio and probability of default (PD) range, supervisory portfolios for advanced internal ratings-based approach at 31 December 2022 (CCR4)

31/12/2022 Exposure classes *(in millions of euros)*	PD scale	Exposure value	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	RWA	Density of risk weighted exposure amounts
Central governments and Central Banks	0.00 to <0.15	12,540	0.01%	7.94%	2.90	215	1.71%
	0.15 to <0.25	422	0.16%	7.22%	1.93	28	6.71%
	0.25 to <0.50	24	0.31%	10.00%	1.42	2	10.36%
	0.50 to <0.75	32	0.60%	10.00%	1.41	5	14.69%
	0.75 to <2.50	103	0.75%	45.00%	1.51	77	74.75%
	2.50 to <10.00	-	-	0.00%	-	-	0.00%
	10.00 to <100.00	5	20.00%	45.00%	4.77	13	276.99%
	100.00 (Default)	-	-	0.00%	-	-	0.00%
SUB-TOTAL		**13,126**	**0.03%**	**8.23%**	**2.85**	**341**	**2.59%**
Institutions	0.00 to <0.15	18,205	0.08%	37.90%	2.09	4,016	22.06%
	0.15 to <0.25	2,746	0.20%	40.60%	1.79	1,321	48.12%
	0.25 to <0.50	922	0.30%	41.84%	1.49	510	55.30%
	0.50 to <0.75	491	0.60%	38.81%	1.64	343	69.96%
	0.75 to <2.50	438	0.91%	43.70%	1.17	394	90.06%
	2.50 to <10.00	3	5.00%	60.69%	1.71	5	157.47%
	10.00 to <100.00	4	19.80%	50.97%	4.76	15	353.60%
	100.00 (Default)	-	100.00%	45.00%	1.64	-	0.00%
SUB-TOTAL		**22,808**	**0.13%**	**38.52%**	**2.01**	**6,604**	**28.95%**
Corporates – Other	0.00 to <0.15	19,302	0.05%	28.13%	1.62	2,399	12.43%
	0.15 to <0.25	2,410	0.16%	38.33%	2.34	1,068	44.30%
	0.25 to <0.50	4,192	0.30%	28.54%	1.30	1,383	32.99%
	0.50 to <0.75	1,933	0.60%	24.42%	0.38	564	29.20%
	0.75 to <2.50	1,855	0.88%	47.29%	1.10	1,433	77.23%
	2.50 to <10.00	410	4.06%	42.81%	2.17	566	138.10%
	10.00 to <100.00	54	16.19%	44.16%	1.61	120	224.22%
	100.00 (Default)	5	100.00%	45.00%	1.80	-	0.51%
SUB-TOTAL		**30,161**	**0.28%**	**30.17%**	**1.53**	**7,533**	**24.98%**
Corporates – SME	0.00 to <0.15	11	0.04%	41.00%	3.29	2	15.74%
	0.15 to <0.25	-	0.20%	83.51%	1.00	-	34.45%
	0.25 to <0.50	2	0.29%	40.95%	2.51	1	36.47%
	0.50 to <0.75	-	0.59%	43.20%	1.00	-	46.20%
	0.75 to <2.50	4	0.98%	39.73%	4.42	3	73.97%
	2.50 to <10.00	-	3.00%	41.10%	1.00	-	65.02%
	10.00 to <100.00	-	20.20%	48.61%	1.00	-	194.89%
	100.00 (Default)	-	0.00%	0.00%	-	-	0.00%
SUB-TOTAL		**17**	**0.36%**	**40.77%**	**3.41**	**6**	**32.13%**
Corporates – Specialised lending	0.00 to <0.15	56	0.06%	7.87%	4.62	4	6.35%
	0.15 to <0.25	302	0.16%	25.97%	4.68	109	36.11%
	0.25 to <0.50	155	0.30%	26.57%	4.39	74	47.76%
	0.50 to <0.75	126	0.60%	12.32%	4.97	39	30.50%
	0.75 to <2.50	29	1.19%	14.26%	4.49	12	41.46%
	2.50 to <10.00	6	5.00%	11.29%	2.89	2	41.42%
	10.00 to <100.00	19	15.39%	22.76%	3.61	25	127.93%
	100.00 (Default)	-	100.00%	9.48%	1.01	-	0.00%
SUB-TOTAL		**693**	**0.80%**	**21.44%**	**4.61**	**264**	**38.08%**
Retail – Other SME	0.00 to <0.15	-	-	-	-	-	0.00%
	0.15 to <0.25	-	0.22%	53.63%	1.00	-	31.75%
	0.25 to <0.50	-	0.44%	53.67%	1.00	-	49.13%
	0.50 to <0.75	-	0.55%	56.54%	1.00	-	58.46%
	0.75 to <2.50	-	1.33%	53.63%	1.00	-	82.51%
	2.50 to <10.00	-	3.13%	53.61%	1.00	-	103.24%
	10.00 to <100.00	-	14.31%	53.63%	1.00	-	141.60%
	100.00 (Default)	-	100.00%	80.00%	1.00	-	60.00%
SUB-TOTAL		**-**	**1.11%**	**54.49%**	**1.00**	**-**	**62.05%**
TOTAL		**66,807**	**0.19%**	**28.62%**	**1.98**	**14,748**	**22.08%**

— Exposure to counterparty risk by portfolio and probability of default (PD) range, supervisory portfolios for advanced internal ratings-based approach at 31 December 2021 (CCR4)

31/12/2021 Exposure classes *(in millions of euros)*	PD scale	Exposure value	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	RWA	Density of risk weighted exposure amounts
Central governments and Central Banks	0.00 to <0.15	8,098	0.01%	5.14%	2.66	88	1.08%
	0.15 to <0.25	366	0.16%	8.90%	2.59	32	8.76%
	0.25 to <0.50	19	0.30%	10.00%	1.18	2	9.65%
	0.50 to <0.75	47	0.60%	9.88%	2.39	8	17.34%
	0.75 to <2.50	45	0.91%	45.00%	3.29	46	102.62%
	2.50 to <10.00	1	8.00%	45.00%	4.43	1	212.17%
	10.00 to <100.00	22	20.00%	45.00%	4.98	62	279.29%
	100.00 (Default)	-	0.00%	0.00%	-	-	0.00%
SUB-TOTAL		**8,598**	**0.08%**	**5.65%**	**2.66**	**239**	**2.78%**
Institutions	0.00 to <0.15	16,795	0.05%	21.69%	2.06	1,539	9.16%
	0.15 to <0.25	2,566	0.16%	34.15%	1.92	918	35.76%
	0.25 to <0.50	1,484	0.30%	37.43%	1.74	755	50.85%
	0.50 to <0.75	529	0.60%	45.50%	1.75	448	84.73%
	0.75 to <2.50	416	0.95%	49.31%	1.35	431	103.46%
	2.50 to <10.00	4	5.00%	86.10%	1.94	11	288.72%
	10.00 to <100.00	13	19.96%	57.18%	1.95	47	349.80%
	100.00 (Default)	-	100.00%	45.00%	2.34	-	-
SUB-TOTAL		**21,809**	**0.12%**	**25.36%**	**2.00**	**4,148**	**19.02%**
Corporates – Other	0.00 to <0.15	16,068	0.04%	29.74%	1.64	1,900	11.82%
	0.15 to <0.25	1,900	0.16%	42.94%	3.11	1,019	53.63%
	0.25 to <0.50	2,596	0.32%	40.47%	1.78	1,280	49.31%
	0.50 to <0.75	1,958	0.60%	47.84%	0.72	1,194	60.96%
	0.75 to <2.50	1,763	0.95%	51.72%	1.17	1,526	86.57%
	2.50 to <10.00	486	4.55%	45.24%	2.99	794	163.43%
	10.00 to <100.00	168	15.66%	44.49%	2.52	402	239.69%
	100.00 (Default)	24	100.00%	45.00%	3.56	-	0.78%
SUB-TOTAL		**24,963**	**0.48%**	**35.25%**	**1.69**	**8,115**	**32.51%**
Corporates – SME	0.00 to <0.15	37	0.04%	51.86%	2.09	5	13.95%
	0.15 to <0.25	3	0.16%	54.52%	1.80	1	35.29%
	0.25 to <0.50	13	0.28%	59.29%	1.32	6	45.12%
	0.50 to <0.75	2	0.60%	52.30%	3.32	1	89.33%
	0.75 to <2.50	20	1.09%	52.45%	4.37	19	98.76%
	2.50 to <10.00	1	3.16%	52.30%	4.46	1	119.88%
	10.00 to <100.00	0	19.80%	52.50%	3.52	1	195.49%
	100.00 (Default)	-	0.00%	0.00%	-	-	-
SUB-TOTAL		**76**	**0.51%**	**53.44%**	**2.59**	**35**	**45.79%**
Corporates – Specialised lending	0.00 to <0.15	301	0.06%	8.11%	4.24	19	6.19%
	0.15 to <0.25	1,174	0.16%	16.31%	4.61	260	22.18%
	0.25 to <0.50	517	0.30%	17.33%	3.80	152	29.34%
	0.50 to <0.75	352	0.60%	13.65%	4.18	105	29.95%
	0.75 to <2.50	403	1.21%	13.72%	3.63	139	34.49%
	2.50 to <10.00	48	5.00%	20.92%	2.56	33	70.30%
	10.00 to <100.00	122	14.07%	33.17%	2.72	204	167.69%
	100.00 (Default)	19	100.00%	16.45%	4.16	-	0.00%
SUB-TOTAL		**2,936**	**1.68%**	**15.75%**	**4.13**	**912**	**31.08%**
Retail – Other SME	0.00 to <0.15	-	0.00%	0.00%	-	-	0.00%
	0.15 to <0.25	1	0.22%	53.63%	1.00	-	24.63%
	0.25 to <0.50	1	0.44%	53.63%	1.00	-	38.10%
	0.50 to <0.75	1	0.55%	53.63%	1.00	1	43.30%
	0.75 to <2.50	1	1.42%	53.63%	1.00	1	64.92%
	2.50 to <10.00	0	5.51%	53.63%	1.00	-	84.98%
	10.00 to <100.00	0	26.41%	53.63%	1.00	-	134.90%
	100.00 (Default)	0	100.00%	73.62%	1.00	-	31.37%
SUB-TOTAL		**5**	**2.39%**	**53.75%**	**1.00**	**3**	**48.59%**
TOTAL		**58,387**	**0.35%**	**26.24%**	**2.07**	**13,452**	**23.04%**

3.4.2.3.5 Collateral

— Composition of collateral for exposures to counterparty risk (CCR5)

31/12/2022 Collateral type *(in millions of euros)*		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	-	14,553	587	16,664	-	1,467	-	1,321
2	Cash – other currencies	-	9,267	117	15,130	-	726	-	544
3	Domestic sovereign debt	-	4,913	-	47	-	138,649	-	128,947
4	Other sovereign debt	-	3,057	-	-	-	121,338	-	99,510
5	Government agency debt	-	24	1,704	2,767	-	12,627	-	10,292
6	Corporate bonds	-	2,152	-	-	-	21,524	-	20,613
7	Equity securities	-	35	-	-	-	22,043	-	12,744
8	Other collateral	-	6	48	48	-	5,045	-	7,669
9	**TOTAL**	**-**	**34,006**	**2,456**	**34,657**	**-**	**323,419**	**-**	**281,639**

31/12/2021 Collateral type *(in millions of euros)*		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	-	10,455	24,593	7,151	-	398	-	677
2	Cash – other currencies	-	6,457	126	2,199	-	628	-	-
3	Domestic sovereign debt	-	6,376	-	130	-	199,227	-	164,854
4	Other sovereign debt	-	1,637	-	-	-	110,677	-	95,095
5	Government agency debt	-	23	1,646	-	-	12,641	-	11,837
6	Corporate bonds	-	316	-	-	-	20,010	-	14,481
7	Equity securities	-	38	-	-	-	17,222	-	14,059
8	Other collateral	-	1,167	15,008	8	-	3,567	-	7,204
9	**TOTAL**	**-**	**26,469**	**41,372**	**9,488**	**-**	**364,371**	**-**	**308,208**

3.4.2.3.6 Change in RWA using the internal model method (IMM)

— RWA flow statements for CCR exposures using the IMM (CCR7)

31/12/2022 *(in millions of euros)*		RWA amounts
0010	**RWAS AS AT THE END OF THE PREVIOUS REPORTING PERIOD (30/09/2022)**	**15,812**
0020	Asset size	1,661
0030	Credit quality of counterparties	25
0040	Model updates (IMM only)	-
0050	Methodology and policy (IMM only)	-
0060	Acquisitions and disposals	-
0070	Foreign exchange movements	(5,618)
0080	Other	(26)
0090	**RWAS AS AT THE END OF THE REPORTING PERIOD (31/12/2022)**	**11,854**

3.4.2.3.7 Central counterparty (CCP) exposures

— Central counterparty (CCP) exposures (CCR8)

	(in millions of euros)	31/12/2022 Exposure value	31/12/2022 RWA	31/12/2021 Exposure value	31/12/2021 RWA
1	**Exposures to QCCPs (total)**		**459**		**435**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	5,776	116	6,576	132
3	i) OTC derivatives	2,598	52	1,872	37
4	ii) Exchange-traded derivatives	49	1	285	6
5	iii) SFTs	3,129	63	4,420	88
6	iv) Netting sets where cross-product netting has been approved	-	-	-	-
7	Segregated initial margin	1,987		2,247	
8	Non-segregated initial margin	7,948	80	4,570	58
9	Prefunded default fund contributions	1,024	263	1,139	245
10	Unfunded default fund contributions	-	-		
11	**Exposures to non-QCCPs (total)**		**-**		**-**
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
13	i) OTC derivatives	-	-	-	-
14	ii) Exchange-traded derivatives	-	-	-	-
15	iii) SFTs	-	-	-	-
16	iv) Netting sets where cross-product netting has been approved	-	-	-	-
17	Segregated initial margin	-		-	
18	Non-segregated initial margin	-	-	-	-
19	Prefunded default fund contributions	-	-	-	-
20	Unfunded default fund contributions	-	-	-	-

3.4.2.3.8 CVA

The CRR/CRD 4 prudential framework introduced a new capital charge to cover volatility in the CVA (Credit Valuation Adjustment) or valuation adjustment for assets grouped together under the term "CVA Risk", which is intended to include in the valuation of OTC derivatives credit events affecting our counterparties. The CVA is thus defined as the difference between the valuation excluding risk of default and the valuation including the probability of default of our counterparties.

Under the prudential framework, institutions use a regulatory formula ("Standardised Approach") or are authorised to calculate their capital requirements using their internal models for both counterparty risk and specific rate risk using the advanced approach ("CVA VaR").

The CVA requirement under the advanced approach is calculated on the basis of expected positive exposure on OTC derivative transactions involving "Financial institution" counterparties excluding intragroup transactions. Within this scope, the tools used to estimate capital requirements are the same as for market VaR in respect of specific interest rate risk.

— Credit valuation adjustment (CVA) capital requirement (CCR2)

	(in millions of euros)	31/12/2022 Exposure value	31/12/2022 RWA	31/12/2021 Exposure value	31/12/2021 RWA
1	**Total transactions subject to the Advanced method**	**19,350**	**3,383**	**17,675**	**2,690**
2	i) VaR component (including the 3× multiplier)	-	861	-	259
3	ii) stressed VaR component (including the 3× multiplier)	-	2,522	-	2,431
4	**Transactions subject to the Standardised method**	**20,564**	**1,628**	**25,029**	**2,174**
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-	-	-
5	**TOTAL TRANSACTIONS SUBJECT TO OWN FUNDS REQUIREMENTS FOR CVA RISK**	**39,914**	**5,011**	**42,705**	**4,864**

3.4.2.4 Credit and counterparty risk mitigation techniques

— Overview of credit risk mitigation (CRM) techniques: disclosure of the use of CRM techniques (CR3)

	31/12/2022 *(in millions of euros)*	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	749,388	694,703	332,018	362,686	7,121
2	Debt securities	146,859	2,149	-	2,149	
3	**TOTAL**	**896,247**	**696,853**	**332,018**	**364,835**	**7,121**
4	Of which non-performing exposures	5,198	7,550	4,421	3,129	-
5	Of which defaulted	5,137	7,461	4,369	3,092	-

	31/12/2021 *(in millions of euros)*	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	729,975	665,618	325,205	340,413	8,184
2	Debt securities	155,781	2,554	-	2,554	
3	**TOTAL**	**885,756**	**668,172**	**325,205**	**342,967**	**8,184**
4	Of which non-performing exposures	3,491	7,090	4,471	2,619	-
5	Of which defaulted	3,406	6,918	4,362	2,555	-

For qualitative information about credit risk mitigation techniques (EU CRC), see below 3.4.2.4.1 "Credit risk mitigation techniques" and also 3.4.2.4.2 "Risk mitigation techniques applied to counterparty risk"

3.4.2.4.1 Credit risk mitigation techniques

Collateral management system for collateral received

The main categories of collateral taken into account by the bank are described in the section entitled "Risk management – Credit risk – Collateral and guarantees received".

When a credit is granted, collateral is analysed to assess the value of the asset, its liquidity, volatility and the correlation between the value of the collateral and the quality of the counterparty financed. Regardless of collateral quality, the first criterion in the lending decision is always the borrower's ability to repay sums due from cash flow generated by its operating activities, except for specific trade finance transactions.

For financial guarantees, a minimum exposure coverage ratio is usually included in loan contracts, with readjustment clauses. Financial guarantees are revalued according to the frequency of margin calls and the variability of the underlying value of financial assets transferred as guarantee or quarterly, as a minimum.

The minimum coverage ratio (or the haircut applied to the value of the guarantee in treatments under Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (CRR) and Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014) is determined using the measure of the pseudo-maximum deviation of the value of the securities at the revaluation date. This measurement is calculated with a 99% confidence interval over a time horizon covering the period between each revaluation, the period between the default date and the date on which asset disposal starts, and the duration of the liquidation period. This haircut also applies for currency mismatch risk when the securities and the collateralised exposure are denominated in different currencies. Additional haircuts are applied when the size of the stocks position implies a block disposal or when the borrower and the issuer of the collateral securities belong to the same risk group.

For Retail Banking (LCL, CA Italia), revaluation of real estate assets is automatic based on changes in the property market indexes. In contrast, for project-type property financing, assets are mainly revalued on the basis of an expert appraisal combining various approaches (asset value, rental value, etc.) and include external benchmarks.

Other types of assets may also be pledged as collateral. This is notably the case for certain activities such as aircraft, shipping, real estate or commodities financing. These businesses are conducted by middle offices, which have specific expertise in valuing the assets financed.

Protection providers

Two major types of guarantee are mainly used (other than intragroup guarantees): export credit insurance taken out by the Bank and unconditional payment guarantees.

The main guarantee providers (excluding credit derivatives) are export credit agencies, most of which enjoy a sovereign rating. The most important agencies are BPI (France), K-Sure (South Korea), ECGD (UK), Euler Hermes (Germany) and Sace S.p.A. (Italy).

The use of risk mitigation techniques by Crédit Agricole to cover some of its commitments to third parties

Crédit Agricole may also use risk mitigation techniques to cover some of its transactions vis-à-vis third parties, in particular refinancing transactions. The latter may contain an additional collateralisation clause in the event of a downgrading of the credit quality of Crédit Agricole S.A. corporate entity. By way of example, at end-2022, in the event of a one-notch credit quality downgrade, the Group would have had to provide the counterparties of the refinancing transactions with additional collateral totalling €288 million.

External ratings given to the export credit agencies

31/12/2022 *(in millions of euros)*	Moody's Long term rating (outlook)	Standard & Poor's Long term rating (outlook)	Fitch Ratings Long term rating (outlook)
Bpifrance Financement (EPIC Bpifrance)	Aa2 [stable]	Unrated	AA [négative]
Euler Hermès S.A. (Allianz Trade)	Aa3 [positive]	AA [stable]	Unrated
Sace S.p.A.	Unrated	Unrated	BBB [stable]

Moreover, the guarantees received from mutual guarantee companies cover a substantial portion of the loans in the Group's "residential real estate" portfolio in France (see table below). These loans are guaranteed by guarantees granted by Crédit Logement (rated Aa3 [stable] by Moody's) or by the Group's insurance company subsidiary, CAMCA Assurance S.A. (rated A+ [stable] by Fitch). The guarantors are subject to prudential regulation applying to either financing companies for Crédit Logement, or insurance companies (Solvency 2) for CAMCA Assurance.

Mortgage loan amounts guaranteed by CAMCA and Crédit Logement

(in millions of euros)	Outstandings 31/12/2022 Amount of guaranteed outstandings	Outstandings 31/12/2022 % of guaranteed loans in the "residential mortgage loans" portfolio in France	Outstandings 31/12/2021 Amount of guaranteed outstandings	Outstandings 31/12/2021 % of guaranteed loans in the "residential mortgage loans" portfolio in France
Coverage by surety agencies (Crédit Logement, CAMCA)	277,553	60.19%	254,631	58.76%

When a guarantee is issued, the guarantor applies an independent selection policy in addition to that already implemented by the bank. Where Crédit Logement is concerned, the guarantee issued covers, with no deductible, the payment of all amounts legally due by defaulting borrowers in principal, interest, insurance premiums and costs. In respect of CAMCA Assurance, the guarantee mechanism is broadly similar to that of Crédit Logement, with the difference that the payments made by CAMCA Assurance with respect to the guarantee arise once the bank's means of recourse against the borrower have been exhausted. Ultimately, these guarantee provisions significantly enhance the quality of the mortgage loans guaranteed and constitute a full transfer of risk in respect of the loans.

3.4.2.4.2 Risk mitigation techniques applied to counterparty risk

Credit derivatives for hedging purposes

These techniques are presented in the "Risk management" part of Chapter 3, Section 2.4.II.4.3 "Credit risk – Credit risk mitigation mechanisms – Use of credit derivatives".

Qualitative information on CRM techniques is discussed in Chapter 3, Part 2 "Risk management" of this document:

- for more information concerning on- and off-balance sheet netting, see Section 2.4.II.4, paragraph 4.2 "Use of netting agreements";
- for more information on the valuation and management of eligible collateral, see Section 2.4.II.4 "Credit risk mitigation mechanisms";
- for the reduction of risk concentrations through credit risk mitigation transactions, see, respectively, Sections 2.4.II.3 "Supervision system of commitments" and 2.4.II.4 "Credit risk mitigation mechanisms», paragraph 4.3 "Use of credit derivatives".

Credit derivatives exposures (CCR6)

31/12/2022 *(in millions of euros)*		Protection bought	Protection sold
Notionals			
0010	Single-name credit default swaps	16,275	12,657
0020	Index credit default swaps	2,552	546
0030	Total return swaps	-	1,805
0040	Credit options	-	-
0050	Other credit derivatives	-	-
0060	**TOTAL NOTIONALS**	**18,827**	**15,008**
Fair values			
0070	Positive fair value (asset)	1,742	1,734
0080	Negative fair value (liability)	(630)	(175)

3.4.2.5 Equity exposures in the banking portfolio

The Crédit Agricole Group's equity exposures, excluding the trading book, consist of securities "that convey residual, subordinated claims on the assets or revenues of the issuer or have a similar economic substance". These mainly include:

- listed and unlisted equities and shares in investment funds;
- options implicit in convertible, redeemable or exchangeable bonds;
- stock options;
- super-subordinated securities.

The accounting policies and valuation methods used are described in Note 1.2 to the financial statements "Accounting policies and principles".

— Equity exposures subject to the simple risk-weight approach (CR10.5)

31/12/2022 Categories *(in millions of euros)*	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Expected loss amount
Private equity exposures	2,639	87	190%	2,726	5,180	22
Exchange-traded equity exposures	562	-	290%	562	1,630	4
Other equity exposures	11,876	11	370%	11,832	43,778	284
TOTAL	**15,078**	**98**		**15,121**	**50,589**	**310**

— Equity exposures subject to the simple risk-weight approach (CR10.5)

31/12/2021 Categories *(in millions of euros)*	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Expected loss amount
Private equity exposures	2,268	55	190%	2,323	4,413	19
Exchange-traded equity exposures	1,248	-	290%	1,248	3,619	10
Other equity exposures	18,147	-	370%	18,048	66,773	433
TOTAL	**21,662**	**55**		**21,618**	**74,805**	**462**

Equity exposures under the Internal Ratings-Based approach mainly consist of the portfolios of Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Capital Investissement et Finance.

Equity exposures (on- and off-balance sheet) under the Internal Ratings-Based approach amounted to €15.2 billion at 31 December 2022 (compared with €21.7 billion at 31 December 2021).

Furthermore, equity exposures using the Standardised Approach amounted to €1.6 billion at 31 December 2022 for an RWA amount of €1.9 billion at 31 December 2022.

The aggregate amount of capital gains and losses on sales and liquidations during the period under review is presented in Note 4 to the financial statements "Notes to the income statement and other comprehensive income".

3.4.3 Securitisation

With regard to qualitative information on securitisation exposures (EU SECA), see below paragraphs 3.4.3.1 "Definitions of securitisation transactions", 3.4.3.2 "Purpose and strategy" and 3.4.3.3 "Summary of activities in 2022".

3.4.3.1 Definitions of securitisation transactions

The Crédit Agricole Group acts as originator, sponsor and investor in securitisation transactions within the meaning of the Basel 3 framework.

Securitisation transactions, listed below, consist of transactions defined in Directive 2013/36/EU (CRD 4) and (EU) Regulation 575/2013 of 26 June 2013 (CRR) in force since 1 January 2014. The Directive and regulations incorporate into European law the Basel 3 international reform (issued in December 2010), which introduces, among other things, new requirements for bank solvency and oversight of liquidity risk. These texts are supplemented by Regulations (EU) 2017/2401 and 2017/2402 of the European Parliament and the Council of 12 December 2017. Regulation 2017/2402 revises the general framework of securitisation and creates a specific framework for simple, transparent, and standardised securitisations, and Regulation 2017/2401 amends the calculation formulas applicable for securitisations with regard to the solvency ratio and corresponds to the Basel 4 framework for securitisation.

This applies to transactions under which the credit risk associated with an exposure or set of exposures is sub-divided into tranches, which have the following two characteristics:

- payments made within the transaction or scheme depend on the performance of the underlying exposure or basket of exposures;
- the subordination of tranches determines how losses are distributed during the lifetime of the transaction or scheme.

Securitisation transactions include:

- traditional securitisations: a securitisation involving the transfer of the economic interest in the securitised exposures by transferring ownership of those exposures from the originator to a securitisation entity or by a sub-participation of a securitisation entity, in which the securities issued do not represent payment obligations for the originator;
- synthetic securitisations: a securitisation whereby the transfer of risks takes place through the use of credit derivatives or guarantees and in which the securitised exposures remain exposures for the originator.

The securitisation exposures detailed below indicate all the securitisation exposures of Crédit Agricole CIB (recognised on- or off-balance sheet) which give rise to risk weighted assets (RWA) and capital requirements in respect of the regulatory portfolio according to the following typologies:

- the securitisation exposures for which the Group is deemed an originator;

- exposures in which the Group is an investor;
- exposures in which the Group is a sponsor;
- securitisation swap exposures (currency or interest rate hedges) allocated to securitisation vehicles.

Note that most securitisation transactions on behalf of European customers involve Ester Finance Technologies, a wholly owned credit institution subsidiary of Crédit Agricole CIB, which finances the purchase of receivables and therefore makes Crédit Agricole CIB both sponsor and, via Ester Finance Technologies, originator of these securitisation transactions.

The impact on the consolidated financial statements of proprietary securitisation transactions carried out within the context of collateralised financing activities that are not deconsolidated is detailed in Note 6.6 to the financial statements "Transferred assets not derecognised or derecognised with on-going involvement".

3.4.3.2 Purpose and strategy

3.4.3.2.1 Proprietary securitisation transactions

The Crédit Agricole Group's proprietary securitisation transactions are the following:

Collateralised financing activities

These transactions are designed for the issue of securities and, where appropriate, can be wholly or partially placed with investors, sold under repurchase agreements or kept on the issuer's balance sheet as liquid securities reserves that can be used to manage refinancing. This activity relates to several Group entities, mainly CA Consumer Finance and its subsidiaries as well as EFL (Europejski Fundusz Leasingowy) in Poland and Crédit Agricole Italia. In this case, the junior and/or mezzanine positions are retained.

It should be noted in this respect that since 2015 the Crédit Agricole Regional Banks have regularly carried out home loan securitisation transactions ("RMBS") in the context of the Crédit Agricole Habitat programme. Some of these transactions are fully underwritten to constitute liquid securities reserves (Crédit Agricole Habitat 2019, in which LCL also participates); for the others, (Crédit Agricole Habitat 2018, 2020, 2022), the senior securities are placed on the market and each Regional Bank holds a portion of the junior securities. These transactions are rated by Moody's and DBRS Morningstar. The Crédit Agricole Habitat 2022 transaction carried out in March 2022, which has STS status, made it possible to issue €1 billion of senior securities rated Aaa/AAA.

Transactions carried out by the CACF group in 2022

In 2022, the Crédit Agricole Consumer Finance Group completed four public issues fully held and used as collateral for financing activities: SUNRISE 94 2022-1 issued in March for €809.7 million as senior tranche, SUNRISE 2022-2 issued in September for €783.6 million as senior tranche, Ginkgo Auto Loans 2022 issued in March for €575.2 million as senior tranche and Ginkgo Sales Finance 2022 issued in April for €747.6 million as senior tranche.

In addition, in December, Leasys issued a private transaction (LABIRS ONE) placed with two counterparties for €860 million of senior notes.

All the public issues carried out in 2022 had STS status. The CACF Group used the following rating agencies: Fitch Ratings and DBRS Morningstar. The names of the securitisation vehicles are listed above for each transaction.

Many previous CACF Group transactions were still in place in 2022:

- for CACF S.A.: Ginkgo DC 2015-1 (FCT Ginkgo), Ginkgo MRL 2021 (FCT Ginkgo Master Revolving Loans 2021), as well as Ginkgo PL 2020 (FCT Ginkgo Personal Loans 2020), which is STS, rated by Fitch Ratings and DBRS Morningstar and self-underwritten to constitute liquid securities reserves;
- for Agos Ducato S.p.A.: Sunrise 2017 Private (SPV30 2017-P), Sunrise 2018-2 (SPV50 2018-2), Sunrise 2019 Private (SPV60 2019-P), Sunrise 2019-1 (SPV70 2019-1), Sunrise 2019-2 (SPV80 2019-2), Sunrise 2021-2 (SPV93 2021-2), the senior tranches of which have been placed, and Sunrise 2020-1 (SPV90 2020-1), Sunrise 2021-1 (SPV92 2021-1), self-underwritten to constitute liquid securities reserves; these transactions, with the exception of the private transactions, are rated by Fitch Ratings and DBRS Morningstar. Sunrise 2019-1, 2019-2 and 2020-1, Sunrise 2021-1, Sunrise 2021-2 are STS;
- for CACF Nederland B.V.: Magoï B.V., STS, rated by Fitch Ratings and DBRS Morningstar, with all tranches placed;
- for Banco Credibom, S.A.: Thetis Finance No. 2, STS, rated by Fitch Ratings and Standard & Poor's, the senior tranches of which were partially retained to constitute liquid securities reserves, and partially used as collateral in a financing transaction;
- for Creditplus Bank AG: Retail Automotive CP Germany 2021 UG, STS, rated by Standard & Poor's and DBRS, the senior tranches of which were partially held to constitute liquid securities reserves and partially used as collateral in a financing transaction;
- for FCA Bank: ABEST 14, 19, 20 and 21 rated by Fitch Ratings and DBRS Morningstar or Fitch Ratings and Moody's, self-underwritten to constitute liquid securities reserves; ABEST 16, rated by Standard & Poor's and Moody's, the senior tranches of which have been placed. FCA Bank also uses the Eramus and Nixes 6 programmes, not rated, whose senior tranches have been placed. Lastly, the ABEST 17 transactions, which are S.T.S., rated respectively by Fitch Ratings and Moody's and Fitch Ratings and DBRS Morningstar, with all tranches placed, enable FCA Bank to reduce its prudential balance sheet.

Transactions carried out by the CAL&F group in 2022

Europejski Fundusz Leasingowy (EFL) did not carry out any new transactions in 2022.

Two previous EFL transactions were still in place in 2022: "TETRA": a synthetic securitisation completed in 2019 covering an initial portfolio of PLN 2.1 billion with finance-lease receivables, not rated, in which EFL retained only one tranche of first losses, the amortisation of which began at end-2021; and "Lease ABS 2021-1 DAC" tied to finance lease receivables for the amount of PLN 1.7 billion. The transaction was supported by the EIB Group (European Investment Bank and European Investment Fund) as a direct investor in part of the issue and a guarantor for the balance. The senior tranche has been rated by Fitch Ratings and Scope Ratings.

Transactions carried out by Crédit Agricole Italia in 2022

Crédit Agricole Italia did not carry out any new transactions in 2022. In 2021, Crédit Agricole FriulAdria S.p.A. and Credito Valtellinese S.p.A. completed a €1.8 billion securitisation of non-performing loans via a disposal to the "Ortles 21" vehicle. Crédit Agricole Italia has underwritten the senior bonds covered by the Italian government's GACS *(Garanzia Cartolarizzazione Sofferenze)* guarantee scheme, rated by DBRS Morningstar, Scope Ratings and Arc Ratings. The junior and mezzanine bonds were placed on the market, thus allowing a prudential deconsolidation of the portfolio sold. In 2022, given the strong performance of the loan book, the vehicle redeemed 25% of the senior bonds.

Crédit Agricole Italia also holds senior bonds from the Elrond and Aragorn securitisations (completed by Creval in 2017 and 2018, respectively), both of which benefit from the GACS guarantee.

Crédit Agricole CIB's transfer of risks by means of proprietary securitisation transactions are the following:

Active management of the financing portfolio

In addition to using credit derivatives (see the “Risks and Pillar 3 – Use of credit derivatives” chapter), this activity consists of using synthetic securitisations to manage the credit risk of the bank, optimise capital allocation, reduce the concentration of outstanding corporate loans, release resources to contribute to the renewal of the banking portfolio (as part of the Distribute to Originate model) and maximise the return on capital. This activity is managed by the Private Debt Solutions team, which reports both to the Execution Management department within the Finance department and to the Debt Optimisation and Distribution department at Crédit Agricole CIB. The approach used to calculate the risk-weighted amounts on proprietary securitisation exposures is the regulatory formula approach. In this such transactions, the Bank does not systematically purchase protection on all tranches, as the management goal is to cover some of the more risky financing portfolio tranches whilst keeping part of the overall risk.

New securitisations carried out by Crédit Agricole CIB in 2022

As part of the management of the financing portfolio, the PDS team set up four new synthetic securitisation transactions:

- DREAMS, with a private investor. This five-year transaction covers a total of €1 billion of Crédit Agricole CIB’s secured mortgage loan portfolio. This transaction is secured by a cash collateral equal to the amount of risk guaranteed;
- CEDAR 2022-1 and CEDAR 2022-2, with private investors. These five-year transactions cover a total of €9.8 billion in Crédit Agricole CIB’s large corporates loan book. These transactions are secured by a cash collateral equal to the amount of risk guaranteed. These two transactions have STS (Simple, Transparent and Standard) status;
- PERS 2, with a private investor. This five-year transaction covers a €2.5 billion portfolio of Crédit Agricole CIB credit facilities. This transaction is secured by a cash collateral equal to the amount of risk guaranteed.

These transactions are private and unrated. For all these transactions, Crédit Agricole CIB sold the first losses and the mezzanine position.

At end-2022, the synthetic securitisation transactions previously put in place by Crédit Agricole CIB also represented a hedged portfolio amount of €12.79 billion.

3.4.3.2.2 Securitisation transactions carried out on behalf of customers as arranger, sponsor, intermediary or originator

Only Crédit Agricole CIB, within the Crédit Agricole Group, carries out securitisation transactions on behalf of its customers.

Securitisation transactions on behalf of customers within Global Markets activities allow Crédit Agricole CIB to raise funds or manage a risk exposure on behalf of its customers. When carrying out these activities, Crédit Agricole CIB can act as an originator, sponsor, arranger or investor:

- as a sponsor and arranger, Crédit Agricole CIB structures and manages securitisation programmes that refinance assets of the bank’s customers, mainly via ABCP (Asset Backed Commercial Paper) programmes, LMA in Europe, Atlantic and La Fayette in the United States and ITU in Brazil. These specific entities are protected from Crédit Agricole CIB bankruptcy risk, but are consolidated for accounting purposes at Group level;
- as an investor, the Group invests directly in certain securitisation exposures and is a liquidity provider or counterparty of derivative exposures (foreign exchange or interest rate swaps for instance);
- as an arranger, sponsor or originator, Crédit Agricole CIB carries out securitisation transactions on behalf of its customers. At 31 December 2022, there were four active consolidated multi-seller vehicles (LMA, Atlantic, La Fayette and ITU), structured by the Group on behalf of third parties. LMA, Atlantic, La Fayette and ITU are fully supported ABCP programmes. This ABCP programme activity finances the working capital requirements of some of the Group’s customers by backing short-term financing with traditional assets, such as trade receivables or financial loans. The amount of the assets held by these vehicles and financed through the issuance of marketable securities amounted to €31.5 billion at 31 December 2022 (€28 billion at 31 December 2021).

The default risk on the assets held by these vehicles is borne by the sellers of the underlying receivables through credit enhancement or by insurers for certain types of risk upstream of the ABCP transactions. Crédit Agricole CIB bears the risk through liquidity facilities.

Activities carried out as sponsor

The programme activity was sustained throughout 2022, and the newly securitised outstandings mainly relate to trade receivables and financial loans.

For part of this programme activity, Crédit Agricole CIB acts as the originator insofar as the structures involve the entity Ester Finance Technologies, which is a consolidated Group entity.

The amount committed to liquidity facilities granted to LMA, Atlantic, La Fayette and ITU as sponsors was €40 billion at 31 December 2022 (€38 billion at 31 December 2021).

It should be noted that the majority of European ABCP transactions are of STS quality.

Activities carried out as investor

As part of its sponsor activities, the Group can grant guarantees and liquidity facilities to securitisation vehicles or act as a counterparty for derivatives in *ad hoc* securitisation transactions. These are mainly exchange rate swaps provided to the ABCP programmes and interest rate swaps for some ABS issues. These activities are recorded in the banking portfolio as investor activities.

Moreover, Crédit Agricole CIB may be called upon to directly finance on its balance sheet some securitisation transactions on behalf of its customers (mainly aircraft transactions and vehicle fleet financing) or provide support through a liquidity facility to an issue by special purpose vehicles external to the bank (SPV or ABCP programme not sponsored by the bank). In this case, Crédit Agricole CIB is deemed to be an investor. This activity represented commitments of €2 billion at 31 December 2022 (€2 billion at 31 December 2021).

Intermediation transactions

Crédit Agricole CIB participates in the structuring and in the placement of securities, backed by client asset pools and to be placed with investors.

In this activity, the Crédit Agricole CIB retains a relatively low risk via the possible contribution of back-up lines to securitisation vehicles or via a share of the securities issued.

3.4.3.2.3 Risk monitoring and recognition

Risk monitoring

The management of risks related to securitisation transactions follows the rules established by the Group, according to which these assets are recorded in the banking portfolio (credit and counterparty risk) or in the trading book (market and counterparty risk).

The development, sizing and targeting of securitisation transactions are periodically reviewed by Portfolio Strategy Committees specific to those activities and the countries to which they relate, as well as in the course of Group Risk Management Committee meetings.

Risks on securitisation transactions are measured against the capacity of the assets transferred over to financing structures to generate sufficient flows to cover the costs, mainly financial, of these structures.

Crédit Agricole CIB's securitisation exposures are treated in accordance with the IRB securitisation framework approach, which is:

- the Internal Ratings-Based Approach (IRBA): This approach is primarily based on the prudential weighting of the underlying debt portfolio and the attachment point of the tranche in question. For S.T.S. securitisations, Crédit Agricole CIB applies Article 260 of Regulation (EU) 575/2013 of 26 June 2013 (CRR), which provides for a 10% risk weighting minimum for senior securitisation exposures;
- the External Ratings-Based Approach (ERBA) for exposures that receive (directly or by induced rating) public external ratings from agencies approved by the Committee of European Supervisors. The external agencies used are Standard & Poor's, Moody's, Fitch Ratings and DBRS Morningstar;
- the Standardised Approach (SA): This approach is primarily based on the prudential weighting of the underlying debt portfolio (using the Standardised Approach) and the attachment point of the tranche in question. For STS securitisations, Crédit Agricole CIB applies Article 262 of Regulation (EU) 575/2013 of 26 June 2013 (CRR), which provides for a 10% risk weight minimum for senior securitisation exposures;
- the Internal Assessment Approach (IAA): internal rating methodology approved by Crédit Agricole S.A.'s Standards and Methodology Committee for the main asset classes (particularly trade receivables and vehicle financing) if there are no agency ratings for the exposure in question.

These methods apply irrespective of whether the transactions are S.T.S. or non-S.T.S., notwithstanding the differences in the rules applicable between S.T.S. and non-S.T.S. transactions described in Articles 254.2-(a) and 254.2-(b) of the CRR.

In line with the regulations, the internal assessment approaches used by Crédit Agricole CIB replicate the public methodologies of the external rating agencies. These have two components:

- a quantitative component that in particular evaluates the enhancement of transactions having regard to historical performances as well as the possible risk of "commingling" generated by the transaction;
- a qualitative component that supplements the quantitative approach and that makes it possible, among other things, to evaluate the quality of structures as well as reporting.

The internal rating methodologies apply to the securitisation of trade receivables, car loans and dealer financing.

Stress test parameters are dependent on the rating of securitisations and of the securitised underlyings. For example, for a rating equivalent to AA (on the S&P scale), the stress test parameter for default risk is around 2.25 for trade receivables transactions, usually 3 for car loan securitisation, and for the securitisation of dealer financing, the credit stress scenario is comprised of a number of items including in particular a three notch downgrade in the car manufacturer's rating.

Note that aside from regulatory calculation purposes, internal ratings are used in the course of the origination process to evaluate the profitability of transactions.

As regards the management of internal models, an independent unit within the Crédit Agricole Group is responsible for validating internal methodologies. Moreover, regular audits are conducted by the Control and Audit department to ensure the internal methodologies are relevant. Backtesting and stress testing are also done regularly by the modelling teams.

These ratings cover all types of risks generated by such securitisation transactions: intrinsic risks on receivables (debtor insolvency, payment delays, dilution, offsetting of receivables) or risks on the structuring of transactions (legal risks, risks relating to the receivables collection circuits, risks relating to the quality of information supplied periodically by managers of the receivables sold, other risks related to the seller, etc.).

These critically examined ratings are only a tool for making decisions pertaining to the transactions; such decisions are taken by Credit Committees at various levels.

Credit decisions relate to transactions that are reviewed at least once a year by the same Committees. Committee decisions incorporate varying limits according to the evolution of the acquired portfolio (arrears rate, loss rate, rate of sector-based or geographical concentration, rate of dilution of receivables or periodic valuation of assets by independent experts, etc.). Non-compliance with these limits may cause the structure to become stricter or place the transaction in early amortisation.

These credit decisions also include, in liaison with the Bank's other Credit Committees, an assessment focusing on the risk generated by the sellers of the receivables and the possibility of substituting the manager by a new one in the event of a failure in the management of those receivables.

Like all credit decisions, these decisions include aspects of compliance and "country risk".

At 31 December 2022, Ester Finance Titrisation recognised impaired loans (Bucket 3) for €179.9 million and an impairment (Bucket 3) of €6.7 million. Net of impairment, this entity had a total of €21.7 billion in securitised assets.

The liquidity risk associated with securitisation activities is monitored by the business lines in charge, but also centrally by the Market Risk and Steering departments of Crédit Agricole CIB. The impact of these activities is incorporated into the Internal Liquidity Model indicators, mainly stress scenarios, liquidity ratios and liquidity gaps. The management of liquidity risk at Crédit Agricole CIB is described in more detail in the "Liquidity and financing risk" paragraph of the "Risk factors" and "Risk management" sections in this chapter.

The management of foreign exchange risk with respect to securitisation transactions does not differ from that of the Group's other assets. As regards interest rate risk management, securitised assets are refinanced through special purpose vehicles according to interest rate matching rules similar to those applying to other assets.

For assets managed in run-off mode, each disposal of position is first approved by the Market Risk department of Crédit Agricole CIB.

Accounting policies

Investments made in securitisation instruments (cash or synthetic) are recognised according to their classification and the associated valuation method (see Note 1.2 to the consolidated financial statements on accounting policies and principles for financial asset classification and valuation methods).

The securitisation exposures can be classified in the following accounting categories:

- "Financial assets at amortised cost": these securitisation exposures are measured following initial recognition at amortised cost based on the effective interest rate and may, if necessary, be impaired;
- "Financial assets at fair value through equity recyclable to profit or loss": these securitisation exposures are remeasured at fair value at the end of the reporting period and any changes in fair value are recognised in other comprehensive income and may be reclassified to profit or loss;
- "Financial assets at fair value through profit or loss": these securitisation exposures are remeasured at fair value at the end of the reporting period and any changes in fair value are recognised through profit or loss under "Net gains (losses) on financial instruments at fair value through profit or loss".

Gains (losses) on the disposal of these securitisation exposures are recognised in accordance with the rules of the original category of the exposures sold.

As part of securitisation transactions, a derecognition test is carried out pursuant to IFRS 9 (the criteria can be found in Note 1.2 to the consolidated financial statements on accounting policies and principles).

In the case of synthetic securitisations, the assets are not derecognised in that they remain under the control of the institution. The assets are still recognised according to their classification and original valuation method (see Note 1.2 to the consolidated financial statements on accounting policies and principles for financial asset classification and valuation methods).

3.4.3.3 Summary of activities in 2022

Crédit Agricole CIB's Securitisation activity in 2022 was characterised by:

- support of the development of the public ABS market in the United States and in Europe. Crédit Agricole CIB structured and organised the placement (arranger and bookrunner) of a significant number of primary ABS issues on behalf of its major "Financial institution" customers, in particular in the automotive industry and in consumer finance;
- on the ABCP programme market, Crédit Agricole CIB maintained its ranking as one of the leaders in this segment, both in Europe and on the US market. This was achieved via the renewal and implementation of new securitisation transactions for trade receivables or financial loans on behalf of its mainly Corporate customers, while ensuring that the profile of risks borne by the Bank remained good. The strategy of Crédit Agricole CIB, focused on the financing of its customers, is well perceived by investors and resulted in financing terms that are still competitive;
- increased activity in terms of proprietary synthetic securitisations as part of the management of the capital allocated to financing activities and the management of the bank's risk envelopes.

Outside Crédit Agricole CIB, the Crédit Agricole Consumer Finance Group completed four public issues entirely held and used as collateral in financing activities, and the Crédit Agricole Habitat 2022 transaction carried out in March 2022 made it possible to issue €1 billion of senior securities rated Aaa/AAA.

At 31 December 2022, Crédit Agricole Group had no early redemption securitisation transactions. Moreover, Crédit Agricole Group did not provide any implicit support to securitisation transactions in 2022.

No Group entity invested in securitisation transactions initiated by Crédit Agricole S.A. or in securitisation exposures issued by securitisation entities sponsored by Crédit Agricole S.A. in 2022. The Group does not hold any resecuritisation positions.

3.4.3.4 Securitised exposures

3.4.3.4.1 Exposure at default to securitisation transaction risks in the banking portfolio that generate risk-weighted assets

— Securitisation exposures in the IRB and STD banking portfolio (SEC1)

31/12/2022 (in millions of euros)	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic		Sub-total	Traditional		Syn-thetic	Sub-total	Traditional		Syn-thetic	Sub-total
	STS		Non-STS												
		of which SRT		of which SRT		of which SRT		STS	Non-STS			STS	Non-STS		
1 TOTAL EXPOSURES	**20,205**	**-**	**1,486**	**-**	**16,442**	**16,442**	**38,133**	**3,981**	**15,174**	**-**	**19,155**	**1,032**	**2,155**	**7**	**3,194**
2 Retail (total)	**107**	**-**	**279**	**-**	**-**	**-**	**386**	**1,271**	**7,760**	**-**	**9,031**	**1,032**	**884**	**7**	**1,924**
3 Residential mortgage	-	-	-	-	-	-	-	-	1	-	2	140	220	-	360
4 Credit card	-	-	-	-	-	-	-	-	240	-	240	-	-	-	-
5 Other retail exposures	107	-	279	-	-	-	386	1,271	7,518	-	8,789	893	662	-	1,555
6 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	1	7	8
7 Wholesale (total)	**20,098**	**-**	**1,208**	**-**	**16,442**	**16,442**	**37,747**	**2,710**	**7,414**	**-**	**10,124**	**-**	**1,271**	**-**	**1,271**
8 Loans to corporates	-	-	-	-	13,729	13,729	13,729	357	514	-	871	-	-	-	-
9 Commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	11	-	11
10 Lease and receivables	20,098	-	1,044	-	-	-	21,142	2,353	4,596	-	6,949	-	478	-	478
11 Other wholesale	-	-	163	-	2,712	2,712	2,876	-	2,303	-	2,303	-	782	-	782
12 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

31/12/2021 (in millions of euros)	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic		Sub-total	Traditional		Syn-thetic	Sub-total	Traditional		Syn-thetic	Sub-total
	STS		Non-STS												
		of which SRT		of which SRT		of which SRT		STS	Non-STS			STS	Non-STS		
1 TOTAL EXPOSURES	**19,804**	**-**	**1,150**	**-**	**12,395**	**12,395**	**33,348**	**3,692**	**14,829**	**-**	**18,522**	**570**	**1,948**	**7**	**2,525**
2 Retail (total)	**107**	**-**	**389**	**-**	**-**	**-**	**497**	**1,422**	**8,369**	**-**	**9,790**	**570**	**1,086**	**7**	**1,663**
3 Residential mortgage	-	-	-	-	-	-	-	-	-	-	-	438	14	-	452
4 Credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Other retail exposures	107	-	389	-	-	-	497	1,422	8,369	-	9,790	132	1,050	-	1,182
6 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	22	7	29
7 Wholesale (total)	**19,697**	**-**	**760**	**-**	**12,395**	**12,395**	**32,852**	**2,271**	**6,461**	**-**	**8,731**	**-**	**862**	**-**	**862**
8 Loans to corporates	-	-	-	-	9,839	9,839	9,839	357	65	-	422	-	-	-	-
9 Commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	11	-	11
10 Lease and receivables	19,697	-	754	-	-	-	20,451	1,914	4,185	-	6,099	-	241	-	241
11 Other wholesale	-	-	6	-	2,556	2,556	2,561	-	2,211	-	2,211	-	611	-	611
12 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

— Exposure at default of securitisation transactions broken down by on- and off-balance sheet accounting classification

	Underlying Asset *(in millions of euros)*	Exposure values on 31/12/2022		
		On balance sheet	Off balance sheet	Total
1	**TOTAL EXPOSURES**	**2,467**	**58,015**	**60,482**
2	**Retail (total)**	**1,491**	**9,849**	**11,340**
3	Residential mortgage	137	225	362
4	Credit card	-	240	240
5	Other retail exposures	1,353	9,377	10,730
6	Re-securitisation	1	7	8
7	**Wholesale (total)**	**976**	**48,167**	**49,142**
8	Loans to corporates	-	14,600	14,600
9	Commercial mortgage	-	11	11
10	Lease and receivables	345	28,226	28,570
11	Other wholesale	631	5,330	5,961
12	Re-securitisation	-	-	-

— Securitisation exposures in the banking portfolio and related regulatory capital requirements – Bank acting as issuer or agent IRB and STD (SEC3)

	31/12/2022 *(in millions of euros)*	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%
1	**TOTAL EXPOSURES**	**52,898**	**2,967**	**1,411**	**1**	**12**	**17,662**	**35,159**	**4,468**	**1**	**3,278**	**5,393**	**836**	**7**	**262**	**431**	**67**	**1**
2	**Traditional transactions**	**38,012**	**2,803**	**32**	**1**	**-**	**1,220**	**35,159**	**4,468**	**1**	**183**	**5,393**	**836**	**7**	**15**	**431**	**67**	**1**
3	Securitisation	38,012	2,803	32	1	-	1,220	35,159	4,468	1	183	5,393	836	7	15	431	67	1
4	Retail underlying	9,306	111	-	-	-	-	7,162	2,255	-	-	1,142	354	-	-	91	28	-
5	Of which STS	1,378	-	-	-	-	-	1,271	107	-	-	127	11	-	-	10	1	-
6	Wholesale	28,706	2,692	32	1	-	1,220	27,997	2,213	1	183	4,251	482	7	15	340	39	1
7	Of which STS	21,582	1,206	-	-	-	-	22,788	-	-	-	3,286	-	-	-	263	-	-
8	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	**Synthetic transactions**	**14,886**	**164**	**1,379**	**-**	**12**	**16,442**	**-**	**-**	**-**	**3,095**	**-**	**-**	**-**	**248**	**-**	**-**	**-**
10	Securitisation	14,886	164	1,379	-	12	16,442	-	-	-	3,095	-	-	-	248	-	-	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	14,886	164	1,379	-	12	16,442	-	-	-	3,095	-	-	-	248	-	-	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
31/12/2021 *(in millions of euros)*		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250 % RW	1250% RW/ deduc-tions	SEC-IRBA	SEC-ERBA (inclu-ding IAA)	SEC-SA	1250%	SEC-IRBA	SEC-ERBA (inclu-ding IAA)	SEC-SA	1250%/ dedu-ctions	SEC-IRBA	SEC-ERBA (inclu-ding IAA)	SEC-SA	1250%
1	**TOTAL EXPOSURES**	**46,473**	**3,268**	**2,107**	**11**	**11**	**13,330**	**34,342**	**4,198**	**-**	**2,954**	**5,674**	**803**	**-**	**236**	**454**	**64**	**-**
2	**Traditional transactions**	**37,256**	**2,202**	**6**	**11**	**-**	**935**	**34,342**	**4,198**	**-**	**140**	**5,674**	**803**	**-**	**11**	**454**	**64**	**-**
3	Securitisation	37,256	2,202	6	11	-	935	34,342	4,198	-	140	5,674	803	-	11	454	64	-
4	Retail underlying	10,088	199	-	-	-	-	7,706	2,581	-	-	1,239	408	-	-	99	33	-
5	Of which STS	1,502	26	-	-	-	-	1,422	107	-	-	152	11	-	-	12	1	-
6	Wholesale	27,168	2,003	6	11	-	935	26,637	1,617	-	140	4,435	396	-	11	355	32	-
7	Of which STS	20,944	646	-	-	-	-	21,589	-	-	-	3,185	-	-	-	255	-	-
8	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	**Synthetic transactions**	**9,217**	**1,066**	**2,101**	**-**	**11**	**12,395**	**-**	**-**	**-**	**2,814**	**-**	**-**	**-**	**225**	**-**	**-**	**-**
10	Securitisation	9,217	1,066	2,101	-	11	12,395	-	-	-	2,814	-	-	-	225	-	-	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	9,217	1,066	2,101	-	11	12,395	-	-	-	2,814	-	-	-	225	-	-	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

— Securitisation exposures in the banking portfolio and related regulatory capital requirements – Bank acting as investor IRB and STD (SEC4)

		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
31/12/2022 *(in millions of euros)*		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deduc-tions	SEC-IRBA	SEC-ERBA (inclu-ding IAA)	SEC-SA	1250%	SEC-IRBA	SEC-ERBA (inclu-ding IAA)	SEC-SA	1250%/ deduc-tions	SEC-IRBA	SEC-ERBA (inclu-ding IAA)	SEC-SA	1250%
1	**TOTAL EXPOSURES**	**2,964**	**144**	**76**	**8**	**1**	**758**	**1,891**	**543**	**-**	**131**	**238**	**362**	**-**	**10**	**19**	**29**	**-**
2	**Traditional securitisation**	**2,957**	**144**	**76**	**8**	**1**	**758**	**1,891**	**536**	**-**	**131**	**238**	**273**	**-**	**10**	**19**	**22**	**-**
3	Securitisation	2,957	144	76	8	-	758	1,891	535	-	131	238	259	-	10	19	21	-
4	Retail underlying	1,751	124	38	2	-	26	1,495	393	-	6	219	236	-	-	18	19	-
5	Of which STS	997	-	35	-	-	-	895	137	-	-	114	14	-	-	9	1	-
6	Wholesale	1,206	20	38	7	-	732	396	142	-	125	19	23	-	10	2	2	-
7	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Re-securitisation	-	-	-	-	1	-	-	1	-	-	-	14	-	-	-	1	-
9	**Synthetic securitisation**	**7**	**-**	**-**	**-**	**-**	**-**	**-**	**7**	**-**	**-**	**-**	**89**	**-**	**-**	**-**	**7**	**-**
10	Securitisation	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Retail underlying	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

31/12/2021 *(in millions of euros)*	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%
1 TOTAL EXPOSURES	**2,182**	**457**	**35**	**18**	**26**	**947**	**865**	**907**	**-**	**234**	**146**	**655**	**1**	**19**	**12**	**52**	**-**
2 Traditional securitisation	**2,178**	**457**	**35**	**18**	**20**	**947**	**865**	**896**	**-**	**234**	**146**	**356**	**1**	**19**	**12**	**28**	**-**
3 Securitisation	2,178	457	35	18	-	947	865	876	-	234	146	107	1	19	12	9	-
4 Retail underlying	1,273	457	1	-	-	437	733	561	-	150	113	59	1	12	9	5	-
5 Of which STS	641	-	-	-	-	-	132	509	-	-	13	51	-	-	1	4	-
6 Wholesale	905	-	34	18	-	510	132	315	-	84	34	47	-	7	3	4	-
7 Of which STS	1	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	-	20	-	-	20	-	-	-	249	-	-	-	20	-
9 Synthetic securitisation	**-**	**-**	**-**	**-**	**6**	**-**	**-**	**6**	**-**	**-**	**-**	**80**	**-**	**-**	**-**	**6**	**-**
10 Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Re-securitisation	-	-	-	-	6	-	-	6	-	-	-	80	-	-	-	6	-

— Securitisation exposures – defaulted exposures and adjustment of specific credit risk (SEC5)

31/12/2022 *(in millions of euros)*	Exposures securitised by the institution – Institution acts as originator or as sponsor		
	Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
		Of which exposures in default	
1 TOTAL EXPOSURES	**57,268**	**1,166**	**-**
2 Retail (total)	**9,417**	**20**	**-**
3 Residential mortgage	2	-	-
4 Credit card	240	-	-
5 Other retail exposures	9,175	20	-
6 Re-securitisation	-	-	-
7 Wholesale (total)	**47,851**	**1,146**	**-**
8 Loans to corporates	14,600	140	-
9 Commercial mortgage	-	-	-
10 Lease and receivables	28,072	1,002	-
11 Other wholesale	5,179	5	-
12 Re-securitisation	-	-	-

31/12/2021 *(in millions of euros)*	Exposures securitised by the institution – Institution acts as originator or as sponsor		
	Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
		Of which exposures in default	
1 TOTAL EXPOSURES	**51,870**	**1,161**	**-**
2 Retail (total)	**10,287**	**16**	**-**
3 Residential mortgage	-	-	-
4 Credit card	-	-	-
5 Other retail exposures	10,287	16	-
6 Re-securitisation	-	-	-
7 Wholesale (total)	**41,583**	**1,145**	**-**
8 Loans to corporates	10,261	20	-
9 Commercial mortgage	-	-	-
10 Lease and receivables	26,550	1,124	-
11 Other wholesale	4,772	1	-
12 Re-securitisation	-	-	-

3.4.3.5 Exposure at default of securitisation transaction risks in the trading book that generate risk-weighted assets

Exposure at default of securitisation transactions by role

— Securitisation exposures in the trading book (SEC2)

31/12/2022 *(in millions of euros)*	Institution acts as originator				Institution acts as sponsor				Institution acts as investor			
	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
	STS	Non-STS			STS	Non-STS			STS	Non-STS		
1 TOTAL EXPOSURES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**162**	**-**	**162**
2 Retail (total)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**139**	**-**	**139**
3 Residential mortgage	-	-	-	-	-	-	-	-	-	113	-	113
4 Credit card	-	-	-	-	-	-	-	-	-	-	-	-
5 Other retail exposures	-	-	-	-	-	-	-	-	-	11	-	11
6 Re-securitisation	-	-	-	-	-	-	-	-	-	15	-	15
7 Wholesale (total)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22**	**-**	**22**
8 Loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-
9 Commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-
10 Lease and receivables	-	-	-	-	-	-	-	-	-	22	-	22
11 Other wholesale	-	-	-	-	-	-	-	-	-	-	-	-
12 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-

31/12/2021 *(in millions of euros)*	Institution acts as originator				Institution acts as sponsor				Institution acts as investor			
	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
	STS	Non-STS			STS	Non-STS			STS	Non-STS		
1 TOTAL EXPOSURES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**191**	**-**	**191**
2 Retail (total)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**176**	**-**	**176**
3 Residential mortgage	-	-	-	-	-	-	-	-	-	125	-	125
4 Credit card	-	-	-	-	-	-	-	-	-	-	-	-
5 Other retail exposures	-	-	-	-	-	-	-	-	-	35	-	35
6 Re-securitisation	-	-	-	-	-	-	-	-	-	16	-	16
7 Wholesale (total)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**16**	**-**	**16**
8 Loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-
9 Commercial mortgage	-	-	-	-	-	-	-	-	-	1	-	1
10 Lease and receivables	-	-	-	-	-	-	-	-	-	13	-	13
11 Other wholesale	-	-	-	-	-	-	-	-	-	1	-	1
12 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-

Exposure at default only concerns traditional securitisations.

— Exposure at default of securitisation transactions by approach and by weighting

Risk weighting tranche *(in millions of euros)*	31/12/2022 Long Positions	Short Positions	Capital requirement	31/12/2021 Long Positions	Short Positions	Capital requirement
EAD subject to weighting	-	-	-	-	-	-
0-10% weightings	-	-	-	-	-	-
10-12% weightings	-	-	-	-	-	-
12-20% weightings	4	-	-	39	-	-
20-40% weightings	22	-	-	16	-	-
40-100% weightings	120	-	2	119	-	1
100-150% weightings	-	-	-	1	-	-
150-200% weightings	-	-	-	-	-	-
200-225% weightings	-	-	-	-	-	-
225-250% weightings	-	-	-	-	-	-
250-300% weightings	-	-	-	-	-	-
300-350% weightings	-	-	-	-	-	-
350-425% weightings	-	-	-	-	-	-
425-500% weightings	-	-	-	-	-	-
500-650% weightings	-	-	-	-	-	-
650-750% weightings	-	-	-	-	-	-
750-850% weightings	-	-	-	-	-	-
850-1,250% weightings	-	-	-	-	-	-
1,250% weightings	15	-	3	16	-	3
Internal valuation approach	**162**	**-**	**5**	**191**	**-**	**5**
Supervisory Formula Approach	-	-	-	-	-	-
Transparency Approach	-	-	-	-	-	-
NET TOTAL OF DEDUCTIONS OF EQUITY	**-**	**-**	**-**	**-**	**-**	**-**
1,250%/Positions deducted from capital	-	-	-	-	-	-
TOTAL TRADING BOOK	**162**	**-**	**5**	**191**	**-**	**5**

— Capital requirements relating to securitisations held or acquired

(in millions of euros)	31/12/2022 Long positions	Short positions	Total weighted positions	Capital requirement	31/12/2021 Long positions	Short positions	Total weighted positions	Capital requirement
WEIGHTED EAD	**162**	**-**	**5**	**5**	**191**	**-**	**5**	**5**
Securitisation	146	-	2	2	176	-	2	2
Resecuririsation	15	-	3	3	16	-	3	3
Deductions	-	-	-	-	-	-	-	-

3.4.4 Market risk

3.4.4.1 Internal model market risk measurement and management methodology

Market risk measurement and management by internal methods **(EU MRB)** are described in the "Risk management – Market risks – Market risk measurement and management methodology" section.

With regard to qualitative information on market risk and the description of market risk management strategies and processes (EU MRA):

- Crédit Agricole CIB has a specific market risk management system with its own organisation independent of operational hierarchies, risk identification and measurement methods, monitoring and consolidation procedures. In terms of scope, this system covers all market risks. Crédit Agricole CIB has pursued a prudent policy to manage market risks consistent with its appetite for risk framework.

Concerning the structure and organisation of the market risk management function:

- risk frameworks and limits are supervised by a number of Committees, in particular the Strategy and Portfolio Committees (SPC), the Market Risk Committees (MRC), the Crédit Agricole CIB Risk Committees and the Group Risk Committees (GRC);
- from an operational standpoint, the Market and Counterparty Risks (MCR) department is responsible for the identification, measurement and monitoring of market risks. Its missions are divided between (i) Activity Monitoring; (ii) Risk Management and (iii) Cross-Sector Monitoring;
- the complete market risk control system is described in the "Risk management" section of the present document (Part 2.5).

Finally, with regard to risk assessment systems, the Crédit Agricole CIB Market Risk Committee (MRC) meets monthly and is chaired by the Management Committee member in charge of risks. It is made up of the bank's head of capital market activities and the managers monitoring market risk. This Committee reviews Crédit Agricole CIB's positions and the profit and loss account of its capital market activities and verifies compliance with the limits assigned to each activity. It has the authority to make decisions on requests for increases in operational limits.

As regards information on VaR and SVaR models (EU MRB-A), these VaR and SVaR models cover most of Crédit Agricole CIB's trading books for the various risk classes (interest rate, credit, equity and foreign exchange).

Among the market risks assessed using internal models, 33% of the RWA come from VaR models and 50% from SVaR models at end-December 2022.

The distributions of future losses due to changes in market parameters are obtained from the application of the 261 historical scenarios for the current period and the stressed period respectively (recalibrated on an annual basis). The calculated quantile is the mean between the second and third worst-case scenario:

- the main driver of the VaR covers risks on spots, curves and volatilities;
- shock methodologies are specific to the nature of the risks;
- a satellite covers a subset of idiosyncratic bond risk;
- the VaR and SVaR calculations are supplemented by capital add-ons covering certain non-VaR risk factors;
- the same VaR model is applied to counterparty credit risk for the regulatory CVA reserve and supplemented by some specific treatments for counterparties for which there are no observable CDS.

With regard to the internal models for measuring capital requirements for additional default and migration risks (IRC) (EU MRB-B):

- the IRC (Incremental Default and Migration Risk Charge) is calculated for the Crédit Agricole CIB trading book, in particular for the following activities: sovereign debt, hybrid activities and corporate bonds;
- with regard to the internal models for measuring capital requirements for additional default and migration risks (IRC), they account for 16% of the RWA for market risks assessed using the internal model at end-December 2022;
- the IRC measures the issuer risk for the trading portfolio for a horizon of one year and a confidence interval of 99.9%:
  - the distribution of losses related to that risk is estimated based on the Monte Carlo simulation of one million rating migration scenarios including defaults,
  - the CASA master internal rating scale gives a probability of default for each internal rating. Migration probabilities are calibrated for historical credit events and determined by rating,
  - the correlations of migration and default are obtained based on the Merton model applied to systemic risk factors,
  - shocks are applied to the credit spreads in the event of migration, which have been calibrated to the average levels of CDS spreads by credit quality, region and issuer type,
  - loss given default rates are stochastic and centred on market values;
- the liquidity horizon is fixed at one year;
- convergence is monitored and assured by considering a sufficient number of simulations;
- the models are validated according to the governance established for the internal models;
- the stress tests are applied to the following parameters: migration and default probabilities through rating downgrades and upward and downward stress on CDS spreads from which credit shocks in case of migration are derived;
- the consistency of the IRC parameters is tested by comparing these values with other internal or external calibrations and also through the annual benchmarking exercise organised by the EBA on hypothetical portfolios.

With regard to the internal models for measuring capital requirements for the correlation portfolio (EU MRB-C), it should be noted that Crédit Agricole CIB is not affected.

3.4.4.2 Rules and procedures for valuing the trading book

The rules for valuing the various items in the trading book are described in Note 1.2 to the financial statements, "Accounting policies and principles".

Measurement models are reviewed periodically as described in the "Risk management – Market risk – Market risk measurement and management methodology" section.

With regard to the qualitative disclosures required for institutions using internal market risk models (EU MRB), including the reliability and prudence of exposure value estimates:

Internal control systems and implementation procedures are the responsibility of the Market and Counterparty Risks department (MCR), which covers all trading books of Crédit Agricole CIB Group's consolidated entities. The organisation and functioning of this department are described in the "Risk management" part of the present document (Part 2.5.Market risk).

The market risk framework is based on a set of qualitative and quantitative risk monitoring indicators, including Value at Risk (VaR), Stressed VaR (SVaR) and stress test scenario measurements.

The monitoring of activity of the MCR department is responsible for the control and validation of market parameters independently from the Front Office; the cross-function MCR teams (IPV – Independent Price Valuation) validate valuation parameters and observability mapping.

Market reserves are used to hedge against valuation uncertainties which may be mainly related to market observations (bid/ask spreads) and models. They are supplemented by Day One reserves, which are applied to products whose valuation requires the use of significant unobservable parameters or where there is a high degree of model risk.

Crédit Agricole CIB implements an additional prudence measure – Prudent Valuation. This applies to all trading and banking book positions recognised at fair market value. It is broken down into nine accounting adjustments: price uncertainty, liquidation costs, model risk, concentrated positions, prepaid credit spreads, borrowing cost, early termination, future administrative costs and operational risk. All of the various categories are then aggregated and deducted from the Common Equity Tier One (Prudent Valuation Capital Requirement presented in the "Risk management" section of the present dcument (Part 2.5).

All Crédit Agricole CIB activities are valued using internal models: VaR models, Stressed Value-at-Risk (SVaR) models and Incremental Default and Migration Risk Charge (IRC) models, with the exception of a few isolated products that remain in the standardised model.

3.4.4.3 Exposures to market risk of the trading book

3.4.4.3.1 Risk-weighted exposure using the Standardised Approach

— Risk-weighted exposure using the Standardised Approach (MR1)

		31/12/2022	31/12/2021
	(in millions of euros)	RWA	RWA
	Futures and forwards		
1	Interest rate risk (general and specific)	539	808
2	Risk on shares (general and specific)	-	-
3	Currency risk	2,897	4,546
4	Commodities risk	21	16
	Options		
5	Simplificated approach	-	-
6	Delta-plus method	2	6
7	Scenarios based approach	32	39
8	Securitisation (specific risk)	57	58
9	**TOTAL**	**3,549**	**5,472**

3.4.4.3.2 Exposures using the Internal Models Approach

Risk-weighted assets and capital requirements

— Market risk under the Internal Models Approach (MR2-A)

		31/12/2022		31/12/2021	
	(in millions of euros)	RWA	Capital requirement	RWA	Capital requirement
1	**VaR (higher of values a and b)**	**3,739**	**299**	**1,137**	**91**
(a)	Previous day's VaR (VaRt-1)		49		29
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		299		91
2	**SVaR (higher of values a and b)**	**5,696**	**456**	**3,923**	**314**
(a)	Latest available SVaR (SVaRt-1)		69		52
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		456		314
3	**IRC (higher of values a and b)**	**1,839**	**147**	**2,350**	**188**
(a)	Most recent IRC measure		64		97
(b)	12 weeks average IRC measure		147		188
4	**Comprehensive risk measure (higher of values a, b and c)**	**-**	**-**	**-**	**-**
(a)	Most recent risk measure of comprehensive risk measure		-		-
(b)	12 weeks average of comprehensive risk measure		-		-
(c)	Comprehensive risk measure Floor		-		-
5	**Other**	**-**	**-**		**-**
6	**TOTAL**	**11,274**	**902**	**7,409**	**593**

— RWEA flow statement for market risk exposures using the Internal Models Approach (IMA) (MR2-B)

	31/12/2022 *(in millions of euros)*	VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total own funds requirements
1	**RWEAS AT PREVIOUS PERIOD END (30/09/2022)**	**3,778**	**5,660**	**2,091**	**-**	**-**	**11,529**	**922**
1a	Regulatory adjustment	2,981	4,306	578	-	-	7,864	629
1b	RWEAs at the previous quarter-end (end of the day)	797	1,355	1,513	-	-	3,665	293
2	Movement in risk levels	(152)	(455)	(657)	-	-	(1,264)	(101)
3	Model updates/changes	-	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	(28)	(33)	(53)	-	-	(114)	(9)
7	Other	-	-	-	-	-	-	-
8a	RWEAs at the end of the reporting period (end of the day)	617	866	804	-	-	2,287	183
8b	Regulatory adjustment	3,122	4,830	1,035	-	-	8,987	719
8	**RWEAS AT THE END OF THE REPORTING PERIOD (31/12/2022)**	**3,739**	**5,696**	**1,839**	**-**	**-**	**11,274**	**902**

Values resulting from use of internal models

— Value of the trading book using the Internal Models Approach (IMA) (MR3)

	(in millions of euros)	31/12/2022	31/12/2021
1	**VaR (10 days, 99%)**		
2	Maximum value	84	59
3	Mean value	48	25
4	Minimum value	21	15
5	End of period value	49	29
6	**VaR in stressed period (10 days, 99%)**		
7	Maximum value	133	98
8	Mean value	76	58
9	Minimum value	46	31
10	End of period value	69	52
11	**Capital requirement in line with IRC (99.9%)**		
12	Maximum value	432	365
13	Mean value	134	114
14	Minimum value	49	62
15	End of period value	49	75
16	**Capital requirement in line with CRM (99.9%)**		
17	Maximum value	-	-
18	Mean value	-	-
19	Minimum value	-	-
20	End of period value	-	-
21	Floor (standard measure method)	-	-

3.4.4.4 Backtesting of the VaR model (MR4)

The backtesting process of the VaR (Value at Risk) model to check the relevance of the model, as well as the results of this backtesting, are presented in Chapter 3 Part 2 “Risk management” of the present document.

Regarding the analysis of the outliers, the VaR backtesting method for Crédit Agricole CIB’s regulatory scope compares the daily VaR amounts with the daily P&L excluding uncertainty reserves (actual 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 end-December 2022, there were ten backtesting exceptions over a rolling 12-month period, with hypothetical losses exceeding VaR. These exceptions, to be considered in determination of the own funds amount, are mainly due to the strong and various market’s variations that have been observed since the 4th quarter of 2021 due to macroeconomic environment (inflationary pressures, systemic crisis with the war in Ukraine).

Hypothetical P&L losses above VaR occurred on the following dates: February 7, 8, 25; March 9 ,11 17, 28, 29; April 11 and May 16 2022.

The reasons for these exceptions are related to the strong repetitive variations of the different market risks factors, namely: interest rates, inflation, forex, equity volatility as well as credit spread and bond yields.

3.4.5 Operational risk

3.4.5.1 Advanced Measurement Approach

The French Regulatory and Resolution Supervisory Authority, the ACPR, has, since 1 January 2008, authorised the main Crédit Agricole Group entities to use the Advanced Measurement Approach (AMA) to calculate their regulatory capital requirements for operational risk. The other Group entities use the Standardised Approach, in accordance with regulations.

The scope of application of the Advanced Measurement and Standardised Approaches and a description of the Advanced Measurement Approach methodology are provided in the "Risk management – Operational risks – Methodology" section.

General qualitative information on operational risk **(EU ORA)** is discussed in Chapter 3, Part 2 "Risk management" of this document:

- for risk management targets and policies, see the paragraph "Organisation and governance of the Operational Risk Management function" in Section 2.8.I;
- for approaches for the assessment of minimum equity requirements, see Section 2.8.II "Methodology";
- for the AMA approach, see Section 2.8.II "Methodology", the paragraph entitled "AMA regulatory capital requirement calculation";
- for the use of insurance for risk mitigation in the Advanced Measurement Approach, see Section 2.8.IV "Insurance and coverage of operational risks".

3.4.5.2 Insurance techniques for reducing operational risk

The insurance techniques used to reduce operational risk are described in the "Risk management – Operational risks – Insurance and coverage of operational risks" section.

— Capital requirements and RWA amounts for operational risk (OR1)

		Relevant indicator				
	Banking activities	**Year 3**	**Year 2**	**Last year**	**Own funds requirements**	**Risk weighted exposure amount**
1	Banking activities subject to basic indicator approach (BIA)					
2	Banking activities subject to standardised (TSA)/alternative standardised (ASA) approaches	7,121	8,250	10,222	1,129	14,115
3	Subject to TSA:	7,121	8,250	10,222	-	-
4	Subject to ASA:	-	-	-	-	-
5	Banking activities subject to advanced measurement approaches AMA	24,417	25,680	26,137	3,692	46,147

The information used for the calculation of the standardised capital requirements (SCR) is based on the most recent data at the reporting date.

3.5 ASSET ENCUMBRANCE

Medians of the four quarterly end-of-period values over the previous twelve months.

Template EU AE1 – Encumbered and unencumbered assets

(in millions of euros)	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
	010	030	040	050	060	080	090	100
010 Assets of the reporting institution	**387,539**	**41,989**			**1,658,462**	**358,895**		
030 Equity instruments	2,835	1,129	2,835	1,129	11,240	549	8,622	548
040 Debt securities	45,292	40,833	45,333	40,846	135,638	99,439	121,879	103,036
050 Of which: covered bonds	3,319	3,314	3,319	3,314	2,176	2,074	2,062	2,015
060 Of which: securitisations	454	189	363	189	647	451	649	451
070 Of which: issued by general governments	38,272	35,441	38,447	35,617	65,841	67,596	72,202	70,649
080 Of which: issued by financial corporations	6,412	4,875	6,278	4,867	46,766	19,853	30,875	17,051
090 Of which: issued by non-financial corporations	692	440	692	440	17,236	8,065	11,032	7,849
120 Other assets	339,412	27			1,511,584	258,907		

— Template EU AE2 – Collateral received and own debt securities issued

(in millions of euros)	Fair value of encumbered collateral received or own debt securities issued		Unencumbered: Fair value of collateral received or own debt securities issued available for encumbrance	
		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
	010	030	040	060
130 Collateral received by the reporting institution	**258,651**	**237,019**	**66,579**	**46,080**
140 Loans on demand	0	0	0	0
150 Equity instruments	14,974	5,774	8,823	1,251
160 Debt securities	243,677	231,245	57,757	44,829
170 Of which: covered bonds	1,803	1,441	680	530
180 Of which: securitisations	5,795	4,989	2,920	2,239
190 Of which: issued by general governments	217,855	216,924	42,991	40,410
200 Of which: issued by financial corporations	15,425	8,637	10,958	2,372
210 Of which: issued by non-financial corporations	8,047	4,362	4,431	1,567
220 Loans and advances other than loans on demand	0	0	0	0
230 Other collateral received	0	0	0	0
240 OWN DEBT SECURITIES ISSUED OTHER THAN OWN COVERED BONDS OR SECURITISATIONS	859	0	32,518	0
241 OWN COVERED BONDS AND ASSET-BACKED SECURITIES ISSUED AND NOT YET PLEDGED			25,564	1,913
250 TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	**647,049**	**279,008**	**0**	**0**

Template EU AE3 – Sources of encumbrance

(in millions of euros)	Matching liabilities, contingent liabilities o securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitization encumbered
	010	030
010 Carrying amount of selected financial liabilities	**608,630**	**599,396**

Table EU AE4 – Additional narrative information

Crédit Agricole S.A. monitors and manages the asset encumbrance level in the Crédit Agricole Group.

The Crédit Agricole Group's asset encumbrance ratio stood at 24.2% at 31 December 2022.

The Crédit Agricole Group's asset encumbrance relates mainly to loans and receivables (other than loans on demand). The pledge of receivables due from private customers aims to obtain refinancing under advantageous conditions or to constitute reserves that can easily be made liquid if needed. The policy of Crédit Agricole S.A. aims to both diversify the instruments used to improve resistance to liquidity stress, which could affect individual markets differently, and to limit the share of assets pledged in order to retain good quality assets that can be easily liquidated in the market through existing mechanisms in case of stress.

The decrease in the Crédit Agricole Group's asset encumbrance ratio observed in 2022 is explained in particular by the partial repayment of drawdowns from the ECB under TLTRO.

The sources of asset encumbrance mainly related to loans and receivables (other than loans on demand) are as follows:

- covered bonds referred to in Article 52-(4), first sub-paragraph of Directive 2009/65/EC, issued under the following four programmes:
  - Crédit Agricole Home Loan SFH, pledging the receivables of the Regional Banks and LCL,
  - Crédit Agricole Public Sector SCF, pledging the receivables of Crédit Agricole CIB,
  - Crédit Agricole Italia OBG SRL, pledging the receivables of the Crédit Agricole Italia Group,
  - CAnb Hypotheques SA, pledging the receivables of Crédit Agricole Next Bank S.A. (Switzerland).

  At 31 December 2022, the placed covered bonds amounted to €49 billion for a total of €56.1 billion in encumbered underlying assets, thus complying with the contractual and regulatory requirements in terms of over-collateralisation;
- asset-backed securities (ABS) issued during securitisation transactions – as defined in Article 4-(1), item 61, of Regulation (EU) No. 575/2013 – mainly carried out by the CA Consumer Finance Group and its subsidiaries, as well as by the Regional Banks and LCL (through the FCT CA Habitat programmes).

  At 31 December 2022, placed asset-backed securities amounted to €6.9 billion for a total of €7.2 billion in encumbered underlying assets;
- guaranteed deposits (other than repurchase agreements) mainly associated with financing activities: from the ECB under T-LTROs, via Crédit Agricole CIB's ESTER securitisation conduit, as well as French or supranational institutional organisations (such as the CDC and the EIB).

  At 31 December 2022, guaranteed deposits (other than repurchase agreements) amounted to €122.5 billion for a total of €157.1 billion in encumbered assets;
- debt securities (other than covered bonds or ABSs) issued to the Caisse de Refinancement de l'Habitat (CRH) in the form of promissory notes, pledging the receivables of the Regional Banks and LCL.

  At 31 December 2022, these securities amounted to €6.2 billion for a total of €8.7 billion in encumbered assets.

As Crédit Agricole S.A. is the central actor in most of these secured financing mechanisms, these levels of encumbrance are broken down at an intragroup level between Crédit Agricole S.A., its subsidiaries and the Crédit Agricole Regional Banks.

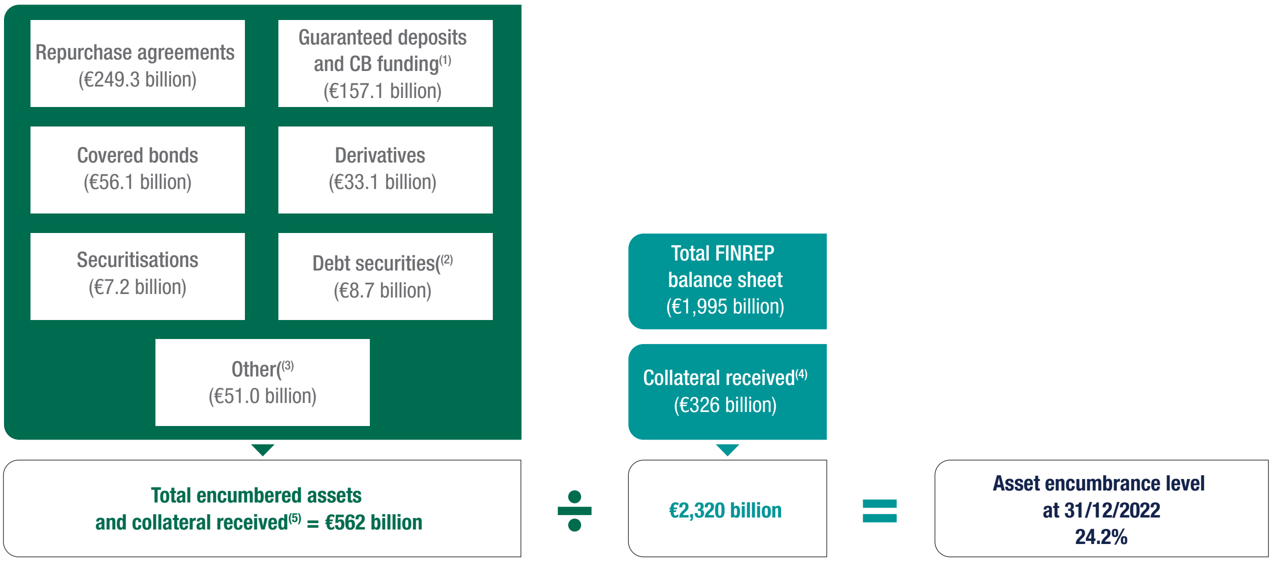
The other main sources of asset encumbrance in the Crédit Agricole Group are:

- repurchase agreements, mainly associated with the activity of Crédit Agricole CIB and mainly encumbering the collateral received comprising debt securities and, on an ancillary basis, equity instruments. In particular, this source concentrates the majority of encumbrance held in the second material currency (USD), within the meaning of Annex XVII of the Implementing Regulation (EU) No. 2021/451, other than the reporting currency (EUR).

  At 31 December 2022, repurchase agreements amounted to €255.7 billion for a total of €249.3 billion in encumbered assets and collateral received;
- securities lending/borrowing, mainly related to the activity of Crédit Agricole CIB and CACEIS and mainly encumbering the collateral received comprising debt securities and, on an ancillary basis, equity instruments.

  At 31 December 2022, securities lending/borrowing amounted to €50.9 billion for a total of €49.9 billion in encumbered assets and collateral received;
- derivatives associated mainly with the OTC derivative activity of Crédit Agricole CIB and mainly encumbering cash as part of margin calls.

  At 31 December 2022, margin calls amounted to €33.1 billion.



(1) Central banks.
(2) Other than covered bonds or ABSs.
(3) Mainly securities lending and borrowing.
(4) Excluding collateral that could not be encumbered.
(5) In accordance with the current regulations, for the purpose of asset encumbrance level calculation, the total of encumbered assets and collateral received re-used does not include the own debt securities issued other than covered bonds and securitisations.

3.6 INFORMATION ON THE LIQUIDITY REQUIREMENT MODEL

3.6.1 Liquidity Risk Management

In addition to paragraph 3 "Risks and Pillar 3", 2 "Risk management", 6 "Balance sheet management", IV "Liquidity and funding risk" to meet the requirements defined in the EU LIQA **template (Liquidity risk management)** – Article 451a-(4) CRR.

Liquidity risk management is monitored at each level of sub-consolidation as well as at Crédit Agricole Group level.

a) Liquidity risk management strategy and process

The strategy implemented by the Crédit Agricole Group in terms of liquidity risk management is based on a few main principles:

- a financing structure that minimizes risk and substantial liquidity buffers, intended to enable the Group to withstand a possible liquidity crisis;
- a prudent management of intraday liquidity risk;
- a robust mechanism for managing liquidity risk.

The Group ensures the diversification of its sources of market financing via dedicated indicators, both for the short and the long term. Diversification relates to the category of the counterparty (different market players, retail and corporate clients), the currency and the country of the counterparty.

b) Structure and organization of the liquidity risk management function

Liquidity risk management is coordinated for the Crédit Agricole Group by the Group Financial Monitoring department, within the finance department of Crédit Agricole S.A.

Liquidity risk, supervised and managed by the finance department, is based on liquidity risk management indicators produced by Group entities and consolidated. The Group Risk department provides a second look at liquidity risk management through standards, indicators, limits, and participates in liquidity governance meetings.

c) Centralization of liquidity and intra-group interactions

Crédit Agricole S.A. plays the role of hub bank for the Group's entities. Crédit Agricole S.A. ensures the proper circulation of liquidity between Group entities and implements the market financing plan at its level, which it redistributes within the entities.

For specific reasons and subject to conditions, Crédit Agricole S.A. authorizes some Group entities to have direct access to the markets. This is particularly the case for CACF, Crédit Agricole CIB and CA Italia.

d) Liquidity risk reporting and monitoring systems

In practice, liquidity risk is monitored via a centralized tool common to all entities that are part of the Group's liquidity risk monitoring scope.

Via a chart of accounts adapted to the monitoring of liquidity risk, this tool makes it possible to identify the homogeneous compartments of the balance sheet of the Group and of each of its entities. This tool also conveys the schedule for each of these compartments. In production since 2013, it measures the various indicators standardized by the Group on a monthly basis:

- internal liquidity model indicators: liquidity balance sheet, reserves, stress scenarios, concentration of short-term and long-term refinancing, etc.;
- regulatory indicators: LCR, NSFR, ALMM.

This system is supplemented by management tools providing a daily view of certain risks (intraday liquidity, daily production of the LCR).

Liquidity management is also integrated into the Group's planning process. Thus the balance sheet is projected, particularly in the context of budget exercises, the medium-term plan or stress simulations.

e) Hedging of liquidity risk

The liquidity risk management policies implemented by the Crédit Agricole Group consist in having a solid balance sheet structure in order to be able to deal with situations of stress or liquidity crises (liquidity outflows or market closures). This essentially involves:

- giving priority to medium-long-term refinancing and limiting recourse to short-term refinancing. As such, the Group has set itself a management objective in terms of Stable Resource Position and a limit in terms of net short-term refinancing;
- controlling the Group's footprint on the refinancing market;
- diversify its sources of market refinancing;
- have asset liquefaction tools (securitizations, covered).

In the event of a crisis, the reserves of liquefiable assets make it possible to deal with significant outflows of liquidity. These assets mainly consist of:

- Central Bank deposits (mainly with the ECB);
- securities of high quality, liquid and subject to a low risk of variation in value;
- and receivables that can be mobilized in the Central Bank.

f) Liquidity contingency plan

Crédit Agricole S.A. draws up an Emergency Plan which is deployed in the event of a liquidity crisis. This Group Emergency Plan applies to Crédit Agricole Group entities and has three levels, triggered according to the severity of the crisis situation:

- Yellow: the situation requires increased monitoring and low-level measures;
- Orange: the situation requires the implementation of unusual means to deal with the crisis;
- Red: the situation requires the implementation of exceptional means to deal with the crisis.

The crisis monitoring indicators used for the possible triggering of the Emergency Plan are measured weekly by the Financial Management department of Crédit Agricole S.A.

The system is based on dedicated governance in the event of the emergency plan being triggered, which notably includes a Crisis Committee chaired by general management. The Group emergency plan is tested annually.

g) Liquidity stress tests

The institution ensures that it has a sufficient buffer of liquid assets to deal with liquidity crisis situations. These include Central Bank deposits, liquid securities on the secondary market, securities likely to be repoed, or even securities or receivables that can be mobilized with Central Banks.

The Group sets tolerance thresholds in terms of survival time for the following three scenarios:

- a so-called systemic crisis scenario corresponding to a crisis on the refinancing market. The survival time is set at one year;
- a so-called idiosyncratic crisis scenario corresponding to a severe crisis centred on the Crédit Agricole Group with a smaller impact than the global crisis scenario, in particular because the market liquidity of the assets is not impacted. The survival time is set at three months;
- a so-called global crisis scenario corresponding to a brutal and severe crisis, both specific to the institution, i.e. affecting its reputation, and systemic, i.e. affecting the entire market for funding. The survival time is set at one month.

In practice, these stress tests are carried out by applying a set of hypotheses of deterioration of the liquidity balance sheet. The Group satisfies the stress if the liquid assets make it possible to maintain positive liquidity over the entire stressed period.

h) Management and governance

Liquidity risk appetite is defined each year by governance in the Risk Appetite Framework, which reflects the level of risk accepted by the Group. This takes the form of alert thresholds and limits on the key indicators of the liquidity risk monitoring system:

- the LCR and the NSFR, controlled with a monitoring margin compared to the regulatory requirements;
- internal indicators, such as the Stable Resource Position (PRS), liquidity crisis scenarios and liquidity reserves are also subject to alert thresholds and limits.

— Main liquidity risk appetite and management indicators monitored by the Crédit Agricole Group as of 31 December 2022

	LCR	NSFR	PRS	Stress	Reserves
Crédit Agricole Group				Global >0	
				Systemic >0	
	167.6%	118.0%	€213 bn	Idiosyncratic >0	€467 bn
Crédit Agricole S.A.				Global >0	
				Systemic >0	
	162.7%	114.2%	NA	Idiosyncratic >0	NA

The internal management system is supplemented by other measures of liquidity risk (concentration of medium-long-term refinancing by counterparty, maturities and currencies, sensitivity to short-term market refinancing, market footprint, level of asset encumbrance, needs contingent liquidity) monitored at Group level and broken down at different levels (sub-consolidation levels of subsidiaries and Regional Banks).

The Group prepares an annual statement on the adequacy of the liquidity risk management systems, ensuring that the liquidity risk management systems implemented are adapted to the Group's profile and strategy. This declaration, approved by the Board of Directors of Crédit Agricole S.A., is addressed to the European Central Bank, as supervisor of the Group.

3.6.2 Regulatory coverage ratio for short-term liquidity needs (Liquidity Coverage Ratio)

Quantitative information

Average[1] LCR over 12 rolling months calculated on 31 March 2022, 30 June 2022, 30 September 2022 and 31 December 2022.

Liquidity Coverage Ratio average over 12 months (LCR) Scope of consolidation: Crédit Agricole Group *(in millions of euros)*		Total unweighted value (average)				Total weighted value (average)			
EU-1A	**QUARTER ENDING ON**	**31/12/2022**	**30/09/2022**	**30/06/2022**	**31/03/2022**	**31/12/2022**	**30/09/2022**	**30/06/2022**	**31/03/2022**
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)**					**403,468**	**412,118**	**414,625**	**412,728**
	CASH-OUTFLOWS								
2	**Retail deposits and deposits from small business customers, of which:**	**613,680**	**608,134**	**600,982**	**590,786**	**40,142**	**39,792**	**39,221**	**38,385**
3	Stable deposits	433,415	428,948	423,902	418,143	21,671	21,447	21,195	20,907
4	Less stable deposits	180,264	179,186	177,080	172,644	18,471	18,344	18,026	17,478
5	**Unsecured wholesale funding**	**387,594**	**392,631**	**390,495**	**385,590**	**173,446**	**178,119**	**177,987**	**177,443**
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	165,760	163,330	161,041	157,223	40,890	40,361	39,862	38,960
7	Non-operational deposits (all counterparties)	197,760	205,719	206,042	205,063	108,483	114,176	114,713	115,180
8	Unsecured debt	24,074	23,582	23,412	23,303	24,074	23,582	23,412	23,303
9	**Secured wholesale funding**					**31,633**	**29,894**	**28,131**	**27,147**
10	**Additional requirements**	**234,579**	**230,784**	**226,677**	**222,484**	**63,239**	**59,873**	**56,823**	**55,237**
11	Outflows related to derivative exposures and other collateral requirements	40,830	37,883	35,372	33,858	27,198	24,353	22,396	21,920
12	Outflows related to loss of funding on debt products								
13	Credit and liquidity facilities	193,749	192,901	191,305	188,626	36,041	35,520	34,427	33,317
14	**Other contractual funding obligations**	**44,773**	**46,501**	**46,806**	**45,871**	**5,771**	**5,728**	**5,755**	**5,934**
15	**Other contingent funding obligations**	**64,476**	**63,233**	**63,067**	**64,221**	**3,481**	**3,426**	**3,401**	**3,462**
16	**TOTAL CASH OUTFLOWS**					**317,713**	**316,831**	**311,318**	**307,607**
	CASH-INFLOWS								
17	**Secured lending (e.g. reverse repos)**	**204,159**	**201,359**	**196,692**	**198,732**	**32,881**	**30,184**	**27,654**	**26,567**
18	**Inflows from fully performing exposures**	**61,045**	**58,427**	**55,791**	**54,967**	**35,738**	**33,593**	**31,650**	**31,369**
19	**Other cash inflows**	**7,168**	**7,328**	**7,048**	**7,446**	**7,168**	**7,328**	**7,048**	**7,446**
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**	**272,372**	**267,114**	**259,532**	**261,145**	**75,787**	**71,104**	**66,353**	**65,382**
EU-20a	**Fully exempt inflows**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
EU-20b	**Inflows subject to 90% cap**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
EU-20c	**Inflows subject to 75% cap**	**219,372**	**217,588**	**213,289**	**217,363**	**75,787**	**71,104**	**66,353**	**65,382**
	TOTAL ADJUSTED VALUE								
EU-21	**LIQUIDITY BUFFER**					**403,468**	**412,118**	**414,625**	**412,728**
22	**TOTAL NET CASH OUTFLOWS[1]**					**241,925**	**245,727**	**244,966**	**242,226**
23	**LIQUIDITY COVERAGE RATIO[2]**					**167.35%**	**168.56%**	**170.17%**	**171.41%**

(1) 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

(2) The average LCR ratios reported in the table above now correspond to the arithmetic average of the last 12 month-end ratios declared over the observation period, in accordance with the requirements of the European CRR2 regulation.

(1) Average of the last 12 month-end measurements.

Qualitative information

Row number	Qualitative information	
(a)	Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time	The Crédit Agricole Group's LCR remains at a comfortable level, still benefiting from large excess liquidity, mostly reinvested in central banks, and relying on high-quality securities portfolios. The average ratio observed at the end of each quarters shows a stability at high levels between 167% and 171% over the year 2022. This results from proactive monitoring of liquidity buffers in consistency with the evolution of net outflows. In effect, the liquidity reserves have been maintained at high level (circa 412 bn€ on the first 3 quarters), a situation still confirmed even after the partial reimbursement of TLTRO (71 bn€) achieved in December 22 (403 bn€ of liquidity buffer).
(b)	Explanations on the changes in the LCR over time	Cash outflows mainly come from stressed assumptions of outflows from customer deposits. In 2022, the main sources of the increase in terms of cash outflows stems from collateral impacts due to market volatility and the rise of off balance sheet credit lines in a very dynamic commercial context. Cash inflows mainly come from repayments of customer assets, also up in 2022 (in line with the observed increase in loans), with a more limited impact than the increase in cash outflows.
(c)	Explanations on the actual concentration of funding sources	The Crédit Agricole Group follows a prudent refinancing policy, with highly diversified access to markets, in terms of investor base and products.
(d)	High-level description of the composition of the institution's liquidity buffer	The Crédit Agricole Group's HQLA assets are of very good quality, mainly made up of deposits with central banks and level 1 securities. The high level of deposits in central banks results from the reinvestment of significant excess liquidity, still maintained at high levels after the partial reimbursement of TLTRO achieved in december 2022.
(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 unfavorable market scenario (with a significant increase in 2022 in line with markets volatility).
(f)	Currency mismatch in the LCR	As of 31.12.2022, the Crédit Agricole Group hedged its net cash outflows with liquid assets denominated in the same currency for the main significant currencies (EUR, JPY, USD). The level of residual asymmetries observed in certain currencies is covered by surplus high-quality liquid assets available in other significant currencies and which 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	-

3.6.3 Regulatory coverage ratio of medium/long-term liquidity needs (Net Stable Funding Ratio)

Quantitative information

NSFR measured on 31 March 2022, 30 June 2022, 30 September 2022 and 31 December 2022.

		a	b	c	d	e
	Net Stable Funding Ratio (NSFR) at 31/03/2022	**Unweighted value by residual maturity**				
	Scope of consolidation: Crédit Agricole Group *(in millions of euros)*	**No maturity**	**<6 months**	**6 months to <1 year**	**≥ 1 year**	**Weighted value**
	AVAILABLE STABLE FUNDING (ASF) ITEMS					
1	**Capital items and instruments**	**123,844**	**-**	**0**	**19,378**	**143,221**
2	Own funds	123,844	-	0	19,378	143,221
3	Other capital instruments		-	-	-	-
4	**Retail deposits**		**604,010**	**1,353**	**4,559**	**570,772**
5	Stable deposits		427,662	89	2,718	409,082
6	Less stable deposits		176,348	1,264	1,840	161,690
7	**Wholesale funding**		**666,908**	**61,739**	**308,415**	**521,710**
8	Operational deposits		166,911	-	-	83,456
9	Other wholesale funding		499,996	61,739	308,415	438,255
10	**Interdependent liabilities**		**73,450**	**-**	**-**	**-**
11	**Other liabilities**	**-**	**121,931**	**2,450**	**51,838**	**53,063**
12	NSFR derivative liabilities	-				-
13	All other liabilities and capital instruments not included in the above categories		121,931	2,450	51,838	53,063
14	TOTAL AVAILABLE STABLE FUNDING (ASF)					1,288,767
	REQUIRED STABLE FUNDING (RSF) ITEMS					
15	**Total high-quality liquid assets (HQLA)**					**13,903**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**443**	**426**	**53,531**	**46,240**
16	**Deposits held at other financial institutions for operational purposes**		**6,494**	**-**	**-**	**3,247**
17	**Performing loans and securities:**		**397,435**	**89,034**	**815,156**	**794,554**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		173,669	6,056	4,560	9,865
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		64,051	7,454	25,632	34,699
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	-	109,804	51,747	344,899	393,403
21	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk	-	1,582	1,510	10,774	8,549
22	Performing residential mortgages, of which:	-	19,320	19,704	416,786	324,999
23	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		16,075	16,408	391,467	300,207
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		30,591	4,073	23,278	31,589
25	**Interdependent assets**		**73,450**	**-**	**-**	**-**
26	**Other assets:**		**129,219**	**2,219**	**98,433**	**149,121**
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		9,567	-	1,151	9,110
29	NSFR derivative assets		1,887			1,887
30	NSFR derivative liabilities before deduction of variation margin posted		41,857			2,093
31	All other assets not included in the above categories		75,908	2,219	97,283	136,031
32	**Off-balance sheet items**		**61,089**	**14,891**	**199,225**	**16,191**
33	TOTAL REQUIRED STABLE FUNDING (RSF)					1,023,257
34	**NET STABLE FUNDING RATIO** *(%)*					**125.95%**

Net Stable Funding Ratio (NSFR) at 30/06/2022 Scope of consolidation: Crédit Agricole Group *(in millions of euros)*		a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity	<6 months	6 months to <1 year	≥ 1 year	Weighted value
	AVAILABLE STABLE FUNDING (ASF) ITEMS					
1	**Capital items and instruments**	**126,634**	**0**	**-**	**19,202**	**145,836**
2	Own funds	126,634	0	-	19,202	145,836
3	Other capital instruments		-	-	-	-
4	**Retail deposits**		**609,203**	**1,330**	**4,432**	**575,718**
5	Stable deposits		436,067	83	2,724	417,067
6	Less stable deposits		173,135	1,246	1,708	158,651
7	**Wholesale funding**		**671,195**	**152,531**	**214,486**	**469,865**
8	Operational deposits		164,274	-	-	82,137
9	Other wholesale funding		506,920	152,531	214,486	387,728
10	**Interdependent liabilities**		**75,513**	**-**	**-**	**-**
11	**Other liabilities**	**3,444**	**131,183**	**2,460**	**42,856**	**44,086**
12	NSFR derivative liabilities	3,444				-
13	All other liabilities and capital instruments not included in the above categories		131,183	2,460	42,856	44,086
14	TOTAL AVAILABLE STABLE FUNDING (ASF)					1,235,506
	REQUIRED STABLE FUNDING (RSF) ITEMS					
15	**Total high-quality liquid assets (HQLA)**					**16,363**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**321**	**345**	**52,410**	**45,115**
16	**Deposits held at other financial institutions for operational purposes**		**7,054**	**-**	**-**	**3,527**
17	**Performing loans and securities:**		**380,281**	**99,541**	**843,492**	**790,041**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		159,759	11,493	4,442	13,798
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		59,099	7,905	27,135	35,774
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	-	111,084	53,776	356,820	393,404
21	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk	-	2,165	1,612	10,635	8,802
22	Performing residential mortgages, of which:	-	19,928	20,116	427,699	312,961
23	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		16,329	16,604	400,428	286,225
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		30,412	6,252	27,397	34,105
25	**Interdependent assets**		**75,513**	**-**	**-**	**-**
26	**Other assets:**		**147,367**	**2,880**	**95,344**	**149,893**
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		9,877	-	563	8,874
29	NSFR derivative assets		-			-
30	NSFR derivative liabilities before deduction of variation margin posted		53,679			2,684
31	All other assets not included in the above categories		83,811	2,880	94,781	138,335
32	**Off-balance sheet items**		**63,559**	**15,918**	**196,521**	**16,282**
33	TOTAL REQUIRED STABLE FUNDING (RSF)					1,021,220
34	**NET STABLE FUNDING RATIO** *(%)*					**120.98%**

Net Stable Funding Ratio (NSFR) at 30/09/2022 Scope of consolidation: Crédit Agricole Group *(in millions of euros)*		a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity	<6 months	6 months to <1 year	≥ 1 year	Weighted value
	AVAILABLE STABLE FUNDING (ASF) ITEMS					
1	**Capital items and instruments**	**124,956**	**0**	**59**	**18,998**	**143,983**
2	Own funds	124,956	0	59	18,998	143,983
3	Other capital instruments		-	-	-	-
4	**Retail deposits**		**619,120**	**1,631**	**4,210**	**584,862**
5	Stable deposits		439,465	49	2,580	420,118
6	Less stable deposits		179,656	1,582	1,629	164,744
7	**Wholesale funding**		**707,849**	**144,394**	**208,918**	**459,849**
8	Operational deposits		154,767	-	-	77,383
9	Other wholesale funding		553,083	144,394	208,918	382,465
10	**Interdependent liabilities**		**78,176**	**-**	**-**	**-**
11	**Other liabilities**	**747**	**145,860**	**1,323**	**45,320**	**45,981**
12	NSFR derivative liabilities	747				-
13	All other liabilities and capital instruments not included in the above categories		145,860	1,323	45,320	45,981
14	TOTAL AVAILABLE STABLE FUNDING (ASF)					1,234,674
	REQUIRED STABLE FUNDING (RSF) ITEMS					
15	**Total high-quality liquid assets (HQLA)**					**17,346**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**314**	**506**	**51,977**	**44,878**
16	**Deposits held at other financial institutions for operational purposes**		**7,708**	**-**	**-**	**3,854**
17	**Performing loans and securities:**		**385,095**	**94,073**	**861,512**	**798,992**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		155,703	10,289	5,117	12,712
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		63,954	5,247	29,724	37,412
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	-	107,275	51,139	363,215	395,271
21	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk	-	3,073	1,877	9,776	8,829
22	Performing residential mortgages, of which:	-	19,946	20,471	435,889	318,395
23	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		16,326	16,949	408,190	291,280
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		38,217	6,927	27,566	35,202
25	**Interdependent assets**		**78,176**	**-**	**-**	**-**
26	**Other assets:**		**100,544**	**2,427**	**95,607**	**143,705**
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		4,023	-	546	3,884
29	NSFR derivative assets		-			-
30	NSFR derivative liabilities before deduction of variation margin posted		7,639			382
31	All other assets not included in the above categories		88,881	2,427	95,061	139,439
32	**Off-balance sheet items**		**75,492**	**14,375**	**199,783**	**17,062**
33	TOTAL REQUIRED STABLE FUNDING (RSF)					1,025,836
34	**NET STABLE FUNDING RATIO** *(%)*					**120.36%**

Net Stable Funding Ratio (NSFR) at 31/12/2022 Scope of consolidation: Crédit Agricole Group *(in millions of euros)*		a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity	<6 months	6 months to <1 year	≥ 1 year	Weighted value
	AVAILABLE STABLE FUNDING (ASF) ITEMS					
1	**Capital items and instruments**	**126,780**		**143**	**17,844**	**144,696**
2	Own funds	126,780		143	17,844	144,696
3	Other capital instruments					
4	**Retail deposits**		**620,169**	**2,748**	**4,130**	**586,848**
5	Stable deposits		441,800	59	2,316	422,083
6	Less stable deposits		178,369	2,688	1,814	164,765
7	**Wholesale funding**		**739,660**	**62,733**	**206,822**	**422,207**
8	Operational deposits		169,574			84,787
9	Other wholesale funding		570,086	62,733	206,822	337,420
10	**Interdependent liabilities**		**81,101**			
11	**Other liabilities**	**571**	**129,796**	**4,086**	**42,697**	**44,740**
12	NSFR derivative liabilities	571				
13	All other liabilities and capital instruments not included in the above categories		129,796	4,086	42,697	44,740
14	TOTAL AVAILABLE STABLE FUNDING (ASF)					1,198,492
	REQUIRED STABLE FUNDING (RSF) ITEMS					
15	**Total high-quality liquid assets (HQLA)**					**8,789**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**255**	**418**	**53,481**	**46,031**
16	**Deposits held at other financial institutions for operational purposes**		**6,672**			**3,336**
17	**Performing loans and securities:**		**382,274**	**88,163**	**864,909**	**794,288**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		160,092	5,003	5,005	10,025
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		59,534	5,731	30,394	38,741
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		105,912	50,236	364,483	397,008
21	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		1,668	994	11,410	8,747
22	Performing residential mortgages, of which:		19,575	20,063	440,345	316,314
23	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		16,402	17,029	413,002	289,969
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		37,161	7,129	24,682	32,199
25	**Interdependent assets**		**81,101**			
26	**Other assets:**		**94,432**	**4,609**	**99,783**	**146,273**
27	Physical traded commodities				-	
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		3,762		533	3,651
29	NSFR derivative assets		-			
30	NSFR derivative liabilities before deduction of variation margin posted		6,346			317
31	All other assets not included in the above categories		84,324	4,609	99,250	142,304
32	**Off-balance sheet items**		**72,969**	**15,078**	**199,873**	**17,106**
33	TOTAL REQUIRED STABLE FUNDING (RSF)					1,015,823
34	**NET STABLE FUNDING RATIO** *(%)*					**117.98%**

Qualitative information

The Crédit Agricole Group's NSFR ratio remains at comfortable levels (125% in March 2022, 118% in December 2022), resulting from prudent management and large surplus of medium to long term resources.

The stable financing requirement at the end of 2022 comes mainly from customer loans, whose weighted outstandings end up quite stable at the end of 2022.

The stable funding available largely covers the needs for stable funding at the end of 2021. It stems mainly from customer resources, whose weighted outstandings are up at the end of 2022 (in line with the observed increase in customer resources), and from market and Central Bank resources (including T-LTRO) showing a significant decrease at the end of 2022.

This trend regarding Central Bank TLTRO resources was anticipated and monitored in consistency with the loss of NSFR efficiency of TLTRO resources (maturities below one year and/or six months) and with the sequence of TLTRO reimbursement achieved in December 2022.

Interdependent assets and liabilities correspond to the part of regulated deposits (*Livret A,* LDD and LEP) of customers of the Regional Banks, LCL, BforBank and Banque Chalus which are transferred to the Caisse des Dépôts et Consignations (CDC).

3.7 GLOBAL INTEREST RATE RISK

In accordance with Article 448 of Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (known as “CRR2”) amending Regulation (EU) 575/2013 (CRR), the Crédit Agricole Group is required to publish information on interest rate risk.

3.7.1 Qualitative information on interest rate risk management in the banking portfolio (EU IRRBBA standard)

a) Definition of global interest rate risk

Banking portfolio interest rate risk refers to the actual or potential risk of a decline in the bank’s equity or revenues resulting from adverse movements in interest rates that affect its banking portfolio positions.

Interest rate risk can be broken down into three sub-types of risk:

- **directional risk** or deadlock risk, which results from the maturity structure of the instruments in the banking portfolio and reflects the risk induced by the timing of rate changes in the instruments. The magnitude of the deadlock risk varies depending on whether changes in the term structure of rates move steadily along the yield curve (parallel risk) or differently by period (non-parallel risk);
- **basis risk,** which reflects the impact of relative changes in interest rates for financial instruments with similar maturities and valued with different interest rate indexes;
- **option risk,** which results from derivative or balance sheet positions that allow the bank or its customer to modify the level and timing of cash flows; option risk is split into two categories: automatic option risk and behavioural option risk.

It is managed through the use of hedges and other means and controlled through limits.

b) Global interest rate risk management and mitigation strategies

Target

The objective of global interest rate risk management is to stabilise the future profits of the bank against the impact of any adverse interest rate movements.

Changes in interest rates impact the net interest margin by creating mismatches in timing or in the type of indexation between assets and sources of funds. Interest rate risk management uses balance sheet or off-balance sheet transactions to limit the resulting volatility in this income.

The scope for monitoring the global interest rate risk is made up of entities whose business generates an interest rate risk:

- Regional Banks (for the Crédit Agricole Group scope);
- LCL Group;
- Crédit Agricole S.A.;
- International retail banks, in particular the Crédit Agricole Italia Group;
- Crédit Agricole Corporate and Investment bank;
- Crédit Agricole Consumer Finance Group;
- Crédit Agricole Leasing & Factoring Group;
- CACEIS;
- Amundi.

The interest rate risk borne by the Insurance business is monitored using indicators specific to this business line. An assessment of the impact of an instantaneous rate shock on the level of own funds under Solvency 2 is performed on the Crédit Agricole Assurances scope. This indicator is incorporated within an alert threshold.

Limitation system and hedging practices

The rules for setting limits are intended to protect the bank’s net asset value in accordance with Pillar 2 of the Basel 3 regulations regarding global interest rate risk and to limit the volatility, over time, of net interest margins by avoiding sizeable concentrations of risk on certain maturities.

The limits set at entity and scope level put bounds on the extent of the maximum discounted loss over the whole of the next 30 years and the maximum annual loss over each of the next 10 or 15 years in the event of a rate shock.

Each entity (including Crédit Agricole S.A.) manages its own exposure and hedges the interest rate risks generated by this method of financial organisation using financial instruments (on- and off-balance sheet, futures or options) under the supervision of its Asset-Liability Management Committee, in compliance with its limits and Group standards.

The Group’s Financial Steering department and Risk department are represented on the main subsidiaries’ ALM Committees. They ensure the harmonisation of methods and practices across the Group and monitor compliance with the limits assigned to each of the subsidiaries’ entities.

In addition to validation by the Group Risk Committee, the limits of the subsidiaries and Crédit Agricole S.A. and Crédit Agricole Groups are approved by the governing body of each entity.

Limits that are reviewed annually and approved by Crédit Agricole S.A.’s Board of Directors govern the Group’s exposure to global interest rate risk. These limits govern interest rate risk, inflation risk and basis risk.

The rules that apply in France to the setting of the *Livret A* index a portion of the interest to average inflation over a rolling six-month period. The interest on other passbooks is also correlated with the same half-yearly average inflation rate. As a result, the Group hedges the risk associated with these balance sheet items using instruments (carried on or off the balance sheet) for which the underlying is an inflation rate.

Stress testing

A quarterly internal mechanism (ICAAP or internal capital adequacy assessment process) estimates the internal capital requirement for the interest rate risk that the Crédit Agricole Group could experience. This is measured in two ways: in economic value and in revenues.

The economic value impact is measured by taking into account:

- the directional interest rate risk (calculated based on gaps);
- the automatic option rate risk (mainly delta equivalent and gamma equivalent of caps and floors options);
- the behavioural risk (such as early fixed-rate loan repayments);
- potential consumption of interest rate risk exposure limits.

The impact on revenues is calculated using net interest margin simulations (see below).

As one of the largest banking groups in Europe, Crédit Agricole Group is subject to regulatory stress tests conducted by the European Banking Authority. Interest rate risk is one of the risks subject to this type of periodic exercise.

Role of independent audits

A three-tiered, independent monitoring system has been established to maintain the robustness of the system:

- the global interest rate risk measurement system is subject to an ongoing control process;
- the Group Risk Management department issues an opinion on management processes and new products;
- the internal audit department carries out regular inspections in the various departments.

Role and practices of the Asset-Liability Management Committee

The Crédit Agricole Group manages its exposure under the supervision of the Asset-Liability Management Committee of Crédit Agricole S.A. in compliance with its limits and internal standards.

The Asset-Liability Management (ALM) Committee is chaired by Executive Management and includes several members of the Executive Committee as well as representatives of the Risk Management department:

- it examines the individual positions of Crédit Agricole S.A. and its main subsidiaries, along with consolidated positions for each quarterly closing;
- it examines compliance with the applicable limits;
- it validates the guidelines for the global interest rate risk of Crédit Agricole S.A. proposed by the ALM department.

Each Regional Bank's situation as regards global interest rate risk is reviewed quarterly by the Regional Banks' Risk Management Committee.

Bank practices regarding appropriate model validation

Consistency between the models used by the various Group entities is ensured through adherence to the modelling principles approved by the Standards and Methodology Committee. They are approved by the entity's ALM Committee and their relevance is monitored on an annual basis.

The asset and liability management models of the Regional Banks and LCL are developed at the national level by Crédit Agricole S.A. They follow the same validation circuit within Regional Banks and Crédit Agricole S.A. is informed if they are adapted locally.

The relevance of the models is reviewed annually, including a review of historical data or current market conditions. They are subject to an independent review (known as a "second set of eyes") by the Crédit Agricole S.A. risk function for national models and by the Regional Bank's risk function for local adaptations.

c) Indicators for interest rate risk measurement and calculation frequency

The global interest rate risk is quantified using static and dynamic measures.

Approach in terms of economic value

The rate risk measurement is mainly based on the calculation of interest rate gaps.

This methodology consists of staggering outstandings over time (laddering of maturities in what is called a "static" process) at known rates and inflation-indexed outstandings according to their contractual terms (maturity date, amortisation profile) or by modelling out flows of outstandings where:

- the maturity profile is not known (products with no contractual maturity, such as demand deposits, passbook accounts or capital);
- behavioural options sold to customers are incorporated (early loan repayments, home purchase savings, etc.).

The risks arising from automatic options (cap and floor options) are included in the gaps at the level of their equivalent sensitivity. A portion of these risks may be hedged using option-based products.

This measurement system is applied to all significant currencies (USD, GBP and CHF).

A sensitivity of the net present value of the bank's economic value summarises the impact that a rate shock would have on the amount of the rate gaps defined above. This sensitivity is calculated for the interest rate and inflation and for the basis risk (variable shocks depending on the reference index).

They are each subject to a framework in the form of a limit which may not exceed a percentage of total regulatory capital.

The gaps are consolidated quarterly at Crédit Agricole S.A. level. When their management requires it, some entities, particularly the major ones, measure their gaps more frequently. Economic value sensitivities are calculated with the same frequency.

Approach through revenue

An approach through revenue supplements this balance sheet picture with the projection of net interest margin simulations over three years that incorporates assumptions of new production (the so-called "dynamic" approach). The methodology corresponds to that of the stress test conducted by the EBA, i.e. a picture at constant assessment and identical renewal of operations reaching maturity.

These indicators are not subject to a framework but contribute to the assessment of the internal capital need for interest rate risk.

This measurement takes place quarterly on the scopes of the main Group entities and on a consolidated basis.

d) Interest rate shocks used for internal measurements

Indicators for the approach through economic value

A uniform shock of +/-200 basis points is applied to calculate interest rate sensitivity. For inflation sensitivity, a shock of +/-100 basis points is assumed.

Indicators for the approach through revenue

The projected net interest margin simulations are carried out using six scenarios:

- realisation of forward rates (central scenario);
- shocks of +/-200 basis points on interest rates;
- shocks of +/-50 basis points on interest rates;
- shock of +100 basis points on inflation.

ICAAP

The measures used for the ICAAP are based on a set of six internal scenarios that incorporate yield curve distortions calibrated using a PCA (Principal Component Analysis) method and a calibration consistent with the one used for the assessment of other risks measured under Pillar 2 (a confidence interval of 99.9% and a historical observation period of ten years).

e) Modelling and scope assumptions used for internal measurements

These asset and liability management models are usually defined based on a statistical analysis of past customer behaviour coupled with a qualitative analysis (economic and regulatory context, commercial strategy, etc.).

The modelling focuses mostly on the following:

- demand deposits: the outflow modelled takes into account the historically observed stability of outstandings. Although French demand deposits have historically shown a high degree of stability, a fraction of the outstandings (especially those created after 2015) are deemed to be more rate-sensitive and less stable;
- savings books: the model reflects dependence of the interest paid on these products on market rates and on inflation for some;
- matured loans: for the longest fixed-rate loans (mostly housing loans), the model takes into account the dependence of the intensity of early repayments on interest rate levels. Modelled early repayments are thus updated quarterly;
- equity: the model reflects a strategic convention that aims to stabilise the net interest margin. It links the maturity of the equity maturities to the maturity of the entity's commercial activity.

f) Interest rate risk hedging

This section discusses fair value hedges and cash flow hedges.

Global interest rate risk management aims to reconcile two approaches:

Protection of the bank's net asset value

This first approach requires matching balance sheet and off-balance sheet items that are sensitive to interest rate changes on assets and liabilities (or, in simplified terms, fixed-rate items), so as to neutralise the variations in fair value that occur when interest rates change. If the matching is done by means of derivative instruments (mainly fixed-rate swaps, inflation swaps and market caps), the derivatives are classified as Fair Value Hedges if the instruments (micro FVH) or groups of instruments (macro FVH) identified as hedged items (fixed-rate assets and inflation: customer loans, fixed-rate liabilities and inflation: demand deposits and savings deposits) are eligible under IAS 39 (otherwise, as mentioned above, these derivatives are classified as held for trading, even though they hedge risk).

To check macrohedging suitability, hedging instruments and hedged items are grouped by maturity using contract characteristics or, for certain balance sheet line items (particularly deposits), using assumptions based on the financial characteristics of the products and historical behaviour. The comparison between the two maturity schedules (hedges and hedged items) means that hedging can be documented in a forward-looking manner for each maturity and each generation.

For each macrohedging relationship, the prospective effectiveness of the hedge is measured at year-end, thereby ensuring that for each maturity group, the principal amount of the hedged items is greater than the notional amount of the financial hedging derivatives used. The retrospective effectiveness is therefore measured while ensuring that the change in the hedged outstanding amount at the beginning of the period does not indicate any *a posteriori* overhedging. Other factors of ineffectiveness are also measured: BOR/OIS difference, Credit Valuation Adjustment (CVA)/Debit Valuation Adjustment (DVA) and Funding Valuation Adjustment (FVA).

Protection of the interest margin

This second approach requires neutralising variations in future cash flows of instruments or related balance sheet items that are affected by resets of their interest rates in the future, either because they are indexed to interest rate indexes that fluctuate or because they will be refinanced at market rates at some point in the future. If this neutralisation is done using derivative instruments (mainly interest rate swaps), the derivative instruments are classified as cash flow hedges (CFH). This neutralisation can also be carried out for balance sheet items or instruments that are identified individually (micro CFHs) or portfolios of line items or instruments (macro CFHs). As is the case for fair value hedges, the documentation and effectiveness assessment of these hedging relationships are based on provisional maturities.

For each hedging relationship, the prospective effectiveness of the hedge is measured at year-end, thereby ensuring that for each maturity group, the principal amount of the hedged items is greater than the notional amount of the financial hedging derivatives used.

The table below shows the amount, broken down by projected maturity date, of the cash flows covered by a cash flow hedge:

— At 31 December 2022

(in millions of euros) **Time to maturity**	**<1 year**	**1 to 5 years**	**≥5 years**	**Total**
Cash flows from hedging derivatives	(912)	(1,922)	(552)	(3,386)

g) Main modelling and scope assumptions for regulatory measurements

The modelling and scope assumptions used for the internal measurements presented in point e. are also applied to the regulatory measurements, with the exception of the following:

- equity and shareholdings, other assets and other liabilities are excluded from the gaps;
- the average duration of non-maturity collection is capped at five years.

h) Meaning of measurements

The internal measurements show that the global interest rate risk positions are reasonable in relation to the amount of equity available to the Crédit Agricole Group.

The sensitivity of the bank's economic value to a change in interest rates and inflation of 200 basis points and 100 basis points respectively amounts to €2.9 billion, or 2.4% of total regulatory capital.

The regulatory measurements in the EU IRRBB1 statement below are penalised by the exclusion of the Crédit Agricole Group's own funds[(1)], which constitute a major fixed-rate resource.

i) Other relevant information

The interest rates for the main domestic collection products are updated monthly by the Crédit Agricole S.A. Interest Rate Committee.

3.7.2 Quantitative information on interest rate risk

The table below shows the sensitivity of economic value and net interest income to various interest rate shock scenarios.

— Interest rate risk of banking portfolio activities (Table EU IRRBB1)

Changes of the economic value of equity *(in billions of euros)*		**31/12/2022**	**31/12/2021**
1	Parallel up	(10.2)	(10.9)
2	Parallel down	3.2	1.9
3	Steepener	(2.1)	(2.9)
4	Flattener	0.1	1.1
5	Short rates up	(2.8)	(1.5)
6	Short rates down	2.3	1.5

Changes of the net interest income *(in billions of euros)*				**31/12/2022**			**31/12/2021**
		Year 1	**Year 2**	**Year 3**	**Year 1**	**Year 2**	**Year 3**
1	Parallel up (+50 bp)	0.7	1.1	1.5	1.0	1.0	1.4
2	Parallel down (-50 bp)	(0.6)	(1.1)	(1.5)	(0.6)	(1.0)	(1.3)

The sensitivity figures for net interest income above are calculated, on the one hand, using a pass-through rate[(2)] of 100%, i.e. an immediate pass-through of interest rate changes to assets and liabilities (for all variable rate instruments already on the balance sheet, and only for new transactions in the case of fixed rate instruments) and, on the other hand, demand deposits maintained at their current high level without interest; in fact, the change in the net interest margin would materialise more progressively than the results presented above suggest.

With a pass-through rate of 50% applied to housing loans and a 25% rate of migration from demand deposits paying no interest to passbook accounts, the sensitivities in year 1, year 2 and year 3 would be respectively €0.5 billion, €0.7 billion and €1.0 billion for a parallel upward shock scenario, and respectively -€0.4 billion, -€0.7 billion and -€1.0 billion for a parallel downward shock scenario.

Moreover, in France, in the context of high interest rates observed in 2022, the pass-through rate on the asset side has been limited by the fixed interest rate model and the usuary rate. In practice, the pass-through rate stood at 20% (instead of 50%). Besides, on the liability side, rates on regulated saving accounts have increased not only based on interest rate increase but as well based on inflation, and the ALM of the bank cannot hedge entirely this latter risk. In such context, the sensitivity of revenues to rate increase has been significantly lower in 2022 than the estimated figure presented in 2021 A01.

Calculation assumptions

The calculation assumptions and rate shock scenarios are defined by the European Banking Authority (EBA) in the "Guidance on the management of interest rate risk arising from non-trading book activities" published on 19 July 2018 (EBA/GL/2018/02).

Economic value

Paragraph 115 of the EBA Guidance specifies how the change in economic value should be calculated. This is determined on the basis of a 30-year rolling balance sheet from which the value of equity and fixed assets is excluded. The average maturity of deposits without contractual maturity (demand deposits and savings books) outside financial institutions is limited to five years.

(1) Estimated at €7.6 billion in net present value under the rising interest rate scenario.
(2) The pass-through rate is the sensitivity of customer rates to a market rate variation.

An instantaneous interest rate shock scenario is considered. The interest rate shocks used are the ones for the main economic regions to which the Crédit Agricole Group has exposure, namely the eurozone, Switzerland and the United States.

(in basis points)	EUR	USD	CHF	GBP
Parallel shock	200	200	100	250
Short shock	250	300	150	300
Long shock	100	150	100	150

The steepening and flattening of the yield curve scenarios are non-uniform scenarios where maturity-dependent interest rate shocks are applied to both short and long rates.

A minimum threshold (or floor), which varies according to maturity (from -100 basis points overnight to 0 basis points at 20 years, in accordance with Article 115(k) of the above-mentioned EBA Guidance) is applied to interest rates after downside shock scenarios are considered.

Net interest income

The change in net interest income is calculated for a horizon of one, two and three years, assuming a constant balance sheet and therefore an identical renewal of the maturing transactions. An instantaneous interest rate shock scenario of 50 basis points is considered here, regardless of the currency.

Between the two approaches, sensitivities are reversed: the economic value of the Crédit Agricole Group falls if interest rates rise, while the net interest margin increases.

The decrease in economic value in the event of a rate hike is due to a generally lower volume of fixed-rate liabilities than fixed-rate assets on future maturities.

Conversely, the net interest margin increases if interest rates rise, as the sensitivity of renewed assets to rate changes is higher than that of renewed liabilities, due to the fact that liabilities include equity and retail customer resources (demand deposits and regulated savings), which are not very or not at all sensitive to interest rate increases.

3.8 REMUNERATION POLICY (EU REMA)

The information on the remuneration policy required pursuant to EU Regulation 575-2013 (CRR), as amended, can be found in Chapter 3 of the Universal registration document[1]. Reference should also be made to the report on “compensation policy and practices”, which is generally published before the end of April of the current year.

3.9 DISCLOSURES ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS (ESG RISKS)

3.9.1 Qualitative ESG Pillar 3

Part 1 – Qualitative disclosures on environmental risk

1. Economic strategy and processes

Point A. The institution’s economic strategy for incorporating environmental factors and risks, taking into account their impact on the economic environment as well as on the institution’s business model, strategy and financial planning

If we are to adapt and contain the effects of climate change, our entire model of growth and progress must be examined in depth. Against this fair backdrop of change, Crédit Agricole’s strategy is to work towards a just climate transition. The achievement of climate targets cannot be separated from the continuous renewal of the commitment to social cohesion, ensuring protection for the most vulnerable economic actors, such as people on low incomes and small businesses made vulnerable by over-demanding clients.

With regard to climate, the international consensus on the need to reduce greenhouse gas emissions is driving society to accelerate the advent of low-carbon energy. This now means replacing our production methods, not simply adding renewable energies to today’s energy mix.

The Group’s environmental strategy puts this goal in to practise through six main areas:

- Accelerating the advent of renewable energy:
  - through financing,
  - through investments,
  - through our customers’ savings;
- Making the climate transition accessible to all, and entering a new era made possible by new initiatives:
  - solutions fostering innovation and access to green energy,
  - solutions promoting low-carbon mobility,
  - solutions focused on housing and construction,
  - entering a new era by means of new and future initiatives;
- Gradually withdrawing from fossil fuels;
- Net Zero Banking Alliance: spelling out our targets and commitments by sector;
- Taking action to promote biodiversity and conserve natural capital;
- Setting targets for reducing the environmental footprint of our own operations.

(1) Available on Crédit Agricole S.A.'s website: https://www.credit-agricole.com/en/finance/financial-publications.

Overview of climate strategy

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 Non-Financial Reporting Directive (NFRD)) to reduce the negative impacts and increase the positive impacts of these activities, and to identify opportunities related to climate transitions as defined by the TCFD (Task-Force on Climate-related Financial Disclosures).

Implementing 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 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 targets: dedicated climate governance, reporting and non-financial monitoring tools etc.
- **In 2022, the climate strategy was stepped up significantly following the Group's commitment in 2021 to help achieve carbon neutrality by 2050.**
- **In parallel, sectoral policies spell out the social, environmental and societal criteria to be introduced into financing and investment policies.** These criteria largely reflect the most critical challenges facing society, especially regards to human rights, the fight against climate change and the preservation of biodiversity (see below). The aim of sectoral policies is thus to lay out the principles and rules of non-financial intervention concerning financing and investments in the sectors concerned.

I. Accelerating the advent of renewable energy

Accelerated investment and financing in green energy is imperative if we are to contribute effectively to the energy transition as a replacement for fossil fuels. Crédit Agricole has therefore made the choice to use its universal banking model to support transitions. By equipping all its customers, from large international corporates to the most fragile households, with products and services that use low-carbon energy and by constantly striving for innovation and progress, Crédit Agricole is continuing its role as a company heavily involved in major societal changes:

a) supporting customers through financing solutions;

b) supporting transition through investments;

c) Offer to clients savings solution supporting the transition.

II. Making the climate transition accessible to all, and entering a new era thanks to new initiatives

As a cooperative mutual bank, Crédit Agricole helps its customers as much as possible to organise and finance their own energy transition by addressing all its customer segments, from individuals and households to large corporates as well as independent professionals, SMEs and institutional investors. Crédit Agricole is involved in all aspects of their energy transition, from developing their own access to low-carbon energy sources, to enabling them to use low-carbon mobility sources, to offering assistance with the renovation of commercial and residential buildings:

a) solutions fostering innovation and access to green energy;

b) solutions promoting low-carbon mobility;

c) solutions focused on housing and construction;

d) Crédit Agricole Transitions & Energies: launch of a new business line.

III. Gradually withdrawing from fossil fuels

By way of example, Crédit Agricole S.A. has for several years been committed to a gradual withdrawal from fossil fuels. This was first demonstrated in 2015 by a commitment to end funding for coal mining, and then in 2019 by the announcement of the end of funding for thermal coal by 2030 (in EU and OECD countries) and 2040 (in the rest of the world). In 2022, Crédit Agricole S.A. went further in this direction, announcing several commitments, most notably specific interim targets and action plans for five sectors (oil and gas, automotive, power generation, commercial real estate and cement), in a bid to achieve carbon neutrality by 2050.

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

- 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.
- Methodological principles:
  - in 2021 and 2022, Crédit Agricole began a major methodology project, grouping together all Group entities (subsidiaries of Crédit Agricole S.A. and the Regional Banks), with the support of external consultants, intended to define trajectories for each business line and entity for the main sectors of the economy financed by the bank. Within this framework, analyses are being conducted to take account of the varying levels of expertise, resources and experience of the entities composing the Group with regard to this climate goal, using an approach that ensures methodological consistency at Group level in tandem with the operational effectiveness of these pathways in each of its major business lines (financing, investment and insurance).
  - 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.

V. Taking action to promote biodiversity and conserve natural capital

- Nature and biodiversity: in accordance with the UN Convention on Biological Diversity (CBD, 1992), Crédit Agricole S.A. recognises the central role of biodiversity conservation for humanity and the importance of safeguarding biodiversity in the face of climate change. Crédit Agricole is aware that the loss of nature is mainly caused by human activities, such as unsustainable use of land, water, and energy and climate change.
- Assessing the impact of nature and biodiversity loss on our activities:
  - As with climate change, economic players can be affected by biodiversity loss and nature degradation, such as reduced agricultural yields and coastal erosion. These events can also have negative impacts on biodiversity itself, such as deforestation and fragmentation of ecosystems. A significant challenge for financial institutions is to measure the impacts (negative or positive) and dependencies of their customers on ecosystem services in their financing and investment portfolios.

– There is no single metric, unlike for climate in the case of CO_2e emissions, to measure impacts and dependencies on nature. Nevertheless, Crédit Agricole has begun to explore and evaluate tools capable of aggregating several biodiversity-related indicators, such as those that integrate the five pressures contributing to its loss from the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). In 2022, several tools were tested on an experimental basis.

- Integration of biodiversity conservation measures into financing and investment policies: within the financing and investment portfolios, Crédit Agricole S.A. has embarked on a number of initiatives to manage biodiversity-related risks and minimise the negative impacts of its activities: the protection of ecosystems is one of Amundi's major ESG analysis themes. Because of the limitations on the data available on the subject, the first objective of this commitment is to establish an inventory of the way in which companies take biodiversity into consideration, and then to ask them to assess the sensitivity of their activities to this loss of biodiversity and to manage the impact of their activities and products on biodiversity.
- Support for collective initiatives to combat the degradation of nature and biodiversity loss: within the framework of the French government's National Biodiversity Strategy 2030 (SBN), and the Kunming-Montreal Global Framework for Biodiversity (GBF), Crédit Agricole S.A. works 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.
- Launch of innovative green products and projects in support of nature and biodiversity: although common metrics, indicators and standards are still in the early stage when it comes to biodiversity, Crédit Agricole S.A. is already taking action to safeguard biodiversity through financing, investments and by supporting projects in order to start to raise awareness among employees and customers about these topics.

VI. Setting targets for reducing the environmental footprint of our own operations

After joining the Net Zero Banking Alliance in July 2021 and in line with the announcements in the Societal Project of the bank's commitment to contributing to carbon neutrality by 2050, Crédit Agricole S.A. and its subsidiaries are continuing their efforts to reduce the greenhouse gas emissions linked to their own operations.

- Ambitious reduction targets:
  - In line with the latest scientific evidence, Crédit Agricole S.A. submitted its reduction pathways to the Science-Based Target initiative (SBTi) in October 2022. These reduction targets are as follows:
    - -50% reduction in greenhouse gas emissions related to energy consumption by buildings and the vehicle fleet (Scopes 1 and 2) between 2019 and 2030 (absolute target);
    - -50% reduction in greenhouse gas emissions linked to business travel (Scope 3 category 6) between 2019 and 2030 (absolute target).
  - Crédit Agricole Group remains committed to using less carbon-intensive electricity, with the aim of achieving 100% renewable electricity by 2030.
  - Initiatives to reduce Crédit Agricole S.A.'s environmental impact stepped up: energy efficiency, building operation, data centre operation, site biodiversity, business travel, and the safeguarding of natural resources.
- Voluntary contribution to carbon neutrality: in the transition period towards the Net Zero target and alongside actions to reduce its emissions, Crédit Agricole is contributing to global carbon neutrality by offsetting part of its residual emissions and financing environmental projects that promote the reduction of greenhouse gases (GHG) in the atmosphere or their sequestration.

Point B. Objectives, targets and limits for the assessment and management of environmental risk in the short, medium and long term, and assessment of performance against these objectives, targets and limits, including forward-looking statements related to the definition of business strategies and processes

Objectives, targets and limits for the assessment and management of environmental risk

- **Crédit Agricole Group's main environmental risks** in relation to its activities, business model, geographical locations and stakeholder expectations are identified using a multi-step methodology: formalisation of the non-financial areas defined by the Group's *Raison d'Être* (Step 1), a normative procedure to define an exhaustive scope of non-financial risks (Step 2), selection of the main non-financial risks that could affect the Group's activities (Step 3), and the inclusion of stakeholder expectations (Step 4).
- With regard to the **selection of the main risks,** this step involved selecting short-, medium- or long-term material risks for Crédit Agricole and more specifically for Crédit Agricole S.A. The risks identified are 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.
- **The non-financial themes identified, including environmental themes, are analysed using the principle of double materiality: First, societal and environmental materiality, which reflects the impact of Crédit Agricole S.A.'s activities on its ecosystem; second, financial materiality, which formalises the impact of the ecosystem on Crédit AgricoleS.A.'s business lines.** This work was carried out as part of a participatory process involving the Group's CSR, Risk, Compliance, Purchasing and HR departments. The principle is also used to assess the material risks directly related to Crédit Agricole S.A.'s activities as part of the updating of the vigilance plan.

Performance assessment

For each environmental policy, there are one or more performance indicators, an annual performance measurement unit tailored to each indicator, and an explanation about the scope used to establish the measurement.

At the end of 2022, the full list of environmental performance indicators used for Crédit Agricole Group entities was as follows:

- Financing of green activities;
- Financing of renewable energies;
- GHG emissions related to all financing and investments (SAFE methodology);
- Additional number of climate-committed companies (compared to a 2021 baseline);

- Achieving 14 GW of renewable energy installed capacity through investments by 2025;
- Doubling financing in renewable energy by 2025;
- Achieving commercial production for Unifergie of €2 billion by 2025;
- Reduction of exposure to oil extraction and production by 25% between 2020 and 2025 (outstanding financing);
- Reduction of exposure to oil extraction and production by 25% between 2020 and 2025 (% change);
- 60% growth in low-carbon energy exposure by 2025 (outstanding financing);
- 60% growth in low-carbon energy exposure by 2025 (% change);
- Thermal coal assets outstanding (Amundi);
- Thermal coal assets outstanding (Crédit Agricole CIB);
- % of customers supported in their energy transition;
- Energy-related GHG emissions/m^2;
- GHG emissions related to business travel/FTE;
- 50% reduction in our operating carbon footprint between 2019 and 2030: Scopes 1 and 2;
- 50% reduction in our operating carbon footprint between 2019 and 2030: business travel;
- % of Crédit Agricole S.A. entities by revenue that have undertaken to measure their impact on biodiversity.

Point C. Current investment activities and (future) investment targets for environmental objectives and activities aligned with EU Taxonomy

Crédit Agricole Group's ambition is to enable its customers to direct their savings towards sustainable projects that are in line with their values, with full knowledge and confidence

- In this respect, the *Livret Engagé Sociétaire,* launched last October, allows customers to invest in sustainable projects and to be informed of the projects supported by the *Livret Engagé Sociétaire.*
- In addition to the strict application of regulations on financial savings, the Group adopts a very demanding and cautious approach, preferring to maintain an alignment that can be sustained over time rather than one that is attractive but *de facto* temporary as it depends on market fluctuations. Furthermore, in order to assess the share of sustainable investment according to the SFDR, the Group adopts the pro rata method of calculating the actual revenues generated by the corporate's sustainable activities, and not the pass/fail method of taking into account the total turnover of a corporate of which only some activities are sustainable.
- Lastly, the Crédit Agricole Group is rolling out an extensive training programme to ensure that advisers are able to inform and support their clients in their choice of sustainable investments.

ESG issues are central to the strategy of Crédit Agricole's Asset Gathering business line, with specific policies for Crédit Agricole Assurances and Amundi

Crédit Agricole Assurances

Integrating responsible criteria into the Group's investment policy

- As a leading institutional investor and a signatory to the Principles for Responsible Investment (PRI), the Crédit Agricole Assurances Group is mindful of its responsibilities towards the sectors and issuers in which it invests. It integrates ESG criteria across all its asset classes, relying in particular on Amundi's expertise and its ESG analysis and rating system, which applies to listed equities and sovereigns. In 2022, dedicated equity funds are indexed to ESG indices. Crédit Agricole Assurances has introduced its internal ESG rating methodology and also developed shareholder engagement in its strategic holdings, with the active participation of its Investment department on the Boards of Directors of companies in which the insurer is a shareholder. At the end of December 2022, all listed securities (corporate and sovereign equities and bonds) directly held by Crédit Agricole Assurances are subject to an ESG filter. The corresponding amount is €174 billion out of a total of €272 billion of assets invested in euro funds and equity.
- Crédit Agricole Assurances is pursuing its sector-specific policy on thermal coal in its direct investment portfolios in order to ensure the exit from thermal coal by 2030. This commitment covers all directly held investments, listed and unlisted, made under the Euro and equity funds. In addition, it has introduced a policy to improve the energy performance of any property assets in its portfolios (by obtaining certification). Crédit Agricole Assurances continues to invest in responsible assets. At the end of 2022, Crédit Agricole Assurances directly held €10 billion in green bonds, more than €1.3 billion in social bonds and €2.2 billion in sustainable bonds.

Offer ESG savings products to customers of the Regional Banks and LCL

- The ESG policy of the Crédit Agricole Group's Asset Gathering divisions makes it possible to offer an "Committed and Responsible" range of investment solutions to Regional Bank customers and an "LCL Impact" range to LCL customers.
- The "Committed and Responsible" range is built around three key priorities: Integration of climate and environmental issues in management criteria; support for corporates contributing to societal changes and agricultural and agri-food transitions; and support for sustainable French corporates. Consisting of some 20 responsible investment solutions, the Committed and Responsible range enables the Regional Banks' customers to diversify their financial assets in a practical way by supporting virtuous companies and/or companies committed to their transformation in broad management universes.
- The "LCL Impact Climat" and "LCL Impact Sociétal et Solidaire" ranges offer investors wishing to give meaning and utility to their investments a choice of investment solutions selected for their support of companies contributing to environmental and social challenges and enabling investors to place the planet and society at the heart of their savings choices.
- Finally, for clients wishing to delegate the management of their assets, the Regional Banks and LCL offer discretionary and/or advisory management that takes ESG criteria into account.
- Since the launch of the SRI (socially responsible investment) funds, several initiatives have been carried out to promote this type of investment to distribution networks and customers. These include network activities during key periods (Sustainable Development Week, SRI Week, Social Finance Week etc.), and customer communication on SRI.

Amundi

Amundi, a pioneer in responsible investment and a signatory of the Principles for Responsible Investment (PRI) since 2006, has placed ESG analysis at the heart of its development strategy. Its primary target is to offer its customers not only an attractive financial performance while complying with their chosen level of risk, but also an outperformance of non-financial criteria in all of its actively managed open-ended funds. Amundi pays particular attention to two major sustainability issues: environmental transition and the protection of ecosystems, and the issue of social cohesion. Having confirmed its position as a European leader in socially responsible investment in 2021, Amundi announced that it was boosting its commitment to a just environmental transition through its "2025 Ambitions" strategic plan presented in December 2021.

Prioritising ESG issues at the highest level

- Amundi has invested considerable resources in implementing its ESG policy. The Responsible Investment business line, which includes 60 experts, defines and implements Amundi's sustainable finance strategy in all its dimensions, serving the various asset management activities: corporate analysis and rating, engagement and voting, integration of ESG factors and design of sustainable investment solutions, key portfolio sustainability indicators, ESG promotion, and participation in market work and initiatives.
- Within the Responsible Investment team, several Committees regularly monitor the work carried out. The ESG and Climate Strategy Committee defines, validates and steers Amundi's ESG and climate strategy, as well as its responsible investment policy; the ESG Rating Committee validates ESG rating methodologies, reviews exclusion policies and sector policies and validates their application rules; the Voting Committee validates Amundi's voting policy and specific/local approaches, and plays an advisory role in voting decisions for certain individual situations.
- Amundi has a dedicated governance structure to steer its strategy as a responsible financial player and company. Its Board of Directors primarily relies on the work of the Strategy and CSR Committee.

Defining a responsible investment policy

- ESG analysis at the heart of the responsible investment process:
  - Amundi has developed two main proprietary ESG rating methodologies in the universe of listed issuers, one for corporate issuers and the other for sovereign entities.
  - The ESG score aims to measure the ESG performance of an issuer, such as its ability to anticipate and manage the sustainability risks and opportunities inherent in its sector and in individual situations. It also assesses a corporate's ability to manage the potential negative impact of its activities on sustainability factors. ESG ratings are updated monthly on the basis of raw data provided by Amundi's external providers and the ESG research team monitors the developments in issuers' ESG practices.
  - As part of its 2025 Ambitions plan, Amundi has announced that it intends to further integrate non-financial objectives into its active portfolio management in relation to the climate issue. To this end, Amundi is working on implementing a rating methodology that uses a best-in-class approach to evaluate the transition efforts of issuers in relation to a Net Zero scenario. The relevant portfolios will have a stated objective of having a better environmental transition profile than their benchmark investment universe by 2025.
- An active engagement policy: this is applied through regular exchanges between analysts and invested corporates, and through individual or collaborative engagement actions on major sustainable development issues, in order to promote concrete changes towards an inclusive, sustainable and low-carbon economy. It is complemented by a policy detailing the exercise of voting rights.
- The voting policy complements the engagement process: Amundi's voting policy is based on the conviction that the consideration of environmental, social and good governance issues by Boards of Directors is essential to the proper management of a corporate. Amundi intends to fully play its role as a responsible investor and is therefore committed to supporting resolutions on climate or social issues.

A targeted exclusion policy

- Amundi's action plan with regard to issuers is based on the deployment of ambitious resources with respect to "engagement". The use of exclusionary policies is only considered relevant when they target activities that undermine this transition when scalable alternatives exist.
- As part of its fiduciary responsibility, Amundi applies a targeted exclusion policy to all its portfolios. These rules are applicable to all active management strategies over which Amundi has full discretion. They are also applicable to passive ESG funds where possible (with the exception of highly concentrated indexes). The rules concern issuers exposed to the exclusion rules and thresholds set in Amundi's sector policy, issuers that do not comply with internationally recognised conventions and/or frameworks or national regulations. This exclusion policy is implemented in the portfolios subject to compliance with applicable laws and regulations, and unless otherwise requested by clients. Since the end of 2022, Amundi has excluded corporates whose activity (exploration and extraction) is more than 30% exposed to unconventional hydrocarbons (shale oil and gas, tar sands). This is one of the commitments made in the "Ambitions 2025" plan.

Point D. Policies and procedures for direct and indirect dialogue with new and existing counterparties relating to their strategies to mitigate and reduce environmental risk

Integration of environmental issues into the analysis of large corporates counterparty risk

The consideration of possible negative environmental impacts from financing large corporates is based on several pillars:

- **The application of the Equator Principles to project financing:** these principles provide a useful methodological framework for assessing and preventing environmental impacts whenever financing is linked to the construction of a specific industrial asset (plant, transport infrastructure etc.).
- **Sector-specific CSR policies:** the purpose of sector-specific policies is to specify the rules of intervention and social and environmental principles introduced into the Group's financing policies. 14 sector-specific CSR policies are currently applied, for which the main sectors affected are armaments, coal-fired power stations, oil and gas, hydraulics, nuclear, oil and shale gas, mines and metals.
- **An analysis of the sensitivity of the transactions' in particular with regard to the environment:** the environmental or social sensitivity of transactions has been assessed by Crédit Agricole CIB since 2009. This process makes it possible to ensure compliance with the exclusion criteria defined within the various sector-specific CSR policies or to analyse or even anticipate potential controversies with customers.

Crédit Agricole CIB has also created two specific tools:

- **an *ad hoc* Committee for the evaluation of transactions presenting an environmental or social risk** (CERES), which issues an opinion on financing projects that may involve reputational risk or risk of non-compliance with CSR sector-specific policies;
- **an environmental and social rating system for all its corporate customers.** This rating supplements the system for assessing and managing the environmental and social risks associated with transactions on a three-level scale (advanced, compliant, sensitive). It is performed at least annually and is based in particular on compliance with existing sector policies, the existence of an image risk for the Bank and the level of performance recognised by non-financial agencies.

Initiatives to help customers reduce their exposure to environmental risks are of course undertaken at all levels of the bank. For example:

- **Adoption within Crédit Agricole CIB of a transition plan for the oil and gas sector:** 25% reduction in Crédit Agricole CIB's exposure to oil extraction and production by 2025; no new financing of new oil extraction projects; exclusion of direct financing of non-conventional oil and gas extraction (shale oil and gas, tar sands); exclusion of direct financing of oil and gas extraction in the Arctic; annual analysis of the transition plan of oil and gas clients, based mainly on the choice of a reference scenario (vs. Net Zero 2050 scenario) and on the strategy of divestment from carbon energies and investment in decarbonisation;
- **Within Amundi, adoption of a "Say on Climate" strategy:**
  - As part of the policy to accelerate the advent of renewable energy through savings, at its 2022 General Meeting, Amundi submitted its climate strategy to a consultative vote of its shareholders, thus becoming the first asset manager to offer a "Say on Climate". This resolution received 97.7% of votes in favour. In addition to the need for a scientific approach and finding the social and economic progress that will guarantee the acceptability of the energy transition, Amundi's climate strategy is based on the conviction that it is necessary to support companies in their transition, and to limit exclusions to high-emission business sectors for which large-scale alternatives exist.
  - Amundi believes that shareholders should be fully informed of how companies intend to contribute to the collective energy transition effort. As a shareholder, it encourages the corporates in which it invests to submit their climate strategy to a consultative vote at their General Meeting. And as a listed company, Amundi felt it was also its responsibility to be transparent about its own climate strategy to its shareholders. With this in mind, Amundi decided that the tabling of a "Say on Climate" resolution at its 2022 General Meeting would be one of the ten commitments of its Ambitions 2025 plan, presented in December 2021.
- **Adoption by Amundi of a new non-financial performance indicator entitled "Additional number of climate-committed corporates (compared to a 2021 baseline)".** At end-2022 the number stood at 418.

Integration of environmental issues into the analysis of small- and mid-cap counterparty risk

- **The Group, through all of its subsidiaries, offers environmental and social services to all of its customer segments so that all players in the economy and the regions are assisted and supported in current and future transformations.** Crédit Agricole takes a proactive approach to ESG inclusion, particularly in supporting mid-cap corporates and SMEs by providing solutions tailored to their sector and size. This takes place as follows:
  - a **diagnosis of the customer's ESG performance** is carried out by account managers to raise awareness of key environmental, social and compliance issues;
  - this **initial assessment is based on quantitative and qualitative core criteria, as well as sector-specific criteria;**
  - a portfolio of products is made available on the basis of the diagnosis. These products are supported by a network of national and local partners with a view to making sector expertise available to the entire network.
- **In 2020, ESG issues were included for the first time in commercial relationships with SME and mid-cap customers through the deployment of an ESG questionnaire distributed to all relationship managers.** This project, a pioneer in the banking world, is currently being rolled out to the Regional Banks, certain international retail banks.
- **The Energy Transition Hub is an initiative to support the energy transition of customers in specialised markets:** the Energy Transition HUB is part of the Societal Project and helps all specialised market customers in their energy transition. It is an innovative system that provides concrete solutions, first to corporates, then to small businesses, farmers and local authorities:
  - an informative digital platform with educational, useful and expert content, a presentation of the range of offers and a self-diagnosis area. The latter allows for a commercial upturn with the meeting of an energy transition advisor, a new profession created in the Regional Banks to bring expertise closer to the customers;
  - a network of national, regional or local technical partners selected by the Crédit Agricole Leasing & Factoring Hub's expert team for their skills and commitment to quality services: energy audit and assessment, green energy supply, energy efficiency, solar self-consumption and mobility, providing a wide range of products to customers that are complemented by Crédit Agricole's financing solutions (leasing, loans).

  Seven Regional Banks (Côtes-d'Armor, Finistère, Ille-et-Vilaine, Pyrénées Gascogne, Languedoc, Alsace Vosges and Centre Loire) and Crédit Agricole Leasing & Factoring have been testing this new concept since May 2022.

2. Governance

Point E. Responsibilities of the management body in establishing the risk tolerance framework and overseeing and managing the implementation of the targets, strategy and policies defined in the context of environmental risk management, covering the relevant transmission channels

The governance of Crédit Agricole S.A., which is the corporate centre 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, makes it possible to reconcile the interests of customers, the consideration of social and environmental issues, and respect for the mutualist values that form the basis of Crédit Agricole's identity.

It has been based from the outset on a model that establishes a clear separation between executive and non-executive control and supervisory responsibilities, with a separation of the functions of Chairman and Chief Executive Officer of Crédit Agricole S.A. The Chairman of the Board of Directors is also Chairman of the FNCA, and as such plays a coordinating role between Crédit Agricole S.A. and the Regional Banks, the main shareholders of Crédit Agricole S.A. The majority representation of the Regional Banks on the Board of Directors reflects the Group's cooperative basis and ensures a sustainable and fair development model for Crédit Agricole Group entities for the benefit of all stakeholders: customers, member customers, shareholders, investors, suppliers and employees.

Governance in its oversight function

At the Corporate's highest levels, the Board of Directors of Crédit Agricole S.A., a listed company and the corporate centre of Crédit Agricole Group, ensures that the Group's strategic guidelines and activities take environmental concerns and risks into account. It ensures the consistency of the Company's commitments and project as part of the monitoring of the implementation of the Societal Project. The Board takes environmental concerns and risks into account in its strategic decisions. To that end, it relies on the strategic analyses and risk management policies presented to it and on the review of the risk frameworks submitted for adoption. Finally, it reports on the Company's ESG strategy and non-financial performance to the General Meeting and ensures the transparency and fairness of that communication. The Statement of Non-Financial Performance was submitted to the Board of Directors prior to its meeting of 13 April 2022, in which it examined the Group's Climate Strategy. In 2023, the annual review of the Statement of Non-Financial Performance, which includes the Group's strategy, was carried out after analysis by the Strategy and CSR Committee.

In order to facilitate the inclusion of environmental concerns and risks in its decisions, the Board has chosen to entrust the review of its ESG strategy to a dedicated Committee, the Strategy and CSR Committee, while maintaining a cross-functional approach that involves, depending on the topic, most of its Specialised Committees, in particular the Appointments and Governance Committee, the Risk Committee and the Compensation Committee.

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 Committee's membership was expanded with the appointment of Eric Wilson, a Director representing employees, as a member of its Strategy and CSR Committee by the Board at its meeting on 9 November.

- The **Appointments and Governance Committee** ensures that the collective competence of the Board is consistent with the issues facing the Group, including ESG issues. It periodically assesses the Board's structure, size, composition and effectiveness, as well as the Board's policies for the selection of Directors whose appointment falls within its powers.
- The **Risk Committee** reviews the overall strategy and risk appetite of Crédit Agricole S.A. and the Crédit Agricole Group, which includes social and environmental risks. It analyses the risk frameworks of the entities and business lines before proposing their adoption to the Board, particularly where environmental risks are concerned.
- The **Audit Committee, in a joint meeting with the Risk Committee,** examines the monitoring of the preparation of non-financial information and any changes in non-financial ratings.
- The **Compensation Committee** assesses the general principles of the compensation policy applicable to all Crédit Agricole S.A. entities and monitors the implementation of that policy to ensure compliance with regulatory provisions, including the principle of fairness. It ensures that the Group's ESG criteria are taken into account in the compensation policy.

Executive governance

- The non-financial performance of Crédit Agricole S.A. and its subsidiaries is supervised by the Executive Committee, which monitors the definition of the ESG strategy and its operational implementation as part of the steering of the Group Project, which is the subject of quarterly presentations and reporting.
- Crédit Agricole S.A. has created a new organisation to meet the medium-term strategic and commercial ambitions set out in its "Ambitions 2025" plan. At its meeting of 3 August, the Crédit Agricole S.A. Board of Directors appointed two new Deputy Chief Executive Officers, Jérôme Grivet, effective 1 September 2022, and Olivier Gavalda, effective 1 November 2022. These appointments complete Crédit Agricole S.A.'s Executive Board, which now consists of three Deputy Chief Executive Officers, who are effective managers, alongside the Chief Executive Officer:
  - Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole S.A., in charge of Large customers and Chief Executive Officer of Crédit Agricole CIB;
  - Jérôme Grivet, Deputy Chief Executive Officer of Crédit Agricole S.A., in charge of Steering and Control;
  - Olivier Gavalda, Deputy Chief Executive Officer of Crédit Agricole S.A., in charge of Universal Banking. The supervision of the Group Project is placed directly under his responsibility, with the three support departments overseeing the three major pillars of the Group Project: the Societal Project department, the Customer Project department and the Group Human Resources department, as well as the Group Project Steering and Impulse Department.
- **Strategy deployment and environmental risk management within the business lines is coordinated by cross-functional Committees** which report to senior executives at the highest levels of the Crédit Agricole Group.
  - The **Group Societal Project Committee,** which is chaired by a Regional Bank Chairman, is made up of 12 members, half of them Chief Executive Officers of Crédit Agricole S.A. and the other half, Regional Bank executives. It monitors the implementation of the Group's employment-related commitments and the consistency of its ESG strategy. Meeting quarterly, it monitors in particular the implementation of the Group's climate strategy, relying on the work performed by two Specialised Committees: the Scientific Committee and the Net Zero Sponsor Committee.
  - The **Group Risk Committee of Crédit Agricole,** chaired by Crédit Agricole S.A.'s Chief Executive Officer, defines the Group's risk policy and determines the Group's overall limits. It assesses the issues and monitors the Group's main risks with a cross-functional approach. It examines and validates the Group-level risk frameworks presented by the entities and business divisions (risk frameworks of subsidiaries or by sector of activity, geographic area, or issue). In this context the environmental risk framework prepared by the Societal Project department and the Risk department in collaboration with the Group entities, is presented to it annually. This risk framework and the associated risk opinion determine the environmental risk roadmap for the coming year.

- Crédit Agricole S.A. **Societal Project department (SPD):**
  - This department identifies the major societal issues for the Group, initiates and coordinates the implementation of the ESG strategy and oversees the implementation of the Societal Project among the CSR players in the Group. In order to further strengthen the human resources devoted to developing the ESG strategy and monitoring Crédit Agricole S.A.'s non-financial performance, the SPD workforce has been increased from 9 to 15 (after an increase from four experts to nine in 2020). This major increase is accompanied by a reorganisation of the department, structured around four types of activity: establishment of the methodological framework (sectoral policy, standards) and regulatory oversight, ESG expertise, support for the business lines in the deployment of the ESG strategy, and production and analysis of non-financial information. The ESG strategy is also disseminated within subsidiaries through a network of employees who work on these issues.
  - **Governance of the Societal Project and the ESG strategy**: the governance of the ESG strategy includes a special focus on the just transition. The Group has established a dedicated governance structure with the specific mission of overseeing the implementation of this just transition.
    - The Credit Agricole **Group Societal Project Committee,** which oversees the implementation of the Societal Project at Crédit Agricole Group level, is its Umbrella Committee. In 2022, the work of the Group Societal Project Committee was devoted to monitoring the Societal Project through its 24 projects structured around its three priorities (climate transition, social cohesion and agricultural transitions). As part of its work, the Committee examined the steering indicators defined to enable this monitoring, the project to define the Group's Net Zero paths, as well as issues related to biodiversity and employment in the low-carbon transition.
    - The **Net Zero Sponsor Committee** was created in 2022 to be the steering body for the work on defining the Net Zero paths. It is made up of the CEOs of the Group's main subsidiaries, with representatives from the **Regional Banks** and Crédit Agricole S.A. In 2022, the Committee met ten times to decide on the major policy directions and their implications for the business lines, to validate public commitments and to make the necessary decisions
    - The **Scientific Committee** is a multidisciplinary body composed of ten external members who are recognised experts in climate and environmental issues (academic partners or individuals) and meet on a quarterly basis.

Point F. Management body's incorporation of the short, medium and long-term effects of environmental factors and risks into organisational structures within the institution's business lines and internal control functions

Governance in its oversight function

- See description in point E above. Environmental risk factors, including effects over different time horizons, are taken into account by the Board of Directors of Crédit Agricole S.A., as part of its oversight and strategy-setting function, which examines, in particular, after consulting the Risk Committee:
  - all risks, including the effects of climate risk on portfolios;
  - the results of the 2022 ECB climate stress test, the ECB's on-site Climate risk assessment mission and the results of its thematic review of the application of the ECB Climate/Environment Guide published in November 2020;
  - the impacts of the energy stress scenarios requested by the ECB.
- The Board also determines multi-annual strategic guidelines in the area of social and environmental responsibility, on the recommendation of Executive Management. This strategy is then adopted after review by the Strategy and CSR Committee. The Board also reviews its implementation with an action plan and the different time frames (short, medium and long) in which these actions will be carried out and is informed annually of the results obtained.
- In terms of climate in particular, it reviews the results obtained for specific targets set according to different time horizons (short, medium and long term) and, if necessary, adapts the action plan and targets. This climate policy and the main actions undertaken are then presented to the General Meeting of Crédit Agricole S.A. at least every three years, or in the event of a significant change in strategy.

Executive governance

- In addition, **the Credit Agricole Group Risk Committee (CRG) reviews and validates the Group-level risk frameworks presented by the entities and business divisions** (risk frameworks of subsidiaries or by sector of activity, geographic area, or theme). Within this framework, the environmental risk framework, constructed by the Risk department in collaboration with the Societal Project department and the Group's entities, is presented to it annually. This risk management framework determine the environmental risk roadmap for the coming year.
- The **Societal Project department (SPD) of Crédit Agricole S.A.** initiates and coordinates the implementation of the ESG strategy and oversees the implementation of the Societal Project among the CSR players in the Group. It is structured around four types of activities: establishment of the methodological framework (sectoral policy, standards) and regulatory oversight, ESG expertise, support for the business lines in the deployment of the ESG strategy, and production and analysis of non-financial information.

Point G. Incorporation of measures to manage environmental factors and risks into internal governance systems, including the role of Committees, the division of tasks and responsibilities and the feedback loop between the risk management function and the management body, covering relevant transmission channels

Governance in its oversight function

After intervention from executive governance Committees. In order to assess environmental factors and risks and to ensure that they are managed as effectively as possible, the Board of Directors examines, in particular:

1. **After review by the Risk Committee:**
   - the results of the 2022 ECB climate stress test, the ECB's on-site Climate Risk Assessment mission and the results of its thematic review of the application of the ECB Climate/Environment Guide published in November 2020;
   - the impacts of the energy stress scenarios requested by the ECB;
   - management of the Crédit Agricole S.A. securities portfolio;
   - the Annual Internal Control Report and half-year interim information on internal control, coordinated by the Group Risk Management department;
   - all mail sent to the Company by regulators mentioning the obligation to inform the Board and measures taken to respond to their observations;
   - the update of the audit plan and the Audit Plan for 2023 for the Group Control and Audit department;
   - approval of the Risk frameworks governing risk-taking in the Group's core business areas.

2. After review by the Strategy and CSR Committee:

- monitoring of the work started on the social and environmental aspects of the Medium-Term Strategic Plan and the implementation of the new "Ambitions 2025" medium-term Strategic Plan;
- the climate workshop, which presents the Group's doctrine and priorities to investors;
- the integrated report and the Company's 2022 CSR performance, as well as the update of the Vigilance Plan.

3. After review by the Compensation Committee:

The fixed compensation, annual personal variable compensation, and the terms and conditions and criteria used to determine the annual variable compensation of the executive corporate officers (Chairman, Chief Executive Officer and Deputy Chief Executive Officer), taking into account regulatory provisions as well as the new CSR performance criteria that will be presented to the General Meeting as part of the ex-ante vote on Executive compensation.

4. After review by the Appointments and Governance Committee:

- the results of the self-assessment of the operation of the Board and its individual and collective expertise, and possible ways of improving governance, including environmental expertise;
- the Board training programme for 2023 includes training in ESG risks, particularly climate risks (EFRAG reporting standard, Net Zero Benchmark methodologies for climate policies of banks).

In the run-up to the General Meeting of 17 May 2023, the Board held a seminar on 14 March 2023 dedicated solely to the climate issue, studying in particular:

- the Crédit Agricole Group's climate strategy;
- the expectations and criticisms of NGOs and Funds;
- the results of the missions conducted in 2022 and the expectations expressed by the supervisors regarding those topics;
- the governance reporting on climate issues;
- the Statement of Non-Financial Performance, which includes the climate strategy.

Executive governance

- **The Crédit Agricole Group Risk Committee (CRG)** examines and validates the Group-level risk frameworks presented by the entities and business divisions. Within this framework, the environmental risk frameworks prepared by the Societal Project department and the Risk department in collaboration with the Group entities, is presented to it annually.
- **The Crédit Agricole Group Societal Project Committee** oversees the implementation of the Societal Project at Crédit Agricole Group level and is its Umbrella Committee. In 2022, the work of the Group Societal Project Committee was devoted to monitoring the Societal Project through its 24 projects structured around its three priorities (climate transition, social cohesion and agricultural transitions). As part of its work, **the Committee reviews the steering indicators defined to enable this monitoring,** the project to define the Group's Net Zero pathways, as well as issues related to biodiversity and employment in the low-carbon transition.

Point H. Environmental risk reporting chains and reporting frequency

Governance in its oversight function

In particular, as part of its executive oversight function, the Board of Directors reviews, on an annual basis:

- the preparation of non-financial information, including environmental risk-related information, after consulting the Audit Committee;
- the vigilance plan, after consulting the Strategy and CSR Committee, which reports to the Board on the Group's climate strategy and related initiatives;
- the Statement of Non-Financial Performance (DPEF), which includes the Group's climate strategy, after consulting with the Strategy and CSR Committee.

In particular, as part of its executive oversight function, the Board of Directors reviews all risks, including environmental risks, on a quarterly basis. The Board of Directors' Risk Committee, in addition to examining specific issues when necessary, conducts a quarterly review of all risks, including environmental risks, on the basis of a presentation by the Risk department. This information and these reports are then forwarded to the Board.

For further details on the reports and information reviewed by the Board see, in particular, the descriptions in points E and G above.

Executive governance

- The non-financial performance of Crédit Agricole S.A. and its subsidiaries is supervised by the **Executive Committee,** which monitors the definition of the ESG strategy and its operational implementation as part of the **steering of the Group Project, which is the subject of quarterly presentations and reporting.**
- In addition, as part of its work, the **Crédit Agricole Group Societal Project Committee reviews the environmental risk steering indicators** defined for the monitoring of the project to define the Group's Net Zero pathways, as well as biodiversity-related issues.
- Lastly, **the climate risk indicators presented within the context of the risk appetite are reported to governance.** They may have defined alert thresholds and limits.

Point I. Alignment of the compensation policy with the institution's environmental risk targets

Contribution of ESG performance to the compensation of executive corporate officers

- Aligned with the Company's social interest, the reward policy for executive corporate officers takes into account the dimensions of sustainable performance beyond short-term economic results alone. Thus, allocation of the annual variable compensation of the corporate officers is subject to non-financial criteria, including those related to ESG performance.
- For 2023, within Crédit Agricole S.A., the weighting of non-financial ESG criteria in the annual variable compensation of executive corporate officers has been harmonised for all of them (Chief Executive Officer and Deputy Chief Executive Officers) and increased to 20%. The weighting of criteria related to Social CSR is 10%; the weighting of criteria related to Environmental CSR is 10%.

Governance in its oversight function

The compensation of executive corporate officers is first approved by the Compensation Committee, before being approved by the Board of Directors, the body competent to decide on their compensation. During a year in which a new Medium-Term Strategic Plan was adopted, the Committee's work focused in particular on integrating indicators related to the Group's ESG commitments, in particular in societal, environmental and climate-related matters, into the performance criteria for executive corporate officers. The Committee has set itself the target of increasing the share of these criteria in the annual variable compensation of executives from 16% to 20%. The Committee completed its work, which was presented on 8 February 2023 to Crédit Agricole S.A.'s Board of Directors, which approved it for incorporation into the Compensation Policy for executives for the 2023 financial year to be submitted ex ante to the General Meeting of 17 May 2023.

3. Risk management

Point J. Incorporation of short, medium and long-term effects of environmental factors and risks into the risk tolerance framework

The main risk factors were listed in the major existing risk categories in order to assess their materiality, and to put this in perspective, in terms of the bank's exposures, by means of quantitative analyses. The scientific work available to date qualitatively supplements this materiality analysis.

The Group considers the following main risk factors and their related time frames:

- 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.

This mapping enables environmental risks to be included in the risk frameworks of the Group's business lines and entities, which are presented to the Group Risk Committee of Crédit Agricole for approval.

Point K. Definitions, methodologies and international standards underpinning the environmental risk management framework

The Group relies on:

- **to date, the environmental risks defined by regulators or supervisory authorities, as well as the transmission levers used for the main classes of risk;**
- **standards such as the European Taxonomy to qualify certain types of assets;**
- **market standards or principles, such as Green Bond Principles.**

In addition, the Crédit Agricole Group participates in initiatives or has joined alliances/coalitions that include commitments to methodological approaches or that allow it to contribute to the development of market standards, in particular the Net Zero Banking Alliance for credit activities, the Net Zero Asset Managers Initiative for asset management, as well as the Net Zero Asset Owner Alliance and Net Zero Insurance Alliance for insurance activities. The methodological approaches taken within the context of commitments relating to these alliances are specified as they are developed, in particular, the climate scenarios used (mainly from the IEA).

Point L. Process for identifying, measuring and monitoring activities and exposures (and, where applicable, collateral) sensitive to environmental risks, covering relevant transmission channels

Environment-related risks are identified and analysed as part of the Group's overall risk identification process, and then entered into a 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 portfolios according to various scenarios, such as the stress test exercises 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.

In addition, the environmental risk management system is evolving within the Crédit Agricole Group with a view to implementing the actions agreed in response to the ECB Guide on the management of climate-related and environmental risks. The 13 expectations are addressed in sub-projects which are subject to follow-up presented to the executive and non-executive Governance, as well as to review work by the supervisor (thematic review, on-site inspection mission). The conclusions of this work are integrated into the supervisory dialogue, in the P2R part of the SREP (as are the climate stress tests). Some of the expectations are linked to other regulatory requirements, such as the European Banking Authority (EBA) lending guidelines (ESG component). The other regulatory changes mainly concern reporting (green asset ratio, ESG Pillar 3), as the EBA did not issue any recommendations on the potential impacts of environmental and social risks in Pillar 1.

The sector-specific CSR policies govern activities and define the scope of exclusion, particularly within the scope of Crédit Agricole CIB. The Risk department issues an opinion on these policies, as well as on sector-specific risk frameworks.

Lastly, the Group's strategy of gradually reallocating its financing, investment and managed asset portfolios towards the energy transition is designed to reduce its gross risk over time and enable the Group to show greater resilience.

Point M. Activities, commitments and exposures that help to mitigate environmental risks

Crédit Agricole Group set itself the goal of contributing to achieving carbon neutrality through its membership in the Net Zero alliances in 2021 and 2022, covering both financing and investment and insurance portfolios (see paragraph K).

Point N. Implementation of tools for identifying, measuring and managing environmental risks

Environmental risk management is based primarily on commitment policies that allow transactions to be guided by Group strategy. On this basis, sector-specific CSR policies define, for the most exposed entities, the directions to be taken and exclusions to be applied to respect Group commitments. Transactions sensitive to environmental risk are also analysed at the origination stage.

With regard to transaction inventories, environmental risks are currently identified centrally using Group tools, as well as within each subsidiary. This is based on analysis of databases listing transactions that cross-reference the Group's commitments with vulnerability matrices, both in terms of transition risks (geo-sectoral sensitivities) and physical risks (analyses by danger). Physical risk analyses are largely based on external databases presenting hazards and their frequency, intensity etc., by geographical coordinates.

These measurements, supplemented by qualitative analyses, are fed into the risk appetite framework so that governance can be informed of the risk position.

Point O. Results and conclusions drawn from the implementation of the tools and estimated impact of environmental risk on equity and liquidity

Qualitative and quantitative analyses conducted so far have not revealed any impacts on capital. Exercises conducted by the supervisory authority in 2022 also confirmed this assessment, both through climate stress tests (covering a limited but representative scope) and actions taken to move towards the expectations expressed in the ECB's guide to climate and environmental risk management.

In addition, these analyses do not show any material impacts from market and liquidity risks.

Point P. Availability, quality and accuracy of data, and efforts to improve these aspects

As stated in the Non-Financial Performance Statement, the information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and due to the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates used to prepare it and presented in the Statement.

The collection of new data is organised with a quality requirement consistent with new uses, whether regulatory (reporting) or for monitoring and steering risk. Proxies are deployed to supplement or improve the quality of historical series of non-financial data not previously used.

In addition, since methodologies, data quality, and reference scenarios are constantly evolving, the numbers may change over time.

Point Q. Description of environmental risk limits set (as regulatory risk vectors) and triggering the entry of higher tiers and exclusion from the portfolio in the event of overrun

The Group has defined and formalised exclusion criteria in its sectoral CSR policies, supplemented by improved analyses of certain sensitive transactions, with associated governance.

For example, Crédit Agricole CIB has also created two complementary tools:

- an *ad hoc* Committee for the evaluation of transactions presenting an environmental or social risk (Ceres), which issues an opinion on financing projects that may involve reputational risk or risk of non-compliance with CSR sector-specific policies. It is chaired by the Compliance Officer, while secretarial support is provided by the ESR department, which reports to the Risk department. The other permanent members are the Sector and Individual Corporate Risk department of the Risk department and the heads of the relevant business lines within Crédit Agricole CIB. The invited members are the Legal department (if an opinion is required on legal aspects), as well as the Societal Project and Group Economic Research departments;
- since 2013, Crédit Agricole CIB has used an environmental and social rating system for all its Corporate customers. It is performed at least annually and is based in particular on compliance with existing sector policies, the existence of an image risk for the Bank and the level of performance recognised by non-financial agencies. This rating supplements the system for assessing and managing the environmental and social risks associated with transactions on a three-level scale (advanced, compliant, sensitive). Sensitive files are subject to an opinion from the ESR department, and a review by the CERES Committee.

In terms of investment, the issuers with the lowest non-financial criteria ratings are either excluded from the investment universe or subject to an investment limit.

Amundi has therefore developed two main proprietary ESG rating methodologies in the universe of listed issuers, one for corporate issuers and the other for sovereign entities. Amundi's approach is based on universal documents, such as the United Nations Global Compact, the OECD Guidelines on Corporate Governance, the International Labour Organisation (ILO) etc. The ESG score aims to measure the ESG performance of an issuer, for example its ability to anticipate and manage the sustainability risks and opportunities inherent to its sector and individual situations. The ESG score also assesses a corporate's ability to manage the potential negative impact of its activities on sustainability factors.

- ESG analysis of corporates is based on a best-in-class approach: it consists of comparing players in the same sector with each other to distinguish between the best and worst practices in the sector.
- The methodology used to assess the ESG performance of sovereign issuers is based on around 50 ESG indicators deemed relevant by Amundi's ESG research to address sustainability risks and sustainability factors. The E, S and G factors may have an impact on the ability of states to repay their debts in the medium and long term. They can also reflect how countries are tackling the major sustainability issues that affect global stability.

Lastly, the Group communicated commitments relating to the Net Zero alliances, which will be monitored and steered by executive governance, in particular, through the Net Zero Sponsor Committee, created in 2022. It is the steering body for the work on defining Net Zero pathways and is made up of the CEOs of the Group's main subsidiaries, with representatives from the Regional Banks and Crédit Agricole S.A.

Point R. Description of the link (transmission channels) between environmental risks and credit risk, liquidity and financing risk, market risk, operational risk and reputational risk in the risk management framework

Environmental risks can impact all the main categories of existing risk, with the highest probability of occurrence and/or greatest impact through credit and operational risks (reputational risk). Environmental risks can, therefore, be transmitted:

- to credit risks, particularly through impacts on the Group's individual customers' revenues, costs and assets: depreciation of financed or secured assets, disruption of the region's activities, inflationary pressure;
- to financial risks, through, for example, difficulties in raising cash for the Group due to negative information (greenwashing), or through an abrupt revaluation and/or volatility of financial instruments held by the Group;
- to operational risks, such as failure to meet our public commitments (reputational risk), or non-compliance with the Group's duties of advice and due diligence (e.g. financing in a flood zone), but also material damage to the Group's assets and disruption of its activities (including Information System);
- to other risks, such as insurance risk with significant increases in material damage and/or health problems for our customers (deterioration in the loss ratios).

Part 2 – Qualitative information on social risk

1. Economic strategy and processes

Point A. Adjustment of the institution's economic strategy to incorporate social factors and risks, taking into account the impact of social risk on the institution's economic environment, business model, strategy and financial planning

Overview of the social strategy

It is the Group's ambition to be able to respond to all the financial concerns of all of its customers, from the most financially fragile to the most affluent. As a result, Crédit Agricole, through all of its subsidiaries, offers environmental and social services to all of its customer segments so that all players in the economy and the regions are assisted and supported in current and future transformations.

This combination of social utility and universality is reflected in the social strategy the Group has adopted:

1. **offering a range of products that does not exclude any customer by providing products that are accessible to low-income customers (EKO and LCL Essentiel), a renewed commitment to young people and vulnerable populations as well as a prevention policy for insured persons;**
2. **contributing to the revitalisation of the most vulnerable areas and reducing social inequalities through the arrangement of social bonds and investment in social housing, support for social economy impact players and the promotion of initiatives with societal priorities;**
3. **being a responsible employer working to make the Group more attractive, to retain its employees and guarantee a suitable working environment. The Crédit Agricole Group is particularly concerned about the safety of its employees, after two years marked by successive waves of Covid-19, and in the current context, unthinkable until recently, of the war in Ukraine, which has hit Crédit Agricole employees in Ukraine and their families deeply.**

Utility and universality

Offer a range of products and services that do not exclude any customer in order to foster social and digital inclusion

Crédit Agricole Group aims to serve all its customers and to support those experiencing financial difficulties. In this context, its purpose is to facilitate the accessibility of financial products and services (readability of the offer, adapted pricing, conditions of sale).

- Access for all to our offers and services: the new everyday banking range, Ma Banque au Quotidien, has been offered by all the Regional Banks since 2022. This range, made up of five products (Eko, Globe-Trotter, Essentiel, Premium, Prestige), is adapted to meet every need through à la carte packages, giving the option of paying only for what is needed. In additional, with regard to prevention for insureds, this is an integral part of the comprehensive approach to understanding risks and supporting individual customers, professionals, farmers and corporates. Its purpose is to preserve both their personal assets and to secure their business assets (or activity). Its principles of action are based on prevention to avoid the risk, protection to reduce it and minimise its impact, and insurance to compensate for its consequences.
- A renewed commitment to young people: Crédit Agricole is committed to helping young people gain access to training and employment through a comprehensive range of banking and non-banking services that enable them to achieve their goals. A whole ecosystem of services and offers is made available to young people through various channels in order to make this possible. To complete its range of solutions for young people, the Crédit Agricole Group is rolling out a dedicated home insurance offer for young tenants by the end of 2022.
- Support for vulnerable populations and combating overindebtedness: for example, Crédit Agricole Consumer Finance has, as a major player in consumer credit in Europe, particularly in recent years, demonstrated its commitment to supporting vulnerable populations in all the countries in which it operates (dedicated budget management universe, Customer Support Agency etc.). At LCL, if a situation of proven or potential financial vulnerability is detected, the customer in question will receive a letter describing the advantages of the "LCL Initial" offer, a range of banking services that will help them manage their account. Crédit Agricole's Regional Banks are strengthening their mechanism for the early detection of potential financial vulnerability among their customers, to enable advisers to intervene upstream with an analysis of the financial position and a proposal for support tailored to their situation.
- Facilitate access to healthcare and ageing well: Crédit Agricole's ambition today is to become a benchmark bank in the field of healthcare, with a dedicated healthcare business line in place to support a healthcare ecosystem around three themes: prevention, care and monitoring.

Help to revitalise the most vulnerable regions and reduce social inequalities

- Social housing: in November 2022, Crédit Agricole S.A., the *Fédération nationale du Crédit Agricole* and Action Logement reiterated their joint commitment to work towards greater social inclusion. Through a renewed partnership, the Crédit Agricole Group wishes to promote access to rented accommodation, particularly for people who are unable to afford a deposit or who do not wish to ask their family and friends (e.g. young people).
- Promotion of entrepreneurial initiatives: working with major corporate-creation support networks since 1994, the Regional Banks along with LCL thus contribute to strengthening the network of small corporates throughout France. These networks work to revitalise deprived urban areas, to promote inclusion and a return to employment, and encourage local initiatives with a societal impact.

Support strategy for the agricultural and agri-food sectors

Contribute to strengthening food sovereignty: to meet its ambitions in terms of food sovereignty, France has significant assets to be more autonomous and secure its production, whether for human or animal consumption. To meet this challenge, Crédit Agricole Group is working on three pillars: Help new generations of farmers get started; enhance the value of the farming profession, and promote sustainable food by developing short supply chain distribution.

Being a responsible employer in a citizen company

Through its Social Project, the Group’s ambition consists of the collective mobilisation of all entities, business lines, employees and elected representatives to support all customers and contribute to a more inclusive, progressive society for all. This goal is supported by two key social actions: one relates to the integration of young people, the other to diversity. In addition, the new medium-term plan presented in June 2022 enables the Group to continue its managerial, cultural and human transformation, thanks in particular to the identification of six main levers which will be deployed by 2025.

Multiple opportunities

- Talent and employee development and succession: to contribute to the Group's succession plans, three priority challenges have been set: continue to constitute pools to contribute to Group’s succession plans and business lines, to develop gender equality in managerial functions, and to make our talent pools international.
- Promote the employer brand and develop our employees: the Group’s attractiveness is increasing. The Group stands out as the most CSR-committed employer in the financial services sector, ranking in the Top 5 of the CAC 40 in France, according to a study by Universum.
- Employee retention and loyalty: in a highly competitive financial sector, attracting and retaining the talent the Group needs is a key factor in the development of its activities and its performance across all business lines. The international dimension of the Group provides employees with a multicultural working environment and multiple opportunities for development through the diversity of its business lines.
- Mobility: the Group is particularly conscious of moves across different activities and business lines and implements concrete measures such as transparent information about mobility, a toolbox and job offers in a dedicated application. It also organises recurrent mobility events, in face-to-face, remote and digital formats.

Employee training and collective development

- The evolution and development of employees’ skills is one the major challenges, with three key areas identified:
  - creating an environment that encourages learning new things to ensure sustainable employability;
  - promoting continuous skills development and continuous adjustment to how business lines are changing;
  - supporting the acquisition of new skills and anticipating change.

  As an example, International Retail Banking (IRB), with the support of IFCAM, Crédit Agricole Group’s university, launched the Corporate Academy in order to offer the Group’s corporate customers the best expertise possible for successful international development. This ambitious international training programme is aimed at 200 BPI employees serving large local and multinational customers and is open to employees from other Group entities. It also relies on numerous partnerships with schools and universities to develop *ad hoc* programmes.
- Reward: the reward policy is one of the three founding principles of the Human Project: empowering employees, strengthening customer relations and fostering an atmosphere of trust. Note that this policy includes provisions on gender neutrality. In particular, there are mechanisms in place that aim to close the compensation gap.
- Internationalisation of talent pools: the internationalisation of talent pools is a major challenge for Crédit Agricole S.A. This criterion is one of the indicators for steering the Human Project, and the Group has raised its ambitions in the context of the new strategic plan, with a target of 30% international employees making up the succession plans by 2025.

Strengthen the Group’s commitment to diversity

- The Group pays particular attention to:
  - achieving gender parity 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.
- Gender equality at work:
  - For several years, Crédit Agricole S.A. has been committed to promoting gender equality at work, notably by signing agreements on issues such as equality in recruitment, training, promotion, compensation and work-life balance.
  - The Group also offers support programmes to help develop talents: training in the role of Director; a programme of mentoring by members of the Group Executive Committee for future executives; coaching programmes for potential leaders: the “EVE” programme and development programmes for young female talents, as well as training in “self-marketing”.
- Disability policy: The sixth Crédit Agricole S.A. agreement to promote the employment of people with disabilities for the 2020-2022 period is a continuation of the Group’s ambitious policy. This commitment is reiterated in the International Framework Agreement, in which the Group agrees to fight against all forms of discrimination and promote the integration of disabled employees.

A major commitment to young people

As part of the Societal Project, the Group has made a commitment to welcome and support 50,000 young people by 2025.The Group draws on its ambitious Youth Plan and a variety of initiatives to promote workforce entry for young people through jobs and training. This commitment is also illustrated by the mobilisation of employees to support work-study students and, more generally, young people within the Group.

Attractive and secure working environment

- Gathering employee feedback: the Empowerment Index is a new annual measurement tool for the cultural transformation brought about by the implementation of the Human Project and the Societal Project. It monitors the deployment of the managerial transformation initiated by the Group in 2019 around five key themes: empowerment, discernment, trust, courage and taking initiatives.
- Workplace Health and Safety: because of the public health crisis linked to the Covid-19 pandemic, the Group has paid particular attention to the measures to be taken to safeguard the health and safety of employees and their working conditions. To this end, in conjunction with the occupational health services and employee representatives, these measures were regularly adapted by the Group as the health crisis developed, in accordance with the decisions and recommendations of the public authorities.
- Quality of work life: the Group carries out prevention actions and provides support for employees (free screening and vaccine campaigns, ergonomic advice, nutrition and stress management, personalised support for employee carers, teleconsultation booths etc.).
- Work/life balance: to meet the new expectations of parent employees, the Group has adapted its working structure to provide greater flexibility and promote a better balance to assist parent employees to better manage their parental responsibilities. The entities also provide provisions on the right to disconnect.
- Social offer: eligible employees can benefit, depending on their choice and their needs, from day-care facilities, access to leisure centres for their children, the banking benefits of the Group's offer, the allocation of social housing and access to the services offered by the Housing Action Services department.
- Anti-harassment commitment: Crédit Agricole S.A. gives all its employees and partners the possibility of using an internal whistleblowing system, either anonymously or in their own name, if they witness or are victims of serious events or events contrary to the Group's Code of Conduct and if they have not been able to use normal hierarchical channels for reporting problems. This mechanism, which guarantees the confidentiality and protection of the person making the report, is accessible to Group employees (24 hours a day, 7 days a week) via a single independent link on the Crédit Agricole S.A. website.
- Ongoing health management: in 2022, changes in the public health situation continued to be closely monitored throughout the Group.

Sharing value creation

- A decent wage: Crédit Agricole S.A.'s objective is to offer its employees attractive, motivating compensation packages that enable it to retain the talent it needs while being aligned with its medium-term plan and the interests of its various stakeholders. Through its Human Project, Crédit Agricole S.A. promotes a reward policy based on fairness and common rules for all employees in compliance with the applicable regulatory framework. This policy ensures internal consistency as well as external competitiveness of compensation through benchmarks with peers.
- Employee shareholding and capital increases: Crédit Agricole S.A. offers an annual capital increase offer reserved for Group employees and retirees.
- Health and welfare arrangements: the International Framework Agreement of 31 July 2019 includes an important commitment regarding welfare (incapacity, disability, death and healthcare). A survey in 2021 showed that there were no breaches of the locally required legal obligations regarding health and welfare. In addition to these legal obligations, more than 9 out of 10 Group employees are covered by supplementary health, death and incapacity/disability insurance offered by the Group.
- Incentive and profit-sharing schemes: the profit-sharing and incentive agreements are negotiated and managed at each entity with distribution of the employer's contribution.

Social progress

- Human rights: as part of the International Framework Agreement signed with UNI Global Union in 2019, the commitment to respect human rights, freedom of association and trade union rights has been reaffirmed. These commitments apply to all the Crédit Agricole S.A.'s employees in all its geographical locations.
- The International Framework Agreement entered into on 21 July 2019 between Crédit Agricole S.A. and UNI Global Union was due to expire on 31 December 2022. The parties decided to extend this agreement until 31 July 2023 in order to give themselves time to conduct negotiations for its renewal.
- The social dialogue is illustrated in particular by the robustness of the dialogue within three Group-level representative bodies: the European Works Council and the Group Works Council, which are responsible for dealing with economic, social and financial issues across the Group, and the Consultation Committee, which is a body specific to Crédit Agricole S.A.
- 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. This framework agreement provides that any entity belonging to the Group 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.

Taxation and responsible lobbying policy

Tax policy

- The Group pays the taxes legally due in the countries and territories where it is present. The amounts paid correspond to the underlying economic value created in those countries or territories as a result of its activities. Thus, its tax charges are in line with its business activities. Crédit Agricole S.A. has developed, under the authority of its Executive Management, a set of internal rules that have led it to withdraw from countries classed as non-cooperating by the OECD. An internal procedure, which is regularly updated, provides for prior authorisations for any own-account investment in countries listed by this procedure.
- The Crédit Agricole S.A. Tax department ensures that the Group's tax practices pursue broad goals of responsibility and compliance, not just the narrower purpose of managing the cost of tax and tax risk. Accordingly, Crédit Agricole S.A. provides no help or encouragement for customers in violating tax laws and regulations, nor does it facilitate or support transactions where tax efficiency for the customer is derived from the non-disclosure of facts to the tax authorities.

- Lastly, Crédit Agricole Group has publicly undertaken to only conduct international wealth management activities in countries and territories that are committed to the automatic exchange of information; to only deal with customers who provide it with a mandate to automatically exchange information about such customers with the relevant authorities; and not to create, manage or advise off-shore entities. Indosuez Wealth Management helps its customers comply with tax requirements and after the automatic exchange of information with the European Union, the entity has extended the scope to partner countries. An internal procedure provides a very strict framework for this commitment.

Responsible lobbying

Lobbying activities are conducted in full transparency with all stakeholders and comply with prevailing best practices. Initiatives are carried out to promote our customer-focused universal banking model and to highlight its Raison d'Être. In 2022, as was the case the previous year, the main focus was on financing of the economy, support for energy transition and the preservation of the special mutually shared values. In addition, the Group contributes to consultations with French and European authorities on such topics as retail investment strategy, the digital transformation of the banking sector and sustainable finance.

Responsible procurement

- **Crédit Agricole Group has adopted a Responsible Procurement policy, signed by the CEOs of each of its subsidiaries, in order to meet the major challenges of the future and contribute to the corporate's overall performance.** It is based on five principles: ensuring responsible behaviour in supplier relations, contributing to the economic competitiveness of the ecosystem, integrating environmental and social aspects into our purchasing activities, improving the quality of relations with suppliers in the long term, and integrating this responsible purchasing policy into existing governance mechanisms.
- **Customer Relations Excellence Pillar:** employees of the Procurement business line are committed to establishing responsible and sustainable relationships with their suppliers. This involves reciprocal commitments based on the fundamental principles of the United Nations Global Compact. A clause on the respect of human rights, environmental protection and the fight against corruption was added to enhance the contracts in 2018.
- **The Human Pillar:** the Procurement business line's targets in terms of human resources management include developing buyers' CSR-related business competencies. To meet the Group's employment-related commitments, new training modules have been added to the business line's professional development programme.
- **The Societal Pillar:** the Procurement business line applies the commitments of the Group's Societal Project at its own level as well as at the level of its main stakeholders. In particular, it focuses on two of the Group's commitments:
  - achieving carbon neutrality by 2050;
  - help to revitalise the most vulnerable regions and reduce social inequalities;
  - systematically including CSR criteria in calls for tender.

Cybersecurity and combating cybercrime

For several years, along with other major players in the banking and financial sectors, Crédit Agricole has been confronted with cybercrime targeting its IT system and that of its subcontractors. Mindful of the challenges associated with digital security, Crédit Agricole deploys a cybersecurity strategy to protect itself against cyberthreats, which are a key focus of its operational risk management policy.

Commitment to protecting the data of our customers and employees

- Governance and risk management.
- Cyber risk awareness and culture.
- Information System Security Policy (PSSI).

Protection of the IT system and data protection

- Access to the IT system must be limited to authorised users only.
- Equipment should be securely configured in order to limit the use of non-validated devices.
- Users have at their disposal methods and tools they can use to classify and protect the information they handle, including by encryption.
- The outsourcing of IT processing must involve a preliminary risk analysis, and be governed by contractual clauses that require the implementation of a security policy that is compatible with Crédit Agricole's security targets, monitoring and a right to audit the security of the service throughout the duration of the contract.

Operation and development

The IT project methodologies in place identify the risks and means of managing the security of applications and systems when they are developed in house or purchased. The operation of the IT system is regulated by procedures. System vulnerabilities must be corrected within a time frame that is proportionate to the level of risk they represent.

Extreme incidents and shocks

- The IT system must be continuously logged, and these logs must be correlated in order to detect security incidents and any attempts to extract data.
- An incident management process is in place to deal with any operational or security incident with the appropriate level of response and escalation. The IT system is designed to meet the resilience targets required by the business lines and documented in their Business Continuity Plans (BCP).
- The IT system is designed to meet the resilience targets required 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 issue is with software or hardware (including workstations).

Combating cybercrime

- Credit transfer and direct debit fraud has been steadily increasing since 2019. After a two-year pilot phase, the SECURIBAN portal developed by Crédit Agricole Payment Services (CAPS) is now operational. This tool makes it possible to check the consistency between the IBAN and the account holder in less than a minute by giving a score.
- CAPS has launched a biometric card, a payment card with a fingerprint sensor.
- Among its innovations, CAPS is offering a new version of the temporary lock, which temporarily deactivates a lost payment or cash withdrawal card and reactivates it once it has been found, without having to cancel it.

Point B. Objectives, targets and limits for the assessment and management of social risks in the short, medium and long term, and assessment of performance against these objectives, targets and limits, including forward-looking statements related to the definition of business strategies and processes

Objectives, targets and limits for risk assessment and management

- **Crédit Agricole Group's main social risks** in relation to its activities, business model, geographical locations and stakeholder expectations are identified using a multi-step methodology: formalisation of the non-financial areas defined by the Group's *Raison d'Être* (Step 1), a normative procedure to define an exhaustive scope of non-financial risks (Step 2), selection of the main non-financial risks that could affect the Group's activities (Step 3), and the inclusion of stakeholder expectations (Step 4).
- With regard to the **selection of the main risks,** this involved selecting short-, medium- or long-term material risks for the Group. The risks identified are 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.
- **The non-financial themes identified, including social themes, are analysed using the principle of double materiality: First, societal materiality, which reflects the impact of Crédit Agricole's activities on its ecosystem; second, financial materiality, which formalises the impact of the ecosystem on Crédit Agricole's business lines.** This work was carried out as part of a participatory process involving the Group's CSR, Risk, Compliance, Purchasing and HR departments. The principle is also used to assess the material risks directly related to our activities, as part of the updating of our Vigilance Plan.

Performance assessment

For each social policy, there are one or more performance indicators, an annual performance measurement unit tailored to each indicator, and an explanation about the scope used to establish that measurement.

At the end of 2022, the full list of social performance indicators used for Crédit Agricole Group entities was as follows:

- Raising awareness of ethics among employees;
- Number of requests for the exercise of rights received by Group entities;
- % of employees trained in the three AML/CFT anti-corruption and anti-fraud regulations;
- Number of customers in vulnerable situations supported;
- Financing granted to microfinance institutions;
- Number of customers who subscribed to entry-level offers;
- Assets linked to offers contributing to the revitalisation of territories and the reduction of inequalities;
- % of impact finance (sustainability linked loans) in corporate loan production;
- Assets in impact solutions;
- Percentage of women on Crédit Agricole S.A.'s Executive Committee;
- Percentage of women in the Top 150 (first circle);
- Training courses given;
- Number of agreements signed;
- Absenteeism rate;
- Cumulative number of young people welcomed during the calendar year;
- Tax rate paid by Crédit Agricole S.A.;
- Number of French financial institutions in which Crédit Agricole S.A.'s Public Affairs department participates;
- Percentage of suppliers that received a CSR assessment in a call for tenders;
- Percentage of employees trained in cyber risks;
- Volume of financing allocated to the agri-agro transition;
- Penetration rate at the time of farmers installation.

Point C. Policies and procedures for direct and indirect dialogue with new and existing counterparties relating to their strategies to mitigate and reduce socially harmful activities

Integration of social issues into the analysis of large corporates counterparty risk

- The consideration of possible negative social impacts from financing large corporates is based on several pillars:
  - **The application of the Equator Principles to project financing:** these principles provide a useful methodological framework for assessing and preventing social impacts whenever financing is linked to the construction of a specific industrial asset (plant, transport infrastructure etc.).
  - **Sector-specific CSR policies:** the purpose of sector-specific policies is to specify the rules of intervention and social and environmental principles introduced into the Group's financing policies. 14 sector-specific CSR policies are currently applied, for which the main sectors affected are armaments, coal-fired power stations, oil and gas, hydraulics, nuclear, oil and shale gas, mines and metals.
  - **An analysis of the sensitivity of the transactions' in particular with regard to the social aspect:** the environmental or social sensitivity of transactions has been assessed by Crédit Agricole CIB since 2009. This process makes it possible to ensure compliance with the exclusion criteria defined within the various sector-specific CSR policies or to analyse or even anticipate potential controversies with customers or a transaction.
- Furthermore, **Crédit Agricole CIB uses an environmental and social rating system for all its corporate customers.** This rating supplements the system for assessing and managing the environmental and social risks associated with transactions on a three-level scale (advanced, compliant, sensitive). It is performed at least annually and is based in particular on compliance with existing sector policies, the existence of an image risk for the Bank and the level of performance recognised by non-financial agencies.

Integration of social issues into the analysis of SME and mid-cap counterparty risk

- **The Group, through all of its subsidiaries, offers environmental and social services to all of its customer segments** so that all players in the economy and the regions are assisted and supported in current and future transformations. Crédit Agricole takes a systematic, proactive approach to ESG inclusion, particularly in supporting mid-caps and SMEs by providing solutions tailored to their sector and size. This takes place as follows:
  - **a diagnosis of the customer's ESG performance** is carried out by account managers to raise awareness of key environmental, social and compliance issues. An incremental approach is adopted depending on the Company's size and maturity;

– **an initial assessment is based on quantitative and qualitative core criteria, as well as sector-specific criteria;**
– a portfolio of products is made available on the basis of the diagnosis. These products are supported by a network of national and local partners with a view to making sector expertise available to the entire network.

- **In 2020, ESG issues were included for the first time in commercial relationships with SME and mid-cap customers through the deployment of an ESG questionnaire distributed to all relationship managers**. This project, a pioneer in the banking world, is currently being rolled out to the Regional Banks, certain international retail banks.

2. Governance

Point D. Responsibilities of the management body in establishing the risk tolerance framework and overseeing and managing the implementation of the targets, strategy and policies defined in the context of the management of social risk, covering the approaches adopted by counterparties (see points D1 to D4 below)

Governance in its oversight function

For social as well as environmental issues, the Board of Directors of Crédit Agricole S.A., a listed company and the corporate centre of Crédit Agricole Group, ensures that the Group's strategic guidelines and activities take social concerns and risks into account (see Table 1E). The Board ensures the consistency of the Corporate's commitments and project as part of the monitoring of the implementation of its Group Project, which is organised around three main pillars: Customer Project, Human Project and Societal Project. It also follows the targets formulated by Crédit Agricole S.A. and its subsidiaries in their "Ambitions 2025" strategic plan, particularly with regard to societal issues. The Board takes social concerns and risks into account in its strategic decisions. To that end, it relies on the strategic analyses and policies presented to it and on the review of the risk frameworks submitted for adoption. Finally, it reports on the Company's ESG strategy and non-financial performance to the General Meeting and ensures the transparency and fairness of that communication.

In terms of operation, the Board has adopted a cross-functional approach to factoring social concerns and risks into its decision-making process. Depending on the topic, it reaches out to most of its Specialised Committees, primarily the Strategy and CSR Committee, but also the Risk Committee, Audit Committee, Appointments and Governance Committee and Compensation Committee. This arrangement allows the Board to be fully informed about the issues at hand and facilitates their inclusion in Board discussions (see Table 1E above).

- The **Strategy and CSR Committee,** chaired by the Chairman of the Board of Directors, reviews the Group's environmental and social strategy and analyses the results of all policies implemented and actions taken with regard to the Group's non-financial performance. The Committee's membership was expanded with the appointment of Eric Wilson, a Director representing employees, as a member of its Strategy and CSR Committee by the Board at its meeting on 9 November 2022 .
- The **Risk Committee** reviews the overall strategy and risk appetite of Crédit Agricole S.A. and the Crédit Agricole Group, which includes social and environmental risks. It analyses the risk frameworks of entities and business lines before proposing their adoption to the Board. **In a joint meeting with the Audit Committee,** it monitors the preparation of financial and non-financial disclosures, especially in the run-up to the publication of the Universal registration document.
- The **Appointments and Governance Committee** ensures that the collective competence of the Board is consistent with the issues facing the Group, including ESG issues. It periodically assesses the Board's structure, size, composition and effectiveness, as well as the Board's policies for the selection of Directors whose appointment falls within its powers. The Committee is committed to identifying the knowledge that must be permanently present within the Board of Directors in order to enable it to carry out its duties under the best conditions. Above all, it has adopted the knowledge and experience recommended by the European banking authorities and has supplemented these with a requirement for permanent expertise within the Board in the areas of Corporate Social Responsibility (see Chapter 3, Section 1.1.3 "Governance and diversity policy").
- The **Compensation Committee** assesses the general principles of the compensation policy applicable to all Crédit Agricole S.A. entities and monitors the implementation of that policy to ensure compliance with regulatory provisions, including the principle of fairness. It ensures that the Group's ESG criteria are taken into account in the compensation policy. The Crédit Agricole Group Head of Human Resources attends Compensation Committee meetings accompanied by the Head of Compensation and Employee Benefits. The Societal Project Director attended several meetings of the Committee in 2022.

With regard to Directors representing employees, their participation in the Board is ensured by:

- two Directors appointed by each of the two trade unions that secured the most votes in the first round of company elections; and
- a Director representing employee shareholders elected from among employee shareholders.

A non-voting Director represents Regional Bank employees.

The representative of the Social and Economic Committee attends meetings of the Board of Directors in an advisory capacity.

The relationship between the Board of Directors and Executive Management is expressed foremost in the regular and numerous contacts between the Chairman and the Chief Executive Officer. In addition, the latter, as well as the Deputy Chief Executive Officers and the Corporate Secretary, attend all Board meetings. In addition, members of Management have frequent discussions with the Board, which stresses the ease of access to information and executives, during the annual assessment of its functioning, both for the Board itself and for its Specialised Committees. In 2022, all members of the Executive Committee had the opportunity to access the Board of Directors or its Specialised Committees. Depending on the topic, the heads of technical divisions may also have access to Directors.

In accordance with banking regulations and pursuant to its Rules of Procedure, the Board interacts on a very regular basis with the three Heads of control functions who are also members of the Executive Committee. The latter have regulatory and, if necessary, direct access to the management body in its oversight functions.

Executive governance

The non-financial performance of Crédit Agricole S.A. and its subsidiaries is supervised by **the Executive Committee,** which monitors the definition of the ESG strategy and its operational implementation as part of the steering of the Group Project, which is the subject of quarterly presentations and reporting. The Executive Committee also acts as Human Resources Committee when it comes to approving succession plans, talent deployment, careers and training, and executive manager mobility.

At the level of the Crédit Agricole Group, the **governance of the Environmental & Social strategy** includes a special focus on the just transition. The Group has established a dedicated governance structure with the specific mission of overseeing the implementation of this just transition.

- The **Group Societal Project Committee,** which is chaired by a Regional Bank Chairman, is made up of 12 members, half of them Chief Executive Officers of Crédit Agricole S.A. and the other half, Regional Bank executives. It monitors the implementation of the Group's employment-related commitments and the consistency of its ESG strategy. Meeting quarterly, it monitors in particular the implementation of the Group's climate strategy, relying on the work performed by two Specialised Committees: the Scientific Committee and the Net Zero Sponsor Committee.
- The **Net Zero Sponsor Committee** was created in 2022 to be the steering body for the work on defining the Net Zero paths. It is made up of the CEOs of the Group's main subsidiaries, with representatives from the Regional Banks and Crédit Agricole S.A. In 2022, the Committee met ten times to decide on the major policy directions and their implications for the business lines, to validate public commitments and to make the necessary decisions
- The **Scientific Committee** is a multidisciplinary body composed of ten external members who are recognised experts in climate and environmental issues (academic partners or individuals) and meet on a quarterly basis.

For Crédit Agricole S.A. and its subsidiaries, the **Sustainable Finance Umbrella Committee,** chaired by the Deputy Chief Executive Officer of Crédit Agricole S.A. in charge of management and control and made up of representatives of the Executive Management of the subsidiaries and business lines, proposes the Group's E&S strategy, coordinates its deployment and monitors its progress along with key non-financial performance indicators in the different entities. To formulate sustainable finance guidelines, the Umbrella Committee relies on the Sustainable Finance Committee, which is made up of various representatives of Crédit Agricole S.A. departments.

Environmental and social risks are managed by:

- the Credit Agricole **Group Risk Committee,** chaired by Crédit Agricole S.A.'s Chief Executive Officer, which defines the Group's risk policy and determines the Group's overall limits. It assesses the issues and monitors the Group's main risks with a cross-functional approach. It examines and validates the Group-level risk frameworks presented by the entities and business divisions (risk frameworks of subsidiaries or by sector of activity, geographic area, or issue).

Point D1) Activities focused on the community and society

Governance in its oversight function

At its plenary meetings, and as part of its monitoring of the Group Project, the Board ensures that the Corporate's commitments and strategic plan are consistent. Its Chairman, who also chairs the Strategy and CSR Committee, is responsible for the overall success of the Societal Project, which is one of the three main pillars of the Group Project. He reports on the Committee's work to the Board of Directors, which approves the strategic guidelines. He works in conjunction with the Board's other Specialised Committees which ensure that these guidelines are correctly applied in their respective fields (see above).

Executive governance

In addition to being based on applicable regulations, the Group's commitments are underpinned by its *Raison d'Être,* "Working every day in the interest of our customers and society", and by the Group Project, which has laid out a programme of 10 commitments under its Societal Project. These commitments are divided into three priorities: climate action and the transition towards a low-carbon economy; the strengthening of cohesion and social inclusion; and the success of the agricultural and agri-food transitions.

All Crédit Agricole entities provide environmentally and socially responsible services in each customer segment. This ensures that economic and regional players have the help and support they need for their current and future transformations.

This combination of social utility and universality is reflected in the **social strategy** the Group has adopted:

1. **Providing a range of offerings where no customer is excluded** through products that are accessible to low-income customers, an ongoing commitment to young people and vulnerable populations, and a prevention policy for individuals who are insured;
2. **Contributing to the revitalisation of the most vulnerable areas and reducing social inequalities** through the arrangement of social bonds and investment in social housing, support for social economy impact players and the promotion of initiatives with societal priorities.
3. **Being a responsible employer** working to make the Group more attractive, retain its employees and guarantee a suitable working environment.

Point D2) Labour relations and standards

Governance in its oversight function

At its plenary meetings, when reviewing strategic plans or listening to presentations from entities on the implementation of the Group Project, the Board of Directors ensures that the Corporate's commitments and project adequately and consistently address social and environmental concerns, especially with regard to the Human Project, which is one of the Group Project's key pillars.

The Board reviews all topics that are subject to social and societal regulations (see below), relying on upstream work carried out by its Specialised Committees.

In the context of his relations with employee representative bodies, the Chairman of the Board of Directors chaired the Group Works Council in spring 2022 and the plenary session of the European Works Council (EWC) at the end of 2022. Each year, he convenes a meeting with all employee representatives on the Board of Directors for an exchange of views on the functioning of the Board of Directors and any current issues in general. Currently, the employee representatives consist of the two Directors representing employees, the Director representing employee shareholders, the non-voting Director representing employees of Regional Banks, and the representative of the Social and Economic Committee.

Executive governance

As a responsible employer, it has adopted a coordinated and comprehensive approach to the key issues of attractiveness, employee retention and working environment. Specifically, it focuses on seven priorities to enhance its employer brand:

- offering multiple career opportunities;
- training its employees;
- to amplify gender equality and diversity/disability in all Group entities and within its governance;
- making a commitment to young people;
- to offer an attractive working environment and promote quality of work life;
- sharing value creation;
- and contributing to social progress.

Crédit Agricole S.A. actively maintains social dialogue with all relevant stakeholders through its Group Human Resources department and HR representatives from each entity.

This dialogue is organised at several levels to take into account the multiplicity of Crédit Agricole Group's locations in Europe. Thirteen countries (representing more than 90% of Crédit Agricole's employees) are represented on the European Corporate Works Committee, which meets annually. Similarly, in France, twice a year, employee representatives and management discuss the Group's strategy and social and economic situation.

Point D3) Consumer protection and product liability

Governance in its oversight function

At its plenary meetings, when reviewing strategic plans or listening to presentations from entities on the implementation of the Group Project, the Board of Directors ensures that the Crédit Agricole's commitments and business plan adequately and consistently address social and environmental concerns, especially with regard to the Customer Project, which is one of the Group Project's key pillars.

The Crédit Agricole S.A. Board of Directors is closely involved in fostering an ethical culture within the Group. Its members abide by the provisions of the Code of Conduct and the Code of Ethics, which is appended to its Rules of Procedure. The Board is updated each year on the progress made in the deployment of ethical culture throughout the Group. In 2021, it added its role of overseeing ethical issues to its Rules of Procedure.

Executive governance

Compliance helps to protect customers, their legitimate interests and their personal data through a transparent and fair relationship and advice focused on customer needs and satisfaction. The ethics policy is set out in reference documents which constitute a three-tier normative framework (Code of Ethics, Code of Conduct and Fides Corpus) summarising the principles of compliance and ethics as applicable within the Group and in the relationships with the customers, suppliers, service providers and employees.

As a distributor of financial and insurance products and services, Crédit Agricole is scrupulous about **preventing risks associated with cybercrime** and **protecting customers' personal data,** in addition to being transparent about how such data are used.

Crédit Agricole Group aims to **serve all its customers** and to support its customers experiencing financial difficulties. In this context, its purpose is to facilitate the accessibility of **financial products and services** (readability of the offer, adapted pricing, conditions of sale).

The taxation policy of Crédit Agricole S.A. complies with transparency and accountability rules that require it to follow the applicable tax laws and regulations in the countries and regions in which it operates.

Point D4) Human rights

Governance in its oversight function

Every year the Board of Directors reviews the updated Vigilance Plan as well as the modern slavery statement required under the Modern Slavery Act.

As the parent company, Crédit Agricole S.A. corporate entity has opted to draw up a vigilance plan and report on its effective implementation on behalf of Crédit Agricole S.A. and its subsidiaries. The Vigilance Plan includes, in accordance with the law, reasonable measures to identify risks and prevent serious violations of human rights and fundamental freedoms, the health and safety of persons, and environmental regulations, which could potentially result from the activities of Crédit Agricole S.A. corporate entity and the consolidated companies over which Crédit Agricole S.A. corporate entity exercises control, or from the activities of subcontractors or suppliers with whom an established commercial relationship is maintained, when such activities are related to that relationship.

Furthermore, under the International Framework Agreement signed with UNI Global Union in 2019, and extended to 31 July 2023, the commitment to respect human rights, freedom of association and trade union rights has been reaffirmed. These commitments apply to all the Group's employees in all its geographical locations.

Executive governance

Management of the Vigilance Plan is entrusted to the Societal Project department within the Group Project division, which collaborates with Group departments overseeing the Purchasing, Legal, Risk, Compliance, Human Resources and Safety and Security function as well as with Crédit Agricole S.A.'s subsidiaries.

Point E. Incorporation of measures into the internal governance system to manage social risk and social issues, including the role of Committees, the division of tasks and responsibilities, and the feedback loop between the risk management function and the management body

Governance in its oversight function

The Board of Directors reviews the following items, which include analyses and/or monitoring of measures to prevent or manage social risk:

After analysis by the Strategy and CSR Committee:

- the "2025 Ambitions" Medium-Term Plan and monitoring of work begun under the Human Project and Societal Project;
- the Non-Financial Performance Statement, the integrated report, the updated Vigilance Plan and the annual statement to the UK authorities under the Modern Slavery Act;
- proposed acquisitions and disposals.

After analysis by the Risk Committee:

- the risk appetite statement and associated monitoring tools (risk appetite matrix and dashboard), which constitute a decisive framework for the governance of risk control and monitoring;
- approval of the Risk frameworks governing risk-taking in the Group's core business areas;
- the Annual Internal Control Report and half-yearly information on internal control prepared in coordination with the Group Risk Management department, plus guidelines for the Sapin II anti-corruption framework and GDPR implementation;
- the organisation, functioning and resources allocated to each of the three control functions (risk, compliance, internal audit);
- IT risks, both through the IT Strategy and the IT Risk Framework and quarterly monitoring of these risks and cyber risks by means of the IT risk dashboard;
- the audit findings, the follow-up to the recommendations and the 2023 audit plan.

After analysis by the Compensation Committee:

- the fixed compensation, annual personal variable compensation, and the terms and conditions and criteria used to determine the annual variable compensation of the executive corporate officers (Chairman, Chief Executive Officer and Deputy Chief Executive Officers), taking into account regulatory provisions as well as the new CSR performance criteria that will be presented to the General Meeting as part of the ex-ante vote on executive compensation;
- the update of the compensation policy of Crédit Agricole S.A.;

- under regulatory provisions, the report on the compensation practices for members of the executive body as well as identified employees whose professional activities have a significant impact on the Company's risk profile;
- capital increase reserved for employees.

After review by the Appointments and Governance Committee:

- the policy on gender equality at work and equal pay within Crédit Agricole S.A., and the initiatives undertaken at Crédit Agricole S.A. level to promote gender equality at work, diversity and equal representation on management bodies;
- the results of the self-assessment of the operation of the Board and its individual and collective expertise, and possible ways of improving governance;
- independence of Directors under the AFEP/MEDEF Code and areas of non-compliance with this Code;
- the progress of the work carried out on the succession plans of key functions of Crédit Agricole S.A.;
- the Board training programme for 2023.

Other issues reviewed by the Board include:

- preparation for the General Meeting of Shareholders, including information received by the Board on the social report of the UES (Economic and Social Unit) Crédit Agricole S.A social entity.

Executive governance

- The **Crédit Agricole Group Risk Committee,** chaired by Crédit Agricole S.A.'s Chief Executive Officer, reviews and approves the Group-level risk strategies presented by the entities and business lines.
- The **Crédit Agricole Group Societal Project Committee** oversees the implementation of the Societal Project at Crédit Agricole Group level and is its Umbrella Committee. In 2022, the work of the Group Societal Project Committee was devoted to monitoring the Societal Project through its 24 projects structured around its three priorities (climate transition, social cohesion and agricultural transitions). As part of its work, the Committee reviews the steering indicators defined for monitoring purposes.

Point F. Social risk reporting channels and reporting frequency

Governance in its oversight function

In short, the Crédit Agricole S.A. Board of Directors reviews and/or approves, on an annual basis (see details above):

- the compensation policy and practices;
- the gender equality at work and equal pay policy;
- the operation of the Board and its individual and collective expertise;
- succession plans for key functions and, within the context of the General Meeting, it is informed of the UES Crédit Agricole S.A. social entity's social report;
- the preparation of non-financial performance information, in particular, the Non-Financial Performance Statement and the Vigilance plan which contains information on measures to prevent and manage social risks;
- Group risk appetite statement.

Executive governance

- **The** Credit Agricole **Group Risk Committee (CRG)** examines and validates the Group-level risk frameworks presented by the entities and business divisions (risk frameworks of subsidiaries or by sector of activity, geographic area, or issue).
- The **Societal Project department (SPD) of Crédit Agricole S.A.** initiates and coordinates the implementation of the ESG strategy and oversees the implementation of the Societal Project among the CSR players in the Group. It is structured around four types of activities: establishment of the methodological framework (sectoral policy, standards) and regulatory oversight, ESG expertise, support for the business lines in the deployment of the ESG strategy, and production and analysis of non-financial information.

Point G. Alignment of the compensation policy with the institution's targets related to social risk

Contribution of ESG performance to the compensation of executive corporate officers

- Aligned with the Company's social interest, the reward policy for executive corporate officers takes into account the dimensions of sustainable performance beyond short-term economic results alone. Thus, allocation of the annual variable compensation of the corporate officers is subject to non-financial criteria, including those related to ESG performance and in particular to the implementation of the Societal Project and the Human Project.
- In addition, the vesting of the long term incentive granted in the form of free performance shares is 33.33% conditioned on a target linked to Crédit Agricole S.A.'s corporate performance. It is measured by a target index to be achieved, which is calculated as part of the internal ESG performance reporting system (FReD).

3. Risk management

A significant percentage of social risks concern corporate customers. By way of example, Crédit Agricole CIB's policy on managing these customers' social risk is shown below.

Point H. Definitions, methodologies and international standards underpinning the social risk management framework

The Crédit Agricole CIB human rights policy is expressed through the Human Rights Charter, called Respect, published in 2009 by the Crédit Agricole Group. The charter confirms the Group's commitments both to its employees and in its sphere of influence. A specific gender equality policy supplements this general charter *(see Our sustainable finance policy – Crédit Agricole CIB (ca-cib.fr)).*

This implies, in particular, that customer-owned or controlled operations comply with the eight core conventions of the International Labour Organisation, that they obtain, where necessary, the consent of the indigenous peoples affected and that they promote reparation for any abuses committed, notably, by setting up grievance procedures. These principles are clearly stated in the Bank's sectoral CSR policies and in the Equator Principles for project finance. This also includes the need for particular vigilance in our business relationships to ensure the absence of slavery and human trafficking in the supply chains of customers and suppliers. We refer in particular to the Duty of Vigilance Law and the Modern Slavery Act.

The reference framework for sectoral CSR policies also includes the World Bank Group's standards and, in particular, International Finance Corporation (IFC) Performance Standards and Environmental, Health and Safety Guidelines as well as, where applicable, sector-specific principles and standards. For example, the mining sector policy refers to the Voluntary Principles on Security and Human Rights and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict and High-Risk Areas for Tin, Tantalum and Tungsten Ores and Minerals, and Gold.

Point I. Process for identifying, measuring and monitoring activities and exposures (and, where applicable, collateral) sensitive to social risks, covering relevant transmission channels

In particular, Crédit Agricole CIB expects its business relations, customers and suppliers to exercise reasonable vigilance in terms of human rights in the operations that they control as well as in their supply chains.

Crédit Agricole CIB has formulated and published sectoral CSR policies for those sectors where environmental and social issues have been identified as being the most influential *(see Our sustainable finance policy – Crédit Agricole CIB (ca-cib.fr))*. These policies specify analysis criteria that correspond to the aspects considered in transaction analyses, as well as exclusion criteria putting limits on projects and operations that the Bank does not wish to support.

For transactions directly linked to specific projects, the quality of the management of the project's environmental and social aspects is assessed on the basis of information provided by the customer using the methodology developed by the Equator Principles. These principles were developed in response to limitations and triggers related to project financing, as defined by the Basel Committee on Banking Supervision. Even if they cannot always be applied as is to other financing methods, they nevertheless constitute a methodological framework for assessing and preventing the social and environmental impacts of financing once it is linked to building a specific industrial asset, such as a plant or transport infrastructure etc. The depth of the analyses, generally carried out with the help of independent consultants, depends on each individual context and, in particular, on the nature and significance of the foreseeable environmental and social impacts. In other cases, the lack of project-specific information (impact assessment, impact management plan) leads to a more customer-centred approach. The analysis is then documented by a CSR scoring grid.

The environmental or social sensitivity of transactions has also been assessed since 2009 at Crédit Agricole CIB. It reflects either the fact that there are questions about the management of environmental or social impacts considered to be critical, or that there are controversies related to the transaction or the customer.

Point J. Activities, commitments and exposures that help to mitigate social risk

In November 2020, Crédit Agricole published a Social Bond Framework which also covers all the Group's issuing entities, including Crédit Agricole CIB. This Framework enabled Crédit Agricole S.A. to successfully launch its initial issue of a €1 billion Social Bond on 2 December 2020.

Point K. Implementation of tools for identifying and managing social risk

In addition to analysis of criteria specific to sectoral policies, the quality of the environmental and social management of customers with whom CACIB wishes to develop its business relationship is assessed in order to obtain a CSR score for corporate clients, according to a three-point scale: Advanced, Compliant and Sensitive. CACIB uses the scores calculated by an extra-financial agency to determine the level of due diligence as being at one of three predefined levels: simplified, standard and enhanced.

Enhanced analysis of social risk is triggered by sectoral and geographical criteria and the customer's visible control of human rights *(see CACIB's CSR Policy)*.

Point L. Description of social risk limits set and cases triggering the entry of higher tiers and exclusion from the portfolio in the event of overrun

The most complex transactions from an environmental or social perspective (projects classified as "A" under the Equator Principles as well as transactions or customers classified as "Sensitive") are submitted, for recommendation, to an *ad hoc* Environmental and Social Risk Evaluation Committee (CERES), after the file has been examined by Crédit Agricole CIB's RPC/Environmental & Social Risks department.

The CERES Committee, chaired by the Compliance Officer, acts as the Umbrella Committee for the assessment and management system for environmental and social risks related to the activity. In particular, this Committee validates transaction ratings under the Equator Principles, issues opinions and recommendations on transactions classified as "A" or "Sensitive" from an environmental or social point of view, and on sectoral CSR policies prior to their validation by the Strategy and Portfolio Committee. Transactions classified as "A" or "sensitive" by the CERES Committee can only be approved by the CACIB's Senior Credit Committee chaired by Executive Management.

Point M. Description of the link (transmission channels) between social risks and credit risk, liquidity and financing risk, market risk, operational risk and reputational risk in the risk management framework

The social risk has not been recorded as a financial risk (credit, liquidity, market, operations risks etc.).

Transmission to reputational risk has been recorded for a number of years due to civil society's denunciation of business relationships between CACIB and customers responsible for negative social impacts. This risk is managed through sensitivity analysis and CERES Committee recommendations for Sensitive transactions or customers.

Part 3 – Qualitative information on Governance risk

1. Governance

Point A. Incorporation by the institution of the counterparty's governance performance into its governance systems, including that of the counterparty's highest governance body and its Committees responsible for decisions on economic, environmental and social issues

Interim targets and action plans to help achieve carbon neutrality by 2050 – monitoring of the performance of corporate customers

To achieve the targets, Crédit Agricole S.A. has formulated targets and action plans by business line and sector for its activities. On 6 December 2022, Crédit Agricole S.A. published a Climate Workshop press release in which it outlines 2030 targets, in line with the Net Zero Banking Alliance, for five sectors (oil & gas, electricity, automotive, commercial property and cement) with action plans for each sector. **The 2030 targets are accompanied by metrics requiring a monitoring of the performance of corporate customers in these sectors.**

To promote responsible investment by Large customers and institutional investors

Crédit Agricole's Asset Gathering division entities are its main focus in terms of promoting responsible investment by Large customers and institutional investors, and more specifically Amundi.

Prioritising ESG issues at the highest level

- Amundi has invested considerable resources in implementing its ESG policy. The Responsible Investment business line, which has 60 experts, defines and implements Amundi's strategy in terms of sustainable finance in all its dimensions, serving the different management areas: **corporate analysis and rating,** engagement and voting, **integration of ESG factors and design of sustainable investment solutions,** key portfolio sustainability indicators, ESG promotion, and participation in market work and initiatives.
- The responsibilities for achieving its ESG objectives – including climate targets – are reflected in particular in the supervisory and management bodies such as the Board of Directors and the Strategy and CSR Committee.
- Within the Responsible Investment team, several Committees ensure the regular monitoring of the work carried out: the ESG and Climate Strategy Committee defines, validates and steers Amundi's ESG and climate strategy, as well as its responsible investment policy; the ESG Rating Committee validates **ESG rating methodologies**, reviews exclusion policies and sector policies and validates their application rules; the Voting Committee validates Amundi's voting policy and specific/local approaches, and plays an advisory role in voting decisions for certain individual situations. Amundi has a dedicated governance structure to steer its strategy as a responsible financial player and company.
- Its Board of Directors primarily relies on the work of the Strategy and CSR Committee. Chaired by an independent Director and composed of three members, it examines, at least once a year, **the actions taken by the Group in terms of responsible investment and CSR**.

Defining a responsible investment policy

- The principles of Amundi's Responsible Investment policy are as follows: ESG analysis at the heart of the responsible investment process: **Amundi has developed two main proprietary ESG rating methodologies in the universe of listed issuers, one for corporate issuers and the other for sovereign entities**. Amundi's approach is based on universal documents, such as the United Nations Global Compact, the OECD Guidelines on Corporate Governance, the International Labour Organisation (ILO) etc. The ESG score aims to measure the ESG performance of an issuer, for example its ability to anticipate and manage the sustainability risks and opportunities inherent to its sector and individual situations. The ESG score also assesses a corporate's ability to manage the potential negative impact of its activities on sustainability factors.
  - The **ESG analysis of corporates** is based on a best-in-class approach: it consists of comparing players in the same sector with each other to distinguish between the best and worst practices in the sector;
  - **The methodology used to assess the ESG performance of sovereign issuers** is based on around 50 ESG indicators deemed relevant by Amundi's ESG research to address sustainability risks and sustainability factors. The E, S and G factors may have an impact on the ability of states to repay their debts in the medium and long term. They can also reflect how countries are tackling the major sustainability issues that affect global stability.
- ESG ratings are updated monthly on the basis of raw data provided by our external providers and the ESG research team monitors the developments in issuers' ESG practices. ESG analysts regularly readjust their analysis and rating methodology depending on the environment and events that may affect it. The portfolio managers and analysts of the various management platforms thus have permanent access to the ESG ratings of issuers, as well as to related ESG analyses and metrics.
- As part of its 2025 Ambitions plan, Amundi has announced that it intends to further integrate non-financial objectives into its active portfolio management in relation to the climate issue. To this end, Amundi is working on the implementation of a rating methodology, in order to evaluate, in a best-in-class approach, the transition efforts of issuers in relation to a Net Zero scenario, in particular through their efforts to decarbonise their operations and develop their green activities. The relevant portfolios will have a stated objective of having a better environmental transition profile than their benchmark investment universe by 2025.

The Group has defined and formalised exclusion criteria in its sectoral CSR policies

For example, since 2013, Crédit Agricole CIB has used an environmental and social rating system for all its corporate customers. It is performed at least annually and is based in particular on compliance with existing sector policies, the existence of an image risk for the Bank and the level of performance recognised by non-financial agencies. This rating supplements the system for assessing and managing the environmental and social risks associated with transactions on a three-level scale (advanced, compliant, sensitive). Sensitive files are subject to an opinion from the ESR department, and a review by the CERES Committee.

Governance in its oversight function

In particular, as part of its executive oversight function, the Board of Directors reviews disposals and acquisitions and new business development. For any file, the counterparty's non-financial performance, based on indicators recognised by the market, including its governance system, is one of the elements reviewed by the Board, after consultation with the Strategy and CSR Committee and the Risk Committee.

In the event of an alert, the Board, after consulting the Risk Committee, deals with any risk-related alerts, including reputational and environmental risks, raised by executive governance, in particular with a counterparty.

Executive governance

For individual credit applications requiring approval by the Executive Management of Crédit Agricole S.A., the Group Level Individual Risk Committee (CRIG), chaired by Crédit Agricole S.A.'s Chief Executive Officer, meets according to the scheduling needs. It examines any sensitive file submitted by the entities of Crédit Agricole S.A. that fall within the authority of Crédit Agricole S.A.'s Chief Executive Officer, and also analyses individual alerts of any type according to their materiality for the Group. These files are made the subject of a Societal Project department opinion for ESG issues. Decisions are formalised at meetings by the signing of a decision statement.

Point B. Consideration by the institution of the role of the counterparty's highest body in the disclosure of non-financial information

Governance in its oversight function

In particular, as part of its executive oversight function, the Board of Directors reviews proposal documents. For any file, the counterparty's non-financial performance, based on indicators recognised by the market, including its governance system, is one of the elements reviewed by the Board, after consultation with the Strategy and CSR Committee.

In addition, the Non-Financial Performance Statement is presented to the Board of Directors every year. It is audited by a Statutory Auditor, appointed as an independent third party, who aims to formulate a reasoned opinion expressing a conclusion of limited assurance on the historical information recorded or extrapolated in this Statement.

Point C. Incorporation by the institution, into its governance systems, of its counterparties' governance performance

- C1. Ethical considerations;
- C2. Risk management and strategy;
- C3. Inclusivity;
- C4. Transparency;
- C5. Management of conflicts of interests;
- C6. Internal communication on critical concerns.

Governance in its oversight function

In particular, as part of its executive oversight function, the Board of Directors reviews proposal documents. For any file, the counterparty's non-financial performance, based on indicators recognised by the market, including all the elements listed below, is one of the elements reviewed by the Board, after consultation with the Strategy and CSR Committee.

2. Risk management

A significant proportion of the governance risk concerns corporate customers. By way of example, Crédit Agricole CIB's policy on managing these customers' risk management is shown below.

Point D. Incorporation by the institution, into its risk management systems, of its counterparties' governance performance (see points D1 to D6 below)

Crédit Agricole CIB adheres to the Crédit Agricole Group Code of Ethics and to the values that it promotes. Within this context, the Bank applies all the regulatory provisions applicable to the Crédit Agricole Group in terms of respect for market integrity, rules on customer protection, customer care, loyalty and due diligence.

Crédit Agricole CIB has also compiled a Code of Conduct, "Our Principles for Building the Future", defining a common set of principles that must guide the conduct of all employees and their relations with internal or external partners.

Point D1) Ethical considerations

Crédit Agricole CIB adheres to the Crédit Agricole Group Code of Ethics and to the values that it promotes. Within this context, Crédit Agricole CIB applies all the regulatory provisions applicable to the Crédit Agricole Group in terms of respect for market integrity, rules on customer protection, customer care, loyalty and due diligence. In addition, Crédit Agricole CIB adopts all the ethics-related initiatives launched by the Crédit Agricole Group: newsletter, ethical quizzes etc.

Crédit Agricole CIB has also compiled a Code of Conduct, "Our Principles for Building the Future", defining a common set of principles that must guide the conduct of all employees and their relations with internal or external partners.

Point D2) Risk management and strategy

Our customers' consideration of these issues is assessed through the CSR customer scoring process, which is based in part on the extrafinancial rating, which covers the Environmental, Social and Governance dimensions. Defence-related transactions and countries considered risky from a Governance perspective are systematically reviewed by compliance. The most sensitive transactions are also analysed by the CERES Committee.

A process for handling negative information related to Environmental, Social and Governance issues has been defined by the Risk department and the Compliance department, through additional due diligence and more in-depth analysis of information picked up by the business lines.

Point D3) Inclusivity

Crédit Agricole CIB publishes in its URD all the analyses required for France concerning the percentage of women in the workforce and decision-making bodies or the gender pay gap. Since analyses by ethnic origin are prohibited in France, Crédit Agricole CIB does not publish information on "persons from minority groups".

The nature of the information published is the same as that available in the Crédit Agricole S.A. URD.

Point D4) Transparency

Crédit Agricole CIB complies with European transparency regulations. In particular, it publishes a sustainability policy, in accordance with Regulation (EU) 2019/2088 (known as the "SFDR"), in line with the Crédit Agricole Group's sustainability policy, and contributes to regulatory and prudential requirements in terms of disclosures and transparency.

Point D5) Management of conflicts of interests

Crédit Agricole CIB, in accordance with applicable regulations, and in particular Directive 2014/65/EU and its implementing texts ("MiFID"), identifies and manages conflicts of interest arising between it and its customers or between its customers, in accordance with a policy defined and implemented within the Bank which, amongst other things, governs the undue circulation of confidential information. It has recently been updated to include sustainability considerations in accordance with Delegated Regulation 2021/1253 supplementing MiFID.

Point D6) Internal communication on critical concerns

The CERES Committee analyses the most sensitive cases from an Environmental, Social and Governance perspective, generating a significant image risk. All files passing through the CERES Committee then go before the Credit Committee, attended by a representative of Executive Management. CERES Committee recommendations are systematically presented before any final decision is taken.

3.9.2 Pillar 3 Quantitative ESG

Model 1: Banking portfolio – Indicators of transition risk potentially related to climate change: Credit quality of exposures by sector, emissions and residual maturity

		a	b	c	d	e
		Gross arrying amount *(in millions of euros)*				
	Sector/subsector		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks	Of which environmentally sustainable (CCM)	Of which Stage 2 exposures	Of which non-performing exposures
1	EXPOSURES TOWARDS SECTORS THAT HIGHLY CONTRIBUTE TO CLIMATE CHANGE*	402,473	24,247		51,362	12,224
2	**A – Agriculture, forestry and fishing**	**49,196**	**0**		**5,497**	**1,619**
3	**B – Mining and quarrying**	**9,423**	**4,363**		**1,448**	**492**
4	*B.05 – Mining of coal and lignite*	*63*	*0*		*1*	*0*
5	*B.06 – Extraction of crude petroleum and natural gas*	*5,786*	*3,812*		*1,058*	*54*
6	*B.07 – Mining of metal ores*	*1,818*	*73*		*350*	*19*
7	*B.08 – Other mining and quarrying*	*944*	*90*		*20*	*384*
8	*B.09 – Mining support service activities*	*812*	*388*		*19*	*35*
9	**C – Manufacturing**	**78,371**	**9,205**		**7,321**	**2,037**
10	*C.10 – Manufacture of food products*	*12,403*	*129*		*748*	*275*
11	*C.11 – Manufacture of beverages*	*5,639*	*0*		*348*	*54*
12	*C.12 – Manufacture of tobacco products*	*15*	*0*		*0*	*0*
13	*C.13 – Manufacture of textiles*	*1,274*	*0*		*208*	*29*
14	*C.14 – Manufacture of wearing apparel*	*742*	*0*		*87*	*54*
15	*C.15 – Manufacture of leather and related products*	*605*	*0*		*69*	*19*
16	*C.16 – Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials*	*1,102*	*0*		*89*	*51*
17	*C.17 – Manufacture of pulp, paper and paperboard*	*1,964*	*0*		*113*	*19*
18	*C.18 – Printing and service activities related to printing*	*524*	*0*		*69*	*25*
19	*C.19 – Manufacture of coke oven products*	*2,795*	*2,031*		*199*	*99*
20	*C.20 – Production of chemicals*	*5,002*	*407*		*824*	*51*
21	*C.21 – Manufacture of pharmaceutical preparations*	*3,290*	*0*		*132*	*4*
22	*C.22 – Manufacture of rubber products*	*2,530*	*66*		*472*	*46*
23	*C.23 – Manufacture of other non-metallic mineral products*	*2,029*	*8*		*299*	*55*
24	*C.24 – Manufacture of basic metals*	*8,837*	*6,307*		*487*	*74*
25	*C.25 – Manufacture of fabricated metal products, except machinery and equipment*	*5,068*	*83*		*1,092*	*338*
26	*C.26 – Manufacture of computer, electronic and optical products*	*5,363*	*0*		*236*	*139*
27	*C.27 – Manufacture of electrical equipment*	*2,572*	*141*		*299*	*103*
28	*C.28 – Manufacture of machinery and equipment n.e.c.*	*3,982*	*3*		*452*	*187*
29	*C.29 – Manufacture of motor vehicles, trailers and semi-trailers*	*7,801*	*0*		*525*	*78*
30	*C.30 – Manufacture of other transport equipment*	*2,308*	*28*		*193*	*155*
31	*C.31 – Manufacture of furniture*	*534*	*0*		*91*	*73*
32	*C.32 – Other manufacturing*	*968*	*0*		*119*	*37*
33	*C.33 – Repair and installation of machinery and equipment*	*1,023*	*1*		*168*	*71*
34	**D – Electricity, gas, steam and air conditioning supply**	**27,088**	**9,690**		**1,997**	**220**
35	*D.35.1 – Electric power generation, transmission and distribution*	*22,095*	*7,803*		*1,769*	*202*
36	*D.35.11 – Production of electricity*	*16,950*	*4,517*		*1,455*	*148*
37	*D.35.2 – Manufacture of gas; distribution of gaseous fuels through mains*	*4,782*	*1,808*		*224*	*16*
38	*D.35.3 – Steam and air conditioning supply*	*211*	*79*		*3*	*3*
39	**E – Water supply; sewerage, waste management and remediation activities**	**2,468**	**46**		**285**	**41**
40	**F – Construction**	**17,418**	**192**		**3,528**	**987**
41	*F.41 – Construction of buildings*	*7,623*	*33*		*1,175*	*490*
42	*F.42 – Civil engineering*	*2,178*	*130*		*379*	*52*
43	*F.43 – Specialised construction activities*	*7,617*	*29*		*1,974*	*445*

f	g	h	i	j	k	l	m	n	o	p
Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions *(in millions of euros)*			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) *(in tons of CO_2 equivalent)*		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from Company-specific reporting	Breakdown by maturity bucket				
	Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions		≤5 years	>5 year ≤10 years	>10 year ≤20 years	>20 years	Average weighted maturity
10,411	**2,911**	**5,894**				**226,967**	**78,217**	**85,283**	**12,006**	**6.5**
1,830	**505**	**1,002**				**20,590**	**15,992**	**11,919**	**694**	**7.1**
327	**179**	**137**				**8,204**	**1,069**	**147**	**2**	**2.4**
0	*0*	*0*				*63*	*0*	*0*	*0*	*0.4*
152	*122*	*25*				*4,818*	*834*	*133*	*1*	*2.8*
61	*56*	*2*				*1,743*	*72*	*2*	*0*	*1.5*
108	*1*	*106*				*802*	*129*	*12*	*1*	*2.6*
5	*1*	*4*				*778*	*33*	*0*	*1*	*2.0*
1,612	**394**	**1,018**				**66,807**	**9,104**	**1,860**	**600**	**2.9**
249	*39*	*153*				*9,394*	*2,321*	*508*	*181*	*3.8*
70	*14*	*31*				*4,289*	*961*	*344*	*45*	*3.9*
0	*0*	*0*				*14*	*0*	*0*	*0*	*1.5*
22	*7*	*12*				*1,064*	*148*	*52*	*10*	*2.8*
25	*3*	*21*				*679*	*46*	*6*	*11*	*3.0*
13	*2*	*9*				*536*	*54*	*13*	*2*	*2.5*
35	*3*	*28*				*679*	*344*	*60*	*18*	*4.6*
20	*3*	*15*				*1,702*	*250*	*5*	*7*	*2.2*
15	*2*	*11*				*428*	*72*	*8*	*17*	*4.1*
20	*1*	*17*				*2,468*	*231*	*80*	*15*	*2.0*
87	*59*	*19*				*4,499*	*433*	*54*	*17*	*2.6*
14	*8*	*1*				*2,917*	*355*	*7*	*12*	*2.6*
42	*15*	*19*				*1,972*	*496*	*32*	*30*	*3.6*
42	*8*	*26*				*1,658*	*330*	*34*	*7*	*3.2*
105	*60*	*38*				*8,479*	*339*	*12*	*6*	*1.8*
303	*88*	*191*				*4,225*	*697*	*101*	*45*	*3.3*
117	*9*	*105*				*4,997*	*340*	*14*	*12*	*1.3*
58	*7*	*48*				*2,197*	*351*	*11*	*13*	*2.7*
153	*14*	*132*				*3,403*	*473*	*58*	*48*	*3.3*
62	*15*	*38*				*7,611*	*135*	*46*	*10*	*1.4*
48	*22*	*19*				*1,832*	*204*	*248*	*24*	*3.7*
29	*2*	*25*				*375*	*106*	*44*	*9*	*4.6*
37	*9*	*26*				*681*	*216*	*25*	*46*	*4.9*
47	*6*	*34*				*709*	*203*	*97*	*14*	*4.6*
242	**79**	**104**				**18,027**	**4,293**	**4,154**	**613**	**5.8**
193	*57*	*91*				*15,211*	*2,998*	*3,277*	*608*	*6.1*
179	*52*	*85*				*10,601*	*2,643*	*3,117*	*589*	*6.7*
46	*22*	*11*				*2,744*	*1,195*	*841*	*2*	*4.9*
2	*0*	*2*				*72*	*99*	*36*	*3*	*7.0*
49	**14**	**29**				**1,360**	**485**	**568**	**56**	**6.2**
804	**140**	**570**				**13,378**	**2,331**	**1,210**	**500**	**4.3**
372	*37*	*295*				*5,853*	*701*	*793*	*275*	*4.3*
61	*14*	*37*				*1,624*	*373*	*139*	*42*	*4.0*
371	*89*	*238*				*5,900*	*1,257*	*277*	*182*	*4.4*

	Sector/subsector	a	b	c	d	e
		Gross arrying amount *(in millions of euros)*				
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks	Of which environmentally sustainable (CCM)	Of which Stage 2 exposures	Of which non-performing exposures
44	**G – Wholesale and retail trade; repair of motor vehicles and motorcycles**	**63,766**	**495**		**7,944**	**2,179**
45	**H – Transportation and storage**	**27,496**	**247**		**7,292**	**1,505**
46	*H.49 – Land transport and transport via pipelines*	*9,077*	*86*		*783*	*125*
47	*H.50 – Water transport*	*9,413*	*139*		*3,007*	*456*
48	*H.51 – Air transport*	*5,876*	*2*		*2,883*	*890*
49	*H.52 – Warehousing and support activities for transportation*	*3,076*	*19*		*617*	*33*
50	*H.53 – Postal and courier activities*	*54*	*0*		*3*	*1*
51	**I – Accommodation and food service activities**	**15,115**	**0**		**6,525**	**1,039**
52	**L – Real estate activities**	**112,131**	**11**		**9,525**	**2,106**
53	**EXPOSURES TOWARDS SECTORS OTHER THAN THOSE THAT HIGHLY CONTRIBUTE TO CLIMATE CHANGE***	**149,739**	**572**		**9,875**	**3,517**
54	**K – Financial and insurance activities**	**77,850**	**272**		**1,889**	**695**
55	*Exposures to other sectors (NACE codes J, M – U)*	*71,889*	*300*		*7,987*	*2,822*
56	**TOTAL**	**552,211**	**24,819**		**61,237**	**15,741**

(1) In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks – Climate Benchmark Standards Regulation – Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No. 1893/2006

f	g	h	i	j	k	l	m	n	o	p
Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions *(in millions of euros)*			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) *(in tons of CO_2 equivalent)*		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from Company-specific reporting	Breakdown by maturity bucket				
	Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions		≤5 years	>5 year ≤10 years	>10 year ≤20 years	>20 years	Average weighted maturity
1,852	**274**	**1,287**				**44,391**	**13,053**	**5,347**	**976**	**4.1**
493	**141**	**313**				**19,811**	**5,959**	**1,331**	**396**	**4.2**
116	*38*	*57*				*6,372*	*1,979*	*581*	*146*	*4.8*
189	*22*	*161*				*7,201*	*1,749*	*281*	*182*	*3.8*
144	*70*	*72*				*4,183*	*1,412*	*233*	*47*	*3.9*
43	*12*	*23*				*2,005*	*816*	*235*	*20*	*4.0*
1	*0*	*1*				*50*	*2*	*0*	*1*	*2.8*
965	**401**	**440**				**9,142**	**3,662**	**2,011**	**301**	**5.7**
2,238	**785**	**996**				**25,257**	**22,270**	**56,737**	**7,867**	**11.2**
2,252	**425**	**1,512**				**103,530**	**22,751**	**10,136**	**13,321**	**5.9**
776	**110**	**569**				**55,749**	**8,498**	**3,712**	**9,891**	**6.2**
1,476	*315*	*943*				*47,781*	*14,253*	*6,424*	*3,430*	*5.5*
12,663	**3,337**	**7,407**				**330,497**	**100,968**	**95,419**	**25,327**	**6.3**

According to the provisions of Article 449 *bis* of Regulation (EU) No. 575/2013 institutions shall disclose their exposures to corporates excluded from the European Union Paris Agreement benchmarks in accordance with Article 12-(1)-(d) to (g) and Article 12-(2) of Regulation (EU) 2020/1818. Institutions shall declare the gross carrying amount of exposures to these excluded counterparties. These are corporates that meet the following criteria:

- derive at least 1% of their revenues from the exploration, extraction, distribution or refining of anthracite and lignite;
- derive at least 10% of their revenues from the exploration, extraction, distribution or refining of liquid fuels;
- derive at least 50% of their revenues from the exploration, extraction, manufacture or distribution of gaseous fuels;
- derive at least 50% of their revenues from electricity production, presenting a GHG emission intensity in excess of 100 gCO_2e/kWh;
- Corporates that cause significant harm to at least one of the environmental targets are also excluded.

For the 31 December 2022 reporting, the Crédit Agricole Group used Moody's supplier data to gather a list of corporates excluded from Paris Agreement benchmarks.

In addition, the institutions allocate exposures to corporates, i.e. loans and receivables, debt securities and equity instruments classified in the accounting portfolios of the banking book, excluding financial assets held for trading or assets held for sale, at the relevant maturity tranche according to the residual maturity of the financial instrument. In order to include financial instruments with no maturity date in its calculation of average maturity of exposures, the Crédit Agricole Group uses the highest tranche, i.e. 20 years.

Please note that a significant proportion of Crédit Agricole S.A.'s exposure to corporates excluded from the EU's Paris Agreement benchmarks is already covered by decarbonisation pathways (Power and Oil & Gas). In addition, the Group is continuing its work to incorporate other Group sectors and activities into its decarbonisation trajectory.

For this first year ended 31 December 2022, the Crédit Agricole Group did not publish columns relating to greenhouse gas emissions financed, but is preparing to publish them by 30 June 2024.

Model 2: Banking portfolio – Indicators of transition risk potentially related to climate change: Loans

		a	b	c	d	e	f	g
		Total gross carrying amount *(in millions of euros)*						
			Level of energy efficiency (EP score in kWh/m² of collateral)					
	Counterparty sector		0; ≤100	>100; ≤200	>200; ≤300	>300; ≤400	>400; ≤500	> 500
1	**TOTAL EU AREA**	**536,123**	**85,568**	**150,817**	**151,983**	**73,085**	**23,852**	**19,369**
2	Of which Loans collateralised by commercial immovable property	68,783	10,539	9,180	8,066	4,807	3,265	3,614
3	Of which Loans collateralised by residential immovable property	467,338	75,029	141,637	143,916	68,279	20,587	15,755
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	2	0	0	0	0	0	0
5	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	492,814	82,478	146,694	149,440	72,069	23,300	18,834
6	**TOTAL NON-EU AREA**	**12,692**	**9**	**1,236**	**348**	**7**	**1**	**22**
7	Of which Loans collateralised by commercial immovable property	6,815	0	1,224	341	0	0	22
8	Of which Loans collateralised by residential immovable property	5,876	9	11	7	7	1	0
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	0	0
10	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	1,047	7	1,029	5	6	0	0

h	i	j	k	l	m	n	o	p
Total gross carrying amount *(in millions of euros)*								
				Level of energy efficiency (EPC label of collateral)			Without EPC label of collateral	
A	B	C	D	E	F	G		Of which level of energy efficiency *(EP score in kWh/m² of collateral) estimated*
3,778	**4,156**	**13,951**	**25,449**	**16,246**	**7,487**	**5,265**	**459,792**	**93%**
438	723	600	641	470	169	148	65,593	55%
3,340	3,433	13,350	24,808	15,775	7,318	5,117	394,197	99%
0	0	0	0	0	0	0	2	0%
0	0	0	0	0	0	0	456,140	94%
82	**173**	**234**	**215**	**24**	**3**	**5**	**11,954**	**9%**
79	170	229	204	22	0	0	6,110	17%
3	3	5	11	2	3	5	5,844	0%
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	6,671	16%

Institutions must disclose the gross carrying amount of loans secured by commercial and residential real estate and foreclosed real estate collateral, and provide information on the energy efficiency of the collateral. In addition, and in order to take into account the specific nature of the French banking model, the Crédit Agricole Group has included all guaranteed mortgage loans in this model.

In accordance with the model's requirements, and in the absence of an energy performance certificate, institutions have the option to estimate energy performance, expressed in kilowatt hours of primary energy per square metre per year (kWh/m^2/year) in lines 5 and 10 of the model. The Crédit Agricole Group estimated the energy performance of properties for which an energy performance diagnosis is not available, only in France. The estimates were made on the basis of primary energy consumption distributed by French departments, using data made available by ADEME for residential and tertiary buildings. Crédit Agricole Italia also developed a model for estimating primary energy consumption based on several criteria such as year of construction, building type, surface area and postcode; the model was tested during climate stress test exercises and shared with the ECB as part of this work.

Model 3: Banking portfolio – Indicators of transition risk potentially related to climate change: Alignment parameters

Crédit Agricole S.A. defined targets and pathways for 2022 that are aligned with a net zero scenario for financing activities in five sectors (based on an initial calculation of its sectoral greenhouse gas emissions for the 2020 reference year). To this end, a Net Zero methodology was developed based on a series of key methodology choices described in Chapter 2 "Non-financial performance" of the 2022 Universal registration document.

To align portfolios with the target of limiting global warming to 1.5°C, Crédit Agricole S.A. based its pathways on the work of the IEA (NZE 2050 scenario), with the guidance of a Scientific Committee formed for the purpose. The NZE 2050 scenario will be replaced in some sectors by specific scenarios, which are more granular (geographically or by asset type) but respecting the 1.5°C pathway.

For each sector, one or more indicators have been, or will be, defined to capture corporates' performance and progress towards decarbonisation. These metrics will be tracked and monitored so as to engage customers in ongoing dialogue and to make informed financing decisions.

2020 baselines/starting points, interim targets and action plans to help achieve carbon neutrality by 2050 will be published in Part 3.4.5 "Net Zero Banking Alliance: define our targets and sector commitments" of Chapter 2 of the 2022 URD.

A methodological document customarily called a "White Paper", explaining the climate strategy, detailing the commitment choices and listing the achievements, will also be published in 2023.

Model 4: Banking portfolio – Indicators of transition risk potentially related to climate change: Exposure to the 20 largest carbon-intensive corporates

	a	b	c	d	e
	Gross carrying amount (in euro millions)	**Gross carrying amount towards the counterparties compared to total gross carrying amount**	**Of which environmentally sustainable (CCM)**	**Average weighted maturity**	**Number of top 20 polluting firms included**
1	8,228	0.5%		3.6	13

In this model, institutions report aggregate exposures to a maximum of 20 counterparties from amongst the top 20 corporate carbon emitters in the world. In accordance with the model's instructions, the Crédit Agricole Group used a public list to identify the 20 most carbon-intensive corporates. The Climate Accountability Institute's list was selected.

In addition, since the model only covers on-balance sheet exposures, the Crédit Agricole Group voluntarily publishes the share of off-balance sheet exposures to the most carbon-intensive counterparties, for reasons of transparency on financing already granted. For the year ended 31 December 2022, the share of these off-balance sheet exposures amounted to €9 billion.

Model 5: Banking portfolio – Indicators of physical risk potentially related to climate change: Exposures subject to physical risk

	a	b	c	d	e	f	g
		Gross carrying amount *(in millions of euros)*					
			of which exposures sensitive to impact from climate change physical events				
			Breakdown by maturity bucket				
	Geographic area: France		≤5 years	>5 years ≤10 years	>10 years ≤20 years	>20 years	Average weighted maturity
1	A – Agriculture, forestry and fishing	37,370	3,034	2,313	1,088	68	6.3
2	B – Mining and quarrying	985	53	10	1	0	2.3
3	C – Manufacturing	29,264	1,486	415	55	33	3.7
4	D – Electricity, gas, steam and air conditioning supply	9,611	282	102	193	38	7.7
5	E – Water supply; sewerage, waste management and remediation activities	1,238	43	21	12	3	6.3
6	F – Construction	12,325	1,037	189	56	42	4.3
7	G – Wholesale and retail trade; repair of motor vehicles and motorcycles	44,138	2,785	1,236	454	76	4.9
8	H – Transportation and storage	8,121	358	122	29	11	4.6
9	L – Real estate activities	40,724	1,155	985	1,867	371	10.8
10	Loans collateralised by residential immovable property	433,426	784	2,229	9,959	7,952	17.2
11	Loans collateralised by commercial immovable property	59,335	311	317	818	51	10.7
12	Repossessed collaterals	2					
13	Other relevant sectors	84,198	4,703	1,846	608	1,031	7.6

h	i	j	k	l	m	n	o
Gross carrying amount *(in millions of euros)*							
of which exposures sensitive to impact from climate change physical events							
					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
Of which exposures sensitive to impact from chronic climate change events	Of which exposures sensitive to impact from acute climate change events	Of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures
3,139	3,363	6,502	695	179	217	57	121
29	34	63	1	2	0	0	0
907	1,082	1,989	276	72	56	11	37
279	336	615	51	7	7	2	2
36	43	79	6	2	2	0	1
629	696	1,325	281	62	56	12	35
2,153	2,398	4,551	645	165	146	24	97
236	284	520	114	14	11	3	7
2,077	2,301	4,378	300	59	79	25	31
3,027	17,896	17,978	1,223	96	75	35	30
389	1,108	1,055	129	19	27	13	9
0	0	0					
3,850	4,339	8,188	1,138	288	205	71	101

a	b	c	d	e	f	g
	Breakdown by maturity bucket *(in millions of euros)*					
		of which exposures sensitive to impact from climate change physical events				
		Breakdown by maturity bucket				
Geographic area: European Union (excluding France)		**≤5 years**	**>5 years ≤10 years**	**>10 years ≤20 years**	**>20 years**	**Average weighted maturity**
1 A – Agriculture, forestry and fishing	2,236	385	97	91	4	5.1
2 B – Mining and quarrying	1,259	163	5	0	0	1.1
3 C – Manufacturing	26,677	3,301	274	9	4	2.1
4 D – Electricity, gas, steam and air conditioning supply	6,592	835	121	42	1	2.2
5 E – Water supply; sewerage, waste management and remediation activities	315	37	5	2	0	3.3
6 F – Construction	1,796	256	49	20	6	4.2
7 G – Wholesale and retail trade; repair of motor vehicles and motorcycles	9,600	1,481	85	15	16	2.1
8 H – Transportation and storage	5,489	515	120	25	9	3.8
9 L – Real estate activities	2,673	320	99	61	5	4.8
10 Loans collateralised by residential immovable property	30,246	71	271	1,060	896	17.5
11 Loans collateralised by commercial immovable property	6,182	202	234	140	19	7.4
12 Repossessed collaterals	0					
13 Other relevant sectors	40,052	4,938	667	217	222	3.5

h	i	j	k	l	m	n	o
Breakdown by maturity bucket *(in millions of euros)*							
of which exposures sensitive to impact from climate change physical events							
					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
Of which exposures sensitive to impact from chronic climate change events	Of which exposures sensitive to impact from acute climate change events	Of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures
271	305	576	30	21	18	2	13
75	93	168	14	2	1	0	1
1,589	1,999	3,588	149	53	43	5	33
446	553	999	41	1	1	0	0
20	24	44	1	1	1	0	0
153	178	332	48	58	42	2	39
717	881	1,598	80	46	41	2	34
287	381	668	138	20	12	3	8
224	261	485	27	94	52	2	49
107	2,191	2,298	156	31	28	9	11
66	530	596	54	59	32	2	29
0	0	0					
2,741	3,302	6,043	365	87	76	18	50

a		b	c	d	e	f	g
		Gross carrying amount *(in millions of euros)*					
			of which exposures sensitive to impact from climate change physical events				
			Breakdown by maturity bucket				
Geographic area: excluding European Union			≤5 years	>5 years ≤10 years	>10 years ≤20 years	>20 years	Average weighted maturity
1	A – Agriculture, forestry and fishing	837	303	0	0	0	1.1
2	B – Mining and quarrying	7,162	989	230	24	0	2.6
3	C – Manufacturing	20,975	3,821	169	36	15	1.4
4	D – Electricity, gas, steam and air conditioning supply	10,302	1,060	378	87	0	3.6
5	E – Water supply; sewerage, waste management and remediation activities	730	60	14	19	0	4.7
6	F – Construction	947	135	0	0	6	2.2
7	G – Wholesale and retail trade; repair of motor vehicles and motorcycles	8,008	1,544	38	24	4	1.0
8	H – Transportation and storage	13,581	1,327	517	73	25	4.3
9	L – Real estate activities	2,821	469	22	12	2	2.7
10	Loans collateralised by residential immovable property	4,854	708	38	21	3	2.1
11	Loans collateralised by commercial immovable property	7,556	25	582	294	80	11.3
12	Repossessed collaterals	0					
13	Other relevant sectors	32,188	5,305	216	55	312	2.9

h	i	j	k	l	m	n	o
Gross carrying amount *(in millions of euros)*							
of which exposures sensitive to impact from climate change physical events							
					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
Of which exposures sensitive to impact from chronic climate change events	Of which exposures sensitive to impact from acute climate change events	Of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures
126	177	303	35	16	24	8	10
478	764	1,243	92	51	29	11	16
1,565	2,477	4,042	282	105	61	16	37
614	912	1,526	213	17	17	6	10
38	55	93	37	0	1	1	0
63	78	141	20	7	2	0	2
681	929	1,610	192	66	45	3	38
806	1,137	1,943	641	134	33	11	21
231	274	505	12	0	2	1	0
348	422	770	110	7	3	1	1
449	532	981	143	8	5	1	3
0	0	0					
2,449	3,439	5,887	431	208	195	14	172

This model covers the banking portfolio's exposures to the effects of both chronic and acute physical climate change events. For this first financial year ended 31 December 2022, the Crédit Agricole Group estimated the percentage of its exposures subject to acute climatic hazards at 5.6% and its exposures subject to chronic climatic hazards at 3.1%.

In accordance with the model's requirements, the Crédit Agricole Group used portals, databases and studies made available by EU bodies, national governments and private players to identify locations exposed to climate change-related events and to estimate the sensitivity of assets and activities to these events, based on projections to 2050.

To date, measuring these sensitivities currently has limitations, particularly in terms of data, with impacts on a number of methodological choices: this is the case when measuring assets' sensitivity to physical risks (e.g. location sufficiently granular to be directly linked to a localised hazard), and even more so for economic activities (e.g. location of supply chains to determine disruption). As a result, while the approach adopted has made it possible to measure certain hazards for each asset, it relies on the use of portfolio-level proxies for measuring economic activities, and does not distinguish between economic activities affected by both chronic and acute hazards (for the sake of conservatism, the field dedicated to this measurement has been supplemented by taking the sum of the two measurements).

The Crédit Agricole Group is working on non-financial data and methods of measuring the risks using such data. This work will gradually help to incorporate additional physical risk hazards and to refine the assessment of sensitivity to various hazards.

Model 10 – Other climate change mitigation measures not covered in Regulation (EU) 2020/852

	a	b	c	d	e	f
	Type of financial instrument	**Type of counterparty**	**Gross carrying amount** *(in millions of euros)*	**Type of risk mitigated (Climate change transition risk)**	**Type of risk mitigated (Climate change physical risk)**	**Qualitative information on the nature of the mitigating actions**
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	1,367	Y		Bonds identified as Green or Sustainable according to Euronext or Bloomberg Bonds referentials
2		Non-financial corporations	548	Y		Bonds identified as Green or Sustainable according to Euronext or Bloomberg Bonds referentials
3		Of which Loans collateralised by commercial immovable property	0.00			Bonds identified as Green or Sustainable according to Euronext or Bloomberg Bonds referentials
4		Other counterparties	4,873	Y		Bonds identified as Green or Sustainable according to Euronext or Bloomberg Bonds referentials
5	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	595	Y		Sustainability linked loans, renewable energies, sustainable transportation (electric or hydrogen vehicles, railway)
6		Non-financial corporations	28,810	Y		Sustainability linked loans, renewable energies, sustainable transportation (electric or hydrogen vehicles, railway)
7		Of which Loans collateralised by commercial immovable property	4,911	Y		Immovable properties compliant with current national building standards Immovable properties with an EPC Label A, B or C
8		Households	82,956	Y		Hybrid and electric vehicles in addition with below elements
9		Of which Loans collateralised by residential immovable property	75,290	Y		Immovable properties compliant with current national building standards Immovable properties with an EPC Label A, B or C
10		Of which building renovation loans	1,094	Y		Energy renovation work and Zero-Interest sustainable loans
11		Other counterparties	514	Y		Same as financial or non financial corporations

This model covers other climate change mitigation measures and includes exposures of institutions that are not aligned with the Taxonomy under Regulation (EU) 2020/852, but which nevertheless support counterparties in the transition and adaptation process for climate change mitigation and adaptation targets.

The Crédit Agricole Group has an internal reference framework that defines "sustainable" assets and so responds to the Crédit Agricole Group's strategic choices in relation to the Societal Project. These are assets that meet the current French construction standard (2012 Thermal Building Regulations) or that correspond to the regulated products, *Éco-prêt à taux zéro* (zero-rate eco-loan) and *Prêt Économie d'Énergie* (energy savings loan), in the property and renovation sectors. In addition, for this first financial year ending 31 December 2022, the Crédit Agricole Group also includes assets that could meet the requirements of the Taxonomy's technical criteria, but for which the criteria could not be fully verified, for example loans financing renewable energy (photovoltaic, solar thermal, wind power etc.). The Crédit Agricole Group also publishes Green Bonds held as assets and identified according to the benchmark published by Euronext and Bloomberg.

4. Disclosure of exposures subject to measures applied in response to the Covid-19 crisis – Crédit Agricole Group (payment moratoria and public guarantees)

Template 1: Information on loans and advances subject to legislative and non-legislative moratoria

Purpose: provide an overview of the credit quality of loans and advances subject to moratoria on loan repayments applied in the light of the COVID-19 crisis, in accordance with EBA/GL/2020/02.

		a	b	c	d	e	f	g
		Gross carrying amount						
			Performing			Non performing		
				Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due ≤90 days
1	Loans and advances subject to moratorium	34,297,321,027	32,907,073,093	642,380,956	4,631,406,928	1,390,247,934	546,510,417	20,174,051
2	of which: Households	5,383,278,054	5,161,514,769	120,714,738	774,182,397	221,763,285	78,477,775	31,326
3	*of which: Collateralised by residential immovable property*	4,256,597,537	4,119,425,818	104,469,510	637,936,633	137,171,720	50,056,850	0
4	of which: Non-financial corporations	28,876,350,159	27,709,901,467	521,587,727	3,852,500,498	1,166,448,692	468,025,536	20,142,725
5	*of which: Small and Medium-sized Enterprises*	22,697,626,406	21,625,507,825	473,289,292	2,817,051,085	1,072,118,581	452,362,718	7,608,217
6	*of which: Collateralised by commercial immovable property*	6,523,169,324	6,169,743,337	172,768,630	907,953,716	353,425,987	199,918,545	8,537,139

	h	i	j	k	l	m	n	o
	Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount
			Performing			Non performing		
			"Of which: exposures with forbearance measures"	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due ≤90 days	Inflows to non-performing exposures
	(1,130,854,934)	(559,461,939)	(58,318,340)	(364,245,293)	(571,392,994)	(249,011,053)	(3,847,746)	273,621,394
	(144,582,672)	(66,658,647)	(5,233,120)	(49,678,228)	(77,924,025)	(26,379,198)	(2,044)	57,614,428
	(85,366,176)	(49,092,767)	(4,323,855)	(40,241,978)	(36,273,408)	(13,648,479)	0	21,704,289
	(984,775,972)	(491,991,439)	(53,080,744)	(313,999,228)	(492,784,533)	(222,628,056)	(3,845,702)	215,806,620
	(867,260,566)	(408,270,441)	(49,751,733)	(258,142,179)	(458,990,124)	(213,584,748)	(378,692)	177,192,745
	(241,501,695)	(105,696,217)	(17,667,498)	(80,747,618)	(135,805,479)	(79,353,135)	(1,770,738)	41,396,262

Template 2 - Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

Purpose: provide an overview of the volume of loans and advances subject to legislative and non-legislative moratoria in accordance with EBA/GL/2020/02 by residual maturity of these moratoria.

		a	b	c	d	e	f	g	h	i
			Gross carrying amount							
						Residual maturity of moratoria				
		Number of obligors		Of which: legislative moratoria	Dont: qui ont expiré	≤3 months	>3 months ≤6 months	>6 months ≤9 months	>9 months ≤12 months	> 1 year
1	Loans and advances for which moratorium was offered	292,138	34,693,428,019							
2	Loans and advances subject to moratorium (granted)	291,482	34,300,818,060	4,919,506,893	34,297,321,027	208,507	3,268	-	-	3,285,258
3	of which: Households		5,383,495,787	1,074,049,344	5,383,278,054	206,563	-	-	-	11,170
4	*of which: Collateralised by residential immovable property*		4,256,597,537	460,036,954	4,256,597,537	-	-	-	-	-
5	of which: Non-financial corporations		28,879,629,460	3,833,729,716	28,876,350,159	1,944	3,268	-	-	3,274,088
6	*of which: Small and Medium-sized Enterprises*		22,700,905,707	3,556,647,159	22,697,626,406	1,944	3,268	-	-	3,274,088
7	*of which: Collateralised by commercial immovable property*		6,523,235,714	1,278,232,668	6,523,169,324	-	-	-	-	66,390

Template 3: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis

Purpose: provide an overview of the stock of newly originated loans and advances subject to public guarantee schemes introduced in response to COVID-19 crisis.

		a	b	c	d
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
			of which: forborne	Public guarantees received	Inflows to non-performing exposures
1	**Newly originated loans and advances subject to public guarantee schemes**	18,352,516,168	1,191,969,227	16,363,869,189	456,401,647
2	of which: Households	217,159,472			3,190,042
3	*of which: Collateralised by residential immovable property*	-			-
4	of which: Non-financial corporations	18,123,557,253	1,187,440,300	16,157,825,576	452,956,397
5	*of which: Small and Medium-sized Enterprises*	12,044,305,207			242,535,711
6	*of which: Collateralised by commercial immovable property*	-			-

STATEMENT CONCERNING DISCLOSURE OF THE INFORMATION REQUIRED UNDER PART EIGHT OF REGULATION (EU) NO. 575/2013

Jérôme Grivet

Deputy Chief Executive Officer of Crédit Agricole S.A.

I certify that to the best of my knowledge, the information required under Part Eight of Regulation (EU) No. 575/2013 (and subsequent amendments) has been disclosed in accordance with formal policies and with internal procedures, systems and controls.

Montrouge, 4 April 2023

Deputy Chief Executive Officer of Crédit Agricole S.A.

Jérôme Grivet

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Consolidated financial statements as at 31 December 2022

Consolidated financial statements of the Crédit Agricole Group as at 31 December 2022 reviewed by the Board of Directors of Crédit Agricole S.A. on 8 February 2023

General framework

CRÉDIT AGRICOLE GROUP

Crédit Agricole Group is made up of 2,359 Local Banks, 39 Regional Banks, its corporate centre "Crédit Agricole S.A." and their subsidiaries.

Crédit Agricole Mutuel was organised under the Law of 5 November 1894 authorising the creation of the Local Banks *(Caisses locales)* of Crédit Agricole, the Law of 31 March 1899 grouping the Local Banks into Crédit Agricole Regional Banks, and the Law of 5 August 1920 creating the *Office National du Crédit Agricole.* The latter was later transformed into the *Caisse Nationale de Crédit Agricole,* and then into Crédit Agricole S.A., whose role as a corporate centre was reiterated and clarified by the French Monetary and Financial Code.

The Crédit Agricole Group is a banking group with a corporate centre (central body) within the meaning of European Regulation No. 575/2013 as amended (the "Capital Requirements Regulation" or CRR), of which:

- the undertakings of the corporate centre and the institutions affiliated thereto constitute joint and several undertakings;
- the solvency and liquidity of all affiliated institutions are monitored as a whole on the basis of consolidated financial statements.

For groups with a corporate centre, Council Directive 86/635/EEC on the annual accounts of European credit institutions stipulates that the whole constituted by the corporate centre and its affiliated institutions must be the subject of consolidated financial statements drawn up, audited and published in accordance with the said directive.

In application of this directive, the corporate centre and its affiliated institutions constitute the reporting entity representing the community of interests established in particular by the system of cross-guarantees which jointly and severally cover the undertakings of the various Crédit Agricole Group entities. In addition, the various texts referred to in the first paragraph explain and organise the legal, financial, economic and political community of interests between Crédit Agricole S.A., the Regional Banks and the Local Banks of Crédit Agricole Mutuel. This community is notably based on a single financial relationship mechanism, a unique economic and commercial policy, and shared decision-making bodies, which have formed the foundation of the Crédit Agricole Group for over a century.

In accordance with European Regulation 1606/02, the consolidated financial statements of the reporting entity are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union. The reporting entity is made up of the Local Banks, the Regional Banks and the corporate centre, "Crédit Agricole S.A.".

CRÉDIT AGRICOLE INTERNAL RELATIONS

Internal financing mechanisms

Crédit Agricole has instituted a number of internal financing mechanisms specific to the Group.

Regional Banks' current accounts

Each Regional Bank holds a current account with Crédit Agricole CIB, which records the financial movements resulting from internal financial transactions within the Group. This account, which may be in credit or debit, is presented in the balance sheet under "Crédit Agricole internal transactions – Current Accounts" and integrated on a specific line item, either "Loans and receivables due from credit institutions" or "Due to credit institutions".

Special savings accounts

Funds held in special savings accounts (popular savings passbook accounts *(Livret d'épargne populaire),* sustainable and inclusive development passbook accounts *(Livret de développement durable et solidaire),* home purchase savings schemes and accounts, popular savings schemes, youth passbook accounts *(Livret Jeune)* and passbook savings accounts *(Livret A)* are collected by the Regional Banks on behalf of Crédit Agricole S.A. and must be centralised at the latter. Crédit Agricole S.A. recognises them on its balance sheet as "Due to customers".

Term deposits and advances

The Regional Banks also collect non-government-regulated savings funds (passbook accounts, bonds, warrants, certain term accounts and similar accounts etc.) on behalf of Crédit Agricole S.A. These funds are transferred to Crédit Agricole S.A., and are recognised as such on its balance sheet.

Special savings accounts and time deposits and advances are used by Crédit Agricole S.A. to make "advances" (loans) to the Regional Banks, with a view to funding their medium and long term loans.

A series of four internal financial reforms has been implemented. These reforms have permitted the transfer back to the Regional Banks, in the form of so-called "mirror advances" (with maturities and interest rates precisely matching those of the savings funds received) of first 15%, 25%, then 33% and, since 31 December 2001, 50% of the savings resources, which they are free to use at their discretion.

Since 1 January 2004, the financial margins generated by the centralised management of collected funds (and not transferred back via mirror advances) are shared by the Regional Banks and Crédit Agricole S.A. and are determined by using replacement models and applying market rates.

Furthermore, the Regional Banks may be refinanced in the form of advances negotiated at market rates with Crédit Agricole S.A.

Transfer of Regional Banks' liquidity surpluses

The Regional Banks may use their "monetary" deposits (demand deposits, non-centralised time deposits and negotiable certificates of deposit) to finance lending to their customers. Surpluses must be transferred to Crédit Agricole S.A. where they are booked as current or time accounts, under "Crédit Agricole internal transactions".

Foreign currency transactions

The Regional Banks' foreign currency activities are refinanced through Crédit Agricole S.A.

Medium and long-term notes issued by Crédit Agricole S.A.

These are placed on the market or by the Regional Banks with their customers. They are booked on the balance sheet by Crédit Agricole S.A. under liabilities either as "Debt securities" or as "Subordinated debt", depending on the type of security issued.

TLTRO 3 mechanism

As at 31 December 2022, the residual outstanding amount of TLTRO 3 loans from the ECB is €91.1 billion, following the early repayment of €71 billion.

The recognition of TLTRO 3 transactions is described in paragraph 1.1.

Hedging of liquidity and solvency risks and banking resolution

Under the legal internal financial strength mechanism enshrined in Article L.511-31 of the French Monetary and Financial Code (CMF), Crédit Agricole S.A., as the corporate centre of the Crédit Agricole network, must take all necessary measures to ensure the liquidity and solvency of each affiliated credit institution, as well as the network as a whole. As a result, each member of the network benefits from this internal financial strength.

The general provisions of the CMF (*Code monétaire et financier* — French Monetary and Financial Code) have been reflected in the internal provisions setting out the operational measures required for this legal solidarity mechanism.

In the initial public offering of Crédit Agricole S.A., CNCA (now Crédit Agricole S.A.) signed an agreement with the Regional Banks in 2001 aiming notably at governing internal relations within the Crédit Agricole network. In particular, the agreement provides for the creation of a Fund for Bank Liquidity and Solvency Risks (FRBLS) designed to enable Crédit Agricole S.A. to fulfil its role as corporate centre by providing assistance to any affiliated members that may experience difficulties. The main provisions of this agreement are set out in Chapter III of the Registration Document filed by Crédit Agricole S.A. with France's *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. 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. 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. (in its capacity as corporate centre) and its affiliated entities would be considered as a whole 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 targets 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 instruments, and Tier 2 instruments, in order to absorb losses, and then possibly convert the additional Tier 1 instruments and Tier 2 instruments[1] into equity securities. 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, internal bailouts. In such an event, the impairment or conversion measures and, where applicable, internal bailout 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.

(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.

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 equity 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 strength mechanism enshrined in Article L.511-31 of the French Monetary and Financial Code, 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. 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 aggregate amount of their equity) are met. It should be recalled that this guarantee may be triggered in the event of an asset shortfall following Crédit Agricole S.A.'s bankruptcy or dissolution.

Capital ties between Crédit Agricole S.A. and the Regional Banks

The capital ties between Crédit Agricole S.A. and the Regional Banks are governed by an agreement entered into by the parties prior to Crédit Agricole S.A.'s initial public offering.

Under the terms of this agreement, the Regional Banks exercise their control over Crédit Agricole S.A. through SAS Rue La Boétie, a holding company wholly owned by the Regional Banks. The purpose of SAS Rue La Boétie is to hold enough shares to ensure that it always owns at least 50% of the share capital and voting rights of Crédit Agricole S.A.

In addition, under the same agreement, Crédit Agricole S.A. directly owned approximately 25% of the share capital of each Regional Bank (except for *Caisse régionale de la Corse* owned at 99.9%). Following the transaction to simplify the Group's capital structure on 3 August 2016, the bulk of the cooperative investment certificates (*certificats coopératifs d'investissement* or CCIs) and the cooperative associate certificates (*certificats coopératifs d'associés* or CCAs) held by Crédit Agricole S.A. were transferred to a holding company ("Sacam Mutualisation") jointly owned by the Regional Banks.

INFORMATION PERTAINING TO THE RELATED PARTIES

The related parties of the Crédit Agricole Group are the consolidated companies, including equity-accounted entities, as well as the Group's Senior Executives and the Regional Banks, given the Group's legal structure and due to the fact that Crédit Agricole S.A. is the corporate centre of the Crédit Agricole network.

In accordance with Crédit Agricole internal financial mechanisms, transactions between Crédit Agricole S.A. and the Regional Banks are presented on the balance sheet and income statement as Crédit Agricole internal transactions (Note 4.1 "Interest income and expenses", Note 4.2 "Net fees and commissions", Note 6.5 "Financial assets at amortised cost" and Note 6.7 "Financial liabilities at amortised cost").

Other shareholders' agreements

Shareholder agreements signed during the financial year are detailed in Note 2 "Major structural transactions and material events during the period".

Relationships between controlled companies affecting the consolidated balance sheet

A list of Crédit Agricole Group companies is presented in Note 12 "Scope of consolidation at 31 December 2022". Since, at year-end, the existing transactions and outstandings between the Group's fully consolidated companies are eliminated on consolidation, only transactions with companies consolidated by the equity method affect the Group's consolidated financial statements.

The main corresponding outstandings and commitments in the consolidated balance sheet at 31 December 2022 relate to transactions with the equity-accounted entities for the following amounts:

- loans and receivables due from credit institutions: €7,769 million (€2,249 million at 31 December 2021);
- loans and receivables due from customers: €2,858 million (€3,251 million at 31 December 2021);
- debt due to credit institutions: €3,161 million (€916 million at 31 December 2021);
- debt due to customers: €123 million (€153 million at 31 December 2021);
- commitments given on financial instruments: €6,510 million (€7,997 million at 31 December 2021);
- commitments received on financial instruments: €6,395 million (€4,919 million at 31 December 2021).

The transactions entered into with these entities did not have a material effect on the income statement for the period.

Management of retirement, early retirement and end-of-career allowances: Internal hedging contracts within the Group

As presented in Note 1.2 “Accounting policies and principles”, employees are provided with various types of post-employment benefits. These are:

- end-of-career allowances;
- retirement plans, which may be either “defined-contribution” or “defined-benefit” plans.

The liability in this respect is partially funded by collective insurance contracts taken out with Predica, the Crédit Agricole Group’s life insurance company.

These contracts govern:

- the setting up by the insurance company of mutual funds for investing contributions made by the employer to build up sufficient funds to cover end-of-career allowances or the various pension schemes;
- the management of the funds by the insurance company;
- the payment to the beneficiaries of the allowances and of the benefits due under the various plans.

Information on post-employment benefits is provided in Note 7 “Employee benefits and other compensation” in paragraphs 7.3 and 7.4.

Relations with senior management

Given Crédit Agricole Group’s mutualist structure and the reporting entity’s broad scope, the notion of executives as defined by IAS 24 is not representative of the governance rules in force within Crédit Agricole Group.

As such, the information required by IAS 24 on executive compensation is not presented.

Consolidated financial statements

INCOME STATEMENT

(in millions of euros)	Notes	31/12/2022	31/12/2021
Interest and similar income	4.1	37,648	31,634
Interest and similar expenses	4.1	(16,739)	(11,851)
Fee and commission income	4.2	15,906	15,371
Fee and commission expenses	4.2	(4,961)	(4,621)
Net gains (losses) on financial instruments at fair value through profit or loss	4.3	(10,208)	14,839
Net gains (losses) on held for trading assets/liabilities		*(4,258)*	*2,182*
Net gains (losses) on other financial assets/liabilities at fair value through profit or loss		*(5,950)*	*12,657*
Net gains (losses) on financial instruments at fair value through other comprehensive income	4.4	(226)	61
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss		*(328)*	*(29)*
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)		*102*	*90*
Net gains (losses) arising from the derecognition of financial assets at amortised cost	4.5	(42)	45
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		-	-
Income on other activities	4.6	50,834	41,325
Expenses on other activities	4.6	(34,576)	(49,813)
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	5.3	526	(168)
REVENUES		**38,162**	**36,822**
Operating expenses	4.7	(22,564)	(21,169)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	4.8	(1,889)	(1,912)
GROSS OPERATING INCOME		**13,709**	**13,741**
Cost of risk	4.9	(2,893)	(2,193)
OPERATING INCOME		**10,816**	**11,548**
Share of net income of equity-accounted entities		420	392
Net gains (losses) on other assets	4.10	28	(27)
Change in value of goodwill	6.16	-	497
PRE-TAX INCOME		**11,264**	**12,410**
Income tax charge	4.11	(2,508)	(2,463)
Net income from discontinued operations	6.12	117	6
NET INCOME		**8,873**	**9,953**
Non-controlling interests	13.2	729	852
NET INCOME GROUP SHARE		**8,144**	**9,101**

NET INCOME AND OTHER COMPREHENSIVE INCOME

(in millions of euros)	Notes	31/12/2022	31/12/2021
NET INCOME		8,873	9,953
Actuarial gains and losses on post-employment benefits	4.12	538	245
Other comprehensive income on financial liabilities attributable to changes in own credit risk[(1)]	4.12	776	(13)
Other comprehensive income on equity instruments that will not be reclassified to profit or loss[(1)]	4.12	91	95
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**1,405**	**327**
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**4.12**	**18**	**24**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(345)**	**(41)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**4.12**	**(9)**	**(14)**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**4.12**	**-**	**(1)**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX	4.12	1,069	295
Gains and losses on translation adjustments	4.12	201	957
Other comprehensive income on debt instruments that may be reclassified to profit or loss	4.12	(7,462)	(1,499)
Gains and losses on hedging derivative instruments	4.12	(2,803)	(886)
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	4.12-5.3	(569)	182
Pre-tax other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(10,633)**	**(1,246)**
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities, Group share	**4.12**	**48**	**103**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**2,743**	**629**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**4.12**	**-**	**(3)**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**4.12**	**26**	**(32)**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX	4.12	(7,816)	(549)
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**4.12**	**(6,747)**	**(254)**
NET INCOME AND OTHER COMPREHENSIVE INCOME		**2,126**	**9,699**
Of which Group share		1,426	8,778
Of which non-controlling interests		700	921

(1) Includes the impact of the transfer to reserves of -€21 million for items that cannot be reclassified.

BALANCE SHEET ASSETS

(in millions of euros)	Notes	31/12/2022	31/12/2021
Cash, Central Banks	6.1	210,804	241,191
Financial assets at fair value through profit or loss	3.1-6.2-6.6-6.7	431,717	433,134
Held for trading financial assets		*242,005*	*233,031*
Other financial instruments at fair value through profit or loss		*189,712*	*200,103*
Hedging derivative Instruments	3.2-3.4	50,494	16,023
Financial assets at fair value through other comprehensive income	3.1-6.4-6.6-6.7	217,125	268,700
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss		*212,341*	*264,572*
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss		*4,784*	*4,128*
Financial assets at amortised cost	3.1-3.3-6.5-6.6-6.7	1,344,545	1,258,283
Loans and receivables due from credit institutions		*114,279*	*96,703*
Loans and receivables due from customers		*1,114,389*	*1,051,592*
Debt securities		*115,877*	*109,988*
Revaluation adjustment on interest rate hedged portfolios		(9,098)	5,231
Current and deferred tax assets	6.9	10,052	8,113
Accruals, prepayments and sundry assets	6.10	58,448	43,081
Non-current assets held for sale and discontinued operations	6.11	134	2,965
Deferred participation benefits	6.16	17,043	(3)
Investments in equity-accounted entities	6.12	8,427	8,046
Investment property	6.13	9,000	8,292
Property, plant and equipment	6.14	10,770	10,909
Intangible assets	6.14	3,470	3,483
Goodwill	6.15	16,189	16,109
TOTAL ASSETS		**2,379,120**	**2,323,557**

BALANCE SHEET LIABILITIES

(in millions of euros)	Notes	31/12/2022	31/12/2021
Central Banks	6.1	59	1,276
Financial liabilities at fair value through profit or loss	6.2	272,192	243,555
Held for trading financial liabilities		*231,702*	*205,075*
Financial liabilities designated at fair value through profit or loss		*40,490*	*38,480*
Hedging derivative Instruments	3.2-3.4	47,316	16,827
Financial liabilities at amortised cost		1,467,676	1,447,463
Due to credit institutions	*3.3-6.7*	*152,201*	*221,192*
Due to customers	*3.1-3.3-6.7*	*1,095,758*	*1,044,566*
Debt securities	*3.3-6.7*	*219,717*	*181,705*
Revaluation adjustment on interest rate hedged portfolios		6,987	5,841
Current and deferred tax liabilities	6.9	2,649	3,013
Accruals, prepayments and sundry liabilities	6.10	64,907	58,637
Liabilities associated with non-current assets held for sale and discontinued operations	6.11	205	2,566
Insurance company technical reserves	6.16	354,538	377,687
Provisions	6.17	5,645	7,104
Subordinated debt	3.4-6.18	23,155	25,873
TOTAL LIABILITIES		2,245,329	2,189,842
EQUITY		133,791	133,715
Equity – Group share		**126,470**	**126,498**
Share capital and reserves		30,456	29,927
Consolidated reserves		92,585	85,467
Other comprehensive income		(4,718)	2,029
Other comprehensive income on discontinued operations		3	(26)
Net income (loss) for the year		8,144	9,101
Non-controlling interests		**7,321**	**7,217**
TOTAL LIABILITIES AND EQUITY		**2,379,120**	**2,323,557**

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[1]	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 1 JANUARY 2021 PUBLISHED	12,610	98,980	(239)	5,888	117,239	3,683	(1,357)	2,326	-	119,565
Impacts of new accounting standards	-	183	-	-	183	-	-	-	-	183
EQUITY AT 1 JANUARY 2021	12,610	99,163	(239)	5,888	117,422	3,683	(1,357)	2,326	-	119,748
Capital increase	1,072	638	-	-	1,710	-	-	-	-	1,710
Changes in treasury shares held	-	-	(1,048)	-	(1,048)	-	-	-	-	(1,048)
Issuance/redemption of equity instruments	-	(1)	-	(1,000)	(1,001)	-	-	-	-	(1,001)
Remuneration of undated deeply subordinated notes	-	(367)	-	-	(367)	-	-	-	-	(367)
Dividends paid in 2021	-	(2,823)	-	-	(2,823)	-	-	-	-	(2,823)
Dividends received from Regional Banks and their subsidiaries	-	1,587	-	-	1,587	-	-	-	-	1,587
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Changes due to share-based payments	-	24	-	-	24	-	-	-	-	24
Changes due to transactions with shareholders	**1,072**	**(942)**	**(1,048)**	**(1,000)**	**(1,918)**	**-**	**-**	**-**	**-**	**(1,918)**
Changes in other comprehensive income	**-**	**(60)**	**-**	**-**	**(60)**	**(692)**	**269**	**(423)**	**-**	**(483)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	*-*	*(60)*	*-*	*-*	*(60)*	*-*	*60*	*60*	*-*	*-*
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Share of changes in equity-accounted entities	-	1	-	-	1	90	10	100	-	101
Net income for 2021	-	-	-	-	-	-	-	-	9,101	9,101
Other changes	-	(51)	-	-	(51)	-	-	-	-	(51)
EQUITY AT DECEMBER 2021	13,682	98,111	(1,287)	4,888	115,394	3,081	(1,078)	2,003	9,101	126,498
Appropriation of 2021 net income	-	9,101	-	-	9,101	-	-	-	(9,101)	-
EQUITY AT 1 JANUARY 2022	13,682	107,212	(1,287)	4,888	124,495	3,081	(1,078)	2,003	-	126,498
Impacts of new accounting standards	-	-	-	-	-	-	-	-	-	-
EQUITY AT 1 JANUARY 2022 RESTATED	13,682	107,212	(1,287)	4,888	124,495	3,081	(1,078)	2,003	-	126,498
Capital increase	219	(723)	-	-	(504)	-	-	-	-	(504)
Changes in treasury shares held	-	-	(124)	-	(124)	-	-	-	-	(124)
Issuance/redemption of equity instruments	-	(8)	-	1,101	1,093	-	-	-	-	1,093
Remuneration of undated deeply subordinated notes	-	(420)	-	-	(420)	-	-	-	-	(420)
Dividends paid in 2022	-	(3,730)	-	-	(3,730)	-	-	-	-	(3,730)
Dividends received from Regional Banks and their subsidiaries	-	2,149	-	-	2,149	-	-	-	-	2,149
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Changes due to share-based payments	-	28	-	-	28	-	-	-	-	28
Changes due to transactions with shareholders	**219**	**(2,704)**	**(124)**	**1,101**	**(1,508)**	**-**	**-**	**-**	**-**	**(1,508)**
Changes in other comprehensive income	**-**	**(26)**	**-**	**-**	**(26)**	**(7,799)**	**1,027**	**(6,772)**	**-**	**(6,798)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	*-*	*(21)*	*-*	*-*	*(21)*	*-*	*21*	*21*	*-*	*-*
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	-	-	-	-	-	44	10	54	-	54
Net income for 2022	-	-	-	-	-	-	-	-	8,144	8,144
Other changes	-	80	-	-	80	-	-	-	-	80
EQUITY AT 31 DECEMBER 2022	13,901	104,562	(1,411)	5,989	123,041	(4,674)	(41)	(4,715)	8,144	126,470

(1) Consolidated reserves before elimination of treasury shares.

(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 1 JANUARY 2021 PUBLISHED	**7,085**	**(136)**	**(40)**	**(176)**	**6,909**	**126,474**
Impacts of new accounting standards	5	-	-	-	5	188
EQUITY AT 1 JANUARY 2021	**7,090**	**(136)**	**(40)**	**(176)**	**6,914**	**126,662**
Capital increase	-	-	-	-	-	1,710
Changes in treasury shares held	-	-	-	-	-	(1,048)
Issuance/redemption of equity instruments	-	-	-	-	-	(1,001)
Remuneration of undated deeply subordinated notes	(93)	-	-	-	(93)	(460)
Dividends paid in 2021	(399)	-	-	-	(399)	(3,222)
Dividends received from Regional Banks and their subsidiaries	-	-	-	-	-	1,587
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	6	-	-	-	6	30
Changes due to transactions with shareholders	**(486)**	**-**	**-**	**-**	**(486)**	**(2,404)**
Changes in other comprehensive income	**-**	**43**	**16**	**59**	**59**	**(424)**
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	-	10	-	10	10	111
Net income for 2021	852	-	-	-	852	9,953
Other changes	(132)	-	-	-	(132)	(183)
EQUITY AT DECEMBER 2021	**7,324**	**(83)**	**(24)**	**(107)**	**7,217**	**133,715**
Appropriation of 2021 net income	-	-	-	-	-	-
EQUITY AT 1 JANUARY 2022	**7,324**	**(83)**	**(24)**	**(107)**	**7,217**	**133,715**
Impacts of new accounting standards	-	-	-	-	-	-
EQUITY AT 1 JANUARY 2022 RESTATED	**7,324**	**(83)**	**(24)**	**(107)**	**7,217**	**133,715**
Capital increase	-	-	-	-	-	(504)
Changes in treasury shares held	-	-	-	-	-	(124)
Issuance/redemption of equity instruments	-	-	-	-	-	1,093
Remuneration of undated deeply subordinated notes	(93)	-	-	-	(93)	(513)
Dividends paid in 2022	(396)	-	-	-	(396)	(4,126)
Dividends received from Regional Banks and their subsidiaries	-	-	-	-	-	2,149
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	5	-	-	-	5	33
Changes due to transactions with shareholders	**(484)**	**-**	**-**	**-**	**(484)**	**(1,992)**
Changes in other comprehensive income	**-**	**(65)**	**33**	**(32)**	**(32)**	**(6,830)**
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	-	4	(1)	3	3	57
Net income for 2022	729	-	-	-	729	8,873
Other changes	(112)	-	-	-	(112)	(32)
EQUITY AT 31 DECEMBER 2022	**7,457**	**(144)**	**8**	**(136)**	**7,321**	**133,791**

CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method.

Operating activities are representative of income-generating activities of the Crédit Agricole Group.

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 corporates, property, plant & equipment and intangible assets. This section includes strategic equity investments classified as "Fair value through profit or loss" or "Fair value through other comprehensive income on items that cannot be reclassified".

Financing activities show the impact of cash inflows and outflows associated with operations of financial structure concerning equity and long-term borrowing.

The **net cash flows** attributable to the operating, investment and financing activities **of discontinued operations** are presented on separate lines in the cash flow statement.

Net cash and cash equivalents include cash, debit and credit balances with Central Banks and debit and credit demand balances with credit institutions.

(in millions of euros)	Notes	31/12/2022	31/12/2021
Pre-tax income		**11,264**	**12,410**
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets		1,888	1,912
Impairment of goodwill and other fixed assets	6.15	-	(497)
Net addition to provisions		1,197	20,247
Share of net income (loss) of equity-accounted entities		(585)	(423)
Net income (loss) from investment activities		(28)	28
Net income (loss) from financing activities		2,577	2,481
Other movements		(5,140)	2,360
Total Non-cash and other adjustment items included in pre-tax income		**(91)**	**26,108**
Change in interbank items(1)		(79,921)	9,232
Change in customer items		(16,821)	(6,512)
Change in financial assets and liabilities(2)		72,407	(980)
Change in non-financial assets and liabilities		(9,864)	4,989
Dividends received from equity-accounted entities(3)		930	368
Taxes paid		(2,402)	(2,979)
Net change in assets and liabilities used in operating activities		**(35,671)**	**4,118**
Cash provided (used) by discontinued operations		**(116)**	**25**
TOTAL NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES (A)		(24,614)	42,661
Change in equity investments(4)		**(3,839)**	**735**
Change in property, plant & equipment and intangible assets		**(1,843)**	**(1,541)**
Cash provided (used) by discontinued operations		**(386)**	**(100)**
TOTAL NET CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES (B)		(6,068)	(906)
Cash received from (paid to) shareholders(5)		**(1,001)**	**(2,538)**
Other cash provided (used) by financing activities(6)		**5,184**	**1,723**
Cash provided (used) by discontinued operations		**114**	**(3)**
TOTAL NET CASH FLOWS FROM (USED BY) FINANCING ACTIVITIES (C)		4,297	(818)
IMPACT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENT (D)		(1,317)	(171)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A + B + C + D)		**(27,702)**	**40,766**
Cash and cash equivalents at beginning of period		**235,708**	**194,942**
Net cash accounts and accounts with Central Banks*		240,131	196,680
Net demand loans and deposits with credit institutions**		(4,423)	(1,738)
Cash and cash equivalents at end of period		**208,006**	**235,708**
Net cash accounts and accounts with Central Banks*		210,733	240,131
Net demand loans and deposits with credit institutions**		(2,727)	(4,423)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(27,702)**	**40,766**

* *Consisting of the net balance of the "Cash, Central Banks" item, excluding accrued interest and including the cash of entities reclassified as discontinued operations.*

** *Consisting of the balance of the "Non doubtful current accounts in debit" and "Non doubtful overnight accounts and advances" items as detailed in Note 6.5 and the "Current accounts in credit" and "Overnight accounts and deposits" items as detailed in Note 6.7 (excluding accrued interest).*

(1) Flows related to operations with credit institutions: *At 31 December 2022, TLTRO 3 repayments amounted to €71 billion.*

(2) Change in financial assets and liabilities: *In fourth quarter 2022, the Group mandated an intermediary in connection with the purchase of Crédit Agricole S.A.'s shares on the market totalling €800 million, in line with the commitment made by SAS Rue La Boétie, Crédit Agricole S.A.'s majority shareholder, to purchase shares up to a maximum amount of €1 billion.*

(3) Dividends received from equity-accounted entities: *At 31 December 2022, this amount includes the payment of dividends from FCA Bank for +€600 million, the payment of dividends from insurance companies for +€248 million and from Amundi subsidiaries for +€13 million.*

(4) Changes in equity investments: *This line shows the net effects on cash of acquisitions and disposals of equity investments.*

The net impact on Group cash of acquisitions and disposals of consolidated equity investments (subsidiaries and equity-accounted entities) at 31 December 2022 is +€103 million. The main transactions include the capital increase for -€600 million by CAFC France linked to the creation of the LLD LeaseCo subsidiary, +€435 million in cash acquired linked to the sale of La Médicale, +€190 million in net cash acquired linked to the disposal of Crédit du Maroc and the disposal of Crédit Agricole Banka Srbija Akcionarsko Novi Sad for +€154 million by Crédit Agricole S.A..

During the same period, the net impact on the Group cash position of acquisitions and disposals of non-consolidated equity investments came to -€4,094 million, essentially from insurance investments.

(5) Cash received from (paid to) shareholders: *This amount mainly corresponds to -€2,491 million in dividends, excluding dividends paid in shares, distributed by the Crédit Agricole Group. It breaks down as follows:*

– dividends paid by Crédit Agricole S.A. for -€1,363 million;

– dividends paid by the Regional Banks and subsidiaries for -€218 million;

– dividends paid by non-controlling interests for -€396 million; and

– interest, equivalent to dividends on undated financial instruments treated as equity for -€514 million.

This amount also includes capital increases at the Local Banks and Regional Banks for +€432 million, the capital increase reserved for employees for +€128 million and issues and redemptions of equity instruments for +€1,101 million.

(6) Other net cash flows from financing activities: *As at 31 December 2022, debt issues totalled +€24,989 million and redemptions -€16,953 million. Subordinated debt issues totalled +€338 million and redemptions -€590 million.*

This line also includes cash flows from interest payments on subordinated debt and bonds for -€2,462 million.

Notes to the consolidated financial statements

Note 1 Group accounting policies and principles, assessments 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 standards and IFRIC interpretations applicable at 31 December 2022 and as adopted by the European Union (carve-out version), thus using certain exceptions in the application of IAS 39 on macro-hedge accounting.

These standards and interpretations are available on the European Commission website at: https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/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 for the financial year ended 31 December 2021.

They have been supplemented by the IFRS standards as adopted by the European Union at 31 December 2022 and for which application is mandatory for the first time during financial year 2022.

These cover the following:

Standards, amendments or interpretations	Date of first-time application: financial years from	Material impact on the Group
Amendment to IAS 16		
Property, plant and equipment – Proceeds before intended use	1 January 2022	No
Improvements to IFRS 2018–2020 cycle		
■ **IFRS 1** Subsidiary as a first-time adopter; ■ **IFRS 9** Derecognition of financial liabilities: fees and costs included in the 10% test; ■ **IAS 41** Taxation in fair value measurements; and ■ **IFRS 16** Lease incentives	1 January 2022	No
Amendment to IFRS 3		
References to the conceptual framework	1 January 2022	No
Amendment to IAS 37		
Onerous contracts – cost of fulfilling a contract	1 January 2022	No

Moreover, as long as the early application of standards and interpretations adopted by the European Union is optional for a period, this option is not selected by the Group, unless otherwise stated.

IFRS 17: Insurance contracts

IFRS 17 Insurance contracts, published by the IASB on 18 May 2017 in its initial version and then on 25 June 2020 in its amended version, will replace IFRS 4. It must be applied for financial years beginning on or after 1 January 2023.

IFRS 17, as adopted by the European Union on 19 November 2021, contains an optional exemption from the standard's annual cohort requirements for intergenerationally mutualised and cash flow matched contracts.

The Crédit Agricole Group will apply IFRS 17, as well as the changes made by IFRS 17 to other IFRS, in its financial statements for the first time for periods beginning on or after 1 January 2023.

IFRS 17 must be applied retrospectively with mandatory restatement of comparative information. Therefore, comparative information relating to financial year 2022 will be restated in the financial statements for financial year 2023, and a balance sheet at the transition date (1 January 2022) will also be presented.

The Crédit Agricole Group has taken steps to implement IFRS 17 within the required time frame. The analysis, preparation and implementation work that began in 2017 continued in 2022; this work included preparing the transition balance sheet at 1 January 2022 and starting work on the production of comparative information for the various periods (interim and annual) of financial year 2022. The work on preparing restated data at 31 December 2022 is currently being finalised.

Changes introduced by IFRS 17 and expected impacts of first-time adoption on financial statements

IFRS 17 establishes principles for the recognition, measurement and presentation of contracts within its scope of application (i.e. insurance contracts issued, reinsurance contracts issued and held, and investment contracts with discretionary participation features issued, provided the entity also issues insurance contracts), as well as provisions relating to disclosure of the information about them.

Its application will result in significant changes on these points. The nature and impact of the main changes in accounting policies related to the first-time adoption of IFRS 17 are summarised below.

Changes in recognition and measurement

The Group, as permitted under IFRS 4, currently recognises insurance contracts in its consolidated financial statements by applying French accounting standards, except for specific requirements introduced by IFRS 4 for equalisation reserves, shadow accounting and the liability adequacy test.

These principles will no longer apply with the implementation of IFRS 17, which sets out new principles for the measurement and recognition of insurance contracts. IFRS 17 introduces a prospective General Measurement Model for insurance contracts, whereby groups of contracts are measured based on estimates of the present value of future expected cash flows as the services under the insurance contract are provided, an explicit risk adjustment for non-financial risk, and a contractual service margin representing unearned profit.

In summary, the application of the main requirements of IFRS 17 regarding the recognition and measurement of insurance contracts will entail the following for the Group:

- identifying insurance contracts as those under which it accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder;
- separating from insurance contracts specific embedded derivatives, distinct investment components and distinct goods or services other than the services under the insurance contract and accounting for them under the standards applicable to them;
- aggregating insurance contracts based on their characteristics and estimated profitability, which consists, at initial recognition, of identifying portfolios of insurance contracts (contracts that are subject to similar risks and managed together) and then dividing each of these portfolios into three groups (onerous contracts, contracts that have no significant possibility of becoming onerous subsequently, and remaining contracts), knowing that it is not possible to include contracts issued more than one year apart in the same group (except, optionally, for intergenerationally-mutualised and cash flow matched contracts, which are exempt from this requirement under the EU exemption);
- on initial recognition, recognising and measuring the groups of contracts at the total of:
  - fulfilment cash flows (i.e. an estimate of future cash flows, adjusted to reflect the time value of money and financial risks and adjusted for non-financial risk, and which must include all available information in a manner consistent with observable market data),
  - and the Contractual Service Margin (CSM), which represents the unearned profit that will be recognised in profit or loss as the services under the insurance contract are provided to policyholders; if a group of contracts is expected to be onerous over the remaining period of coverage, a loss is immediately recognised in profit or loss;
- recognising and measuring groups of contracts at each subsequent reporting period at the total of:
  - the liability for the remaining coverage, comprising the fulfilment cash flows relating to future services and the contractual service margin at that date,
  - and the liability for incurred claims, comprising the fulfilment cash flows relating to past services;
- recognising an asset for insurance acquisition cash flows representing acquisition cash flows paid, or incurred, before the related group of insurance contracts is recognised; such an asset is derecognised when these cash flows are included in the measurement of the related group of insurance contracts.

The General Measurement Model for contracts is adapted for certain contracts with specific characteristics.

Thus, for insurance contracts with direct participation features, the standard requires the application of a measurement model known as the Variable Fee Approach (VFA). These contracts are substantially investment-related service contracts under which the entity promises a return based on underlying items, and are therefore defined as insurance contracts for which, at inception:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the entity expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

Compliance with these three conditions is assessed at inception of the contract and is not reassessed subsequently, unless the contract is modified substantially.

For such contracts, the General Measurement Model's subsequent measurement requirements are modified in order to reflect the fact that the contracts establish an obligation for the entity to pay policyholders an amount equal to the fair value of specified underlying items less variable fees that compensate for the services provided and are determined on the basis of the underlying items.

In addition, the standard allows a simplified measurement model, known as the Premium Allocation Approach (PAA), to be applied to measure the liability for the remaining coverage of a group of contracts, provided that this measurement is not materially different from that which would result from the application of the General Measurement Model, or that the period of coverage of each of the contracts in the group does not exceed one year. Under this approach, the liability for remaining coverage is measured on the basis of the amount of premiums received net of acquisition costs paid, minus the net amount of the premiums and insurance acquisition cash flows that were recognised in profit or loss during the expired portion of the coverage period on the basis of the passage of time. This approach is similar to the accounting treatment applied under IFRS 4, with the main changes relating to the discounting of technical reserves, the determination of onerous contracts at a more granular level and the introduction of an adjustment for non-financial risk.

Main accounting policies

The Group's project to implement the provisions of the standard focused in particular on defining the main methodological guidelines and choosing the options allowed by the standard, if applicable. The key accounting judgements, estimates and policies relating to the first-time adoption of IFRS 17 concern the following aspects.

Based on the requirements of the standard regarding the level of aggregation, contracts must be grouped into portfolios, which are then divided into three groups based on the expected profitability of the contracts at the time of initial recognition and must not contain contracts issued more than one year apart. In order to apply the general principles of the standard concerning the identification of portfolios, the Group has performed various analyses based on the guarantees identified and the way in which the contracts are managed. The splitting of these portfolios into groups based on the expected profitability of the contracts has been done on the basis of different information such as contract pricing, past profitability of similar contracts, or forward-looking plans.

As permitted by Article 2 of European Commission Regulation (EU) 2021-2036 of 19 November 2021, the Group intends to use the exemption from the standard's annual cohort requirement for intergenerationally-mutualised contracts. This accounting policy choice will be applied to the portfolios relating to the Group's savings and retirement activities in France and Luxembourg.

The measurement of a group of insurance contracts must include all the future cash flows within the boundary (the "boundary") of each contract in the group. The determination of this boundary requires that judgement be exercised and that the Group's substantial rights and obligations under the contract be taken into account. To this end, the Group has conducted a detailed analysis of the characteristics of its contracts and, in particular, the possibility of revising their pricing. For example, it considered free or scheduled future payments of savings and retirement contracts, and the payment phase of retirement contracts with mandatory annuity drawdown, as being included in the contract boundary; however, renewals of non-life insurance contracts related to the automatic renewal clause are not included in the contract boundary.

Under IFRS 17, discount rates are a key parameter for measuring insurance contracts. In particular, they are used to measure fulfilment cash flows and, in respect of insurance contracts without direct participation features, to determine the interest to be capitalised on the Contractual Service Margin (CSM), to measure changes in the CSM and to determine the amount of insurance finance income or expense recognised in profit or loss when the Other Comprehensive Income (OCI) option is applied. IFRS 17 does not require a specific estimation method for the determination of discount rates, but it does require that the method takes into account factors that arise from the time value of money, cash flow characteristics and liquidity characteristics of insurance contracts, and maximises the use of observable inputs. The methodology used by the Group to define the discount rate curve is a bottom-up approach that is based on a risk-free yield curve with an adjustment for an illiquidity premium reflecting the cash flow characteristics and liquidity of the insurance contracts. The Group determines the risk-free yield curve using observable swap rates in the relevant currency, adjusted for credit risk. This curve is extrapolated between the last liquid point and an ultimate forward rate that reflects expectations of the long-term real interest rate and inflation. The yield curve extrapolation method used by the Group is the smoothing points method: rates beyond the first smoothing point (FSP) are extrapolated through a function that takes into account the ultimate forward rate (UFR), the last liquid forward rate (LLFR) and a speed of convergence parameter. The illiquidity premiums are determined based on a reference portfolio corresponding to the assets held to cover contracts.

The estimate of the present value of future cash flows requires an explicit risk adjustment for non-financial risk in order to reflect the compensation required by the entity for the uncertainty about the amount and timing of cash flows that arises from non-financial risk. The Group will use the confidence level technique for determining the risk adjustment for all of its contracts. This adjustment will reflect the diversification benefits at the entity level, determined using a correlation matrix. Diversification between entities will also be taken into account.

The general model will mainly be used for the Group's borrower, long-term care, death & disability, sick leave, term life and certain healthcare activities.

The premium allocation approach (PAA) is an optional measurement method that allows the simplified measurement of the liability for remaining coverage of eligible groups of contracts (see above). The Group will use this approach for its property and casualty insurance business. Most of the relevant groups of contracts meet the second eligibility condition, i.e. the period of coverage of each contract in the group is less than or equal to one year.

The Variable Fee Approach (VFA) is a mandatory measurement method for insurance contracts with direct participation features which, from an accounting point of view, reflects the specific nature of the services provided by these contracts (see above). The Group assessed whether the three conditions outlined above were met in order to determine which of its contracts qualified as insurance contracts with direct participation features. Therefore, the Group's savings, retirement and funeral business activities will be valued using this approach.

To determine the amount of the CSM of a group of contracts that must be recognised in profit or loss to reflect the services provided in each period, it is necessary to identify the coverage units in the group of contracts (whose number is the quantity of insurance contract services provided by the contracts in the group) and to allocate the CSM at the end of the reporting period equally to each coverage unit (those provided in the current period and those expected to be provided in the future). The standard does not specify the appropriate indicator to be used to reflect the volume of services provided in the period. The methodology used by the Group to identify the coverage units and consequently the expected timing of recognition of the CSM in profit or loss will be adapted to the characteristics of the relevant contracts. For insurance contracts with direct participation features, measured under the variable fee approach, the methodology used to allocate the CSM to profit or loss aims to reflect economically the asset management service provided by the insurer during each period; thus, in addition to the risk-neutral returns on assets projected in the actuarial models used to measure these types of contracts, it also takes into account the additional return corresponding to the actual performance of these assets. For other contracts, measured under the general model, the coverage units have been defined based on various indicators adapted to the type of guarantee (such as the death benefit or outstanding principal).

The provisions of the standard require the identification of investment components, which are defined as the amounts the entity must repay to the insured under all circumstances, whether or not the insured event occurs; they should not be recognised in insurance income and expenses. The main investment components identified by the Group relate to savings and retirement contracts with an explicit surrender or transfer value. In non-life insurance, insurance contracts issued by the Group do not normally contain an investment component.

Lastly, with regard to the effects of the implementation of IFRS 17 and IFRS 9 (or other standards relating to financial assets), the Group:

- will make certain accounting policy choices to avoid accounting mismatches in applying these standards (for example, measurement at fair value through profit or loss of investment property and investments in associates and joint ventures which are underlying items of insurance contracts with direct participation features);
- will make the accounting policy choice, for most of its insurance contract portfolios, to use the option ("OCI option") enabling it to disaggregate insurance financial income or expenses for the period between profit or loss and other comprehensive income; the use of this option will therefore result, for insurance contracts with direct participation features, for which the entity holds the underlying items, in presenting an amount in profit or loss that eliminates accounting mismatches with income or expenses included in profit or loss on the underlying items held; and, for other contracts, presenting in other comprehensive income the impact of changes in discount rates;
- will make certain changes to the classification and designation of its financial assets at the date of first application (see below).

Changes in presentation and disclosure requirements in the notes

In accordance with the presentation requirements under IFRS 17 (and IAS 1 as amended by IFRS 17), the presentation of items relating to insurance contracts in the balance sheet, income statement (statement of profit or loss) and statement of net income and other comprehensive income will change significantly from the current presentation.

For instance, the balance sheet items in which the various elements relating to the measurement of insurance contracts under IFRS 4 are currently accounted for will no longer be presented (liabilities arising from contracts, reinsurers' share in liabilities arising from insurance and financial contracts, receivables and payables related to insurance or inward reinsurance operations, receivables and payables related to outward reinsurance operations, active and passive policyholders' deferred profit sharing, deferred acquisition costs, portfolios of contracts of insurance companies).

The carrying amount of insurance and reinsurance contract portfolios recognised under IFRS 17 will now be presented in full under the following four new balance sheet items:

- portfolios of insurance contracts issued that are assets;
- portfolios of insurance contracts issued that are liabilities;
- portfolios of reinsurance contracts held that are assets;
- portfolios of reinsurance contracts held that are liabilities.

Similarly, the income statement items in which income and expenses relating to insurance contracts are currently accounted for will no longer be presented (including earned premiums, claims expenses, net income (expense) on business ceded to reinsurers, contract acquisition costs, administrative expenses, and the amount reclassified as other comprehensive income under the overlay approach).

Income and expenses relating to insurance activities recognised under IFRS 17 will be presented separately in the following new income statement line items:

- insurance income arising from insurance contracts issued (which reflect the provision of services arising from a group of insurance contracts at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services);
- insurance-related expenses arising from insurance contracts issued (which include incurred claims and other insurance-related expenses);
- income and expenses from reinsurance contracts held (which include the amounts recovered from reinsurers and allocation of the premiums paid);
- insurance financial income or expenses (which comprise the change in the carrying amount of the groups of insurance contracts arising from the effects of the time value of money and the effects of financial risk and from their changes – excluding changes resulting in an adjustment of the CSM for insurance contracts with direct participation features);
- insurance finance income or expense related to reinsurance contracts held.

Lastly, the statement of profit or loss and other comprehensive income will see the removal of the items relating to shadow accounting and the overlay approach (as these mechanisms are specific to IFRS 4) and the creation of line items relating to insurance finance income or expenses directly recognised in equity under the OCI option.

IFRS 17 also includes new requirements regarding qualitative and quantitative disclosures in the notes about the amounts recognised, judgements and risks relating to the contracts within the scope of application of the standard.

Transition

Under the transition requirements of IFRS 17, the changes in accounting policies resulting from the application of IFRS 17 must be applied using a full retrospective approach, where practicable. Under the full retrospective approach, the Group must, at the transition date (1 January 2022):

- identify, recognise and measure each group of insurance contracts as if it had always applied IFRS 17;
- identify, recognise and measure assets for insurance acquisition cash flows, if any, as if it had always applied IFRS 17 (but without being required to make an assessment of their recoverability before the date of transition);
- derecognise balances that would not exist if it had always applied IFRS 17;
- recognise any remaining net difference in equity.

If and only if the retrospective application of the standard is impracticable for the measurement of a group of insurance contracts or an asset for insurance acquisition cash flows, the Group may choose either of the two alternative approaches provided by the transition provisions of the standard (modified retrospective approach or fair value approach).

The Group has mainly used the modified retrospective approach to measure the groups of insurance contracts recognised at the date of transition. The Group has not used the fair value approach. The Group determined that the full retrospective approach was impracticable for the relevant groups of contracts due to the unavailability of all the information necessary for a full retrospective application of the standard (not only in terms of data collected, but also in terms of assumptions or estimates made in prior accounting periods).

The objective of the modified retrospective approach (MRA) is to achieve the closest outcome to full retrospective application possible using reasonable and supportable information available without undue cost or effort.

To that end, this approach includes a list of modifications in several areas; each of these modifications may be used only to the extent that reasonable and supportable information necessary to apply a full retrospective approach is not available.

The main changes to the modified retrospective approach that the Group has used for the measurement of certain groups of contracts at the transition date are as follows:

- the identification of groups of insurance contracts and determination of which contracts qualify as insurance contracts with direct participation features based on the information available at the date of transition;
- the exemption from the requirement to form groups in such a way that they do not include contracts issued more than one year apart;
- the determination of the CSM (or of the loss component, where applicable) for groups of insurance contracts without direct participation features at the transition date, notably:
  - the estimate of the future cash flows at the date of initial recognition as the amount of the future cash flows at the transition date, adjusted by the cash flows that are known to have occurred between the date of initial recognition and the transition date,

  - the determination of the discount rates that applied at the date of initial recognition using an estimated yield curve at the date corresponding to the average age of the contracts in the group,
  - the determination of the risk adjustment for non-financial risk at the date of initial recognition by adjusting the risk adjustment for non-financial risk at the transition date by the expected release of risk before the transition date,
  - the use of the discount rates at the date of initial recognition as determined above to accrete interest on the CSM,
  - the determination of the amount of the CSM recognised in profit or loss because of the transfer of services before the transition date, by comparing the remaining coverage units at that date with the coverage units provided under the group of contracts before the transition date,
  - the determination of the CSM (or of the loss component, where applicable) for groups of insurance contracts with direct participation features at the transition date, by calculating a proxy for the total CSM for all services to be provided under the group of contracts (fair value of the underlying items minus fulfilment cash flows at that date, and adjusted for amounts charged to the policyholders before that date, amounts paid before that date that would not have varied based on the underlying items, the change in the risk adjustment for non-financial risk caused by the release from risk before that date, and insurance acquisition cash flows incurred before the transition date that are allocated to the group), and by deducting from the latter the amount of the CSM that relates to services provided before that date;
- the determination, in the event that the OCI option is applied, of the cumulative amount of insurance finance income or expenses recognised in equity at the date of transition:
  - for groups of insurance contracts without direct participation features: either by using the discount rates at the date of initial recognition as determined above, or by considering it as nil,
  - for groups of insurance contracts with direct participation features for which the entity holds the underlying items: by considering it as equal to the cumulative amount recognised in equity on the underlying items.

Under the transition requirements of IFRS 17, entities that applied IFRS 9 before IFRS 17 (as is the case with the CAA Group) are allowed – and in some cases are required – to change their previously applied classifications and designations of financial assets (under the classification requirements of IFRS 9) at the date of first-time adoption of IFRS 17. The reclassifications done by the Group at 1 January 2023 relate to the reassessment of the business model for some debt instruments and the designation of some equity instruments at fair value through other comprehensive income.

Work on preparing the balance sheet at the transition date (1 January 2022) was completed in the second half of 2022 for the insurance business. At the transition date of 1 January 2022, the expected impact of applying IFRS 17 in the insurance business is a decrease in shareholders' equity of €1,238 million and CSM of €20,067 million (excluding any effect of eliminating internal margins).

As noted above, the work on preparing the financial statements at 31 December 2022 restated to reflect the application of IFRS 17 is currently under way. The impacts of the first-time adoption of IFRS 17 at 1 January 2023 and the profit or loss for the 2022 comparative period will be communicated in the Group's consolidated financial statements at 30 June 2023.

Standards and interpretations not yet adopted by the European Union as at 31 December 2022

The standards and interpretations published by the IASB at 31 December 2022 but not yet adopted by the European Union are not applied by the Group. They will become mandatory only as from the date planned by the European Union and have not been applied by the Group at 31 December 2022.

IFRS IC decisions that may impact the Group

This concerns in particular the IFRS IC IFRS 9/IAS 20 decision on the accounting for TLTRO 3 transactions.

The ECB set out a third series of long-term refinancing transactions in March 2019, the terms and conditions of which were reviewed in September 2019 and again in March, April and December 2020, in connection with the COVID-19 situation.

The TLTRO 3 mechanism aims to provide long-term refinancing, with a subsidy in the event of reaching a lending performance target based on growth of lending to firms and households, which is applied over the three-year maturity of the TLTRO transaction. Under this mechanism, there is an additional subsidy that awards two further temporary incentives. The first is applied over the one-year period between June 2020 and June 2021, and the second, over the one-year period from June 2021 to June 2022.

As a reminder, the accounting treatment adopted by the Group since 2020 consists of recognising subsidies as soon as the Group considers that it has reasonable assurance that the level of eligible outstandings will enable it to meet the conditions necessary to obtain these subsidies when they become due to the ECB, i.e. at the end of the TLTRO 3 transaction, and to attach this subsidy to the period to which it relates on a prorata basis. This treatment is maintained for the accounting period ending on 31 December 2022.

Since the Group has met the performance conditions necessary for the TLTRO subsidy and additional subsidy, the Group will benefit from all the subsidies and additional subsidies at the end of this financing period.

Accordingly, the Group evaluated the accrued interest at the Deposit Facility rate -50 bp floored at -100 bp for the special interest rate period (1 January 2021 – 23 June 2021 for the period pertaining to financial year 2021), taking into account the achievement of the target applicable to the first incentive period. For the additional special interest rate period (24 June 2021 – 23 June 2022), the interest rate used is also the Deposit Facility rate -50 bp floored at -100 bp, taking into account the achievement of the target for the level of eligible credits applicable to the second incentive period.

The IFRS IC's decision had no impact on the way in which the Group recognises its interest on the TLTRO 3.

At its meeting on 27 October 2022, the Governing Council of the European Central Bank approved a change in the compensation terms applicable to these refinancing transactions as from 23 November 2022 (ECB Decision 2022-2128).

The Central European Bank Decision (EU) 2022/2128 of 27 October 2022 defined two new periods as follows:

- the "post-additional interest rate period" (post-ASIRP) from 24 June to 22 November 2022 (or the early redemption date if it occurs before this date); during this period, the compensation of the TLTRO 3 is calculated on the basis of an average of the Deposit Facility Rates as from the drawdown date until the end of this period;
- the "last interest rate period" (LIRP): from 23 November 2022 until the expected maturity date of the drawdowns. During the LIRP, the compensation of the TLTRO 3 is calculated on the basis of an average of the Deposit Facility Rates as from 23 November until the expected redemption date.

The Group re-estimated the expected cash flows in order to reflect (i) the fluctuations in interest on different drawdowns as a function of the expected maturity and (ii) the changes in the compensation terms decided by the ECB, which modified the effective interest rates on the different TLTRO 3 drawdowns and the amortised cost of each tranche.

The new effective interest rates determined in this way are close to the last Deposit Facility rate known on the accounting closing date, for a total outstanding amount of €91.1 billion as at 31 December 2022.

1.2 Accounting policies and principles

Use of assessments and estimates to prepare the financial statements

Estimates made to draw up the financial statements are by nature based on certain assumptions and involve risks and uncertainties as to whether they will be achieved in the future.

Future results may be influenced by many factors, including:

- activity in domestic and international financial markets;
- fluctuations in interest and foreign exchange rates;
- the economic and political climate in certain business sectors or countries;
- changes in regulations or legislation.

This list is not exhaustive.

This year was marked by a unique geopolitical environment, with the crisis in Ukraine and tensions over commodities and energy. Crédit Agricole Group had to adapt to the macroeconomic context, which had not been seen for several years and which resulted in the return of inflation, rising interest rates, a fall in the equity market and a disruption in the foreign exchange market. These various elements may have had an impact on the main accounting estimates at 31 December 2022.

Accounting estimates based on assumptions are principally used in the following assessments:

- financial instruments measured at fair value (including non-consolidated equity investments);
- pension schemes and other post-employment benefits;
- stock option plans;
- impairment of debt instruments at amortised cost or at fair value through other comprehensive income that can be reclassified to profit or loss;
- provisions;
- impairment of goodwill;
- deferred tax assets;
- valuation of equity-accounted entities;
- policyholders' deferred profit sharing.

The procedures for the use of assessments or estimates are described in the relevant sections below.

Financial instruments (IFRS 9, IFRS 13, IAS 32 and IAS 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, meaning any contract representing contractual rights or obligations to receive or pay cash or other financial assets.

Financial assets and liabilities are treated in the financial statements in accordance with IFRS 9 as adopted by the European Union, including for financial assets held by the Group's insurance entities.

Derivative instruments are financial assets or liabilities whose value changes according to that of an underlying (provided, in the case of a non-financial variable, that the variable is not specific to a party to the contract), which require a small or no initial investment and for which settlement occurs at a future date.

IFRS 9 sets the principles governing the classification and measurement of financial instruments, impairment/provisioning of credit risk and hedge accounting, excluding macro-hedging transactions.

It should nevertheless be noted that Crédit Agricole Group has opted not to apply the IFRS 9 general hedging model. All hedging relationships consequently remain within the scope of IAS 39 pending future provisions relating to macro-hedging.

"Green" or "ESG" financial assets and "green bond" financial liabilities comprise a variety of instruments and mainly relate to loans used to finance environmental projects. It should be noted that not all financial instruments with these qualifications necessarily have a remuneration that varies according to ESG criteria. This terminology is liable to change as a result of European regulations on sustainable finance. These instruments are recognised in accordance with IFRS 9 using the principles set out below.

Conventions for valuing financial assets and liabilities

Initial measurement

During their initial recognition, financial assets and liabilities are measured at fair value as defined by IFRS 13.

Fair value as defined by IFRS 13 corresponds to the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants, on the principal or the 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 method (EIR) for debt instruments or at fair value as defined by IFRS 13. Derivative instruments are always measured at fair value.

Amortised cost corresponds to the amount at which the financial asset or liability is measured during its initial recognition, including transaction costs directly attributable to its acquisition or issue, reduced by repayments of principal, increased or reduced by the cumulative amortisation calculated by the effective interest rate method (EIR) on 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 comprehensive income that can be reclassified to profit or loss, the amount may be adjusted if necessary in order to correct for impairment (see the section on "Provisions for credit risk").

The effective interest rate (EIR) is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to obtain the net carrying amount of the financial asset or financial liability.

Financial assets

Classification and measurement of financial assets

Non-derivative financial assets (debt or equity instruments) are classified on 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 depends on the nature of the financial assets, according to whether they are qualified as:

- debt instruments (e.g. loans and fixed or determinable income securities); or
- equity instruments (e.g. 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 (can be reclassified to profit or loss for debt instruments; cannot be reclassified to profit or loss for equity instruments).

Debt instruments

The classification and valuation of a debt instrument depend on the combination of two criteria: the business model defined at portfolio level and the analysis of the contractual terms determined by debt instrument, unless the fair value option is used.

The three business models

The business model represents the strategy followed by the management of Crédit Agricole S.A. 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 a case-by-case intention for an isolated financial asset.

We distinguish three business models:

- the hold to collect model where the aim is to collect contractual cash flows over the lifetime of the assets; this model does not always imply holding all of the assets until their contractual maturity; however, sales of assets are strictly governed;
- the hold to collect and sell model where the aim is to collect the contractual cash flows over the lifetime of the assets and to sell the assets; under this model, both the sale of the financial assets and receipt of cash flows are essential; and
- the other/sell model, where the main aim is to sell the assets.

In particular, it concerns portfolios where the aim is to collect cash flows via disposals, portfolios whose performance is assessed based on fair value and portfolios of financial assets held for trading.

When the management strategy for managing financial assets does not correspond to either the collect model or the collect and sell model, these financial assets are classified in a portfolio whose management model is other/sell.

The contractual terms ("Solely Payments of Principal & Interest" or "SPPI" test)

"SPPI" testing combines a set of criteria, examined cumulatively, to establish whether contractual cash flows meet the characteristics of simple financing (principal repayments and interest payments on the remaining amount of principal due).

The test is satisfied when the financing gives entitlement only to 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 conventional loan contract and a reasonable margin, whether the interest rate is fixed or variable.

In simple financing, interest represents the cost of the passage 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, when qualitative analysis of this nature does not allow a conclusion to be made, quantitative analysis (or benchmark testing) is carried out. This additional analysis consists of comparing the contractual cash flows of the asset under review with the cash flows of a benchmark asset.

If the difference between the cash flows of the financial asset and the benchmark asset is considered immaterial, the asset is deemed to be simple financing.

Moreover, specific analysis is conducted when the financial asset is issued by special purpose entities establishing a differentiated order of 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 rank of subordination that specifies the order of distribution of cash flows generated by the structured entity.

In this case, the "SPPI" test requires an analysis of the characteristics of contractual cash flows of the asset concerned and underlying assets according to the "look-through" approach and the credit risk borne by the tranches subscribed compared to the credit risk of the underlying assets.

The mode of recognition of debt instruments resulting from qualification of the business model combined with the "SPPI" test may be presented in the following diagram:

Debt instruments		Business models		
		Hold to collect	Hold to collect and sell	Other/Sell
SPPI test	Satisfied	Amortised cost	Fair value through other comprehensive income that may be reclassified to profit or loss	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 pass the "SPPI" test.

They are recorded at the settlement/delivery date and their initial valuation also includes accrued interest and transaction costs.

Amortisation of any premiums or discounts and loans and receivables transaction costs on fixed-income securities is recognised in the income statement using the effective interest rate method.

This category of financial instruments is impaired under the conditions described in the specific paragraph "Impairment/provisioning for credit risks".

Debt instruments at fair value through other comprehensive income (items that can be reclassified)

Debt instruments are measured at fair value through other comprehensive income on items that can be reclassified if they are eligible for the collect and sell model and if they pass the SPPI test.

They are recorded at the trade date and their initial valuation also includes accrued interest and transaction costs. Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in the income statement using the effective interest rate method.

These financial assets are subsequently measured at fair value, with changes in fair value recorded in other comprehensive income on items that can be reclassified and offset against the outstandings account (excluding accrued interest recognised in profit or loss according to the effective interest rate method).

If the securities are sold, these changes are transferred to the income statement.

This category of financial instruments is adjusted for expected credit losses (ECL) under the conditions described in the specific paragraph "Impairment/provisions for credit risks" (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 composed of financial assets held for trading or for which the main objective is disposal.

  Financial assets held for trading are assets acquired or generated by the enterprise primarily with the aim of disposal in the short term or which are included in a portfolio of financial instruments managed as a unit and with the purpose of making a profit from short-term price fluctuations or an arbitrage margin. Although contractual cash flows are received during the period that Crédit Agricole Group holds the assets, receiving these contractual cash flows is not essential but ancillary;
- debt instruments that do not fulfil the criteria of the "SPPI" test. This is notably the case for UCIs (Undertakings for Collective Investment);
- financial instruments classified in portfolios which Crédit Agricole Group designates at fair value in order to reduce an accounting treatment difference on the income statement. In this case, the instrument is classified as 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 to 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 Revenues, offset against the outstandings account. Interest on these instruments is recorded under "Net gains (losses) on financial instruments at fair value through profit and loss".

This category of financial assets is not impaired for credit risk.

Debt instruments measured by definition at fair value through profit or loss whose business model is "Other/sell" are recorded at the trade date.

Debt instruments designated at fair value through profit or loss are recorded on the trade date.

Debt instruments measured by definition at fair value through profit or loss, failing the SPPI test, are recorded at the settlement date.

Equity instruments

Equity instruments are by default recognised at fair value through profit or loss, except in the case of the irrevocable option for classification and measurement at fair value through other comprehensive income on items that cannot be reclassified, providing that these instruments are not held for trading purposes.

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 recorded to profit or loss). Equity instruments held for trading purposes 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 date.

They are subsequently measured at fair value and changes in fair value are recognised in profit or loss, under Revenues, offset against the outstandings account.

This category of financial assets is not impaired.

Equity instruments at fair value through other comprehensive income on items that cannot be reclassified (irrevocable option)

The irrevocable option to recognise equity instruments at fair value through other comprehensive income on items that cannot be reclassified is adopted at the transactional level (line by line) and applies on the date of initial recognition. These securities are recorded at the trade date.

The initial fair value includes transaction costs.

During subsequent valuations, changes in fair value are recognised in other comprehensive income on items that cannot be reclassified. In case of disposal, these changes are not reclassified to profit or loss. The gain or loss on disposal is recognised in equity.

Only dividends are recognised in profit or loss, if:

- the right of the entity to receive payment is established;
- it is probable that the economic benefits associated with the dividends will flow to the entity;
- the amount of dividends can be reliably estimated.

This category of financial assets is not impaired.

Reclassification of financial assets

In the case of a significant change in the business model used for managing financial assets (new activity, acquisition of entities, disposal or discontinuation of a significant activity), a reclassification of these financial assets is necessary. The reclassification applies to all financial assets in the portfolio from the date of reclassification.

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 in a new management portfolio.

Temporary investments in/disposals of securities

Temporary disposals of securities (loans of securities, securities bought/sold under repurchase agreements) do not generally fulfil the conditions for derecognition.

Securities lent or sold under repurchase agreements remain on the balance sheet. In the case of securities under repurchase agreements, the amounts received, representing the liability to the transferee, are recognised on the liabilities side of the balance sheet by the transferor.

Securities borrowed or received under repurchase agreements are not recognised on the balance sheet of the transferee.

In the case of securities under repurchase agreements, a debt to the transferor is recorded on the balance sheet of the transferee and offset against the amount paid. If the security is subsequently resold, the transferee records a liability equivalent to the fair value of fulfilling their obligation to return the security received under the agreement.

Income and expenses relating to such transactions are posted to profit and loss on a prorated basis, except in the case of 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 fully or partially derecognised if:

- the contractual rights to the cash flows from the financial asset expire;
- or are transferred or are deemed to have expired or been transferred because they belong de facto to one or more beneficiaries; and substantially all the risks and rewards of the financial asset are transferred.

In this case, any rights or obligations created or retained at the time of transfer are recognised separately as assets and liabilities.

If the contractual rights to the cash flows are transferred but some of the risks and rewards of ownership as well as control are retained, Crédit Agricole S.A. continues to recognise the financial asset to the extent of the Group's continuing involvement in that asset.

Financial assets renegotiated for commercial reasons without financial difficulties of the counterpart with the aim of developing or keeping a commercial relation are derecognised at the date of the renegotiation. The new loans granted to customers are recorded at their fair value on the date of renegotiation. Subsequent recognition depends on the business model and the SPPI test.

Interest paid by the government (IAS 20)

Under French government measures to support the agricultural and rural sector and to help home buyers, certain Crédit Agricole Group entities grant subsidised loans at rates fixed by the government. Consequently, the government pays these entities the difference between the subsidised lending rate and a predetermined benchmark rate. Thus, the loans that benefit from these subsidies are granted at market rates.

The subsidy system is periodically reviewed by the government.

In accordance with IAS 20, subsidies received from the government are recorded in profit or loss under Interest and similar income and spread over the life of the corresponding loans.

Overlay approach applicable to insurance activities

The Crédit Agricole Group uses the overlay approach for financial assets held for the purposes of an activity related to insurance contracts, which are designated in accordance with the option offered by the amendments to IFRS 4 (Applying IFRS 9 – Financial Instruments with IFRS 4 – Insurance Contracts), published by the IASB in September 2016.

This approach aims to remedy the temporary accounting consequences of the discrepancy between the effective date of IFRS 9 and that of the new standard on insurance contracts replacing IFRS 4 as from 1 January 2023 (IFRS 17). This has the effect of eliminating from the income statement part of the additional accounting mismatch and the temporary volatility which could be caused by application of IFRS 9 before the entry into force of IFRS 17.

Eligible financial assets are designated instrument by instrument, and this was done:

- at 1 January 2018, during the initial application of IFRS 9; or
- subsequently, but only at the time of the initial recognition of the assets in question.

In application of the overlay approach, the Crédit Agricole Group reclassifies, for designated financial assets only, their impact in the income statement under other comprehensive income such that the amount presented in the income statement corresponds to that which would have been presented in the income statement if IAS 39 had been applied.

Consequently, the amount reclassified is equal to the difference between:

- the amount presented in net income under IFRS 9 for designated financial assets; and
- the amount that would have been presented in net income for designated financial assets if the insurer had applied IAS 39.

In the income statement, the effects of this reclassification are recognised under "revenues", before tax effects, on the line "Reclassification of net gains or losses on financial assets related to the overlay approach". The tax effects related to this reclassification are presented on the line "Income tax charge".

In the statement of other comprehensive income, the effects of this reclassification are recognised as net gains and losses recognised directly in other comprehensive income on items that may be reclassified to profit or loss on the line "Reclassification of net gains or losses on financial assets related to the overlay approach".

The financial assets that may be designated must fulfil the following characteristics:

- they are held by insurers within the Group for business purposes related to the performance of contracts under IFRS 4;
- they are measured at fair value through profit or loss under IFRS 9 but would not have been measured in this way under IAS 39; they are financial assets which, under IAS 39, would have been recognised at amortised cost (assets held to maturity, loans and receivables) or at fair value through other comprehensive income (available-for-sale financial assets).

Evaluation of the impact of the designated financial assets on the income statement

Pursuant to the overlay approach, Crédit Agricole Group continues to apply the accounting policies and principles that the Group applied under IAS 39 for the recognition of profit or loss from designated financial assets:

Financial assets at amortised cost under IAS 39 (held-to-maturity financial assets/loans and receivables)

Financial assets at amortised cost are initially recognised at their initial fair value, including directly attributable transaction costs and accrued interest.

They are subsequently measured at amortised cost with amortisation of any premium or discount and transaction costs using the corrected effective interest rate method.

Available-for-sale financial assets under IAS 39

"Available-for-sale financial assets" are initially recognised at initial fair value, including transaction costs that are directly attributable to the acquisition, and accrued interest.

"Available-for-sale financial assets" are later measured at fair value and subsequent changes in fair value are recorded in other comprehensive income.

If the securities are sold, these changes to items that may be reclassified to profit or loss are transferred to the income statement.

Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in the income statement using the effective interest rate method.

Impairment of designated financial assets under IAS 39

Impairment must be recognised when there is objective evidence of impairment resulting from one or more events occurring after the initial recognition of the financial asset.

Objective evidence of impairment corresponds to a prolonged or significant decline in the value of the security for equity securities or the appearance of significant deterioration in credit risk evidenced by a risk of non-recovery for debt securities.

For equity securities, Crédit Agricole Group uses quantitative criteria as indicators of potential impairment. These quantitative criteria are mainly based on a loss of 30% or more of the value of the equity instrument over a period of six consecutive months. Crédit Agricole Group may also take account of other factors such as financial difficulties of the issuer or short-term prospects.

Notwithstanding the above-mentioned criteria, Crédit Agricole Group recognises an impairment loss when there is a decline in the value of the equity instrument higher than 50% or prolonged over three years.

Financial liabilities

Classification and measurement of financial liabilities

Financial liabilities are classified on the balance sheet in the following two accounting categories:

- financial liabilities at fair value through profit or loss, either due to their nature or optionally;
- financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss due to their nature

Financial instruments issued primarily to be bought back in the short term, instruments forming part of an identified portfolio of financial instruments which are managed together and which have indications of a recent profile of short-term profit-taking, and derivatives (with the exception of certain hedging derivatives) are measured at fair value due to their nature.

Changes in the fair value of this portfolio are recognised through profit or loss.

Financial liabilities designated at fair value through profit or loss

Financial liabilities fulfilling one of the three conditions defined by the standard below may be designated for measurement at fair value through profit or loss: for hybrid issues comprising one or more separable embedded derivatives, in order to reduce or eliminate the distortion of accounting treatment or groups of managed financial liabilities for which performance is measured at fair value.

This option is irrevocable and applies mandatorily from the date of initial recognition of the instrument.

During subsequent measurement, these financial liabilities are measured at fair value through profit or loss for changes in fair value not related to own credit risk and through other comprehensive income on items that cannot be reclassified for changes in value related to own credit risk, unless this aggravates an accounting mismatch (in which case any changes in value related to the Company's own credit risk are recorded in the income statement, as required by the standard).

Financial liabilities measured at amortised cost

All other liabilities fulfilling the definition of a financial liability (excluding derivatives) are measured at amortised cost.

These liabilities are initially measured at fair value (including transaction income and costs) and subsequently at amortised cost using the effective interest rate method.

Deposits and savings accounts

Deposits and savings accounts are recorded under the category "Financial liabilities at amortised cost – Due to customers" in spite of the characteristics of the collection system within the Crédit Agricole Group, with deposits originating from the Regional Banks centralised at Crédit Agricole S.A. For the Group, the ultimate counterparty for these deposits is the end customer.

The deposits and savings are initially measured at fair value and subsequently at amortised cost.

Regulated savings products are by nature deemed to be at market rates.

Provisions are accounted where necessary against home purchase savings schemes and accounts as set out in Note 6.17 "Provisions".

Reclassification of financial liabilities

The initial classification of financial liabilities is irrevocable. No subsequent reclassification is authorised.

Distinction between debt instruments and equity

Securities are classed as debt instruments or equity instruments based on the substance of the contractual terms.

A financial liability is a debt instrument if it includes a contractual obligation:

- to provide another entity with cash, another financial asset or a variable number of equity instruments; or
- to exchange financial assets and liabilities with another entity at potentially unfavourable conditions.

An equity instrument is a non-redeemable financial instrument which offers discretionary return representing a residual interest in a company after deduction of all its financial liabilities (net assets) and which is not qualified as a debt instrument.

Treasury share buyback

Treasury shares or equivalent derivative instruments such as options on treasury shares bought by Crédit Agricole S.A. with a fixed strike ratio, including shares held to cover stock option plans, do not meet the definition of a financial asset and are deducted from equity. They do not generate any impact on the income statement.

Derecognition and modification of financial liabilities

A financial liability is derecognised in full or in part:

- when it is extinguished; or
- when quantitative or qualitative analyses suggest it has undergone a substantial change following restructuring.

A substantial modification of an existing financial liability must be recorded as an extinction of an initial financial liability and the recognition of a new financial liability (novation). Any differential between the carrying amount of the extinct 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 is then spread, using the original effective interest rate, over the remaining life of the instrument.

Negative interest on financial assets and financial liabilities

In accordance with the IFRS IC decision of January 2015, negative interest income (expense) on financial assets that does not meet the definition of income under IFRS 15 is recognised as interest expense in the income statement and not as a reduction of interest income. The same applies to negative interest expense (income) on financial liabilities.

Impairment/provisions for credit risks

Scope of application

In accordance with IFRS 9, Crédit Agricole Group recognises a value adjustment for expected credit losses (ECL) on the following outstandings:

- financial assets of debt instruments at amortised cost or fair value through other comprehensive income (items that can be reclassified) (loans and receivables, debt securities);
- financing commitments which are not measured at fair value through profit or loss;
- guarantee commitments coming under IFRS 9 and which are not measured at fair value through profit or loss;
- rental receivables coming under IFRS 16; and
- trade receivables generated by transactions under IFRS 15.

Equity instruments (at fair value through profit or loss or through Other Comprehensive Income on items that cannot be reclassified) are not concerned by impairment provisions.

Derivative and other financial instruments measured at fair value through profit or loss are subject to the calculation of counterparty risk which is not covered by the ECL model. This calculation is described in Chapter 5 "Risks and Pillar 3" of Crédit Agricole S.A.'s Universal registration document.

Credit risk and impairment/provisioning stages

Credit risk is defined as risk of loss related to default by a counterparty leading to its inability to meet its commitments to the Group.

The process of provisioning credit risk has three stages:

- **Stage 1:** upon initial recognition of the financial instrument (credit, debt security, guarantee etc.), Crédit Agricole Group recognises the 12-month expected credit losses;
- **Stage 2:** if the credit quality deteriorates significantly for a given transaction or portfolio, Crédit Agricole Group recognises the expected losses over its lifetime;
- **Stage 3:** when one or more default events have occurred on the transaction or on a counterparty with an adverse effect on the estimated future cash flows, Crédit Agricole Group recognises incurred losses over its lifetime. Subsequently, if the conditions for classifying financial instruments in Stage 3 are not met, the financial instruments are reclassified in Stage 2, then in Stage 1 according to the subsequent improvement in the quality of the credit risk.

Definition of default

The definition of default for the requirements of ECL provisioning is identical to that used in management and for the calculation of regulatory ratios. A debtor is, therefore, considered to be in default when at least one of the following conditions has been met:

- a significant arrear in 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;
- Crédit Agricole Group 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.

A loan in default (Stage 3) is said to be impaired when one or more events occur which have a negative effect on the estimated future cash flows from this financial asset. Indications of impairment of a financial asset cover observable data on the following events:

- significant financial difficulties of the issuer or borrower;
- a breach of contract, such as default or overdue payment;
- the granting, by the lender(s) to the borrower, for economic or contractual reasons related to financial difficulties of the borrower, of one or more favours that the lender(s) would not have considered under other circumstances;
- the 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 creation of a financial asset with a significant discount, which reflects the credit losses suffered.

It is not necessarily possible to isolate a particular event. The impairment of the financial asset could result from the combined effect of several events.

The defaulting counterparty returns to a healthy situation only after an observation period (at least 90 days) that makes it possible that the debtor is no longer in default (assessment by the Risk Management Department). The duration of the observation period may be longer in the event of unfulfilled exit conditions (e.g. significant arrears for more than one month) or the occurrence of financial restructuring.

Definition of expected credit loss ("ECL")

ECL is defined as the weighted expected probable value of the discounted credit loss (principal and interest). It represents the present value of the difference between the contractual cash flows and the expected cash flows (including principal and interest).

The ECL approach is designed to anticipate as early as possible the recognition of expected credit losses.

ECL governance and measurement

The governance of the system for measuring IFRS 9 parameters is based on the structure implemented as part of the Basel framework. The Group's Risk Management department is responsible for defining the methodological framework and supervising the loan loss provisioning system.

The Group primarily relies on the internal rating system and current Basel processes to generate the IFRS 9 parameters required to calculate ECL. The assessment of the change in credit risk is based on an expected loss model and extrapolation based on reasonable scenarios. All information that is available, relevant, reasonable and justifiable, including of a forward-looking nature, must be retained.

The formula includes the probability of default, loss given default and exposure at default parameters.

These calculations are broadly based on the internal models used as part of the regulatory framework, but with adjustments to determine an economic ECL. IFRS 9 recommends a Point in Time analysis while having regard to historical loss data and forward-looking macroeconomic data, whereas the prudential regulation analyses the perspectives Through The Cycle for probability of default and in a Downturn for Loss Given Default.

The accounting approach also requires the recalculation of certain Basel parameters, in particular to eliminate internal recovery costs or floors that are imposed by the regulator in the regulatory calculation of Loss Given Default ("LGD").

ECLs are calculated according to the type of product concerned: financial instruments or off-balance sheet instruments.

The expected credit losses for the coming 12 months (Stage 1) make up a percentage of the lifetime expected credit losses (Stages 2 and 3), and represent the lifetime cash flow shortfalls in the event of a default during the 12 months following the reporting period (or a shorter period if the expected lifetime of the financial instrument is less than 12 months), weighted by the probability of default within 12 months.

Expected credit losses are discounted at the effective interest rate used for the initial recognition of the financial instrument.

The terms of measurement of ECLs include collateral and other credit enhancements that are part of the contractual terms and which Crédit Agricole Group does not account for separately. The estimate 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 inclusion of guarantees and sureties does not affect the assessment of the significant deterioration in credit risk: this is based on the evolution of the debtor's credit risk without taking into account guarantees.

The models and parameters used are backtested at least annually.

Forward-looking macroeconomic data are taken into account in accordance with a methodological framework applicable at two levels:

- at Group level for the determination of a shared framework for the consideration of forward-looking data in the estimation of PD and LGD parameters over the transaction amortisation period;
- at the level of each entity in respect of its own portfolios.

Significant deterioration of credit risk

All Group entities must assess, for each financial instrument, the deterioration of credit risk from origination to each reporting date. Based on this assessment of the change in credit risk, the entities must classify their exposure into different risk categories (Stages).

To assess significant deterioration, the Group uses a process based on two levels of analysis:

- the first level is based on absolute and relative Group criteria and rules that apply to all Group entities;
- the second level is 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 lifetime ECL).

Each financial instrument is, without exception, assessed for significant deterioration. Contagion is not required for the downgrading of financial instruments of the same counterparty from Stage 1 to Stage 2. The significant deterioration assessment must consider the change in credit risk of the principal debtor without taking account of any guarantee, including for transactions with a shareholder guarantee.

Possible losses in respect of portfolios of small loans with similar characteristics may be estimated on a statistical basis rather than individually assessed.

The assessment of the significant deterioration of credit risk under the first level defined above for outstanding amounts with a rating model is based on the following two criteria:

1. Relative criteria :

To assess the significance of the relative deterioration in credit risk, thresholds are regularly calibrated on the basis of the probability of default at maturity, which includes forward-looking information at the balance sheet date and the initial recognition date.

A financial instrument is classified as stage 2 if the ratio of the probability of default at the balance sheet date to the probability of default at the initial recognition date exceeds a multiplier threshold defined by the Group.

These thresholds are determined for each homogeneous portfolio of financial instruments based on the segmentation of the prudential risk management system.

For example, the multiplier threshold for French residential real estate loans varies between 1.5 and 2.5 depending on the portfolio. The threshold for loans to large customers (excluding investment banks) varies between 2 and 2.6.

This relative change criterion is supplemented by an absolute change criterion for the probability of default of +30bp. When the probability of default within one year is less than 0.3%, the credit risk is considered "not significant".

2. Absolute criteria :

- in accordance with the Crédit Agricole Group's credit risk management practices, when the probability of default at one year at the balance sheet date is greater than 15% for retail customers and 12% for corporate customers, the deterioration in risk is considered significant and the financial instrument is classified as a stage 2 instrument;
- the Crédit Agricole Group uses the absolute threshold of more than 30 days of unpaid amount as the threshold for significant deterioration and classification in Stage 2;
- the financial instrument is classified in stage 2 in case of restructuring due to financial difficulties.

In the absence of an internal rating model, the Crédit Agricole Group uses the absolute threshold of payment 30 days past due as the maximum threshold for significant deterioration and classification in Stage 2.

For outstandings (with the exception of securities) for which internal rating systems are in place (in particular exposures monitored by authorised methods), the Crédit Agricole Group considers that all of the information incorporated into the rating systems allows for a more detailed assessment than the over 30 days past due criterion alone.

If deterioration since origination is no longer observed, loans are reclassified in Stage 1 (performing loans) and impairment is reduced to 12-month expected credit losses.

To make up for the fact that certain significant deterioration factors or indicators may not be identifiable at instrument level, the standard allows for the assessment of significant deterioration at financial instrument portfolio level, or for groups of portfolios or parts of portfolios.

Portfolios can be created for the collective assessment of deterioration for instruments that share common characteristics, such as:

- instrument type;
- credit risk rating (including internal Basel 2 rating for entities with an internal ratings system);
- collateral type;
- date of initial recognition;
- remaining term until maturity;
- business sector;
- geographical location of the borrower;
- the value of collateral relative to the financial assets, if this has an impact on the probability of default (for example, non-recourse loans in certain countries or loan-to-value ratios);
- distribution channel, purpose of financing etc.

Differentiation of significant deterioration by market is therefore possible (home loans, consumer finance, loans to farmers or small businesses, corporate loans etc.).

The grouping of financial instruments for the purposes of collective credit risk assessment may change over time, as new information becomes available.

For securities, Crédit Agricole Group uses an approach that consists of applying an absolute level of credit risk, in accordance with IFRS 9, below which exposures are classified in Stage 1 and provisions are made based on 12-month ECL.

As such, the following rules shall apply for monitoring the significant deterioration of securities:

- "Investment Grade" securities, at the reporting date, are classified in Stage 1 and provisions are made based on 12-month ECL;
- "Non-Investment Grade" securities (NIG), at the reporting date, must be subject to monitoring for significant deterioration since origination, and be classified in Stage 2 (lifetime ECL) in the event of significant deterioration in credit risk.

Relative deterioration must be assessed prior to the occurrence of a known default (Stage 3).

Restructuring due to financial difficulty

Debt instruments restructured due to financial difficulties are those for which the Crédit Agricole Group has amended the original financial terms (interest rate, term etc.) for economic or legal reasons linked to the financial difficulties of the borrower, under conditions that would not have been considered under other circumstances. As such, these can be any debt instruments, regardless of the risk deterioration category of the debt instrument since the initial recognition.

In accordance with the EBA (European Banking Authority) definition as stated in the "Risk Factors" chapter, debt restructuring for financial difficulties of the debtor refers to any modification to one or more credit agreements for that same reason, as well as any refinancing granted due to financial difficulties experienced by the customer.

This definition of restructuring must be applied to each agreement and not at client level (no contagion).

The definition of loans restructured due to financial difficulty is therefore comprised of two cumulative criteria:

- contract modification or debt refinancing (concessions);
- a customer who is in a financial difficulty (a debtor facing, or about to face, difficulties in honouring financial commitments).

"Contract modification" refers to the following example situations:

- there is a difference between the modified contract and the former terms of the contract, to the benefit of the borrower;
- the contract modifications result in more favourable conditions for the borrower, from which other customers of the bank, with a similar risk profile and at the same time, do not benefit.

"Refinancing" refers to situations in which a new debt is granted to the client to enable it to repay in full or in part another debt for which it cannot meet the contractual terms and conditions due to its financial position.

The restructuring of a loan (whether performing or non-performing) infers the presumed existence of a proven risk of loss (Stage 3).

The need to recognise impairment on the restructured exposure must therefore be analysed accordingly (a restructuring does not automatically result in the recognition of impairment for proven losses or classification as default).

The "restructured loan" classification is temporary.

Once the restructuring as defined by the EBA has been carried out, the exposure continues to be classified as "restructured" for at least two years, if the exposure was performing when restructured, and three years if the exposure was in default when restructured. These periods are extended in the event of the occurrence of certain events (e.g. further incidents).

In the absence of derecognition for 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, shall result in the recognition of a discount in the cost of risk.

It represents loss of future cash flow discounted at the original effective rate. It is equal to the difference between:

- the carrying amount 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).

In the event of a waiver of part of the share capital, this amount shall constitute a loss to be recorded immediately in cost of risk.

The discount recognised when a loan is restructured is accounted for under cost of risk.

Upon reversal of the discount, the portion associated with the passage of time is recorded in "Revenues".

Accounts uncollectible

When a loan is deemed uncollectible, i.e. when it cannot be recovered in full or in part, the amount deemed uncollectible must be derecognised from the balance sheet and written off.

The decision as to when to write off a loan is taken on the basis of an expert opinion. This must therefore be established by each entity, with its Risk Management department, according to its own business knowledge. Before any write-offs, a Stage 3 impairment loss must be recognised (with the exception of assets at fair value through profit or loss).

For loans at amortised cost or fair value through other comprehensive income on items that can be reclassified, the amount written off is recorded under cost of risk (nominal amount) and "Revenues" (interests).

Derivative financial instruments

Classification and measurement

Derivative instruments are financial assets or liabilities classified by default as derivative instruments held-for-trading unless they can be considered to be hedging derivatives.

They are recorded on the balance sheet at their initial fair value on the trading date.

They are subsequently recognised at their fair value.

At the end of each reporting period, the counterparty of the change in fair value of derivatives on the balance sheet is recorded:

- through profit or loss if it concerns derivative instruments held-for-trading and for fair value hedges;
- through other comprehensive income that may be reclassified to profit or loss for cash flow hedging derivatives and net investments in foreign operations for the effective portion of the hedge.

Hedge accounting

General framework

In accordance with a decision made by the Group, the "hedge accounting" component of IFRS 9, as permitted by the standard, does not apply. All hedging relationships will continue to be documented in accordance with the rules of IAS 39 until, at the latest, the date on which the macro-hedging text is adopted by the European Union. However, hedge accounting under IAS 39 uses the classification and measurement principles of IFRS 9 to decide which financial instruments qualify.

Under IFRS 9, and taking account of the IAS 39 hedging principles, debt instruments at amortised cost or fair value through other comprehensive income (items that may be reclassified) qualify as fair value hedges and as cash flow hedges.

Documentation

Hedging relationships must comply with the following principles:

- fair value hedges are intended to provide protection from exposure to changes in the fair value of an asset or a liability that has been recognised, or of a firm commitment that has not been recognised, attributable to the risk(s) hedged and that may have an impact on net income (for instance, the hedging of all or some changes in fair value caused by the interest rate risk of a fixed-rate debt);
- cash flow hedges are intended to provide protection from exposure to changes in the future cash flow of an asset or liability that has been recognised, or of a transaction considered to be highly probable, attributable to the risk(s) hedged and that could (in the event of a planned transaction not carried out) have an impact on net income (for instance, the hedging of changes in all or some of the future interest payments on a floating-rate debt);
- net investment hedges in foreign operations are intended to provide protection against the risk of unfavourable changes in fair value associated with the foreign exchange risk of an investment carried out abroad in a currency other than the euro, the Crédit Agricole Group’s presentation currency.

Hedges must also meet the following criteria in order to be eligible for hedge accounting:

- the hedging instrument and the hedged item must be eligible;
- there must be formal documentation from inception, primarily including 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, at inception and retrospectively, by testing at each reporting date.

For interest rate hedges for a portfolio of financial assets or financial liabilities, Crédit Agricole Group documents the hedging relationship for fair value hedges in accordance with the carve-out version of IAS 39 as adopted by the European Union. In particular:

- the Group documents these hedging relationships based on its gross position in derivative instruments and hedged items;
- the effectiveness of the hedging relationships is measured by maturity schedules.

Measurement

The remeasurement of the derivative at fair value is recorded in the financial statements as follows:

- **fair value hedges:** the change in value of the derivative is recognised in the income statement symmetrically with the change in value of the hedged item in the amount of the hedged risk. Only the net amount of any ineffective portion of the hedge is recognised in the income statement;
- **cash flow hedges:** the change in value of the derivative, excluding accrued interest receivable, is recognised in the balance sheet through a specific account in other comprehensive income (items that may be reclassified) for the effective portion and any eventual ineffective portion of the hedge is recognised in the income statement. Profits or losses on the derivative accrued through equity are reclassified to profit or loss when the hedged cash flows occur;
- **hedges of net investment in a foreign operation:** the change in value of the derivative is recognised in the balance sheet in the translation adjustment equity account (items that may be reclassified) and any ineffective portion of the hedge is recognised in the income statement.

Where the conditions for benefiting from hedge accounting are no longer met, the following accounting treatment must be applied prospectively, unless the hedged item disappears:

- **fair value hedges:** only the derivative instrument continues to be revalued through profit or loss. The hedged item is wholly accounted for according to its classification. For debt instruments at fair value through other comprehensive income (items that may be reclassified), changes in fair value subsequent to the ending of the hedging relationship are recorded in equity in their entirety. For hedged items valued at amortised cost, which were interest rate hedged, the revaluation adjustment is amortised over the remaining life of those hedged items;
- **cash flow hedges:** the hedging instrument is valued at fair value through profit or loss. The amounts accumulated in equity under the effective portion of the hedge remain in equity until the hedged flows of the hedged item affect profit or loss. For interest rate hedged instruments, income statement is impacted according to the payment of interest. In practice, the revaluation adjustment is amortised over the remaining life of those hedged items;
- **hedges of net investment in a foreign operation:** The amounts accumulated in equity under the effective portion of the hedge remain in equity as long as the net investment is held. The income is recorded once 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 definition applies only to financial liabilities and non-financial contracts. Embedded derivatives 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;
- the embedded component taken separately from the host contract 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

When determining the fair value of financial instruments observable inputs must be prioritised. It is presented using the hierarchy defined in IFRS 13.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants, on the principal or the most advantageous market, at the valuation date.

Fair value applies individually to each financial asset or financial liability. A portfolio exemption may be used where the management and risk monitoring strategy so allow and are appropriately documented. Thus, certain fair value parameters 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 Group considers that the best evidence of fair value is the reference to quoted prices published in an active market.

When such quoted prices are not available, fair value is determined using valuation techniques that maximise the use of relevant observable data and minimise the use of unobservable data.

When a debt is valued at fair value through profit or loss (by nature or designated), fair value takes account of the own credit risk of the issuer.

Fair value of structured issues

In accordance with IFRS 13, Crédit Agricole Group values its structured issues, recognised at fair value, by taking as a reference the issuer spread that specialist participants agree to receive to acquire new Group issues.

Fair value hierarchy

The standard classifies fair value into three levels based on the observability of inputs used in valuation techniques:

Level 1: fair value corresponding to quoted prices (unadjusted) in active markets

Level 1 is composed of financial instruments that are directly quoted in active markets for identical assets and liabilities that Crédit Agricole Group can access at the valuation date. These are stocks and bonds quoted in active markets, fund securities quoted in an active market and derivatives traded on an organised market, in particular 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 those prices represent actual and regularly occurring market transactions on an arm's length basis.

For financial assets and liabilities with offsetting market risks, Crédit Agricole Group uses mid-prices as a basis for establishing fair values for the offsetting risk positions. The Group applies the current asking price to open short positions and the current bid price to open long positions.

Level 2: fair value measured using directly or indirectly observable inputs other than those in Level 1

The inputs used are observable either directly (i.e. prices) or indirectly (derived from prices) and generally consist of data from outside the Crédit Agricole Group, which are publicly available or accessible and based on a market consensus.

Level 2 consists of:

- stocks and bonds quoted in an inactive market or not quoted in an active market but for which the fair value is established using a valuation methodology usually used by market participants (such as discounted cash flow techniques or the Black & Scholes model) and based on observable market data;
- instruments that are traded over the counter, the fair value of which is measured with models using observable market data, i.e. that can be derived from various independently available external sources which can be obtained on a regular basis. For example, the fair value of interest rate swaps is generally derived from the yield curves of market interest rates as observed at the reporting date.

When the models are consistent notably with standard models based on observable market data (such as interest rate yield curves or implied volatility surfaces), the day one gain or loss resulting from the initial fair value measurement of the related instruments is recognised in profit or loss at inception.

Level 3: fair value that is measured using significant 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 instruments are disclosed within Level 3.

This mainly concerns complex interest rate instruments, equity derivatives, structured credit instruments for which fair value measurement includes, for instance, correlation or volatility inputs that are not directly benchmarkable with market data.

The transaction price is deemed to reflect the market value, any recognition of day one gain or loss is deferred.

The margin relating to these structured financial instruments is generally recognised through profit or loss over the period during which inputs are deemed unobservable. When market data become "observable", the remaining margin to be deferred is immediately recognised in profit or loss.

Valuation methodologies and models used for financial instruments that are disclosed within Levels 2 and 3 incorporate all factors that market participants would consider in setting a price. They shall be beforehand validated by an independent control. Fair value measurement notably includes both liquidity risk and counterparty risk.

Offsetting of financial assets and financial liabilities

In accordance with IAS 32, the Crédit Agricole Group nets a financial asset and a financial liability and reports the net amount when, and only when, it has a legally enforceable right to offset the amounts reported and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The derivative instruments and the repurchase agreements handled with clearing houses that meet the two criteria required by IAS 32 have been offset on the balance sheet.

Net gains (losses) on financial instruments

Net gains (losses) on financial instruments at fair value through profit or loss

For financial instruments recognised at fair value through profit or loss, this item notably includes the following income statement elements:

- dividends and other revenues from equities and other variable-income securities which are classified under financial assets at fair value through profit or loss;
- changes in fair value of financial assets or liabilities at fair value through profit or loss;
- gains and losses on disposals of financial assets at fair value through profit or loss;
- changes in fair value and gains and losses on disposals or termination of derivative instruments not included in a fair value hedge or cash flow hedge relationship.

This item also includes the ineffective portion of hedges.

Net gains (losses) on financial instruments at fair value through other comprehensive income

For financial assets recognised at fair value through other comprehensive income, this item notably includes the following income statements elements:

- dividends from equity instruments classified as financial assets at fair value through other comprehensive income that cannot be reclassified;
- gains and losses on disposals and income associated with the termination of hedging relationships on debt instruments classified as financial assets at fair value through other comprehensive income that can be reclassified;
- net income on disposals or associated with the 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 guarantees given

Financing commitments that are not designated as fair value through profit or loss or not treated as derivative instruments within the meaning of IFRS 9 are not recognised on the balance sheet. They are, however, covered by provisions for credit risk in accordance with the provisions of IFRS 9.

A financial guarantee contract is a contract under which the issuer must make specific payments to reimburse the holder for a loss incurred due to a specific debtor's failure to make a payment when due under the initial or amended terms of a debt instrument.

Financial guarantee contracts are recognised at fair value initially then subsequently at the higher of:

- the value adjustment amount for losses determined in accordance with the provisions of IFRS 9 in the "Impairment" section; or
- the amount originally recognised less, where applicable, the sum of income recognised in accordance with the principles of IFRS 15 – Revenue from contracts with customers.

Provisions (IAS 37)

Crédit Agricole Group has identified all obligations (legal or constructive) resulting from a past event for which it is probable that an outflow of resources will be required to settle the obligation, and for which the due date or amount of the settlement is uncertain but can be reliably estimated. These estimates are discounted where applicable whenever there is a material impact.

For obligations other than those related to credit risk, Crédit Agricole Group has set aside general provisions to cover:

- operational risks;
- employee benefits;
- financing commitment execution risks;
- claims and liability guarantees;
- tax risks (excluding income tax);
- risks related to home purchase savings schemes.

The latter provision is designed to cover the Group's obligations in the event of unfavourable moves impacting home purchase savings schemes. These obligations are: (i) to pay a fixed interest rate on the savings contract determined at inception for an undefined period of time; and (ii) to grant a loan to home purchase savings plan and account savers at a rate fixed at inception of the contract. The provision is calculated for each generation of a home purchase savings scheme and for all home purchase savings accounts, with no netting of obligations between generations.

The amount of these obligations is calculated taking account notably of:

- subscriber behaviour models, based on assumptions regarding subscriber behaviour drawn from historical experience, which may not necessarily reflect actual trends in future behaviour;
- an estimate of the amount and term of the loans that will be granted in the future, based on historical experience over an extended period of time;
- the yield curve for market rates and reasonably foreseeable trends.

Certain estimates may be made to determine the amount of the following provisions:

- the provision for operational risks for which the identification of proven risks and an assessment by Management of incident frequency and the potential financial impact are taken into account;
- the provision for legal risks, which is based on Management's best estimate in light of the information in its possession at the end of the reporting period.

Detailed information is provided in Note 6.17 "Provisions".

Employee benefits (IAS 19)

In accordance with IAS 19, employee benefits are recorded in four categories:

- short-term employee benefits, including salaries, social security contributions, annual leave, profit-sharing and incentive plans and premiums, are defined as those which are expected to be settled within 12 months of the financial year in which the related services have been rendered;
- post-employment benefits falling into two categories: defined-benefit schemes and defined-contribution schemes;
- other long-term benefits (long-service awards, bonuses and compensation payable 12 months or more after the end of the financial year);
- severance payments.

Post-employment benefits

Defined-benefit schemes

At each reporting date, Crédit Agricole Group sets aside reserves to cover its liabilities for retirement and similar benefits and all other employee benefits falling in the category of defined-benefit schemes.

In keeping with IAS 19, these commitments are stated based on a set of actuarial, financial and demographic assumptions, and in accordance with the Projected Credit Units method. Under this method, for each year of service, a charge is booked in an amount corresponding to the employee's vested benefits for the financial year. The charge is calculated based on the discounted future benefit.

Liabilities for retirement and other future employee benefits are based on assumptions made by Management with respect to the discount rate, staff turnover rate and probable increases in salary and social security costs. (See Note 7.4 "Post-employment benefits, defined-benefit schemes").

Discount rates are determined based on the average term of the commitment, that is, the arithmetical average of the terms calculated between the valuation date and the payment date weighted by employee turnover assumptions. The underlying used is the discount rate by reference to the iBoxx AA.

In accordance with IAS 19, Crédit Agricole Group revised all actuarial gains and losses that were recognised in other comprehensive income that cannot be reclassified. Actuarial gains and losses consist of experience adjustments (difference between what has been estimated and what has occurred) and the effect of changes in actuarial assumptions.

The expected return on plan assets is determined using discount rates applied to measure the defined benefit obligation. The difference between the expected and actual return on plan assets is recognised in other comprehensive income that cannot be reclassified.

The amount of the provision is equal to:

- the present value of the obligation to provide the defined benefits at the end of the reporting period, calculated in accordance with the actuarial method recommended by IAS 19;
- if necessary, reduced by the fair value of the assets allocated to covering these commitments. These may be represented by an eligible insurance policy. In the event that 100% of the obligation is covered by a policy that meets exactly the expense amount payable over the period for all or part of a defined-benefit plan, 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).

For such obligations that are not covered, a provision for termination payments is recognised under Provisions on the liabilities side of the balance sheet. This provision is equal to the Crédit Agricole Group's liabilities towards employees in service at financial year-end, governed by the Crédit Agricole Group's Collective Agreement that came into effect on 1 January 2005.

A provision to cover the cost of early retirement commitments is also listed under Provisions. This provision covers the additional discounted cost of the various early retirement agreements signed by the Crédit Agricole Group entities under which employees of eligible age may take early retirement.

Lastly, certain Group companies are liable to pay supplementary retirement benefits. A provision is calculated on the basis of the Company's actuarial liability for these benefits. These provisions are also shown on the liabilities side of the balance sheet under "Provisions".

Defined contribution schemes

"Employers" contribute to a variety of compulsory pension schemes. Plan assets 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 cover all benefits corresponding to services rendered by employees during the year and during prior years. Consequently, Crédit Agricole Group has no liabilities in this respect other than its contributions due for the financial year ended.

Other long-term benefits

Other long-term benefits are employee benefits other than post-employment benefits or termination benefits but not fully due to employees within 12 months after the end of the financial year in which the related services have been rendered.

These include, in particular, bonuses and other deferred compensation payable 12 or more months after the end of the financial year in which they vest, but which are not share-based.

The measurement method is similar to the one used by the Group for post-employment benefits with defined-benefit schemes.

Share-based payments (IFRS 2)

IFRS 2 "Share-based Payment" requires valuation of share-based payment transactions in the enterprise's income statement and balance sheet. This standard applies to transactions with employees and more specifically to:

- share-based payment transactions settled in equity instruments;
- share-based payment transactions settled in cash.

Share-based payment plans initiated by Crédit Agricole Group that are eligible for IFRS 2 are mainly transactions settled in equity instruments (stock options, free share allocation plans, variable compensation settled in indexed cash or in shares etc.).

Options granted are measured at their fair value at the date of grant primarily using the Black & Scholes model. These options are recognised as a charge under Employee expenses, with a corresponding adjustment to equity, spread over the vesting period.

Employee share issues offered to employees as part of the employee savings plans are also subject to the IFRS 2 standard. Shares may be offered to employees with a maximum discount of 30%. These plans have no vesting period but the shares are subject to a lock-up period of five years. The benefit granted to employees is measured as the difference between the fair value per share acquired taking account of the lock-up period and the purchase price paid by the employee on the subscription date multiplied by the number of shares subscribed.

A more detailed description of the method, existing plans and valuation methods is provided in Note 7.6 "Share-based payments".

The cost of share-based payments settled in Crédit Agricole S.A. equity instruments and the cost of share subscriptions are recognised in the financial statements of the entities that employ the plan beneficiaries. The impact is recorded under Employee expenses, with a corresponding increase in Consolidated reserves-Group share.

Current and deferred taxes (IAS 12)

In accordance with IAS 12, the income tax charge includes all income taxes, whether current or deferred.

IAS 12 defines current tax liability as "the amount of income tax payable (recoverable) in respect of the taxable profit (tax loss) for a financial year". Taxable income is the profit (or loss) for a given financial year determined in accordance with the rules established by the tax authorities and on the basis of which income tax must be paid (recovered).

The applicable rates and rules used to measure the current tax liability are those in effect in each country where the Group's companies are established.

The current tax liability includes all taxes on income, payable or recoverable, for which payment is not subordinated to the completion of future transactions, even if payment is spread over several years.

The current tax liability must be recognised as a liability until it is paid. If the amount that has already been paid for the current year and previous years exceeds the amount due for these years, the surplus must be recognised under assets.

When tax credits on income from securities portfolios and amounts receivable are effectively used to pay corporate 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 continues to be recognised under the "Income tax" charge heading in the income statement.

Moreover, certain transactions carried out by Crédit Agricole Group may have tax consequences that are not taken into account in measuring the current tax liability. IAS 12 defines a difference between the carrying amount of an asset or liability and its tax base as a temporary difference.

This standard requires that deferred taxes be recognised in the following cases:

- a deferred tax liability should be recognised for any taxable temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, unless the deferred tax liability arises from:
  - initial recognition of goodwill,
  - the initial recognition of an asset or a liability in a transaction that is not a business combination and that does not affect either the accounting or the taxable profit (taxable loss) at the transaction date;
- a deferred tax asset should be recognised for any deductible temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, insofar as it is deemed probable that a future taxable profit will be available against which such deductible temporary differences can be allocated;
- a deferred tax asset should also be recognised for carrying forward unused tax losses and tax credits insofar as it is probable that a future taxable profit will be available against which the unused tax losses and tax credits can be allocated.

Deferred taxes are calculated based on the tax rates applicable in each country and must not be discounted.

Taxable unrealised gains on securities do not generate any taxable temporary differences between the carrying amount of the asset and the tax base. As a result, deferred tax is not recognised on these gains. When the relevant securities are classified financial assets at fair value through other comprehensive income, unrealised gains and losses are recognised directly through offsetting in equity. Similarly, Crédit Agricole Group's tax charge or actual tax savings arising from these unrealised gains or losses are reclassified as a deduction from equity.

In France long-term capital gains on the sale of equity investments, as defined by the French General Tax Code, are exempt from corporate income tax; with the exception of a share of costs, taxed at the normally applicable rate. In addition, unrealised gains recognised at the end of the financial year generate a temporary difference requiring the recognition of deferred tax on this share of costs.

Under IFRS 16 "Leases", a deferred tax liability is recognised on the right of use and a deferred tax asset on the rental debt for leases for which the Group is a lessee.

Current and deferred tax is recognised in net income for the financial year, unless the tax arises from:

- either a transaction or event that is recognised directly through equity, during the same year or during another year, in which case it is directly debited or credited to equity;
- or a business combination.

Deferred tax assets and liabilities are offset against each other if, and only if:

- Crédit Agricole Group has a legally enforceable right to offset current tax assets against current tax liabilities; and
- the deferred tax assets and liabilities relate to income taxes levied by the same tax authority, either on the same taxable entity or on different taxable entities that intend either to settle current tax assets and liabilities on a net basis or to realise the assets and settle the liabilities simultaneously in each future financial year in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Tax risks relating to income tax result in 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 not. These risks are also taken into account in the valuation of current and deferred tax assets and liabilities.

IFRIC 23 on measuring uncertain tax positions applies when an entity has identified one or more uncertainties about the tax positions they have adopted. It also provides details of how to estimate them:

- the analysis must be based on an assessment by 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 question the treatment adopted, for an amount reflecting Management's best estimate;
- in the event that the probability of a refund by the tax authorities is greater than 50%, a receivable must be recognised.

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 amount takes account of the potential residual value of property, plant and equipment.

Land is measured at acquisition cost less any impairment losses.

Property used in operations, investment property and equipment are measured at their acquisition cost less accumulated depreciation and impairment losses since the time they were placed in service.

Purchased software is measured at acquisition cost less accumulated depreciation and impairment losses since acquisition.

Proprietary software is measured at cost less accumulated depreciation and impairment losses since completion.

Apart from software, intangible assets are mainly assets acquired during a business combination resulting from contractual rights (e.g. distribution agreement). These were valued on the basis of corresponding future economic benefits or expected service potential.

Fixed assets are depreciated over their estimated useful lives.

The following components and depreciation periods have been adopted by Crédit Agricole Group following the application of the measures on component accounting for property, plant and equipment. 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

Foreign currency transactions (IAS 21)

At the reporting date, assets and liabilities denominated in foreign currencies are translated to euros, the Crédit Agricole Group's operating currency.

In accordance with IAS 21, a distinction is made between monetary (e.g. debt instruments) and non-monetary items (e.g. equity instruments).

Foreign-currency denominated monetary assets and liabilities are translated at the closing foreign exchange rate. The resulting foreign exchange impact is recorded in the income statement. There are three exceptions to this rule:

- for debt instruments at fair value through other comprehensive income that can be reclassified, only the translation adjustments calculated on amortised cost are taken to the income statement; the balance is recorded in other comprehensive income that can be reclassified;
- foreign exchange impact on elements designated as cash flow hedges or forming part of a net investment in a foreign entity is recognised in other comprehensive income that can be reclassified;
- for financial liabilities designated at fair value through profit or loss, foreign exchange impact related to value changes attributable to own credit risk accounted in other comprehensive income (items than cannot be reclassified).

Non-monetary items are treated differently depending on the type of items before translation:

- items at historical cost are measured at the foreign exchange rate on the transaction date (historical rate);
- items at fair value are measured at the foreign exchange rate at the end of the reporting period.

Foreign exchange impact on non-monetary items is recognised:

- in the income statement if the gain or loss on the non-monetary item is recorded in the income statement;
- in other comprehensive income that cannot be reclassified if the gain or loss on the non-monetary item is recorded in other comprehensive income that cannot be reclassified.

Revenues from contracts with customers (IFRS 15)

Fee and commission income and expenses are recognised in income based on the nature of services with which they are associated.

Fees and commissions that are an integral part of the effective yield on a financial instrument are recognised as an adjustment to the yield on the instrument and included in its effective interest rate (in accordance with IFRS 9).

The recognition of other types of fees and commissions on the income statement must reflect the rate of transfer to the customer of control of the goods or services sold:

- the net income from a transaction associated with the provision of services is recognised under “Fee and commission income” at the time of transfer of control of the service to the customer, if this can be reliably estimated. This transfer may take place as the service is provided (ongoing service) or on a specific date (one-off service).

a) Fee and commission income from ongoing services (fees and commissions on payment instruments, for example) is recognised in income according to the degree of progress of the service provided.

b) Fee and commission income paid or received as compensation for one-off services is recognised in income, in its entirety, when the service is provided.

Fee and commission income payable or receivable and contingent upon the achievement of a performance target is recognised for the amount at 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. These estimates are updated at the end of each reporting period. In practice, this condition can result in the deferred recognition of certain items of performance-related fee and commission income until the expiry of the performance assessment period and until such income has been definitively acquired.

Insurance contracts (IFRS 4)

Insurance liabilities are still partially valued under French GAAP, as permitted by IFRS 4 regulations. This will continue to be the case until the first-time application of IFRS 17, expected on 1 January 2023, which will replace IFRS 4 and amend the existing standards. Financial assets held by the Crédit Agricole Group’s insurance companies have been reclassified into the financial assets categories set out in IFRS 9.

The technical reserves of non-life insurance contracts include:

- reserves for claims, to cover the total cost of claims incurred but not yet paid should they be already subject of a claim and assessed or not; and
- reserves relating to the acquisition of premiums (mainly provisions for unearned premiums), allowing for the recognition of premiums relating to risks hedged over the course of a financial year as earnings for said year, and therefore to carry forward the portion of premiums written over the course of the year for a risk hedging period subsequent to the current financial year.

Provision for increasing risks may be required for insurance transactions against the risk of sickness and disability when the premiums are unbroken. It is equal to the difference between the current values of the commitments made by the insurer and by the policyholders. It is calculated based on a continuous process of updating biometric bases (probability of incidence of a state of dependency, length of support etc.). A supplement to the provision for increasing risks has been set up for the *assurance dépendance* (long-term care insurance) product. It takes the form of a global provision, separate from the regulatory provision for increasing risks, to immediately address any shortfall in future financial production that could not be offset quickly by price increases, which are contractually limited to 5% per year. In addition, a provision is set up to cover a risk of technical drift.

The mathematical provisions of life insurance contracts and financial contracts containing discretionary participation features correspond to the difference between the current value of insurer commitments and policyholder commitments. Provisions are calculated using actuarial methods that include assumptions pertaining to the premiums, the performance of financial assets, contract redemption rates and changes in operating expenses.

Contracts containing discretionary participation features are collectively classified as a liability under insurance company’s technical reserves. They are recognised in the same manner as insurance contracts. Premiums on these contracts are recognised as income and the increase in obligations to policyholders is recognised as an expense.

Life insurance technical reserves are conservatively estimated based on the technical rates defined in the contracts. Liabilities associated with contracts with or without discretionary participation features or minimum guarantee are measured based on the market value of the underlying assets or its equivalent at the end of the reporting period and are recorded under financial liabilities.

The financial margin on these policies is taken to profit or loss, after reversal of technical items (premiums, benefits etc.), according to deposit accounting principles.

Property and casualty insurance policy liabilities are estimated at the end of the reporting period, without applying any discount. Claims management costs associated with technical reserves are charged to a provision in the financial statements at the reporting date.

For non-life insurance contracts, acquisition costs are recognised as and when the premium is earned. For life insurance contracts, directly identifiable acquisition costs are deferred over the profit generation period.

Total expenses related to the insurance business are presented in Note 4.6 “Net income (expenses) on other activities”.

Insurance or investment contracts with discretionary participation in profits are subject to shadow accounting in accordance with the option offered by IFRS 4. This shadow accounting consists of recording the portion of positive or negative revaluations of the financial assets backing these contracts in a policyholders’ deferred profit sharing item, and of certain consolidation adjustments (e. g. elimination of the provision for liquidity risk) that may potentially accrue to policyholders.

In addition, ANC Regulation 2020-02[1] provides for the recognition of deferred profit sharing, which must be recognised in the case of deferred-profit sharing liabilities and for their recoverable amount in the case of deferred profit sharing assets.

This policyholders' deferred profit sharing is recognised as a liability under "Insurance contract technical reserves" or as an asset, with a corresponding entry in income statement or other comprehensive income similar to the unrealised gains and losses on the assets to which it relates.

With regard to savings contracts, the policyholders' deferred profit sharing rate is assessed prospectively on the basis of scenarios studied that are consistent with the insurance company's management guidelines. It is only updated if it varies significantly.

In the event of a net unrealised loss, a deferred profit sharing asset is only recognised if it is highly probable that it will be allocated, by entity, to future profit sharings. This is especially the case if this deferred profit sharing asset can be deducted from future policyholder sharings, either directly by deducting it from the deferred profit sharing liabilities recorded for future disposal profits, or indirectly by being recoverable from future sums paid to policyholders.

The recoverability tests implemented in the event of a deferred profit sharing asset are in accordance with the CNC recommendation of 19 December 2008. They are based:

- firstly, on liquidity analyses of the company, which show the enterprise's capacity to access funding sources to meet its obligations and its ability to hold assets with unrealised losses even if new production declines. The tests are performed with and without new production;
- secondly, on a comparison between the average value of future services measured by the internal model replicating the company's management decisions and the value of the assets representing the obligations at market value. This shows the company's ability to meet its obligations.

Furthermore, in accordance with the provisions of IFRS 4, the Group ensures at each reporting date that the liabilities recognised for insurance policies and investment contracts containing discretionary participation (net of deferred acquisition costs and associated intangible assets) are adequate to meet estimated future cash flows.

The liability adequacy test used to verify this must meet the following minimum requirements, as defined in the standard:

- it must consider all future contractual cash flows, including associated management costs, fees and commissions as well as options and guarantees implicit in these contracts;
- if the test shows that the liability is inadequate, it is wholly recognised in profit or loss.

Leases (IFRS 16)

The Group may be the lessor or lessee of a lease.

Leases for which the Group is the lessor

Leases are analysed in accordance with their substance and financial reality. They are classified as finance leases or operating leases.

- In the case of finance leases, they are considered equivalent to a fixed asset sale to the lessee financed by a credit granted by the lessor. The analysis of the economic substance of finance leases leads the lessor to:
  - remove the leased asset from the balance sheet;
  - record a financial debt for the customer under "financial assets at amortised cost" for a value equal to the present value at the contract's implicit rate of the rental payments due to the lessor under the lease, plus any non-guaranteed residual value owed to the lessor;
  - recognise deferred taxes for temporary differences relating to the financial debt and the net carrying amount of the leased asset;
  - break down the corresponding rental income into interest and capital amortisation.
- In the case of operating leases, the lessor recognises the leased assets under "Property, plant & equipment" on the assets side of its balance sheet and records the rental income on a straight-line basis under "Income from other activities" in the income statement.

Leases for which the Group is the lessee

Leases are recognised in the balance sheet on the date on which the leased asset is made available. The lessee records an asset representing the right of use of the leased asset under "property, plant & equipment" over the estimated term of the contract and a liability representing the rental payment obligation under "miscellaneous liabilities" over the same term.

The lease period of a contract corresponds to the non-cancellable term of the lease adjusted for the contract extension options that the lessee is reasonably certain to exercise and the termination option that the lessee is reasonably certain not to exercise.

In France, the Group principle applicable to open-ended or automatically renewable contracts is to use the first exit option after five 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 deems that it is reasonably certain that it will not exercise the exit option after three years, the Group principle will be applied to French commercial leases in most cases, on the lease commencement date. This means that the term will be estimated at six years. The Group principle (first exit option after five years) may not be applied in some specific cases, such as for a lease where intermediate exit options have been waived (for example, in return for a rent reduction). In such cases, an initial lease term of nine years will apply (generally unless an automatic extension of up to three years is expected).

(1) On consolidated financial statements.

The lease liability is recognised for an amount equal to the present value of the rental payments over the term of the contract. Rental payments include fixed rents, variable rents based on a rate or index, and payments that the lessee expects to pay as residual value guarantees, purchase options or early termination penalties. Variable rents that are not based on an index or rate and the non-deductible VAT on rents are excluded when calculating the debt and are recognised under "operating expenses".

The discount rate applicable to the calculation of the right-of-use asset and the lease liability is, by default, the lessee's marginal rate of indebtedness over the term of the agreement at the date of signature of the agreement, when the implicit rate cannot easily be established. The marginal indebtedness rate takes account of the rent payment structure. It reflects the terms of the lease (duration, guarantee, economic environment etc.).

The lease expense is broken down into interest and amortisation of capital.

The right of use of the asset is valued at the initial value of the lease liability plus the initial direct costs, advance payments and restoration costs, reduced by the lease inducements. It is amortised over the estimated term of the lease.

The lease liability and the right of use may be adjusted in the event of amendment to the lease, re-estimation of the lease period or rent review related to the application of indexes or rates.

Deferred taxes are recognised as temporary differences in right-of-use and rental liabilities by the lessee.

In accordance with the exception set out in the standard, short-term leases (initial term of less than 12 months) and leases for which the new value of the leased asset is low are not recognised on the balance sheet. The corresponding leasing expenses are recorded on a straight-line basis in the income statement under "operating expenses".

In accordance with the standard, the Group does not apply IFRS 16 to leases of intangible assets.

Non-current assets held for sale and discontinued operations (IFRS 5)

A non-current asset (or a disposal group) is classified as held-for-sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition and its sale must be highly probable.

The relevant assets and liabilities are shown separately 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".

A non-current asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and fair value less costs of sale. In case of unrealised losses, impairment is recognised in the income statement. Non-current assets are no longer amortised when they are reclassified.

If the fair value of a group of assets held for sale less its selling costs is less than its carrying amount after impairment of non-current assets, the difference is allocated to the other assets in the group of assets held for sale including the financial assets and is recognised under net income from assets held for sale.

A discontinued operation is a component that the Group has either disposed of, or that is classified as held for sale, according to the following situations:

- it represents a separate major business line or geographical area of operations;
- it is part of a single coordinated plan to dispose of a separate major business line or geographical area of operations; or
- it is a subsidiary acquired exclusively with a view to resale.

The following are disclosed on a separate line of the income statement:

- the profit or loss from discontinued operations until the date of disposal, net of tax;
- the gain or loss recognised on the disposal or on measurement to fair value less costs of sale of the assets and liabilities constituting the discontinued operations, net of tax.

1.3 Consolidation principles and methods (IFRS 10, IFRS 11 and IAS 28)

Scope of consolidation

The consolidated financial statements include the financial statements of Crédit Agricole Group and those of all companies over which, in compliance with IFRS 10, IFRS 11 and IAS 28, Crédit Agricole Group exercises control, joint control or significant influence, except for those that are not material in relation to all the companies included in the scope of consolidation.

The consolidated financial statements of Crédit Agricole Group include:

- the financial statements of Crédit Agricole S.A. as corporate centre;
- the financial statements of institutions affiliated with the corporate centre, pursuant to Directive 86/635 on the financial statements of European credit institutions, with such institutions, together with Crédit Agricole S.A., the Regional Banks and the Local Banks, comprising the "reporting entity"; and
- the financial statements of all companies over which Crédit Agricole S.A., the Regional Banks and the Local Banks exercise control, joint control or significant influence, in accordance with the provisions of IFRS 10, IFRS 11 and IAS 28. Significant influence is presumed when Crédit Agricole S.A., the Regional Banks and the Local Banks hold at least 20% of existing and potential voting rights either directly or indirectly.

Definitions of control

In compliance with international accounting standards, all entities under control, under joint control or under significant influence are consolidated, provided that they are not covered by the exclusions below.

Control over an entity is deemed to exist if Crédit Agricole Group is exposed to or entitled to receive variable returns as a result of its involvement with the entity and if the power it holds over this entity allows it to influence these returns. Power in this context means substantive (voting or contractual) rights. Rights are considered substantive if the holder of the rights can in practice exercise them when decisions about the Company's relevant activities are made.

Crédit Agricole Group is deemed to control a subsidiary through voting rights when its rights give it the practical ability to direct the subsidiary's relevant activities. The Crédit Agricole Group is generally considered to control a subsidiary when it holds more than half the existing or potential voting rights in an entity, whether directly or indirectly through subsidiaries, except when it can be clearly demonstrated that such ownership does not give it the power to direct its relevant activities. Control is also deemed to exist where the Crédit Agricole Group holds half or less than half of the voting rights, including potential rights, in an entity 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 investors, or other reasons.

Control of a structured entity is not assessed on the basis of voting rights as these have no effect on the entity's returns. The analysis of control takes into account contractual arrangements, but also the Crédit Agricole Group's involvement and decisions since creating the entity and what decisions it made at that time, what agreements were made at its inception and what risks are borne by the Crédit Agricole Group, any rights under agreements that give the investor the power to direct relevant activities in specific circumstances only and any other facts or circumstances that indicate the investor can direct the entity's relevant activities. Where there is a management agreement, the extent of decision-making powers granted to the delegated manager and the compensation accorded by such contractual arrangements are examined to establish whether the manager is in practice acting as an agent (with delegated powers) or as a principal (on their own account).

Furthermore, when decisions on the entity's relevant activities are taken, the indicators used to assess whether an entity is acting as agent or principal are as follows: the extent of the decision-making powers compared to the powers over the entity delegated to the manager, the compensation provided for under the contractual arrangements, any substantive rights that may affect the decision-making capacity of other parties involved in the entity and the exposure to variable returns of other interests in the entity.

Joint control is deemed to exist when there is a contractual division of control over an economic activity. Decisions affecting the entity's relevant activities require unanimous agreement of the joint controllers.

In traditional entities, significant influence is defined as the power to influence but not control a company's financial and operational policies. Crédit Agricole Group is deemed to have significant influence if it owns 20% or more of the voting rights in an entity, whether directly or indirectly through subsidiaries.

Consolidation methods

The consolidation methods are defined by IFRS 10, IFRS 11 and IAS 28. They depend on the type of control exercised by Crédit Agricole Group 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 financial statement structures, even if their business is not an extension of that of the Crédit Agricole Group;
- the equity method, for entities over which the Group exercises significant influence and joint ventures (excluding joint activity).

Full consolidation consists in substituting for the value of the shares each of the assets and liabilities carried by each subsidiary. The equity and income attributable to non-controlling interests is presented separately in the consolidated balance sheet and income statement.

Non-controlling interests are as defined by IFRS 10 and incorporate instruments representing current ownership interests and that give right to a proportional share of the net assets in the event of liquidation and the other equity instruments issued by the subsidiary and not held by the Group.

Investments in associates or jointly controlled companies are recognised as a separate item on the balance sheet under "Investments in equity-accounted entities". The equity method consists in substituting for the value of shares the Group's proportional share of the equity and income of the companies concerned.

The change in the carrying amount of these shares includes changes in goodwill.

In the event of incremental share purchases or partial disposals with continued joint control or significant influence, Crédit Agricole Group recognises:

- in the case of an increase in the percentage of interest, additional goodwill;
- in the case of a reduction in the percentage of interest, a gain or loss on disposal/dilution in profit or loss.

Restatements and eliminations

In accordance with IFRS 10, financial statements are restated by Crédit Agricole Group to harmonise the valuation methods applied to consolidated companies.

The impact of Group internal transactions on the consolidated balance sheet and income statement is eliminated for fully consolidated entities.

Capital gains or losses arising from intra-group asset transfers are eliminated; any potential impairment measured at the time of disposal in an internal transaction is recognised.

Translation of the financial statements of foreign operations (IAS 21)

The financial statements of entities representing a "foreign operation" (subsidiary, branch, associate or joint venture) are translated to euros in two steps:

- if applicable, the local currency in which the financial statements are prepared is converted into the functional currency (currency of the main business environment of the entity). The conversion is made as if the information had been recognised initially in the functional currency (same conversion principles as for foreign currency transactions here above);
- the functional currency is converted into euros, the currency in which the Group's consolidated financial statements are presented. Assets and liabilities, including goodwill, are converted at the closing exchange rate. Equity items, such as share capital or reserves, are converted at their historical foreign exchange rates. Income and expenses included in the income statement are converted at the average exchange rate for the period. Foreign exchange impacts resulting from this conversion are recognised as a separate component of shareholders' equity. In the event of exit from the foreign operation (disposal, repayment of capital, liquidation, discontinuation of activity) or in the event of deconsolidation due to a loss of control (even without disposal), these translation adjustments are recognised in the income statement when the result of exit or loss of control is recognised.

Business combinations – Goodwill

Valuation and recognition of goodwill

Business combinations are accounted for using the acquisition method in accordance with IFRS 3, except for business combinations under common control, which are excluded from the scope of application of IFRS 3. In the absence of an IFRS standard or interpretation specifically applicable to a transaction, IAS 8 "Accounting principles, changes in accounting estimates and errors" leaves open the possibility of referring to the official positions of other standard-setting bodies. Accordingly, the Group has elected to apply US standard ASU 805-50, which seems to comply with the IFRS general principles, for entering business combinations under common control at carrying amount using the pooled interests method.

At the date of acquisition, the identifiable assets, liabilities and contingent liabilities of the acquired entity which satisfy the conditions for recognition set out in IFRS 3 are recognised at fair value.

Price adjustment clauses are recognised at fair value even if their application is not probable. Subsequent changes in the fair value of clauses if they are financial liabilities are recognised in the income statement. Only price adjustment clauses relating to transactions where control was obtained at the latest by 31 December 2009 may still be recorded against goodwill, because these transactions were accounted for under IFRS 3 pre revision (2004).

The non-controlling interests that are shares of current interests giving rights to a share of the net assets in the event of liquidation may be measured, at acquirer's choice, in two ways:

- at fair value on the date of acquisition ("full goodwill" method);
- at the share of the identifiable assets and liabilities of the acquired company revalued at fair value.

The option may be exercised at each acquisition.

The initial assessment of assets, liabilities and contingent liabilities may be revised within a maximum period of 12 months after the date of acquisition.

The transferred consideration at the time of a business combination (the acquisition cost) is measured as the total of 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.).

The costs directly attributable to the business combination shall be recognised as expenses, separately from the business combination. If the transaction is highly probable, they are recognised under "Net gains (losses) on other assets", otherwise they are recognised 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 acquired identifiable assets and liabilities assumed, valued at their fair value, is recognised, when it is positive, in the assets side of the consolidated balance sheet, under "Goodwill" when the acquired entity is fully consolidated and under "Investments in equity-accounted entities" when the acquired company is consolidated using the equity method of accounting. Any badwill is recognised immediately through profit or loss.

Goodwill is carried in the balance sheet at its initial amount in the currency of the acquired entity and converted at the closing foreign exchange rate at the end of the reporting period.

When control is taken by stages, the interest held before taking control is revalued at fair value through profit or loss at the date of acquisition and the goodwill is calculated once, using the fair value at the date of acquisition of acquired assets and liabilities taken over.

When there is a loss of control, the proceeds from the disposal are calculated on the entirety of the entity sold and any investment share kept is recognised in the balance sheet at its fair value on the date control was lost.

Impairment of goodwill

Goodwill is tested for impairment whenever there is objective evidence of a loss of value and at least once a year.

The choices and assumptions used in assessing non-controlling interests at the date of acquisition may influence the amount of initial goodwill and any impairment resulting from a loss of value.

For the purpose of impairment testing, goodwill is allocated to the Group Cash Generating Units (CGUs) that are expected to benefit from the business combination. The CGUs have been defined within the Group's business lines as the smallest identifiable group of assets and liabilities functioning in a single business model. Impairment testing consists of comparing the carrying amount of each CGU, including any goodwill allocated to it, with its recoverable amount.

The recoverable amount of the CGU is defined as the higher of fair value less than of selling costs and value in use. The value in use is the present value of the future cash flows of the CGU, as set out in medium-term business plans prepared by the Group for management purposes.

When the recoverable amount is lower than the carrying amount, a corresponding impairment loss is recognised for the goodwill allocated to the CGU. This impairment is irreversible.

Changes to the post-acquisition percentage ownership interest and goodwill

In the event of an increase or decrease in the Crédit Agricole Group's percentage ownership interest in an entity that is already exclusively controlled and where there is no loss of control, there is no impact on the amount of goodwill recognised at the start of the business combination.

In the case of an increase in the percentage ownership interest of the Crédit Agricole Group in an entity that is already exclusively controlled, the difference between the acquisition cost and the share of net assets acquired is recognised under "Consolidated reserves Group share".

In the event that the Crédit Agricole Group's percentage ownership interest in an entity that remains under its exclusive control declines, the difference between the selling price and the carrying amount of the share of net assets sold is also recognised directly under "Consolidated reserves Group share". Expenses arising from these transactions are recognised in equity.

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 the minority shareholders of a fully consolidated subsidiary, a liability is recognised in the balance sheet; on initial recognition, the liability is measured at the estimated present value of the exercise price of the options granted to the minority shareholders. Against this liability, the share of net assets belonging to the minority shareholders concerned is reduced to zero and the remainder is deducted from equity;
- subsequent changes in the estimated value of the exercise price will affect the amount of the liability, offset by an equity adjustment. Symmetrically, subsequent changes in the share of net assets due to minority shareholders are cancelled, offset in equity.

Note 2 Major structural transactions and material events during the period

2.1 Main changes in the scope of consolidation

2.1.1 Disposal of La Médicale de France

On 1 July 2022, Crédit Agricole Assurances and Generali announced that they had finalised the transaction for the disposal of La Médicale by Crédit Agricole Assurances to Generali as well as the disposal by to Generali of the portfolio of life insurance policies marketed by La Médicale.

All required regulatory and competition authorisations were obtained. This transaction was completed for a total price of €435 million, generating a gain on disposals of €101 million as at 31 December 2022 in the Crédit Agricole Group's consolidated financial statements.

2.1.2 Disposal of CA Indosuez Wealth (Brazil) S.A. DTVM

Following the signing of a sale contract on 23 April 2021, and approval from the Brazilian regulator on 26 August 2022, the disposal of CA Indosuez Wealth (Brazil) to the SAFRA bank was executed on 14 November 2022.

2.1.3 Disposal of Crédit Agricole Serbia

After obtaining the approval of the National Bank of Serbia, the disposal of Crédit Agricole Serbia to Raiffeisen Banka A.D. Serbia was completed on 1 April 2022.

The disposal of Crédit Agricole Serbia had no material impact on Crédit Agricole Group's consolidated financial statements for financial year 2022.

2.1.4 Disposal of controlling interest in Crédit du Maroc

On 26 April 2022, a sale agreement was signed with the Moroccan group Holmarcom, providing for the disposal of Crédit Agricole S.A.'s 78.7% stake in its subsidiary Crédit du Maroc in two stages: After approval from the Moroccan regulatory authorities, the disposal of 63.7% of the shares held by the Crédit Agricole Group was completed on 6 December 2022. The residual stake of 15% will be disposed of in 18 months.

Following the transaction of 6 December 2022, Crédit Agricole S.A. ceased to have controlling interest Crédit du Maroc. The residual stake is classified as investments consolidated by the equity accounting method as at 31 December 2022.

Pursuant to IFRS 5, the residual assets and liabilities of Crédit du Maroc are classified as at 31 December 2022 in the balance sheet under "Non-current assets held for sale" for the sum of €98 million and under "Liabilities associated with non-current assets held for sale" for the sum of €12 million. The net income is classified under "Net income from discontinued or held-for-sale operations" for the sum of €7 million.

2.2 Acquisition plans

2.2.1 CACEIS signs agreement to acquire RBC's investor services activities in Europe

CACEIS, a 69.5% subsidiary of Crédit Agricole S.A., and Royal Bank of Canada signed, on 23 December 2022, a binding agreement for the acquisition by CACEIS of Royal Bank of Canada's asset servicing activity in Europe.

After completion of the acquisition, which could occur by the end of third quarter 2023, this transaction would strengthen the positioning of CACEIS among the world leaders in asset servicing in Europe and worldwide, with €4,800 billion in assets under custody and €3,500 billion in assets under administration (figures as at 31/03/2022).

Finalisation of the transaction remains subject to the applicable regulatory and antitrust approvals.

2.2.2 Increase in Crédit Agricole S.A.'s stake in Crédit Agricole Egypt

On 8 September 2022, Crédit Agricole S.A. acquired an additional 4.8% stake in its subsidiary Crédit Agricole Egypt, which is traded on the Cairo stock market, through a reverse book building transaction. As at 31 December 2022, Crédit Agricole S.A.'s stake in Crédit Agricole Egypt was 65.3%.

2.2.3 Acquisition of a stake in Banco BPM SpA

On 7 April 2022, Crédit Agricole S.A. announced that it had acquired a 9.18% stake in the capital of the Italian bank Banco BPM S.p.A. Crédit Agricole has not sought the authorisation of the Regulatory Authority to cross the threshold of 10% of the capital of Banco BPM.

As at 31 December 2022, Crédit Agricole S.A.'s stake in Banco BPM was 9.90%.

2.3 Exceptional dividend pay-out from Crédit Agricole Assurances to Crédit Agricole S.A.

Crédit Agricole Assurances paid an exceptional dividend of €2 billion to Crédit Agricole S.A. This payout reflects the exceptional dividend policy of Crédit Agricole S.A., which aims to offset the impact on the CET1 capital of Crédit Agricole S.A. of the application of the new IFRS 17 accounting standard.

2.4 Share buyback programmes

After receiving all the necessary approvals from the supervisory authorities, Crédit Agricole S.A. launched a new share buyback programme on the market.

This programme, initiated on 11 November and concluded on 30 November 2022, resulted in the acquisition of 16,658,366 shares for a total purchase price of €160.3 million. The shares purchased under this share buyback programme were cancelled on 13 January 2023.

It should be noted that 87,673,241 shares purchased under the two share buyback programmes of September and December 2021 were cancelled on 10 March 2022.

2.5 SAS Rue La Boétie announces its intention to buy up to €1 billion in Crédit Agricole S.A.'s shares

On 10 November 2022, SAS Rue La Boétie announced its intention to buy up to €1 billion in Crédit Agricole S.A.'s shares by first-half 2023. This is an equity-based transaction in the current market context.

The agreement was signed at the end of 2022 and had an impact of -18 bp on Crédit Agricole Group's CET1 ratio at 31 December 2022.

SAS Rue La Boétie also indicated that it did not intend to increase its stake in Crédit Agricole S.A. to more than 65%.

2.6 Impacts related to the Russia/Ukraine war

In late February 2022, tensions between Russia and Ukraine led to armed conflict, the magnitude, duration and the economic and financial impacts of which are highly uncertain. In the context of the war, the Crédit Agricole Group announced that it is providing material and financial support to employees and their families. These efforts are enabling it to continue providing essential services to customers.

As the conflict continues, the Group continues to monitor the situation very closely, specifically in regards to these exposures.

Crédit Agricole Group remains directly and indirectly exposed to Ukraine and Russia:

- in Ukraine, commercial lending amounted to €961 million as at 31 December 2022, of which €842 million was outstanding on the balance sheet. The risks on these exposures were provisioned up to €323 million as at 31 December 2022 (including a provision of €195 million made as at 31 March 2022 at the Crédit Agricole S.A. level);
- in Russia, the Group has ceased all new financing to Russian corporates since the beginning of the conflict and all commercial activity in the country. Nevertheless, the Group is directly and indirectly exposed in Russia as a result of pre-conflict activities and has recorded provisions on healthy receivables in the first quarter of 2022 in accordance with IFRS.

  Exposures recognised in the Crédit Agricole CIB AO subsidiary (on-shore exposures) represent the equivalent of €0.2 billion at 31 December 2022 compared with €0.5 billion at 31 December 2021, the change over the period being explained by a gradual reduction in outstanding liabilities, particularly deposits with the Central Bank of Russia. The subsidiary's equity amounted to around €151 million equivalent, including around €74 million in equity and €77 million in subordinated debt as at 31 December 2022 (equity remained stable overall through 2022).

  Exposures[1] recognised outside Crédit Agricole CIB AO (offshore exposures) amounted to the equivalent of €2.9 billion as at 31 December 2022 (€2.7 billion of which is recorded on the balance sheet[2]). They are down -€1.5 billion from 31 December 2021 and down -€1.8 billion from the start of the conflict in late February. The off-balance-sheet portion of the offshore exposures (documentary credits, financial guarantees and, to a lesser extent, undrawn confirmed credit facilities) amounted to €0.2 billion at 31 December 2022, down sharply by -€1.4 billion since the outbreak of the conflict.

  As a result of the conflict and the international sanctions that followed, the quality of the portfolio (rated at 96% Investment Grade as at 31 December 2021, consisting mainly of large Russian corporates, including commodities producers and exporters) was downgraded in the Group's internal rating scale since 31 March 2022. Thus, from the first quarter of 2022, exposures were subject to significant provisioning, mainly on performing exposures, which was subsequently updated throughout the year. Overall, the cost of risk for the year 2022 relating to Russian exposures amounts to €536 million, of which €374 million relates to performing exposures (Stages 1&2) and €162 million to specific dossiers (Stage 3).

  The Russian exposure of Indosuez Wealth Management represented €220 million equivalent at 31 December 2022, a slight decrease from 31 December 2021 (€250 million equivalent).

  The fluctuation risk[3] associated with derivative transactions is now considerably reduced and amounted to €0.6 million at 31 December 2022, compared with €60 million at 31 December 2021.

  Overall, these exposures, of limited size, (0.7% of the total exposures of Crédit Agricole CIB at 31 December 2022) continue to be monitored closely.

(1) On- and off-balance sheet commercial lending of customers and banks, net of the guarantees of export credit agencies, excluding the fluctuation risk.
(2) Used portion of credit facilities.
(3) The fluctuation risk corresponds to the amount at risk, immediate loss given default, including any margin calls.

Note 3 Financial management, risk exposure and hedging policy

Crédit Agricole S.A.'s Financial Management department is responsible for organising financial flows within the Crédit Agricole Group, defining and implementing refinancing rules, asset and liability management, and managing regulatory prudential ratios. It sets out the principles and ensures a cohesive financial management system throughout the Group.

The Group's management of banking risks is handled by the Group Risk Management and Permanent Controls department. This department reports to the Chief Executive Officer of Crédit Agricole S.A. and its task is to control credit, financial and operational risks.

A description of these processes and commentary now appear in the chapter on "Risk factors" in the management report, as allowed by IFRS 7: Financial instruments: disclosures. The accounting breakdowns are presented in the financial statements.

3.1 Credit risk

(See Chapter "Risk factors – Credit risk")

3.1.1 Assessment of the credit risk

In order to take into account the impacts of the Russian-Ukrainian conflict and the continuing COVID-19 crisis on the economic context, the Group updated its forward-looking macroeconomic projections for determination of the credit risk estimate for the year ended 31 December 2022.

Informations on macroeconomic scenarios as at 31 December 2022

The Group used four scenarios for calculating IFRS 9 provisioning parameters in production on December 2022 with the following projections for 2025.

These four scenarios were developed in October 2022. 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 the Central Banks.

As a reminder, the macroeconomic projections are based as a starting point on an end-2021 that recorded strong GDP growth in the Eurozone and the United States, but also the beginning of an inflation shock. The projections for 2022 and subsequent years are described in the following different scenarios.

First scenario: "Central" scenario

The scenario, **weighted at 50%**, predicts an intense Russian-Ukrainian war and a still distant peace process.

Sharp acceleration of inflation in the Eurozone

Inflation in the Eurozone in 2022 was 8.3% per annum on average. It is expected to decelerate in 2023 to an average of 6.7%. Energy price increases are expected to be lower and demand is likely to slow down significantly, but second-round effects (food and manufacturing prices) will continue to be felt. Inflation in France is more moderate, thanks to the tariff shield. This inflationary pressure is linked to the post-COVID-19 recovery and the Russian-Ukrainian conflict, with a spike in energy prices (notably a surge in gas prices, due to the drastic reduction in Russian gas imports by Europe) and a sharp rise in the price of inputs (metals, agricultural products etc.). More generally, we find an increase in intermediate costs, supply chain problems, a disturbance in value chains and risks of shortages in certain sectors.

These shocks lead to a downward revision of growth in the Eurozone. Production in certain sectors is impacted by higher intermediate costs and the disturbances in the value chains. Business profitability is degraded, resulting in a brake on investment. Household purchasing power is lowered by the inflationary shock. Salary increases remain fairly moderate and confidence deteriorates. There is nevertheless a reservoir of savings that may mitigate these negative impacts on consumption.

These negative impacts on demand are partially mitigated by budget support measures. Overall, growth in 2022 in the Eurozone remains high, at 3.2%, thanks to the knock-on effects, but will fall to 0.4% in 2023.

This inflationary shock leads to a tightening of monetary policies.

In the United States, the Fed continues to raise its interests faster until early in 2023 before stabilising them. Fed Funds rates, which were at 0.50% in Q1 2022, are expected to rise to 4.25% in early 2023. However, the hikes in long rates are more measured, with even a slight drop in 2023 (expected slowdown of growth and gradual slowing of inflation).

In the Eurozone, the monetary tightening is more prudent and less rapid as inflation had increased later. After stabilising its balance sheet, the ECB started to raise its key rates in July 2022 and will continue to raise them in 2023, to 2.25% for the deposit rate and 2.75% for the refi rate, before stabilising them.

Long rates rose in the Eurozone in 2022, but quite moderately, and are declining slightly in 2023. The yield curve is inverting as the ECB makes progress in its monetary adjustment. The spreads are widening, particularly in Italy, but the ECB will work to correct unjustified widening of the spreads.

Second scenario: "Moderate adverse" scenario

This scenario, **weighted at 35%**, replicates the gas crisis scenario outlined by the ECB in September 2022.

Triggering of the crisis: It is assumed that there will be a total disruption of Russian gas supplies to Europe by the beginning of 2023 and that there will be major difficulties in making up for this disruption, in particular with insufficient supply of liquefied natural gas (LNG). In addition, the winter of 2023 is very harsh. As a result, European states are launching gas rationing plans which mainly affect industry.

Sharp inflation shock in 2022 and 2023: These difficulties will drive gas prices in Europe in 2023 to very high levels, due to high energy consumption (notably linked to the climate) and clearly insufficient gas supply. This is reflected in electricity prices – partly due to the continuing difficulties for the French nuclear industry. Average inflation in the Eurozone is forecast at 8.8% in 2023, 2.1 percentage points higher than in the central scenario.

Rationing measures reduce activity in sectors highly dependent on gas. In addition, for some companies, soaring energy costs are undermining profitability and leading to voluntary production stoppages. Investment will fall back (lower profitability and worsening business climate) and consumption will decline slightly (loss of purchasing power, deterioration of the labour market, and weaker support measures than in 2022). GDP in the Eurozone is expected to decline by -0.7% p.a. on average in 2023.

Slightly tighter monetary policy: The Fed and the ECB will raise their rates slightly faster than in the central scenario in the face of higher and more lasting inflation. However, the ECB's action is considered by the markets not to be aggressive enough and core sovereign rates, incorporating an inflation premium, are recovering. Unlike the budget stress (see fourth scenario), there are no specific shocks to France and Italy. Nevertheless, spreads are widening moderately.

Third scenario: "Favourable" scenario

In this favourable scenario, **weighted at 5%**, it is assumed that pressure from China will lead to a shift in Russia's position on Ukraine, and then to a cease-fire before negotiations can begin. The sanctions, while being extended, are then eased on Russia. Energy prices drop fairly rapidly in 2023. We see progressive calming on the prices of metals and grains, but some production chains remain disturbed for a long period.

In the Eurozone, this scenario leads to a sharp decline in inflation and an upswing in the confidence and expectations of customer types. We see a recovery of consumption related to the improved in purchasing power, restored confidence and the use of a portion of the accumulated savings surplus. The improvement in expectations and the partial reabsorption of supply pressures lead to a recovery in investment expenditures in 2023-2024.

Financial changes

Central Banks do not immediately lower their guard (only a small amount of monetary easing is noted) but long rates anticipate the decline in inflation and short rates. The ECB lowers its key rates slightly in 2023. The Bund is slightly below the level assumed in the central scenario, while French and Italian spreads are slightly more moderate. The stock market and real estate markets trend upwards.

Fourth scenario: "Severe adverse" scenario: budgetary stress in July 2022

Scenario **weighted at 10%**.

Cumulative shocks in 2023. The Russian-Ukrainian conflict stalls in 2023 and sanctions against Russia are increased. China is more explicit in its support for Russia; sanctions against China are therefore put in place. Winter is very harsh in Europe in the first quarter of 2023. In addition, France is experiencing a specific crisis, with strong protests against certain reforms and very marked social conflicts such as the yellow vests crisis; the country is blocked. Italy is also in crisis, the right-wing coalition is challenging the European treaties and there is a stand-off with the European Commission.

Persistent inflationary shock in 2023. Tensions on energy prices persist, particularly with regard to the price of gas, which is soaring. Food prices are also rising sharply. The inflationary process at work in 2022 in the "central" scenario is thus repeated in 2023 in this "stress" scenario. Inflation is very high in 2023 in both the Eurozone and France.

Strong response from Central Banks. The Fed and the ECB continue their monetary tightening in 2023 in a more accentuated manner than in the central scenario in the face of higher and more lasting inflation. The ECB continues to raise rates rather significantly in 2023 (deposit at 2.75% and refi at 3.25% at the end of 2023). Long rates rise again: the 10-year swap rate for the Eurozone reaches 3.25% at the end of 2023, with the Bund at 2.75%. In 2023, the French and Italian spreads widen significantly and reach real crisis levels (OAT-Bund spread at 185 bp and BTP-Bund spread at 360 bp).

Recession in the Eurozone in 2023. The Eurozone's GDP falls by around 1.5%, as does that of France and Italy, the unemployment rate rises significantly, stock markets fall sharply (-35% for the CAC 40 in 2023) and property markets undergo a major correction in France and Italy: between -10% and -20% on aggregate over three years for residential property and -30% cumulatively for commercial property.

Government support measures have been taken into account in IFRS 9 projections: the process of projecting the central risk parameters has been revised from 2020 in order to better reflect the impact of the governmental measures in the IFRS 9 projections. This revision has had the consequence of mitigating the sudden intensity of the crisis, and the strength of the recovery and its diffusion over a longer period (three years and until 2022 inclusive).

The variables relating to the level of interest rates and more generally all the variables linked to the capital markets have not been modified because their forecasts already incorporate the structural effects of support policies.

Moreover, since the second quarter of 2022, the economic scenarios point to an unprecedented inflationary shock, not observed over the reference period. Given the exceptional nature of this shock and in order to neutralize the favorable effects of the increase in inflation on expected credit losses, price variables were adapted to reflect a medium-term dynamic.

Finally, in order to take into account local specificities (geographical and/or related to certain activities/businesses), sectoral complements are established at the local level (local forward-looking) by certain Group entities, thus being able to complement the macroeconomic scenarios defined centrally.

Focus on the changes in the main macroeconomic variables in the four scenarios

	Ref.	Central scenario				Moderate adverse				Favourable scenario				Severe adverse			
	2021	2022	2023	2024	2025	2022	2023	2024	2025	2022	2023	2024	2025	2022	2023	2024	2025
GDP – Eurozone	5.3	3.2	0.4	1.2	1.5	3.2	(0.7)	1.2	1.1	2.5	(1.5)	1.7	1.6	3.2	0.6	1.6	1.6
Unemployment rate – Eurozone	7.8	7.0	7.4	7.5	7.1	7.0	7.7	8.0	7.7	7.1	8.1	7.7	7.5	7.0	7.2	7.0	6.7
Inflation rate – Eurozone	2.6	8.3	6.7	3.4	2.2	8.3	8.8	3.5	2.4	8.0	8.0	2.4	1.8	8.3	4.6	2.3	2.2
GDP – France	6.8	2.6	0.6	1.7	1.7	2.6	(0.3)	1.2	1.5	2.4	(0.6)	2.0	1.8	2.6	1.2	2.1	1.8
Unemployment rate – France	7.9	7.2	7.5	7.7	7.5	7.2	8.2	8.5	8.0	7.4	8.6	8.9	8.2	7.2	7.2	7.0	6.8
Inflation rate – France	1.6	5.1	4.8	2.5	2.0	5.1	6.9	3.5	2.0	5.5	7.5	1.5	1.6	5.1	3.8	1.5	1.5
10-year OAT	0.20	2.40	2.30	2.10	2.10	2.40	3.20	2.00	1.75	2.40	4.60	2.00	1.75	2.40	2.10	2.00	2.00

At the end of December 2022, 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 42% and 58% of hedging inventories for the Crédit Agricole Group.

At the end of December 2022, net additions to Stage 1/Stage 2 provisions represented 36% of the Crédit Agricole Group's cost of risk compared to 64% for the Stage 3 share of proven risks and other provisions.

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

The central scenario is currently weighted at 50% for the calculation of the central IFRS ECL of 31 December 2022.

Scope: Crédit Agricole Group

		Change in ECL from transition to a 100% scenario (Crédit Agricole Group scope)	
Central scenario	**Moderate adverse**	**Severe adverse**	**Favourable scenario**
-2.9%	+2.8%	+8.3%	-6.5%

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.

3.1.2 Change in carrying amounts and value corrections for losses over the period

Value adjustments for losses correspond to the impairment of assets and to provisions for off-balance sheet commitments recognised in net income (Cost of risk) relating to credit risk.

The following tables present a reconciliation of the opening and closing balances of value adjustments for losses recognised under Cost of risk and associated carrying amounts, by accounting category and type of instrument.

Financial assets at amortised cost: Debt securities

	Performing assets								
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)		Credit-impaired assets (Stage 3)		Total		
(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 2021	109,866	(47)	173	(5)	50	(47)	110,087	(99)	109,988
Transfers between stages during the period	**(34)**	**-**	**27**	**-**	**7**	**(4)**	**-**	**(4)**	
Transfers from Stage 1 to Stage 2	(32)	-	32	-	-		-	-	
Return to Stage 2 from Stage 1	5	-	(5)	-	-		-	-	
Transfers to Stage 3[1]	(7)	-	-	-	7	(4)	-	(4)	
Return from Stage 3 to Stage 2/Stage 1	-	-	-	-	-	-	-	-	
TOTAL AFTER TRANSFERS	109,832	(47)	200	(5)	57	(51)	110,087	(103)	109,985
Changes in gross carrying amounts and loss allowances	**11,336**	**(18)**	**8**	**(2)**	**4**	**(9)**	**11,348**	**(28)**	
New financial production: purchase, granting, origination…[2]	56,890	(30)	74	(2)			56,964	(32)	
Derecognition: disposal, repayment, maturity...	(46,484)	13	(84)	1	-	-	(46,569)	15	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	(1)	-	-	-	(1)	
Changes in models' credit risk parameters during the period		(1)		-		(11)	-	(11)	
Changes in model/methodology		-		-		-	-	-	
Changes in scope	5	-	-	-	-	-	5	-	
Other[3]	925	-	19	-	4	1	948	2	
TOTAL	121,168	(65)	209	(7)	61	(60)	121,435	(131)	121,305
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance)[4]	(5,429)		(5)		5		(5,428)		
BALANCE AT 31 DECEMBER 2022	**115,739**	**(65)**	**204**	**(7)**	**66**	**(60)**	**116,007**	**(131)**	**115,877**
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 outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.
(2) Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.
(3) The items in the "Others" line are mainly translation adjustments.
(4) Includes the changes in fair value revaluations of micro-hedged instruments, the changes relating to the use of the EIR method (notably the amortisation of premiums/discounts), the changes relating to the accretion of discounts recorded on restructured loans (recovered as revenues over the remaining term of the asset).

Financial assets at amortised cost: Loans and receivables due from credit institutions

	Performing assets								
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)		Credit-impaired assets (Stage 3)		Total		
(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 2021	96,626	(29)	55	(2)	435	(382)	97,118	(414)	96,703
Transfers between stages during the period	**(264)**	**-**	**264**	**-**	**-**	**-**	**-**	**-**	
Transfers from Stage 1 to Stage 2	(263)	-	263	-			-	-	
Return to Stage 2 from Stage 1	(1)	-	1	-			-	-	
Transfers to Stage 3[1]	-	-	-	-	-	-	-	-	
Return from Stage 3 to Stage 2/Stage 1	-	-	-	-	-	-	-	-	
TOTAL AFTER TRANSFERS	96,362	(29)	319	(2)	435	(382)	97,118	(414)	96,703
Changes in gross carrying amounts and loss allowances	**16,639**	**(8)**	**(198)**	**(16)**	**19**	**(5)**	**16,460**	**(29)**	
New financial production: purchase, granting, origination…[2]	46,383	(10)	170	-			46,553	(10)	
Derecognition: disposal, repayment, maturity...	(29,602)	15	(347)	1	(1)	1	(29,950)	17	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	(3)	-	-	-	-	-	(3)	
Changes in models' credit risk parameters during the period		(10)		(18)		11	-	(17)	
Changes in model/methodology		-		-		-	-	-	
Changes in scope	(168)	-	(13)	-	-	-	(181)	-	
Other[3]	26	-	(8)	1	20	(17)	38	(16)	
TOTAL	113,001	(37)	121	(18)	454	(387)	113,576	(443)	113,133
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance)[4]	1,101		3		41		1,145		
BALANCE AT 31 DECEMBER 2022	**114,102**	**(37)**	**124**	**(18)**	**495**	**(387)**	**114,722**	**(443)**	**114,279**
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 outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.
(2) Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.
(3) The items in the "Others" line are mainly translation adjustments.
(4) Includes changes in fair value revaluations of micro-hedged instruments, changes relating to the use of the EIR method (notably amortisation of premiums/discounts), changes relating to the accretion of discounts recorded on restructured loans (recovered as revenues over the remaining term of the asset), changes in accrued interests.

Financial assets at amortised cost: Loans and receivables due from customers

	Performing assets								
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)		Credit-impaired assets (Stage 3)		Total		
(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 2021	944,538	(2,479)	104,360	(4,987)	21,641	(11,481)	1,070,539	(18,946)	1,051,592
Transfers between stages during the period	**(16,061)**	**(460)**	**10,829**	**811**	**5,232**	**(1,566)**	**-**	**(1,215)**	
Transfers from Stage 1 to Stage 2	(47,833)	240	47,833	(1,048)			-	(808)	
Return to Stage 2 from Stage 1	33,933	(763)	(33,933)	1,573			-	810	
Transfers to Stage 3[1]	(2,520)	68	(3,859)	347	6,379	(1,846)	-	(1,431)	
Return from Stage 3 to Stage 2/Stage 1	359	(5)	788	(61)	(1,147)	280	-	214	
TOTAL AFTER TRANSFERS	928,477	(2,939)	115,189	(4,176)	26,873	(13,047)	1,070,539	(20,161)	1,050,378
Changes in gross carrying amounts and loss allowances	**72,144**	**161**	**(3,103)**	**(1,398)**	**(5,223)**	**1,537**	**63,818**	**299**	
New financial production: purchase, granting, origination,…[2]	374,905	(1,200)	26,480	(1,456)			401,385	(2,656)	
Derecognition: disposal, repayment, maturity...	(301,477)	865	(29,910)	968	(3,147)	1,608	(334,534)	3,441	
Write-offs					(1,668)	1,615	(1,668)	1,615	
Changes of cash flows resulting in restructuring due to financial difficulties	(7)	-	(2)	-	(7)	10	(16)	10	
Changes in models' credit risk parameters during the period[3]		486		(1,120)		(1,905)	-	(2,539)	
Changes in model/methodology		-		27		(1)	-	26	
Changes in scope	(3,159)	8	(144)	23	(316)	236	(3,619)	267	
Other[4]	1,882	1	473	159	(85)	(25)	2,270	135	
TOTAL	1,000,621	(2,779)	112,086	(5,574)	21,650	(11,510)	1,134,357	(19,862)	1,114,493
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance)[3]	(2,067)		(354)		2,316		(103)		
BALANCE AT 31 DECEMBER 2022[5]	**998,554**	**(2,779)**	**111,732**	**(5,574)**	**23,966**	**(11,510)**	**1,134,254**	**(19,862)**	**1,114,389**
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 outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.

(2) Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.

(3) Includes changes in fair value revaluations of micro-hedged instruments, changes relating to the use of the EIR method (notably amortisation of premiums/discounts), changes relating to the accretion of discounts on restructured loans (recovered as revenues over the remaining term of the asset), changes in accrued interests.

(4) The items in the “Others” line are mainly translation adjustments.

(5) At 31 December 2022, Stage 3 integrates the impaired assets of Crédit Agricole Italia acquired from Credito Valtellinese for a gross carrying amount of €817 million and a value correction for losses of €414 million, i.e. a net carrying amount of €403 million.

Financial assets at fair value through equity: Debt securities

	Performing assets							
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)		Credit-impaired assets (Stage 3)		Total	
(in millions of euros)	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance
BALANCE AT 31 DECEMBER 2021	260,826	(126)	3,745	(50)	1	(37)	264,572	(214)
Transfers between stages during the period	**86**	**(1)**	**(84)**	**3**	**-**	**-**	**2**	**2**
Transfers from Stage 1 to Stage 2	(324)	1	320	(5)			(4)	(4)
Return to Stage 2 from Stage 1	410	(2)	(404)	8			6	6
Transfers to Stage 3[(1)]	-	-	-	-	-	-	-	-
Return from Stage 3 to Stage 2/Stage 1	-	-	-	-	-	-	-	-
TOTAL AFTER TRANSFERS	260,912	(127)	3,661	(49)	1	(37)	264,574	(214)
Changes in carrying amounts and loss allowances	**(42,319)**	**(17)**	**(828)**	**5**	**(1)**	**-**	**(43,148)**	**(14)**
Fair value revaluation during the period	(42,724)		(673)		-		(43,397)	
New financial production: purchase, granting, origination…[(2)]	21,836	(34)	13,344	(9)	-	-	35,180	(44)
Derecognition: disposal, repayment, maturity...	(21,647)	22	(13,262)	5	(1)	-	(34,910)	27
Write-offs	-	-	-	-	-	-	-	-
Changes of cash flows resulting in restructuring due to financial difficulties	2	3	-	-	-	-	2	2
Changes in models' credit risk parameters during the period		(8)		8		-	-	-
Changes in model/methodology		-		-		-	-	-
Changes in scope	(227)	-	-	-	-	-	(227)	-
Other[(4)]	441	-	(237)	1	-	-	204	1
TOTAL	218,593	(144)	2,833	(46)	-	(37)	221,426	(228)
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance)[(3)]	(9,402)		316		1		(9,085)	
BALANCE AT 31 DECEMBER 2022	**209,191**	**(144)**	**3,149**	**(46)**	**1**	**(37)**	**212,341**	**(228)**
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 outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.
(2) Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.
(3) Includes the impacts of the use of the EIR method (notably the amortisation of premiums/discounts).
(4) The items in the "Others" line are mainly translation adjustments.

Financing commitments

	Performing commitments								
	Commitments subject to 12-month ECL (Stage 1)		Commitments subject to lifetime ECL (Stage 2)		Provisioned commitments (Stage 3)		Total		
(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 commit-ment (a) + (b)
BALANCE AT 31 DECEMBER 2021	212,153	(404)	13,644	(507)	503	(112)	226,300	(1,023)	225,277
Transfers between stages during the period	**(1,971)**	**(38)**	**1,836**	**14**	**135**	**(4)**	**-**	**(28)**	
Transfers from Stage 1 to Stage 2	(5,728)	27	5,728	(104)			-	(77)	
Return to Stage 2 from Stage 1	3,799	(67)	(3,799)	118			-	51	
Transfers to Stage 3[(1)]	(52)	3	(106)	1	158	(10)	-	(6)	
Return from Stage 3 to Stage 2/Stage 1	10	(1)	13	(1)	(23)	6	-	4	
TOTAL AFTER TRANSFERS	210,182	(442)	15,480	(493)	638	(116)	226,300	(1,051)	225,249
Changes in commitments and loss allowances	**16,790**	**(8)**	**(2,949)**	**(5)**	**(60)**	**13**	**13,781**	**-**	
New commitments given[(2)]	168,265	(538)	4,874	(247)			173,139	(785)	
End of commitments	(153,137)	471	(7,834)	262	(232)	58	(161,203)	791	
Write-offs	-	-	-	-	(3)	3	(3)	3	
Changes of cash flows resulting in restructuring due to financial difficulties	(11)	-	-	-	-	-	(11)	-	
Changes in models' credit risk parameters during the period		63		(4)		(47)	-	12	
Changes in model/methodology		1		1		-	-	2	
Changes in scope	(413)	-	(6)	-	-	-	(419)	-	
Other[(3)]	2,087	(5)	17	(17)	175	(1)	2,277	(23)	
BALANCE AT 31 DECEMBER 2022	**226,972**	**(450)**	**12,531**	**(498)**	**578**	**(103)**	**240,080**	**(1,051)**	**239,029**

(1) Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.
(2) New commitments given in Stage 2 could include some originations in Stage 1 reclassified in Stage 2 during the period.
(3) The items in the "Others" line are mainly translation adjustments.

Guarantee commitments

	Performing commitments								
	Commitments subject to 12-month ECL (Stage 1)		Commitments subject to lifetime ECL (Stage 2)		Provisioned commitments (Stage 3)		Total		
(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 commit-ment (a) + (b)
BALANCE AT 31 DECEMBER 2021	109,926	(120)	6,440	(261)	1,649	(431)	118,015	(812)	117,203
Transfers between stages during the period	**(1,586)**	**(27)**	**880**	**24**	**716**	**(18)**	**10**	**(20)**	
Transfers from Stage 1 to Stage 2	(3,086)	10	3,094	(42)			9	(32)	
Return to Stage 2 from Stage 1	1,521	(37)	(1,522)	64			(1)	27	
Transfers to Stage 3[(1)]	(24)	-	(696)	2	722	(19)	2	(17)	
Return from Stage 3 to Stage 2/Stage 1	3	-	4	-	(6)	2	-	1	
TOTAL AFTER TRANSFERS	108,340	(147)	7,320	(237)	2,365	(449)	118,025	(833)	117,192
Changes in commitments and loss allowances	**(3,808)**	**5**	**259**	**(7)**	**(597)**	**50**	**(4,146)**	**48**	
New commitments given[(2)]	98,924	(120)	3,465	(149)			102,390	(270)	
End of commitments	(95,579)	98	(3,345)	141	(212)	108	(99,136)	347	
Write-offs	-	-	-	-	(9)	8	(9)	8	
Changes of cash flows resulting in restructuring due to financial difficulties	-	(1)	-	-	-	-	-	(1)	
Changes in models' credit risk parameters during the period		25		(6)		(70)	-	(51)	
Changes in model/methodology		-		-		-	-	-	
Changes in scope	(347)	-	(13)	-	(19)	-	(380)	-	
Other[(3)]	(6,806)	3	152	7	(357)	5	(7,011)	15	
BALANCE AT 31 DECEMBER 2022	**104,532**	**(142)**	**7,579**	**(244)**	**1,768**	**(398)**	**113,879**	**(785)**	**113,094**

(1) Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.
(2) New commitments given in Stage 2 could include some originations in Stage 1 reclassified in Stage 2 during the period.
(3) The items in the "Others" line are mainly translation adjustments.

3.1.3 Maximum exposure to credit risk

An entity's maximum exposure to credit risk represents the carrying amount, net of any impairment loss recognised and without taking account of any collateral held or other credit enhancements (e.g. netting contracts that do not qualify for offset in accordance with IAS 32).

The tables below show the maximum exposures as well as the amount of collateral held and other credit enhancements allowing this exposure to be reduced.

Impaired assets at the end of the reporting period constitute the impaired assets (Stage 3).

Financial assets not subject to impairment requirements (accounted at fair value through profit or loss)

	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	Financial guarantees	Credit derivatives
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	**309,824**	**122,291**	**634**	**-**	**170**	**-**
Held for trading financial assets	236,525	122,291	634	-	153	-
Debt instruments that do not meet the conditions of the "SPPI" test	73,232	-	-	-	17	-
Financial assets designated at fair value through profit or loss	67	-	-	-	-	-
Hedging derivative Instruments	**50,494**	**-**	**-**	**-**	**-**	**-**
TOTAL	**360,318**	**122,291**	**634**	**-**	**170**	**-**

	31/12/2021					
		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	Financial guarantees	Credit derivatives
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	**306,698**	**-**	**-**	**1,279**	**57**	**-**
Held for trading financial assets	226,199	-	-	1,279	-	-
Debt instruments that do not meet the conditions of the "SPPI" test	80,429	-	-	-	57	-
Financial assets designated at fair value through profit or loss	70	-	-	-	-	-
Hedging derivative Instruments	**16,023**	**-**	**-**	**-**	**-**	**-**
TOTAL	**322,721**	**-**	**-**	**1,279**	**57**	**-**

Financial assets subject to impairment requirements

	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	Financial guarantees	Credit derivatives
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	212,341	-	-	-	-	-
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	**212,341**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
FINANCIAL ASSETS AT AMORTISED COST	1,344,545	20,240	278,660	61,323	339,577	1,360
of which impaired assets at the reporting date	12,573	245	2,213	452	3,389	-
Loans and receivables due from credit institutions	**114,279**	**6,329**	**-**	**9,995**	**3,841**	**-**
of which impaired assets at the reporting date	108	-	-	-	107	-
Loans and receivables due from customers	**1,114,389**	**13,911**	**278,660**	**51,328**	**333,618**	**1,360**
of which impaired assets at the reporting date	12,456	245	2,213	452	3,282	-
Debt securities	**115,877**	**-**	**-**	**-**	**2,118**	**-**
of which impaired assets at the reporting date	6	-	-	-	-	-
TOTAL	**1,556,886**	**20,240**	**278,660**	**61,323**	**339,577**	**1,360**
of which impaired assets at the reporting date	12,573	245	2,213	452	3,389	-

	31/12/2021					
		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	Financial guarantees	Credit derivatives
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	264,572	-	-	-	39	-
of which impaired assets at the reporting date	1	-	-	-	-	-
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	**264,572**	**-**	**-**	**-**	**39**	**-**
of which impaired assets at the reporting date	1	-	-	-	-	-
FINANCIAL ASSETS AT AMORTISED COST	1,258,283	16,981	263,758	34,660	301,773	907
of which impaired assets at the reporting date	10,216	120	2,294	228	2,181	-
Loans and receivables due from credit institutions	**96,703**	**3,599**	**-**	**5,847**	**3,628**	**-**
of which impaired assets at the reporting date	53	-	-	-	-	-
Loans and receivables due from customers	**1,051,592**	**13,382**	**263,758**	**28,813**	**295,655**	**907**
of which impaired assets at the reporting date	10,160	120	2,294	228	2,181	-
Debt securities	**109,988**	**-**	**-**	**-**	**2,490**	**-**
of which impaired assets at the reporting date	3	-	-	-	-	-
TOTAL	**1,522,855**	**16,981**	**263,758**	**34,660**	**301,812**	**907**
of which impaired assets at the reporting date	10,216	120	2,294	228	2,181	-

Off-balance sheet commitments subject to provision requirements

(in millions of euros)	31/12/2022					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Financial guarantees	Credit derivatives
Guarantee commitments	**113,094**	**4,705**	**178**	**655**	**4,040**	**1,314**
of which provisioned commitments at the reporting date	1,370	3	17	10	31	-
Financing commitments	**239,029**	**204**	**6,055**	**2,753**	**34,164**	**6,124**
of which provisioned commitments at the reporting date	475	1	14	18	99	-
TOTAL	**352,123**	**4,909**	**6,233**	**3,408**	**38,204**	**7,438**
of which provisioned commitments at the reporting date	1,844	4	31	28	130	-

(in millions of euros)	31/12/2021					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Financial guarantees	Credit derivatives
Guarantee commitments	**117,203**	**221**	**20**	**406**	**5,547**	**1,527**
of which provisioned commitments at the reporting date	1,218	1	1	-	6	-
Financing commitments	**225,277**	**2**	**5,088**	**2,504**	**29,578**	**7,593**
of which provisioned commitments at the reporting date	391	-	4	13	35	-
TOTAL	**342,480**	**223**	**5,108**	**2,910**	**35,125**	**9,120**
of which provisioned commitments at the reporting date	1,609	1	4	15	42	-

A description of the assets held as collateral is provided in Note 9 “Commitments given and received and other guarantees”.

3.1.4 Modified financial assets

Modified financial assets are those assets that have been restructured due to financial difficulties. Loans for which Crédit Agricole Group changed the initial financial terms (interest rate, term) for economic or legal reasons connected with the borrower's financial difficulties, in a manner that would not have been considered under other circumstances. They thus consist of loans classified as in default and performing loans at the date they are restructured. (A more detailed definition of restructured loans and their accounting treatment can be found in Note 1.2 "Accounting policies and principles", chapter entitled "Financial instruments – Credit risk".)

For assets restructured during the period, the carrying amount following restructuring consists of:

	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	**0**	**-**	**-**
Gross carrying amount before modification	-	-	-
Net gains (losses) resulting from the modification	-	-	-
Loans and receivables due from customers	**(3)**	**410**	**921**
Gross carrying amount before modification	4	412	928
Net gains (losses) resulting from the modification	(7)	(2)	(7)
Debt securities	**2**	**-**	**-**
Gross carrying amount before modification	-	-	-
Net gains (losses) resulting from the modification	2	-	-

In accordance with the principles set out in Note 1.2 "Accounting policies and principles", chapter entitled "Financial instruments – Credit risk", restructured assets at a stage of impairment corresponding to that of Stage 2 (performing assets) or Stage 3 (impaired assets) may go back into Stage 1 (performing assets). The carrying amount of modified assets affected by this reclassification during the period is:

	Gross carrying amount
	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	-
Debt securities	-
TOTAL	**-**

3.1.5 Credit risk concentrations

The carrying amounts and commitments are presented net of impairment and provisions.

Exposure to credit risk by category of credit risk

The credit risk categories are presented by probability of default intervals. The correspondence between internal ratings and probability of default intervals is discussed in the chapter entitled "Risk factors and Pillar 3 – Credit risk management" of Crédit Agricole S.A.'s Universal registration document.

Financial assets at amortised cost

		At 31 December 2022			
		Carrying amount			
		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
Retail customers	PD ≤0,5%	519,039	6,893	-	525,932
	0,5% <PD ≤2%	69,800	22,125	-	91,925
	2% <PD ≤20%	23,690	28,892	-	52,582
	20% <PD <100%	-	2,805	-	2,805
	PD = 100%	-	-	11,248	11,248
TOTAL RETAIL CUSTOMERS		**612,529**	**60,715**	**11,248**	**684,492**
Non-retail customers	PD ≤0,6%	510,186	14,293	-	524,479
	0,6% <PD <12%	105,680	30,839	-	136,519
	12% ≤PD <100%	-	6,213	-	6,213
	PD = 100%(1)	-	-	13,279	13,279
TOTAL NON-RETAIL CUSTOMERS		**615,866**	**51,345**	**13,279**	**680,490**
Impairment		(2,881)	(5,599)	(11,957)	(20,437)
TOTAL		**1,225,514**	**106,461**	**12,570**	**1,344,545**

(1) At 31 December 2022, Stage 3 integrates the impaired assets of Crédit Agricole Italia acquired from Credito Valtellinese for a gross carrying amount of €817 million and a value correction for losses of €414 million, i.e. a net carrying amount of €403 million.

		At 31 December 2021			
		Carrying amount			
		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
Retail customers	PD ≤0,5%	494,022	5,818	-	499,840
	0,5% <PD ≤2%	69,110	18,554	-	87,664
	2% <PD ≤20%	24,861	26,077	-	50,938
	20% <PD <100%	-	2,134	-	2,134
	PD = 100%	-	-	10,906	10,906
TOTAL RETAIL CUSTOMERS		**587,993**	**52,583**	**10,906**	**651,482**
Non-retail customers	PD ≤0,6%	467,005	11,928	-	478,933
	0,6% <PD <12%	96,030	34,225	-	130,255
	12% ≤PD <100%	-	5,853	-	5,853
	PD = 100%(1)	-	-	11,221	11,221
TOTAL NON-RETAIL CUSTOMERS		**563,035**	**52,006**	**11,221**	**626,262**
Impairment		(2,557)	(4,994)	(11,910)	(19,461)
TOTAL		**1,148,471**	**99,595**	**10,217**	**1,258,283**

(1) Stage 3 includes Credito Valtellinese impaired assets for a gross carrying amount of €1,214 million and a loss allowance of €664 million, which includes a preliminary allocation of the first consolidation goodwill of €378 million for receivables due from customers, i.e. a net book value of €550 million.

Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss

(in millions of euros)	Credit risk rating grades	At 31 December 2022 – Carrying amount – Performing assets: Assets subject to 12-month ECL (Stage 1)	Performing assets: Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total
Retail customers	PD ≤0,5%	-	-	-	-
	0,5% <PD ≤2%	-	-	-	-
	2% <PD ≤20%	-	-	-	-
	20% <PD <100%	-	-	-	-
	PD = 100%	-	-	-	-
TOTAL RETAIL CUSTOMERS		**-**	**-**	**-**	**-**
Non-retail customers	PD ≤0,6%	207,635	2,379	-	210,014
	0,6% <PD <12%	1,556	766	-	2,322
	12% ≤PD <100%	-	5	-	5
	PD = 100%	-	-	-	-
TOTAL NON-RETAIL CUSTOMERS		**209,191**	**3,150**	**-**	**212,341**
TOTAL		**209,191**	**3,150**	**-**	**212,341**

(in millions of euros)	Credit risk rating grades	At 31 December 2021 – Carrying amount – Performing assets: Assets subject to 12-month ECL (Stage 1)	Performing assets: Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total
Retail customers	PD ≤0,5%	-	-	-	-
	0,5% <PD ≤2%	-	-	-	-
	2% <PD ≤20%	-	-	-	-
	20% <PD <100%	-	-	-	-
	PD = 100%	-	-	-	-
TOTAL RETAIL CUSTOMERS		**-**	**-**	**-**	**-**
Non-retail customers	PD ≤0,6%	258,983	2,659	-	261,642
	0,6% <PD <12%	1,843	296	-	2,139
	12% ≤PD <100%	-	790	-	790
	PD = 100%	-	-	1	1
TOTAL NON-RETAIL CUSTOMERS		**260,826**	**3,745**	**1**	**264,572**
TOTAL		**260,826**	**3,745**	**1**	**264,572**

Financing commitments

		At 31 December 2022			
		Amount of commitment			
		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 commitments (Stage 3)	Total
Retail customers	PD ≤0,5%	42,573	491	-	43,064
	0,5% <PD ≤2%	6,349	897	-	7,246
	2% <PD ≤20%	2,345	1,191	-	3,536
	20% <PD <100%	-	81	-	81
	PD = 100%	-	-	153	153
TOTAL RETAIL CUSTOMERS		**51,267**	**2,660**	**153**	**54,080**
Non-retail customers	PD ≤0,6%	152,569	2,680	-	155,249
	0,6% <PD <12%	23,136	5,987	-	29,123
	12% ≤PD <100%	-	1,204	-	1,204
	PD = 100%	-	-	424	424
TOTAL NON-RETAIL CUSTOMERS		**175,705**	**9,871**	**424**	**186,000**
Provisions[(1)]		(450)	(498)	(103)	(1,051)
TOTAL		**226,522**	**12,033**	**474**	**239,029**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

		At 31 December 2021			
		Amount of commitment			
		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 commitments (Stage 3)	Total
Retail customers	PD ≤0,5%	40,986	468	-	41,454
	0,5% <PD ≤2%	6,020	784	-	6,804
	2% <PD ≤20%	2,472	1,040	-	3,512
	20% <PD <100%	-	103	-	103
	PD = 100%	-	-	144	144
TOTAL RETAIL CUSTOMERS		**49,478**	**2,395**	**144**	**52,017**
Non-retail customers	PD ≤0,6%	141,922	2,617	-	144,539
	0,6% <PD <12%	20,753	7,512	-	28,265
	12% ≤PD <100%	-	1,120	-	1,120
	PD = 100%	-	-	359	359
TOTAL NON-RETAIL CUSTOMERS		**162,675**	**11,249**	**359**	**174,283**
Provisions[(1)]		(404)	(507)	(112)	(1,023)
TOTAL		**211,749**	**13,137**	**391**	**225,277**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

Guarantee commitments

		At 31 December 2022			
		Amount of commitment			
		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 commitments (Stage 3)	Total
Retail customers	PD ≤0,5%	1,582	19	-	1,601
	0,5% <PD ≤2%	305	32	-	337
	2% <PD ≤20%	291	82	-	373
	20% <PD <100%	-	9	-	9
	PD = 100%	-	-	106	106
TOTAL RETAIL CUSTOMERS		**2,178**	**142**	**106**	**2,426**
Non-retail customers	PD ≤0,6%	91,090	4,660	-	95,750
	0,6% <PD <12%	11,264	2,383	-	13,647
	12% ≤PD <100%	-	394	-	394
	PD = 100%	-	-	1,661	1,661
TOTAL NON-RETAIL CUSTOMERS		**102,354**	**7,437**	**1,661**	**111,452**
Provisions(1)		(142)	(244)	(398)	(784)
TOTAL		**104,390**	**7,335**	**1,369**	**113,094**

(1) *Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.*

		At 31 December 2021			
		Amount of commitment			
		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 commitments (Stage 3)	Total
Retail customers	PD ≤0,5%	1,666	37	-	1,703
	0,5% <PD ≤2%	315	43	-	358
	2% <PD ≤20%	137	81	-	218
	20% <PD <100%	-	7	-	7
	PD = 100%	-	-	112	112
TOTAL RETAIL CUSTOMERS		**2,118**	**168**	**112**	**2,398**
Non-retail customers	PD ≤0,6%	95,643	3,334	-	98,977
	0,6% <PD <12%	12,165	2,441	-	14,606
	12% ≤PD <100%	-	497	-	497
	PD = 100%	-	-	1,537	1,537
TOTAL NON-RETAIL CUSTOMERS		**107,808**	**6,272**	**1,537**	**115,617**
Provisions(1)		(120)	(261)	(431)	(812)
TOTAL		**109,806**	**6,179**	**1,218**	**117,203**

(1) *Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.*

Credit risk concentrations by customer type

Financial assets designated at fair value through profit or loss by customer type

	31/12/2022			31/12/2021		
		Amount of changes in fair value resulting from changes in credit risk			Amount of changes in fair value resulting from changes in credit risk	
(in millions of euros)	Carrying amount	During the period	Cumulative	Carrying amount	During the period	Cumulative
General administration	-	-	-	-	-	-
Central Banks	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-
Large corporates	67	-	-	70	-	-
Retail customers	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	**67**	**-**	**-**	**70**	**-**	**-**

Financial assets at amortised cost by customer type

	At 31 December 2022						
	Carrying amount						
	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 gross amount
General administration	100,737	(62)	1,042	(8)	195	(54)	101,974
Central Banks	5,652	(8)	31	(15)	-	-	5,683
Credit institutions	136,302	(50)	96	(4)	500	(392)	136,898
Large corporates(1)	373,177	(1,460)	50,175	(2,515)	12,583	(5,891)	435,935
Retail customers	612,527	(1,301)	60,716	(3,059)	11,249	(5,620)	684,492
TOTAL	**1,228,395**	**(2,881)**	**112,060**	**(5,599)**	**24,527**	**(11,957)**	**1,364,982**

(1) At 31 December 2022, Stage 3 integrates the impaired assets of Crédit Agricole Italia acquired from Credito Valtellinese for a gross carrying amount of €817 million and a value correction for losses of €414 million, i.e. a net carrying amount of €403 million.

	At 31 December 2021						
	Carrying amount						
	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 gross amount
General administration	97,547	(64)	1,177	(11)	83	(41)	98,807
Central Banks	3,854	(1)	-	-	-	-	3,854
Credit institutions	120,319	(42)	61	(1)	440	(387)	120,820
Large corporates(1)	341,316	(1,235)	50,767	(2,159)	10,699	(5,529)	402,782
Retail customers	587,993	(1,215)	52,583	(2,823)	10,906	(5,953)	651,481
TOTAL	**1,151,027**	**(2,557)**	**104,589**	**(4,994)**	**22,127**	**(11,910)**	**1,277,743**

(1) Stage 3 includes Credito Valtellinese impaired assets for a gross carrying amount of €1,214 million and a loss allowance of €664 million, which includes a preliminary allocation of the first consolidation goodwill of €378 million for receivables due from customers, i.e. a net book value of €550 million.

Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss by customer type

	At 31 December 2022						
	Carrying amount						
	Performing assets						
(in millions of euros)	Assets subject to 12-month ECL (Stage 1)	Of which Impairment on assets (Stage 1)	Assets subject to lifetime ECL (Stage 2)	On which Impairment on assets (Stage 2)	Credit-impaired assets (Stage 3)	Impairment on assets (Stage 3)	Total
General administration	95,550	(67)	1,108	(8)	-	-	96,658
Central Banks	157	-	273	(1)	-	-	430
Credit institutions	50,100	(38)	161	(2)	-	(2)	50,261
Large corporates	63,384	(44)	1,608	(34)	-	(37)	64,992
Retail customers	-	-	-	-	-	-	-
TOTAL	**209,191**	**(149)**	**3,150**	**(45)**	**-**	**(39)**	**212,341**

	At 31 December 2021						
	Carrying amount						
	Performing assets						
(in millions of euros)	Assets subject to 12-month ECL (Stage 1)	Of which Impairment on assets (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Of which Impairment on assets (Stage 2)	Credit-impaired assets (Stage 3)	Impairment on assets (Stage 3)	Total
General administration	125,055	(64)	886	(4)	-	-	125,942
Central Banks	578	-	433	(1)	-	-	1,011
Credit institutions	67,211	(38)	-	-	-	(2)	67,216
Large corporates	67,981	(24)	2,422	(47)	1	(37)	70,403
Retail customers	-	-	-	-	-	-	-
TOTAL	**260,826**	**(126)**	**3,745**	**(52)**	**1**	**(39)**	**264,572**

Due to customers by customer type

(in millions of euros)	31/12/2022	31/12/2021
General administration	25,846	17,981
Large corporates	412,793	402,945
Retail customers	657,119	623,640
TOTAL AMOUNT DUE TO CUSTOMERS	**1,095,758**	**1,044,566**

Financing commitments by customer type

	At 31 December 2022						
	Amount of commitment						
	Performing commitments						
(in millions of euros)	Commitments subject to 12-month ECL (Stage 1)	Provisions on commitments (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisions on commitments (Stage 2)	Provisioned commitments (Stage 3)	Provisions on commitments (Stage 3)	Total
General administration	8,132	(5)	809	(3)	-	-	8,941
Central Banks	12	-	-	-	-	-	12
Credit institutions	10,367	(2)	27	-	-	-	10,394
Large corporates	157,194	(310)	9,035	(338)	424	(93)	166,653
Retail customers	51,267	(133)	2,660	(157)	153	(10)	54,080
TOTAL	**226,972**	**(450)**	**12,531**	**(498)**	**577**	**(103)**	**240,080**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

	At 31 December 2021						
	Amount of commitment						
	Performing commitments						
(in millions of euros)	Commitments subject to 12-month ECL (Stage 1)	Provisions on commitments (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisions on commitments (Stage 2)	Provisioned commitments (Stage 3)	Provisions on commitments (Stage 3)	Total
General administration	7,614	(4)	891	(4)	-	-	8,506
Central Banks	-	-	-	-	-	-	-
Credit institutions	12,658	(2)	-	-	-	-	12,658
Large corporates	142,403	(284)	10,358	(396)	357	(97)	153,119
Retail customers	49,478	(114)	2,395	(107)	144	(15)	52,017
TOTAL	**212,153**	**(404)**	**13,644**	**(507)**	**502**	**(112)**	**226,300**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

Guarantee commitments by customer type

	At 31 December 2022						
	Amount of commitment						
	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)	Total
General administration	273	-	1	-	-	-	274
Central Banks	438	-	-	-	-	-	438
Credit institutions	9,254	(5)	112	-	33	(23)	9,399
Large corporates	92,389	(121)	7,324	(206)	1,628	(314)	101,341
Retail customers	2,178	(16)	142	(38)	106	(61)	2,426
TOTAL	**104,532**	**(142)**	**7,579**	**(244)**	**1,767**	**(398)**	**113,878**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

	At 31 December 2021						
	Amount of commitment						
	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)	Total
General administration	356	-	1	-	4	-	361
Central Banks	433	-	-	-	-	-	433
Credit institutions	10,103	(3)	32	-	20	(24)	10,154
Large corporates	96,916	(100)	6,240	(219)	1,513	(328)	104,672
Retail customers	2,118	(17)	168	(42)	112	(79)	2,398
TOTAL	**109,926**	**(120)**	**6,440**	**(261)**	**1,649**	**(431)**	**118,018**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

Credit risk concentrations by geographical area

Financial assets at amortised cost by geographical area

	At 31 December 2022			
	Carrying amount			
	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
France (including overseas departments and territories)	906,456	85,261	15,874	1,007,591
Other European Union countries[1]	182,069	11,533	4,527	198,129
Other European countries	31,926	5,027	1,123	38,076
North America	40,564	3,403	319	44,286
Central and South America	9,647	1,784	1,368	12,799
Africa and Middle East	15,810	1,851	642	18,303
Asia-Pacific (ex. Japan)	34,716	2,215	491	37,422
Japan	4,750	986	183	5,919
Supranational organisations	2,457	-	-	2,457
Impairment	(2,881)	(5,599)	(11,957)	(20,437)
TOTAL	**1,225,514**	**106,461**	**12,570**	**1,344,545**

(1) At 31 December 2022, Stage 3 integrates the impaired assets of Crédit Agricole Italia acquired from Credito Valtellinese for a gross carrying amount of €817 million and a value correction for losses of €414 million, i.e. a net carrying amount of €403 million.

	At 31 December 2021			
	Carrying amount			
	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
France (including overseas departments and territories)	845,771	78,412	14,057	938,240
Other European Union countries[1]	169,555	10,836	4,510	184,901
Other European countries	34,148	3,145	448	37,741
North America	31,506	3,983	238	35,727
Central and South America	8,221	2,098	1,384	11,703
Africa and Middle East	19,785	2,344	1,093	23,222
Asia-Pacific (ex. Japan)	35,238	2,607	267	38,112
Japan	4,975	1,164	130	6,269
Supranational organisations	1,829	-	-	1,829
Impairment	(2,557)	(4,994)	(11,910)	(19,461)
TOTAL	**1,148,471**	**99,595**	**10,217**	**1,258,283**

(1) Stage 3 includes Credito Valtellinese impaired assets for a gross carrying amount of €1,214 million and a loss allowance of €664 million, which includes a preliminary allocation of the first consolidation goodwill of €378 million for receivables due from customers, i.e. a net book value of €550 million.

Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss by geographical area

	At 31 December 2022			
	Carrying amount			
	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
France (including overseas departments and territories)	105,512	491	-	106,003
Other European Union countries	72,515	909	-	73,424
Other European countries	9,271	166	-	9,437
North America	10,813	1,077	-	11,890
Central and South America	411	-	-	411
Africa and Middle East	409	507	-	916
Asia-Pacific (ex. Japan)	4,600	-	-	4,600
Japan	3,339	-	-	3,339
Supranational organisations	2,321	-	-	2,321
TOTAL	**209,191**	**3,150**	**-**	**212,341**

	At 31 December 2021			
	Carrying amount			
	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
France (including overseas departments and territories)	126,097	707	1	126,805
Other European Union countries	88,885	1,434	-	90,319
Other European countries	13,397	275	-	13,672
North America	20,702	558	-	21,260
Central and South America	462	-	-	462
Africa and Middle East	780	771	-	1,551
Asia-Pacific (ex. Japan)	5,630	-	-	5,630
Japan	2,524	-	-	2,524
Supranational organisations	2,349	-	-	2,349
TOTAL	**260,826**	**3,745**	**1**	**264,572**

Due to customers by geographic area

(in millions of euros)	31/12/2022	31/12/2021
France (including overseas departments and territories)	823,775	783,879
Other European Union countries	173,571	160,460
Other European countries	32,974	31,455
North America	18,287	17,419
Central and South America	4,945	5,889
Africa and Middle East	12,557	16,814
Asia-Pacific (ex. Japan)	20,662	17,888
Japan	8,983	10,757
Supranational organisations	4	5
TOTAL AMOUNT DUE TO CUSTOMERS	**1,095,758**	**1,044,566**

Financing commitments by geographical area

	At 31 December 2022			
	Amount of commitment			
	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
France (including overseas departments and territories)	121,907	5,917	492	128,316
Other European Union countries	44,433	1,229	53	45,715
Other European countries	15,010	691	12	15,713
North America	25,948	2,739	9	28,696
Central and South America	2,336	1,233	7	3,576
Africa and Middle East	6,678	506	3	7,187
Asia-Pacific (ex. Japan)	9,012	216	1	9,229
Japan	1,648	-	-	1,648
Supranational organisations	-	-	-	-
Provisions[(1)]	(450)	(498)	(103)	(1,051)
TOTAL	**226,522**	**12,033**	**474**	**239,029**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

	At 31 December 2021			
	Amount of commitment			
	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
France (including overseas departments and territories)	115,391	5,923	324	121,638
Other European Union countries	39,127	1,830	126	41,083
Other European countries	13,370	889	7	14,266
North America	26,587	2,698	2	29,287
Central and South America	2,495	1,360	39	3,894
Africa and Middle East	6,286	553	4	6,843
Asia-Pacific (ex. Japan)	7,773	391	1	8,165
Japan	1,124	-	-	1,124
Supranational organisations	-	-	-	-
Provisions[(1)]	(404)	(507)	(112)	(1,023)
TOTAL	**211,749**	**13,137**	**391**	**225,277**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

Guarantee commitments by geographic area

	At 31 December 2022			
	Amount of commitment			
	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
France (including overseas departments and territories)	36,890	2,962	334	40,186
Other European Union countries	18,818	2,082	1,326	22,226
Other European countries	9,129	1,517	41	10,687
North America	24,688	529	20	25,237
Central and South America	1,377	24	4	1,405
Africa and Middle East	2,166	67	41	2,274
Asia-Pacific (ex. Japan)	10,140	334	1	10,475
Japan	1,324	64	-	1,388
Supranational organisations	-	-	-	-
Provisions[(1)]	(142)	(244)	(398)	(784)
TOTAL	**104,390**	**7,335**	**1,369**	**113,094**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

	At 31 December 2021			
	Amount of commitment			
	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
France (including overseas departments and territories)	46,068	2,642	362	49,072
Other European Union countries	21,184	2,576	1,131	24,891
Other European countries	9,050	287	77	9,414
North America	19,684	559	13	20,256
Central and South America	1,062	99	4	1,165
Africa and Middle East	2,796	72	57	2,925
Asia-Pacific (ex. Japan)	8,728	114	5	8,847
Japan	1,354	91	-	1,445
Supranational organisations	-	-	-	-
Provisions[(1)]	(120)	(261)	(431)	(812)
TOTAL	**109,806**	**6,179**	**1,218**	**117,203**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

3.1.6 Information on watch list or individually impaired financial assets

Analysis of watch list or individually impaired financial assets by customer type

	Carrying amount at 31/12/2022								
	Assets without significant increase in credit risk since initial recognition (Stage 1)			Assets with significant increase in credit risk since initial recognition but not impaired (Stage 2)			Credit-impaired assets (Stage 3)		
(in millions of euros)	≤30 days	>30 days up to ≤90 days	>90 days	≤30 days	>30 days up to ≤90 days	>90 days	≤30 days	>30 days up to ≤90 days	>90 days
Debt securities	**27**	**-**	**-**	**-**	**20**	**-**	**-**	**-**	**-**
General administration	-	-	-	-	-	-	-	-	-
Central Banks	-	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-	-
Large corporates	27	-	-	-	20	-	-	-	-
Retail customers	-	-	-	-	-	-	-	-	-
Loans and receivables	**9,885**	**325**	**-**	**5,506**	**2,573**	**16**	**1,291**	**887**	**5,289**
General administration	2,241	24	-	37	39	3	3	-	116
Central Banks	-	-	-	-	-	-	-	-	-
Credit institutions	1	-	-	1	1	-	-	-	98
Large corporates	5,677	117	-	1,808	1,655	5	937	580	2,441
Retail customers	1,966	184	-	3,660	878	8	351	307	2,634
TOTAL	**9,912**	**325**	**-**	**5,506**	**2,593**	**16**	**1,291**	**887**	**5,289**

	Carrying amount at 31/12/2021								
	Assets without significant increase in credit risk since initial recognition (Stage 1)			Assets with significant increase in credit risk since initial recognition but not impaired (Stage 2)			Credit-impaired assets (Stage 3)		
(in millions of euros)	≤30 days	>30 days up to ≤90 days	>90 days	≤30 days	>30 days up to ≤90 days	>90 days	≤30 days	>30 days up to ≤90 days	>90 days
Debt securities	**2**	**-**	**-**	**-**	**13**	**-**	**-**	**-**	**-**
General administration	-	-	-	-	-	-	-	-	-
Central Banks	-	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-	-
Large corporates	2	-	-	-	13	-	-	-	-
Retail customers	-	-	-	-	-	-	-	-	-
Loans and receivables	**5,917**	**1,013**	**-**	**6,076**	**1,528**	**8**	**797**	**348**	**4,847**
General administration	258	106	-	49	2	-	1	-	20
Central Banks	-	-	-	-	-	-	-	-	-
Credit institutions	(5)	-	-	-	-	-	-	-	44
Large corporates	3,495	653	-	2,608	829	2	451	95	2,389
Retail customers	2,169	254	-	3,419	697	6	345	253	2,394
TOTAL	**5,919**	**1,013**	**-**	**6,076**	**1,541**	**8**	**797**	**348**	**4,847**

3.2 Exposure to sovereign risk

The scope of sovereign exposures recorded covers exposures to Governments, but does not include local authorities. Tax debt is excluded from these amounts.

Exposure to sovereign debt corresponds to an exposure net of impairment (carrying amount) presented both gross and net of hedging.

Crédit Agricole Group's exposure to sovereign risk is as follows:

Banking activity

	Exposures Banking activity net of impairment						
	Other financial instruments at fair value through profit or loss						
31/12/2022 *(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
Germany	-	61	32	430	523	-	523
Saudi Arabia	-	-	-	1,337	1,337	-	1,337
Austria	-	2	5	301	308	11	319
Belgium	-	47	32	1,783	1,862	192	2,054
Brazil	21	-	203	104	328	-	328
China	152	22	-	433	607	-	607
Egypt	-	-	507	369	876	-	876
Spain	-	40	(15)	1,307	1,332	69	1,401
United States	827	1	116	1,930	2,874	211	3,085
France	-	1,116	3,077	19,568	23,761	378	24,139
Hong Kong	44	-	-	1,347	1,391	12	1,403
Italy	-	2	3,241	12,093	15,336	58	15,394
Japan	226	1	1,079	1,273	2,579	(3)	2,576
Lebanon	-	-	-	-	-	-	-
Morocco	-	-	-	-	-	-	-
Poland	1	-	930	249	1,180	-	1,180
United Kingdom	-	1	-	-	1	-	1
Russia	-	-	-	-	-	-	-
Ukraine	-	-	61	677	738	-	738
Other sovereign countries	897	198	787	5,784	7,666	12	7,678
TOTAL	**2,168**	**1,491**	**10,055**	**48,985**	**62,699**	**940**	**63,639**

31/12/2021 *(in millions of euros)*	Exposures Banking activity net of impairment						
	Other financial instruments at fair value through profit or loss						
	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
Germany	-	426	170	394	990	-	990
Saudi Arabia	5	-	-	1,300	1,305	-	1,305
Austria	9	3	6	312	330	-	330
Belgium	-	20	1,911	2,185	4,116	(62)	4,054
Brazil	12	-	214	122	348	-	348
China	212	-	66	262	540	(1)	539
Egypt	1	8	771	328	1,108	-	1,108
Spain	-	5	83	2,218	2,306	13	2,319
United States	2,780	1	98	906	3,785	(122)	3,663
France	-	933	4,056	19,533	24,522	(613)	23,909
Hong Kong	91	-	-	1,274	1,365	-	1,365
Italy	-	13	3,648	12,719	16,380	(314)	16,066
Japan	182	-	440	1,430	2,052	-	2,052
Lebanon	-	-	-	-	-	-	-
Morocco	212	7	202	-	421	-	421
Poland	-	-	772	242	1,014	-	1,014
United Kingdom	-	1	-	-	1	-	1
Russia	-	-	-	-	-	-	-
Ukraine	-	-	111	233	344	-	344
Other sovereign countries	916	228	917	5,214	7,275	(3)	7,212
TOTAL	**4,420**	**1,645**	**13,465**	**48,672**	**68,202**	**(1,102)**	**67,100**

Insurance activity

For the insurance activity, exposure to sovereign debt is presented as net of impairment, before hedging, and corresponds to an exposure before application of sharing mechanisms between insurer and policyholder specific to life insurance.

Gross exposures *(in millions of euros)*	31/12/2022	31/12/2021
Germany	303	323
Saudi Arabia	-	-
Austria	463	546
Belgium	2,642	3,992
Brazil	2	4
China	2	4
Egypt	-	-
Spain	4,788	4,648
United States	76	60
France	38,716	50,923
Hong Kong	-	-
Italy	7,152	8,806
Japan	201	199
Lebanon	-	-
Morocco	1	2
Poland	305	330
United Kingdom	2	3
Russia	-	7
Ukraine	2	-
Other sovereign countries	1,621	2,292
TOTAL EXPOSURES	**56,276**	**72,139**

3.3 Market risk

(See Chapter "Risk factors– Market risk").

Transactions in derivative instruments: analysis by residual maturity

The breakdown of market values of derivative instruments is shown by remaining contractual maturity.

Hedging derivative instruments – Fair value of assets

	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 market value
Interest rate instruments	3,125	14,018	27,581	44,724
Currency instruments	150	312	305	767
Other instruments	-	-	-	-
SUBTOTAL	3,275	14,330	27,886	45,491
Forward currency transactions	5,001	2	-	5,003
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – ASSETS	**8,276**	**14,332**	**27,886**	**50,494**

	31/12/2021			
	Exchange-traded transactions and Over-the-counter transactions			
(in millions of euros)	≤1 year	>1 year up to ≤5 years	>5 years	Total market value
Interest rate instruments	1,655	4,450	9,203	15,308
Currency instruments	74	55	19	148
Other instruments	25	-	-	25
SUBTOTAL	1,754	4,505	9,222	15,481
Forward currency transactions	540	1	1	542
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – ASSETS	**2,294**	**4,506**	**9,223**	**16,023**

Hedging derivative instruments – fair value of liabilities

	31/12/2022			
	Exchange-traded and Over-the-counter transactions			
(in millions of euros)	≤1 year	>1 year up to ≤5 years	>5 years	Total market value
Interest rate instruments	5,211	10,685	24,210	40,106
Currency instruments	97	340	545	982
Other instruments	23	-	-	23
SUBTOTAL	5,331	11,025	24,755	41,111
Forward currency transactions	6,182	11	12	6,205
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – LIABILITIES	**11,513**	**11,036**	**24,767**	**47,316**

	31/12/2021			
	Exchange-traded transaction and Over-the-counter transactions			
(in millions of euros)	≤1 year	>1 year up to ≤5 years	>5 years	Total market value
Interest rate instruments	1,392	5,018	9,787	16,197
Currency instruments	41	37	175	253
Other instruments	15	-	-	15
SUBTOTAL	1,448	5,055	9,962	16,465
Forward currency transactions	353	5	4	362
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – LIABILITIES	**1,801**	**5,060**	**9,966**	**16,827**

Trading derivative instruments – fair value of assets

	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 market value
Interest rate instruments	**5,319**	**15,250**	**27,837**	**48,406**
Currency instruments and gold	**8,527**	**7,527**	**7,813**	**23,867**
Other instruments	**4,932**	**8,246**	**3,086**	**16,264**
SUBTOTAL	18,778	31,023	38,736	88,537
Forward currency transactions	22,354	1,837	151	24,342
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – ASSETS	**41,132**	**32,860**	**38,887**	**112,879**

	31/12/2021			
	Exchange-traded transactions and Over-the-counter transactions			
(in millions of euros)	≤1 year	>1 year up to ≤5 years	>5 years	Total market value
Interest rate instruments	**2,934**	**9,849**	**40,207**	**52,990**
Currency instruments and gold	**5,190**	**4,196**	**4,141**	**13,527**
Other instruments	**1,805**	**7,124**	**2,305**	**11,234**
SUBTOTAL	9,929	21,169	46,653	77,751
Forward currency transactions	12,807	1,049	136	13,992
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – ASSETS	**22,736**	**22,218**	**46,789**	**91,743**

Trading derivative instruments – fair value of liabilities

	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 market value
Interest rate instruments	**7,972**	**16,126**	**33,682**	**57,780**
Currency instruments and gold	**5,888**	**7,758**	**6,854**	**20,500**
Other instruments	**2,205**	**2,947**	**3,224**	**8,376**
SUBTOTAL	16,065	26,831	43,760	86,656
Forward currency transactions	23,271	2,781	370	26,422
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – LIABILITIES	**39,336**	**29,612**	**44,130**	**113,078**

	31/12/2021			
	Exchange-traded transactions and Over-the-counter transactions			
(in millions of euros)	≤1 year	>1 year up to ≤5 years	>5 years	Total market value
Interest rate instruments	**2,116**	**10,652**	**40,175**	**52,943**
Currency instruments and gold	**3,494**	**3,631**	**3,424**	**10,549**
Other instruments	**1,989**	**3,531**	**1,671**	**7,191**
SUBTOTAL	7,599	17,814	45,270	70,683
Forward currency transactions	12,436	710	1,109	14,255
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – LIABILITIES	**20,035**	**18,524**	**46,379**	**84,938**

Transactions in derivative instruments: amount of commitments

(in millions of euros)	31/12/2022 Total notional amount outstanding	31/12/2021 Total notional amount outstanding
Interest rate instruments	**16,061,260**	**12,953,425**
Currency instruments and gold	**590,725**	**551,828**
Other instruments	**202,995**	**189,187**
SUBTOTAL	16,854,980	13,694,440
Forward currency transactions	2,761,152	2,476,281
TOTAL NOTIONAL AMOUNT	**19,616,132**	**16,170,721**

Foreign exchange risk

(See Chapter "Risk management – Foreign exchange risk").

3.4 Liquidity and financing risk

(See Chapter "Risk factors – Balance sheet management".)

Loans and receivables due from credit institutions and from customers by residual maturity

	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)	36,067	4,277	73,968	410	-	114,722
Loans and receivables due from customers (including finance leases)	150,195	110,825	385,410	486,127	1,696	1,134,253
TOTAL	186,262	115,102	459,378	486,537	1,696	1,248,975
Impairment						**(20,307)**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						**1,228,668**

	31/12/2021					
(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)	30,489	2,154	63,843	631	-	97,117
Loans and receivables due from customers (including finance leases)	143,164	105,292	368,013	449,583	4,485	1,070,539
TOTAL	173,653	107,446	431,856	450,214	4,485	1,167,656
Impairment						**(19,361)**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						**1,148,295**

Due to credit institutions and to customers by residual maturity

	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	44,073	71,228	33,404	3,496	-	152,201
Due to customers	1,011,345	45,990	33,934	4,489	-	1,095,758
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**1,055,418**	**117,218**	**67,338**	**7,985**	**-**	**1,247,959**

	31/12/2021					
(in millions of euros)	≤3 months	>3 months to ≤1 year	>1 year to ≤5 years	>5 years	Indefinite	Total
Due to credit institutions	40,821	17,215	152,984	10,172	-	221,192
Due to customers	957,730	39,526	36,986	10,324	-	1,044,566
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**998,551**	**56,741**	**189,970**	**20,496**	**-**	**1,265,758**

Debt securities and subordinated debt

	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	-	2	6	-	-	8
Interbank securities	1,180	552	2,724	1,450	-	5,906
Negotiable debt securities	70,177	35,336	2,954	608	-	109,075
Bonds	3,813	11,344	47,989	39,067	-	102,213
Other debt securities	617	676	1,222	-	-	2,515
TOTAL DEBT SECURITIES	**75,787**	**47,910**	**54,895**	**41,125**	**-**	**219,717**
SUBORDINATED DEBT						
Dated subordinated debt	24	601	12,160	10,164	-	22,949
Undated subordinated debt	-	-	3	-	-	3
Mutual security deposits	-	-	-	-	201	201
Participating securities and loans	2	-	-	-	-	2
TOTAL SUBORDINATED DEBT	**26**	**601**	**12,163**	**10,164**	**201**	**23,155**

	31/12/2021					
(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	1	5	7	-	-	13
Interbank securities	977	1,409	3,989	1,487	-	7,862
Negotiable debt securities	48,602	18,611	2,312	104	-	69,629
Bonds	8,199	6,275	50,083	37,259	-	101,816
Other debt securities	433	702	1,223	27	-	2,385
TOTAL DEBT SECURITIES	**58,212**	**27,002**	**57,614**	**38,877**	**-**	**181,705**
SUBORDINATED DEBT						
Dated subordinated debt	121	35	11,731	13,455	-	25,342
Undated subordinated debt	-	-	3	-	335	338
Mutual security deposits	-	-	-	-	191	191
Participating securities and loans	2	-	-	-	-	2
TOTAL SUBORDINATED DEBT	**123**	**35**	**11,734**	**13,455**	**526**	**25,873**

Financial guarantees at risk given by expected maturity

The amounts presented correspond to the expected amount of the call of financial guarantees at risk, i.e. guarantees that have been impaired or are on a watch list.

	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	148	138	-	-	-	286

	31/12/2021					
(in millions of euros)	≤3 months	>3 months to ≤1 year	>1 year to ≤5 years	>5 years	Indefinite	Total
Financial guarantees given	155	110	-	-	-	265

Contractual maturities of derivative instruments are given in Note 3.2 "Market risk".

3.5 Hedge accounting

(See Note 3.2 "Market risk" and chapter on "Risk management – Balance sheet management")

Fair value hedges

A fair value hedge modifies the risk caused by changes in the fair value of a fixed-rate financial instrument as a result of changes in interest rates. Fair value hedges transform fixed-rate assets or liabilities into floating-rate assets or liabilities.

Items hedged are principally fixed-rate loans, securities, deposits and subordinated debt.

Cash flow hedges

A cash flow hedge modifies the risk related to variability in cash flows arising from floating-rate financial instruments.

Cash flow hedges notably include the floating rate hedges of loans and deposits.

Hedge of net investment in foreign currency

A hedge of a net investment in foreign currency modifies the risk inherent in exchange rate fluctuations connected with foreign currency investments in subsidiaries.

Hedging derivatives

	31/12/2022			31/12/2021		
	Market value		Notional amount	Market value		Notional amount
(en millions d'euros)	positive	negative		positive	negative	
Fair value hedges	**48,135**	**41,422**	**1,104,118**	**15,052**	**15,983**	**980,660**
Cash flow hedges	**1,365**	**4,927**	**82,533**	**967**	**794**	**73,300**
Hedges of net investments in foreign operations	**994**	**967**	**6,218**	**4**	**50**	**2,441**
TOTAL HEDGING DERIVATIVE INSTRUMENTS	**50,494**	**47,316**	**1,192,869**	**16,023**	**16,827**	**1,056,401**

Hedging derivative instruments: analysis by residual maturity (notionals)

The breakdown of notional values of derivative instruments is shown by remaining contractual maturity.

	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	**374,491**	**366,132**	**368,344**	**1,108,967**
Currency instruments	**8,447**	**1,157**	**143**	**9,747**
Other instruments	**108**	**1**	**-**	**109**
SUBTOTAL	383,046	367,290	368,487	1,118,823
Forward currency transactions	60,382	10,398	3,266	74,046
TOTAL NOTIONAL OF HEDGING DERIVATIVES	**443,428**	**377,688**	**371,753**	**1,192,869**

	31/12/2021			
	Exchange-traded			
(in millions of euros)	≤1 year	>1 year up to ≤5 years	>5 years	Total notional
Interest rate instruments	**341,068**	**325,632**	**323,333**	**990,033**
Currency instruments	**11,056**	**692**	**7**	**11,755**
Other instruments	**134**	**-**	**-**	**134**
SUBTOTAL	352,258	326,324	323,340	1,001,922
Forward currency transactions	42,800	7,866	3,813	54,479
TOTAL NOTIONAL OF HEDGING DERIVATIVES	**395,058**	**334,190**	**327,153**	**1,056,401**

Note 3.2 "Market risk – Derivative instruments: analysis by residual maturity" breaks down the market value of hedging derivative instruments by remaining contractual maturity.

Fair value hedges

Hedging derivatives

(in millions of euros)	31/12/2022			
	Carrying amount		Changes in fair value during the period (including end of hedges during the period)	Notional Amount
	Assets	Liabilities		
Fair value hedges				
Organised markets and over the counter markets	**14,980**	**25,186**	**(6,989)**	**359,181**
Interest rate	11,005	20,735	(6,404)	329,908
Foreign exchange	3,975	4,451	(585)	29,273
Other	-	-	-	-
TOTAL FAIR VALUE MICRO-HEDGING	14,980	25,186	(6,989)	359,181
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	33,155	16,236	15,218	744,937
TOTAL FAIR VALUE HEDGES	**48,135**	**41,422**	**8,229**	**1,104,118**

(in millions of euros)	31/12/2021			
	Carrying amount		Changes in fair value during the period (including end of hedges during the period)	Notional Amount
	Assets	Liabilities		
Fair value hedges				
Organised markets and over the counter markets	**4,550**	**7,044**	**(1,298)**	**305,483**
Interest rate	4,224	7,006	(1,748)	285,967
Foreign exchange	326	38	450	19,516
Other	-	-	-	-
TOTAL FAIR VALUE MICRO-HEDGING	4,550	7,044	(1,298)	305,483
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	10,502	8,939	2,503	675,177
TOTAL FAIR VALUE HEDGES	**15,052**	**15,983**	**1,205**	**980,660**

Changes in the fair value of hedging derivatives are recognised under “Net gains (losses) on financial instruments at fair value through profit or loss” in the income statement.

Hedged items

Micro-hedging *(in millions of euros)*	31/12/2022 Carrying amount	Present hedges: of which accumulated fair value hedge adjustments	Ended hedges: 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	**26,892**	**(1,705)**	**-**	**(2,375)**
Interest rate	26,892	(1,705)	-	(2,375)
Foreign exchange	-	-	-	-
Other	-	-	-	-
Debt instruments at amortised cost	**104,555**	**(5,715)**	**26**	**(8,232)**
Interest rate	100,889	(5,711)	26	(8,198)
Foreign exchange	3,666	(4)	-	(34)
Other	-	-	-	-
TOTAL FAIR VALUE HEDGES ON ASSETS ITEMS	131,447	(7,420)	26	(10,607)
Debt instruments at amortised cost	**178,010**	**(15,011)**	**-**	**(17,572)**
Interest rate	159,062	(14,642)	-	(16,953)
Foreign exchange	18,948	(369)	-	(619)
Other	-	-	-	-
TOTAL FAIR VALUE HEDGES ON LIABILITIES ITEMS	178,010	(15,011)	-	(17,572)

Micro-hedging *(in millions of euros)*	31/12/2021 Carrying amount	Present hedges: of which accumulated fair value hedge adjustments	Ended hedges: 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	**38,392**	**241**	**-**	**(424)**
Interest rate	38,392	241	-	(424)
Foreign exchange	-	-	-	-
Other	-	-	-	-
Debt instruments at amortised cost	**108,742**	**2,421**	**61**	**(1,941)**
Interest rate	104,081	2,434	62	(1,671)
Foreign exchange	4,661	(13)	(1)	(270)
Other	-	-	-	-
TOTAL FAIR VALUE HEDGES ON ASSETS ITEMS	147,134	2,662	61	(2,365)
Debt instruments at amortised cost	**159,669**	**2,148**	**-**	**(3,647)**
Interest rate	147,764	1,905	-	(3,781)
Foreign exchange	11,905	243	-	134
Other	-	-	-	-
TOTAL FAIR VALUE HEDGES ON LIABILITIES ITEMS	159,669	2,148	-	(3,647)

The fair value of the hedged portions of micro-hedged financial instruments at fair value is recognised in the balance sheet item to which it relates. Changes in the fair value of the hedged portions of micro-hedged financial instruments at fair value are recognised under "Net gains (losses) on financial instruments at fair value through profit or loss" in the income statement.

Macro-hedging *(in millions of euros)*	31/12/2022 Carrying amount	31/12/2022 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	3,788	-
Debt instruments at amortised cost	491,508	(1,307)
TOTAL – ASSETS	**495,296**	**(1,307)**
Debt instruments at amortised cost	240,315	22
TOTAL – LIABILITIES	**240,315**	**22**

Macro-hedging *(in millions of euros)*	31/12/2021 Carrying amount	31/12/2021 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	5,790	-
Debt instruments at amortised cost	446,719	488
TOTAL – ASSETS	**452,509**	**488**
Debt instruments at amortised cost	227,120	183
TOTAL – LIABILITIES	**227,120**	**183**

The fair value of the hedged portions of macro-hedged financial instruments at fair value is recognised under “Revaluation adjustment on interest rate hedged portfolios” on the balance sheet. Changes in the fair value of the hedged portions of macro-hedged financial instruments at fair value 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

	31/12/2022		
		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
Interest rate	8,814	(8,764)	50
Foreign exchange	(585)	585	-
Other	-	-	-
TOTAL	**8,229**	**(8,179)**	**50**

	31/12/2021		
		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
Interest rate	757	(846)	(89)
Foreign exchange	450	(405)	45
Other	-	-	-
TOTAL	**1,207**	**(1,251)**	**(44)**

Cash flow hedges and hedges of net investments in foreign operations (NIH)

Hedging derivatives

	31/12/2022			
	Carrying amount			
(in millions of euros)	Assets	Liabilities	Changes in fair value during the period (including termination of hedges during the period)	Notional amount
Cash flow hedges				
Organised markets and over the counter markets	**849**	**1,978**	**(186)**	**48,636**
Interest rate	52	199	(126)	2,095
Foreign exchange	797	1,756	(60)	46,432
Other	-	23	-	109
TOTAL CASH FLOW MICRO-HEDGING	849	1,978	(186)	48,636
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	512	2,936	(2,717)	32,027
Cash flow hedges of the foreign exchange exposure of a portfolio of financial instruments	4	13	-	1,870
TOTAL CASH FLOW MACRO-HEDGING	516	2,949	(2,717)	33,897
TOTAL CASH FLOW HEDGES	**1,365**	**4,927**	**(2,903)**	**82,533**
HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	994	967	8	6,218

	31/12/2021			
	Carrying amount			
(in millions of euros)	Assets	Liabilities	Changes in fair value during the period (including termination of hedges during the period)	Notional amount
Cash flow hedges				
Organised markets and over the counter markets	**442**	**601**	**(709)**	**40,515**
Interest rate	59	69	(686)	1,030
Foreign exchange	358	517	(23)	39,351
Other	25	15	-	134
TOTAL CASH FLOW MICRO-HEDGING	442	601	(709)	40,515
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	523	183	(670)	27,859
Cash flow hedges of the foreign exchange exposure of a portfolio of financial instruments	2	10	(11)	4,926
TOTAL CASH FLOW MACRO-HEDGING	525	193	(681)	32,785
TOTAL CASH FLOW HEDGES	**967**	**794**	**(1,390)**	**73,300**
HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	4	50	5	2,441

Changes in the fair value of hedging derivatives are recognised under “Other comprehensive income” save for the ineffective portion of the hedging relationship which is recognised under “Net gains (losses) on financial instruments at fair value through profit or loss” in the income statement.

Hedge accounting impacts

	31/12/2022		
	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
Cash flow hedges	**-**	**-**	**-**
Interest rate	(2,844)	-	1
Foreign exchange	(60)	(1)	-
Commodities	-	-	-
Other	-	-	-
Total Cash flow hedges	**(2,904)**	**(1)**	**1**
Hedges of net investments in foreign operations	**8**	**-**	**-**
TOTAL CASH FLOW HEDGES AND HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**(2,896)**	**(1)**	**1**

	31/12/2021		
	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
Cash flow hedges	**-**	**-**	**-**
Interest rate	(1,358)	-	2
Foreign exchange	(34)	-	-
Commodities	-	-	-
Other	-	-	-
Total Cash flow hedges	**(1,392)**	**-**	**2**
Hedges of net investments in foreign operations	**5**	**-**	**-**
TOTAL CASH FLOW HEDGES AND HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**(1,387)**	**-**	**2**

3.6 Operational risks

(See Chapter “Risk factors – Operational risks”).

3.7 Capital management and regulatory ratios

The Crédit Agricole S.A. Finance department is tasked with ensuring the adequacy of liquidity and capital between the requirements generated by the Group’s global operations and its liquidity and capital financial resources. It is responsible for monitoring the prudential and regulatory ratios (solvency, liquidity, leverage, resolution) of Crédit Agricole Group and of Crédit Agricole S.A. To this end, it sets out the principles and ensures a cohesive financial management system throughout the Group.

Information on capital management and compliance with regulatory ratios as required by IAS 1 is presented in the chapter “Risk factors and Pillar 3”.

The Group’s management of banking risks is handled by the Group Risk Management and Permanent Controls department. This department reports to the Deputy Chief Executive Officer in charge of Steering and Control of Crédit Agricole S.A. and its task is to control credit, financial and operational risks on a permanent basis.

A description of these processes and commentary appear in the chapter on “Risk management” in the management report, as allowed by IFRS 7. Nonetheless, the accounting breakdowns are still 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)	31/12/2022	31/12/2021
On financial assets at amortised cost	**30,887**	**24,646**
Interbank transactions	4,354	2,603
Customer transactions	23,032	19,860
Finance leases	1,634	1,341
Debt securities	1,867	842
On financial assets recognised at fair value through other comprehensive income	**4,941**	**4,630**
Interbank transactions	-	-
Customer transactions	-	-
Debt securities	4,941	4,630
Accrued interest receivable on hedging instruments	**1,746**	**2,313**
Other interest income	**74**	**45**
INTEREST AND SIMILAR INCOME (1) (2)	**37,648**	**31,634**
On financial liabilities at amortised cost	**(15,262)**	**(9,589)**
Interbank transactions	(1,759)	(1,414)
Crédit Agricole internal transactions	-	(13)
Customer transactions	(8,685)	(4,814)
Finance leases	(791)	(632)
Debt securities	(3,467)	(2,103)
Subordinated debt	(560)	(613)
Accrued interest receivable on hedging instruments	**(1,444)**	**(2,221)**
Other interest expenses	**(33)**	**(41)**
INTEREST AND SIMILAR EXPENSES (3)	**(16,739)**	**(11,851)**

(1) €363 million of which for impaired loans (Stage 3) as at 31 December 2022 versus €312 million as at 31 December 2021.
(2) Includes €871 million in negative interest on financial liabilities at 31 December 2022 (€1.6 billion at 31 December 2021).
(3) Includes -€109 million in negative interest on financial assets at 31 December 2022 (-€196 million at 31 December 2021).

4.2 Fee and commission income and expenses

	31/12/2022			31/12/2021		
(in millions of euros)	Income	Expense	Net	Income	Expense	Net
Interbank transactions	342	(87)	255	290	(89)	201
Customer transactions	1,859	(256)	1,603	1,625	(236)	1,389
Securities transactions	46	(139)	(93)	36	(137)	(101)
Foreign exchange transactions	69	(59)	10	56	(38)	18
Derivative instruments and other off-balance sheet items	258	(177)	81	378	(211)	167
Payment instruments and other banking and financial services	7,425	(2,597)	4,828	7,032	(2,212)	4,820
Mutual funds management, fiduciary and similar operations	5,907	(1,646)	4,261	5,952	(1,695)	4,257
TOTAL FEES AND COMMISSIONS INCOME AND EXPENSE	**15,906**	**(4,961)**	**10,945**	**15,371**	**(4,621)**	**10,750**

Asset Gathering and Retail Banking (in France and internationally) were the main contributors of fee and commission income from customer transactions and transactions involving payment instruments and other banking and financial services.

Fee and commission income from managing UCITS, trusts and similar activities are mainly related to Asset Gathering.

4.3 Net gains (losses) on financial instruments at fair value through profit or loss

(in millions of euros)	31/12/2022	31/12/2021
Dividends received	1,137	1,145
Unrealised or realised gains (losses) on held for trading assets/liabilities	(5,615)	1,555
Unrealised or realised gains (losses) on equity instruments at fair value through profit or loss	(1,670)	2,273
Unrealised or realised gains (losses) on debt instruments that do not meet the conditions of the "SPPI" test	(3,166)	3,201
Net gains (losses) on assets backing unit-linked contracts	(7,171)	5,854
Unrealised or realised gains (losses) on assets/liabilities designated at fair value through profit or loss[1]	3,122	(270)
Net gains (losses) on Foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	3,104	1,125
Gains (losses) from hedge accounting	51	(44)
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**(10,208)**	**14,839**

(1) Excluding issuer credit spread for liabilities designated at fair value through profit or loss (unless the standard allows for an exception to eliminate or reduce a mismatch in the income statement).

Analysis of net gains (losses) from hedge accounting:

			31/12/2022
(in millions of euros)	Gains	Losses	Net
Fair value hedges	**37,130**	**(37,154)**	**(24)**
Changes in fair value of hedged items attributable to hedged risks	22,064	(15,099)	6,965
Changes in fair value of hedging derivatives (including termination of hedges)	15,066	(22,055)	(6,989)
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	**62,604**	**(62,530)**	**74**
Changes in fair value of hedged items	23,724	(38,868)	(15,144)
Changes in fair value of hedging derivatives	38,880	(23,662)	15,218
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	**2**	**(1)**	**1**
Changes in fair value of hedging instrument – ineffective portion	2	(1)	1
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**99,736**	**(99,685)**	**51**

			31/12/2021
(in millions of euros)	Gains	Losses	Net
Fair value hedges	**11,447**	**(11,463)**	**(16)**
Changes in fair value of hedged items attributable to hedged risks	6,338	(5,056)	1,282
Changes in fair value of hedging derivatives (including termination of hedges)	5,109	(6,407)	(1,298)
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	**20,800**	**(20,830)**	**(30)**
Changes in fair value of hedged items	9,095	(11,628)	(2,533)
Changes in fair value of hedging derivatives	11,705	(9,202)	2,503
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	**4**	**(2)**	**2**
Changes in fair value of hedging instrument – ineffective portion	4	(2)	2
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**32,251**	**(32,295)**	**(44)**

Details of gains (losses) from hedge accounting by type of relationship (fair value hedges, cash flow hedges etc.) are presented in Note 3.4 "Hedge accounting".

4.4 Net gains (losses) on financial instruments at fair value through other comprehensive income

(in millions of euros)	31/12/2022	31/12/2021
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss[1]	(328)	(29)
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)[2]	102	90
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	**(226)**	**61**

(1) *Excluding realised gains or losses from impaired debt instruments (Stage 3) mentioned in Note 4.9 "Cost of risk".*
(2) *Including no dividends on equity instruments at fair value through equity that cannot be reclassified and derecognised during the period.*

4.5 Net gains (losses) arising from the derecognition of financial assets at amortised cost

(in millions of euros)	31/12/2022	31/12/2021
Debt securities	48	43
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	-	11
Gains arising from the derecognition of financial assets at amortised cost	**48**	**54**
Debt securities	(76)	(5)
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	(14)	(4)
Losses arising from the derecognition of financial assets at amortised cost	**(90)**	**(9)**
NET GAINS (LOSSES) ARISING FROM THE DERECOGNITION OF FINANCIAL ASSETS AT AMORTISED COST[1]	**(42)**	**45**

(1) *Excluding realised gains or losses from the derecognition of impaired debt instruments (Stage 3) mentioned in Note 4.9 "Cost of risk".*

4.6 Net income (expenses) on other activities

(in millions of euros)	31/12/2022	31/12/2021
Gains (losses) on fixed assets not used in operations	(40)	(32)
Other net income from insurance activities[1]	8,801	11,816
Change in insurance technical reserves[2]	6,814	(20,846)
Net income from investment property	192	207
Other net income (expense)	491	367
INCOME (EXPENSE) RELATED TO OTHER ACTIVITIES	**16,258**	**(8,488)**

(1) *The €3 billion decrease in other net insurance income compared to 31 December 2021 is mainly due to a decrease in revenues in the Savings/Retirement business (-€2 billion).*
(2) *The reversals of technical reserves increase of €28 billion mainly reflects the unfavourable change in value adjustments on unit-linked contracts and the decrease in the fair value of the financial assets.*

4.7 Operating expenses

(in millions of euros)	31/12/2022	31/12/2021
Employee expenses	(14,213)	(13,839)
Taxes other than on income or payroll-related and regulatory contributions[1]	(1,539)	(1,206)
External services and other operating expenses	(6,812)	(6,124)
OPERATING EXPENSES	**(22,564)**	**(21,169)**

(1) *-€801 million of which is recognised for the Single Resolution Fund as at 31 December 2022 (versus -€479 million as at 31 December 2021).*

Fees paid to Statutory Auditors

The breakdown of fees paid to Statutory Auditors by firm and type of engagement by fully consolidated Crédit Agricole Group companies was as follows in 2022:

Board of Statutory Auditors of Crédit Agricole Group

	Ernst & Young		PricewaterhouseCoopers		
(in millions of euros excluding taxes)	**2022**	**2021**	**2022**	**2021**	**Total 2022**
Statutory audit, certification, review of individual and consolidated financial statements	**16.01**	**16.83**	**18.55**	**17.69**	**34.56**
Issuer	2.61	2.04	2.34	2.07	4.95
Fully consolidated subsidiaries	13.40	14.79	16.21	15.62	29.61
Non audit services	**6.01**	**8.99**	**9.26**	**8.87**	**15.27**
Issuer	0.87	0.67	1.01	1.17	1.88
Fully consolidated subsidiaries	5.14	8.32	8.25	7.70	13.39
TOTAL	**22.02**	**25.82**	**27.81**	**26.56**	**49.83**

The total sum of fees paid to PricewaterhouseCoopers Audit, Statutory Auditor of Crédit Agricole Group, appearing in the consolidated income statement for the financial year, amounts to €15.2 million, of which €12.4 million relates to the certification of the accounts of Crédit Agricole Group and its subsidiaries, and €2.8 million relates to non-audit services (comfort letters, agreed-upon procedures, responsibility statements, services relating to social and environmental information, consultations etc.).

The total sum of fees paid to Ernst & Young et Autres, Statutory Auditor of Crédit Agricole Group, appearing in the consolidated income statement for the financial year, amounts to €10.3 million, €7.9 million of which relates to the audit of the financial statements of Crédit Agricole Group and its subsidiaries, and €2.4 million relates to non-audit services (comfort letters, agreed-upon procedures, responsibility statements, services relating to social and environmental information, consultations etc.).

4.8 Depreciation, amortisation and impairment of property, plant & equipment and intangible assets

(in millions of euros)	**31/12/2022**	**31/12/2021**
Depreciation and amortisation	**(1,895)**	**(1,885)**
Property, plant and equipment(1)	(1,379)	(1,390)
Intangible assets	(516)	(495)
Impairment losses (reversals)	**6**	**(27)**
Property, plant and equipment	-	(13)
Intangible assets	6	(14)
DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS	**(1,889)**	**(1,912)**

(1) Including -€508 million recognised for the amortisation of the right-of-use at 31 December 2022 versus -€518 million at 31 December 2021.

4.9 Cost of risk

(in millions of euros)	31/12/2022	31/12/2021
CHARGES NET OF REVERSALS TO IMPAIRMENTS ON PERFORMING ASSETS (STAGE 1 OR STAGE 2)	(1,155)	(618)
Stage 1: Loss allowance measured at an amount equal to 12-month expected credit loss	**(398)**	**(104)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	2	1
Debt instruments at amortised cost	(333)	(111)
Commitments by signature	(67)	6
Stage 2: Loss allowance measured at an amount equal to lifetime expected credit loss	**(757)**	**(514)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	(1)	2
Debt instruments at amortised cost	(794)	(396)
Commitments by signature	38	(120)
CHARGES NET OF REVERSALS TO IMPAIRMENTS ON CREDIT-IMPAIRED ASSETS (STAGE 3)	(1,776)	(1,442)
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-
Debt instruments at amortised cost	(1,802)	(1,356)
Commitments by signature	26	(86)
Other assets	(5)	(2)
Risks and expenses	98	(65)
CHARGES NET OF REVERSALS TO IMPAIRMENT LOSSES AND PROVISIONS	(2,838)	(2,127)
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	4	-
Losses on non-impaired loans and bad debt	(291)	(214)
Recoveries on loans and receivables written off	289	237
Recognised at amortised cost	*289*	*237*
Recognised in other comprehensive income that may be reclassified to profit or loss	*-*	*-*
Discounts on restructured loans	(15)	(26)
Losses on commitments by signature	(1)	(1)
Other losses	(46)	(69)
Other gains	5	7
COST OF RISK	**(2,893)**	**(2,193)**

4.10 Net gains (losses) on other assets

(in millions of euros)	31/12/2022	31/12/2021
Property, plant & equipment and intangible assets used in operations	**30**	**2**
Gains on disposals	52	38
Losses on disposals	(22)	(36)
Consolidated equity investments	**4**	**(13)**
Gains on disposals	7	27
Losses on disposals	(3)	(40)
Net income (expense) on combinations	**(6)**	**(16)**
NET GAINS (LOSSES) ON OTHER ASSETS	**28**	**(27)**

4.11 Income tax

Tax charge

(in millions of euros)	31/12/2022	31/12/2021
Current tax charge	(2,218)	(2,785)
Deferred tax charge	(195)	345
Reclassification of current tax charge (income) related to overlay approach	(95)	(23)
TOTAL TAX CHARGE	**(2,508)**	**(2,463)**

Reconciliation of the theoretical tax rate and the effective tax rate

As 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	10,844	25.83%	(2,801)
Impact of permanent differences		(0.26)%	28
Impact of different tax rates on foreign subsidiaries		0.30%	(32)
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		(0.39)%	43
Impact of reduced tax rate		(1.38)%	150
Impact of other items		(0.90)%	98
EFFECTIVE TAX RATE AND TAX CHARGE		**23.13%**	**(2,508)**

The theoretical tax rate is the standard tax rate (including the additional social contribution) on taxable profits in France at 31 December 2022.

As at 31 December 2021

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	11,521	28.41%	(3,273)
Impact of permanent differences		(3.88)%	447
Impact of different tax rates on foreign subsidiaries		(0.72)%	83
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		0.36%	(41)
Impact of reduced tax rate		(1.45)%	167
Impact of other items		(1.34)%	154
EFFECTIVE TAX RATE AND TAX CHARGE		**21.38%**	**(2,463)**

The theoretical tax rate is the standard tax rate (including the additional social contribution) on taxable profits in France at 31 December 2021.

4.12 Changes in other comprehensive income

The breakdown of income and expenses recognised for the period is presented below:

Breakdown of total other comprehensive income

(in millions of euros)	31/12/2022	31/12/2021
OTHER COMPREHENSIVE INCOME ON ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX		
Gains and losses on translation adjustments	**201**	**957**
Revaluation adjustment of the period	201	957
Reclassified to profit or loss	-	-
Other changes	-	-
Other comprehensive income on debt instruments that may be reclassified to profit or loss	**(7,462)**	**(1,499)**
Revaluation adjustment of the period	(7,692)	(1,514)
Reclassified to profit or loss	230	(55)
Other changes	-	70
Gains and losses on hedging derivative instruments	**(2,803)**	**(886)**
Revaluation adjustment of the period	(2,803)	(886)
Reclassified to profit or loss	-	-
Other changes	-	-
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	**(569)**	**182**
Revaluation adjustment of the period	(564)	186
Reclassified to profit or loss	-	-
Other changes	(5)	(4)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	**48**	**103**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**2,743**	**629**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**-**	**(3)**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**26**	**(32)**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX	(7,816)	(549)
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	538	245
Other comprehensive income on financial liabilities attributable to changes in own credit risk	**776**	**(13)**
Revaluation adjustment of the period	770	(14)
Reclassified to reserves	6	1
Other changes	-	-
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	**91**	**95**
Revaluation adjustment of the period	78	80
Reclassified to reserves	135	57
Other changes	(122)	(42)
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**18**	**-**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**(345)**	**(41)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**(9)**	**(14)**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**-**	**(1)**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX	1,069	295
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**(6,747)**	**(254)**
Of which Group share	(6,718)	(323)
Of which non-controlling interests	(29)	69

Note 5 Segment information

Definition of operating segments

According to IFRS 8, information disclosed is based on the internal reporting that is used by the Executive Committee to manage the Crédit Agricole Group, to assess performance, and to make decisions about resources to be allocated to the identified operating segments.

Operating segments according to the internal reporting consist of the business lines of the Group.

As at 31 December 2022, the Crédit Agricole Group's activities were organised into seven operating segments:

- the following six business lines:
  - French Retail Banking – Regional Banks,
  - French Retail Banking – LCL,
  - International Retail Banking,
  - Asset Gathering,
  - Large Customers,
  - Specialised Financial Services;
- as well as the "Corporate Centre".

Presentation of business lines

French Retail Banking – Regional Banks

This business line comprises the Regional Banks and their subsidiaries.

The Regional Banks have a strong local presence and work alongside individual customers, farmers, small businesses, corporates and local authorities.

Crédit Agricole's Regional Banks offer the full range of banking and financial products and services: savings products (money market, bonds, securities and funds), financing products (particularly home loans and consumer finance), insurance products (life and non-life insurance), as well as payment instruments, personal services, para-banking services and asset management.

French Retail Banking – LCL

LCL is a French Retail Banking network with a strong presence in urban areas. It is organised into four business lines: retail banking for individual customers, retail banking for small businesses, private banking and corporate banking.

LCL offers a full range of banking products and services, together with asset management, insurance and wealth management products.

International Retail Banking

This business line encompasses international subsidiaries and equity investments that are mainly involved in Retail Banking.

These subsidiaries and equity investments are primarily located in Europe: Crédit Agricole Italia in Italy, Crédit Agricole Polska in Poland, as well as in Ukraine, but also in the Mediterranean region with Crédit Agricole Egypt and a 15% stake in Crédit du Maroc.

The international consumer credit, leasing and factoring subsidiaries (subsidiaries of Crédit Agricole Consumer Finance, Crédit Agricole Leasing & Factoring and EFL in Poland etc.) are not included in this segment, but in "Specialised Financial Services", except Calit in Italy, which is part of International Retail Banking.

Asset Gathering

This business line brings together:

- the insurance activities of Crédit Agricole Group companies to support customers at every stage of their lives and cover all their property & casualty and life insurance needs in France and abroad, via the following three business lines:
  - Savings and retirement,
  - Death & disability/creditor/group insurance,
  - Property and casualty insurance.

  In December 2022, Crédit Agricole Assurances announced the launch of its supplemental professional retirement fund, named Crédit Agricole Assurances Retraite, which will offer comprehensive and dedicated solutions, including individual and group retirement savings plans (*plans d'épargne retraite,* or PER);
- the asset management activities of the Amundi Group, offering savings solutions for retail clients and investment and technology solutions for institutional investors in Europe, Asia and the Americas through a full range of active and passive management services in traditional or real assets. The acquisition of Lyxor on 31 December 2021, which was finalised in 2022, strengthened Amundi's positioning;
- as well as wealth management activities conducted mainly by Indosuez Wealth Management subsidiaries (CA Indosuez (Switzerland) S.A., CA Indosuez Wealth (Europe), CFM Indosuez Wealth and CA Indosuez).

Specialised Financial Services

Specialised Financial Services comprises the Group entities that provide financial products and services to individual customers, small businesses, corporates, farmers and local authorities in France and abroad. These are:

- companies offering consumer finance, leasing and mobility solutions around Crédit Agricole Consumer Finance in France (Sofinco, as well as the management of the consumer finance activity on behalf of the Regional Banks and LCL) and through its international subsidiaries or partnerships (Agos, Creditplus Bank, Credibom, CACF Spain, FCA Bank[(1)], GAC Sofinco and Wafasalaf);
- specialised financial services for corporates, such as factoring and lease finance (Crédit Agricole Leasing & Factoring Group, EFL) and financing specifically for energy and the regions, for corporates, local authorities and farmers, who are actors in the energy transition (through Unifergie, a subsidiary of Crédit Agricole Leasing & Factoring).

Large Customers

The Large Customers division includes corporate and investment banking, which itself consists of two main lines of business most of which are carried out by Crédit Agricole CIB, and asset servicing for institutions and issuers carried out by CACEIS:

- financing activities, which include corporate banking and structured finance in France and internationally. Structured finance consists of originating, structuring and financing investment transactions often collateralised by physical assets (planes, boats, office buildings, commodities etc.) and complex and structured credit instruments;

(1) In the first half of 2023, CACF will acquire 100% of FCA Bank and will create, along with Stellantis, a joint-venture formed from the merger of Leasys and Freetomove, in which it will hold 50%.

- capital markets and investment banking activities bring together capital market activities (treasury, foreign exchange, interest rate derivatives, bond markets), and investment banking activities (mergers and acquisitions consulting and primary equity advisory);
- financial services for institutional investors and issuers: CACEIS Bank for custody and depositary services, CACEIS Fund Administration for fund administration services and CACEIS Corporate Trust[1] for issuer services.

Corporate Centre

This segment encompasses:

- Crédit Agricole S.A.'s Corporate Centre function, asset and liability management and management of debt connected with acquisitions of subsidiaries or equity investments and the net impact of tax consolidation for Crédit Agricole S.A.;
- the results from private equity activities and various other Crédit Agricole Group companies (particularly CA Immobilier, Uni-médias, Foncaris, BForBank etc.);
- the results from services companies including IT and payment companies (CA-GIP and CAPS) and real-estate companies.

The division also includes the technical and volatile impacts related to intragroup transactions.

5.1 Operating segment information

Transactions between operating segments are effected at arm's length.

Segment assets are determined based on balance sheet elements for each operating segment.

	31/12/2022							
	French Retail Banking							
(in millions of euros)	Regional Banks	LCL	International Retail Banking	Asset Gathering	Large Customers	Specialised Financial Services	Corporate Centre	Total
Revenues	14,188	3,850	3,373	6,902	7,012	2,782	55	38,162
Operating expenses	(9,597)	(2,389)	(2,169)	(3,329)	(4,347)	(1,478)	(1,144)	(24,453)
GROSS OPERATING INCOME	**4,591**	**1,461**	**1,204**	**3,573**	**2,665**	**1,304**	**(1,089)**	**13,709**
Cost of risk	(1,136)	(237)	(701)	(17)	(251)	(533)	(18)	(2,893)
OPERATING INCOME	**3,455**	**1,224**	**503**	**3,556**	**2,414**	**771**	**(1,107)**	**10,816**
Share of net income of equity-accounted entities	5	-	2	88	16	309	-	420
Net gains (losses) on other assets	24	8	7	(2)	(9)	2	(2)	28
Change in value of goodwill	-	-	-	-	-	-	-	-
PRE-TAX INCOME	**3,484**	**1,232**	**512**	**3,642**	**2,421**	**1,082**	**(1,109)**	**11,264**
Income tax charge	(853)	(300)	(67)	(830)	(592)	(222)	356	(2,508)
Net income from discontinued operations	-	-	(6)	123	-	-	-	117
NET INCOME	**2,631**	**932**	**439**	**2,935**	**1,829**	**860**	**(753)**	**8,873**
Non-controlling interests	1	-	112	422	91	109	(6)	729
NET INCOME GROUP SHARE	**2,630**	**932**	**327**	**2,513**	**1,738**	**751**	**(747)**	**8,144**

	31/12/2022							
	French Retail Banking							
(in millions of euros)	Regional Banks	LCL	International Retail Banking	Asset Gathering	Large Customers	Specialised Financial Services	Corporate Centre	Total
SEGMENT ASSETS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Of which investments in equity-accounted entities	91	-	9	4,866	322	3,139	-	8,427
Of which goodwill	21	4,354	822	8,131	1,407	1,337	117	16,189
TOTAL ASSETS	**905,470**	**214,143**	**106,495**	**499,327**	**1,098,415**	**100,948**	**(545,678)**	**2,379,120**

(1) As of 01/01/2023, the issuer services activities of CACEIS and BNP Paribas in France will be grouped together within a new structure, Uptevia, which will be owned equally by these two banks.

(in millions of euros)	31/12/2021 French Retail Banking Regional Banks	LCL	International Retail Banking	Asset Gathering	Large Customers	Specialised Financial Services	Corporate Centre	Total
Revenues	14,096	3,696	3,180	6,528	6,318	2,692	312	36,822
Operating expenses	(9,074)	(2,371)	(2,331)	(3,012)	(4,036)	(1,402)	(855)	(23,081)
GROSS OPERATING INCOME	**5,022**	**1,325**	**849**	**3,516**	**2,282**	**1,290**	**(543)**	**13,741**
Cost of risk	(605)	(222)	(786)	(18)	(39)	(505)	(18)	(2,193)
OPERATING INCOME	**4,417**	**1,103**	**63**	**3,498**	**2,243**	**785**	**(561)**	**11,548**
Share of net income of equity-accounted entities	(11)	-	3	84	8	308	-	392
Net gains (losses) on other assets	27	6	(13)	-	(39)	(8)	-	(27)
Change in value of goodwill[(1)]	-	-	497	-	-	-	-	497
PRE-TAX INCOME	**4,433**	**1,109**	**550**	**3,582**	**2,212**	**1,085**	**(561)**	**12,410**
Income tax charge	(1,249)	(309)	198	(643)	(512)	(120)	172	(2,463)
Net income from discontinued operations	-	-	1	5	-	-	-	6
NET INCOME	**3,184**	**800**	**749**	**2,944**	**1,700**	**965**	**(389)**	**9,953**
Non-controlling interests	1	-	132	501	57	157	4	852
NET INCOME GROUP SHARE	**3,183**	**800**	**617**	**2,443**	**1,643**	**808**	**(393)**	**9,101**

(1) *Negative goodwill of €497 million following the acquisition of Credito Valtellinese by CA Italia.*

(in millions of euros)	31/12/2021 French Retail Banking Regional Banks	LCL	International Retail Banking	Asset Gathering	Large Customers	Specialised Financial Services	Corporate Centre	Total
SEGMENT ASSETS								
Of which investments in equity-accounted entities	86	-	-	4,852	276	2,832	-	8,046
Of which goodwill	22	4,354	835	8,067	1,406	1,339	86	16,109
TOTAL ASSETS	**831,377**	**189,870**	**126,032**	**536,310**	**910,516**	**93,324**	**(363,872)**	**2,323,557**

5.2 Segment information by geographic area

The geographical analysis of segment assets and results is based on the place where operations are booked for accounting purposes.

(in millions of euros)	31/12/2022 Net income Group share	Of which Revenues	Segment assets	Of which goodwill	31/12/2021 Net income Group share	Of which Revenues	Segment assets	Of which goodwill
France (including overseas departments and territories)	5,106	26,563	1,977,407	10,338	5,734	26,085	1,918,206	10,313
Italy	1,233	3,705	143,146	1,266	1,233	3,705	143,146	1,266
Other European Union countries	722	3,434	72,016	3,184	752	2,923	78,049	3,180
Other European countries	41	1,790	38,173	826	423	1,558	39,387	788
North America	466	1,264	71,349	494	400	1,139	57,000	468
Central and South America	(51)	(16)	1,472	-	(4)	23	1,086	-
Africa and Middle East	112	290	5,373	26	124	477	11,049	38
Asia-Pacific (ex. Japan)	402	853	30,213	32	333	631	33,628	31
Japan	113	279	39,971	23	106	281	42,006	25
TOTAL	**8,144**	**38,162**	**2,379,120**	**16,189**	**9,101**	**36,822**	**2,323,557**	**16,109**

5.3 Specific characteristics of insurance

(See Chapter on "Risk factors – Insurance sector risks" on managing the insurance sector risk).

Gross income of the insurance companies

			31/12/2022			31/12/2021
(in millions of euros)	**Income statement prior to reclassification of overlay approach**	**Reclassification related to overlay approach**	**Income statement post-reclassification of overlay approach**	**Recognition in accordance with IFRS 9 excluding effect of overlay approach**	**Effect of overlay approach**	**Recognition after effect of overlay approach**
Written premium	36,048	-	36,048	37,130	-	37,130
Change in unearned premiums	(196)	-	(196)	(152)	-	(152)
Earned premiums	**35,852**	**-**	**35,852**	**36,978**	**-**	**36,978**
Other operating income	**816**	**-**	**816**	**164**	**-**	**164**
Investment income	7,209	(11)	7,198	7,070	(6)	7,064
Investment expenses	(612)	1	(611)	(461)	1	(460)
Gains (losses) on disposals of investments net of impairment and amortisation reversals	(83)	291	208	(178)	277	99
Change in fair value of investments at fair value through profit or loss	(14,696)	3,532	(11,164)	10,119	(1,828)	8,291
Change in impairment on investments	(40)	(217)	(257)	(52)	64	12
Investment income net of expenses	**(8,222)**	**3,596**	**(4,626)**	**16,498**	**(1,492)**	**15,006**
Claims expenses[(1)]	**(21,493)**	**(3,071)**	**(24,564)**	**(45,962)**	**1,324**	**(44,638)**
Revenue from reinsurance operations	1,047	-	1,047	706	-	706
Expenses from reinsurance operations	(849)	-	(849)	(843)	-	(843)
Net reinsurance income (expense)	**198**	**-**	**198**	**(137)**	**-**	**(137)**
Contract acquisition costs	(2,464)	-	(2,464)	(2,372)	-	(2,372)
Amortisation of investment securities and similar	-	-	-	-	-	-
Administration costs	(2,376)	-	(2,376)	(2,353)	-	(2,353)
Other current operating income (expense)	(474)	-	(474)	(447)	-	(447)
Other operating income (expense)	8	-	8	(26)	-	(26)
OPERATING INCOME	**1,845**	**525**	**2,370**	**2,343**	**(168)**	**2,175**
Financing expenses	(186)	-	(186)	(282)	-	(282)
Share of net income of associates	-	-	-	-	-	-
Income tax charge	(401)	(95)	(496)	(335)	(23)	(358)
Net income from discontinued or held-for-sale operations	119	-	119	(2)	-	(2)
CONSOLIDATED NET INCOME	**1,377**	**430**	**1,807**	**1,724**	**(191)**	**1,533**
Non-controlling interests	**(76)**	**-**	**(76)**	**(75)**	**-**	**(75)**
NET INCOME GROUP SHARE	**1,301**	**430**	**1,731**	**1,649**	**(191)**	**1,458**

(1) Including -€27 billion of cost of redemptions and claims at 31 December 2022 (-€24.8 billion at 31 December 2021), -€1 billion in changes in policyholder's profit-sharing at 31 December 2022 (-€1.7 billion at 31 December 2021), and €2.3 billion in changes in technical reserves at 31 December 2022 (-€17.4 billion at 31 December 2021).

Breakdown of insurance company investments

(in millions of euros)	31/12/2022	31/12/2021
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	187,683	197,794
Held for trading financial assets	**740**	**1,389**
Other financial instruments at fair value through profit or loss	**186,943**	**196,405**
HEDGING DERIVATIVE INSTRUMENTS	-	42
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	178,023	221,357
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**177,873**	**221,223**
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**150**	**134**
FINANCIAL ASSETS AT AMORTISED COST	5,533	4,498
Loans and receivables	4,052	3,051
Debt securities	1,481	1,447
INVESTMENT PROPERTY	7,764	7,146
INVESTMENTS IN ASSOCIATES AND JOINT VENTURE	4,423	4,467
TOTAL INSURANCE COMPANY INVESTMENTS	**383,426**	**435,304**

At 31 December 2022, investments in Insurance equity-accounted entities amount to €4,423 million compared with €4,467 million at 31 December 2021.

	31/12/2022			31/12/2021		
(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	**177,873**	**471**	**(26,865)**	**221,223**	**14,951**	**(638)**
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**150**	**2**	**(20)**	**134**	**3**	**(15)**
TOTAL OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	178,023	473	(26,885)	221,357	14,954	(653)

Reclassifications between net income and other comprehensive income for financial assets designated under the overlay approach

	31/12/2022			31/12/2021		
(in millions of euros)	Amount reported for the designated financial assets applying IFRS 9	Amount that would have been reported for the designated financial assets applying IAS 39	Amount reclassified in other comprehensive income applying the overlay approach	Amount reported for the designated financial assets applying IFRS 9	Amount that would have been reported for the designated financial assets applying IAS 39	Amount reclassified in other comprehensive income applying the overlay approach
Investment income	775	764	(11)	726	720	(6)
Investment expenses	(5)	(4)	1	(7)	(6)	1
Gains (losses) on disposals of investments net of impairment and amortisation reversals	(10)	281	291	84	361	277
Change in fair value of investments at fair value through profit or loss	(3,578)	(46)	3,532	1,828		(1,828)
Change in impairment on investments	-	(217)	(217)		64	64
INVESTMENT INCOME NET OF EXPENSES	(2,818)	778	3,596	2,631	1,139	(1,492)
CLAIMS EXPENSES			(3,071)			1,324
OPERATING INCOME			525			(168)
Income tax charge			(95)			(23)
NET INCOME GROUP SHARE			**430**			**(191)**

Note 6 Notes to the balance sheet

6.1 Cash, Central Banks

	31/12/2022		31/12/2021	
(in millions of euros)	Assets	Liabilities	Assets	Liabilities
Cash	4,058	-	4,118	-
Central Banks	206,746	59	237,073	1,276
CARRYING AMOUNT	**210,804**	**59**	**241,191**	**1,276**

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)	31/12/2022	31/12/2021
Held for trading financial assets	242,005	233,031
Other financial instruments at fair value through profit or loss	189,712	200,103
Equity instruments	42,902	41,895
Debt instruments that do not meet the conditions of the “SPPI” test[1]	74,871	82,147
Assets backing unit-linked contracts	71,872	75,991
Financial assets designated at fair value through profit or loss	67	70
CARRYING AMOUNT	**431,717**	**433,134**
Of which lent securities	214	1

(1) Including €62,536 million in UCITS at 31 December 2022 versus €66,166 million at 31 December 2021.

Financial liabilities at fair value through profit or loss

(in millions of euros)	31/12/2022	31/12/2021
Held for trading financial liabilities	231,702	205,075
Financial liabilities designated at fair value through profit or loss	40,490	38,480
CARRYING AMOUNT	**272,192**	**243,555**

Detailed information on trading derivatives is provided in Note 3.2 relating to market risk, in particular on interest rates.

Financial liabilities designated at fair value through profit or loss

Financial liabilities for which changes in issuer spread are recognised in other comprehensive income and will not be reclassified

					31/12/2022
(in millions of euros)	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	**4,321**	**(445)**	**-**	**-**	**-**
Deposits	4,321	(445)	-	-	-
Subordinated liabilities	-	-	-	-	-
Debt securities	**25,021**	**(2,610)**	**(406)**	**(769)**	**(6)**
Other financial liabilities	**-**	**-**	**-**	**-**	**-**
TOTAL	**29,342**	**(3,055)**	**(406)**	**(769)**	**(6)**

(1) The amount realised upon derecognition is transferred to consolidated reserves.

					31/12/2021
(in millions of euros)	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	**3,482**	**-**	**-**	**-**	**-**
Deposits	3,482	-	-	-	-
Subordinated liabilities	-	-	-	-	-
Debt securities	**22,721**	**312**	**387**	**14**	**(1)**
Other financial liabilities	**-**	**-**	**-**	**-**	**-**
TOTAL	**26,203**	**312**	**387**	**14**	**(1)**

(1) The amount realised upon derecognition is transferred to consolidated reserves.

Pursuant to IFRS 9, the Crédit Agricole Group calculates changes in fair value attributable to changes in own credit risk using a methodology that allows for them to be separated from changes in value attributable to changes in market conditions.

Basis for calculating own credit risk

The source taken into account for the calculation of own credit risk may vary from one issuer to another. Within the Crédit Agricole Group, the source used is the change in its cost of market refinancing based on the type of issuance.

Calculation of unrealised gains/losses on own credit adjustment (recognised in other comprehensive income)

The Crédit Agricole Group's preferred approach is based on the liquidity component of issues. All issues are replicated by a group of vanilla loans/borrowings. Changes in fair value attributable to changes in own credit risk of all issues therefore correspond to those of said loans. These are equal to the changes in fair value of the loan book caused by changes in the cost of refinancing.

Calculation of realised gains/losses on own credit risk (recognised in consolidated reserves)

The Crédit Agricole Group has elected to transfer fair value changes attributable to changes in own credit risk upon unwinding to consolidated reserves. Accordingly, when there is a total or partial early redemption, a sensitivity-based calculation is done. This consists of measuring the change in fair value attributable to the changes in own credit risk of a given issuance as being the sum of the credit spread sensitivities multiplied by the change in this spread between the issuance date and the redemption date.

Financial liabilities for which changes in issuer spread are recognised in net income

	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	**11,148**	**-**	**-**	**-**
Deposits	11,148	-	-	-
Subordinated liabilities	-	-	-	-
Debt securities	**-**	**-**	**-**	**-**
Other financial liabilities	**-**	**-**	**-**	**-**
TOTAL	**11,148**	**-**	**-**	**-**

	31/12/2021			
(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	**12,277**	**-**	**-**	**-**
Deposits	12,277	-	-	-
Subordinated liabilities	-	-	-	-
Debt securities	**-**	**-**	**-**	**-**
Other financial liabilities	**-**	**-**	**-**	**-**
TOTAL	**12,277**	**-**	**-**	**-**

6.3 Hedging derivatives

Detailed information is provided in Note 3.4 on “Hedge accounting”.

6.4 Financial assets at fair value through other comprehensive income

	31/12/2022		
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	212,341	721	(26,888)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	4,784	1,257	(1,065)
TOTAL	**217,125**	**1,978**	**(27,953)**

	31/12/2021		
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	264,572	15,056	(678)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	4,128	1,175	(1,076)
TOTAL	**268,700**	**16,231**	**(1,754)**

Debt instruments at fair value through equity that may be reclassified to profit or loss

	31/12/2022		
(in millions of euros)	**Carrying amount**	**Unrealised gains**	**Unrealised losses**
Treasury bills and similar securities	65,484	389	(11,180)
Bonds and other fixed income securities	146,857	332	(15,708)
Total debt securities	**212,341**	**721**	**(26,888)**
Loans and receivables due from credit institutions	-	-	-
Loans and receivables due from customers	-	-	-
Total loans and receivables	**-**	**-**	**-**
TOTAL DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	212,341	721	(26,888)
Income tax charge		(149)	7,138
OTHER COMPREHENSIVE INCOME ON DEBT INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**572**	**(19,750)**

	31/12/2021		
(in millions of euros)	**Carrying amount**	**Unrealised gains**	**Unrealised losses**
Treasury bills and similar securities	84,413	7,150	(471)
Bonds and other fixed income securities	180,159	7,906	(207)
Total debt securities	**264,572**	**15,056**	**(678)**
Loans and receivables due from credit institutions	-	-	-
Loans and receivables due from customers	-	-	-
Total loans and receivables	**-**	**-**	**-**
TOTAL DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	264,572	15,056	(678)
Income tax charge		(4,079)	213
OTHER COMPREHENSIVE INCOME ON DEBT INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**10,977**	**(465)**

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

	31/12/2022		
(in millions of euros)	**Carrying amount**	**Unrealised gains**	**Unrealised losses**
Equities and other variable income securities	1,056	33	(112)
Non-consolidated equity investments	3,728	1,224	(953)
TOTAL EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS	4,784	1,257	(1,065)
Income tax charge		(100)	7
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**1,157**	**(1,058)**

	31/12/2021		
(in millions of euros)	**Carrying amount**	**Unrealised gains**	**Unrealised losses**
Equities and other variable income securities	892	19	(103)
Non-consolidated equity investments	3,236	1,156	(973)
TOTAL EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS	4,128	1,175	(1,076)
Income tax charge		(94)	16
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**1,081**	**(1,060)**

Equity instruments derecognised during the period

	31/12/2022		
(in millions of euros)	Fair value at the date of derecognition	Cumulative gains realised[1]	Cumulative losses realised[1]
Equities and other variable income securities	9	3	(9)
Non-consolidated equity investments	93	9	(23)
TOTAL INVESTMENTS IN EQUITY INSTRUMENTS	**102**	**12**	**(32)**
Income tax charge		-	-
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)[1]		**12**	**(32)**

(1) Realised gains and losses are transferred to consolidated reserves when the instrument in question is derecognised.

	31/12/2021		
(in millions of euros)	Fair value at the date of derecognition	Cumulative gains realised[1]	Cumulative losses realised[1]
Equities and other variable income securities	4	-	-
Non-consolidated equity investments	105	4	64
TOTAL INVESTMENTS IN EQUITY INSTRUMENTS	**109**	**4**	**(64)**
Income tax charge		-	-
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)[1]		**4**	**(64)**

(1) Realised gains and losses are transferred to consolidated reserves when the instrument in question is derecognised.

6.5 Financial assets at amortised cost

(in millions of euros)	31/12/2022	31/12/2021
Loans and receivables due from credit institutions	114,279	96,703
Loans and receivables due from customers	1,114,389	1,051,592
Debt securities	115,877	109,988
CARRYING AMOUNT	**1,344,545**	**1,258,283**

Loans and receivables due from credit institutions

(in millions of euros)	31/12/2022	31/12/2021
CREDIT INSTITUTIONS		
Loans and receivables	104,844	90,672
of which non doubtful current accounts in debit[1]	*6,872*	*7,236*
of which non doubtful overnight accounts and advances[1]	*404*	*146*
Pledged securities	-	-
Securities bought under repurchase agreements	9,309	5,879
Subordinated loans	566	564
Other loans and receivables	4	2
Gross amount	**114,723**	**97,117**
Impairment	(444)	(414)
CARRYING AMOUNT	**114,279**	**96,703**

(1) These transactions are partly comprised of the item “Net demand loans and deposits with credit institutions” on the Cash Flow Statement.

Loans and receivables due from customers

(in millions of euros)	31/12/2022	31/12/2021
CUSTOMER TRANSACTIONS		
Trade receivables	44,221	39,135
Other customer loans	1,043,374	992,172
Pledged securities	-	240
Securities bought under repurchase agreements	5,726	3,915
Subordinated loans	84	171
Insurance receivables	242	151
Reinsurance receivables	964	852
Advances in associates' current accounts	919	831
Current accounts in debit	17,713	14,229
Gross amount	**1,113,243**	**1,051,696**
Impairment	(19,289)	(18,401)
NET VALUE OF LOANS AND RECEIVABLES DUE FROM CUSTOMERS	**1,093,954**	**1,033,295**
FINANCE LEASES		
Property leasing	5,744	5,281
Equipment leases, operating leases and similar transactions	15,266	13,562
Gross amount	**21,010**	**18,843**
Impairment	(575)	(546)
NET VALUE OF LEASE FINANCING OPERATIONS	**20,435**	**18,297**
CARRYING AMOUNT[1]	**1,114,389**	**1,051,592**

(1) At 31 December 2022, French state-guaranteed loans ("prêts garantis par l'État" or PGE) amounted to €18.4 billion (versus €22.3 billion at 31 December 2021). These loans were granted by Crédit Agricole Group to its customers as part of the economic support measures related to the COVID-19 health crisis.

Debt securities

(in millions of euros)	31/12/2022	31/12/2021
Treasury bills and similar securities	44,429	44,312
Bonds and other fixed income securities	71,580	65,775
Total	**116,009**	**110,087**
Impairment	(132)	(99)
CARRYING AMOUNT	**115,877**	**109,988**

6.6 Transferred assets not derecognised or derecognised with ongoing involvement

Transferred assets not derecognised in full at 31 December 2022

	Transferred assets but still fully recognized				
	Transferred assets				
(in millions of euros)	Carrying amount	Of which securitisation (non-deconsolidating)	Of which securities sold/bought under repurchase agreements	Of which other[1]	Fair value[2]
Held for trading financial assets	**14,501**	**-**	**14,501**	**-**	**14,501**
Equity instruments	151	-	151	-	151
Debt securities	14,350	-	14,350	-	14,350
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	**17,907**	**-**	**17,907**	**-**	**16,975**
Equity instruments	-	-	-	-	-
Debt securities	17,907	-	17,907	-	16,975
Loans and receivables	-	-	-	-	-
Financial assets at amortised cost	**20,477**	**17,850**	**2,602**	**24**	**20,434**
Debt securities	2,626	-	2,602	24	2,596
Loans and receivables	17,851	17,850	-	-	17,838
TOTAL FINANCIAL ASSETS	**52,885**	**17,850**	**35,010**	**24**	**51,910**
Finance leases	**-**	**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**52,885**	**17,850**	**35,010**	**24**	**51,910**

(1) Including securities lending without cash collateral.
(2) When the "counterparty (counterparties) to the associated liabilities has (have) recourse only to the transferred assets" (IFRS 7.42D, (d)).

Transferred assets not derecognised in full at 31 December 2021

	Transferred assets but still fully recognized				
	Transferred assets				
(in millions of euros)	Carrying amount	Of which securitisation (non-deconsolidating)	Of which securities sold/bought under repurchase agreements	Of which other[1]	Fair value[2]
Held for trading financial assets	**17,526**	**-**	**17,526**	**-**	**17,526**
Equity instruments	326	-	326	-	326
Debt securities	17,200	-	17,200	-	17,200
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	**17,013**	**-**	**17,013**	**-**	**16,654**
Equity instruments	-	-	-	-	-
Debt securities	17,013	-	17,013	-	16,654
Loans and receivables	-	-	-	-	-
Financial assets at amortised cost	**17,999**	**15,864**	**2,094**	**40**	**18,052**
Debt securities	2,134	-	2,094	40	2,134
Loans and receivables	15,865	15,864	-	-	15,918
TOTAL FINANCIAL ASSETS	**52,538**	**15,864**	**36,633**	**40**	**52,232**
Finance leases	**-**	**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**52,538**	**15,864**	**36,633**	**40**	**52,232**

(1) Including securities lending without cash collateral.
(2) When the "counterparty (counterparties) to the associated liabilities has (have) recourse only to the transferred assets" (IFRS 7.42D, (d)).

Transferred assets but still fully recognized						Transferred assets recognised to the extent of on the entity's continuing involvement		
			Associated liabilities		Assets and associated liabilities			
Carrying amount	Of which securitisation (non-deconsolidating)	Of which securities sold/bought under repurchase agreements	Of which other[1]	Fair value[2]	Net fair value[2]	Initial total carrying amount of assets prior to transfer	Carrying amount of assets still recognised (continuing involvement)	Carrying amount of associated liabilities
14,497	**-**	**14,497**	**-**	**14,497**	**4**	**-**	**-**	**-**
151	-	151	-	151	-	-	-	-
14,346	-	14,346	-	14,346	4	-	-	-
-	-	-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
17,907	**-**	**17,907**	**-**	**17,907**	**(932)**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
17,907	-	17,907	-	17,907	(932)	-	-	-
-	-	-	-	-	-	-	-	-
14,079	**11,605**	**2,474**	**-**	**14,066**	**6,368**	**-**	**-**	**-**
2,474	-	2,474	-	2,478	118	-	-	-
11,605	11,605	-	-	11,588	6,250	-	-	-
46,483	**11,605**	**34,878**	**-**	**46,470**	**5,440**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
46,483	**11,605**	**34,878**	**-**	**46,470**	**5,440**	**-**	**-**	**-**

Transferred assets but still fully recognized						Transferred assets recognised to the extent of on the entity's continuing involvement		
			Associated liabilities		Assets and associated liabilities			
Carrying amount	Of which securitisation (non-deconsolidating)	Of which securities sold/bought under repurchase agreements	Of which other[1]	Fair value[2]	Net fair value[2]	Initial total carrying amount of assets prior to transfer	Carrying amount of assets still recognised (continuing involvement)	Carrying amount of associated liabilities
17,277	**-**	**17,277**	**-**	**17,277**	**249**	**-**	**-**	**-**
303	-	303	-	303	23	-	-	-
16,974	-	16,974	-	16,974	226	-	-	-
-	-	-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
17,004	**-**	**17,004**	**-**	**17,004**	**(350)**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
17,004	-	17,004	-	17,004	(350)	-	-	-
-	-	-	-	-	-	-	-	-
15,196	**13,119**	**2,077**	**-**	**15,196**	**2,855**	**-**	**-**	**-**
2,077	-	2,077	-	2,077	56	-	-	-
13,119	13,119	-	-	13,119	2,799	-	-	-
49,477	**13,119**	**36,358**	**-**	**49,477**	**2,754**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
49,477	**13,119**	**36,358**	**-**	**49,477**	**2,754**	**-**	**-**	**-**

Securitisations

Consolidated securitisations with external investors are a transfer of assets within the meaning of the amendment to IFRS 7. The Group effectively has an indirect contractual obligation to deliver to external investors the cash flows from assets sold to the securitisation fund (although these assets are recorded in the Group balance sheet through the consolidation of the fund). Receivables assigned to the securitisation fund are used as collateral for investors.

Fully self-subscribed consolidated securitisations do not constitute a transfer of assets within the meaning of IFRS 7.

Crédit Agricole Consumer Finance Securitisations

At 31 December 2022, Crédit Agricole Consumer Finance managed seventeen consolidated vehicles for securitisation of retail consumer loans and car dealer financing in Europe. Securitisation transactions carried out within Crédit Agricole Consumer Finance Group are not considered to form part of a deconsolidation transaction under IFRS and have therefore been reintegrated into Crédit Agricole S.A. consolidated financial statements.

The carrying amounts of the relevant assets (net of related liabilities) amounted to €3,596 million at 31 December 2022. They include, in particular, outstanding customer loans with a net carrying amount of €5,556 million. The amount of securities mobilised on the market stood at €5,015 million. The value of securities still available to be mobilised stood at €4,757 million.

CA Italia securitisations

At 31 December 2022, Crédit Agricole Italia managed one home loan securitisation vehicle. This securitisation transaction is not considered to form part of a deconsolidation transaction under IFRS and has therefore been reintegrated into the Crédit Agricole S.A. consolidated financial statements.

The carrying amounts of the relevant assets amounted to €13,641 million at 31 December 2022.

FCT Crédit Agricole Habitat 2017, 2018, 2019 and 2020 securitisation

At 31 December 2022, the Regional Banks managed four home loan securitisation vehicles. These securitisation transactions are not considered to form part of a deconsolidation transaction under IFRS and have therefore been reintegrated into Crédit Agricole Group's consolidated financial statements. The carrying amounts of the relevant assets amounted to €19,057 million at 31 December 2022.

In respect of the financial year, Crédit Agricole Group did not recognise any commitments incurred in relation to transferred assets not derecognised in full.

6.7 Financial liabilities at amortised cost

(in millions of euros)	31/12/2022	31/12/2021
Due to credit institutions	152,201	221,192
Due to customers	1,095,758	1,044,566
Debt securities	219,717	181,705
CARRYING AMOUNT	**1,467,676**	**1,447,463**

Due to credit institutions

(in millions of euros)	31/12/2022	31/12/2021
CREDIT INSTITUTIONS		
Accounts and borrowings	130,765	203,985
of which current accounts in credit[1]	*9,853*	*7,755*
of which overnight accounts and deposits[1]	*684*	*4,239*
Pledged securities	-	-
Securities sold under repurchase agreements	21,436	17,207
CARRYING AMOUNT	**152,201**	**221,192**

(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)	31/12/2022	31/12/2021
Current accounts in credit	535,415	550,200
Special savings accounts	370,833	349,946
Other amounts due to customers	185,219	139,931
Securities sold under repurchase agreements	2,049	2,124
Insurance liabilities	778	973
Reinsurance liabilities	603	676
Cash deposits received from ceding and retroceding companies against technical insurance commitments	861	716
CARRYING AMOUNT	**1,095,758**	**1,044,566**

Debt securities

(in millions of euros)	31/12/2022	31/12/2021
Interest bearing notes	7	13
Interbank securities	5,906	7,862
Negotiable debt securities	109,074	69,629
Bonds	102,215	101,816
Other debt securities	2,515	2,385
CARRYING AMOUNT	**219,717**	**181,705**

(1) Includes issues of covered bonds and issues of senior non-preferred bonds.

"Green bond" issues included in the item "Debt securities" totalled €8.7 billion as at 31 December 2022.

Debt securities issued by Crédit Agricole S.A. and held by insurance entities of the Crédit Agricole Group are eliminated for euro contracts. They were also eliminated when they were backing unit-linked contracts with financial risk borne entirely by the policyholder.

Senior non-preferred debt issues

Since the law on transparency, the fight against corruption and the modernisation of the economy (also referred to as the "Sapin 2 Law") of 9 December 2016, French Law plans to create a category of senior debt – senior non-preferred debt (unsecured) – meeting in particular certain eligibility criteria (as defined in the applicable regulation) of the TLAC and MREL ratios (see Articles L.613-30-3-I-4° and R.613-28 of the French Monetary and Financial Code).

In the context of a resolution procedure and under the conditions of the applicable regulations, senior non-preferred debt may be impaired, in whole or in part, or converted into capital, as part of the bail-in, in priority to other unsecured senior debt constituted by senior preferred debt, but only after the conversion into capital or the total impairment of subordinated instruments (including, without limitation, instruments qualifying as Tier 1 capital (Common Equity Tier 1 and Additional Tier 1 instruments) and instruments qualifying as Tier 1 capital) and instruments qualifying as Tier 2 capital and only if such initial impairments or conversions are insufficient to enable the institution concerned to be bailed out.

In the event of liquidation, senior non-preferred debt instruments will be repaid, if any funds remain, after the full repayment of senior preferred debt instruments but before subordinated debt instruments which may or may not qualify as regulatory equity.

Crédit Agricole Group's outstanding senior non-preferred debt amounted to €31.6 billion at 31 December 2022.

6.8 Information on the offsetting of financial assets and financial liabilities

Offsetting – financial assets

Type of financial instrument (in millions of euros)	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		
	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial liabilities presented in the financial statements[3]	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][2]	163,123	-	163,123	97,938	36,202	28,983
Reverse repurchase agreements[4]	253,455	135,805	117,650	13,818	103,511	321
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS SUBJECT TO OFFSETTING	**416,578**	**135,805**	**280,773**	**111,756**	**139,713**	**29,304**

(1) Including margin calls but before any XVA impact.
(2) 82% of derivatives on the asset side at the reporting date were subject to offsetting.
(3) The net amount of financial assets shown in the summary statements is equal to the amount shown on the balance sheet as assets.
(4) 99% of repurchase agreements on the assets side at the reporting date were subject to offsetting.

At 31 December 2022, derivative instruments were not subject to accounting clearing within the meaning of IAS 32R, but daily settlement (application of the so-called "settlement to market" mechanism).

Type of financial instrument (in millions of euros)	31/12/2021 – Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
	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[3]	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][2]	107,563	-	107,563	74,565	15,264	17,734
Reverse repurchase agreements[4]	250,750	130,117	120,633	8,906	111,048	679
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS SUBJECT TO OFFSETTING	**358,313**	**130,117**	**228,196**	**83,471**	**126,312**	**18,413**

(1) Including margin calls but before any XVA impact.
(2) 84% of derivatives on the asset side at the reporting date were subject to offsetting.
(3) The net amount of financial assets shown in the summary statements is equal to the amount shown on the balance sheet as assets.
(4) The amount of repurchase agreements subject to compensation represents 99% of the repurchase agreements in assets at the balance sheet date.

At 31 December 2021, derivative instruments were not subject to accounting clearing within the meaning of IAS 32R, but daily settlement (application of the so-called "settlement to market" mechanism).

Offsetting – financial liabilities

	31/12/2022					
	Offsetting effects on financial liabilities covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument *(in millions of euros)*	**Gross amounts of recognised financial assets before offsetting**	**Gross amounts of recognised financial assets set off in the financial statements**	**Net amounts of financial liabilities presented in the financial statements[3]**	**Gross amounts of financial assets covered by master netting agreements**	**Amounts of other financial instruments received as collateral, including security deposits**	**Net amount after all offsetting effects**
Derivatives[1][2]	160,426	-	160,426	97,938	46,950	15,538
Repurchase agreements[4]	240,728	135,805	104,923	13,818	89,498	1,607
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**401,154**	**135,805**	**265,349**	**111,756**	**136,448**	**17,145**

(1) Including margin calls but before any XVA impact.
(2) 90% of derivatives on the liabilities side at the reporting date were subject to offsetting.
(3) The net amount of financial liabilities shown in the summary statements is equal to the amount shown on the balance sheet as liabilities.
(4) 99% of repurchase agreements on the liabilities side at the reporting date were subject to offsetting.

At 31 December 2022, derivative instruments were not subject to accounting clearing within the meaning of IAS 32R, but daily settlement (application of the so-called "settlement to market" mechanism).

	31/12/2021					
	Offsetting effects on financial liabilities covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument *(in millions of euros)*	**Gross amounts of recognised financial liabilities before offsetting**	**Gross amounts of recognised financial assets set off in the financial statements**	**Net amounts of financial liabilities presented in the financial statements[3]**	**Gross amounts of financial assets covered by master netting agreements**	**Amounts of other financial instruments received as collateral, including security deposits**	**Net amount after all offsetting effects**
Derivatives[1][2]	101,732	-	101,732	74,565	18,260	8,906
Repurchase agreements[4]	227,652	130,117	97,535	8,906	73,207	15,422
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**329,384**	**130,117**	**199,267**	**83,471**	**91,467**	**24,328**

(1) Including margin calls but before any XVA impact.
(2) 91% of derivatives on the liabilities side at the reporting date were subject to offsetting.
(3) The net amount of financial liabilities shown in the summary statements is equal to the amount shown on the balance sheet as liabilities.
(4) 93% of repurchase agreements on the liabilities side at the reporting date were subject to offsetting.

At 31 December 2021, derivative instruments were not subject to accounting clearing within the meaning of IAS 32R, but daily settlement (application of the so-called "settlement to market" mechanism).

6.9 Current and deferred tax assets and liabilities

(in millions of euros)	31/12/2022	31/12/2021
Current tax	2,353	1,808
Deferred tax	7,699	6,305
TOTAL CURRENT AND DEFERRED TAX ASSETS	**10,052**	**8,113**
Current tax	1,680	1,380
Deferred tax	969	1,633
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**2,649**	**3,013**

Tax audits

Crédit Agricole CIB Paris tax audit

Crédit Agricole CIB is the subject of an audit of accounts for the 2019 and 2020 financial years. The adjustments have been challenged with stated arguments. A provision has been recognised to cover the estimated risk.

CLSA liability guarantee

In 2013, Crédit Agricole Group sold the CLSA entities to the Chinese group CITICS.

Following tax adjustments made on some CLSA entities in India and the Philippines, CITICS invoked the liability guarantee against Crédit Agricole Group. The adjustments have been challenged with stated arguments. A provision has been recognised to cover the estimated risk.

Crédit Agricole Consumer Finance tax audit

Crédit Agricole Consumer Finance was audited in 2018 and 2019 for the periods 2014-2015 and 2016-2017 respectively, with arrears collected for those periods. In 2021, Crédit Agricole Consumer Finance filed claims with the tax authorities disputing some of those arrears. Litigation proceedings are ongoing.

Agos Ducato tax audit

Following a prior audit, completed in 2021, Agos Ducato made provisions in its accounts for the impact the audit will have on subsequent years.

Predica tax audit

Predica is the subject of an audit of accounts for the 2019 and 2020 financial years. A proposal for adjustments was received at the end of 2022 for the year 2020. A provision has been recognised to cover the estimated risk.

LCL tax audit

LCL is the subject of an audit of accounts for the 2018, 2019 and 2020 financial years. A proposal for adjustments was received at the end of 2022 for the 2018-2019 financial years. A provision has been recognised to cover the estimated risk.

Net deferred tax assets and liabilities break down as follows:

(in millions of euros)	31/12/2022	31/12/2021
Temporary timing differences – tax	**5,388**	**5,872**
Non-deductible accrued expenses	558	543
Non-deductible provisions for liabilities and charges	3,807	3,737
Other temporary differences(1)	1,023	1,592
Deferred tax on reserves for unrealised gains or losses	**1,834**	**(532)**
Financial assets at fair value through other comprehensive income	1,162	(732)
Cash flow hedges	654	(64)
Gains and losses/Actuarial differences	22	141
Other comprehensive income attributable to changes in own credit risk	(103)	93
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	99	30
Deferred tax on income and reserves	**(492)**	**(668)**
of which Reclassification of net gains (losses) of designated financial assets applying the overlay approach	(99)	(30)
TOTAL DEFERRED TAX	**6,730**	**4,672**

(1) The portion of deferred tax related to tax loss carryforwards was €377 million for 2022 compared with €717 million for 2021.

Deferred tax assets are netted on the balance sheet by tax consolidation level.

In order to assess the level of deferred tax assets to be recognised, Crédit Agricole Group takes into account for each company or tax group concerned the dedicated tax status and the earnings projections established during the budgetary process.

6.10 Accruals, prepayments and sundry assets and liabilities

Accruals, prepayments and sundry assets

(in millions of euros)	31/12/2022	31/12/2021
Other assets	**47,755**	**35,787**
Inventory accounts and miscellaneous	335	312
Collective management of *Livret de développement durable* (LDD) savings account and united	-	-
Sundry debtors(1)	43,486	32,292
Settlements accounts	1,690	1,171
Due from shareholders – unpaid capital	33	28
Other insurance assets	273	287
Reinsurer's share of technical reserves	1,938	1,697
Accruals and deferred income	**10,693**	**7,294**
Items in course of transmission	5,031	2,633
Adjustment and suspense accounts	1,063	102
Accrued income	2,201	2,590
Prepaid expenses	1,551	1,010
Other accruals prepayments and sundry assets	847	959
CARRYING AMOUNT	**58,448**	**43,081**

(1) Including €141 million in respect of the contribution to the Single Resolution Fund in the form of a security deposit at 31 December 2022. The Single Resolution Fund may use the security deposit to provide funding unconditionally and at any time.

Accruals, prepayments and sundry liabilities

(in millions of euros)	31/12/2022	31/12/2021
Other liabilities(1)	**45,624**	**41,330**
Settlements accounts	3,292	1,711
Sundry creditors	38,518	35,947
Liabilities related to trading securities	1,561	1,323
Other insurance liabilities	10	12
Lease liabilities	2,243	2,337
Other	-	-
Accruals and deferred income	**19,284**	**17,307**
Items in course of transmission(2)	4,369	3,465
Adjustment and suspense accounts	1,473	1,104
Unearned income	3,782	3,734
Accrued expenses	7,942	7,603
Other accruals prepayments and sundry assets	1,718	1,401
CARRYING AMOUNT	**64,908**	**58,637**

(1) The amounts shown include related debts.
(2) Net amounts are shown.

6.11 Non-current assets held for sale and discontinued operations

Balance sheet of discontinued or held for sale operations

(in millions of euros)	31/12/2022	31/12/2021
Cash, Central Banks	-	215
Financial assets at fair value through profit or loss	-	419
Hedging derivative Instruments	-	-
Financial assets at fair value through other comprehensive income	-	704
Financial assets at amortised cost	4	1,308
Revaluation adjustment on interest rate hedged portfolios	-	-
Current and deferred tax assets	1	6
Accruals, prepayments and sundry assets	30	222
Investments in equity-accounted entities	98	-
Investment property	-	19
Property, plant and equipment	-	34
Intangible assets	1	38
Goodwill	-	-
Total assets	**134**	**2,965**
Central Banks	-	-
Financial liabilities at fair value through profit or loss	-	-
Hedging derivative Instruments	-	-
Financial liabilities at amortised cost	9	1,143
Revaluation adjustment on interest rate hedged portfolios	-	-
Current and deferred tax liabilities	-	20
Accruals, prepayments and sundry liabilities	153	103
Insurance company technical reserves	-	1,280
Provisions	3	5
Subordinated debt	-	-
Adjustment to fair value of assets held for sale and discontinued operations (excluding taxes)	40	15
Total liabilities and equity	**205**	**2,566**
NET ASSET FROM DISCONTINUED OR HELD-FOR-SALE OPERATIONS	**(71)**	**399**

Income statement from discontinued operations

(in millions of euros)	31/12/2022	31/12/2021
Revenues	69	129
Operating expenses	(30)	(113)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	(9)	(23)
Cost of risk	(2)	8
Pre-tax income	**28**	**1**
Share of net income of equity-accounted entities	-	-
Net gains (losses) on other assets	-	26
Change in value of goodwill	-	-
Income tax charge	(7)	(21)
Net income	**21**	**6**
Income associated with fair value adjustments of discontinued operations	95	-
Net income from discontinued operations	**116**	**6**
Non-controlling interests	-	-
NET INCOME FROM DISCONTINUED OPERATIONS – GROUP SHARE	**116**	**6**

Discontinued operations cash flow statement

(in millions of euros)	31/12/2022	31/12/2021
Net cash flows from (used by) operating activities	(116)	25
Net cash flows from (used by) investment activities	(386)	(100)
Net cash flows from (used by) financing activities	114	(3)
TOTAL	**(388)**	**(78)**

6.12 Joint ventures and associates

Financial information of joint ventures and associates

As at 31 December 2022:

- the equity-accounted value of joint ventures totalled €3,595 million (€3,306 million as at 31 December 2021);
- the equity-accounted value of associates totalled €4,832 million (€4,740 million as at 31 December 2021).

FCA Bank is a joint venture created with Fiat Chrysler Automobiles (FCA), now incorporated into the Stellantis group. The company operates in 18 European countries and manages all financing activities for dealers and customers of brands from the FCA Group: Fiat, Lancia, Alfa Romeo, Maserati, Chrysler, Jeep Europe, as well as brands from other constructors developed under private labelling agreements (Jaguar Land Rover, Ferrari, Morgan, Hymer etc.), across varying geographical scopes.

In the second quarter of 2022, the entities of the Leasys Rent Group (Leasys Rent Spa, Leasys Rent Espana, Leasys Rent France, EasyRent and Sado Rent) were transferred from the Leasys Group to FCA Bank (Entities jointly controlled by CACF and Stellantis), without any book impact. These entities were renamed Drivalia, Drivalia Spain, Drivalia France, Drivalia UK and Drivalia Portugal during Q3. At the *Mondial de l'Auto,* it was announced that the entities would use the "Drivalia" brand.

On 2 August 2022, creation of LeaseCo, jointly controlled by CACF and Stellantis, in the framework of their partnership. The company's object is the long, medium and short term rental of motor vehicles. On 21 December 2022, the two shareholders decided to increase their capital by €0.6 billion each, for a total of €1.2 billion. On the same day, LeaseCo acquired 100% of the shares of Leasys Spa from FCAB Spa. LeaseCo and the Leasys Group are consolidated using the equity method.

Material associates and joint ventures are presented in the table below. These are the main joint ventures and associates that make up the "Equity-accounted value on the balance sheet".

						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(1)	Share of shareholders' equity(2)
Joint ventures						
FCA Bank	50.0%	1,897	-	600	229	1,841
S3 Latam Holdco 1	34.7%	322	-	-	15	581
SCI Paul Cézanne	49.0%	311	341	16	4	69
LeaseCo(3)	50.0%	633	-	-	(1)	924
Others		432	-	56	39	618
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES (JOINT VENTURES)		**3,595**			**286**	**4,033**
Associates						
Icade	19.1%	999	586	61	93	606
Korian	25.0%	645	267	9	(248)	869
Ramsay Générale de Santé	39.8%	754	804	-	47	483
Altarea	24.6%	660	631	49	75	558
GAC Sofinco Auto Finance Co. (ex-GAC CACF)	50.0%	471	-	25	61	471
SCI Heart of La Défense	33.3%	223	173	5	39	223
Frey	19.7%	186	191	9	22	184
ABC-CA Fund Management Co.	23.1%	197	-	-	21	197
Wafasalaf	49.0%	133	-	14	19	78
SBI Funds Management Ltd	25.5%	214	-	7	58	190
Others		350		58	111	226
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**4,832**			**298**	**4,085**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**8,427**			**584**	**8,118**

(1) The share of net income from policyholders' deferred profit sharing of the joint ventures and associates of the Asset Gathering activities are classified as revenues in the income statement.
(2) Shareholders' equity Group share in the financial statements of the joint venture or associate when the joint venture or associate is a sub-group.
(3) Includes Leasys S.p.A. data.

The market value shown in the table above is the quoted price of the shares on the market as at 31 December 2022. This value may not be representative of the selling value since the value in use of equity-accounted entities may be different from the equity-accounted value determined pursuant to IAS 28. Investments in equity-accounted entities were subject to impairment tests, in case of an indication of impairment, using the same methodology as for goodwill.

						31/12/2021
(in millions of euros)	**% of interest**	**Equity-accounted value**	**Share of market value**	**Dividends paid to Group's entities**	**Share of net income[1]**	**Share of shareholders' equity[2]**
Joint ventures						
FCA Bank	50.0%	2,243	-	140	246	1,931
S3 Latam Holdco 1	34.7%	276	-	-	8	541
SCI Paul Cézanne	49.0%	322	350	-	5	81
Others		465	-	19	32	643
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES (JOINT VENTURES)		**3,306**			**291**	**3,196**
Associates						
Icade	19.1%	945	919	57	39	552
Korian	24.4%	875	718	8	15	829
Ramsay Générale de Santé	39.8%	697	941	-	26	426
Altarea	24.7%	635	839	41	(17)	457
GAC Sofinco Auto Finance Co. (ex-GAC CACF)	50.0%	447	-	27	54	447
SCI Heart of La Défense	33.3%	189	227	13	(62)	189
Frey	22.4%	175	183	7	7	172
ABC-CA Fund Management Co.	23.2%	180	-	9	28	180
Wafasalaf	49.0%	137	-	9	13	78
SBI Funds Management Ltd	25.6%	174	-	6	47	149
Others		286	-	32	(18)	164
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**4,740**			**132**	**3,643**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**8,046**			**423**	**6,839**

(1) The share of net income from policyholders' deferred profit sharing of the associates of the Asset Gathering activities is classified as revenues in the income statement.
(2) Shareholders' equity Group share in the financial statements of the joint venture or associate when the joint venture or associate is a sub-group.

Condensed financial information for the material associates and joint ventures of the Crédit Agricole Group is shown below:

				31/12/2022
(in millions of euros)	**Revenues**	**Net income**	**Total assets**	**Total Equity**
Joint ventures				
FCA Bank	749	1,019	27,553	3,682
S3 Latam Holdco 1	133	66	1,359	1,161
SCI Paul Cézanne	8	8	178	167
LeaseCo[1]	(2)	(2)	8,137	1,850
Associates				
Icade	487	487	18,313	8,860
Korian	75	75	14,335	3,771
Ramsay Générale de Santé	118	118	6,788	1,239
Altarea	307	307	8,887	3,785
GAC Sofinco Auto Finance Co. (ex-GAC CACF)	250	122	7,064	219
SCI Heart of La Défense	117	117	1,759	669
Frey	111	111	2,039	993
ABC-CA Fund Management Co.	124	63	640	591
Wafasalaf	111	37	1,562	159
SBI Funds Management Ltd	280	156	550	515

(1) Includes financial information from Leasys S.p.A.

(in millions of euros)	31/12/2021 Revenues	Net income	Total assets	Total Equity
Joint ventures				
FCA Bank	800	494	24,165	3,863
S3 Latam Holdco 1	90	39	1,215	1,082
SCI Paul Cézanne	9	9	185	176
Associates				
Icade	207	207	12,571	3,737
Korian	61	61	13,738	3,606
Ramsay Générale de Santé	65	65	6,682	1,099
Altarea	(69)	(69)	8,832	2,729
GAC Sofinco Auto Finance Co. (ex-GAC CACF)	252	108	6,155	266
SCI Heart of La Défense	(185)	(185)	1,762	685
Frey	31	31	1,590	821
ABC-CA Fund Management Co.	220	85	616	541
Wafasalaf	112	27	1,595	159
SBI Funds Management Ltd	218	123	433	404

Investments in joint ventures and associates not consolidated at insurance level

Crédit Agricole Assurances has used the simplified option allowed by IAS 28 to measure 13 joint ventures and 16 associates.

Investments in these corporates are therefore measured at fair value through profit or loss in accordance with IFRS 9.

The summarised financial information of Crédit Agricole Assurances' significant joint ventures and associates measured at fair value through profit or loss is presented below:

(in millions of euros)	31/12/2022 % interest	Net asset value	Total assets	Total Equity	Net income
Joint ventures					
Luxembourg Investment Company 296 Sarl	50%	42	85	84	(0)
Tunels de Barcelona	50%	ND	485	77	21
European Motorway Investments 1	60%	278	128	104	4
Cirrus SCA A1	20%	314	ND	ND	ND
Ell Holdco Sarl	49%	271	551	551	(0)
Eurowatt Energie	75%	ND	-	-	-
Futures Energies Investissements Holding 3	80%	ND	ND	ND	ND
Ieih	80%	ND	ND	ND	ND
Ef Solare Italia	30%	ND	ND	ND	ND
URI GmbH	45%	ND	ND	ND	ND
Ordesa Servicios Empresariales Sl	60%	493	ND	ND	ND
Janus Renewables	50%	ND	ND	ND	ND
Altaluxco	50%	412	ND	ND	ND
Associates					
Futures Energies Investissements Holding	30%	ND	ND	ND	ND
Semmaris	38%	38	ND	ND	ND
Central Sicaf	25%	174	1,222	758	70
Pisto Group Holding Sarl	40%	245	101	9	30
Alta Blue	33%	257	699	698	0
Cavour Aero Sa	37%	175	369	369	(0)
Fluxdune	25%	227	868	852	0
Cassini SAS	49%	276	1,713	477	(71)
Futures Energies Investissements Holding 2	48%	ND	ND	ND	ND
Sarl Impulse	38%	869	1,413	1,209	(6)
Aguas Profundas S.A.	35%	472	2,221	1,289	(14)
Adl Participations	25%	88	546	392	(4)
Edison Renewables	49%	ND	ND	ND	ND
Hornsea 2	25%	ND	ND	ND	ND
Repsol Renovables	13%	ND	ND	ND	ND
Altamira	23%	ND	ND	ND	ND

	31/12/2021				
(in millions of euros)	% interest	Net asset value	Total assets	Total equity	Net income
Joint ventures					
European Motorway Investments 1	60%	269	135	103	-
Luxembourg Investment Company 296 Sarl	50%	43	85	84	-
Tunels de Barcelona	50%	171	485	77	21
EUROWATT ENERGIE	75%	ND	361	42	(1)
CIRRUS SCA A1	20%	166	763	409	(5)
ELL HOLDCO SARL	49%	72	551	551	-
FUTURES ENERGIES INVESTISSEMENTS HOLDING 3	80%	ND	ND	ND	ND
IEIH	80%	ND	ND	ND	ND
EF SOLARE ITALIA	30%	ND	3,417	611	(39)
Associates					
Central Sicaf	25%	187	1,384	765	52
PISTO GROUP HOLDING SARL	40%	69	100	8	10
Semmaris	38%	37	656	113	15
Futures Energies Investissements Holding	30%	390	1,314	78	34
Futures Energies Investissements Holding 2	48%	ND	ND	ND	ND
Cavour Aero S.A.	37%	175	369	369	-
Fluxdune	25%	226	929	929	-
Alta Blue	33%	294	617	598	-
Cassini SAS	49%	192	1,644	559	(229)
SARL IMPULSE	38%	449	1,369	1,166	(2)
AGUAS PROFUNDAS S.A.	35%	144	2,221	1,289	(14)
EDISON RENEWABLES	49%	ND	ND	ND	ND
ADL participations	25%	ND	544	365	(4)

Significant restrictions on joint ventures and associates

Crédit Agricole Group has the following restrictions:

Regulatory constraints

The subsidiaries of Crédit Agricole Group are subject to prudential regulation and regulatory capital requirements in their host countries. The minimum equity capital (solvency ratio), leverage ratio and liquidity ratio requirements limit the capacity of these entities to pay dividends or to transfer assets to the Crédit Agricole Group.

Legal constraints

The subsidiaries of Crédit Agricole Group are subject to legal provisions concerning the distribution of capital and distributable earnings. These requirements limit the ability of the subsidiaries to distribute dividends. In the majority of cases, these are less restrictive than the regulatory limitations mentioned above.

Restriction on assets backing unit-linked contracts for the Insurance business

Assets backing unit-linked contracts of Crédit Agricole Group are held for the benefit of policyholders. Assets of the insurance subsidiaries of Crédit Agricole Group are mainly held for satisfying their obligation towards their policyholders. Assets transfers to other entities are possible following the legal conditions. However, in case of a transfer, a part of the profit due to the transfer must be intended for the policyholders.

6.13 Investment property

(in millions of euros)	31/12/2021	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Transfers in non-current assets held for sale and discontinued operations	Other movements	31/12/2022
Gross amount	8,960	87	1,395	(789)	-	-	17	9,670
Depreciation and impairment	(668)	(37)	(52)	83	-	-	4	(670)
CARRYING AMOUNT[(1)]	**8,292**	**50**	**1,343**	**(706)**	**-**	**-**	**21**	**9,000**

(1) Including investment property let to third parties.

(in millions of euros)	31/12/2020	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Transfers in non-current assets held for sale and discontinued operations	Other movements	31/12/2021
Gross amount	7,933	168	1,484	(617)	-	(8)	(8)	8,960
Depreciation and impairment	(571)	(55)	(48)	11	-	(5)	(5)	(668)
CARRYING AMOUNT[(1)]	**7,362**	**113**	**1,436**	**(606)**	**-**	**(13)**	**(13)**	**8,292**

(1) Including investment property let to third parties.

Fair value of investment properties

The market value of investment property recorded at cost, as valued by “expert appraisers”, was €13,871 million at 31 December 2022 compared with €12,969 million at 31 December 2021.

(in millions of euros)		31/12/2022	31/12/2021
Quoted prices in active markets for identical instruments	Level 1	4	4
Valuation based on observable data	Level 2	13,524	12,527
Valuation based on unobservable data	Level 3	343	438
MARKET VALUE OF INVESTMENT PROPERTIES		**13,871**	**12,969**

All investment property are recognised at cost in the balance sheet.

6.14 Property, plant & equipment and intangible assets (excluding goodwill)

Property, plant and equipment used in operations includes the rights of use of assets leased as lessee.

Depreciation and impairment of property, plant and equipment is presented including depreciation on property, plant & equipment leased under operating leases.

(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	24,218	(239)	2,037	(1,195)	(18)	(151)	24,652
Depreciation and impairment	(13,309)	38	(1,437)	813	5	8	(13,882)
CARRYING AMOUNT	**10,909**	**(201)**	**600**	**(382)**	**(13)**	**(143)**	**10,770**
Intangible assets							
Gross amount	9,736	51	807	(362)	(9)	(57)	10,166
Depreciation and impairment	(6,253)	(75)	(602)	238	8	(12)	(6,696)
CARRYING AMOUNT	**3,483**	**(24)**	**205**	**(124)**	**(1)**	**(69)**	**3,470**

(in millions of euros)	31/12/2020	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2021
Property, plant & equipment used in operations							
Gross amount	22,479	680	1,743	(850)	90	76	24,218
Depreciation and impairment	(11,940)	(373)	(1,450)	544	(50)	(40)	(13,309)
CARRYING AMOUNT	**10,539**	**307**	**293**	**(306)**	**40**	**36**	**10,909**
Intangible assets							
Gross amount	9,219	239	759	(443)	17	(55)	9,736
Depreciation and impairment	(5,788)	(115)	(586)	300	(9)	(55)	(6,253)
CARRYING AMOUNT	**3,431**	**124**	**173**	**(143)**	**8**	**(110)**	**3,483**

6.15 Goodwill

(in millions of euros)	31/12/2021 gross	31/12/2021 net	Increases (acquisitions)	Decreases (Divestments)	Impairment losses during the period	Translation adjustments	Other movements	31/12/2022 gross	31/12/2022 net
French Retail Banking	**5,589**	**4,376**	**-**	**-**	**-**	**-**	**-**	**5,589**	**4,376**
of which LCL Group	5,558	4,354	-	-	-	-	-	5,558	4,354
including *Caisses régionales*	31	22	-	-	-	-	-	31	22
International Retail Banking(1)	**3,388**	**835**	**-**	**(27)**	**27**	**(12)**	**-**	**3,324**	**823**
of which Italy	3,042	796	-	-	-	-	-	3,042	796
of which Poland	205	-	-	-	-	-	-	201	-
of which Ukraine	43	-	-	-	-	-	-	33	-
of which other countries	98	39	-	(27)	27	(12)	-	48	27
Asset Gathering	**8,066**	**8,067**	**-**	**-**	**-**	**67**	**(2)**	**8,132**	**8,132**
of which asset management	5,922	5,923	-	-	-	30	(2)	5,951	5,951
of which insurance	1,262	1,262	-	-	-	-	-	1,262	1,262
of which international wealth management	882	882	-	-	-	37	-	919	919
Specialised Financial Services	**3,097**	**1,339**	**(3)**	**-**	**-**	**-**	**-**	**3,093**	**1,336**
of which Consumer finance (excl. Agos)	1,756	963	-	-	-	-	-	1,756	963
of which Consumer finance-Agos	672	103	-	-	-	-	-	672	103
of which Factoring and leasing(2)	669	273	(3)	-	-	-	-	665	270
Large Customers	**2,726**	**1,406**	**-**	**-**	**-**	**-**	**-**	**2,727**	**1,406**
of which Corporate and investment banking	1,817	497	-	-	-	-	-	1,818	497
of which Asset servicing	909	909	-	-	-	-	-	909	909
Corporate Centre(3)	**92**	**86**	**30**	**-**	**-**	**-**	**-**	**122**	**116**
TOTAL	**22,958**	**16,109**	**27**	**(27)**	**27**	**55**	**(2)**	**22,987**	**16,189**
Group share	**20,953**	**14,287**	**44**	**(27)**	**27**	**45**	**(3)**	**20,999**	**14,373**
Non-controlling interests	**2,005**	**1,822**	**(17)**	**-**	**-**	**10**	**1**	**1,988**	**1,816**

(1) *Decrease in the gross goodwill of International Retail Banking in the amount of -€27 million at 31 December 2022 in the context of the disposal of the entity Crédit Agricole Banka Srbija Akcionarsko Novi Sad. The related depreciation in the amount of +€27 million was also reversed.*

(2) *Goodwill adjustment of -€3 million at 31 December 2022 following the consolidation of OLINN in the CALF Group at 31 December 2021.*

(3) *Including an increase in goodwill of €30 million at 31 December 2022 following the consolidation of new entities as part of the reorganisation of the real estate business.*

Determining the value in use of the CGUs

Goodwill was subject to impairment tests based on the assessment of the value in use of the Cash Generating Units (CGU) with which it is associated. Determining the value in use was based on discounting the CGUs' estimated future cash flows calculated from activities forecasts over a period over three years (2023-2025) developed for Group management purposes, extrapolated over a fourth and fifth year in order to merge towards a standardised final year.

The economic scenario on which the projected financial trajectories are based incorporates the lasting impacts of the health crisis, the Ukrainian conflict, the inflationary shock and the general rise in rates. However, the degree of economic resilience varies widely from country to country, depending on economic structures and on how much monetary and fiscal manoeuvring is still available to dampen the shocks and support the economy. Growth will have remained strong in 2022, continuing to benefit from the post-COVID upturn in 2021. But the outlook is deteriorating with an expected dip in activity in 2023. Far from the epicentre of the Ukrainian conflict but heavily impacted by the inflationary shock, US growth in 2022 remained above expectations, supported, despite inflation, by the good performance of consumption and the labour market; however, the outlook is on the decline with average growth still slightly positive in 2023 followed by a gradual recovery. In the Eurozone, activity was sustained in 2022 despite supply difficulties (industrial inputs and then energy) and an inflationary shock emanating mainly from the supply side and partially offset by fiscal measures. But in addition to the natural slowdown in post-pandemic growth, there is the new and more permanent competitiveness shock of the war in Ukraine. A marked deceleration in growth is assumed for 2023 (to 0.4% in 2023), before a very moderate upturn thereafter.

These forecasts are based on (i) inflationary tensions that should gradually ease in 2023 with the risk of having to combat more resilient core inflation, then normalise at a level greater than that before the crisis, (ii) declining consumption under inflationary pressure and in the absence of a price/wage loop (iii) a supply shock following supply difficulties caused by the conflict in Ukraine, while those related to the COVID crisis are diminishing.

In monetary policy terms, priority is still given to fighting inflation. No matter how quickly economies slow down, Central Banks will not risk lowering their guard too quickly, especially since core inflation may prove more resilient than planned. In the United States, after aggressive rate increases in 2022 totalling 425 basis points, bringing the target range to 4.25%-4.50%, the Fed has indicated its intention to slow the rate of increases while stating that the tightening had not come to an end, which would be reached in the first quarter of 2023. In the Eurozone, the ECB is also committed to monetary tightening and raised its rates by 250 basis points, thereby going from an extremely accommodating level to a restrictive threshold. After having been fairly aggressive, the rate of increase should slow and the terminal rate should be reached by mid-2023. The trigger for quantitative tightening in 2023 and the reimbursement of TLTROs will complete the plan. The Fed and ECB will not start lowering their key rates until sometime in 2024. After recovering sharply in 2022, long rates would be burdened by very mediocre growth prospects. They will rise again very slowly until mid-2023 before easing.

As of 31 December 2022, perpetual growth rates, discount rates and CET1 capital allocated rates as a proportion of risk-weighted assets were distributed by business line as shown in the table below:

In 2022 (for Crédit Agricole S.A. fully consolidated entities)	Perpetual growth rates	Discount rates	Capital allocated
French Retail Banking – LCL	2.0%	7.6%	10.33%
International Retail Banking – Italy	2.0%	8.9%	9.48%
International Retail Banking – Others	5.0%	18.3%	10.21%
Specialised Financial Services	2.0%	7.6% to 9.4%	9.79% to 10.07%
Asset Gathering	2.0%	7.6% to 8.1%	10.19% 80% of the solvency margin (Insurance)
Large Customers	2.0%	8.1% to 9.5%	9.87% to 10.10%

Valuation parameters, in particular the discount rates, were updated to 31 December 2022. Discount rates are determined based on a rolling monthly average over 13 years. The discount rate level is broadly stable compared to the prior financial year.

Perpetual growth rates as of 31 December 2022 remain unchanged from those used as of 31 December 2021.

Sensitivity of the valuation of CGUs to the main valuation parameters

The sensitivity of the value in use of the CGUs comprising each of the major business segments to the variation of certain valuation parameters is presented in the following table:

	Sensitivity to capital allocated	Sensitivity to the discount rate		Sensitivity to cost of risk in the final year		Sensitivity to the cost/income ratio in the final year	
In 2022	**+100 bp**	**-50 bp**	**+50 bp**	**-10%**	**10%**	**-100 bp**	**+100 bp**
French Retail Banking – LCL	(3.5%)	8.9%	(7.4%)	2.0%	(2.0%)	2.9%	(2.9%)
International Retail Banking – Italy	(4.3%)	6.9%	(6.0%)	2.0%	(1.9%)	2.5%	(2.5%)
International Retail Banking – Others	(3.9%)	3.2%	(3.0%)	1.3%	(1.3%)	1.4%	(1.4%)
Specialised Financial Services	(4.0%)	9.7%	(8.3%)	9.8%	(9.8%)	4.7%	(4.7%)
Asset Gathering	(0.6%)	8.2%	(6.9%)	NS	NS	1.2%	(1.2%)
Large Customers	0.1%	7.2%	(6.2%)	0.6%	(0.6%)	2.4%	(2.4%)

Sensitivity analyses have been conducted on goodwill – Group share with variations of the main parameters of valuation applied uniformly for all CGU. These analyses show that the CGUs that have been impaired in recent years, namely the French Retail Banking – LCL CGU and the International Retail Banking – Italy CGU, are less sensitive to deteriorations in the model's parameters than previously. However, the Consumer Finance CGU (excluding Agos) remains sensitive to changes in certain parameters.

With regard to operational parameters:

- A 50-basis point increase in discount rates would not result in a negative difference between value in use and consolidated value for any of the CGUs.

  On the assumption of a significant increase of 100 basis points in discount rates, the difference would remain positive across all CGUs, with the exception of Retail Banking in France – LCL CGU. This margin would still be very weakly positive in the case of the Consumer Finance CGU (excluding Agos) and the Corporate and Investment Banking CGU of the Crédit Agricole Corporate and Investment Bank.
- A 100-basis point increase in the level of CET1 capital allocated to the CGUs would still result in a positive difference for all CGUs.

With regard to operational parameters:

- The simulated deterioration assumptions, namely a scenario of a +10% increase in the cost of risk in the last year of the projection combined with a +100 basis point change in the cost/income ratio for the same year, would not result in a negative difference between value in use and the carrying amount for any CGUs other than the Consumer Finance CGU (excluding Agos) for which the difference would be approximately €105 million.

6.16 Insurance company technical reserves

Breakdown of insurance technical reserves

(in millions of euros)					31/12/2022
	Life	**Non-Life**	**International**	**Creditor**	**Total**
Insurance contracts	230,602	10,025	26,475	2,152	269,254
Investment contracts with discretionary profit-sharing	63,630	-	17,743	-	81,373
Investment contracts without discretionary profit-sharing	2,465	-	1,398	-	3,863
Deferred participation benefits (liability)	(29)	-	7	-	(22)
Other technical reserves	-	-	-	-	-
TOTAL TECHNICAL RESERVES	**296,668**	**10,025**	**45,623**	**2,152**	**354,468**
Deferred participation benefits (asset)	(14,030)	(297)	(2,716)	-	(17,043)
Reinsurer's share of technical reserves	(781)	(777)	(86)	(294)	(1,938)
NET TECHNICAL RESERVES	**281,857**	**8,951**	**42,821**	**1,858**	**335,487**

(in millions of euros)					31/12/2021
	Life	**Non-Life**	**International**	**Creditor**	**Total**
Insurance contracts	228,907	8,863	28,475	2,115	268,360
Investment contracts with discretionary profit-sharing	65,568	-	17,178	-	82,746
Investment contracts without discretionary profit-sharing	2,845	-	1,706	-	4,551
Deferred participation benefits (liability)	21,473	70	699	-	22,242
Other technical reserves	-	-	-	-	-
TOTAL TECHNICAL RESERVES	**318,793**	**8,933**	**48,058**	**2,115**	**377,899**
Deferred participation benefits (asset)	(3)	-	-	-	(3)
Reinsurer's share of technical reserves	(735)	(537)	(75)	(350)	(1,697)
NET TECHNICAL RESERVES	**318,055**	**8,396**	**47,983**	**1,765**	**376,199**

Reinsurers' share in technical reserves and other insurance liabilities is recognised under "Accruals, prepayments and sundry liabilities". The breakdown of insurance company technical reserves is presented before elimination of issues in euro and in units of account subscribed by insurance companies.

Policyholders' deferred profit sharing, before tax, at 31 December 2022 and 31 December 2021 breaks down as follows:

Deferred participation benefits *(in millions of euros)*	**31/12/2022 Deferred participation benefits in liabilities (in assets when appropriate)**	**31/12/2021 Deferred participation benefits in liabilities (in assets when appropriate)**
Deferred participation on revaluation of financial assets at fair value through other comprehensive income and hedging derivatives	20,783	(16,005)
of which deferred participation on revaluation of financial assets at fair value through other comprehensive income[(1)]	*20,847*	*(16,040)*
of which deferred participation hedging derivatives	*(64)*	*35*
Deferred participation on financial assets at fair value through profit or loss adjustement	(1,478)	(4,074)
Other deferred participation	(2,240)	(2,160)
TOTAL PRE-TAX OTHER DEFERRED PARTICIPATION BENEFITS	**17,065**	**(22,239)**

(1) See Note 6.4 "Financial assets at fair value through equity".

6.17 Provisions

(in millions of euros)	31/12/2021	Changes in scope	Additions	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	31/12/2022
Home purchase schemes risks	1,247	-	-	-	(500)	1	-	748
Execution risks of commitments by signature	1,835	(26)	3,159	(11)	(3,156)	25	8	1,834
Operational risks	482	(1)	101	(60)	(72)	3	4	457
Employee retirement and similar benefits[(1)]	1,925	(9)	226	(175)	(105)	3	(493)	1,372
Litigation	758	(12)	119	(112)	(211)	1	3	546
Equity investments	6	-	2	(1)	-	-	-	7
Restructuring	22	-	2	(5)	(6)	-	-	13
Other risks	829	(5)	191	(183)	(162)	2	(4)	668
TOTAL	**7,104**	**(53)**	**3,800**	**(547)**	**(4,212)**	**35**	**(482)**	**5,645**

(1) Of which €752 million for post-employment benefits under defined-benefit schemes, as detailed in Note 7.4, including €163 million for the provision for long-service awards.

At 31 December 2022, employee retirement schemes and similar benefits included €223 million (€307 million at 31 December 2021) of provisions arising from social costs of the restructuring plans. The provision for restructuring includes the non-social costs of those plans.

(in millions of euros)	31/12/2020	01/01/2021[(2)]	Changes in scope	Additions	Reversals, amounts used	Reversals, amounts unused	Translation adjustments	Other movements	31/12/2021
Home purchase schemes risks	1,354	-	-	17	-	(123)	-	(1)	1,247
Execution risks of commitments by signature	1,656	-	8	3,093	(66)	(2,894)	32	6	1,835
Operational risks	343	-	3	207	(15)	(61)	4	1	482
Employee retirement and similar benefits[(1)]	1,972	(133)	93	391	(137)	(56)	11	(216)	1,925
Litigation	808	-	50	93	(60)	(138)	2	3	758
Equity investments	5	-	-	1	(1)	-	-	1	6
Restructuring	27	-	-	21	(2)	(23)	-	(1)	22
Other risks	697	-	75	331	(123)	(175)	4	20	829
TOTAL	**6,862**	**(133)**	**229**	**4,154**	**(404)**	**(3,470)**	**53**	**(187)**	**7,104**

(1) Of which €1,255 million for post-employment benefits under defined-benefit schemes, including €196 million for the provision for long-service awards.
(2) Estimated impact of the first-time application of the IFRS IC decision of 21 April 2021 on calculating commitments relating to certain defined-benefit schemes.

Regulatory inquiries and information requests

The principal cases associated with regulatory inquiries and information requests are:

Cheque Image Exchange (CIE) case

In March 2008, LCL and Crédit Agricole S.A. and ten other banks were served notice of grievances on behalf of the *Conseil de la concurrence* i.e. the French Competition Council (now the French Competition Authority).

They were accused of colluding to implement and apply interchange fees for cashing cheques, since the passage of the Cheque Image Exchange system, i.e. between 2002 and 2007. In the opinion of the French Competition Authority, these fees constitute anti-competitive price agreements in the meaning of Articles 81 paragraph 1 of the treaty establishing the European Community and Article L.420-1 of the French Commercial Code *(Code de commerce)*, and allegedly caused damage to the economy.

In their defence, the banks categorically refuted the anticompetitiveness of the fees and contested the legality of the proceedings.

In a decision published on 20 September 2010, the French Competition Authority stated that the Cheque Image Exchange fee (CEIC) was anti-competitive by its very aim and that it artificially increased the costs borne by remitting banks, which resulted in an unfavourable impact on the prices of banking services. Concerning one of the fees for related services, the fee for cancellation of wrongly cleared transactions (AOCT), and the French Competition Authority called on the banks to revise their amount within six months of the notification of the decision.

The accused banks were sanctioned for an overall amount of €384.92 million.

LCL and Crédit Agricole were respectively sentenced to pay €20.7 million and €82.1 million for the CEIC and €0.2 million and €0.8 million for the AOCT.

All of the banks appealed the decision to the Paris Court of Appeal. By a decree of 23 February 2012, the Court overruled the decision, stating that the French Competition Authority had not proven the existence of competition restrictions establishing the agreement as having an anti-competitive purpose.

The French Competition Authority filed an appeal with the Supreme Court on 23 March 2012.

On 14 April 2015, the French Supreme Court *(Cour de cassation)* overruled the Paris Court of Appeal's decision dated 23 February 2012 and remanded the case to the Paris Court of Appeal with a change in the composition of the Court on the sole ground that the Paris Court of Appeal declared the UFC-Que Choisir and ADUMPE's interventions in the proceedings devoid of purpose without having considered their arguments.

The French Supreme Court did not rule on the merits of the case and Crédit Agricole has brought the case before the Paris Court of Appeal.

The Paris Court of Appeal issued a decree on 21 December 2017. It confirmed the decision of the French Competition Authority dated 20 September 2010 but reduced from €82,940,000 to €76,560,000 the sanction on Crédit Agricole. LCL's sanction remains unchanged, at an amount of €20,930,000.

As well as the other banks parties to this procedure, LCL and Crédit Agricole filed an appeal with the Supreme Court.

On 29 January 2020, the French Supreme Court *(Cour de cassation)* overruled the Paris Court of Appeal's decision dated 21 December 2017 and referred the case to the same Court with a different composition on the ground that the Paris Court of Appeal had not characterized the existence of restrictions of competition by object.

In a decision dated 2 December 2021, the Paris Court of Appeal overturned the decision of the French Competition Authority and ruled that it is not established that the introduction of the CEIC and the AOCT constituted any anti-competitive practices by their object or by their effects.

On 31 December 2021, the French Competition Authority appealed to the French Supreme Court *(Cour de cassation)* against this decision.

Strauss/Wolf/Faudem

US citizens and members of their families who were victims of terrorist attacks attributed to Hamas and committed in Israel between 2001 and 2004 have brought proceedings against Crédit Lyonnais and another bank before a New York court.

They claim that these banks gave support to terrorists as they each kept an account opened (in 1990 in the case of Crédit Lyonnais) by a charity providing aid to Palestinians. The plaintiffs allege that the account was used to transfer funds to Palestinian entities accused of financing Hamas. The plaintiffs, who have not put a figure on the damages they have suffered, are claiming compensation for "injury, anguish and emotional pain".

As the matter and the proceedings currently stand, the plaintiffs have not provided proof that the charity was actually linked to terrorists, nor that Crédit Lyonnais was aware that its client could have been involved (if it were to be proven) in financing terrorism. The Court nonetheless demanded that this be demonstrated by the plaintiffs if they are to win their case. Crédit Lyonnais vigorously denies the plaintiffs' allegations.

Under a ruling made on 28 February 2013, the judge issued a Summary Judgment referring Crédit Lyonnais and the plaintiffs to a jury trial on the merits.

In February 2018, Crédit Lyonnais filed a new motion for a Summary Judgment based on recent case law so that the plaintiffs' claims would be dismissed without such a jury trial.

On January 2019 the plaintiffs tried to modify their briefs in order to add new plaintiffs before their action be time-barred. The judge refused this request and two new actions (Fisher and Miller) have been filed before the same court as the one in charge of the procedures Strauss/Wolf. They are similar to the pending actions, their legal analysis are identical and their result will depend on the outcome of the motion for a summary judgment filed by Crédit Lyonnais in February 2018. From a procedural standpoint they will remain outstanding until then.

On 31 March 2019 the court upheld in its entirety the Motion for Summary Judgment filed by Crédit Lyonnais in February 2018. It considered that no reasonable jury could find in favour of the plaintiffs and dismissed all their claims. The plaintiffs appealed against this decision.

On 7 April 2021 the Second Circuit Court of appeals dismissed the Plaintiffs' appeal.

On 3 September 2021, plaintiffs filed a petition for writ of certiorari with the US Supreme Court. On 7 January 2022, the Supreme Court sought the opinion of the Solicitor General on whether to examine this appeal. In May 2022, the Solicitor General advised the Supreme Court to refuse to re-examine the case. On 27 June 2022, the Supreme Court dismissed the plaintiffs' petition, which means that the rejection of the claims presented against Crédit Lyonnais is now final.

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 $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 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 19 October 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 programmes 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 signed with NYDFS and the US Federal Reserve, Crédit Agricole's compliance programme is subject to regular reviews to evaluate its effectiveness. These reviews include 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 US 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 indexes; and (ii) transactions connected with these rates and indexes. 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. The hearing before the Court was held on 17 March 2022 and the deliberation date is not known at this stage.

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 agreement under which Crédit Agricole S.A. agreed to pay a penalty of CHF 4,465,701 and proceeding costs of CHF 187,012 without any admission of guilt.

Moreover, in June 2016 the South Korean competition authority (KFTC) decided to close the investigation launched in September 2015 into Crédit Agricole CIB and the LIBOR index on various currencies, EURIBOR and TIBOR indexes. 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 in which Crédit Agricole S.A. and Crédit Agricole CIB have been named since 2012 and 2013 along with other financial institutions, both were named as defendants in one (“Sullivan” for the EURIBOR) and only Crédit Agricole S.A. was named as defendant for the other (“Lieberman” for LIBOR). The “Lieberman” class action is now closed, the plaintiffs having decided to waive the proceedings. With regard to the “Sullivan” class action, Crédit Agricole S.A. and Crédit Agricole CIB had presented a motion to dismiss the plaintiffs’ request, which the US District Court of New York State, ruling at first instance, had granted. On 14 June 2019, the plaintiffs had appealed this decision. Pending deliberation of this appeal, on 31 December 2021, the Federal Court of Appeals for the Second District rendered a decision in a separate case (called GELBOIM) modifying its case law on the personal jurisdiction of US courts regarding foreign defendants. In order to avoid any negative impact of this reversal of case law on the appeal in progress, Crédit Agricole S.A. and Crédit Agricole CIB negotiated an agreement with the plaintiffs intended to definitively end the proceedings seeking the payment to the plaintiffs of an amount of $55 million, which took place in 2022. This agreement, which does not include any acknowledgement of guilt on the part of Crédit Agricole S.A. and Crédit Agricole CIB, was approved by the New York court on 15 November 2022, a decision which has not been appealed. According to the standard cooperation commitments made in this type of agreement, a request for submission of documents (confirmatory discovery) may possibly still be sent in 2023 to Crédit Agricole S.A. and Crédit Agricole CIB by the plaintiffs, in the event that they would need it in the context of discussions with other parties who have not yet settled.

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) indexes. After having granted a first motion to dismiss filed by Crédit Agricole S.A. and Crédit Agricole CIB, the United States District Court for New York, 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 26 July 2019, the Federal Court granted the defendants’ motion to dismiss. The plaintiffs filed a notice of appeal on 26 August 2019.

On 17 March 2021, a three-judge panel of the United States Court of Appeals for the Second Circuit granted the plaintiffs’ appeal, thereby finding the new complaint admissible and remanding the case to federal court in New York for resumption of the proceedings. The defendants, including Crédit Agricole CIB, requested the Second Circuit Court to rehear the case “en banc” (all the active judges of the Court). This motion was denied by the Second Circuit Court on 6 May 2021. Another motion was filed on 12 May 2021 by the defendants seeking a stay of this decision remanding the case to the District Court, which was rejected on 24 May 2021. On 1 October 2021, the defendants filed a petition for writ of certiorari with the US Supreme Court, which decided on 10 January 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 a settlement agreement with the plaintiffs in order to definitively end this action. This agreement provides for the payment of a lump sum to the plaintiffs with allocation criteria for each of the plaintiffs. Consequently, it provides payment by Crédit Agricole CIB of $7.3 million (8.03% of the total amount). This agreement, which does not include any acknowledgement of guilt on the part of Crédit Agricole CIB, was approved by the New York court on 29 November 2022, a decision which has not been 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 enquiry 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 in the secondary trading market of Bonds SSA denominated in American dollars. On 7 July 2021, Crédit Agricole S.A. and Crédit Agricole CIB appealed this decision to the European Court of Justice.

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 personal jurisdiction in New York 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 Appeals 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 taking any further action. The plaintiffs then requested authorisation to file a motion to set aside the judgment of the court of first instance, on the grounds that the judge of that court did not disclose a conflict of interest at the start of the action. The action was assigned to a new judge to consider this request and this new judge ordered the parties to submit their observations on this point. On 3 October 2022, this judge, District Judge Valerie Caproni, rendered an opinion and an order dismissing the plaintiffs' motion, setting aside the judgement and instructing the clerk to close the case. The plaintiffs have not appealed this decision by Judge Caproni.

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 has been filed before 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 terminate the proceedings in the Federal Court. The final agreement still needs to be negotiated, signed and approved by the Court.

O'Sullivan and Tavera

On 9 November 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 District Court in New York.

On 29 December 2018, the same group of individuals, together with 57 new plaintiffs, filed a separate action ("O'Sullivan II") against the same defendants.

On 21 December 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 organisations 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 29 June 2021, the Court denied plaintiffs' motion.

On 28 July 2021, the Court stayed the O'Sullivan I case pending a decision on the current appeal in a related case, Freeman vs. HSBC Holdings, PLC, No. 19-3970 (2d. Cir.). (The O'Sullivan II and Tavera cases have been previously stayed pending that appeal.) On 20 January 2023, the Court extended the stay of the O'Sullivan I and O'Sullivan II actions pending a decision by the US Supreme Court in the matter of Twitter, Inc. v. Tamneh, et al., which relates to the application of the US Anti-Terrorism Act to social media companies. In the Tavera case, the parties must decide on a possible extension of the stay of proceedings before 3 February 2023.

Intercontinental Exchange, Inc. ("ICE")

On 15 January 2019 a class action ("Putnam Bank") was filed before a federal court in New York (US District Court for the Southern District of New York) against the Intercontinental Exchange, Inc. ("ICE") and a number of banks including Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Securities-USA. This action has been filed by plaintiffs who allege that they have invested in financial instruments indexed to the USD ICE LIBOR. They accuse the banks of having collusively set the index USD ICE LIBOR at artificially low levels since February 2014 and made thus illegal profits.

On 31 January 2019 a similar action ("Livonia") has been filed before the US District Court for the Southern District of New-York, against a number of banks including Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Securities-USA. On 1 February 2019, these two class actions were consolidated.

On 4 March 2019, a third class action ("Hawaii Sheet Metal Workers Pension and Annuity Fund") was filed against the same banks in the same court and consolidated with the two previous actions on 26 April 2019. On 1 July 2019, the plaintiffs filed a "Consolidated Class Action Complaint".

On 30 August 2019, the Defendants filed a motion to dismiss this consolidated complaint.

On 26 March 2020, the judge granted the Defendants' Motion to Dismiss. On 24 April 2020, the plaintiffs filed a notice of appeal.

On 30 November 2020, during briefing of the appeal, Plaintiffs' lawyers informed Defendants that all of the named Plaintiffs wished to withdraw from the case and, on 1 December 2020, Plaintiffs' counsel filed the motion to stay the appeal, which Defendants opposed. The court denied the motion on 7 December 2020 and Plaintiffs filed their reply brief on 15 December 2020.

On 28 December 2020, DYJ Holdings Inc filed a motion for leave to intervene to replace the currents named plaintiffs. On 7 January 2021, Defendants filed a brief in opposition to DYJ Holdings' motion and also filed a motion to dismiss the appeal.

On 6 April 2021, the court granted DYJ Holdings Inc's motion for leave to intervene and denied Defendants' motion to dismiss the appeal.

On 10 June 2021, Defendants submitted a supplemental brief addressing merits issues unique to DJY Holdings.

On 14 February 2022, the Second Circuit dismissed the appeal.

DYJ Holdings did not appeal the dismissal of their complaint to the Supreme Court within the legal time limit so the case is closed.

Crédit Agricole Consumer Finance Nederland B.V.

The conditions for the review of the interest rates of revolving loans marketed by Crédit Agricole Consumer Finance Nederland BV, a fully owned subsidiary of Crédit Agricole Consumer Finance S.A., and its subsidiaries are the subject of borrowers' claims relating to the criteria for revising these rates and possible overpayments of interest.

On 21 January 2019, in two individual cases concerning two subsidiaries of Crédit Agricole Consumer Finance Nederland BV, the Appeals Board of KIFID (the Financial Services Complaints Authority) in the Netherlands decided that in case the consumers had no or insufficient information on the specific factors that determine the interest rate, the individual interest rate needed to follow the movement of market interest rates on consumer loans.

Crédit Agricole Consumer Finance Nederland BV implemented a compensation plan for the benefit of the borrowers in May 2020 which takes into account the aforementioned decisions of KIFID. Other institutions in the Netherlands have implemented compensation plans. Crédit Agricole Consumer Finance Nederland B.V. Supervisory Board decided to close this compensation plan on 1 March 2021.

CACEIS Germany

On 30 April 2019, CACEIS Germany received from the Bavarian tax authorities a claim for the repayment of the dividend tax refunded to a number of its customers in 2010.

This claim amounted to €312 million. It was accompanied by a demand for the payment of €148 million in interest (calculated at the rate of 6% per annum).

CACEIS Germany (CACEIS Bank S.A.) strongly challenges this claim that it finds to be totally unfounded. CACEIS Germany has filed an appeal with the tax authorities in order to contest this demand on the merits, on the one hand, and, on the other hand, request a stay of execution of payment pending the outcome of the proceedings on the merits. The stay of enforcement was granted for the payment of €148 million of interests and rejected for the repayment of the amount of €312 million. CACEIS Bank S.A. has contested this decision to reject. The rejection being enforceable, the sum of €312 million was paid by CACEIS Bank S.A. which, given the ongoing appeal, recorded a claim for an equivalent amount in its accounts. By a decision of 25 November 2022, the Munich tax authorities rejected the CACEIS Bank S.A. appeal on the merits. On 21 December 2022, CACEIS Bank S.A. filed an action challenging the above-mentioned decision of the Munich tax authorities and the above-mentioned request for the refund of dividend tax. Being confident of its arguments, CACEIS Bank S.A. has made no changes to its accounts.

Home purchase savings plan provision

Deposits collected in home purchase savings accounts and plans during the savings phase

(in millions of euros)	31/12/2022	31/12/2021
HOME PURCHASE SAVINGS PLANS		
Under 4 years old	9,441	8,362
Between 4 and 10 years old	52,584	54,302
Over 10 years old	44,025	46,942
TOTAL HOME PURCHASE SAVINGS PLANS	**106,050**	**109,606**
TOTAL HOME PURCHASE SAVINGS ACCOUNTS	**13,463**	**12,977**
TOTAL DEPOSITS COLLECTED UNDER HOME PURCHASE SAVINGS CONTRACTS	**119,513**	**122,583**

Customer assets, excluding government subsidies, are based on the carrying amount at the end of November 2022 for the financial statements at 31 December 2022 and at the end of November 2021 for the financial statements at 31 December 2021.

Outstanding loans granted to holders of home purchase savings accounts and plans

(in millions of euros)	31/12/2022	31/12/2021
Home purchase savings plans	18	29
Home purchase savings accounts	94	145
TOTAL OUTSTANDING LOANS GRANTED UNDER HOME PURCHASE SAVINGS CONTRACTS	**112**	**174**

Provision for home purchase savings accounts and plans

(in millions of euros)	31/12/2022	31/12/2021
HOME PURCHASE SAVINGS PLANS		
Under 4 years old	-	9
Between 4 and 10 years old	130	89
Over 10 years old	618	1,149
TOTAL HOME PURCHASE SAVINGS PLANS	**748**	**1,247**
TOTAL HOME PURCHASE SAVINGS ACCOUNTS	**-**	**-**
TOTAL PROVISIONS FOR HOME PURCHASE SAVINGS CONTRACTS	**748**	**1,247**

The update according to the current models for calculating the Home Savings provision, which are highly sensitive to rate and liquidity parameters and to the projection of outstandings at risk, would have led, in the second half of 2022, to a mechanical reversal of 61% of the amount provisioned at 30 June 2022. In the context of interest rate volatility, and especially the rapid increase in the past year to levels unknown for 10 years, it appears relevant not to recognise such a provision reversal in order to assess the impacts of this new environment, in particular on the behavioural models for calculating the provision, which has therefore been frozen at its level of 30 June 2022 (after a reversal of €499 million euros during the first half) and seems to us to best represent the reality of the risks at the end of the year. These models will be worked on in 2023 to assess their robustness in this new context.

Age plan is determined based on the date of the midway point in the generation of plans to which they belong.

All of the home purchase savings accounts (HPSPs) and accounts collected by the Regional Banks are recognised at 100% as liabilities in the consolidated financial statements of Crédit Agricole Group.

Half of the amount of outstanding loans related to home purchase savings plans and accounts is recognised by Crédit Agricole Group and the other half by the Regional Banks in the tables above.

The amounts recognised under provisions represent the portion of risk borne by Crédit Agricole S.A., LCL and the Regional Banks.

Consequently, the ratio between the provision booked and the outstanding amounts shown on Crédit Agricole Group's balance sheet is not representative of the level of provisioning for home purchase savings risk.

6.18 Subordinated debt

(in millions of euros)	31/12/2022	31/12/2021
Dated subordinated debt[1]	22,950	25,342
Undated subordinated debt[2]	3	338
Mutual security deposits	200	191
Participating securities and loans	2	2
CARRYING AMOUNT	**23,155**	**25,873**

(1) Includes issues of dated subordinated notes (TSR).
(2) Includes issues of deeply subordinated notes ("TSS") and undated subordinated notes ("TSDI").

As at 31 December 2022, outstanding deeply subordinated notes issued before the CRD 4/CRR came into effect were zero versus €253 million as at 31 December 2021.

Debt securities issued by Crédit Agricole S.A. and held by insurance entities of Crédit Agricole S.A. are eliminated for euro- and unit-linked contracts.

Subordinated debt issues

Crédit Agricole Group subordinated debt issues are part of regulatory capital management, while contributing to the refinancing of all Crédit Agricole Group operations.

The European Directive and Regulation on capital requirements for credit institutions and investment firms (CRD 4/CRR[1]) and their terms of application in French law set out the conditions under which subordinated instruments can qualify as regulatory equity and stipulate the terms and conditions for phasing out the qualification of old instruments that do not meet or exceed those conditions.

All subordinated debt issuances, whether new or old, are likely to be subject to bail-in through their total or partial depreciation or their conversion into capital in certain circumstances and in accordance with applicable French law transposing the European Directive on the reorganisation and resolution of credit institutions and investment firms (DRRB[2]).

Subordinated debt differs from preferred or non-preferred unsecured senior bonds by virtue of its ranking in liquidation (principal and interest) contractually defined by their subordination clause, which refers explicitly to applicable French law, depending on the date on which they were issued (subordinated debt is junior to non-preferred and preferred unsecured senior debt). This assumes that the subordinate debt instruments are converted or depreciated, in particular by bail-in, before these unsecured senior debt instruments in the event the issuing entity enters into resolution and that they will only potentially be paid, if there are still available funds after these preferred and non-preferred unsecured debt instruments are paid, in the event this same issuing entity is liquidated.

(1) Directive 2013/36/EU of 26 June 2013 as amended and modified by Directive (EU) 2019/878 of 20 May 2019, (and its transpositions into French law) and Regulation (EU) 575/2013 of 26 June 2013 as supplemented and amended, including in particular through Regulation (EU) 2019/876 of 20 May 2019.
(2) Directive 2014/59/EU of 15 May 2014 as supplemented and amended, including in particular through Directive (EU) 2019/879 of 20 May 2019.

6.19 Undated financial instruments

The main issues of undated subordinated and deeply subordinated debt classified in Shareholders' equity Group share are:

					At 31 December 2022			
		Amount in currency at 31 December 2021	Partial repurchases and redemptions	Amount in currency at 31 December 2022	Amount in euros at inception rate	Interests paid Group share	Issuance costs net of taxes	Shareholders' equity Group share
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)*
23/01/2014	USD	1,750	-	1,750	1,284	(1,077)	(8)	199
08/04/2014[1]	GBP	103	-	103	125	(79)	(1)	45
19/01/2016	USD	1,250	-	1,250	1,150	(623)	(8)	519
26/02/2019	USD	1,250	-	1,250	1,098	(277)	(7)	814
14/10/2020	EUR	750	-	750	750	(66)	(5)	679
23/06/2021	GBP	397	-	397	481	(53)	(1)	427
04/01/2022	USD			1,250	1,102	(54)	(8)	1,040
Crédit Agricole S.A. Issues	**-**		**-**	**-**	**5,990**	**(2,229)**	**(38)**	**3,723**
Issues subscribed in-house:								
Group share/ Non controlling interests effect		-	-	-	-	66	-	66
Issues subscribed by Crédit Agricole CIB for currency regulation		-	-	-	-	-	-	-
TOTAL		**-**	**-**	**-**	**5,990**	**(2,163)**	**(38)**	**3,789**

The main issues of undated subordinated and deeply subordinated debt classified in shareholder's equity – Non controlling interests share (insurance) are:

					At 31 December 2020	
		Amount in currency at 31 December 2021	Partial repurchases and redemptions	Amount in currency at 31 December 2022	Amount in euros at inception rate	Income – Non controlling interests
Issue date	Currency	*(in millions of units)*	*(in millions of units)*	*(in millions of units)*	*(in millions of euros)*	*(in millions of euros)*
10/14/2014	EUR	745	-	745	745	(270)
1/13/2015	EUR	1,000	-	1,000	1,000	(298)
Insurance Issues	**-**	**-**	**-**	**-**	**1,745**	**(568)**
TOTAL	**-**	**-**	**-**	**-**	**1,745**	**(568)**

Changes relating to undated subordinated and deeply subordinated debt affecting shareholders' Equity Group share and non-controlling interests share are as follows:

	Equity-Group share		Non-controlling interests	
(in millions of euros)	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Undated deeply subordinated notes				
Interests paid accounted as reserves	(420)	(367)	(17)	(16)
Changes in nominal amounts	1,101	(1,000)	-	-
Income tax savings related to interest paid to security holders recognised in net income	113	109	-	-
Issuance costs (net of tax) accounted as reserves	(8)	(1)	-	-
Other	-	-	-	-
Undated subordinated notes			**-**	
Interests paid accounted as reserves	-	-	(76)	(76)
Changes in nominal amounts	-	-	-	-
Income tax savings related to interest paid to security holders recognised in net income	20	22	-	-
Issuance costs (net of tax) accounted as reserves	-	-	-	-
Other	-	-	-	-

As undated subordinated and deeply subordinated financial instruments are considered equity instruments issued, the tax effects on the compensation paid are recognised as income tax in the income statement.

6.20 Breakdown of financial assets and liabilities by contractual maturity

The breakdown of balance sheet financial assets and liabilities is made according to contractual maturity date.

The maturities of derivative instruments held for trading and for hedging correspond to their date of contractual maturity.

Equity instruments by nature have no contractual maturity; they are classified as “Indefinite”.

						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	210,804	-	-	-	-	210,804
Financial assets at fair value through profit or loss	107,256	35,075	48,487	62,913	177,986	431,717
Hedging derivative Instruments	5,300	2,976	14,333	27,885	-	50,494
Financial assets at fair value through other comprehensive income	7,412	21,317	70,366	113,005	5,025	217,125
Financial assets at amortised cost	196,521	131,228	497,556	517,632	1,608	1,344,545
Revaluation adjustment on interest rate hedged portfolios	(9,098)					(9,098)
TOTAL FINANCIAL ASSETS BY MATURITY	**518,195**	**190,596**	**630,742**	**721,435**	**184,619**	**2,245,587**
Central Banks	59	-	-	-	-	59
Financial liabilities at fair value through profit or loss	120,768	23,595	57,251	70,578	-	272,192
Hedging derivative Instruments	7,749	3,763	11,036	24,768	-	47,316
Financial liabilities at amortised cost	1,131,205	165,128	122,234	49,109	-	1,467,676
Subordinated debt	26	601	12,163	10,164	201	23,155
Revaluation adjustment on interest rate hedged portfolios	6,987					6,987
TOTAL FINANCIAL LIABILITIES BY MATURITY	**1,266,794**	**193,087**	**202,684**	**154,619**	**201**	**1,817,385**

						31/12/2021
(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	241,191	-	-	-	-	241,191
Financial assets at fair value through profit or loss	103,547	31,203	36,855	74,094	187,435	433,134
Hedging derivative Instruments	1,558	736	4,506	9,223	-	16,023
Financial assets at fair value through other comprehensive income	13,886	17,733	97,239	135,605	4,237	268,700
Financial assets at amortised cost	184,239	117,992	477,740	474,897	3,415	1,258,283
Revaluation adjustment on interest rate hedged portfolios	5,231					5,231
TOTAL FINANCIAL ASSETS BY MATURITY	**549,652**	**167,664**	**616,340**	**693,819**	**195,087**	**2,222,562**
Central Banks	1,276	-	-	-	-	1,276
Financial liabilities at fair value through profit or loss	101,920	17,551	38,828	85,256	-	243,555
Hedging derivative Instruments	1,401	400	5,060	9,966	-	16,827
Financial liabilities at amortised cost	1,056,763	83,743	247,584	59,373	-	1,447,463
Subordinated debt	123	35	11,734	13,455	526	25,873
Revaluation adjustment on interest rate hedged portfolios	5,841					5,841
TOTAL FINANCIAL LIABILITIES BY MATURITY	**1,167,324**	**101,729**	**303,206**	**168,050**	**526**	**1,740,835**

Note 7 Employee benefits and other compensation

7.1 Analysis of employee expenses

(in millions of euros)	31/12/2022	31/12/2021
Salaries[(1)(2)]	(9,052)	(8,770)
Contributions to defined-contribution plans	(819)	(771)
Contributions to defined-benefit plans	(102)	(137)
Other social security expenses	(2,498)	(2,482)
Profit-sharing and incentive plans	(853)	(810)
Payroll-related tax	(889)	(869)
TOTAL EMPLOYEE EXPENSES	**(14,213)**	**(13,839)**

(1) Regarding deferred variable compensation paid to market professionals, Crédit Agricole Group booked a charge for share-based payments of €61 million at 31 December 2022 compared with €60 million at 31 December 2021.

(2) Of which retirement-related indemnities amounted to €315 million at 31 December 2022, compared with €244 million at 31 December 2021.

7.2 Average headcount for the period

Average headcount	31/12/2022	31/12/2021
France	108,182	105,639
International	36,638	40,998
TOTAL	**144,820**	**146,636**

7.3 Post-employment benefits, defined-contribution schemes

"Employers" contribute to a variety of compulsory pension schemes. Plan assets 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 cover all benefits corresponding to services rendered by employees during the year and during prior years. Consequently, Crédit Agricole Group companies have no liability in this respect other than the contributions payable.

Within the Group, there are several compulsory defined-contribution pension schemes, the main ones being Agirc/Arrco, which are French supplementary retirement plans, and some supplementary plans in place notably within UES Crédit Agricole S.A.

Analysis of supplementary pension schemes in France

Business Line	Entity	Compulsory supplementary pension plans	Estimate number of employees covered as at 31/12/2022	Estimate number of employees covered as at 31/12/2021
Central Support functions	UES Crédit Agricole S.A	Agriculture industry plan 1.24%	1,791	1,790
Central Support functions	UES Crédit Agricole S.A	"Article 83" Group Executive managers plan	238	215
French Retail Banking – LCL	LCL	"Article 83" Group Executive managers plan	253	268
Large Customers	Crédit Agricole CIB	"Article 83" type plan	5,579	5,199
Asset Gathering	CAAS/Pacifica/SIRCA	Agriculture industry plan 1.24%	4,728	4,738
Asset Gathering	CAAS/Pacifica/CACI	"Article 83" Group Executive managers plan	79	78
Asset Gathering	CACI/CA Indosuez Wealth (France)/ CA Indosuez Wealth (Group)/Amundi	"Article 83" type plan	4,062	3,962

7.4 Post-employment benefits, defined-benefit schemes

Change in actuarial liability

			31/12/2022	31/12/2021
(in millions of euros)	**Eurozone**	**Outside Eurozone**	**All zones**	**All zones**
Actuarial liability at 31/12/N-1	**2,824**	**1,868**	**4,692**	**4,915**
Impact of IFRIC IAS 19 at opening[2]	-	-	-	(252)
Translation adjustments	-	25	25	112
Cost of service rendered during the period	178	37	215	216
Financial cost	20	22	42	28
Employee contributions	1	18	19	18
Benefit plan changes, withdrawals and settlement	(4)	-	(4)	(9)
Changes in scope	(3)	(6)	(9)	65
Benefits paid (mandatory)	(213)	(102)	(315)	(244)
Tax, administrative costs and bonuses	-	-	-	-
Actuarial gains/(losses) arising from changes in demographic assumptions[1]	50	59	109	(12)
Actuarial gains/(losses) arising from changes in financial assumptions[1]	(504)	(489)	(993)	(145)
ACTUARIAL LIABILITY AT END OF PERIOD	**2,349**	**1,432**	**3,781**	**4,692**

(1) Including actuarial gains and losses related to experience adjustments.
(2) Concern the impact of the first-time application of the IFRS IC decision of 21 April 2021 on calculating commitments relating to certain defined-benefit schemes totalling €252 million at 1 January 2021.

Breakdown of the net expense recognised in the income statement

			31/12/2022	31/12/2021
(in millions of euros)	**Eurozone**	**Outside Eurozone**	**All zones**	**All zones**
Service cost	(174)	(38)	(212)	(208)
Income/expenses on net interests	23	(2)	21	14
IMPACT ON PROFIT OR LOSS FOR THE YEAR	**(151)**	**(40)**	**(191)**	**(194)**

Breakdown of income recognised in other comprehensive income on items that may not be reclassified to profit and loss

			31/12/2022	31/12/2021
(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 other comprehensive income that will not be reclassified to profit or loss at beginning of period	**815**	**212**	**1,027**	**1,290**
Translation adjustments	-	3	3	10
Actuarial gains/(losses) on assets	28	332	360	(114)
Actuarial gains/(losses) arising from changes in demographic assumptions[1]	50	59	109	(12)
Actuarial gains/(losses) arising from changes in financial assumptions[1]	(504)	(489)	(993)	(145)
Adjustment of assets restriction's impact	5	(1)	4	(3)
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	**394**	**116**	**510**	**(264)**

(1) Including actuarial gains and losses related to experience adjustments.

Change in fair value of assets

			31/12/2022	31/12/2021
(in millions of euros)	Eurozone	Outside Eurozone	All zones	All zones
Fair value of assets at beginning of period	**1,956**	**1,711**	**3,667**	**3,409**
Translation adjustments	-	18	18	102
Interests on asset (income)	15	22	37	24
Actuarial gains/(losses)	(32)	(332)	(364)	108
Employer contributions	106	71	177	138
Employee contributions	1	18	19	18
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	5	-	5	16
Tax, administrative costs and bonuses	-	(1)	(1)	(1)
Benefits paid out under the benefit plan	(85)	(99)	(184)	(147)
FAIR VALUE OF ASSETS AT END OF PERIOD	**1,966**	**1,408**	**3,374**	**3,667**

Change in fair value of reimbursement rights

			31/12/2022	31/12/2021
(in millions of euros)	Eurozone	Outside Eurozone	All zones	All zones
Fair value of reimbursement rights at beginning of period	**288**	**-**	**288**	**316**
Translation adjustments	-	-	-	-
Interests on reimbursement rights (income)	1	-	1	-
Actuarial gains/(losses)	5	-	5	6
Employer contributions	1	-	1	14
Employee contributions	-	-	-	-
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	(4)	-	(4)	3
Tax, administrative costs and bonuses	-	-	-	-
Benefits paid out under the benefit plan	(66)	-	(66)	(51)
FAIR VALUE OF REIMBURSEMENT RIGHTS AT END OF PERIOD	**225**	**-**	**225**	**288**

Net position

			31/12/2022	31/12/2021
(in millions of euros)	Eurozone	Outside Eurozone	All zones	All zones
Closing actuarial liability	**(2,349)**	**(1,432)**	**(3,781)**	**(4,692)**
Impact of asset restriction	(13)	(8)	(21)	(16)
Fair value of assets at end of period	1,966	1,408	3,374	3,667
Other[(1)]	(34)	(3)	(37)	(66)
NET POSITION OF ASSETS/(LIABILITIES) AT END OF PERIOD	**(430)**	**(35)**	**(465)**	**(1,107)**

(1) Following the adjustment of €86 million recognised on 1 January 2021 in respect of the Article 137-11 pension scheme, the remaining commitment to be deferred amounted to €37 million at 31 December 2022, with a deferral of €29 million recognised for the 2022 financial year.

Defined-benefit schemes: main actuarial assumptions

		31/12/2022		31/12/2021
(in millions of euros)	Eurozone	Outside Eurozone	Eurozone	Outside Eurozone
Discount rate[(1)]	3.46%	3.29%	0.58%	1.21%
Actual return on plan assets and on reimbursement rights	(3.25)%	(18.67)%	5.72%	5.82%
Expected salary increase rates[(2)]	1.62%	1.74%	1.46%	1.89%
Rate of change in medical costs	0.00%	0.00%	0.00%	0.00%

(1) Discount rates are determined as a function of the average duration of the commitment, that is, the arithmetic mean of durations calculated between the valuation date and the payment date weighted by assumptions of staff turnover. The underlying used is the discount rate by reference to the iBoxx AA.

(2) Depending on the employees concerned (managers or non-managers).

Information on scheme 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	12.2%	268	72	26.4%	371	371	17.8%	639	443
Bonds	60.7%	1,330	263	41.3%	581	582	53.1%	1,912	845
Property/Real estate	6.3%	138	-	14.6%	206	-	9.6%	344	-
Other assets	20.7%	454	-	17.8%	250	-	19.6%	704	-

(1) Of which fair value of reimbursement rights.

As at 31 December 2022, sensitivity rates showed that:

- a 50-basis point increase in discount rates would reduce the commitment by -4.39%;
- a 50-basis point decrease in discount rates would increase the commitment by +4.87%.

The Crédit Agricole Group's policy on covering employment-related commitments reflects local rules on funding post-employment benefits in countries with minimum funding requirements. Overall, commitments arising from the Group's post-employment obligations were 95% covered at 31 December 2022 (including reimbursement rights).

7.5 Other employee benefits

In France, the Group's main entities pay long-service awards. The amounts vary according to practices and collective bargaining agreements in place.

The provisions funded by Crédit Agricole Group for these other employment-related commitments amounted to €620 million at 31 December 2022.

7.6 Share-based payments

7.6.1 Stock options plan

No new plan was implemented in 2022.

7.6.2 Deferred variable compensation paid in shares or in cash indexed to the share price

The deferred variable compensation plans implemented by the Group take two forms:

- equity-settled plans;
- cash-settled plans indexed to the Crédit Agricole S.A. share price.

Since 1 January 2016, all existing and future deferred variable compensation plans are now cash-settled plans indexed to the Crédit Agricole S.A. share price. The impact of the revaluation of the commitment on the basis of the Crédit Agricole S.A. share price, which is not material, was recognised in equity.

This deferred variable compensation is subject to continued employment and a performance condition and deferred to March 2023, March 2024, March 2025, March 2026 and March 2027.

The expense related to these plans is recognised in compensation expenses. It is spread on a straight-line basis over the vesting period to factor in continued employment, and a liability is recorded in employee expenses, the amount of which is subject to periodical revaluation through profit or loss until the settlement date, depending on the evolution of the share price of Crédit Agricole S.A. and on vesting conditions (continued employment and performance).

Note 8 Leases

8.1 Leases for which the Group is the lessee

The item "Property, plant & equipment" in the balance sheet consists of own and leased assets that do not meet the definition of investment properties.

(in millions of euros)	31/12/2022	31/12/2021
Owned property, plant & equipment	8,597	8,593
Right-of-use on lease contracts	2,173	2,316
TOTAL PROPERTY, PLANT & EQUIPMENT USED IN OPERATIONS	**10,770**	**10,909**

Crédit Agricole Group is also a lessee under lease agreements for IT equipment (photocopiers, computers etc.) with terms of one to three years. These are low-value and/or short-term leases. Crédit Agricole Group has opted to apply the exemptions provided for in IFRS 16 and not to recognise the right-of-use asset and the lease liability for these leases in the balance sheet.

Change in right of use assets

Crédit Agricole Group is the lessee of many assets including offices, agencies and computer equipment.

Information relating to the contracts of which Crédit Agricole Group is a lessee is presented below:

(in millions of euros)	31/12/2021	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2022
PROPERTY/REAL ESTATE							
Gross amount	3,513	(9)	476	(449)	(5)	5	3,531
Depreciation and impairment	(1,335)	-	(461)	353	-	-	(1,443)
TOTAL PROPERTY/REAL ESTATE	**2,178**	**(9)**	**15**	**(96)**	**(5)**	**5**	**2,088**
EQUIPMENT							
Gross amount	331	(1)	30	(78)	-	(3)	279
Depreciation and impairment	(193)	1	(52)	47	-	3	(194)
TOTAL EQUIPMENT	**138**	**-**	**(22)**	**(31)**	**-**	**-**	**85**
TOTAL RIGHT-OF-USE	**2,316**	**(9)**	**(7)**	**(127)**	**(5)**	**5**	**2,173**

(in millions of euros)	31/12/2020	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2021
PROPERTY/REAL ESTATE							
Gross amount	3,134	144	396	(167)	27	(21)	3,513
Depreciation and impairment	(923)	(33)	(458)	84	(11)	6	(1,335)
TOTAL PROPERTY/REAL ESTATE	**2,211**	**111**	**(62)**	**(83)**	**16**	**(15)**	**2,178**
EQUIPMENT							
Gross amount	239	12	108	(28)	-	-	331
Depreciation and impairment	(121)	(7)	(73)	8	-	-	(193)
TOTAL EQUIPMENT	**118**	**5**	**35**	**(20)**	**-**	**-**	**138**
TOTAL RIGHT-OF-USE	**2,329**	**116**	**(27)**	**(103)**	**16**	**(15)**	**2,316**

Maturity schedule of lease liabilities

(in millions of euros)				31/12/2022
	≤1 year	>1 year up to ≤5 years	>5 years	Total Lease liabilities
Lease liabilities	570	1,090	583	2,243

(in millions of euros)				31/12/2021
	≤1 year	>1 year up to ≤5 years	>5 years	Total Lease liabilities
Lease liabilities	527	1,224	586	2,337

Details of rental contract income and expenses

(in millions of euros)	31/12/2022	31/12/2021
Interest expense on lease liabilities	(31)	(30)
TOTAL INTEREST AND SIMILAR EXPENSES (REVENUES)	(31)	(30)
Expense relating to short-term leases	(94)	(33)
Expense relating to leases of low-value assets	(52)	(48)
Expense relating to variable lease payments not included in the measurement of lease liabilities	(17)	(135)
Income from subleasing right-of-use assets	1	1
Gains or losses arising from leaseback transactions	-	-
Gains or losses arising from lease modifications	-	-
TOTAL OPERATING EXPENSES	(162)	(215)
Depreciation for right-of-use	(508)	(519)
TOTAL DEPRECIATION AND AMORTISATION OF PROPERTY, PLANT & EQUIPMENT	(508)	(519)
TOTAL EXPENSE AND INCOME ON LEASE CONTRACTS	**(701)**	**(764)**

Cash flow amounts for the period

(in millions of euros)	31/12/2022	31/12/2021
Total cash outflow for leases	(623)	(774)

8.2 Leases for which the Group is the lessor

Crédit Agricole Group offers its customers leasing activities that take the form of leasing agreements, lease financing with purchase options, finance leasing and long-term leasing arrangements. Lease agreements are classified as finance leases when the terms of the lease transfer substantially all of the risks and benefits inherent in ownership to the lessee.

Other lease agreements are classified as operating leases.

Income from rental contracts

(in millions of euros)	31/12/2022	31/12/2021
Finance leases	**1,437**	**1,161**
Selling profit or loss	60	51
Finance income on the net investment in the lease	1,377	1,110
Income relating to variable lease payments	-	-
Operating leases	**316**	**321**
Lease income	316	321

Schedule of rent payments to be received

							31/12/2022
(in millions of euros)	≤1 year	>1 year up to ≤5 years	>5 years	Total Lease payments receivable	Unearned finance income	Discounted residual value	Financial lease receivables
Finance leases	3,525	9,560	7,535	20,620	1,219	1,038	20,439

							31/12/2021
(in millions of euros)	≤1 year	>1 year up to ≤5 years	>5 years	Total Lease payments receivable	Unearned finance income	Discounted residual value	Financial lease receivables
Finance leases	4,561	8,919	4,998	18,478	1,130	951	18,299

Lease agreements expire on their residual maturity date.

The amount by expiry corresponds to the undiscounted contractual amount.

Note 9 Financing and guarantee commitments and other guarantees

Financing and guarantee commitments and other guarantees include discontinued operations.

Commitments given and received

(in millions of euros)	31/12/2022	31/12/2021
COMMITMENTS GIVEN		
Financing commitments	**240,080**	**226,300**
Commitments given to credit institutions	10,406	12,658
Commitments given to customers	229,674	213,642
Guarantee commitments	**113,878**	**118,015**
Credit institutions	9,958	10,596
Customers	103,920	107,419
Securities commitments	**7,120**	**5,022**
Securities to be delivered	7,120	5,022
COMMITMENTS RECEIVED		
Financing commitments	**160,973**	**131,491**
Commitments received from credit institutions	156,391	127,532
Commitments received from customers	4,582	3,959
Guarantee commitments	**450,525**	**430,151**
Commitments received from credit institutions	122,306	123,714
Commitments received from customers	328,219	306,437
Securities commitments	**5,998**	**3,710**
Securities to be received	5,998	3,710

(1) As part of the economic support measures in the wake of the COVID-19 health crisis, Crédit Agricole Group granted loans for which it received guarantee commitments from the French state (PGE). At 31 December 2022, these guarantee commitments received amounted to €20.4 billion.

Financial instruments given and received as collateral

(in millions of euros)	31/12/2022	31/12/2021
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.)	384,799	413,257
Securities lent	6,491	20,227
Security deposits on market transactions	25,491	18,424
Other security deposits	-	-
Securities sold under repurchase agreements	104,923	97,535
TOTAL CARRYING AMOUNT OF FINANCIAL ASSETS PROVIDED AS COLLATERAL	**521,704**	**549,443**
CARRYING AMOUNT OF FINANCIAL ASSETS RECEIVED IN GUARANTEE		
Other security deposits	-	-
Fair value of instruments received as reusable and reused collateral		
Securities borrowed	8	11
Securities bought under repurchase agreements	173,795	152,878
Securities sold short	37,179	41,922
TOTAL FAIR VALUE OF INSTRUMENTS RECEIVED AS REUSABLE AND REUSED COLLATERAL	**210,982**	**194,811**

Receivables pledged as collateral

At 31 December 2022, Crédit Agricole S.A. deposited €278.0 billion of receivables (mainly on behalf of the Regional Banks and subsidiaries) for refinancing transactions to the Banque de France, compared to €297.9 billion at 31 December 2021.

At 31 December 2022, Crédit Agricole S.A. deposited €8.2 billion of receivables for refinancing transactions to the Caisse de Refinancement de l'Habitat on behalf of the Regional Banks, compared to €10.6 billion at 31 December 2021, and €0.7 billion of receivables were deposited directly by LCL.

At 31 December 2022, €41.6 billion of Regional Bank and €10.3 billion of LCL receivables had been pledged as collateral for the covered bond issues of Crédit Agricole Home Loan SFH, a financial company wholly owned by Crédit Agricole S.A.

As at 31 December 2022, in the context of transactions with EIB/CEB supranationals, Crédit Agricole S.A. deposited €2.8 billion in receivables on behalf of the Regional Banks.

As at 31 December 2022, in the context of refinancing transactions with CDC, Crédit Agricole S.A. deposited €2.6 billion in receivables on behalf of the Regional Banks.

These processes, for which there is no transfer of contractual cash flows, do not form part of the asset transfers.

Guarantees held

Guarantees held and assets received as collateral by the Crédit Agricole S.A. Group, which it is allowed to sell or to use as collateral are mostly held within Crédit Agricole S.A. The majority of these are receivables pledged as collateral by the Regional Banks and their main bank subsidiaries to Crédit Agricole S.A., the latter acting as the corporate centre with regard to the external refinancing organisations, in order to obtain refinancing. These receivables (property-related, or loans to corporates or local authorities) are selected and rated for their quality and retained on the balance sheet of the contributing entities.

The majority of these guarantees consist of mortgage liens, collateral or guarantees received, regardless of the quality of the assets guaranteed. They are mainly related to repurchase agreements and securities pledged to guarantee brokerage transactions.

Crédit Agricole Group policy is to sell seized collateral as soon as possible. As at 30 June 2022, Crédit Agricole CIB and Crédit Agricole S.A. held no such collateral.

Note 10 Reclassifications of financial instruments

Principles applied by the Crédit Agricole Group

Reclassifications are performed only under exceptional circumstances and following a decision by the Executive Management of the entity as a result of internal or external changes: significant changes in the entity's activity.

Reclassification performed by the Crédit Agricole Group

In 2022, the Crédit Agricole Group did not carry out any reclassification pursuant to paragraph 4.4.1 of IFRS 9.

Note 11 Fair value of financial instruments

Fair value is the price that would be received at the sale of an asset or paid to transfer a liability in a standard transaction between market participants at the valuation date.

Fair value is defined on the basis of the exit price.

The fair values shown below are estimates made on the reporting date using observable market data wherever possible. These are subject to change in subsequent periods due to developments in market conditions or other factors.

The calculations represent best estimates. They are based on a number of assumptions. It is assumed that market participants act in their best economic interest.

To the extent that these models contain uncertainties, the fair values shown may not be achieved upon actual sale or immediate settlement of the financial instruments concerned.

The fair value hierarchy of financial assets and liabilities is broken down according to the general observability criteria of the valuation inputs, pursuant to the principles defined under IFRS 13.

Level 1 of the hierarchy applies to the fair value of financial assets and liabilities quoted in active markets.

Level 2 of the hierarchy applies to the fair value of financial assets and liabilities with observable inputs. This agreement includes market data relating to interest rate risk or credit risk when the latter can be revalued based on observable Credit Default Swap (CDS) spreads. Securities bought or sold under repurchase agreements subject of an active market, depending on the underlying and the maturity of the transaction are also included in Level 2 of the hierarchy, as are financial assets and liabilities with a demand component for which fair value is measured at unadjusted amortised cost.

Level 3 of the hierarchy indicates the fair value of financial assets and financial liabilities for which there is no observable data or for which some parameters can be remeasured based on internal models that use historical data. These are mainly parameters related to credit or early redemption risk.

In some cases, market values are close to carrying amounts. These include:

- variable-rate assets or liabilities for which changes in interest rates do not significantly affect fair value since the interest rates for these instruments adjust frequently to market rates;
- short-term assets or liabilities where the redemption value is considered to be close to the market value;
- instruments executed on a regulated market (e.g. regulated savings) for which the prices are set by the public authorities;
- demand assets and liabilities;
- transactions for which there is no reliable observable data.

11.1 Fair value of financial assets and liabilities recognised at amortised cost

Amounts presented below include accruals and prepayments and, in the case of assets, are net of impairment. The estimated fair value of financial assets and liabilities recognised at amortized costs, estimated for the needs of the IFRS financial information within the consolidated financial statements, is not used for management of the activities and risks of the bank[(1)].

Financial assets recognised at amortised cost on the balance sheet and measured at fair value

(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
FINANCIAL ASSETS NOT MEASURED AT FAIR VALUE ON BALANCE SHEET					
LOANS AND RECEIVABLES	1,228,668	1,202,396	-	171,557	1,030,839
Loans and receivables due from credit institutions	**114,279**	**113,095**	**-**	**112,282**	**812**
Loans and receivables due from customers	**1,114,389**	**1,089,301**	**-**	**59,275**	**1,030,027**
DEBT SECURITIES	115,877	112,451	89,238	8,210	15,002
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	**1,344,545**	**1,314,847**	**89,238**	**179,767**	**1,045,841**

(in millions of euros)	Value at 31/12/2021	Estimated fair value at 31/12/2021	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 NOT MEASURED AT FAIR VALUE ON BALANCE SHEET					
LOANS AND RECEIVABLES	1,148,295	1,174,876	-	146,655	1,028,211
Loans and receivables due from credit institutions	**96,703**	**95,816**	**-**	**95,304**	**512**
Loans and receivables due from customers	**1,051,592**	**1,079,060**	**-**	**51,351**	**1,027,709**
DEBT SECURITIES	109,988	110,107	85,339	11,623	13,145
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	**1,258,283**	**1,284,983**	**85,339**	**158,278**	**1,041,366**

(1) Fair value of assets and liabilities at amortized cost as at 31/12/2021 are corrected in this amendment to the registration document.

Financial liabilities recognised at amortised cost on the balance sheet and measured at fair value

(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
FINANCIAL LIABILITIES NOT MEASURED AT FAIR VALUE ON BALANCE SHEET					
Due to credit institutions	**152,201**	**152,102**	**-**	**150,684**	**1,418**
Current accounts and overnight loans	10,537	10,410	-	10,410	-
Accounts and term deposits	120,228	120,259	-	118,841	1,418
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	21,436	21,434	-	21,434	-
Due to customers	**1,095,758**	**1,094,961**	**-**	**720,650**	**374,311**
Current accounts in credit	535,415	535,250	-	530,968	4,282
Special savings accounts	370,833	370,663	-	2,904	367,759
Other amounts due to customers	185,219	184,725	-	184,632	94
Securities sold under repurchase agreements	2,049	2,048	-	2,048	-
Insurance liabilities	778	778	-	90	688
Reinsurance liabilities	603	603	-	7	596
Cash deposits received from ceding and retroceding companies against technical insurance commitments	861	893	-	-	893
Debt securities	**219,717**	**215,872**	**72,554**	**143,319**	**-**
Subordinated debt	**23,155**	**22,832**	**22,462**	**369**	**-**
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	**1,490,831**	**1,485,767**	**95,016**	**1,015,022**	**375,729**

(in millions of euros)	Value at 31/12/2021	Estimated fair value at 31/12/2021	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 LIABILITIES NOT MEASURED AT FAIR VALUE ON BALANCE SHEET					
Due to credit institutions	**221,192**	**219,290**	**-**	**218,123**	**1,167**
Current accounts and overnight loans	11,994	12,001	-	12,004	(3)
Accounts and term deposits	191,991	190,075	-	188,906	1,169
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	17,207	17,213	-	17,213	-
Due to customers	**1,044,566**	**1,044,585**	**-**	**695,138**	**349,446**
Current accounts in credit	550,200	550,537	-	550,360	177
Special savings accounts	349,946	349,857	-	3,710	346,147
Other amounts due to customers	139,931	139,706	-	138,850	855
Securities sold under repurchase agreements	2,124	2,123	-	2,123	-
Insurance liabilities	973	970	-	91	879
Reinsurance liabilities	676	676	-	3	673
Cash deposits received from ceding and retroceding companies against technical insurance commitments	716	716	-	-	716
Debt securities	**181,705**	**183,407**	**58,562**	**124,286**	**559**
Subordinated debt	**25,873**	**25,596**	**7,933**	**17,660**	**3**
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	**1,473,336**	**1,472,877**	**66,496**	**1,055,207**	**351,175**

11.2 Information on financial instruments measured at fair value

Valuation mechanism

Market transactions are valued by management information systems and checked by a team that reports to the Risk Management department and is independent from the market operators.

Valuations are based on the following:

- prices or inputs obtained from independent sources and/or controlled by the Market Risk department using a series of available sources (market data providers, market consensus and broker data etc.);
- models approved by the quantitative teams in the Market risk department.

The valuation produced for each instrument is a mid-market valuation, which does not take account of 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 those factors, as well as the potential uncertainties inherent in the models or inputs used.

The main types of valuation adjustments are the following:

Mark-to-Market adjustments

These adjustments correct any potential variance between the mid-market valuation of an instrument obtained using internal valuation models and the associated inputs and the valuation obtained from external sources or market consensus data. This adjustment can be either positive or negative.

Bid/ask reserves

These adjustments incorporate the bid/ask spread for a given instrument in order to reflect the price at which the position could be reversed. These adjustments are always negative.

Reserves for uncertainty

These adjustments constitute a risk premium taken into consideration by any market participant. These adjustments are always negative:

- input uncertainty reserves seek to incorporate in the valuation of an instrument any uncertainty that might exist as regards one or more of the inputs used;
- model uncertainty reserves seek to incorporate in the valuation of an instrument any uncertainty that might exist due to the choice of model used.

In addition, in accordance with IFRS 13 "Fair value measurement", Crédit Agricole S.A. prices in to the fair value calculated for its OTC derivatives (i.e. those traded over the counter) various adjustments linked to:

- default risk or credit rating (Credit Valuation Adjustment/Debit Valuation Adjustment);
- future funding costs and benefits (Funding Valuation Adjustment);
- liquidity risk associated with collateral (Liquidity Valuation Adjustment).

Liquidity Valuation Adjustment (CVA)

The CVA (Credit Valuation Adjustment) is a Mark-to-Market adjustment to incorporate the market value of the default risk (risk of non-payment of amounts due in the event of default or deterioration in credit quality) in the value of OTC derivatives of our counterparties. This adjustment is calculated per counterparty based on the positive future exposure of the trading portfolio (taking into account any netting or collateral agreements, where such exist) weighted by the probabilities of default and losses given default.

The methodology used maximises the use of market inputs/prices (probabilities of default are derived in priority directly from any existing listed CDS, proxies of listed CDS and other credit instruments where these are deemed sufficiently liquid). This adjustment is always negative and reduces the fair value of the OTC derivative assets held in the portfolio.

Liquidity Valuation Adjustment (DVA)

The Debit Valuation Adjustment (DVA) is a mark-to-market adjustment that aims to incorporate the market value of the default risk (potential losses to which Crédit Agricole S.A. may expose its counterparties in the event of default or a deterioration in its creditworthiness) in the value of perfectly collateralised OTC derivatives. This adjustment is calculated by collateral contract type on the basis of negative future exposure profiles of the trading portfolio weighted by default probabilities (Crédit Agricole S.A.) and losses incurred in the event of default.

The methodology used maximises the use of market inputs/prices (use of CASA CDS to determine default probabilities). This adjustment is always positive and reduces the fair value of the OTC derivative liabilities held in the portfolio.

Liquidity Valuation Adjustment (FVA)

The Funding Valuation Adjustment (FVA) is a Mark-to-Market adjustment that aims to incorporate the additional future funding costs and benefits based on ALM (Asset & Liability Management) funding costs in the value of not collateralised or imperfectly collateralised OTC derivatives. This adjustment is calculated per counterparty based on the future exposure of the trading portfolio (taking into account any netting or collateral agreements, where such exist) weighted by ALM funding Spreads.

As regards the scope of "cleared" derivatives, an FVA adjustment called IMVA (Initial Margin Value Adjustment) is calculated to take into account the future financing costs and gains of the initial margins to be posted with the main derivatives clearing houses until the portfolio matures.

Liquidity Valuation Adjustment (LVA)

The LVA (Liquidity Valuation Adjustment) is the positive or negative valuation adjustment intended to reflect both the potential absence of collateral payments for counterparties with a CSA (Credit Support Annex), as well as the non-standard compensation of CSAs.

Therefore, the LVA reflects the profit or loss resulting from additional liquidity costs. It is calculated on the scope of OTC derivatives with CSAs.

Breakdown of financial instruments at fair value by valuation model

Amounts presented below include accruals and prepayments and are net of impairment.

Financial assets measured at fair value

(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 ASSETS	242,005	23,234	208,871	9,900
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	1,647	-	-	1,647
Securities bought under repurchase agreements	102,615	-	99,332	3,283
Pledged securities	-	-	-	-
Held for trading securities	24,864	22,980	1,687	197
Derivative instruments	112,879	254	107,852	4,773
OTHER FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	189,712	110,850	57,495	21,367
Equity instruments at fair value through profit or loss	**42,902**	**22,580**	**8,736**	**11,586**
Debt instruments that do not meet the conditions of the "SPPI" test	**74,871**	**40,616**	**24,687**	**9,568**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	2,654	-	2,466	188
Debt securities	72,217	40,616	22,221	9,380
Assets backing unit-linked contracts	**71,872**	**47,654**	**24,005**	**213**
Treasury bills and similar securities	253	233	20	-
Bonds and other fixed income securities	4,616	53	4,563	-
Equities and other variable income securities	10,832	1,455	9,377	-
Mutual funds	56,171	45,913	10,045	213
Financial assets designated at fair value through profit or loss	**67**	**-**	**67**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	67	-	67	-
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	217,125	189,762	25,577	1,786
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	4,784	41	3,268	1,475
Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	212,341	189,721	22,309	311
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	212,341	189,721	22,309	311
HEDGING DERIVATIVE INSTRUMENTS	50,494	-	50,494	-
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**699,336**	**323,846**	**342,437**	**33,053**
Transfers from Level 1: Quoted prices in active markets for identical instruments			1,199	6
Transfers from Level 2: Valuation based on observable data		875		479
Transfers from Level 3: Valuation based on unobservable data		-	601	
TOTAL TRANSFERS TO EACH LEVEL		**875**	**1,800**	**485**

Level 1 to Level 3 transfers mainly involve shares and other variable-income securities.

Transfers between Level 1 and Level 2 mainly involve Treasury bills, bonds and other fixed-income securities.

Level 2 to Level 3 transfers mainly involve securities bought/sold under repurchase agreements from credit institutions and trading derivative instruments.

Transfers from Level 3 to Level 2 mainly involve securities bought/sold under repurchase agreements of customers and credit institutions and trading derivative instruments.

(in millions of euros)	31/12/2021	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 ASSETS	233,031	27,610	198,726	6,695
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	820	-	1	819
Securities bought under repurchase agreements	110,598	-	108,476	2,122
Pledged securities	-	-	-	-
Held for trading securities	29,870	27,226	2,257	387
Derivative instruments	91,743	384	87,992	3,367
OTHER FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	200,103	124,809	58,522	16,772
Equity instruments at fair value through profit or loss	**41,895**	**25,638**	**7,960**	**8,297**
Debt instruments that do not meet the conditions of the "SPPI" test	**82,147**	**45,723**	**28,094**	**8,330**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	2,942	-	2,910	32
Debt securities	79,205	45,723	25,184	8,298
Assets backing unit-linked contracts	**75,991**	**53,448**	**22,398**	**145**
Treasury bills and similar securities	486	467	19	-
Bonds and other fixed income securities	4,132	523	3,609	-
Equities and other variable income securities	11,015	2,045	8,969	1
Mutual funds	60,358	50,413	9,801	144
Financial assets designated at fair value through profit or loss	**70**	**-**	**70**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	70	-	70	-
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	268,700	237,897	29,350	1,453
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	4,128	183	2,641	1,304
Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	264,572	237,714	26,709	149
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	264,572	237,714	26,709	149
HEDGING DERIVATIVE INSTRUMENTS	16,023	-	16,023	-
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**717,857**	**390,316**	**302,621**	**24,920**
Transfers from Level 1: Quoted prices in active markets for identical instruments			988	88
Transfers from Level 2: Valuation based on observable data		1,220		2,236
Transfers from Level 3: Valuation based on unobservable data		-	544	
TOTAL TRANSFERS TO EACH LEVEL		**1,220**	**1,532**	**2,324**

Level 1 to Level 2 transfers mainly involve Treasury bills, bonds and other fixed-income securities for €1,094 million and €988 million.

Level 3 to Level 2 transfers mainly involve securities received under repurchase agreements from credit institutions and customers, debt securities and trading derivative instruments for €718 million.

Transfers from Level 2 to Level 3 mainly involve trading derivative instruments for €36 million.

Financial liabilities measured at fair value

(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	**231,702**	**37,315**	**190,997**	**3,390**
Securities sold short	37,187	37,116	71	-
Securities sold under repurchase agreements	81,437	-	79,926	1,511
Debt securities	-	-	-	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	113,078	199	111,000	1,879
Financial liabilities designated at fair value through profit or loss	**40,490**	**9,987**	**22,999**	**7,504**
Hedging derivative Instruments	**47,316**	**1**	**46,545**	**770**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**319,508**	**47,303**	**260,541**	**11,664**
Transfers from Level 1: Quoted prices in active markets for identical instruments			5	-
Transfers from Level 2: Valuation based on observable data		24		457
Transfers from Level 3: Valuation based on unobservable data		11	977	
TOTAL TRANSFERS TO EACH LEVEL		**35**	**982**	**457**

Liability transfers to and from Level 3 mainly involve securities bought/sold under repurchase agreements from credit institutions, trading derivative instruments and financial liabilities at fair value through profit or loss.

Transfers between Level 1 and Level 2 mainly involve short sales.

(in millions of euros)	31/12/2021	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	**205,075**	**41,861**	**161,383**	**1,831**
Securities sold short	41,933	41,622	292	19
Securities sold under repurchase agreements	78,204	-	77,504	700
Debt securities	-	-	-	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	84,938	239	83,587	1,112
Financial liabilities designated at fair value through profit or loss	**38,480**	**11,227**	**20,354**	**6,899**
Hedging derivative Instruments	**16,827**	**-**	**16,114**	**713**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**260,382**	**53,088**	**197,851**	**9,443**
Transfers from Level 1: Quoted prices in active markets for identical instruments			1	11
Transfers from Level 2: Valuation based on observable data		5		275
Transfers from Level 3: Valuation based on unobservable data		-	817	
TOTAL TRANSFERS TO EACH LEVEL		**5**	**818**	**286**

Liability transfers to and from Level 3 mainly involve securities bought/sold under repurchase agreements from credit institutions, trading derivative instruments and financial liabilities at fair value through profit or loss.

Financial instruments classified in Level 1

Level 1 comprises all derivatives quoted in an active market (options, futures etc.), regardless of their underlying (interest rate, exchange rate, precious metals, major stock indexes), as well as equities and bonds quoted in an active market.

A market is considered as being active if quoted prices are readily and regularly available from exchange, brokers, dealers, pricing services or regulatory agencies, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Corporate, government and agency bonds that are valued on the basis of prices obtained from independent sources, deemed to be enforceable and updated regularly, are classified in Level 1. This represents the bulk of the Sovereign and Agency Bonds and Corporate securities held. Issuers whose bonds are not quoted are classified in Level 3.

Financial instruments classified in Level 2

The main financial instruments classified in Level 2 are:

Liabilities designated at fair value

Financial liabilities designated at fair value are classified in Level 2 when their embedded derivative is deemed to be classified in Level 2.

Over-the-counter derivatives

The main OTC derivatives classified in Level 2 are those valued using inputs considered to be observable and where the valuation technique does not generate any significant exposure to a model risk.

Level 2 therefore mainly includes:

- linear derivative products such as interest rate swaps, currency swaps and forward FX. They are valued using simple models widely used in the market, based either on directly observable inputs (foreign exchange rates, interest rates), or inputs derived from observable market prices (currency swaps);
- non-linear vanilla instruments such as caps, floors, swaptions, currency options, equity options and Credit Default Swaps, including digital options. They are valued using simple models widely used in the market, based either on directly observable inputs (foreign exchange rates, interest rates, share prices) or inputs that can be derived from observable market prices (volatilities);
- the usual mono-underlying exotic products of the voidable swap type and currency baskets on major currencies.

  These products are valued using models that are sometimes slightly more complex, but are shared by the market. The material valuation parameters are observable. Prices are observable in the market, notably via broker prices and market consensus where appropriate, to corroborate internal valuations;
- securities, equity options and future shares listed on a market deemed inactive and for which independent valuation data are available.

Financial instruments classified in Level 3

Financial instruments classified in Level 3 are those which do not meet the conditions for classification in Level 1 or 2. They are therefore mainly financial instruments with a high model risk whose valuation requires substantial use of unobservable inputs.

The initial margin on all new transactions classified in Level 3 is reserved at the date of initial recognition. It is spread in the profit and loss account either over the period of non-observability, or over the maturity of the deal when factor non-observability is not linked to maturity.

Level 3 therefore mainly includes:

Securities

Securities classified in Level 3 mainly include:

- unlisted shares or bonds for which no independent valuation is available;
- ABSs for which there are indicative independent valuations, but which are not necessarily executable;
- ABSs, super senior and mezzanine CDO tranches where it cannot be demonstrated that the market is active.

Liabilities designated at fair value

Financial liabilities designated at fair value are classified in Level 3 when their embedded derivative is deemed to be classified in Level 3.

Over-the-counter derivatives

Unobservable income includes complex financial instruments that are significantly exposed to model risk or that involve parameters that are considered unobservable.

The aggregate of these principles is mapped for observability by risk factor/product, underlying factor (for example, currency or index) and maturity indicating the classification used.

Mainly, the following are classified in Level 3:

- linear rate or foreign exchange products for very long maturities in the case of major currencies, and for lower maturities in the case of emerging currencies; this may include repurchase transactions depending on the maturity of the transactions in question and their underlying assets;
- non-linear rate or foreign exchange products for very long maturities in the case of major currencies, and for lower maturities in the case of emerging currencies;
- the complex derivatives listed below:
  - certain equity derivative products: options on markets that are insufficiently deep, or options with a very long maturity or products the valuation of which depends on non-observable correlations between different underlying shares,
  - certain exotic rate products in which the underlying element is the difference between two interest rates (structured products based on rate differences, or products for which correlations are not observable),
  - certain products for which the underlying element is the future volatility of an index. These products are not considered to be observable because of a significant model risk and a reduced liquidity that does not permit a regular and precise estimation of the valuation parameters,
  - securitisation swaps generating an exposure to the prepayment rate. The prepayment rate is determined on the basis of historical data on similar portfolios,
  - long-term rate/forex hybrid products of the Power Reverse Dual Currency type, or products for which the underlying is a basket of currencies. The parameters for correlation between the interest rates and the currencies, and between the two interest rates are determined on the basis of an internal methodology based on historical data. Observation of market consensus ensures the overall coherence of the process,
  - multi-underlying products that generate exposures to correlations among several risk classes (rates, credit, foreign exchange, inflation and shares).

Net change in financial instruments measured at fair value according to Level 3

Financial assets measured at fair value according to Level 3

		Held for trading financial assets					
(in millions of euros)	Total 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	Pledged securities	Held for trading securities	Derivative instruments
Closing balance (31/12/2021)	**24,920**	**-**	**819**	**2,122**	**-**	**387**	**3,367**
Gains or losses during the period[1]	1,181	-	(49)	(312)	-	(46)	599
Recognised in profit or loss	*1,143*	-	*(25)*	*(298)*	-	*(46)*	*607*
Recognised in other comprehensive income	*38*	-	*(25)*	*(14)*	-	-	*(7)*
Purchases	13,896	-	1,649	1,805	-	78	1,150
Sales	(6,503)	-	(569)	-	-	(231)	(41)
Issues	4	-	-	-	-	-	3
Settlements	(489)	-	(203)	(76)	-	-	(161)
Reclassifications	73	-	-	-	-	-	-
Changes associated with scope during the period	87	-	-	-	-	-	10
Transfers	(116)	-	-	(256)	-	9	(154)
Transfers to Level 3	*485*	-	-	-	-	*10*	*158*
Transfers from Level 3	*(601)*	-	-	*(256)*	-	-	*(313)*
CLOSING BALANCE (31/12/2022)	**33,053**	**-**	**1,647**	**3,283**	**-**	**197**	**4,773**

	Other financial instruments at fair value through profit or loss					
	Equity instruments at fair value through profit or loss	Debt instruments that do not meet the conditions of the "SPPI" test				
	Equity and other variable income securities and Non-consolidated equity investments	Loans and receivables due from credit institutions	Loans and receivables due from customers	Securities bought under repurchase agreements	Pledged securities	Debt securities
Closing balance (31/12/2021)	**8,297**	**-**	**32**	**-**	**-**	**8,298**
Gains or losses during the period[1]	493	-	(21)	-	-	481
Recognised in profit or loss	*488*	-	*(21)*	-	-	*481*
Recognised in other comprehensive income	*5*	-	-	-	-	-
Purchases	3,445	-	180	-	-	2,246
Sales	(838)	-	(2)	-	-	(1,762)
Issues	-	-	-	-	-	-
Settlements	-	-	-	-	-	(47)
Reclassifications	1	-	(1)	-	-	-
Changes associated with scope during the period	76	-	-	-	-	7
Transfers	111	-	-	-	-	157
Transfers to Level 3	*161*	-	-	-	-	*159*
Transfers from Level 3	*(50)*	-	-	-	-	*(2)*
CLOSING BALANCE (31/12/2022)	**11,586**	**-**	**188**	**-**	**-**	**9,380**

(in millions of euros)	Other financial instruments at fair value through profit or loss						
	Assets backing unit-linked contracts					Financial assets designated at fair value through profit or loss	
	Treasury bills and similar securities	Bonds and other fixed income securities	Equities and other variable income securities	Mutual funds	Loans and receivables due from credit institutions	Loans and receivables due from customers	Debt securities
Closing balance (31/12/2021)	**-**	**-**	**1**	**144**	**-**	**-**	**-**
Gains or losses during the period[1]	-	-	(1)	(40)	-	-	2
Recognised in profit or loss	-	-	*(1)*	*(40)*	-	-	*2*
Recognised in other comprehensive income	-	-	-	-	-	-	-
Purchases	-	-	-	111	-	-	25
Sales	-	-	-	(2)	-	-	(40)
Issues	-	-	-	-	-	-	-
Settlements	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Changes associated with scope during the period	-	-	-	-	-	-	9
Transfers	-	-	-	-	-	-	3
Transfers to Level 3	-	-	-	-	-	-	*3*
Transfers from Level 3	-	-	-	-	-	-	-
CLOSING BALANCE (31/12/2022)	**-**	**-**	**-**	**213**	**-**	**-**	**-**

(in millions of euros)	Financial assets at fair value through other comprehensive income				
	Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss			
		Loans and receivables due from credit institutions	Loans and receivables due from customers	Debt securities	
Closing balance (31/12/2021)	**1,304**	**-**	**-**	**148**	**-**
Gains or losses during the period[1]	78	-	-	1	-
Recognised in profit or loss	-	-	-	-	-
Recognised in other comprehensive income	*78*	-	-	*1*	-
Purchases	1,988	-	-	1,270	-
Sales	(1,991)	-	-	(1,107)	-
Issues	1	-	-	-	-
Settlements	(1)	-	-	(1)	-
Reclassifications	73	-	-	-	-
Changes associated with scope during the period	3	-	-	-	-
Transfers	20	-	-	-	-
Transfers to Level 3	-	-	-	-	-
Transfers from Level 3	*20*	-	-	-	-
CLOSING BALANCE (31/12/2022)	**1,475**	**-**	**-**	**311**	**-**

(1) This balance includes the gains and losses of the period made on assets 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	**1,071**
Recognised in profit or loss	1,035
Recognised in other comprehensive income	36

Financial liabilities measured at fair value according to Level 3

		Held for trading financial liabilities						Financial liabilities designated at fair value through profit or loss	Hedging derivative instruments
(in millions of euros)	Total	Securities sold short	Securities sold under repurchase agreements	Debt securities	Due to credit institutions	Due to customers	Derivative Instruments		
Closing balance (31/12/2021)	**9,443**	**19**	**700**	**-**	**-**	**-**	**1,112**	**6,899**	**713**
Gains or losses during the period[1]	(799)	-	(250)	-	-	-	309	(1,036)	178
Recognised in profit or loss	*(793)*	-	*(250)*	-	-	-	*315*	*(1,036)*	*178*
Recognised in other comprehensive income	*(6)*	-	-	-	-	-	*(6)*	-	-
Purchases	2,192	-	1,511	-	-	-	468	214	-
Sales	(8)	(8)	-	-	-	-	-	-	-
Issues	2,692	-	-	-	-	-	2	2,690	-
Settlements	(1,317)	-	-	-	-	-	(94)	(1,102)	(121)
Reclassifications	-	-	-	-	-	-	-	-	-
Changes associated with scope during the period	(20)	-	-	-	-	-	-	(20)	-
Transfers	(520)	(11)	(450)	-	-	-	82	(141)	-
Transfers to Level 3	*457*	-	-	-	-	-	*147*	*310*	-
Transfers from Level 3	*(977)*	*(11)*	*(450)*	-	-	-	*(65)*	*(451)*	-
CLOSING BALANCE (31/12/2022)	**11,664**	**-**	**1,511**	**-**	**-**	**-**	**1,879**	**7,504**	**770**

(1) 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	**(971)**
Recognised in profit or loss	(971)
Recognised in other comprehensive income	-

Gains and losses recognised in profit or loss relating to financial instruments held for trading and designated at fair value through profit or loss and derivative instruments are recognised in “Net gains (losses) on financial instruments at fair value through profit or loss”; gains and losses recognised in profit or loss relating to financial assets at fair value through equity are recognised in “Net gains (losses) on financial instruments at fair value through profit or loss through other comprehensive income”.

11.3 Assessment of the impact of inclusion of the margin at inception

(in millions of euros)	31/12/2022	31/12/2021
Deferred margin at beginning of period	**185**	**138**
Margin generated by new transactions during the period	180	124
Margin recognised in net income during the period	(124)	(77)
DEFERRED MARGIN AT END OF PERIOD	**241**	**185**

The first day margin on market transactions falling within Level 3 of fair value is reserved on the balance sheet and recognised in profit or loss as time passes or when unobservable parameters become observable again.

11.4 Reminders on the benchmark index reform

The reform of the IBOR (InterBank Offered Rates) rates indexes initiated by the Financial Stability Council in 2014 is designed to replace these indexes with alternative rates, and more specifically with Risk Free Rates (RFR).

This reform accelerated on 5 March 2021 when the IBA – the LIBOR administrator – confirmed the important milestone at year-end 2021 for the end of the publication or the non-representativeness of the LIBOR rates, except on the most used tenors of the USD LIBOR (overnight, one, three, six and twelve months) for which the date is set at 30 June 2023.

Other announcements have been made since that date:

- the end of the publication of several indexes calculated on the basis of swaps referencing the USD LIBOR planned for end of June 2023: ICE SWAP RATE USD, MIFOR (India), SOR (Singapore) and THBFIX (Thailand);
- the end of the CDOR (Canada) after 28 June 2024 on the tenors not yet ended (one, two and three months);
- and, more recently, the end of the WIBOR – the Polish benchmark, classified as critical by the European Commission – by the end of 2024.

Since early 2019, the Crédit Agricole Group has been organising itself to prepare for and manage the transition of interest rate indexes for all its activities. These transitions are in line with the timetables and standards defined by the market – some of which Crédit Agricole is involved 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 gives priority to the switch to alternative indexes ahead of the disappearance of the benchmarks, working to comply with the deadlines set by the market or imposed by the authorities.

Generally speaking, the orderly and controlled completion of transitions is now guaranteed by the efforts made by the Group to upgrade its tools and processes, as well as by the strong mobilisation of support teams and business lines to absorb the workload induced by the transitions, particularly for the renegotiation of contracts. All the actions undertaken since 2019 thus enable the Group's entities to ensure the continuity of their activity after the disappearance of the IBOR and to be able to manage the new product offers referencing RFRs or certain forward RFRs.

GBP, CHF and JPY LIBOR transition

Following the actions conducted in 2021 to renegotiate the transactions indexed to indexes that were no longer published, or which ceased to be representative on 31 December 2021, the Group finalised the operational migration of these contracts in the first half of 2022.

Over the second half, the Group focused its efforts on the renegotiation of some residual transactions using synthetic LIBOR rates.

USD LIBOR transition

At the level of Crédit Agricole Group, the work in the second half of 2022 largely focused on preparing for the transition from USD LIBOR. The identification of the contracts and the definition of the strategy for their migration have been finalised:

- the loans, credit lines and associated hedging instruments will be switched to an alternative index on a priority basis through bilateral renegotiation;
- it is anticipated that most of the non-offset derivatives covered by the ISDA protocol will be transitioned by activation of the fallback clause upon the disappearance of the USD LIBOR, and the customers that have not signed the protocol have been contacted in order to initiate bilateral renegotiations. The clearing chambers have confirmed that the offset derivatives would be transitioned in the first half of 2023;
- current accounts and other similar products will be migrated by an update of their general terms and conditions;
- for the other classes of assets, the contracts will be migrated proactively or by activation of the fallback clause.

This transition primarily affects the Crédit Agricole CIB investment bank, the Group entity most exposed to the USD LIBOR for which the transition of contract inventories has already begun.

The operational migration of the contracts relies on all the processes and tools previously developed for the transition of the contracts indexed to the IBOR rates, the publication or non-representativeness of which ended at the end of 2021.

On 23 November, the British Financial Conduct Authority (FCA) launched a consultation aimed at proposing the implementation of a synthetic USD LIBOR for the one-, three- and six-month tenors until the end of September 2024, given that the US authorities have already validated the designation of statutory replacement rates for the USD LIBOR for American contracts.

Transition of the other indexes (ICE SWAP RATE USD, MIFOR, SOR, THBFIX, CDOR, WIBOR)

With the exception of WIBOR, the transitions almost exclusively concern the investment bank, which finalised the identification of the customers and transactions. The inventory to be transitioned is very marginal in relation to the USD LIBOR and essentially concerns the offset derivatives.

In the last quarter of 2022, the Polish authority KNF communicated its roadmap for the replacement of the two benchmarks (WIBOR and WIBID) with the WIRON index and an initial version of its recommendations on OIS transactions and issues. The main entities of Crédit Agricole Group that use the WIBOR are CA Poland (retail banking) and CAL&F through the EFL entity (leasing).

Management of the risks associated with the rate reform

The risks related to the reform of the interbank rates are essentially limited to the USD LIBOR for the period running until June 2023.

In addition to preparing for and implementing the replacement of the reference indexes, the work performed by the Group also covers the management and control of the risks inherent in the transitions of the reference indexes, particularly the financial, operational, legal and compliance aspects, and the customer protection aspect in particular (conduct risk prevention).

In order to ensure that the hedge accounting relationships affected by this benchmark reform can be maintained despite the uncertainties over the timetable and terms of transition between the current interest rate indexes and the new indexes, the IASB published amendments to IAS 39, IFRS 9 and IFRS 7 in September 2019, which were adopted by the European Union on 15 January 2020. The Group applies these amendments as long as uncertainties about the benchmarks will concern the timings and amounts of interest rate benchmark-based cash flows and considers, in this respect, that all its hedging contracts, related to the indexes in question are eligible for hedge accounting.

Other amendments, published by the IASB in August 2020, supplement those published in 2019 and focus on the accounting consequences of replacing the former reference interest rates with other reference rates following the reforms. These amendments, known as "Phase 2", mainly are changes in contractual cash flows. They allow entities not to de-recognise or adjust the carrying amount of financial instruments to reflect the changes required by the reform, but rather to update the effective interest rate to reflect the change in the alternative reference rate.

With regard to hedge accounting, entities will not have to de-designate their hedging relationships when making the changes required by the reform, subject to economic equivalence.

At 31 December 2022, the breakdown by significant benchmark index of instruments, based on the old benchmark rates and which must move to the new rates before maturity, is as follows:

(in millions of euros)	**LIBOR USD**	**Other LIBOR: GBP, JPY and CHF**	**Others**
Total non-derivative assets	29,396	22	3,826
Total non-derivative liabilities	1,271	-	226
Total notional amount of derivatives	2,484,001	22	43,815

The outstandings carried forward are those whose maturity date is later than the date of cessation or non-representativeness of the benchmark index. For LIBOR USD, for example, 30 June 2023 is the date of disappearance or non-representativeness of the tenors DD, 1 month, 3 months, 6 months and 12 months.

For non-derivative financial instruments, the exposures correspond to the nominal value of the securities and the outstanding capital of depreciable instruments.

Note 12 Scope of consolidation at 31 December 2022

12.1 Information on subsidiaries

12.1.1 Restrictions on controlled entities

Regulatory, legal or contractual provisions may limit Crédit Agricole Group's ability to have free access to the assets of its subsidiaries and to settle the Group's liabilities.

Crédit Agricole Group has the following restrictions:

Regulatory constraints

The subsidiaries of the Crédit Agricole Group are subject to prudential regulation and regulatory capital requirements in their host countries. The minimum equity capital (solvency ratio), leverage ratio and liquidity ratio requirements limit the capacity of these entities to pay dividends or to transfer assets to the Crédit Agricole Group.

Legal constraints

The subsidiaries of Crédit Agricole Group are subject to legal provisions concerning the distribution of capital and distributable earnings. These requirements limit the ability of the subsidiaries to distribute dividends. In the majority of cases, these are less restrictive than the regulatory limitations mentioned above.

Contractual constraints related to guarantees

Constraints related to guarantees: Crédit Agricole Group encumbers certain financial assets to raise funds through securitisation or refinancing with Central Banks. Once pledged as guarantees, the assets can no longer be used by the Group. This mechanism is described in Note 9 "Commitments given and received and other guarantees".

Restriction on assets backing unit-linked contracts for the Insurance business

Assets backing unit-linked contracts of Crédit Agricole Group are held for the benefit of policyholders. Assets of the insurance subsidiaries of Crédit Agricole Group are mainly held for satisfying their obligation towards their policyholders. Assets transfers to other entities are possible following the legal conditions. However, in case of a transfer, a part of the profit due to the transfer must be intended for the policyholders.

Other constraints

Some Crédit Agricole S.A. subsidiaries must obtain prior approval from their regulatory authorities for the distribution of dividends.

The dividend payment of CA Egypt is subject to the prior approval of the local regulator.

12.1.2 Support for structured entities under Group control

Crédit Agricole CIB has contractual arrangements with some consolidated structured entities that equate to commitments to provide financial support.

To meet its funding needs, Crédit Agricole CIB uses structured debt issuance vehicles to raise cash on financial markets. Securities issued by these entities are fully underwritten by Crédit Agricole CIB. At 31 December 2022, the outstanding volume of these issues was €9.8 billion.

As part of its third-party securitisation business, Crédit Agricole CIB provides liquidity facilities to its ABCP conduits. At 31 December 2022, these liquidity facilities totalled €41 billion.

Crédit Agricole S.A. provided no other financial support for any structured entities consolidated at 31 December 2022 and 31 December 2021.

12.1.3 Securitisation transactions and dedicated funds

Various Group entities conduct securitisation transactions on their own account as part of collateralised refinancing transactions. Depending on the circumstances, these transactions can be wholly or partially placed with investors, sold under repurchase agreements or kept on the issuer's balance sheet as liquid securities reserves that can be used to manage refinancing.

Following the IFRS 9 decision tree, these transactions are considered to form part of deconsolidating or non-deconsolidating transactions: for non-deconsolidating transactions, the assets are retained on the consolidated balance sheet of the Crédit Agricole Group.

For more details on these securitisation transactions and on the indication of the carrying amount of the assets concerned and associated liabilities, see Note 6.6 "Transferred assets not derecognised or derecognised with ngoing involvement".

12.2 Non-controlling interests

Information on the scope of significant non-controlling interests

The following table presents information on the consolidated subsidiaries and structured entities with significant non-controlling interests in relation to the total equity of the Group or of the sub-group level or where the total balance sheet of the entities held by the non-controlling interests is significant.

					31/12/2022
(in millions of euros)	**% of voting rights held by non-controlling interests**	**% of ownership interests held by non-controlling interests**	**Net income allocated to non-controlling interests during the reporting period**	**Accumulated non-controlling interests at the end of the reporting period**	**Dividends paid to non-controlling interests**
Amundi Group	31%	31%	339	2,865	250
Crédit Agricole Italia Group	14%	14%	76	810	27
CACEIS Group	30%	30%	85	1,017	4
AGOS SPA	39%	39%	103	469	85
CA Egypt	35%	35%	37	139	20
Other entities[1]	0%	0%	89	2,021	17
TOTAL			**729**	**7,321**	**403**

(1) *Of which €1,745 million related to the issuance of Additional Tier 1 undated subordinated bonds realised on 14 October 2014 and 13 January 2015 by Crédit Agricole Assurances, accounted for in equity of non-controlling interests.*

					31/12/2021
(in millions of euros)	**% of voting rights held by non-controlling interests**	**% of ownership interests held by non-controlling interests**	**Net income allocated to non-controlling interests during the reporting period**	**Accumulated non-controlling interests at the end of the reporting period**	**Dividends paid to non-controlling interests**
Amundi Group	31%	31%	417	2,729	178
Crédit Agricole Italia Group	15%	15%	89	797	13
CACEIS Group	30%	31%	58	933	144
CACEIS Group	39%	39%	152	455	48
CA Egypt	40%	40%	30	189	-
Other entities[1]			106	2,114	15
TOTAL			**852**	**7,217**	**398**

(1) *Of which €1,745 million related to the issuance of Additional Tier 1 undated subordinated bonds realised on 14 October 2014 and 13 January 2015 by Crédit Agricole Assurances, accounted for in equity of non-controlling interests.*

Individual summary financial information on significant non-controlling interests

The table below presents summary information on subsidiaries with significant non-controlling interests for the Crédit Agricole Group on the basis of the IFRS financial statements.

	31/12/2022			
(in millions of euros)	**Total assets**	**Revenues**	**Net income**	**Net income and other comprehensive income**
Amundi Group	28,617	3,056	1,074	1,195
Crédit Agricole Italia Group	96,220	2,574	562	444
CACEIS Group	124,307	1,276	278	254
AGOS SPA	19,625	850	265	266
CA Egypt	2,880	245	106	103
TOTAL	**271,649**	**8,001**	**2,285**	**2,262**

	31/12/2021			
(in millions of euros)	**Total assets**	**Revenues**	**Net income**	**Net income and other comprehensive income**
Amundi Group	28,718	3,136	1,366	1,504
Crédit Agricole Italia Group	104,798	2,336	609	583
CACEIS Group	122,132	1,179	187	157
AGOS SPA	17,544	849	389	388
CA Egypt	3,430	204	77	76
TOTAL	**276,622**	**7,704**	**2,628**	**2,708**

12.3 Composition of the scop

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
ALGERIA								
AUSTRALIA								
Crédit Agricole CIB (Australie)	■	I2	B	LC	100.0	-	100.0	-
Crédit Agricole CIB Australia Ltd	■	-	S	LC	100.0	100.0	100.0	100.0
AUSTRIA								
Amundi Austria GmbH	■	-	S	AG	100.0	100.0	69.3	69.5
CAA STERN GMBH	■	I1	S	AG	100.0	-	100.0	-
FCA Bank GmbH	▲	-	JV	SFS	50.0	50.0	50.0	50.0
LEASYS AUSTRIA GMBH	▲	-	JV	SFS	50.0	50.0	50.0	50.0
URI GmbH	X	I1	CSE	AG	45.0		45.0	
BELGIUM								
AMUNDI ASSET MANAGEMENT BELGIUM	■	-	B	AG	100.0	100.0	69.3	69.5
Benelpart	■	-	S	LC	100.0	100.0	97.4	97.4
CA Indosuez Wealth (Europe) Belgium Branch	■	-	B	AG	100.0	100.0	100.0	100.0
CACEIS Bank, Belgium Branch	■	-	B	LC	100.0	100.0	69.5	69.5
CACEIS Belgium	■	E4	S	LC	-	100.0	-	69.5
CALEF S.A. – BELGIUM BRANCH	■	01	B	SFS	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Belgique)	■	-	B	LC	100.0	100.0	100.0	100.0
FCA BANK S.P.A, BELGIAN BRANCH	▲	-	JV	SFS	50.0	50.0	50.0	50.0
Financière des Scarabées	■	-	S	LC	100.0	100.0	98.7	98.7
FLUXDUNE	X	-	JV	AG	25.0	25.0	25.0	25.0
Lafina	■	-	S	LC	100.0	100.0	97.7	97.7
LEASYS SPA Belgian Branch	▲	-	B	SFS	50.0	50.0	50.0	50.0
OLINN BELGIUM	■	I1	S	SFS	100.0	-	100.0	-
RENTYS	■	-	S	SFS	100.0	100.0	100.0	100.0
SNGI Belgium	■	-	S	LC	100.0	100.0	100.0	100.0
Sofipac	■	-	S	LC	98.6	98.6	96.0	96.0
BRAZIL								
Banco Crédit Agricole Brasil S.A.	■	-	S	LC	100.0	100.0	100.0	100.0
CA Indosuez Wealth (Brazil) S.A. DTVM	■	E2	S	AG	-	100.0	-	100.0
FIC-FIDC	■	-	CSE	LC	100.0	100.0	100.0	100.0
Fundo A de Investimento Multimercado	■	-	CSE	LC	100.0	100.0	100.0	100.0
SANTANDER CACEIS BRASIL DTVM S.A.	▲	-	JV	LC	50.0	50.0	34.7	34.7
SANTANDER CACEIS BRASIL PARTICIPACOES S.A	▲	-	JV	LC	50.0	50.0	34.7	34.7
BULGARIA								
Amundi Czech Republic Asset Management Sofia Branch	■	-	B	AG	100.0	100.0	69.3	69.5
CANADA								
Crédit Agricole CIB (Canada)	■	-	B	LC	100.0	100.0	100.0	100.0
CHILE								
AMUNDI ASSET MANAGEMENT AGENCIA EN CHILE	■	-	B	AG	100.0	100.0	69.3	69.5
CHINA								
ABC-CA Fund Management CO	▲	-	A	AG	33.3	33.3	23.1	23.2
Amundi BOC Wealth Management Co. Ltd	■	-	S	AG	55.0	55.0	38.1	38.2
Crédit Agricole CIB China Ltd	■	-	S	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB China Ltd Chinese Branch	■	-	B	LC	100.0	100.0	100.0	100.0
GAC – SOFINCO 2014-01	▲	E1	SA	SFS	-	50.0	-	50.0
GAC – Sofinco Auto Finance Co.	▲	-	A	SFS	50.0	50.0	50.0	50.0
HUI JU TONG 2019-1	▲	E1	SJV	SFS	-	50.0	-	50.0
HUI JU TONG 2020-1	▲	I2	SJV	SFS	50.0		50.0	
HUI JU TONG 2020-2	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
HUI JU TONG 2021-1	▲	I2	SJV	SFS	50.0		50.0	
HUI JU TONG 2021-2	▲	I2	SJV	SFS	50.0		50.0	
HUI JU TONG 2022-1	▲	I2	SJV	SFS	50.0		50.0	
HUI TONG 2018-2	▲	E1	CSE	SFS	-	50.0	-	50.0
HUI TONG 2018-3	▲	E1	CSE	SFS	-	50.0	-	50.0
HUI TONG 2019-1	▲	E1	CSE	SFS	-	50.0	-	50.0
COLOMBIA								
SANTANDER CACEIS COLOMBIA S.A., SOCIEDAD FIDUCIARIA	▲	-	JV	LC	50.0	50.0	34.7	34.7
CZECH REPUBLIC								
Amundi Czech Republic Asset Management, A.S.	■	-	S	AG	100.0	100.0	69.3	69.5
Amundi Czech Republic, Investicni Spolecnost, A.S.	■	-	S	AG	100.0	100.0	69.3	69.5
DENMARK								
DRIVALIA LEASE DANMARK A/S	▲	I2	JV	SFS	50.0	-	50.0	-
FCA Capital Danmark A/S	▲	-	JV	SFS	50.0	50.0	50.0	50.0
LEASYS DANMARK, FILIAL AF LEASYS SPA	▲	-	B	SFS	50.0	50.0	50.0	50.0
EGYPT								
Crédit Agricole Egypt S.A.E.	■	-	S	IRB	65.3	60.5	65.3	60.5
FINLAND								
AMUNDI ASSET MANAGEMENT FINLAND BRANCH	■	-	B	AG	100.0	100.0	69.3	69.5
Crédit Agricole CIB (Finlande)	■	-	B	LC	100.0	100.0	100.0	100.0
FCA CAPITAL DANMARK A/S, Finland Branch	▲	-	B	SFS	50.0	50.0	50.0	50.0
FRANCE								
2,417 Local Banks	●	-	Parent	FRB	100.0	100.0	100.0	100.0
38 Regional Banks	●	-	Parent	FRB	100.0	100.0	100.0	100.0
1 BD MONGE	■	E2	S	FRB	-	100.0	-	100.0
11 GABRIEL-PÉRI	■	-	S	FRB	100.0	100.0	100.0	100.0
15 RUE DE SAINT-CYR	■	-	S	FRB	100.0	100.0	100.0	100.0
2 PL. DUMAS DE LOIRE & 7 R 2 PLACES	■	-	S	FRB	100.0	100.0	100.0	100.0
21 ALSACE LORRAINE	■	-	S	FRB	100.0	100.0	100.0	100.0
24 RUE D'ALSACE	■	-	S	FRB	100.0	100.0	100.0	100.0
24 RUE DES TUILLIERS	■	-	S	FRB	100.0	100.0	100.0	100.0
29 LANTERNE	■	-	S	FRB	100.0	100.0	100.0	100.0
3 CUVIER	■	-	S	FRB	100.0	100.0	100.0	100.0
37 ROUTE DES BLANCHES (GEX FERNEY)	■	-	S	FRB	100.0	100.0	100.0	100.0
42 RUE MERCIÈRE	■	-	S	FRB	100.0	100.0	100.0	100.0
57 COURS DE LA LIBERTÉ (SCI)	■	-	S	FRB	100.0	100.0	100.0	100.0
57 RUE MARCHANDE	■	E1	S	FRB	-	100.0	-	100.0
6 RUE VAUBECOUR	■	-	S	FRB	100.0	100.0	100.0	100.0
78 DENFERT	■	-	S	FRB	100.0	100.0	100.0	100.0
7-9-11 RUE DU MILIEU	■	-	S	FRB	100.0	100.0	100.0	100.0
91 CREQUI	■	-	S	FRB	100.0	100.0	100.0	100.0
93 GRANDE RUE D'OULLINS	■	-	S	FRB	100.0	100.0	100.0	100.0
ACAJOU	X	-	CSE	AG	100.0	100.0	69.3	69.5
ACTICCIA VIE 3[1]	■	-	CSE	AG	96.9	99.3	96.9	99.3
ACTICCIA VIE 90 C[1]	■	-	CSE	AG	97.3	100.0	97.3	100.0
ACTICCIA VIE 90 N2[1]	■	-	CSE	AG	97.6	100.0	97.6	100.0
ACTICCIA VIE 90 N3 C[1]	■	-	CSE	AG	97.7	100.0	97.7	100.0
ACTICCIA VIE 90 N4[1]	■	-	CSE	AG	97.9	99.9	97.9	99.9
ACTICCIA VIE 90 N6 C[1]	■	-	CSE	AG	97.5	100.0	97.5	100.0
ACTICCIA VIE N2 C[1]	■	-	CSE	AG	74.7	99.3	74.7	99.3
ACTICCIA VIE N4[1]	■	-	CSE	AG	97.4	99.7	97.4	99.7
ACTICCIA VIE[1]	■	-	CSE	AG	41.4	99.2	41.4	99.2
ACTIONS 50 3DEC[1]	■	-	CSE	AG	96.5	99.8	96.5	99.8
ADIMMO	■	I1	S	CC	100.0	-	99.4	-
ADL PARTICIPATIONS	X	-	JV	AG	25.0	25.0	25.0	25.0
ADMINISTRATION GESTION IMMOBILIÈRE	■	-	S	FRB	100.0	100.0	100.0	100.0
Adret Gestion	■	-	CSE	FRB	100.0	100.0	100.0	100.0
AGRICOLE RIVAGE DETTE[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
ALGERIE 10	■	-	S	FRB	100.0	100.0	100.0	100.0
ALTA VAI HOLDCO P	■	-	S	AG	100.0	100.0	100.0	100.0
ALTAREA	▲	-	A	AG	24.6	24.7	24.6	24.7
ALTAT BLUE	X	-	JV	AG	33.3	33.0	33.3	33.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
AM AC FR ISR PC 3D[1]	■	-	CSE	AG	32.2	67.5	32.2	67.5
AM DESE FIII DS3IMDI[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
AM.AC.EU.ISR-P-3D[1]	■	-	CSE	AG	33.3	47.6	33.3	47.6
AM.AC.MINER.-P-3D[1]	■	-	CSE	AG	37.8	86.2	37.8	86.2
AM.AC.USA ISR P 3D[1]	■	-	CSE	AG	59.8	58.7	59.8	58.7
AM.ACT.EMER.-P-3D[1]	■	-	CSE	AG	46.5	45.3	46.5	45.3
AM.RDT PLUS -P-3D[1]	■	-	CSE	AG	47.5	50.7	47.4	50.7
AMIRAL GROWTH OPP A[1]	■	-	CSE	AG	51.1	51.1	51.1	51.1
AMUN TRESO CT PC 3D[1]	■	E1	CSE	AG	-	2.0	-	2.0
AMUN.ACT.REST.P-C[1]	■	-	CSE	AG	28.2	31.1	28.2	31.1
AMUN.TRES.EONIA ISR E FCP 3DEC[1]	■	-	CSE	AG	69.1	78.4	69.1	78.4
AMUNDI	■	-	S	AG	69.3	69.5	69.3	69.5
AMUNDI AC.FONC.PC 3D[1]	■	-	CSE	AG	55.7	58.1	55.7	58.1
AMUNDI ACTIONS FRANCE C 3DEC[1]	■	-	CSE	AG	49.1	46.3	49.1	46.3
AMUNDI AFD AV DURABL P1 FCP 3DEC[1]	■	-	CSE	AG	66.9	74.8	66.9	74.8
AMUNDI ALLOCATION C[1]	■	-	CSE	AG	99.9	99.4	99.9	99.4
AMUNDI Asset Management	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI CAA ABS CT[1]	■	I2	CSE	AG	85.9	-	85.9	-
AMUNDI CAP FU PERI C[1]	■	-	CSE	AG	98.5	98.0	98.5	98.0
Amundi ESR	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI EURO LIQUIDITY SHORT TERM SRI PM C[1]	■	I1	S	AG	99.9	-	99.9	-
AMUNDI Finance	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI Finance Emissions	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI FLEURONS DES TERRITOIRES PART A PREDICA[1]	■	I1	S	AG	57.9	-	57.9	-
AMUNDI HORIZON 3D[1]	■	-	CSE	AG	65.3	66.6	65.3	66.6
AMUNDI Immobilier	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI India Holding	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI Intermédiation	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI IT Services	■	-	S	AG	100.0	99.6	69.3	70.5
AMUNDI KBI ACTION PC[1]	■	-	CSE	AG	87.2	88.2	87.2	88.2
AMUNDI KBI ACTIONS C[1]	■	-	CSE	AG	89.8	90.2	53.9	90.2
AMUNDI KBI AQUA C[1]	■	-	CSE	AG	56.4	79.1	56.4	79.1
AMUNDI OBLIG EURO C[1]	■	-	CSE	AG	52.7	51.8	52.7	51.8
AMUNDI PATRIMOINE C 3DEC[1]	■	-	CSE	AG	81.0	85.7	81.0	85.7
AMUNDI PE Solution Alpha	X	-	CSE	AG	100.0	100.0	69.3	69.5
AMUNDI Private Equity Funds	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI PULSACTIONS[1]	■	-	CSE	AG	53.8	56.8	53.8	56.8
AMUNDI SONANCE VIE 7 3DEC[1]	■	E1	CSE	AG	-	97.5	-	97.5
AMUNDI SONANCE VIE N8 3DEC[1]	■	E1	CSE	AG	-	100.0	-	100.0
AMUNDI TRANSM PAT C[1]	■	-	CSE	AG	95.6	98.0	95.6	98.0
AMUNDI VALEURS DURAB[1]	■	-	CSE	AG	75.9	69.3	75.9	69.3
AMUNDI Ventures	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI-CSH IN-PC[1]	■	-	CSE	AG	41.9	74.7	41.9	74.7
AMUNDIOBLIGMONDEP[1]	■	-	CSE	AG	100.0	73.7	100.0	73.7
ANATEC	■	-	S	AG	100.0	100.0	69.3	69.5
Angle Neuf	■	-	S	FRB	100.0	100.0	100.0	100.0
Anjou Maine Gestion	■	-	S	FRB	100.0	100.0	100.0	100.0
ANTINEA FCP[1]	■	-	CSE	AG	4.5	21.7	4.5	21.7
Aquitaine Immobilier Investissement	■	-	S	FRB	100.0	100.0	100.0	100.0
ARC FLEXIBOND-D[1]	■	E1	CSE	AG	-	2.5	-	2.5
ARCAPARK SAS	▲	-	JV	AG	50.0	50.0	50.0	50.0
ARMOR CROISSANCE	■	I2	S	FRB	100.0	-	100.0	-
ARTEMID[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
ATOUT EUROPE C FCP 3DEC[1]	■	-	CSE	AG	83.1	85.2	83.1	85.2
ATOUT FRANCE C FCP 3DEC[1]	■	-	CSE	AG	40.0	41.6	40.0	41.6
ATOUT PREM S ACTIONS 3DEC[1]	■	-	CSE	AG	96.9	99.9	96.9	99.9
ATOUT VERT HORIZON FCP 3DEC[1]	■	-	CSE	AG	33.2	35.1	33.2	35.1
Auxifip	■	-	S	SFS	100.0	100.0	100.0	100.0
AXA EUR.SM.CAP E 3D[1]	■	-	CSE	AG	91.2	92.6	91.2	92.6
AZUR	■	-	S	FRB	100.0	100.0	100.0	100.0
B IMMOBILIER[1]	■	-	S	AG	100.0	100.0	100.0	100.0
Banque Chalus	■	-	S	FRB	100.0	100.0	100.0	100.0
Bercy Champ de Mars	■	-	S	FRB	100.0	100.0	100.0	100.0
Bercy Participations	■	-	S	FRB	100.0	100.0	100.0	100.0
BERCY VILLIOT	■	-	S	FRB	100.0	100.0	100.0	100.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
Bforbank S.A.	■	-	S	FRB	100.0	100.0	100.0	100.0
BFT CREDIT OPPORTUNITÉS-I-C[1]	■	E1	CSE	AG	-	100.0	-	100.0
BFT EQUITY PROTEC 44[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
BFT FRAN FUT-C SI.3D[1]	■	-	CSE	AG	53.8	53.1	53.8	53.1
BFT Investment Managers	■	-	S	AG	100.0	100.0	69.3	69.5
BFT LCR	■	-	CSE	CC	100.0	100.0	100.0	100.0
BFT LCR NIVEAU 2	■	-	CSE	CC	100.0	100.0	100.0	100.0
BFT LCR SOCIAL GREEN – FR0014003M45	■	-	CSE	CC	100.0	100.0	100.0	100.0
BFT Opportunité[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
BFT PAR VIA EQ EQ PC[1]	■	-	CSE	AG	47.4	46.9	47.4	46.9
BFT SEL RDT 23 PC[1]	■	-	CSE	AG	66.2	100.0	66.2	100.0
BFT VALUE PREM OP CD[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
BOUTIN 56	■	-	S	FRB	100.0	100.0	100.0	100.0
Brie Picardie Croissance	■	-	CSE	FRB	100.0	100.0	100.0	100.0
CA Aquitaine Agences Immobilières	■	-	S	FRB	100.0	100.0	100.0	100.0
CA Aquitaine Immobilier	■	-	S	FRB	100.0	100.0	100.0	100.0
CA Centre France Développement	■	-	S	FRB	100.0	100.0	100.0	100.0
CA Centre-Est Développement Immobilier	■	-	S	FRB	100.0	100.0	100.0	100.0
CA EDRAM OPPORTUNITES[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CA Grands Crus	■	-	S	CC	100.0	100.0	100.0	100.0
CA Indosuez	■	-	S	AG	100.0	100.0	100.0	100.0
CA Indosuez Gestion	■	-	S	AG	100.0	100.0	100.0	100.0
CA INVESTISSEMENTS STRATÉGIQUES CENTRE-EST	■	-	S	FRB	100.0	100.0	100.0	100.0
CA MASTER PATRIMOINE FCP 3DEC[1]	■	-	CSE	AG	96.2	98.2	96.2	98.2
CA VITA INFRASTRUCTURE CHOICE FIPS c.I.A.[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CA VITA PRIVATE DEBT CHOICE FIPS cl.A[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CA VITA PRIVATE EQUITY CHOICE[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA 2013 COMPARTIMENT 5 A5[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA 2013 FCPR B1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA 2013 FCPR C1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA 2013 FCPR D1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA 2013-2[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA 2013-3[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA 2014 COMPARTIMENT 1 PART A1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA 2014 INVESTISSMENT PART A3[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA 2015 COMPARTIMENT 1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA 2015 COMPARTIMENT 2[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA 2016[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA COMMERCES 2[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA INFRAST 2021 A PREDICA[1]	■	I1	S	AG	100.0	-	100.0	-
CAA INFRASTRUCTURE 2017[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA INFRASTRUCTURE 2018 – COMPARTIMENT 1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA INFRASTRUCTURE 2019[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA INFRASTRUCTURE[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PE 20 COMP 1 A1[1]	■	I1	CSE	AG	100.0	-	100.0	-
CAA PR FI II C1 A1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIV EQY 19 CF A[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIV.FINANC.COMP.1 A1 FIC[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIV.FINANC.COMP.2 A2 FIC[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 BIS[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 FRANCE INVESTISSEMENT[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 MEZZANINE[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 TER[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2018 – COMPARTIMENT 1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2018 – COMPARTIMENT FRANCE INVESTISSEMENT[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2019 COMPARTIMENT 1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2019 COMPARTIMENT BIS[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/ 2022	% control 12/31/ 2021	% interest 12/31/ 2022	% interest 12/31/ 2021
CAA PRIVATE EQUITY 2019 COMPARTIMENT TER[1]	■	-	CSE	AG	100.0	90.9	100.0	90.9
CAA SECONDAIRE IV[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAAP CREATION	■	-	CSE	FRB	100.0	100.0	100.0	100.0
CAAP Immo	■	-	CSE	FRB	100.0	100.0	100.0	100.0
CAAP IMMO GESTION	■	-	CSE	FRB	100.0	100.0	100.0	100.0
CAAP Immo Invest	■	-	CSE	FRB	100.0	100.0	100.0	100.0
CABINET ESPARGILIERE	■	I1	S	CC	100.0	-	99.4	-
CACEIS Bank	■	-	S	LC	100.0	100.0	69.5	69.5
CACEIS Corporate Trust	■	04	S	LC	100.0	100.0	69.5	69.5
CACEIS Fund Administration	■	-	S	LC	100.0	100.0	69.5	69.5
CACEIS S.A.	■	-	S	LC	69.5	69.5	69.5	69.5
CACF Immobilier	■	-	S	FRB	100.0	100.0	100.0	100.0
CACI NON VIE	■	-	*B*	*AG*	*100.0*	*100.0*	*100.0*	*100.0*
CACI VIE	■	-	*B*	*AG*	*100.0*	*100.0*	*100.0*	*100.0*
CACL DIVERSIFIÉ	■	-	S	FRB	100.0	100.0	100.0	100.0
CADEISDA 2DEC[1]	■	-	CSE	AG	48.9	49.0	48.9	49.0
CADINVEST	■	-	S	FRB	100.0	100.0	100.0	100.0
CADS Capital	■	-	S	FRB	100.0	100.0	100.0	100.0
CADS Développement	■	-	S	FRB	100.0	100.0	100.0	100.0
CADS IMMOBILIER	■	-	S	FRB	100.0	100.0	100.0	100.0
CAIRS Assurance S.A.	■	-	S	LC	100.0	100.0	100.0	100.0
Caisse régionale de Crédit Agricole mutuel de la Corse	●	-	Parent	CC	100.0	100.0	100.0	100.0
CALIE Europe Succursale France	■	-	*B*	*AG*	*100.0*	*100.0*	*100.0*	*100.0*
CALIFORNIA 09[1]	■	-	CSE	AG	82.3	82.5	82.3	82.5
Calixte Investissement	■	-	S	FRB	100.0	100.0	100.0	100.0
CAM HYDRO	■	-	S	FRB	100.0	100.0	100.0	100.0
Camca Courtage	■	-	S	FRB	100.0	100.0	100.0	100.0
CAP Régulier 1	■	-	CSE	FRB	100.0	100.0	100.0	100.0
CAP Régulier 2	■	-	S	FRB	100.0	100.0	100.0	100.0
CAP REGULIER 3	■	01	CSE	FRB	100.0	100.0	100.0	100.0
CAPG ÉNERGIES NOUVELLES	■	-	S	FRB	100.0	100.0	100.0	100.0
CAPG INVESTISSEMENTS ÉNERGÉTIQUES	■	-	S	FRB	65.0	65.0	65.0	65.0
CAPI Centre-Est	■	-	S	FRB	100.0	100.0	100.0	100.0
CAREPTA R 2016[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
Cariou Holding	■	-	S	CC	100.0	50.0	100.0	50.0
CASRA CAPITAL	■	-	S	FRB	100.0	100.0	100.0	100.0
CASSINI SAS	X	-	JV	AG	49.0	49.0	49.0	49.0
CEDAR	X	-	CSE	AG	100.0	99.9	69.3	69.4
Centre France Location Immobilière	■	-	S	FRB	100.0	100.0	100.0	100.0
Centre Loire Expansion	■	-	S	FRB	100.0	100.0	100.0	100.0
CFM Indosuez Conseil en Investissement	■	-	S	AG	70.2	70.2	69.0	69.0
CFM Indosuez Conseil en Investissement, Succursale de Noumea	■	-	*B*	*AG*	*70.2*	*70.2*	*69.0*	*69.0*
CHALOPIN GUILLOTIERE	■	-	S	FRB	100.0	100.0	100.0	100.0
Charente Périgord Expansion	■	-	S	FRB	100.0	100.0	100.0	100.0
Charente Périgord Immobilier	■	-	S	FRB	100.0	100.0	100.0	100.0
CHORELIA N2 PART C[1]	■	-	CSE	AG	85.5	87.7	85.5	87.7
CHORELIA N4 PART C[1]	■	-	CSE	AG	86.1	88.3	86.1	88.3
CHORELIA N5 PART C[1]	■	-	CSE	AG	75.2	77.2	75.2	77.2
CHORELIA N6 PART C[1]	■	-	CSE	AG	79.2	81.1	79.2	81.1
CHORELIA N7 C[1]	■	-	CSE	AG	85.0	87.5	85.0	87.5
CHORELIA PART C[1]	■	-	CSE	AG	82.6	84.8	82.6	84.8
Chorial Allocation	X	-	CSE	AG	100.0	99.9	69.3	69.4
CL CLARES	■	-	S	FRB	100.0	100.0	100.0	100.0
CL Développement de la Corse	●	-	S	CC	100.0	100.0	100.0	100.0
CL Promotion	■	-	S	FRB	100.0	100.0	100.0	100.0
Clifap	■	E3	S	LC	-	100.0	-	100.0
CM2S DIVERSIFIÉ	■	I2	S	FRB	100.0	-	100.0	-
CMDS IMMOBILIER	■	-	S	FRB	100.0	100.0	100.0	100.0
CNP ACP 10 FCP[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
Cofam	■	-	S	FRB	100.0	100.0	100.0	100.0
Compagnie Foncière Lyonnaise	■	-	S	FRB	100.0	100.0	100.0	100.0
Compagnie Française de l'Asie (CFA)	■	-	S	LC	100.0	100.0	100.0	100.0
COMPARTIMENT DS3 – IMMOBILIER VAUGIRARD[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/ 2022	% control 12/31/ 2021	% interest 12/31/ 2022	% interest 12/31/ 2021
COMPARTIMENT DS3 – VAUGIRARD[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CONSTANTINE 12	■	-	S	FRB	100.0	100.0	100.0	100.0
CPR AM	■	-	S	AG	100.0	100.0	69.3	69.5
CPR CONSO ACTIONNAIRE FCP P[1]	■	-	CSE	AG	47.8	50.3	47.8	50.3
CPR CROIS.REA.-P[1]	■	-	CSE	AG	27.2	26.8	27.2	26.8
CPR EUR.HI.DIV.P 3D[1]	■	-	CSE	AG	40.8	41.1	40.8	41.1
CPR EuroGov LCR	■	-	CSE	CC	100.0	100.0	100.0	100.0
CPR EUROLAND ESG P[1]	■	-	CSE	AG	18.0	16.7	18.0	16.7
CPR FOCUS INF.-P-3D[1]	■	-	CSE	AG	22.3	10.1	22.3	10.1
CPR GLO SILVER AGE P[1]	■	-	CSE	AG	99.9	95.1	99.9	95.1
CPR OBLIG 12 M.P 3D[1]	■	-	CSE	AG	94.7	92.7	94.7	92.7
CPR REF.ST.EP.R.0-100 FCP 3DEC[1]	■	-	CSE	AG	97.8	100.0	97.8	100.0
CPR REFLEX STRATEDIS 0-100 P 3D[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CPR RENAI.JAP.-P-3D[1]	■	-	CSE	AG	66.2	37.6	66.2	37.6
CPR SILVER AGE P 3DEC[1]	■	-	CSE	AG	59.7	58.6	59.7	58.6
CRCAM GESTION	■	-	S	FRB	100.0	100.0	100.0	100.0
Crealfi	■	-	S	SFS	51.0	51.0	51.0	51.0
Crédit Agricole – Group Infrastructure Platform	■	-	S	CC	100.0	100.0	99.7	99.7
Crédit Agricole Agriculture	■	-	S	CC	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE AQUITAINE RENDEMENT	■	-	S	FRB	100.0	100.0	100.0	100.0
Crédit Agricole Assurances (CAA)	■	-	S	AG	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE ASSURANCES RETRAITE	■	I2	S	FRB	100.0	-	100.0	-
Crédit Agricole Assurances Solutions	■	-	S	AG	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE ATLANTIQUE VENDÉE IMMOBILIER PARTICIPATION	■	-	S	FRB	100.0	100.0	100.0	100.0
Crédit Agricole Capital Investissement et Finance (CACIF)	■	-	S	CC	100.0	100.0	100.0	100.0
Crédit Agricole Centre Est Immobilier	■	-	S	FRB	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE CENTRE LOIRE ÉNERGIES RENOUVELABLES	■	I1	S	FRB	100.0	-	100.0	-
CRÉDIT AGRICOLE CENTRE LOIRE SERVICES	■	I1	S	FRB	100.0	-	100.0	-
CRÉDIT AGRICOLE CENTRE-EST ÉNERGIES NOUVELLES – CACE'EN	■	I1	S	FRB	100.0		100.0	
Crédit Agricole CIB Air Finance S.A.	■	-	S	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB Financial Solutions	■	-	CSE	LC	99.9	99.9	99.9	99.9
Crédit Agricole CIB Global Banking	■	-	S	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB S.A.	■	-	S	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB Transactions	■	-	S	LC	100.0	100.0	100.0	100.0
Crédit Agricole Consumer Finance	■	-	S	SFS	100.0	100.0	100.0	100.0
Crédit Agricole Creditor Insurance (CACI)	■	-	S	AG	100.0	100.0	100.0	100.0
Crédit Agricole F.C. Investissement	■	-	S	FRB	100.0	100.0	100.0	100.0
Crédit Agricole Home Loan SFH	■	-	CSE	CC	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE ILLE-ET-VILAINE EXPANSION	■	-	S	FRB	100.0	100.0	100.0	100.0
Crédit Agricole Immobilier	■	-	S	CC	100.0	100.0	100.0	100.0
Crédit Agricole immobilier Corporate et Promotion	■	-	S	CC	100.0	100.0	100.0	100.0
Crédit Agricole Immobilier Promotion	■	-	S	CC	100.0	100.0	100.0	100.0
Crédit Agricole Immobilier Services	■	-	S	CC	100.0	100.0	99.5	99.5
Crédit Agricole Languedoc Energies Nouvelles	■	-	S	FRB	100.0	100.0	100.0	100.0
Crédit Agricole Languedoc Immobilier	■	-	S	FRB	100.0	100.0	100.0	100.0
Crédit Agricole Languedoc Patrimoine	■	-	S	FRB	100.0	100.0	100.0	100.0
Crédit Agricole Leasing & Factoring	■	-	S	SFS	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE MOBILITY	■	I1	S	SFS	100.0	-	100.0	-
Crédit Agricole Payment Services	■	-	CSE	CC	100.0	100.0	100.0	100.0
Crédit Agricole Public Sector SCF	■	-	CSE	CC	100.0	100.0	100.0	100.0
Crédit Agricole Régions Développement	■	-	S	CC	100.0	72.3	96.9	72.3
Crédit Agricole Services Immobiliers	■	-	S	CC	99.4	99.4	99.4	99.4
Crédit Agricole Technologies et Services	■	-	S	CC	100.0	100.0	100.0	100.0
Crédit Agricole S.A.	●	-	Parent	CC	100.0	100.0	100.0	100.0
Crédit Lyonnais Développement Économique (CLDE)	■	-	S	FRB	100.0	100.0	100.0	100.0
CROIX-ROUSSE	■	-	S	FRB	100.0	100.0	100.0	100.0
DAPAR	■	-	S	FRB	100.0	100.0	100.0	100.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
DE L'ARTOIS	■	-	S	FRB	100.0	100.0	100.0	100.0
Delfinances	■	-	CSE	CC	100.0	100.0	100.0	100.0
DELTA	■	-	S	CC	100.0	100.0	100.0	100.0
DES CYGNES	■	-	S	FRB	100.0	100.0	100.0	100.0
DES ÉCHEVINS	■	-	S	FRB	100.0	100.0	100.0	100.0
DES PAYS-BAS	■	E1	S	FRB	-	100.0	-	100.0
DIRECT LEASE	■	-	S	SFS	100.0	100.0	100.0	100.0
Doumer Finance S.A.S.	■	-	S	LC	100.0	100.0	100.0	100.0
DRIVALIA FRANCE SAS	▲	O1	JV	SFS	50.0	50.0	50.0	50.0
DS Campus[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
DU 34 RUE ÉDOUARD-HERRIOT	■	-	S	FRB	100.0	100.0	100.0	100.0
DU 46	■	-	S	FRB	100.0	100.0	100.0	100.0
DU BOIS DU PORT	■	-	S	FRB	100.0	100.0	100.0	100.0
DU CARILLON	■	-	S	FRB	100.0	100.0	100.0	100.0
DU CORBILLON	■	-	S	FRB	100.0	100.0	100.0	100.0
DU CORVETTE	■	-	S	FRB	100.0	100.0	100.0	100.0
DU ROZIER	■	-	S	FRB	100.0	100.0	100.0	100.0
DU TOURNE-FEUILLE	■	-	S	FRB	100.0	100.0	100.0	100.0
EFFITHERMIE FPCI[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
ELL HOLDCO SARL	X	-	JV	AG	49.0	49.0	49.0	49.0
Émeraude Croissance	■	-	CSE	FRB	100.0	100.0	100.0	100.0
EPARINTER EURO BD[1]	■	-	CSE	AG	20.6	23.9	20.6	23.9
ESNI (compartiment Crédit Agricole CIB)	■	E1	CSE	LC	-	100.0	-	100.0
ESNI (compartiment Crédit Agricole S.A.)	■	-	CSE	CC	100.0	100.0	100.0	100.0
ESTER FINANCE TECHNOLOGIES	■	-	S	LC	100.0	100.0	100.0	100.0
Étoile Gestion	■	-	S	AG	100.0	100.0	69.3	69.5
Eucalyptus FCT	■	-	CSE	LC	100.0	100.0	-	-
EUROHABITAT	■	-	S	FRB	100.0	100.0	100.0	100.0
EUROPEAN CDT SRI PC[1]	■	-	CSE	FRB	21.0	55.6	21.0	55.6
EUROTERTIAIRE 2	■	-	S	FRB	100.0	100.0	100.0	100.0
EUROWATT ENERGIE	X	-	JV	AG	75.0	75.0	75.0	75.0
Everbreizh	■	-	CSE	FRB	100.0	100.0	100.0	100.0
FCA BANK SUCCURSALE EN FRANCE	▲	*O1*	*B*	*SFS*	*50.0*	*50.0*	*50.0*	*50.0*
FCA LEASING FRANCE S.A.	▲	O1	JV	SFS	50.0	50.0	50.0	50.0
FCP Centre Loire	■	-	CSE	FRB	100.0	100.0	100.0	100.0
FCP CHAMPAGNE BOURGOGNE RENDEMENT	■	-	S	FRB	100.0	100.0	100.0	100.0
FCPR CAA 2013[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCPR CAA COMP TER PART A3[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCPR CAA COMPART BIS PART A2[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCPR CAA COMPARTIMENT 1 PART A1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCPR CAA France Croissance 2 A[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCPR PREDICA 2007 A[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCPR PREDICA 2007 C2[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCPR PREDICA 2008 A1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCPR PREDICA 2008 A2[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCPR PREDICA 2008 A3[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCPR UI CAP AGRO[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCT AUTO LOANS 2022	■	I2	CSE	SFS	100.0	-	100.0	-
FCT BRIDGE 2016-1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCT CAA – Compartment 2017-1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCT CAA COMPARTIMENT CESSION DES CREANCES LCL	■	-	S	AG	100.0	100.0	100.0	100.0
FCT CAREPTA – COMPARTIMENT 2014-1[1]	■	E1	CSE	AG	-	100.0	-	100.0
FCT CAREPTA – COMPARTIMENT RE-2016-1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCT CAREPTA – RE 2015 -1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCT CFN DIH	■	E1	CSE	LC	-	100.0	-	-
FCT Crédit Agricole Habitat 2017 (sauf compartiment Corse)	■	E1	CSE	FRB	-	100.0	-	100.0
FCT Crédit Agricole Habitat 2017 Compartiment Corse	■	E1	CSE	CC	-	100.0	-	100.0
FCT Crédit Agricole Habitat 2018 (sauf compartiment Corse)	■	-	CSE	FRB	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2018 Compartiment Corse	■	-	CSE	CC	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2019 (sauf compartiment Corse)	■	-	CSE	FRB	100.0	100.0	100.0	100.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
FCT Crédit Agricole Habitat 2019 Compartiment Corse	■	-	CSE	CC	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2020 (sauf compartiment Corse)	■	-	CSE	FRB	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2020 Compartiment Corse	■	-	CSE	CC	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2022 (sauf compartiment Corse)	■	I2	CSE	FRB	100.0	-	100.0	-
FCT Crédit Agricole Habitat 2022 Compartiment Corse	■	I2	CSE	CC	100.0	-	100.0	-
FCT GINGKO DEBT CONSO 2015-1	■	-	CSE	SFS	100.0	100.0	100.0	100.0
FCT GINGKO PERSONAL LOANS 2016-1	■	E1	CSE	SFS	-	100.0	-	100.0
FCT GINGKO SALES FINANCE 2015-1	■	E1	CSE	SFS	-	100.0	-	100.0
FCT GINKGO MASTER REVOLVING LOANS	■	-	CSE	SFS	100.0	100.0	100.0	100.0
FCT GINKGO PERSONAL LOANS 2020-01	■	-	CSE	SFS	100.0	100.0	100.0	100.0
FCT GINKGO SALES FINANCE 2017-1	■	E1	CSE	SFS	-	100.0	-	100.0
FCT GINKGO SALES FINANCE 2022-02	■	I2	CSE	SFS	100.0	-	100.0	-
FCT MID CAP 2 05/12/22[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCT True Sale (Compartiment LCL)	■	-	CSE	FRB	100.0	100.0	100.0	100.0
FDA 18 -O-3D[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FDC A3 P[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FEDERIS CORE EU CR 19 MM[1]	■	-	CSE	AG	43.7	43.7	43.7	43.7
Federval[1]	■	E1	CSE	AG	-	97.9	-	97.9
Fief Nouveau	■	-	S	FRB	100.0	100.0	100.0	100.0
FIMO Courtage	■	-	S	FRB	100.0	100.0	99.0	99.0
Finamur	■	-	S	SFS	100.0	100.0	100.0	100.0
Financière Lumis	■	E5	S	LC	-	100.0	-	100.0
Finaref Assurances S.A.S.	■	E5	S	SFS	-	100.0	-	100.0
Fininvest	■	-	S	LC	98.4	98.3	98.4	98.3
FINIST-LCR	■	-	CSE	FRB	100.0	100.0	100.0	100.0
FIRECA	■	-	S	CC	100.0	100.0	100.0	100.0
Fletirec	■	-	S	LC	100.0	100.0	100.0	100.0
Foncaris	■	-	S	CC	100.0	100.0	100.0	100.0
FONCIERE ATLANTIQUE VENDEE	■	-	S	FRB	100.0	100.0	100.0	100.0
Foncière Crédit Agricole Sud Rhône-Alpes	■	-	S	FRB	100.0	100.0	100.0	100.0
Foncière du Maine	■	-	S	FRB	100.0	100.0	100.0	100.0
FONCIERE HYPERSUD	▲	-	JV	AG	51.4	51.4	51.4	51.4
Foncière TP	■	-	S	FRB	100.0	100.0	100.0	100.0
FONDS AV ECH FIA G[1]	■	E1	CSE	AG	-	100.0	-	100.0
FONDS AV ECH FIA G[1]	■	I1	S	AG	100.0	-	100.0	-
FONDS AV ECHUS FIA A[1]	■	-	CSE	AG	0.2	100.0	0.2	100.0
FONDS AV ECHUS FIA B[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FONDS AV ECHUS FIA F[1]	■	E1	CSE	AG	-	100.0	-	100.0
FONDS AV ECHUS FIA F[1]	■	I1	S	AG	100.0	-	100.0	-
Force 29	■	-	S	FRB	100.0	100.0	100.0	100.0
Force Charente-Maritime Deux-Sèvres	■	-	S	FRB	100.0	100.0	100.0	100.0
Force Iroise	■	-	CSE	FRB	100.0	99.9	100.0	99.9
Force Languedoc	■	E1	CSE	FRB	-	100.0	-	100.0
Force Lorraine Duo	■	-	CSE	FRB	100.0	100.0	100.0	100.0
Force Profile 20	■	-	S	FRB	100.0	100.0	99.9	99.8
Force Run	■	-	S	FRB	100.0	100.0	100.0	100.0
Force Toulouse Diversifié	■	-	CSE	FRB	100.0	100.0	100.0	100.0
Force 4	■	-	CSE	FRB	100.0	100.0	100.0	100.0
FPCI Cogeneration France I[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
FR0010671958 PREDIQUANT A5[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
Franche-Comté Développement Foncier	■	-	S	FRB	100.0	100.0	100.0	100.0
Franche-Comté Développement Immobilier	■	E5	S	FRB	-	100.0	-	100.0
FRANCHE-COMTÉ CRÉDIT AGRICOLE IMMOBILIER	■	I2	S	FRB	100.0	-	100.0	-
FREY	▲	-	A	AG	19.7	22.4	19.7	22.4
FREY RETAIL VILLEBON	▲	-	JV	AG	47.5	47.5	47.5	47.5
FUTURES ENERGIES INVESTISSEMENTS HOLDING	X	-	JV	AG	30.0	30.0	30.0	30.0
FUTURES ENERGIES INVESTISSEMENTS HOLDING 2	X	-	JV	AG	48.0	48.0	48.0	48.0
FUTURES ENERGIES INVESTISSEMENTS HOLDING 3	X	-	JV	AG	80.0	80.0	80.0	80.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
GEST'HOME	■	I1	S	CC	100.0	-	99.4	-
Grands Crus Investissements (GCI)	■	-	S	CC	99.7	52.1	99.7	52.1
GRANGE HAUTE	■	-	S	FRB	100.0	100.0	100.0	100.0
GRD 44 N3[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD 44 N2[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD 44 N4 PART CD[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD 44 N5[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD 44[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD 54[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD ACT.ZONE EURO[1]	■	-	CSE	FRB	100.0	100.0	100.0	100.0
GRD CAR 39 FCP[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD FCR 99 FCP[1]	■	-	CSE	AG	95.7	100.0	95.7	100.0
GRD IFC 97 FCP[1]	■	-	CSE	AG	92.6	100.0	92.6	100.0
GRD02[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD03[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD05[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD07[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD08[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD09[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD10[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD11[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD12[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD13[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD14[1]	■	-	CSE	AG	97.8	97.8	97.8	97.8
GRD17[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD18[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD19[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD20[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD21[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
Groupe CAMCA	■	-	S	FRB	100.0	100.0	100.0	100.0
GROUPE ROSSEL LA VOIX	▲	-	A	FRB	25.2	25.2	25.2	25.2
HASTINGS PATRIM AC[1]	■	-	CSE	AG	34.4	36.7	34.4	36.7
HDP BUREAUX[1]	■	-	S	AG	95.0	95.0	95.0	95.0
HDP HOTEL[1]	■	-	S	AG	95.0	95.0	95.0	95.0
HDP LA HALLE BOCA[1]	■	-	S	AG	95.0	95.0	95.0	95.0
Héphaïstos Multidevises FCT	■	-	CSE	LC	100.0	100.0	-	-
HOLDING EUROMARSEILLE	■	-	S	AG	100.0	100.0	100.0	100.0
HYMNOS P 3D[1]	■	-	CSE	AG	82.6	90.7	82.6	90.7
IAA CROISSANCE INTERNATIONALE[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
Icade	▲	-	A	AG	19.1	19.1	19.1	19.1
IDIA	■	-	S	CC	100.0	100.0	100.0	100.0
IDIA DÉVELOPPEMENT	■	-	S	CC	100.0	100.0	100.0	100.0
IDIA PARTICIPATIONS	■	-	S	CC	100.0	100.0	100.0	100.0
IMEFA 177[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
IMEFA 178[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
IMEFA 179[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
IMEFA CENT QUATRE-VINGT-SEPT	■	I1	S	AG	65.2	-	65.2	-
Immeuble Franche-Comté	■	E5	S	FRB	-	100.0	-	100.0
Immocam	■	-	S	FRB	100.0	100.0	100.0	100.0
IND.CAP EMERG.-C-3D[1]	■	-	CSE	AG	23.1	32.7	23.1	32.7
INDO ALLOC MANDAT C[1]	■	-	CSE	AG	93.3	94.0	92.0	94.0
INDOS.EURO.PAT.PD 3D[1]	■	-	CSE	AG	32.7	34.4	32.7	34.4
INDOSUEZ ALLOCATION[1]	■	-	CSE	AG	98.5	100.0	98.5	100.0
INDOSUEZ CAP EMERG.M[1]	■	-	CSE	FRB	100.0	100.0	100.0	100.0
Inforsud Gestion	■	-	CSE	FRB	100.0	98.9	100.0	98.8
INFORSUD TECHNOLOGIES	■	E3	S	FRB	-	100.0	-	98.9
INFRA FOCH TOPCO	▲	-	A	AG	35.9	35.7	35.9	35.7
Interfimo	■	-	S	FRB	99.0	99.0	99.0	99.0
INTERIMOB	■	-	S	FRB	100.0	100.0	100.0	100.0
INVEST RESP S3 3D[1]	■	-	CSE	AG	52.3	53.9	52.3	53.9
IRIS HOLDING FRANCE	■	-	S	AG	80.1	80.1	80.1	80.1
Issy Pont[1]	■	-	CSE	AG	100.0	90.0	100.0	90.0
IUB Holding	■	E5	S	IRB	-	100.0	-	100.0
JOLIOT CURIE	■	-	S	FRB	100.0	100.0	100.0	100.0
KENNEDY LE VILLAGE	■	-	S	FRB	100.0	100.0	100.0	100.0
KORIAN	▲	-	A	AG	25.0	24.4	25.0	24.4

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
L&E Services	■	I1	S	LC	100.0	-	100.0	-
LA FONCIÈRE RÉMOISE	■	O1	S	FRB	100.0	100.0	100.0	100.0
La Médicale	■	E2	S	AG	-	100.0	-	100.0
La Route Avance	■	-	CSE	LC	100.0	100.0	-	-
LCL	■	-	S	FRB	100.0	100.0	100.0	100.0
LCL 6 HORIZ. AV 0615[1]	■	E1	CSE	AG	-	100.0	-	100.0
LCL AC.DEV.DU.EURO[1]	■	-	CSE	AG	79.3	87.5	79.3	87.5
LCL AC.EMERGENTS 3D[1]	■	-	CSE	AG	38.9	38.6	38.9	38.6
LCL AC.MDE HS EU.3D[1]	■	-	CSE	AG	46.5	43.1	46.4	43.1
LCL ACT RES NATUREL[1]	■	-	CSE	AG	53.8	50.5	53.8	50.5
LCL ACT.E-U ISR 3D[1]	■	-	CSE	AG	29.7	28.3	29.7	28.3
LCL ACT.OR MONDE[1]	■	-	CSE	AG	58.5	55.9	58.5	55.9
LCL ACT.USA ISR 3D[1]	■	-	CSE	AG	92.8	87.2	92.8	87.2
LCL ACTIONS EURO C[1]	■	-	CSE	AG	36.6	36.9	36.6	36.9
LCL ACTIONS EURO FUT[1]	■	-	CSE	AG	42.7	77.0	42.7	77.0
LCL ACTIONS MONDE FCP 3DEC[1]	■	-	CSE	AG	42.7	43.0	42.7	43.0
LCL ALLOCATION DYNAMIQUE 3D FCP[1]	■	-	CSE	AG	94.4	95.7	94.4	95.7
LCL BDP ECHUS D[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
LCL BP ECHUS B[1]	■	E1	CSE	AG	-	100.0	-	100.0
LCL BP ECHUS B[1]	■	I1	S	AG	100.0	-	100.0	-
LCL BP ECHUS C PREDICA[1]	■	I1	S	AG	100.0	-	100.0	-
LCL COM CARB STRA P[1]	■	-	CSE	AG	96.8	93.5	96.8	93.5
LCL COMP CB AC MD P[1]	■	-	CSE	AG	58.8	61.9	58.7	61.9
LCL DEVELOPPEM.PME C[1]	■	-	CSE	AG	65.1	67.5	65.1	67.5
LCL DOUBLE HORIZON A[1]	■	E1	CSE	AG	-	100.0	-	100.0
LCL ECHUS – PI[1]	■	I1	CSE	AG	72.7	-	72.7	-
LCL Emissions	■	-	S	AG	100.0	100.0	69.3	69.5
LCL FLEX 30[1]	■	-	CSE	AG	54.7	54.7	54.7	54.7
LCL INVEST.EQ C[1]	■	-	CSE	AG	95.9	93.6	95.9	93.6
LCL INVEST.PRUD.3D[1]	■	-	CSE	AG	91.3	93.4	91.3	93.4
LCL L.GR.B.AV 17 C[1]	■	E2	CSE	AG	-	100.0	-	100.0
LCL MGEST FL.0-100[1]	■	-	CSE	AG	87.0	89.3	87.0	89.3
LCL OBL.CREDIT EURO[1]	■	-	CSE	AG	69.0	87.2	69.0	87.2
LE CONNECTEUR	■	-	S	FRB	100.0	100.0	100.0	100.0
LEASECO	▲	I1	JV	SFS	50.0	-	50.0	-
LEASYS France S.A.S	▲	-	JV	SFS	50.0	50.0	50.0	50.0
L'EGLANTINE	■	-	S	FRB	100.0	100.0	100.0	100.0
LES OVALISTES	■	-	S	FRB	100.0	100.0	100.0	100.0
LEYNAUD 41	■	-	S	FRB	100.0	100.0	100.0	100.0
LF PRE ZCP 12 99 LIB[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
LHL IMMOBILIER	■	-	S	FRB	100.0	100.0	100.0	100.0
LIEUTAUD	■	I1	S	CC	100.0	-	99.4	-
LIEUTAUD GESTION	■	I1	S	CC	100.0	-	99.4	-
L'IMMOBILIER D'À CÔTÉ	■	-	S	CC	100.0	100.0	99.4	99.4
LINXO	■	-	S	CC	88.5	88.5	88.5	88.5
LINXO GROUP	■	-	S	CC	88.5	88.5	88.5	88.5
Lixxbail	■	-	S	SFS	100.0	100.0	100.0	100.0
Lixxcourtage	■	-	S	SFS	100.0	100.0	100.0	100.0
LMA S.A.	■	-	CSE	LC	100.0	100.0	-	-
LOCA-CORB	■	-	S	FRB	100.0	100.0	100.0	100.0
LOCAFLEX	■	E1	S	FRB	-	100.0	-	100.0
LOCAGUET	■	E1	S	FRB	-	100.0	-	100.0
Locam	■	-	S	FRB	100.0	100.0	100.0	100.0
Londres Croissance C16	X	-	CSE	AG	100.0	100.0	69.3	69.5
LYONNAISE DE PRÉFABRICATION	■	-	S	FRB	100.0	100.0	100.0	100.0
LYXOR ASSET MANAGEMENT	■	E4	S	AG	-	100.0	-	69.5
LYXOR INTERMEDIATION	■	E4	S	AG	-	100.0	-	69.5
LYXOR INTERNATIONAL ASSET MANAGEMENT	■	E4	S	AG	-	100.0	-	69.5
M.D.F.89 FCP[1]	■	-	CSE	AG	99.6	100.0	99.6	100.0
MACE MONGE	■	-	S	FRB	100.0	100.0	100.0	100.0
MAISON DE LA DANSE	■	-	S	FRB	100.0	100.0	100.0	100.0
MATHIEU IMMOFICE	■	I1	S	CC	100.0	-	99.4	-
MAZARIK 24	■	-	S	FRB	100.0	100.0	100.0	100.0
MGC	■	-	S	FRB	100.0	100.0	100.0	100.0
MIDCAP ADVISORS SAS (ex-SODICA)	■	O1	S	LC	100.0	100.0	100.0	100.0
Molinier Finances	■	-	S	LC	100.0	100.0	97.1	97.1

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
MOULIN DE PRESSENSÉ	■	-	S	FRB	100.0	50.0	100.0	50.0
NECI	■	-	S	FRB	100.0	100.0	100.0	100.0
NEIGE ET SOLEIL VDSP	■	I1	S	CC	100.0	-	99.4	-
NMP CHASSELOUP	■	-	S	FRB	100.0	100.0	100.0	100.0
NMP Développement	■	-	S	FRB	100.0	100.0	100.0	100.0
NMP Gestion	■	-	CSE	FRB	100.0	100.0	100.0	100.0
NMP HEINRICH	■	I2	S	FRB	100.0	-	100.0	-
NMP IMMO	■	-	S	FRB	100.0	100.0	100.0	100.0
NMP MERCIER	■	-	S	AG	100.0	100.0	100.0	100.0
NMP MONTCALM	■	I2	S	FRB	100.0	-	100.0	-
NMP VANEAU	■	-	S	FRB	100.0	100.0	100.0	100.0
Nord Capital Investissement	■	-	S	FRB	99.5	99.5	99.5	99.5
Nord-Est Aménagement Promotion	■	-	S	FRB	100.0	100.0	100.0	100.0
Nord-Est Expansion	■	-	CSE	FRB	100.0	100.0	100.0	100.0
Nord-Est Immo	■	-	S	FRB	100.0	100.0	100.0	100.0
Normandie Seine Foncière	■	-	S	FRB	100.0	100.0	100.0	100.0
NORMANDIE SEINE IMMOBILIER	■	-	S	CC	100.0	100.0	99.4	99.4
Normandie Seine Participation	■	-	S	FRB	100.0	100.0	100.0	100.0
NS AGIR	■	-	S	FRB	100.0	100.0	100.0	100.0
NS ALTERNATIVE PERFORMANCE	■	-	S	FRB	100.0	100.0	100.0	100.0
NS Immobilier	■	-	S	FRB	100.0	100.0	100.0	100.0
OBJECTIF DYNAMISME FCP[1]	■	-	CSE	AG	90.0	96.3	90.0	96.3
OBJECTIF LONG TERME FCP[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
OBJECTIF MEDIAN FCP[1]	■	-	CSE	AG	97.1	100.0	97.1	100.0
OBJECTIF PRUDENCE FCP[1]	■	-	CSE	AG	85.9	87.9	85.9	87.9
OLINN BUSINESS SOLUTIONS	■	E4	S	SFS	-	100.0	-	100.0
OLINN FG	■	E4	S	SFS	-	100.0	-	100.0
OLINN FINANCE	■	I1	S	SFS	100.0	-	100.0	-
OLINN INVEST	■	E5	S	SFS	-	100.0	-	100.0
OLINN IT	■	-	S	SFS	100.0	100.0	100.0	100.0
OLINN LEASING	■	E4	S	SFS	-	100.0	-	100.0
OLINN MOBILE	■	-	S	SFS	100.0	100.0	100.0	100.0
OLINN SAS	■	-	S	SFS	100.0	100.0	100.0	100.0
OLINN SERVICES	■	-	S	SFS	100.0	100.0	100.0	100.0
ONLIZ	■	I2	S	FRB	100.0	-	100.0	-
OPCI CAA CROSSROADS	■	-	CSE	AG	100.0	100.0	100.0	100.0
OPCI Camp Invest	■	-	CSE	AG	80.1	80.1	80.1	80.1
OPCI ECO CAMPUS SPPICAV	■	-	CSE	AG	100.0	100.0	100.0	100.0
OPCI GHD SPPICAV PROFESSIONNELLE[1]	■	-	CSE	AG	90.0	90.0	90.0	90.0
OPCI Immanens	X	-	CSE	AG	100.0	100.0	69.3	67.9
OPCI Immo Emissions	X	-	CSE	AG	100.0	100.0	69.3	67.9
OPCI Iris Invest 2010	■	-	CSE	AG	80.1	80.1	80.1	80.1
OPCI MASSY BUREAUX	■	-	CSE	AG	100.0	100.0	100.0	100.0
OPCI Messidor	■	-	CSE	AG	21.1	100.0	21.1	100.0
OPCIMMO LCL SPPICAV 5DEC[1]	■	-	CSE	AG	96.6	97.4	96.6	97.4
OPCIMMO PREM SPPICAV 5DEC[1]	■	-	CSE	AG	96.1	95.4	96.1	95.4
OPTALIME FCP 3DEC[1]	■	-	CSE	AG	95.7	99.6	95.7	99.6
OXLIN	■	-	S	CC	88.5	88.5	88.5	88.5
Ozenne Institutionnel	■	-	CSE	FRB	100.0	100.0	100.0	100.0
P.N.S.	■	-	S	FRB	100.0	100.0	100.0	100.0
Pacific EUR FCC	■	-	CSE	LC	100.0	100.0	-	-
Pacific IT FCT	■	-	CSE	LC	100.0	100.0	-	-
Pacific USD FCT	■	-	CSE	LC	100.0	100.0	-	-
Pacifica	■	-	S	AG	100.0	100.0	100.0	100.0
PATRIMOINE ET COMMERCE	▲	-	A	AG	20.2	20.3	20.2	20.3
Paymed	■	-	S	CC	91.7	91.7	91.7	91.7
PCA IMMO	■	-	S	FRB	100.0	100.0	100.0	100.0
PED EUROPE	■	-	S	FRB	100.0	100.0	100.0	100.0
PG Développement	■	-	S	FRB	100.0	100.0	100.0	100.0
PG IMMO	■	-	S	FRB	100.0	100.0	100.0	100.0
PG Invest	■	-	S	FRB	100.0	100.0	100.0	100.0
POLYLOC	■	E1	S	FRB	-	100.0	-	100.0
PORT EX ABS RET P[1]	■	-	CSE	AG	100.0	98.9	100.0	98.9
PORT.METAUX PREC.A-C[1]	■	-	CSE	AG	98.7	98.6	98.7	98.6
PORTF DET FI EUR AC[1]	■	-	CSE	AG	1.9	99.6	1.9	99.6
PORTFOLIO LCR 80 GREEN BONDS	■	-	CSE	CC	100.0	100.0	100.0	100.0
PORTFOLIO LCR CREDIT	■	-	CSE	CC	100.0	100.0	100.0	100.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
PORTFOLIO LCR GOV	■	-	CSE	CC	100.0	99.9	84.2	89.4
PORTFOLIO LCR GOV 4A	■	-	CSE	CC	100.0	100.0	95.7	96.6
PORTOFOLIO LCR 50	■	-	CSE	CC	100.0	100.0	100.0	100.0
PORTOFOLIO LCR CREDIT JUIN 2023	■	-	CSE	CC	100.0	100.0	100.0	100.0
Predica	■	-	S	AG	100.0	100.0	100.0	100.0
Predica 2005 FCPR A[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
Predica 2006 FCPR A[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
Predica 2006-2007 FCPR[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREDICA 2010 A1[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREDICA 2010 A2[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREDICA 2010 A3[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREDICA ÉNERGIES DURABLES	■	-	S	AG	60.0	60.0	60.0	60.0
PREDICA INFRASTRUCTURE S.A.	■	-	S	AG	100.0	100.0	100.0	100.0
Predica OPCI Bureau	■	-	CSE	AG	100.0	100.0	100.0	100.0
Predica OPCI Commerces	■	-	CSE	AG	48.4	100.0	48.4	100.0
Predica OPCI Habitation	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREDICA SECONDAIRES III[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
Predicant A1 FCP[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
Predicant A2 FCP[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
Predicant A3 FCP[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREDIPARK[1]	■	-	S	AG	100.0	100.0	100.0	100.0
Prediquant Eurocroissance A2[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
Prediquant opportunité[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREDIQUANT PREMIUM[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREDIWATT	■	-	S	AG	100.0	100.0	100.0	100.0
Prestimmo	■	-	S	FRB	100.0	100.0	100.0	100.0
Pyrénées Gascogne Altitude	■	-	S	FRB	100.0	100.0	100.0	100.0
Pyrénées Gascogne Gestion	■	-	S	FRB	100.0	100.0	100.0	100.0
RAMSAY – GÉNÉRALE DE SANTÉ	▲	-	A	AG	39.8	39.8	39.8	39.8
RAVIE FCP 5DEC[1]	■	-	CSE	AG	96.6	100.0	96.6	100.0
RED CEDAR	X	-	CSE	AG	100.0	100.0	69.3	69.5
RENE 35	■	-	S	FRB	100.0	100.0	100.0	100.0
RETAH PART C[1]	■	-	CSE	AG	96.1	100.0	96.1	100.0
Réunion Télécom	■	-	S	FRB	86.0	86.0	86.0	86.0
RSD 2006 FCP 3DEC[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
RUE DU BAC (SCI)	▲	-	JV	AG	50.0	50.0	50.0	50.0
Run Cartes	■	E5	S	FRB	-	60.0	-	51.6
S.A. Foncière de l'Érable	■	-	S	FRB	100.0	100.0	100.0	100.0
S.A.S. Evergreen Montrouge	■	-	CSE	CC	100.0	100.0	100.0	100.0
S.A.S. La Boétie	■	-	S	CC	100.0	100.0	100.0	100.0
S.A.S. Sacam Avenir	■	-	S	CC	100.0	100.0	100.0	100.0
S.A. RESICO	■	-	S	AG	100.0	100.0	100.0	100.0
Sacam Assurances Cautions	■	-	S	CC	100.0	100.0	100.0	100.0
Sacam Developpement	■	-	S	CC	100.0	100.0	100.0	100.0
Sacam Fireca	■	-	S	CC	100.0	100.0	100.0	100.0
Sacam Immobilier	■	-	S	CC	100.0	100.0	100.0	100.0
Sacam International	■	-	S	CC	100.0	100.0	100.0	100.0
Sacam Mutualisation	■	-	S	CC	100.0	100.0	100.0	100.0
Sacam Participations	■	-	S	CC	100.0	100.0	100.0	100.0
SAINT-CLAR (SNC)	■	-	S	FRB	99.8	99.8	64.9	64.9
Santeffi	■	-	S	CC	100.0	100.0	100.0	100.0
SARL PAUL VERLAINE	■	-	S	FRB	100.0	100.0	100.0	100.0
SAS Brie Picardie Expansion	■	-	S	FRB	100.0	100.0	100.0	100.0
SAS CATP EXPANSION	■	-	S	FRB	100.0	100.0	100.0	100.0
SAS CRÉDIT AGRICOLE CENTRE LOIRE IMMO	■	I1	S	FRB	100.0	-	100.0	-
SAS Crédit Agricole Centre Loire Investissement	■	-	S	FRB	100.0	100.0	100.0	100.0
SAS CRISTAL	▲	-	A	AG	46.0	46.0	46.0	46.0
SAS DEFENSE CB3	▲	-	JV	AG	25.0	25.0	25.0	25.0
SAS PREDI-RUNGIS	■	-	S	AG	100.0	100.0	100.0	100.0
SAS RUE LENEPVEU	■	I1	S	FRB	100.0	-	100.0	-
SAS SQUARE HABITAT CHARENTE-MARITIME DEUX-SÈVRES	■	-	S	FRB	100.0	100.0	100.0	100.0
SAS SQUARE HABITAT CRÉDIT AGRICOLE TOURAINE POITOU	■	-	S	FRB	100.0	100.0	100.0	100.0
SAS SQUARE HABITAT PROVENCE CO	■	I1	S	CC	100.0	-	99.4	-
SCI 1 PLACE FRANCISQUE-REGAUD	■	-	S	FRB	100.0	100.0	100.0	100.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
SCI 1 TERRASSE BELLINI	▲	-	JV	AG	33.3	33.3	33.3	33.3
SCI 18 RUE VICTORIEN-SARDOU	■	I2	S	FRB	100.0	-	100.0	-
SCI 22 QUAI SARRAIL	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI 24 AVENUE DE LA GARE	■	I2	S	FRB	100.0	-	100.0	-
SCI 25-27 RUE DES TUILERIES	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI 27 QUAI ROMAIN-ROLLAND	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI 3 QUAI J.-MOULIN	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI 5 RUE DU BŒUF	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI 50-52 MONTÉE DU GOURGUILLON	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI 955	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI ACADÉMIE MONTROUGE	▲	-	JV	AG	50.0	50.0	50.0	50.0
SCI ALLÉE DE LOUISE	■	I2	S	FRB	100.0	-	100.0	-
SCI BMEDIC HABITATION(1)	■	-	S	AG	99.0	100.0	99.0	100.0
SCI CA Run Développement	■	-	S	FRB	99.9	99.9	99.9	99.9
SCI Campayrol	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI CAMPUS MEDICIS SAINT-DENIS(1)	■	-	S	AG	70.0	70.0	70.0	70.0
SCI CAMPUS RIMBAUD SAINT-DENIS(1)	■	-	S	AG	70.0	70.0	70.0	70.0
SCI CAP ARROW	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI CARPE DIEM	▲	-	JV	AG	50.0	50.0	50.0	50.0
SCI CONFIDENCE	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI Crystal Europe	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI D2 CAM	■	-	S	CC	100.0	100.0	100.0	100.0
SCI DE LA CROIX ROCHERAN	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI DE LA MAISON DU GRIFFON	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI DES JARDINS D'ORSAY	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI DES MOLLIERES	■	I2	S	FRB	100.0	-	100.0	-
SCI DU 113 RUE DES CHARMETTES	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI DU 36	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI DU 7 RUE PASSET	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI DU JARDIN LAENNEC	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI DU JARDIN SAINT-JOSEPH	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI ESPRIT DOMAINE	■	I2	S	FRB	100.0		100.0	
SCI Euralliance Europe	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI EUROMARSEILLE 1	▲	-	JV	AG	50.0	50.0	50.0	50.0
SCI EUROMARSEILLE 2	▲	-	JV	AG	50.0	50.0	50.0	50.0
SCI FÉDÉRALE PÉREIRE VICTOIRE(1)	■	-	S	AG	99.0	99.0	99.0	99.0
SCI FÉDÉRALE VILLIERS(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI FEDERIMMO	■	I1	S	AG	100.0	-	100.0	-
SCI FEDERLOG(1)	■	-	S	AG	99.9	99.9	99.9	99.9
SCI FEDERLONDRES(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI FEDERPIERRE(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI FONDIS	▲	-	A	AG	25.0	25.0	25.0	25.0
SCI GAMBETTA	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI GEX POUILLY	■	-	S	FRB	100.0	100.0	100.0	94.7
SCI GREEN CROZET	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI GREENWICH	■	I2	S	FRB	100.0	-	100.0	-
SCI GRENIER VELLEF(1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
SCI Haussmann 122	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI HEART OF LA DÉFENSE	▲	-	A	AG	33.3	33.3	33.3	33.3
SCI Holding Dahlia(1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
SCI ÎLOT 13	▲	-	JV	AG	50.0	50.0	50.0	50.0
SCI IMEFA 001(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 002(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 003(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 004(1)	■	E5	S	AG	-	100.0	-	100.0
SCI IMEFA 005(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 006(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 008(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 009(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 010(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 011(1)	■	E5	S	AG	-	100.0	-	100.0
SCI IMEFA 012(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 013(1)	■	E5	S	AG	-	100.0	-	100.0
SCI IMEFA 016(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 017(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 018(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 020(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 022(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 025(1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
SCI IMEFA 032(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 033(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 034(1)	■	E5	S	AG	-	100.0	-	100.0
SCI IMEFA 035(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 036(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 037(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 038(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 039(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 042(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 043(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 044(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 047(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 048(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 051(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 052(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 054(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 057(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 058(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 060(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 061(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 062(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 063(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 064(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 067(1)	■	E5	S	AG	-	100.0	-	100.0
SCI IMEFA 068(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 069(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 072(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 073(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 074(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 076(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 077(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 078(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 079(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 080(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 081(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 082(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 083(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 084(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 085(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 089(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 091(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 092(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 096(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 100(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 101(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 102(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 103(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 104(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 105(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 107(1)	■	E5	S	AG	-	100.0	-	100.0
SCI IMEFA 108(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 109(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 110(1)	■	E5	S	AG	-	100.0	-	100.0
SCI IMEFA 112(1)	■	E5	S	AG	-	100.0	-	100.0
SCI IMEFA 113(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 115(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 116(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 117(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 118(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 120(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 121(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 122(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 123(1)	■	-	S	AG	100.0	100.0	100.0	100.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
SCI IMEFA 126(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 128(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 129(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 131(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 132(1)	■	E5	S	AG	-	100.0	-	100.0
SCI IMEFA 140(1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
SCI IMEFA 148(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 149(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 150(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 155(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 156(1)	■	-	S	AG	90.0	90.0	90.0	90.0
SCI IMEFA 157(1)	■	-	S	AG	90.0	90.0	90.0	90.0
SCI IMEFA 158(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 159(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 164(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 169(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 170(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 171(1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
SCI IMEFA 172(1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
SCI IMEFA 173(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 174(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 175(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI IMEFA 176(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI JDL BAITMENT 5	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI La Boétie 65	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI LA LEVÉE	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI LA RUCHE 18-20	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI LE BRETAGNE	■	-	S	FRB	75.0	75.0	75.0	75.0
SCI LE GRAND SUD	■	I1	S	FRB	100.0		100.0	
SCI LE TAMARINIER	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI LE VILLAGE VICTOR HUGO(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI MEDI BUREAUX(1)	■	-	S	AG	99.8	100.0	99.8	100.0
SCI MONTAGNY 71	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI PACIFICA HUGO(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI PARKING JDL	■	I2	S	FRB	100.0	-	100.0	-
SCI Paul Cézanne	▲	-	JV	AG	49.0	49.0	49.0	49.0
SCI PLS 8 QJM	■	I2	S	FRB	100.0	-	100.0	-
SCI PORTE DES LILAS – FRÈRES FLAVIEN(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI Quartz Europe	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI Quentyvel	■	-	S	CC	100.0	100.0	100.0	100.0
SCI ROUBAIX CHAPLIN	■	-	S	FRB	100.0	100.0	100.0	89.1
SCI SERENA	■	I2	S	FRB	100.0	-	100.0	-
SCI SILK OFFICE	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI SRA BELLEDONNE	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI SRA CHARTREUSE	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI SRA VERCORS	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI TANGRAM(1)	■	-	CSE	AG	89.3	90.7	89.3	90.7
SCI Turenne Wilson	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI VALHUBERT(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI VAUGIRARD 36-44(1)	■	-	S	AG	100.0	100.0	100.0	100.0
SCI VICQ-D'AZIR VELLEFAUX(1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
SCI VILLA BELLA	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI WAGRAM 22/30	▲	-	JV	AG	50.0	50.0	50.0	50.0
Scica HL	■	-	S	FRB	100.0	100.0	100.0	100.0
SCPI LFP MULTIMMO(1)	■	-	CSE	AG	48.9	46.5	48.9	46.5
SEGUR 2	■	-	S	FRB	100.0	100.0	100.0	100.0
SEL EUR CLI SEP 22 C(1)	■	I1	S	AG	61.0	-	61.0	-
SEL EUR ENV MAI 22 C(1)	■	I1	S	AG	88.6	-	88.6	-
SEL FR ENV MAI 2022(1)	■	I1	S	AG	80.4	-	80.4	-
SEMMARIS	X	-	JV	AG	38.0	38.0	38.0	38.0
Sequana	■	-	CSE	FRB	100.0	100.0	100.0	100.0
SH PREDICA ÉNERGIES DURABLES SAS	■	-	S	AG	100.0	99.9	100.0	99.9
SILOS DE JONAGE	■	E1	S	FRB	-	100.0	-	100.0
Sircam	■	-	S	FRB	100.0	100.0	100.0	100.0
SNC 120 RUE SAINT-GEORGES	■	-	S	FRB	100.0	100.0	100.0	100.0
SNC CACF INVESTISSEMENTS FONCIERS	■	-	S	FRB	100.0	100.0	100.0	100.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
SNGI	■	-	S	LC	100.0	100.0	100.0	100.0
SO.GI.CO	■	-	S	CC	100.0	100.0	99.5	99.5
Socadif	■	-	S	FRB	100.0	100.0	100.0	100.0
SOCIÉTÉ DE GESTION EN VALEURS MOBILIERES	■	I1	S	FRB	100.0		100.0	
Société de Transactions Immobilières de Bourbon	■	-	S	FRB	100.0	100.0	100.0	100.0
Société d'Épargne Foncière Agricole (SEFA)	■	-	S	CC	100.0	100.0	100.0	100.0
SOCIÉTÉ D'ÉTUDES DE PARTICIPATIONS ET D'INVESTISSEMENT	■	-	S	FRB	100.0	100.0	100.0	100.0
SOCIÉTÉ D'EXPLOITATION DES TÉLÉPHERIQUES TARENTAISE-MAURIENNE	▲	-	A	FRB	38.1	38.1	38.1	38.1
Société Financière de Ty Nay	■	-	CSE	FRB	100.0	100.0	100.0	100.0
Société Financière du Languedoc Roussillon (SOFILARO)	■	-	S	FRB	100.0	100.0	100.0	100.0
Société Générale Gestion (S2G)	■	-	S	AG	100.0	100.0	69.3	69.5
Sofinco Participations	■	-	S	SFS	100.0	100.0	100.0	100.0
SOFIPACA	■	I1	S	FRB	100.0	-	100.0	-
SOLIDARITÉ AMUNDI P(1)	■	-	CSE	AG	80.2	70.7	80.2	70.7
SOLIDARITÉ INITIATIS SANTÉ(1)	■	-	CSE	AG	76.5	76.9	76.5	76.9
SOLYMO	■	-	S	FRB	100.0	100.0	100.0	100.0
SONANCE VIE 9(1)	■	E2	CSE	AG	-	98.0	-	98.0
Spirica	■	-	S	AG	100.0	100.0	100.0	100.0
SQUARE HABITAT ATLANTIQUE VENDÉE	■	-	S	FRB	100.0	100.0	100.0	100.0
SQUARE HABITAT CENTRE OUEST	■	I1	S	CC	100.0	-	99.4	-
SQUARE HABITAT CRÉDIT AGRICOLE	■	I1	S	CC	100.0	-	99.4	-
SQUARE HABITAT FRANCHE-COMTÉ	■	-	S	CC	100.0	100.0	99.4	99.4
Square Habitat Gestion Sud Rhône-Alpes	■	E4	S	FRB	-	100.0	-	100.0
SQUARE HABITAT NEUF	■	-	S	FRB	100.0	100.0	100.0	100.0
Square Habitat Nord de France	■	-	S	FRB	100.0	100.0	100.0	100.0
Square Habitat Pays Basque	■	-	S	FRB	100.0	100.0	100.0	100.0
Square Habitat Sud Rhône-Alpes	■	-	S	FRB	100.0	100.0	100.0	100.0
Square Habitat Toulouse 31	■	-	S	CC	100.0	100.0	99.4	99.4
Société Européenne de Développement d'Assurances	■	-	S	SFS	100.0	100.0	100.0	100.0
Société Européenne de Développement du Financement	■	-	S	SFS	100.0	100.0	100.0	100.0
STEPHANE	■	-	S	FRB	100.0	100.0	100.0	100.0
Sud Rhône-Alpes Placement	■	-	S	FRB	100.0	100.0	99.9	99.9
TAKAMAKA	■	I2	S	FRB	100.0	-	100.0	-
TCB	■	-	S	LC	98.7	98.7	97.4	97.4
Toulouse 31 Court Terme	■	-	CSE	FRB	100.0	100.0	100.0	100.0
TOUR MERLE (SCI)	▲	-	JV	AG	50.0	50.0	50.0	50.0
TRIA 6 ANS N 16 PT C(1)	■	-	CSE	AG	81.2	50.0	81.2	50.0
TRIAN 6 ANS N10 C(1)	■	E1	CSE	AG	-	81.5	-	81.5
TRIANANCE 6 AN 12 C(1)	■	-	CSE	AG	0.8	84.0	0.8	84.0
TRIANANCE 6 AN 13 C(1)	■	-	CSE	AG	83.4	85.1	83.4	85.1
TRIANANCE 6 AN 14 C(1)	■	-	CSE	AG	89.2	89.4	89.2	89.4
TRIANANCE 6 ANS 5 C(1)	■	E2	CSE	AG	-	78.9	-	78.9
TRIANANCE 6 ANS N 11(1)	■	E2	CSE	AG	-	82.7	-	82.7
TRIANANCE 6 ANS N 15(1)	■	-	CSE	AG	84.7	86.3	84.7	86.3
TRIANANCE 6 ANS N 9(1)	■	E1	CSE	AG	-	3.3	-	3.3
TRIANANCE 6 ANS N3(1)	■	E1	CSE	AG	-	3.0	-	3.0
TRIANANCE 6 ANS N6(1)	■	-	CSE	AG	0.4	84.0	0.4	84.0
Triple P FCC	■	-	CSE	LC	100.0	100.0	-	-
UBAF	▲	-	JV	LC	47.0	47.0	47.0	47.0
Ucafleet	▲	-	A	SFS	35.0	35.0	35.0	35.0
UI CAP SANTÉ 2(1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
Unifergie	■	-	S	SFS	100.0	100.0	100.0	100.0
UNI-INVEST ANJOU MAINE	■	-	S	FRB	100.0	100.0	100.0	100.0
Uni-médias	■	-	S	CC	100.0	100.0	100.0	100.0
UNIPIERRE ASSURANCE (SCPI)(1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
Val de France Expansion	■	-	S	FRB	100.0	100.0	100.0	100.0
Val de France Rendement	■	-	S	FRB	100.0	100.0	100.0	100.0
Valeurs Monétiques	■	E5	S	FRB	-	100.0	-	86.0
VAUGIRARD GRIMSBY	■	I2	S	AG	100.0	-	100.0	-

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
VENDOME INV.FCP 3DEC[1]	■	-	CSE	AG	86.9	90.2	86.9	90.2
VENDOME SEL EURO PC[1]	■	-	CSE	FRB	6.9	8.8	6.9	8.8
VILLAGE BY CA NORD DE FRANCE	■	-	S	FRB	100.0	100.0	100.0	100.0
VIVIER TOULON	■	-	S	FRB	100.0	100.0	100.0	100.0
GERMANY								
A-BEST ELEVEN UG	▲	E1	SJV	SFS	-	50.0	-	50.0
A-BEST NINETEEN	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
A-BEST SIXTEEN	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
Amundi Deutschland GmbH	■	-	S	AG	100.0	100.0	69.3	69.5
CACEIS Bank S.A., Germany Branch	■	-	*B*	*LC*	*100.0*	*100.0*	*69.5*	*69.5*
CACEIS FONDS SERVICE GmbH	■	-	S	LC	100.0	69.5	69.5	69.5
CALEF S.A. – NIEDERLASSUNG DEUTSCHLAND	■	*01*	*B*	*SFS*	*100.0*	*100.0*	*100.0*	*100.0*
Crédit Agricole CIB (Allemagne)	■	-	*B*	*LC*	*100.0*	*100.0*	*100.0*	*100.0*
Creditplus Bank AG	■	-	S	SFS	100.0	100.0	100.0	100.0
EUROFACTOR GmbH	■	-	*B*	*SFS*	*100.0*	*100.0*	*100.0*	*100.0*
FCA BANK S.P.A. GERMAN BRANCH	▲	*01*	*B*	*SFS*	*50.0*	*50.0*	*50.0*	*50.0*
FCA VERSICHERUNGSSERVICE GmbH	▲	-	JV	SFS	50.0	50.0	50.0	50.0
FERRARI FINANCIAL SERVICES GmbH	▲	-	JV	SFS	50.0	50.0	25.0	25.0
LEASYS SPA GERMAN BRANCH	▲	-	*B*	*SFS*	*50.0*	*50.0*	*50.0*	*50.0*
LYXOR INTERNATIONAL ASSET MANAGEMENT German Branch	■	*E4*	*B*	*AG*	*-*	*100.0*	*-*	*69.5*
OLINN DEUTSCHLAND	■	I1	S	SFS	100.0	-	100.0	-
RETAIL AUTOMOTIVE CP GERMANY 2016 UG	■	E1	CSE	SFS	-	100.0	-	100.0
RETAIL AUTOMOTIVE CP GERMANY 2021 UG	■	-	CSE	SFS	100.0	100.0	100.0	100.0
GREECE								
Crédit Agricole Life	■	-	S	AG	100.0	100.0	100.0	100.0
DRIVALIA LEASE HELLAS SM S.A	▲	01	JV	SFS	50.0	50.0	50.0	50.0
FCA Bank Gmbh, Hellenic Branch	▲	-	*B*	*SFS*	*50.0*	*50.0*	*50.0*	*50.0*
FCA Insurance Hellas S.A.	▲	-	JV	SFS	50.0	50.0	50.0	50.0
GUERNSEY								
Crédit Agricole CIB Finance (Guernsey) Ltd	■	-	CSE	LC	99.9	99.9	99.9	99.9
HONG KONG								
AMUNDI ASSET MANAGEMENT HONG KONG BRANCH	■	-	*B*	*AG*	*100.0*	*100.0*	*69.3*	*69.5*
AMUNDI Hong Kong Ltd	■	-	S	AG	100.0	100.0	69.3	69.5
CA Indosuez (Suisse) S.A. Hong Kong Branch	■	-	*B*	*AG*	*100.0*	*100.0*	*100.0*	*100.0*
Crédit Agricole Asia Shipfinance Ltd	■	-	S	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Hong Kong)	■	-	*B*	*LC*	*100.0*	*100.0*	*100.0*	*100.0*
Crédit Agricole Securities (Asia) Limited Hong Kong	■	-	S	LC	100.0	100.0	100.0	100.0
HUNGARY								
Amundi Investment Fund Management Private Limited Company	■	-	S	AG	100.0	100.0	69.3	69.5
INDIA								
Crédit Agricole CIB (Inde)	■	-	*B*	*LC*	*100.0*	*100.0*	*100.0*	*100.0*
Crédit Agricole CIB Services Private Ltd	■	-	S	LC	100.0	100.0	100.0	100.0
SBI FUNDS MANAGEMENT LTD	▲	01	A	AG	36.8	37.0	25.5	25.6
IRELAND								
Amundi Intermédiation Dublin Branch	■	-	*B*	*AG*	*100.0*	*100.0*	*69.3*	*69.5*
Amundi Ireland Ltd	■	-	S	AG	100.0	100.0	69.3	69.5
CACEIS Bank, Ireland Branch	■	-	*B*	*LC*	*100.0*	*100.0*	*69.5*	*69.5*
CACEIS Ireland Limited	■	-	S	LC	100.0	100.0	69.5	69.5
CACI LIFE LIMITED	■	-	S	AG	100.0	100.0	100.0	100.0
CACI NON LIFE LIMITED	■	-	S	AG	100.0	100.0	100.0	100.0
CACI Reinsurance Ltd	■	-	S	AG	100.0	100.0	100.0	100.0
CORSAIR 1.52% 25/10/38[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CORSAIR 1.5255% 25/04/35[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CORSAIRE FINANCE IRELAND 0.83% 25-10-38[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CORSAIRE FINANCE IRELAND 1.24% 25-10-38[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
CORSAIRE FINANCE IRELANDE 0.7% 25-10-38[1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
	■	-	CSE	SFS	100.0	100.0	100.0	100.0
EFL Lease Abs 2017-1 Designated Activity Company								
EFL LEASE ABS 2021-1 DESIGNATED ACTIVITY COMPANY	■	-	S	SFS	100.0	100.0	100.0	100.0
ERASMUS FINANCE	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
FCA BANK SPA, IRISH BRANCH	▲	-	*B*	*SFS*	*50.0*	*50.0*	*50.0*	*50.0*
FCA Capital Re Limited	▲	-	JV	SFS	50.0	50.0	50.0	50.0
FIXED INCOME DERIVATIVES – STRUCTURED FUND PLC	X	-	CSE	AG	100.0	100.0	100.0	100.0
KBI Fund Managers Limited	■	-	S	AG	87.5	87.5	69.3	69.5
KBI Global Investors (North America) Limited	■	-	S	AG	87.5	87.5	69.3	69.5
KBI Global Investors Limited	■	-	S	AG	87.5	87.5	69.3	69.5
LM-CB VALUE FD-PA EUR[1]	■	I1	CSE	AG	48.8	-	48.8	-
PIMCO GLOBAL BND FD-CURNC EX[1]	■	-	CSE	AG	52.1	31.6	52.1	31.6
PREMIUM GR 0% 28	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREMIUM GREEN 0.508% 25-10-38	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREMIUM GREEN 0.63% 25-10-38	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREMIUM GREEN 1.24% 25/04/35	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREMIUM GREEN 1.531% 25-04-35	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREMIUM GREEN 1.55% 25-07-40	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.72%12-250927	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREMIUM GREEN PLC 1.095% 25-10-38	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREMIUM GREEN PLC 4.30%2021	■	E1	CSE	AG	-	100.0	-	100.0
PREMIUM GREEN TV 06/22	■	E2	CSE	AG	-	100.0	-	100.0
PREMIUM GREEN TV 07/22	■	E2	CSE	AG	-	100.0	-	100.0
PREMIUM GREEN TV 07-22	■	E2	CSE	AG	-	100.0	-	100.0
PREMIUM GREEN TV 22	■	E1	CSE	AG	-	100.0	-	100.0
PREMIUM GREEN TV 26/07/22	■	E2	CSE	AG	-	100.0	-	100.0
PREMIUM GREEN TV2027	■	-	CSE	AG	100.0	100.0	100.0	100.0
PREMIUM GREEN TV23/05/2022 EMTN	■	E2	CSE	AG	-	100.0	-	100.0
PREMIUM GREEN4.33%06-29/10/21	■	E1	CSE	AG	-	100.0	-	100.0
Space Holding (Ireland) Limited	■	-	S	AG	100.0	100.0	100.0	100.0
ITALY								
A-BEST EIGHTEEN	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
A-BEST FIFTEEN	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
A-BEST FOURTEEN	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
A-BEST SEVENTEEN	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
A-BEST TWELVE	▲	E1	SJV	SFS	-	50.0	-	50.0
Agos	■	-	S	SFS	61.0	61.0	61.0	61.0
AGOSCOM S.R.L	■	-	*B*	*SFS*	*100.0*	*100.0*	*61.0*	*61.0*
AMUNDI Real Estate Italia SGR S.p.A.	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI SGR S.p.A.	■	-	S	AG	100.0	100.0	69.3	69.5
BANCO PICCOLO CREDITO VALTELLINESE S.P.A.	■	E4	S	IRB	-	100.0	-	84.9
CA Assicurazioni	■	-	S	AG	100.0	100.0	100.0	100.0
CA Indosuez Wealth (Europe) Italy Branch	■	-	*B*	*AG*	*100.0*	*100.0*	*100.0*	*100.0*
CACEIS Bank, Italy Branch	■	-	*B*	*LC*	*100.0*	*100.0*	*69.5*	*69.5*
CACI DANNI	■	-	*B*	*AG*	*100.0*	*100.0*	*100.0*	*100.0*
CACI VITA	■	-	*B*	*AG*	*100.0*	*100.0*	*100.0*	*100.0*
CENTRAL SICAF	X	-	JV	AG	25.0	25.0	25.0	25.0
CLICKAR SRL	▲	-	JV	SFS	50.0	50.0	50.0	50.0
Crédit Agricole CIB (Italie)	■	-	*B*	*LC*	*100.0*	*100.0*	*100.0*	*100.0*
Crédit Agricole Friuladria S.p.A.	■	E4	S	IRB	-	99.6	-	84.6
Crédit Agricole Group Solutions	■	-	S	IRB	100.0	100.0	86.2	84.8
Crédit Agricole Italia	■	-	S	IRB	86.4	84.9	86.4	84.9
Crédit Agricole Leasing Italia	■	-	S	IRB	100.0	100.0	88.4	87.2
Crédit Agricole Vita S.p.A.	■	-	S	AG	100.0	100.0	100.0	100.0
CREVAL COVERED BOND S.R.L.	▲	E2	JV	IRB	-	60.0	-	45.8
CREVAL PIU'FACTOR S.P.A.	■	E4	S	IRB	-	100.0	-	76.2
DRIVALIA SPA	▲	01	JV	SFS	50.0	50.0	50.0	50.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
EDISON RENEWABLES	X	-	JV	AG	49.0	49.0	49.0	49.0
EF SOLARE ITALIA	X	-	JV	AG	30.0	30.0	30.0	30.0
Eurofactor Italia S.p.A.	■	-	S	SFS	100.0	100.0	100.0	100.0
FAST THREE SRL	▲	E1	SJV	SFS	-	50.0	-	50.0
FCA Bank	▲	-	JV	SFS	50.0	50.0	50.0	50.0
GENERALFINANCE S.P.A.	▲	-	JV	IRB	16.3	46.8	14.1	35.7
GLOBAL BROKER S.P.A.	▲	E3	JV	IRB	-	30.0	-	22.9
IEIH	X	-	JV	AG	80.0	80.0	80.0	80.0
ItalAsset Finance SRL	■	-	CSE	LC	100.0	100.0	100.0	100.0
LABIRS ONE S.R.L	▲	I2	JV	SFS	50.0	-	50.0	-
Leasys	▲	-	JV	SFS	50.0	50.0	50.0	50.0
Nexus 1	■	-	CSE	AG	96.9	97.2	96.9	97.2
NIXES SIX (LTD)	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
OLINN ITALIA	■	I1	S	SFS	100.0	-	100.0	-
RAJNA IMMOBILIARE S.R.L.	▲	E3	JV	IRB	-	50.0	-	38.1
SONDRIO CITTA' FUTURA S.R.L.	▲	E2	JV	IRB	-	49.0	-	37.4
STELLINE REAL ESTATE S.P.A.	■	E3	S	IRB	-	100.0	-	76.2
SUNRISE SPV 20 SRL	■	-	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV 30 SRL	■	-	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV 40 SRL	■	E1	CSE	SFS	-	100.0	-	61.0
SUNRISE SPV 50 SRL	■	-	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV Z60 SRL	■	-	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV Z70 SRL	■	-	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV Z80 SRL	■	-	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV Z90 SRL	■	-	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV Z92 SRL	■	-	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV Z93 SRL	■	-	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV Z94 SRL	■	I2	CSE	SFS	100.0	-	61.0	-
SUNRISE SRL	■	E1	CSE	SFS	-	100.0	-	61.0
VALTELLINA GOLF CLUB S.P.A.	▲	E3	JV	IRB	-	43.1	-	32.8
VAUGIRARD ITALIA	■	-	S	AG	100.0	100.0	100.0	100.0
VAUGIRARD SOLARE	■	-	S	AG	100.0	100.0	100.0	100.0
JAPAN								
AMUNDI Japan	■	-	S	AG	100.0	100.0	69.3	69.5
Crédit Agricole CIB (Japon)	■	-	*B*	*LC*	*100.0*	*100.0*	*100.0*	*100.0*
Crédit Agricole Life Insurance Company Japan Ltd	■	-	S	AG	100.0	100.0	100.0	100.0
Crédit Agricole Securities Asia BV (Tokyo)	■	-	*B*	*LC*	*100.0*	*100.0*	*100.0*	*100.0*
UBAF (Japon)	▲	-	*B*	*LC*	*47.0*	*47.0*	*47.0*	*47.0*
LUXEMBOURG								
1827 A2EURC(1)	■	-	CSE	AG	15.2	30.0	15.2	30.0
37785 QXEURC(1)	■	E2	CSE	AG	-	100.0	-	100.0
56055 A5 EUR(1)	■	-	CSE	AG	97.1	99.1	97.1	99.1
56055 AEURHC(1)	■	-	CSE	FRB	1.7	43.0	1.7	43.0
5880 AEURC(1)	■	-	CSE	AG	81.2	76.6	81.2	76.6
5884 AEURC(1)	■	-	CSE	AG	5.4	6.1	5.4	6.1
5909 A2EURC(1)	■	I1	CSE	AG	62.4	-	62.4	-
5922 AEURHC(1)	■	-	CSE	AG	58.9	58.6	58.9	58.6
5932 AEURC(1)	■	I1	CSE	AG	64.5	-	64.5	-
5940 AEURC(1)	■	-	CSE	AG	26.2	51.5	26.2	51.5
7653 AEURC(1)	■	I1	CSE	AG	56.2	-	56.2	-
78752 AEURHC(1)	■	-	CSE	AG	45.5	43.8	45.5	43.8
9522 A2EURC(1)	■	I1	CSE	AG	76.5	-	76.5	-
A FD EQ E CON AE(C)(1)	■	-	CSE	AG	60.7	18.7	60.7	18.7
A FD EQ E FOC AE (C)(1)	■	-	CSE	AG	45.7	55.5	45.7	55.5
AF INDEX EQ JAPAN AE CAP(1)	■	-	CSE	AG	53.7	80.5	53.7	80.5
AF INDEX EQ USA A4E(1)	■	-	CSE	AG	68.4	62.3	68.4	62.3
AIJPMGBIGOAHE(1)	■	-	CSE	AG	100.0	78.2	100.0	78.2
AIMSCIWOAE(1)	■	-	CSE	AG	6.4	5.4	6.4	5.4
ALTALUXCO	X	I2	S	AG	50.0	-	50.0	-
AMUN NEW SIL RO AEC(1)	■	-	CSE	AG	35.4	40.2	35.4	40.2
AMUNDI B GL AGG AEC(1)	■	-	CSE	AG	6.5	5.6	6.5	5.6
AMUNDI BGEB AEC(1)	■	-	CSE	AG	50.8	37.0	50.8	37.0
AMUNDI DS IV VAUGIRA(1)	■	I2	CSE	AG	100.0	-	100.0	-
AMUNDI EMERG MKT BD-M2EURHC(1)	■	-	CSE	FRB	29.6	77.9	29.6	77.9
AMUNDI EQ E IN AHEC(1)	■	-	CSE	AG	44.9	43.9	44.9	43.9
AMUNDI FUNDS ABSOLUTE RETURN MULTI-STRAT(1)	■	I1	S	AG	99.9	-	99.9	-
AMUNDI FUNDS PIONEER US EQUITY RESEARCH VALUE HGD(1)	■	I1	S	AG	86.1	-	86.1	-
AMUNDI GLB MUL-ASSET-M2EURC(1)	■	-	CSE	AG	83.0	51.7	83.0	51.7
AMUNDI GLO M/A CONS-M2 EUR C(1)	■	-	CSE	AG	48.4	79.3	48.4	79.3
AMUNDI GLOBAL SERVICING	■	-	S	AG	100.0	100.0	69.3	69.5
Amundi Luxembourg S.A.	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI SF – DVRS S/T BD-HEUR(1)	■	-	CSE	AG	26.9	46.6	26.9	46.6
AMUNDI-EUR EQ GREEN IM-IEURC(1)	■	-	CSE	AG	50.8	25.6	50.8	25.6
AMUNDI-GL INFLAT BD-MEURC(1)	■	-	CSE	AG	77.7	38.7	77.7	38.7
APLEGROSENIEUHD(1)	■	-	CSE	AG	15.7	15.7	15.7	15.7
ARCHM.-IN.DE.PL.III(1)	■	I1	CSE	AG	100.0	-	100.0	-
BA-FII EUR EQ O-GEUR(1)	■	-	CSE	AG	49.9	52.1	49.9	52.1
BRIDGE EU 20 SR LIB(1)	■	I1	S	AG	100.0	-	100.0	-
CA Indosuez Wealth (Asset Management)	■	-	S	AG	100.0	100.0	100.0	100.0
CA Indosuez Wealth (Europe)	■	-	S	AG	100.0	100.0	100.0	100.0
CACEIS Bank, Luxembourg Branch	■	-	*B*	*LC*	*100.0*	*100.0*	*69.5*	*69.5*
Camca Assurance	■	-	S	FRB	100.0	100.0	100.0	100.0
Camca Réassurance	■	-	S	FRB	100.0	100.0	100.0	100.0
CAVOUR AERO S.A.	X	-	JV	AG	37.0	37.0	37.0	37.0
CHORELIA N3 PART C(1)	■	-	CSE	AG	83.8	86.1	83.8	86.1
CIRRUS SCA A1	X	-	JV	AG	20.0	20.0	20.0	20.0
CPR INV MEGATRENDS R EUR-ACC(1)	■	-	CSE	AG	34.7	43.6	34.7	43.6
CPR I-SM B C-AEURA(1)	■	-	CSE	AG	95.1	91.8	95.0	91.8
CPR-CLIM ACT-AEURA(1)	■	-	CSE	AG	26.4	21.0	26.4	21.0
CPRGLODISOPARAC(1)	■	-	CSE	AG	43.5	45.6	43.5	45.6
Crédit Agricole CIB Finance Luxembourg S.A.	■	-	CSE	LC	100.0	100.0	100.0	100.0
Crédit Agricole Life Insurance Europe	■	-	S	AG	100.0	100.0	100.0	100.0
EUROPEAN MARKETING GROUP	■	-	S	SFS	100.0	100.0	100.0	100.0
EUROPEAN MOTORWAY INVESTMENTS	X	-	JV	AG	60.0	60.0	60.0	60.0
EXANE 1 OVERDR CC(1)	■	-	CSE	AG	69.1	71.7	69.1	71.7
Fcp Camca Lux Finance	■	-	S	FRB	100.0	100.0	100.0	100.0
FE AMUNDI INC BLDR-IHE C(1)	■	-	CSE	AG	90.5	90.6	90.5	90.6
FEAMUNDISVFEAC(1)	■	I2	CSE	AG	68.9	-	68.9	-
FRANKLIN DIVER-DYN-I ACC EU(1)	■	-	CSE	AG	40.9	54.4	40.9	54.4
FRANKLIN GLB MLT-AS IN-IAEUR(1)	■	-	CSE	AG	63.2	69.0	63.2	69.0
Fund Channel	■	-	S	AG	100.0	100.0	69.3	69.5
IGSF-GBL GOLD FD-I C(1)	■	-	CSE	AG	41.8	50.4	41.8	50.4
INDOFIIFLEXEG(1)	■	-	CSE	AG	42.1	46.4	42.1	46.4
INDO-GBL TR-PE(1)	■	-	CSE	AG	63.0	58.2	63.0	58.2
INDOSUEZ NAVIGATOR G(1)	■	-	CSE	AG	50.6	49.4	50.6	49.4
Investor Service House S.A.	■	-	S	LC	100.0	100.0	69.5	69.5
JPM US EQY ALL CAP-C HDG(1)	■	-	CSE	AG	63.5	90.1	63.5	90.1
JPM US SEL EQ PLS-CA EUR HD(1)	■	-	CSE	AG	57.4	62.6	57.4	62.6
JPMORGAN F-JPM US VALUE-CEHA(1)	■	-	CSE	AG	51.2	41.0	51.2	41.0
JPMORGAN F-US GROWTH-C AHD(1)	■	-	CSE	AG	11.3	20.8	11.3	20.8
LRP – CPT JANVIER 2013 0.30 13-21 11/01A(1)	■	E1	CSE	AG	-	84.6	-	84.6
LUXEMBOURG INVESTMENT COMPANY 296 SARL	X	-	JV	AG	50.0	50.0	50.0	50.0
LYXOR FUND SOLUTION	■	E4	S	AG	-	100.0	-	69.5
MACQAURIE STRATEGIC STORAGE FACILITIES HOLDINGS SARL	X	-	JV	AG	40.0	40.0	40.0	40.0
OLINN LUXEMBOURG	■	I1	S	SFS	100.0	-	100.0	-
Partinvest S.A.	■	-	S	LC	100.0	100.0	69.5	69.5
PIO-DIV S/T-AEURND(1)	■	I1	S	AG	70.1	-	70.1	-
PurpleProtAsset 1,36% 25/10/2038(1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
PurpleProtAsset 1.093% 20/10/2038(1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
SARL IMPULSE	X	-	JV	AG	38.0	38.0	38.0	38.0
SCI 32 Liberté	■	-	S	FRB	100.0	100.0	100.0	100.0
Space Lux	■	-	S	AG	100.0	100.0	100.0	100.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
MALAISIA								
AMUNDI Malaysia Sdn Bhd	■	-	S	AG	100.0	100.0	69.3	69.5
MAURITIUS								
GSA Ltd	■	-	S	SFS	100.0	100.0	100.0	100.0
MEXICO								
AMUNDI ASSET MANAGEMENT MEXICO BRANCH	■	-	B	AG	100.0	100.0	69.3	69.5
Banco Santander CACEIS México, S.A., Institución de Banca Múltiple	▲	-	JV	LC	50.0	50.0	34.7	34.7
Pioneer Global Investments LTD Mexico city Branch	■	-	B	AG	100.0	100.0	69.3	69.5
MONACO								
Caisse régionale Provence – Côte d'Azur, Agence de Monaco	■	-	B	FRB	100.0	100.0	100.0	100.0
CFM Indosuez Gestion	■	-	S	AG	70.2	70.2	67.2	68.1
CFM Indosuez Wealth	■	-	S	AG	70.2	70.2	69.0	69.0
LCL succursale de Monaco	■	-	B	FRB	100.0	100.0	100.0	100.0
MOROCCO								
Crédit du Maroc	▲	O4	JV	IRB	15.0	78.7	15.0	78.7
Crédit du Maroc Leasing et Factoring	▲	O4	JV	SFS	33.3	100.0	33.3	85.8
FCA DEALER SERVICES ESPANA S.A., Morocco Branch	▲	-	B	SFS	50.0	50.0	50.0	50.0
SIFIM	■	E2	JV	IRB	-	100.0	-	78.7
Themis Courtage	▲	-	A	SFS	49.0	49.0	49.0	49.0
WAFA Gestion	▲	-	A	AG	34.0	34.0	23.5	23.6
Wafasalaf	▲	-	A	SFS	49.0	49.0	49.0	49.0
NETHERLANDS								
A-BEST 21	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
AMUNDI ASSET MANAGEMENT NEDERLAND	■	-	B	AG	100.0	100.0	69.3	69.5
CACEIS Bank, Netherlands Branch	■	-	B	LC	100.0	100.0	69.5	69.5
Crédit Agricole Consumer Finance Nederland	■	-	S	SFS	100.0	100.0	100.0	100.0
Crédit Agricole Securities Asia BV	■	-	S	LC	100.0	100.0	100.0	100.0
De Kredietdesk B.V.	■	-	S	SFS	100.0	100.0	100.0	100.0
CALEF S.A. – DUTCH BRANCH	■	O1	B	SFS	100.0	100.0	100.0	100.0
FCA Capital Nederland B.V.	▲	O1	JV	SFS	50.0	50.0	50.0	50.0
Financierings Data Netwerk B.V.	▲	-	JV	SFS	50.0	50.0	46.7	50.0
Finata Zuid-Nederland B.V.	■	-	S	SFS	98.1	98.1	98.1	98.1
IDM lease maatschappij B.V.	■	-	S	SFS	100.0	100.0	100.0	100.0
Iebe Lease B.V.	■	-	S	SFS	100.0	100.0	100.0	100.0
INTERBANK NV	■	-	S	SFS	100.0	100.0	100.0	100.0
Krediet '78 B.V.	■	-	S	SFS	100.0	100.0	100.0	100.0
LEASYS Nederland	▲	-	B	SFS	50.0	50.0	50.0	50.0
MAGOI BV	■	-	CSE	SFS	100.0	100.0	100.0	100.0
MATSUBA BV	■	E1	CSE	SFS	-	100.0	-	100.0
NL Findio B.V.	■	-	S	SFS	100.0	100.0	100.0	100.0
RIBANK NV	■	-	S	SFS	100.0	100.0	100.0	100.0
Sinefinair B.V.	■	-	S	LC	100.0	100.0	100.0	100.0
Sufinair B.V.	■	-	S	LC	100.0	100.0	100.0	100.0
NORWAY								
FCA Capital Norge AS	▲	-	B	SFS	50.0	50.0	50.0	50.0
POLAND								
ALTAMIRA	X	I2	JV	AG	22.5	-	22.5	-
AMUNDI Polska	■	-	S	AG	100.0	100.0	69.3	69.5
Arc Broker	■	-	S	IRB	100.0	100.0	100.0	100.0
Carefleet S.A.	■	-	S	SFS	100.0	100.0	100.0	100.0
CDT AGRI ZYCIE TU	■	-	S	AG	100.0	100.0	100.0	100.0
Crédit Agricole Bank Polska S.A.	■	-	S	IRB	100.0	100.0	100.0	100.0
Crédit Agricole Polska S.A.	■	-	S	IRB	100.0	100.0	100.0	100.0
Crédit Agricole Service sp z o.o.	■	-	S	IRB	100.0	100.0	100.0	100.0
EFL Finance S.A.	■	-	S	SFS	100.0	100.0	100.0	100.0
EUROFACTOR POLSKA S.A.	■	-	S	SFS	100.0	100.0	100.0	100.0
Europejski Fundusz Leasingowy (E.F.L.)	■	-	S	SFS	100.0	100.0	100.0	100.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
FCA BANK SPA ODDZIAL W POLSCE, Polska Branch	▲	-	JV	SFS	50.0	50.0	50.0	50.0
FCA LEASING POLSKA SP Z.O.O	▲	I2	JV	SFS	50.0	-	50.0	-
LEASYS POLSKA	▲	-	JV	SFS	50.0	50.0	50.0	50.0
TRUCK CARE Sp	■	-	S	SFS	70.0	70.0	70.0	70.0
PORTUGAL								
AGUAS PROFUNDAS S.A.	X	-	JV	AG	35.0	35.0	35.0	35.0
ARES LUSITANI STC, S.A.	■	-	S	SFS	100.0	100.0	100.0	100.0
Credibom	■	-	S	SFS	100.0	100.0	100.0	100.0
Eurofactor S.A. (Portugal)	■	-	B	SFS	100.0	100.0	100.0	100.0
FCA CAPITAL PORTUGUESE BRANCH	▲	O1	B	SFS	50.0	50.0	50.0	50.0
MUDUM SEGUROS	■	-	S	AG	100.0	100.0	100.0	100.0
LEASYS PORTUGAL S.A	▲	-	JV	SFS	50.0	50.0	50.0	50.0
DRIVALIA PORTUGAL – AUTOMOTEIS DE ALUGUER SEM CONDUTOR S.A	▲	I2	JV	SFS	50.0	-	50.0	-
QATAR								
CACIB Qatar Financial Center Branch	■	-	B	LC	100.0	100.0	100.0	100.0
ROMANIA								
Amundi Asset Management S.A.I S.A.	■	-	S	AG	100.0	100.0	69.3	69.5
RUSSIA								
Crédit Agricole CIB AO	■	-	S	LC	100.0	100.0	100.0	100.0
SAUDI ARABIA								
CRÉDIT AGRICOLE CIB ARABIA FINANCIAL COMPANY	■	-	S	AG	100.0	100.0	100.0	100.0
SERBIA								
Crédit Agricole Banka Srbija a.d. Novi Sad	■	E2	S	IRB	-	100.0	-	100.0
SINGAPORE								
Amundi Intermédiation Asia PTE Ltd	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI Singapore Ltd	■	-	S	AG	100.0	100.0	69.3	69.5
Azqore S.A. Singapore Branch	■	-	B	AG	82.9	80.0	82.9	80.0
CA Indosuez (Suisse) S.A. Singapore Branch	■	-	B	AG	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Singapour)	■	-	B	LC	100.0	100.0	100.0	100.0
Fund Channel Singapore Branch	■	-	B	AG	100.0	100.0	69.3	69.5
UBAF (Singapour)	▲	-	B	LC	47.0	47.0	47.0	47.0
SLOVAKIA								
Amundi Czech Republic Asset Management Bratislava Branch	■	-	B	AG	100.0	100.0	69.3	69.5
SOUTH KOREA								
Crédit Agricole CIB (Corée du Sud)	■	-	B	LC	100.0	100.0	100.0	100.0
Crédit Agricole Securities (Asia) Limited Seoul Branch	■	-	B	LC	100.0	100.0	100.0	100.0
NH-AMUNDI ASSET MANAGEMENT	▲	-	A	AG	30.0	30.0	20.8	20.9
UBAF (Corée du Sud)	▲	-	B	LC	47.0	47.0	47.0	47.0
WOORI CARD 2022 1 ASSET SECURITIZATION SPECIALTY CO LTD	■	I1	S	LC	100.0	-	-	-
SPAIN								
A-BEST 20	▲	I2	SJV	SFS	50.0	-	50.0	-
AMUNDI Iberia S.G.I.I.C S.A.	■	-	S	AG	100.0	100.0	69.3	69.5
CA Indosuez Wealth (Europe) Spain Branch	■	-	B	AG	100.0	100.0	100.0	100.0
CACEIS BANK SPAIN, S.A.U.	■	-	S	LC	100.0	100.0	69.5	69.5
CACEIS FUND ADMINISTRATION, SUCURSAL EN ESPANA	■	I2	B	LC	100.0	-	69.5	-
CACEIS FUND SERVICES SPAIN S.A.U	■	O1	S	LC	100.0	100.0	69.5	69.5
CRCAM SUD MED. SUC	■	-	B	FRB	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Espagne)	■	-	B	LC	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE CONSUMER FINANCE SPAIN EFC	■	-	JV	SFS	100.0	100.0	100.0	100.0
Crédit Agricole Leasing & Factoring, Sucursal en Espana	■	-	B	SFS	100.0	100.0	100.0	100.0
DRIVALIA ESPANA S.L.U.	▲	O1	JV	SFS	50.0	50.0	50.0	50.0
FCA BANK S.P.A. SPANISH BRANCH	▲	O1	B	SFS	50.0	50.0	50.0	50.0
FCA Dealer services España, S.A.	▲	-	JV	SFS	50.0	50.0	50.0	50.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
LEASYS SPA, Spanish Branch	▲	-	B	SFS	50.0	50.0	50.0	50.0
FACTUM IBERICA	■	I1	S	SFS	100.0	-	100.0	-
JANUS RENEWABLES	X	I2	S	AG	50.0	-	50.0	-
Predica – Prévoyance Dialogue du Crédit Agricole	■	-	B	AG	100.0	100.0	100.0	100.0
Sabadell Asset Management, S.A., S.G.I.I.C.	■	-	S	AG	100.0	100.0	69.3	69.5
ORDESA SERVICIOS EMPRESARIALES	X	I1	JV	AG	60.0	-	60.0	-
REPSOL RENOVABLES	X	I2	S	AG	12.5	-	12.5	-
Santander CACEIS Latam Holding 1,S.L.	▲	-	JV	LC	50.0	50.0	34.7	34.7
Santander CACEIS Latam Holding 2,S.L.	▲	-	JV	LC	50.0	50.0	34.7	34.7
VAUGIRARD AUTOVIA SLU	■	-	CSE	AG	100.0	94.8	100.0	94.8
TUNELS DE BARCELONA	X	-	JV	AG	50.0	50.0	50.0	50.0
Vaugirard Infra S.L.	■	-	S	AG	100.0	100.0	100.0	100.0
VAUGIRARD RENOVABLES	■	I2	S	AG	100.0	-	100.0	-
SWEDEN								
AMUNDI ASSET MANAGEMENT SWEDEN BRANCH	■	-	B	AG	100.0	100.0	69.3	69.5
Crédit Agricole CIB (Suède)	■	-	B	LC	100.0	100.0	100.0	100.0
FCA Capital Sverige	▲	-	B	SFS	50.0	50.0	50.0	50.0
SWITZERLAND								
AMUNDI Suisse	■	-	S	AG	100.0	100.0	69.3	69.5
Azqore	■	-	S	AG	82.9	80.0	82.9	80.0
CA Indosuez (Suisse) S.A. Switzerland Branch	■	-	B	AG	100.0	100.0	100.0	100.0
CA Indosuez (Switzerland) S.A.	■	-	S	AG	100.0	100.0	100.0	100.0
CA Indosuez Finanziaria S.A.	■	-	S	AG	100.0	100.0	100.0	100.0
CACEIS Bank, Switzerland Branch	■	-	B	LC	100.0	100.0	69.5	69.5
CACEIS Switzerland S.A.	■	-	S	LC	100.0	100.0	69.5	69.5
Crédit Agricole next bank (Suisse) S.A.	■	-	S	IRB	100.0	100.0	100.0	100.0
FCA Capital Suisse S.A.	▲	-	JV	SFS	50.0	50.0	50.0	50.0
OLINN SUISSE	■	I1	S	SFS	100.0	-	100.0	-
SWISS HOME LOAN	■	E1	S	IRB	-	94.5	-	94.5
TAIWAN								
Amundi Taiwan Limited	■	-	S	AG	100.0	100.0	69.3	69.5
Crédit Agricole CIB (Taipei)	■	-	B	LC	100.0	100.0	100.0	100.0
UKRAINE								
CRÉDIT AGRICOLE BANK	■	-	S	IRB	100.0	100.0	100.0	100.0
UNITED ARAB EMIRATES								
AMUNDI ASSET MANAGEMENT DUBAI (OFF SHORE) BRANCH	■	-	B	AG	100.0	100.0	69.3	69.5
Crédit Agricole CIB (Abu Dhabi)	■	-	B	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Dubai DIFC)	■	-	B	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Dubai)	■	-	B	LC	100.0	100.0	100.0	100.0
INDOSUEZ SWITZERLAND DIFC BRANCH	■	I2	B	LC	100.0	-	100.0	-
UNITED KINGDOM								
AMUNDI (UK) Ltd	■	-	S	AG	100.0	100.0	69.3	69.5
AMUNDI ASSET MANAGEMENT LONDON BRANCH	■	-	B	AG	100.0	100.0	69.3	69.5
Amundi Intermédiation London Branch	■	-	B	AG	100.0	100.0	69.3	69.5
CACEIS Bank, UK Branch	■	-	B	LC	100.0	100.0	69.5	69.5
Crédit Agricole CIB (Royaume-Uni)	■	-	B	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB Holdings Ltd	■	-	S	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB Pension Limited Partnership	■	-	CSE	LC	100.0	100.0	100.0	100.0
DRIVALIA UK LTD	▲	O1	SJV	SFS	50.0	50.0	50.0	50.0
FCA Automotive Services UK Ltd	▲	-	JV	SFS	50.0	50.0	50.0	50.0
FCA Dealer Services UK Ltd	▲	-	JV	SFS	50.0	50.0	50.0	50.0
FERRARI FINANCIAL SERVICES GMBH, UK Branch	▲	-	B	SFS	50.0	50.0	50.0	50.0
HORNSEA 2	X	I1	CSE	AG	25.0		25.0	
Leasys UK Ltd	▲	-	JV	SFS	50.0	50.0	50.0	50.0
LYXOR ASSET MANAGEMENT UK LLP	■	-	S	AG	100.0	100.0	69.3	69.5
Succursale Crédit Agricole S.A.	■	-	B	CC	100.0	100.0	100.0	100.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2022	% control 12/31/2021	% interest 12/31/2022	% interest 12/31/2021
UNITED STATES								
Amundi Asset Management US Inc.	■	-	S	AG	100.0	100.0	69.3	69.5
Amundi Distributor US Inc.	■	-	S	AG	100.0	100.0	69.3	69.5
Amundi Holdings US Inc.	■	-	S	AG	100.0	100.0	69.3	69.5
Amundi US inc	■	-	S	AG	100.0	100.0	69.3	69.5
Atlantic Asset Securitization LLC	■	-	CSE	LC	100.0	100.0	-	-
Crédit Agricole America Services Inc.	■	-	S	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Etats-Unis)	■	-	B	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB (Miami)	■	E1	B	LC	-	100.0	-	100.0
Crédit Agricole Global Partners Inc.	■	-	S	LC	100.0	100.0	100.0	100.0
Crédit Agricole Leasing (USA) Corp.	■	-	S	LC	100.0	100.0	100.0	100.0
Crédit Agricole Securities (USA) Inc.	■	-	S	LC	100.0	100.0	100.0	100.0
La Fayette Asset Securitization LLC	■	-	CSE	LC	100.0	100.0	-	-
LYXOR ASSET MANAGEMENT HOLDING CORP	■	E4	S	AG	-	100.0	-	69.5
LYXOR ASSET MANAGEMENT INC	■	-	S	AG	100.0	100.0	69.3	69.5
Vanderbilt Capital Advisors LLC	■	-	S	AG	100.0	100.0	69.3	69.5

Branches are mentioned in italic.

Scope changes (a)

Inclusions (I) into the scope of consolidation

I1: Breach of threshold
I2: Creation
I3: Acquisition (including controlling interests)

Exclusions (E) from the scope of consolidation:

E1: Discontinuation of business (including dissolution and liquidation)
E2: Sale to non Group companies or deconsolidation following loss of control
E3: Deconsolidated due to non-materiality
E4: Merger or takeover
E5: Transfer of all assets and liabilities

Other (O):

O1: Change of company name
O2: Change in consolidation method
O3: First time listed in the Note on scope of consolidation
O4: Entities classified as Non-current Assets Held for Sale and Discontinued Operations

Type of entity and control nature (b)

S: Subsidiary
B: Branch
CSE: Consolidated structured entity
JV: Joint venture
SJV: Structured joint venture
JO: Joint operation
A: Associate
SA: Structured associate

Type of activity (c)

FRB: French Retail Banking
IRB: International Retail Banking
AG: Asset Gathering
LC: Large Customers
SFS: Specialised Financial Services
CC: Corporate Centre

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent X Fair Value

Note 13 Non-consolidated equity investments and structured entities

13.1 Non-consolidated equity investments

These securities, which are recorded 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 variable-income securities representing a significant portion of the share capital of the companies that issued them and are intended to be held on a long-term basis.

This line item amounted to €22,163 million at 31 December 2022, compared with €18,181 million at 31 December 2021. At 31 December 2022, the main investment in non-consolidated companies where percentage of control is greater than 20% and which have significant value on the balance sheet is Crédit Logement (shares A and B). The Group's investment represents 32.50% of Crédit Logement's capital and amounts to €480 million but does not confer any significant influence over this entity, which is jointly held by various French banks and corporates.

13.1.1 Non-consolidated entities

Information relating to conventional entities under exclusive control, under joint control and subject to significant influence, and to controlled structured entities not included in the scope of consolidation are available on the Crédit Agricole S.A. website at the time of publication of the Universal registration document.

13.1.2 Significant non-consolidated equity investments

Material equity investments accounting for a fraction of capital greater than or equal to 10% and not included in the scope of consolidation are presented in a table available online on the Crédit Agricole website at the time of publication of the Universal registration document.

13.2 Information on non-consolidated structured entities

IFRS 12 defines a structured entity as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to the administrative tasks only and the relevant activities are directed by means of contractual arrangements.

Information on the nature and extent of interests held

At 31 December 2022, Crédit Agricole Group entities had interests in certain non-consolidated structured entities, the main characteristics of which are presented below on the basis of their type of activity:

Securitisation vehicles

Crédit Agricole Group, mainly through its subsidiaries in the Large Customers business line, is tasked with structuring securitisation vehicles through the purchase of trade or financial receivables. The vehicles fund such purchases by issuing multiple tranches of debt and equity investments, with repayment being linked to the performance of the assets in such vehicles. Crédit Agricole S.A. invests in and provides liquidity facilities to the securitisation vehicles it has sponsored on behalf of customers.

Asset management

The Crédit Agricole Group, through its subsidiaries in the Asset Gathering business line, structures and manages entities on behalf of customers wishing to invest in specific assets in order to obtain the best possible return having regard to the chosen level of risk. Crédit Agricole Group entities may thus either be required to hold interests in such entities in order to ensure a successful launch or to guarantee the performance of such structures.

Investment funds

Entities in the Crédit Agricole Group Asset Gathering business line invest in companies established to meet investor demand in connection with treasury management and with the investment of insurance premiums received from insurance company customers, in accordance with the regulatory provisions in the French Insurance Code. Insurance company investments cover commitments to policyholders over the life of insurance policies. Their value and returns are correlated to these commitments.

Structured finance

Lastly, Crédit Agricole Group, via its subsidiaries in the Large Customers business line, is involved in special purpose asset acquisition entities. These entities may take the form of asset financing companies or lease financing companies. In structured entities, the financing is secured by the asset. The Group's involvement is often limited to the financing or to financing commitments.

Sponsored entities

Crédit Agricole Group sponsors structured entities in the following instances:

- Crédit Agricole Group is involved in establishing the entity and that involvement, which is remunerated, is deemed essential for ensuring the proper completion of transactions;
- structuring takes place at the request of Crédit Agricole Group and it is the main user thereof;
- Crédit Agricole Group transfers its own assets to the structured entity;
- Crédit Agricole Group is the manager;
- the name of a subsidiary or of the parent company of Crédit Agricole Group is linked to the name of the structured entity or of the financial instruments issued by it.

Crédit Agricole Group has sponsored non-consolidated structured entities in which it does not hold an interest at 31 December 2022.

Gross revenues from sponsored entities mainly comprise interest expense and income in securitisation and investment funds, in which Crédit Agricole Assurances and Crédit Agricole CIB do not hold any interests at the reporting date. For Crédit Agricole Assurances, these amount to -€8 million.

Information on the risks related to interests

Financial support for structured entities

In 2022, Crédit Agricole Group did not provide financial support to any non-consolidated structured entities.

At 31 December 2022, Crédit Agricole Group did not intend to provide financial support to any non-consolidated structured entities.

Interests in non-consolidated structured entities by type of activities

At 31 December 2022 and 31 December 2021, the Group's involvement in non-consolidated structured entities is disclosed in the following tables, for each group of sponsored structured entities that are significant to the Group:

	31/12/2022															
	Securitisation vehicles				Asset management				Investments funds[1]				Structured finance[1]			
		Maximum loss				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	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure
Financial assets at fair value through profit or loss	-	-	-	-	2,106	2,106	-	2,106	34,927	34,927	-	34,927	-	-	-	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	58	58	-	58	-	-	-	-
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**	**2,106**	**2,106**	**-**	**2,106**	**34,985**	**34,985**	**-**	**34,985**	**2,001**	**2,001**	**-**	**2,001**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	47	47	-	47	462	462	-	462	-	-	-	-	24	24	-	24
Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	194	-	-	-
TOTAL LIABILITIES RECOGNISED RELATING TO NON-CONSOLIDATED STRUCTURED ENTITIES	**47**	**47**	**-**	**47**	**462**	**462**	**-**	**462**	**-**	**-**	**-**	**-**	**218**	**24**	**-**	**24**
Commitments given	**-**	**-**	**-**	**-**	**-**	**12,906**	**444**	**12,462**	**-**	**-**	**-**	**-**	**-**	**1,525**	**-**	**1,525**
Financing commitments	-	-	-	-	-	-	-	-	-	-	-	-	-	1,525	-	1,525
Guarantee commitments	-	-	-	-	-	12,914	444	12,470	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provisions for execution risks – commitments given	-	-	-	-	-	(8)	-	(8)	-	-	-	-	-	-	-	-
TOTAL COMMITMENTS (NET OF PROVISION) TO NON-CONSOLIDATED STRUCTURED ENTITIES	**-**	**-**	**-**	**-**	**-**	**12,906**	**444**	**12,462**	**-**	**-**	**-**	**-**	**-**	**1,525**	**-**	**1,525**
TOTAL BALANCE SHEET RELATING TO NON-CONSOLIDATED STRUCTURED ENTITIES	**55**	**-**	**-**	**-**	**82,098**	**-**	**-**	**-**	**340,682**	**-**	**-**	**-**	**1,783**	**-**	**-**	**-**

(1) Non-sponsored structured entities generate no specific risks related to the nature of the entity. Information concerning these exposures is set out in Note 3.1 "Credit risk" and Note 3.2 "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.

(in millions of euros)	31/12/2021															
	Securitisation vehicles				Asset management				Investments funds[(1)]				Structured finance[(1)]			
		Maximum loss				Maximum loss				Maximum loss				Maximum loss		
	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	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure
Financial assets at fair value through profit or loss	5	5	-	5	1,368	1,368	-	1,368	40,382	40,382	-	40,382	5	5	-	5
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	50	50	-	50	-	-	-	-
Financial assets at amortised cost	494	494	-	494	-	-	-	-	254	254	-	254	1,949	1,949	-	1,949
TOTAL ASSETS RECOGNISED RELATING TO NON-CONSOLIDATED STRUCTURED ENTITIES	**499**	**499**	**-**	**499**	**1,368**	**1,368**	**-**	**1,368**	**40,686**	**40,686**	**-**	**40,686**	**1,954**	**1,954**	**-**	**1,954**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	3	3	-	3	576	576	-	576	-	-	-	-	-	-	-	-
Liabilities	63	-	-	-	-	-	-	-	-	-	-	-	374	-	-	-
TOTAL LIABILITIES RECOGNISED RELATING TO NON-CONSOLIDATED STRUCTURED ENTITIES	**66**	**3**	**-**	**3**	**576**	**576**	**-**	**576**	**-**	**-**	**-**	**-**	**374**	**-**	**-**	**-**
Commitments given	**-**	**6**	**-**	**6**	**-**	**18,249**	**405**	**17,843**	**-**	**-**	**-**	**-**	**-**	**856**	**-**	**856**
Financing commitments	-	6	-	6	-	-	-	-	-	-	-	-	-	812	-	812
Guarantee commitments	-	-	-	-	-	18,261	405	17,855	-	-	-	-	-	44	-	44
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provisions for execution risks – commitments given	-	-	-	-	-	(12)	-	(12)	-	-	-	-	-	-	-	-
TOTAL COMMITMENTS (NET OF PROVISION) TO NON-CONSOLIDATED STRUCTURED ENTITIES	**-**	**6**	**-**	**6**	**-**	**18,249**	**405**	**17,843**	**-**	**-**	**-**	**-**	**-**	**856**	**-**	**856**
TOTAL BALANCE SHEET RELATING TO NON-CONSOLIDATED STRUCTURED ENTITIES	**433**	**-**	**-**	**-**	**88,117**	**-**	**-**	**-**	**376,124**	**-**	**-**	**-**	**1,580**	**-**	**-**	**-**

(1) Non-sponsored structured entities generate no specific risks related to the nature of the entity. Information concerning these exposures is set out in Note 3.1 "Credit risk" and Note 3.2 "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.

Maximum exposure to losses

The maximum exposure to loss risk on financial instruments corresponds to the value recognised on the balance sheet, with the exception of option sale derivatives 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 loss risk on commitments given corresponds to the notional amount and the provision for commitments given in the amount recognised on the balance sheet.

Note 14 Events after 31 December 2022

Combination of the issuer services activities of CACEIS and BNP Paribas within Uptevia

On 10 January 2023, CACEIS S.A. and BNP Paribas announced the creation of the Uptevia joint venture, equally owned by the two banks and combining their issuer services activities. This activity was previously conducted within CACEIS Group by its subsidiary CACEIS Corporate Trust.

The holding in the Uptevia joint venture will be consolidated in the accounts of CACEIS S.A. in 2023 using the equity accounting method.

As at 31 December 2022, pursuant to IFRS 5, the assets and liabilities of CACEIS Corporate Trust have been classified in the balance sheet as “Non-current assets held for sale” for the sum of €33 million and under “Debts associated with non-current assets held for sale” for €166 million. The net income is classified under “Net income from discontinued or held-for-sale operations” for the sum of zero.

Statutory auditors' report on the consolidated financial statements

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

(For the year ended 31 December 2022)

CREDIT AGRICOLE S.A.

12, Place des Etats-Unis

92127 Montrouge cedex

To the General Meeting of Shareholders of Crédit Agricole S.A.,

OPINION

In compliance with the engagement entrusted to us by your General Meeting of Shareholders, we have audited the accompanying consolidated financial statements of CREDIT AGRICOLE GROUP for the year ended 31 December 2022.

As indicated in the "General framework" section of the consolidated financial statements, the consolidated financial statements of the CREDIT AGRICOLE GROUP, a network organised around a central body, are prepared on the basis of the network formed by the Local Banks, the Regional Banks and Crédit Agricole S.A., the central body.

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 2022 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

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 independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for statutory auditors, for the period from 1st January 2022 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 or in the French Code of ethics (Code de déontologie) for statutory auditors.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 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.

Credit risk and estimate of expected losses on performing and non-performing loans

Description of risk

In accordance with IFRS 9, the Crédit Agricole Group recognises loss allowances in respect of expected credit losses (ECL) on exposures that are performing (Stages 1 and 2) and non-performing (Stage 3).

Given the significant judgement required in determining such loss allowances, especially in the context of the armed conflict in Ukraine, inflation and the rise in interest rates, we deemed their estimate to be a key audit matter for the following main entities and risk segments:

- Crédit Agricole Regional Banks:
  - IFRS 9 input (probability of default – PD, loss given default – LGD measurement and ECL) and calculation models, as defined by the Group with respect to performing exposures (Stages 1 and 2),
  - loss allowances on exposures in Stage 3 for the corporate, agricultural and professional segments;
- Crédit Agricole CIB: loss allowances on performing exposures in Russia for financing granted to companies in the energy and automobile sectors (Stage 1 and Stage 2), as well as those on all non-performing exposures (Stage 3), due to an uncertain economic environment, the degree of judgement needed to estimate recovery flows and specifically for Stage 3, the complexity of identifying exposures presenting a risk of non-recovery;
- Retail Banking: loss allowances on exposures in Stages 1, 2 and 3, particularly for the corporate and professional segments;
- Consumer finance: loss allowances on exposures in Stages 1, 2 and 3 in France and Italy.

As at 31 December 2022, the loss allowances for expected losses related to all eligible exposures (excluding Credit Agricole internal transactions) amounted to €22.5 billion, including:

- €10.0 billion of loss allowances on performing exposures (€3.6 billion for Stage 1 and €6.4 billion for Stage 2);
- €12.5 billion of loss allowances on non-performing exposures (Stage 3).

See Notes 1.2 and 3.1 to the consolidated financial statements.

How our audit addressed this risk

We examined the procedures implemented by the Risk Department to classify loans (Stages 1, 2 or 3) and measure the amount of recorded loss allowances. We examined the methods used to take into account the context of the armed conflict in Ukraine, inflationary environment and rise in interest rates, the macroeconomic forecasts and the treatment of measures to support the economy used for the calculation of loss allowances, as well as the related financial information.

We tested the key controls implemented by the main entities for the annual portfolio reviews, the updating of credit ratings, the identification of sectors impacted by the inflationary environment and rise in interest rates, performing or non-performing exposures, and the measurement of loss allowances. We also read the main findings of the main Crédit Agricole Group entities' specialised committees in charge of monitoring performing and non-performing loans.

Regarding impairment in Stages 1 and 2, we:

- asked experts to assess the economic scenarios used and the methods and measurements for the various loss allowance inputs and calculation models. In particular, we examined the adjustments made to take into account the impact of economic support measures;
- examined the methodology used by the Risk Department to identify significant increases in credit risk and the accounting treatments implemented;
- tested the controls that we deemed to be of key importance in relation to the transfer of the data used to calculate loss allowances or the reconciliations between the bases used for their calculation and the accounting records;
- carried out independent loss allowance calculations based on samples, compared the calculated amount with the amount booked and examined the adjustments made by management where applicable;
- assessed the analyses carried out by management on the Crédit Agricole CIB's exposures with a negative outlook with a focus on sectors hit hard by the uncertain economic environment.

Regarding individually calculated value adjustments in Stage 3:

- for Regional banks and retail banking, we analysed, based on a sample of credit files, the factors underlying the assumptions used by management to determine the future estimated flows;
- for Crédit Agricole CIB, we:
  - examined the estimates used for impaired significant counterparties,
  - examined, based on a sample of impaired or non-impaired credit files, the factors underlying the main assumptions used to assess expected cash inflows, taking into account, in particular, the collateral value;
- for Consumer Finance, we checked the consistency between data used in the calculation of loss allowances and data available in the management IT systems and based on samples, tested the quality of historical data used in the statistical estimates.

Lastly, we examined the disclosures in relation to credit risk coverage provided in the notes to the consolidated financial statements.

Measurement of goodwill

Description of risk	How our audit addressed this risk
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 generated by the CGU, as defined in the three-year financial forecasts determined by each entity's management for the purpose of its business monitoring and extended over two years. We deemed the measurement of goodwill to be a key audit matter as impairment tests necessarily require management to make decisions concerning the key assumptions to use, in particular for determining financial forecasts and discount rates. Given the difference between the value in use and the carrying amount, past performance and the sensitivity of the values in use to the assumptions used by management, we paid particular attention to the tests conducted on the French retail banking – LCL, International retail banking – Italy and Consumer Finance (excluding Agos) CGUs. At 31 December 2022, goodwill recorded in the balance sheet amounted to €16.2 billion. See Notes 1.2 and 6.15 to the consolidated financial statements.	We obtained an understanding of the processes implemented by the Crédit Agricole S.A. Group to assess the need for impairment of goodwill. We brought in valuation experts to our audit teams to assess 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 compared the main assumptions (capital allocation rate, discount rate, perpetual growth rate, etc.) with external sources. We examined the financial forecasts prepared by the management of each entity concerned and used in the model to: ▪ check their consistency with those that have been presented to the governance bodies (Board of Directors or Supervisory Board) of the entities or sub-groups, and the justification of potential adjustments made; ▪ assess the main underlying assumptions, including for the determination of the terminal year. These assumptions were assessed in view of the inflationary environment and rise in interest rates, the former financial forecasts and the actual performance over prior periods; ▪ conduct sensitivity analyses of the value in use to some of the assumptions (level of capital allocated, discount rate, cost of risk, cost to 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 various measurement inputs.

Legal, tax and compliance risks

Description of risk	How our audit addressed this risk
The Crédit Agricole Group is the subject of judicial proceedings and several investigations and requests for regulatory information from various regulators. These are mainly related to the Euribor/Libor and SSA bond matters with the authorities from various countries (of which USA) and the European Union. Various tax investigations are also ongoing in France and some of the countries in which the Group operates (including Germany). The decision to recognise a provision or a receivable and the amount to be recorded requires, by its nature, the use of judgement, due to the difficulty in assessing the outcome of pending litigation or uncertainties regarding certain tax treatments. Given the importance of judgement, these assessments carry a significant risk of material misstatement in the consolidated financial statements and are therefore a key audit matter. The various ongoing investigations, requests for information and actions of certain authorities, as well as the main tax inspections as of 31 December 2022, are presented in Notes 1.2, 6.9 and 6.17 to the consolidated financial statements.	We obtained an understanding of the process implemented by management to assess the risks arising from these litigations and tax uncertainties, as well as the provisions or receivables, where applicable, through quarterly inquiries with management and more specifically with the Legal, Tax and Compliance departments of Crédit Agricole S.A. and its main subsidiaries. Our work involved: ▪ assessing the assumptions made to determine provisions or receivables based on available information (documentation prepared by the Legal or Tax department or external counsel of Crédit Agricole S.A. and main Group entities, correspondence from regulators and minutes of Legal Risks Committee meetings); ▪ reading the analyses and conclusions of the Group's legal advisors and their responses to our requests for confirmation; ▪ regarding more specifically tax risks, examining, with our tax specialists, the responses provided by the Group to the relevant authorities as well as the risk assessment made by the Group; ▪ assessing, accordingly, the level of provisions or receivables. Lastly, we examined the related disclosures provided in the notes to the consolidated financial statements.

Measurement of certain Crédit Agricole CIB financial assets and liabilities and Crédit Agricole Assurances financial assets classified in level 3

Description of risk

Within the Large Corporate business line of the Crédit Agricole Group, Crédit Agricole CIB originates, structures, sells and trades derivative financial instruments, for corporates, financial institutions and large 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 Crédit Agricole CIB medium- and long-term refinancing:

- Derivative financial instruments held for trading are recorded on the balance sheet at fair value through profit or loss.
- "Hybrid" debt issued is recognised in financial liabilities at fair value through profit or loss by option.

These financial instruments are classified in level 3 when their measurement requires the use of significant unobservable market inputs. The classification of such instruments by level of fair value and their measurement require judgement from management, in particular regarding:

- the definition of the observability mapping of the valuation inputs;
- the use of internal and non-standard valuation models;
- the valuation of inputs not supported by observable market data;
- the assessment of valuation adjustments designed to take into account uncertainties in the models, inputs used or counterparty and liquidity risks.

Moreover, insurance investments of Crédit Agricole Assurances classified in level 3 are measured using assumptions not supported by observable market data for the same instrument. The valuation process of these instruments, which takes into account liquidity and counterparty risks when appropriate, has become more complex in the current context.

Taking into account the uncertain economic environment, we consider that the valuation of these financial assets and liabilities of Crédit Agricole CIB and insurance assets of Crédit Agricole Assurances which are classified in level 3, to be a key audit matter, due to the expert judgement and variety and complexity of the methods used for their valuation.

Within assets, Crédit Agricole CIB's derivative financial instruments and Crédit Agricole Assurances' insurance assets are recorded in the balance sheet of the Crédit Agricole Group as financial assets at fair value which, in level 3, represent €33.0 billion at 31 December 2022.

Within liabilities, Crédit Agricole CIB's derivative financial instruments and structured debt issues are recorded in the balance sheet of the Crédit Agricole Group as financial liabilities at fair value which, in level 3, represent €11.7 billion at 31 December 2022.

See Notes 1.2, 6.2 and 11.2 to the consolidated financial statements.

How our audit addressed this risk

We obtained an understanding of the processes and controls implemented by Crédit Agricole CIB to identify, measure and recognise derivative financial instruments and structured debt issues classified in level 3.

We examined the controls that we have deemed of key importance and that were mainly performed by the Risk 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 processes for recording valuation adjustments and the accounting classification of financial products.

With the support of our specialists in the valuation of financial instruments, we carried out independent valuations, analysed those performed by Crédit Agricole CIB as well as the assumptions, inputs, methodologies and models used. In particular, we examined the documentation relating to developments in the observability mapping during the period.

We also assessed the main valuation adjustments recognised, as well as the justification provided by management for the main differences observed in margin calls and losses and/or gains in the event of the disposal of financial products.

For insurance investments of Crédit Agricole Assurances classified in level 3, we performed the following procedures:

- we updated our understanding of the internal control environment and valuation processes of these financial assets;
- for assets measured using internal valuation models:
  - we assessed the consistency of the assumptions, methods and inputs used as regards market practice and the economic context,
  - we analysed the values determined and recorded at 31 December 2022;
- for assets measured by management companies external to Crédit Agricole Assurances:
  - we compared the measurements used at 31 December 2022 with the reports provided by asset management companies,
  - for assets measured before the closing date, we examined the analyses performed by the Group to ensure there was no material difference between the recorded values and the values at the closing date;
- we assessed the appropriateness of the disclosures provided in the notes to the consolidated financial statements.

Specific technical reserves in relation to insurance policies benefits

Description of risk	How our audit addressed this risk
Technical reserves Within the Insurance business line of the Crédit Agricole Group, insurance liabilities are recognised as technical reserves in compliance with French consolidation standards and the applicable regulations, as permitted under IFRS 4. These technical reserves include specific provisions that require judgement in their determination. These include: ▪ the reserve for increasing risks of dependence, established where the present value of the insurer's commitments (payment of services) is greater than the projected contributions of policyholders; ▪ reserves for claims related to non-life insurance policies to cover the total cost of claims incurred but not yet settled. Considering the inflationary environment and the sensitivity of the above specific reserves to the different underlying assumptions used (period of independent living, the likelihood of a state of dependence, the duration of the state of dependence, future premiums, statistical models and expert assessments used to estimate the ultimate cost, discount rate, etc.) we deemed specific technical reserves to be a key audit matter. Deferred participation benefits IFRS 4 provides for the implementation of shadow accounting which consists of recording the portion of positive or negative revaluations of the financial assets backing these contracts and of certain consolidation adjustments under deferred participation benefits. In the event of a net unrealised loss, deferred participation benefits are only recognised if it is highly probable that they will be allocated, by entity, to future profit sharing. In the financial context of 2022 (rapid rise in interest rates and fall in the stock market), the financial asset portfolios of the Crédit Agricole Group Insurance business line present unrealised losses resulting in deferred participation benefits for an amount of €17 billion at 31 December 2022. The Group entities concerned justify the recoverability of these deferred participation benefits based on liquidity analyses that show their capacity to access funding sources to meet their obligations and on a comparison between the average value of future services and the value of the assets representing the obligations at market value. Given the amount of the deferred participation benefits and the degree of judgement required to justify their recoverability, we deemed them to be a key audit matter. As at 31 December 2022, net technical insurance reserves amounted to €335.5 billion and deferred participation benefits amounted to €17.0 billion. See Notes 1.2, 4.6 and 6.16 to the consolidated financial statements.	For the main specific reserves mentioned in the column opposite, we performed the following procedures with the support of our actuaries: ▪ gaining an understanding of the control environment relating to the reserve calculation process, the claims management process, which determines the measurement of reserves recognised on a case-by-case basis, and the information systems used in processing technical data and inputting said data into the accounting systems; ▪ assessing the compliance of the Group's methodology for measuring these reserves; ▪ testing the key controls in the provision calculation process; ▪ examining the statistical methods and the actuarial inputs used as well as the consistency of the assumptions used with regard to market practices; ▪ assessing the assumptions regarding future premiums, life expectancy, the likelihood of a state of dependence and the duration of the state of dependence; ▪ recalculating and independently estimating certain provisions; ▪ assessing the appropriateness of the disclosures provided in the notes to the consolidated financial statements. For the assessment of the recoverability of deferred participation benefits, we performed the following procedures with the support of our actuaries: ▪ gained an understanding of the methodology used by the relevant significant subsidiaries of the Group to justify the recoverability of the deferred participation benefits; ▪ checked the calculation of the deferred participation benefits; ▪ analysed the consistency of the assumptions used in relation to the insurance portfolios and the situation of the financial asset portfolios; ▪ assessed of the margin between the average value of future services and the value of the assets representing the obligations at market value; ▪ assessed the appropriateness of the disclosures provided in the notes to the consolidated financial statements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of presentation 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 the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation 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 responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation 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 the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Besides, 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 are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Crédit Agricole S.A. by the General Meeting of Shareholders held on 19 May 2004 for PricewaterhouseCoopers Audit and in 1985 for Ernst & Young et Autres.

As at 31 December 2021, PricewaterhouseCoopers Audit and Ernst & Young et Autres were in the 19th and 38th year of total uninterrupted engagement respectively.

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 (IFRS) 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 risks 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.

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 taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 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 a report to the Audit Committee 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, if any, significant deficiencies 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) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. 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 Paris-La Défense, 03 April 2023

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Agnès Hussherr	Olivier Durand

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General Information

Information on the Crédit Agricole Group entities

TABLE ON THE ENTITIES (ARTICLE L. 511-45)

Geographic location	Revenues excluding intragroup eliminations	Average headcount *(full-time equivalent)*	Pre-tax income	Income tax charge – current	Income tax charge – deferred	Public grants received
FRANCE (INCLUDING DOM-TOM)						
France	26,060	106,515	6,623	(1,880)	393	-
France DOM-TOM	423	1,667	94	(32)	7	-
OTHER EU COUNTRIES						
Germany	630	1,499	254	(85)	3	-
Austria	64	122	34	(10)	1	-
Belgium	50	124	21	(10)	(1)	-
Bulgaria	1	2	-	-	-	-
Denmark	-	-	-	-	-	-
Spain	358	787	166	(64)	6	-
Finland	9	15	4	(1)	(1)	-
Greece	3	18	-	-	-	
Hungary	3	19	1	-	-	-
Ireland	287	588	193	(15)	5	-
Italy	4,229	13,523	1,508	439	(689)	-
Luxembourg	332	1,587	(103)	(113)	15	-
Netherlands	100	464	2	(1)	3	-
Poland	454	4,909	77	(30)	3	-
Portugal	172	593	85	(25)	-	-
Czech Republic	24	96	14	(4)	1	-
Romania	1	7	-	-	-	-
Slovakia	1	5	-	-	-	-
Sweden	48	56	14	(4)	-	-
OTHER EUROPEAN COUNTRIES						
Monaco	188	460	72	(13)	-	-
Russia	41	167	(16)	(4)	6	-
United Kingdom	1,292	923	625	(37)	(3)	-
Serbia	(1)	-	(1)	-	-	-
Switzerland	437	1,410	57	(8)	1	-
Ukraine	186	2,179	(193)	-	-	-
Guernsey	-	-	-	-	-	-
NORTH AMERICA						
Canada	12	16	11	(2)	-	-
United States	1,252	1,216	660	(130)	(48)	-
Mexico	-	3	(1)	-	-	-
CENTRAL AND SOUTH AMERICA						
Argentina	-	-	-	-	-	-
Brazil	(16)	110	(44)	(22)	6	-
Chile	-	3	(1)	(1)	-	-
AFRICA AND MIDDLE EAST						
Algeria	-	-	-	-	-	-
Saudi Arabia	-	7	(2)	-	-	-
Egypt	245	2,515	149	(43)	-	-
United Arab Emirates	46	108	13	(1)	-	-
Morocco	-	-	-	-	-	-
Mauritius	-	152	-	-	-	-
Qatar	-	6	-	-	-	-

Geographic location	Revenues excluding intragroup eliminations	Average headcount *(full-time equivalent)*	Pre-tax income	Income tax charge – current	Income tax charge – deferred	Public grants received
ASIA AND OCEANIA (EXCL. JAPAN)						
Australia	74	42	54	(15)	(1)	-
China	102	255	(24)	(10)	18	-
South Korea	78	96	45	(2)	(8)	-
Hong Kong	385	702	163	(27)	-	-
India	43	241	22	(10)	1	-
Malaysia	13	22	10	(2)	-	-
Singapore	195	1,036	77	(12)	-	-
Taiwan	62	122	22	(1)	(4)	-
Vietnam	-	-	-	-	-	-
JAPAN						
Japan	279	435	160	(43)	(3)	-
TOTAL	**38,162**	**144,820**	**10,845**	**(2,218)**	**(289)**	**-**

MATERIAL CHANGES

The financial statements for financial year 2022 were approved by the Board of Directors at its meeting of 8 February 2023. Since that date, there has been no material change in the financial or commercial position of the Company and Crédit Agricole S.A.

TRANSACTIONS WITH RELATED PARTIES

The main transactions entered into with related parties are disclosed in the consolidated financial statements as at 31 December 2022 in the “General framework – Related parties” section.

Moreover, please note that no agreements other than the related-party agreements cited in the Statutory Auditors’ report were entered into, directly or through intermediaries, between, (i) the Chief Executive Officer, any one of the Deputy Chief Executive Officers or Directors or shareholders holding more than 10% of the voting rights in Crédit Agricole S.A., and (ii) another company in which Crédit Agricole S.A. holds, directly or indirectly, more than half of the share capital unless, where appropriate, these agreements relate to ordinary arm’s length transactions.

Person responsible for the Universal registration document and its updates

Mr Philippe Brassac, Chief Executive Officer of Crédit Agricole S.A.

STATEMENT BY THE PERSON RESPONSIBLE

I hereby certify that, to my knowledge, the information contained in this Amendment to the 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 results of Crédit Agricole Group and all entities included in the consolidated Group, and that the management report contained in this Amendment to the Universal Registration Document provides a true and fair view of the development and performance of the business, profit or loss and financial position of the Crédit Agricole Group and all the entities included in the consolidated Group, and that it describes the principal risks and uncertainties that they face.

Montrouge, 04 April 2023

Chief Executive Officer of Crédit Agricole S.A.

Philippe Brassac

STATUTORY AUDITORS

Statutory Auditors

Ernst & Young et Autres	**PricewaterhouseCoopers Audit**
Company represented by Olivier Durand	Company represented by Agnès Hussherr
1-2, place des Saisons 92400 Courbevoie, Paris – La Défense 1	63, rue de Villiers 92208 Neuilly-sur-Seine
Statutory Auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre	Statutory Auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre

Ernst & Young et Autres was appointed Statutory Auditor under the name Barbier Frinault et Autres by the Ordinary General Meeting of 31 May 1994. This term of office was renewed for a further six years at the Combined General Meeting of 16 May 2018.

Ernst & Young et Autres is represented by Olivier Durand.

PricewaterhouseCoopers Audit was appointed Statutory Auditor by the Ordinary General Meeting of 19 May 2004. This term of office was renewed for a further six years at the Combined General Meeting of 16 May 2018.

PricewaterhouseCoopers Audit is represented by Agnès Hussherr.

Alternate Statutory Auditors

Picarle et Associés	**Jean-Baptiste Deschryver**
Company represented by Béatrice Delaunay	
1-2, place des Saisons 92400 Courbevoie, Paris – La Défense 1	63, rue de Villiers 92208 Neuilly-sur-Seine
Statutory Auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre	Statutory Auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre

Picarle et Associés was appointed Alternate Statutory Auditor for Ernst & Young et Autres by the Combined General Meeting of 17 May 2006. This term of office was renewed for a further six years at the Combined General Meeting of 16 May 2018.

Jean-Baptiste Deschryver was appointed Alternate Statutory Auditor for PricewaterhouseCoopers Audit for a term of six financial years by the Combined General Meeting of 16 May 2018.

Cross-reference tables

CROSS-REFERENCE TABLE OF AMENDMENT A01 TO THE UNIVERSAL REGISTRATION DOCUMENT

This cross-reference table contains the headings provided for in Annex 1 (as referred to in Annex 2) of Delegated Act (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 document, and indicates in addition the references to the pages of the 2022 Universal registration document filed with the AMF on 27 March 2023 under number D.23-0154.

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N/A: not applicable.

(1) Information related to the events after the Board of Directors' meeting dated 9 February 2022 is not part of the management report.

In accordance with Annex I of European Regulation 2017/1129, the following are incorporated by reference:

- the annual and consolidated financial statements for the financial year ended 31 December 2020 and the corresponding Statutory Auditors' Reports, as well as the Group's management report, appearing respectively on pages 594 to 646 and 408 to 591, on pages 644 to 647 and 585 to 592 and on pages 226 to 253 of the Crédit Agricole S.A. 2020 Registration Document filed with the AMF on 24 March 2021 under number D.21-0184. The information is available via the following link: https://www.credit-agricole.com/en/pdfPreview/187401;
- the annual and consolidated financial statements for the financial year ended 31 December 2021 and the corresponding Statutory Auditors' Reports, as well as the Group's management report, appearing respectively on pages 638 to 685 and 448 to 628, on pages 686 to 689 and 629 to 636 and on pages 246 to 273 of the Crédit Agricole S.A. 2021 Registration Document filed with the AMF on 24 March 2022 under number D.22-0142. The information is available via the following link: https://www.credit-agricole.com/en/pdfPreview/192553.

The sections of the Registration documents number D.21-0184 and number D.22-0142 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 this Universal registration 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 registered office of the issuer as indicated at the end of this Universal registration document. These documents are available on the website of the issuer (https://www.credit-agricole.com/en/finance/financial-publications) and on the website of the AMF (www.amf-france.org).

The information incorporated by reference has to be read according to the above 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.

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