2023 AMENDMENT A01

TO THE UNIVERSAL REGISTRATION DOCUMENT

CRÉDIT AGRICOLE GROUP FINANCIAL STATEMENTS

WORKING EVERY DAY IN THE INTEREST OF OUR CUSTOMERS AND SOCIETY

CRÉDIT AGRICOLE S.A.

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WORKING EVERY DAY IN YOUR INTEREST
AND FOR SOCIETY

AMENDMENT A01

to the 2023 Universal registration document

CRÉDIT AGRICOLE GROUP 2023 FINANCIAL INFORMATION

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The English version of the Amendment A01 to the Universal Registration Document was filed on 28 march 2024 with the AMF, as the competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of said regulation.

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

This is a reproduction translated in English of the Amendment A01 to the Universal registration document established in ESEF (European Single Electronic Format), filed with the AMF and available on the AMF website. This reproduction is available on the website of Crédit Agricole S.A.

WORKING EVERY DAY IN THE INTEREST OF OUR CUSTOMERS AND SOCIETY

OUR RAISON D'ÊTRE IN ACTION

IN 2023, IN THE FACE OF ECONOMIC SHOCKS BROUGHT ABOUT BY THE SHARP RISE IN INTEREST RATES TO CONTROL INFLATION AND BY THE RESURGENCE IN GEOPOLITICAL RISK AND REGIONAL CONFLICT, WE HAVE WORKED TO PROTECT AND SERVE OUR CUSTOMERS, WHILE INVESTING TO MEET THEIR NEEDS AND THOSE OF SOCIETY.

CRÉDIT AGRICOLE'S END 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.

With a strong 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 disadvantaged to the wealthiest households, from local professionals to large international corporates.

This is how Crédit Agricole demonstrates its usefulness and availability to its customers, and the commitment of its 154,000 employees to excellence in both customer relations and operations.

GROUP PERIMETER

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

REGIONAL BANKS

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

2,395 **Local Banks**

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

→ hold **100%** of SACAM Mutualisation

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

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

holding **59.7%** (4)

FLOAT

23.8% **Institutional investors**

9.2% **Individual shareholders**

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

NS(3) **Treasury shares**

holding **40.3%**

CRÉDIT AGRICOLE S.A.

ASSET GATHERING AND INSURANCE

Crédit Agricole Assurances; Amundi Asset Management; Indosuez Wealth Management

RETAIL BANKING

Crédit Agricole Italy; LCL; Crédit Agricole Poland, Ukraine, Egypt

SPECIALISED FINANCIAL SERVICES

Crédit Agricole Consumer Finance; Crédit Agricole Leasing & Factoring

LARGE CUSTOMERS

Crédit Agricole Corporate & Investment Bank; Caceis Investor Services

SPECIALISED BUSINESSES AND SUBSIDIARIES

Crédit Agricole Group Infrastructure Platform; Crédit Agricole Transitions & Énergie; Crédit Agricole Capital Investissement & Finance; IDIA Capital Investissement; BforBank; Crédit Agricole Immobilier; Crédit Agricole Payment Services; Uni-médias

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

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ABOUT CRÉDIT AGRICOLE GROUP

RANKINGS AND KEY FIGURES

46
countries

54
million customers

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

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

8,250
branches, including

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

6,750
in France, Regional Banks and LCL

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

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

11.8
million mutual shareholders

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

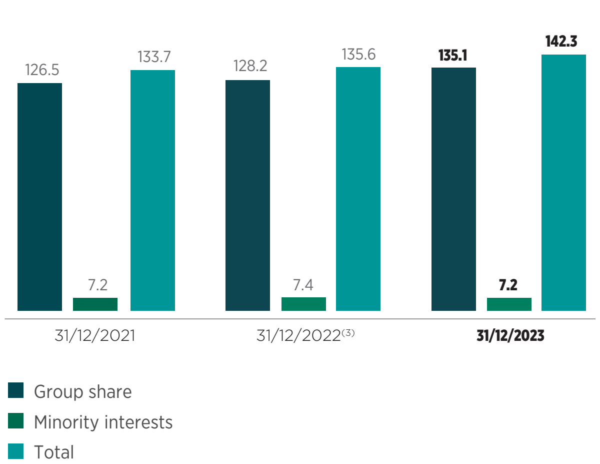
A SOLID PLAYER

TOTAL BALANCE SHEET
€2,467bn

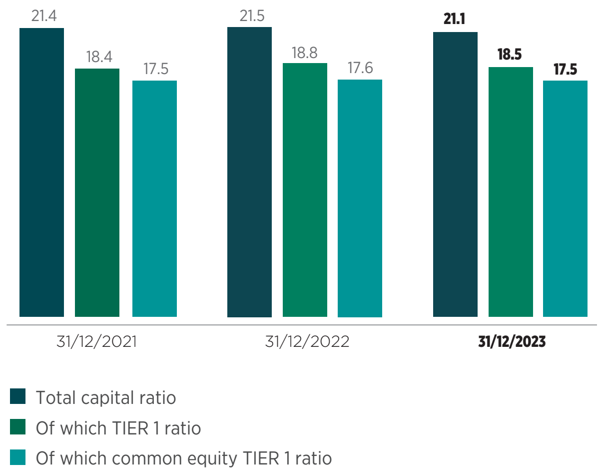
GROSS LOANS (1)
€1,309bn

CUSTOMER RESOURCES (2)
€1,357.4bn

EQUITY
(in billions of euros)

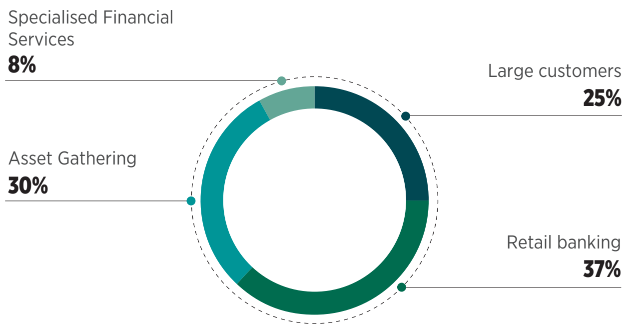


PHASED-IN SOLVENCY RATIOS
(in percentage)

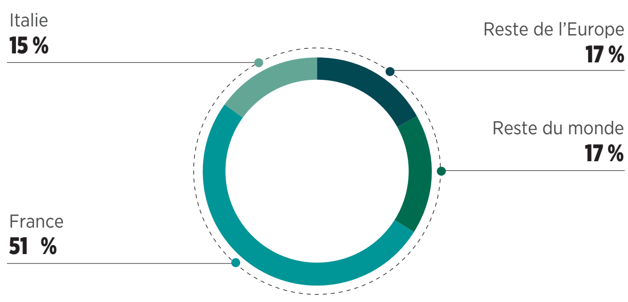


A DIVERSIFIED BUSINESS MODEL

RESULTS BY BUSINESS LINE (4)



RESULTS BY GEOGRAPHIC AREA



CONDENSED INCOME STATEMENT

(in millions of euros)	2021	2022(3)	2023
Revenues	36,822	34,804	36,492
Gross Operating Income	13,741	13,698	14,409
Net income	9,953	8,727	9,071
Net income Group share	9,101	7,997	8,258

(1) Gross value of loans and receivables due from credit institutions and customers.
(2) Debt to customers, debt to credit institutions (excluding Crédit Agricole internal transactions), debt securities (excluding bonds).
(3) Data at 31 December 2022 was restated following the entry into force of IFRS 17.
(4) Excluding the Corporate Centre division, underlying datas.

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 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.

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 21.1 million individual customers, the Regional Banks account for 24.6%(1) of the French household bank deposit market and 24.1%(2) of the French household credit market. They are leaders in the retail market of individuals above 18 years old(3), in the retail market of individuals under 18 years old(4), the agricultural market (84% market share(5)) SMEs and small businesses (24% penetration rate(6)), and in second place on the corporate market (38%(7)).

The marketing of products and services covering the financial and wealth management needs of their customers is based on a network of nearly 5,500 branches, about 5,000 Relais CA installed at small retailers, and a full range of remote banking services.

(1) Source : internal data (December 2023)
(2) Source : internal data (December 2023)
(3) Source: Sofia Kantar TNS 2022
(4) Source: Baromètre Jeunes 2022 CSA
(5) Source: Adéquation 2023
(6) Source: Pépites CSA 2021-2022
(7) Source: Kantar 2023

CRÉDIT AGRICOLE GROUP'S 2023 BUSINESS MODEL

MACROTRENDS

OUR RESOURCES

OUR DNA

- A cooperative Group with mutualist values

A DIVERSE GEOGRAPHIC FOOTPRINT

Universal banking facilities

- **39** Regional Banks, LCL, CA Italia
- **8,250** retail banking branches

International business lines

- **46** countries and **52%** of Crédit Agricole S.A. employees

OUR TEAMS

- **154,000** Crédit Agricole Group employees

OUR TECHNOLOGICAL EXPERTISE

- Centres of technological expertise serving the business lines

OUR COMMITMENT TO TRANSITIONS

- A cross-business-line environmental and social strategy
- **485** CSR experts
- **88%** renewable electricity for Crédit Agricole S.A.

OUR GOVERNANCE

- A majority shareholder guaranteeing long-term commitment
- A Societal Commitment Committee within the Board of Directors

OUR DIVERSIFIED PARTNERSHIPS

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

OUR FINANCIAL CAPITAL

- Equity Group share:
  - Group: **€135.1bn**
  - Crédit Agricole S.A.: **€71.1bn**

OUR SERVICES

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

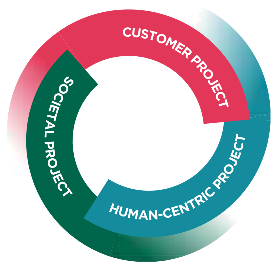
PROVIDING financing, savings and insurance solutions

DEVELOPING investment solutions

OFFERING complementary services (payment instruments, real estate, mobility, healthcare etc.)

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

OUR GROUP PROJECT



- **DEFINE** our priorities so we can act in the interest of each of our customers, based on the goals set out in our Raison d'être
- **ENSURE** that the Group's women and men have a key role to play in companies that are increasingly governed by digital processes
- **PUBLICISE** our goal of acting in the collective interest of society, based on three priorities: climate, social cohesion and agricultural and agri-food adaptation

OUR FOUNDATION: THE 39 REGIONAL BANKS

Maintain a locally rooted commercial relationship with each customer and invest in regional economic development

[1] ECO, 2023 benchmark
[2] Source Crédit Agricole S.A., at end-September 2023
[3] IPE "Top 500 Asset Managers", June 2023
[4] L'Argus de l'assurance, 13 December 2023 (data at end-2022)
[5] LinkedIn "Top Companies" classification, April 2023

OUR RAISON D'ÊTRE

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

Redefined geopolitical balances – New interest rate environment – Multifaceted competition – New customer expectations – Societal and local changes – Climate change and biodiversity deterioration

OUR VALUE CREATION

FOR OUR CUSTOMERS

- **Number 1 funder** of the French economy(1) (**€815bn** in outstanding loans in retail banking, Crédit Agricole Group)
- **32.6%** share of the French home loans market(2)
- **Number 1 asset manager in Europe**(3) (**€2,037bn** in assets under management)
- **Number 1 insurer** in France(4)

FOR OUR EMPLOYEES

- **Number 1 in financial services** in LinkedIn's Top Companies ranking in France(5)
- **2.5 million** training hours
- **81%** of employees feel empowered (2023 IMR internal survey)
- **35.3%** of Crédit Agricole S.A. Executive Committee members are women
- **Most committed employer in CSR**(6) in its sector in France and **number 6** in the CAC 40

FOR OUR SHAREHOLDERS AND INVESTORS

- **€36.5bn** in Crédit Agricole Group reported revenues
- **€39.2bn** in Crédit Agricole S.A. market capitalisation
- **€6.3bn** in Crédit Agricole S.A. reported income
- **€8.3bn** in Crédit Agricole Group reported income:
  - **€2.1bn** distributed to shareholders and mutual shareholders, and AT1 coupons
  - **75%** retained and reinvested in regional services

FOR PUBLIC AUTHORITIES AND PARTNERS

- **€7.1bn** of Group procurement
- **€7.8bn** of Group taxes and social security costs

FOR CIVIL SOCIETY AND THE ENVIRONMENT

- **€25.2bn** in cash invested in green, social and sustainable bonds, Crédit Agricole Group
- **$31.3bn** handled as bookrunner for green, social and sustainable bonds, Crédit Agricole CIB
- **€17bn** in outstanding green loans, Crédit Agricole CIB
- **€6.5bn** in outstanding amounts linked to revitalising territories and reducing inequalities(7), LCL
- **100%** of open-ended actively managed funds include ESG criteria, Amundi
- **13.5 GW** of renewable energy production capacity financed by equity investments, CA Assurances
- **1 in 4** new financed vehicles is electrified(8), CA Consumer Finance
- **17,000** customers in financial difficulty in France and Italy helped by CA Consumer Finance Point Passerelle: nearly **11,500 families** helped by Regional Banks in 2022

Contribution to carbon neutrality by 2050 (Net Zero Banking Alliance)

- Publication of Net Zero ambitions for **10 business sectors** representing approximately 60% of the Group's outstandings(9) and 75% of global greenhouse gas emissions
- **63% reduction** in greenhouse gas emissions financed in the Oil & Gas sector between 2020 and 2023; reduction target updated to -75% by 2030 (vs. -30% as announced in 2022)

[6] 2023 Universum ranking of the most committed CSR employers, January 2024
[7] Linked to loans to professionals and SMEs in rural regeneration areas (ZRR), at 30 June 2023
[8] Electric or hybrid vehicle
[9] Reference year: 2020

CRÉDIT AGRICOLE GROUP BUSINESS LINES AT 31 DECEMBER 2023

RETAIL BANKING

REGIONAL BANKS

MISSION: With a presence across France, the 39 Regional Banks, cooperative entities and fully-fledged banks, support the projects of their customers: individuals, high-net-worth individuals, farmers, small businesses, corporates, players in the public sector and the social economy.

OUR OFFERING: Our universal, customer-focused approach is built on a comprehensive range of products and services, available across all channels, designed to meet the needs of all our customers (from the most modest to the most affluent) in the areas of banking, insurance, real estate, healthcare, energy transition, mobility and more.

25.3 million customers (including 21.1 million individual customers)	**11.8 million** mutual shareholders	**24.1%** Share of 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, financing, insurance, savings and wealth management, payment services and cash flow management. With branches, located mainly in urban areas with high development potential, and an online banking service (mobile app and website), it provides a close customer relationship.

Loans outstanding **€169bn** (including €104bn in home loans)	Total customer assets **€248bn**	**6.1 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 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 Group's other business lines (Crédit Agricole Corporate and Investment Bank, CAA, Amundi, CACF, CAL&F etc.).

Loans outstanding **€68.4bn**	Customer assets **€76.9bn**	**5.1 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.

Premium income (2) **€37.2bn**	Life insurance outstandings **€330bn**	Number of property and casualty insurance contracts **15.8 million**

ASSET MANAGEMENT

MISSION: Amundi is the leading European asset manager in terms of assets under management and ranks in the top 10 worldwide (3). The Group manages €2,037 billion (4) 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/alternative assets. It is committed to having a positive impact on society and the environment. This offering includes services and technological tools covering the entire savings value chain.

Assets under management (4) **€2,037bn**	**No. 1** European asset management company (3)	Present in **35 countries**

WEALTH MANAGEMENT

MISSION: Indosuez Wealth Management comprises Crédit Agricole Group's wealth management activities(5) in Europe, Asia-Pacific and the Middle East. Renowned for the breadth of its offering and its international reach on a human scale, it operates in 11 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.

€135bn Assets under management (5)	**No. 1** Private Bank for Ultra High Net Worth Clients in Europe(6)	Present in **11 regions**

(1) Source: *L'Argus de l'Assurance*, 13 December 2023 (data at end-2022).
(2) Source: Non-GAAP revenues.
(3) Source: IPE "Top 500 Asset Managers" published in June 2023 and based on assets under management at 31 December 2022.
(4) Amundi data at 31 December 2023.
(5) Excluding LCL Private Banking, Regional Banks and private banking activities within International Retail Banking.
(6) PWM - The Banker, Groupe Financial Times.

SPECIALISED FINANCIAL SERVICES

CONSUMER FINANCE AND MOBILITY FINANCING

MISSION: A major player in consumer finance and provider of all types of mobility solutions in Europe, Crédit Agricole Consumer Finance offers to customers and partners financings and a complete range of leasing, insurance and services related to mobility. Its target is to meet the challenges of the energy transition in housing, consumption and mobility, with the ambition to be the leader in decarbonised mobility in Europe. Digital and innovation are strategic priorities, to build, along with customers, a credit experience that meets their expectations: simple, fast, smooth and secured.

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

Loans outstandings **€113bn**	Including **€23bn** on behalf of the Crédit Agricole Group	Present in **22 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.

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 corporate customers, both for their day-to-day operations and for their expansion plans.

€121bn in factored revenues	**€32.0bn** outstandings, including 28% abroad	**257,000 customers** including 84,000 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 a global "green" finance expertise.

$31.3bn Green, social, sustainable bonds bookrunner[1] (top 5 worldwide, Bloomberg)	**2nd globally** for the *All bonds* category in euros *(source: Refinitiv)*	More than **30 markets** covered

ASSET SERVICING

MISSION: As a specialist asset servicing group, CACEIS supports to asset management companies, insurance companies, pension funds, private equity, real estate, infrastructure and private debt funds, for 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 covering 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, fund distribution, and issuer services.

Assets under custody **€4,718bn**	Assets under administration **€3,299bn**	Assets under depositary **€2,258bn**

SPECIALISED BUSINESSES AND SUBSIDIARIES

Crédit Agricole Immobilier
- 1,388 employees
- 5.7 million m² for institutionals and residential under management
- 124,500 m² offices currently under construction
- More than 120,000 units uner the management of Square Habitat and Crédit Agricole Immobilier [2]

Private equity (IDIA & CACIF)
- IDIA Capital Investissement: €2.2 billion in assets under management
- 110 corporates given equity support

Crédit Agricole Payment Services
- France's leading provider of cardholder payment services with a 27.8%[3] market share and 23.5 million bank cards (payments and withdrawals)
- Merchant electronic payment system[4]: 6th in Europe for card payment acquisition
- 15.1 billion in payment transactions processed

Crédit Agricole Group Infrastructure Platform
- 10 sites in France
- 150,000 security incidents managed on average per second
- 170,000 workstations managed
- Power usage effectiveness (PUE) indicator of the *Chartres* data centre: 1.35 (down from 2019 and below the Uptime Institute benchmark of 1.67)

BforBank
- 225,000 customers
- Launch of a new value proposition in September 2023
- Prize for best account-opening process – Google Finance Ux Benchmark 2023

Uni-médias
- 12 publications, most of them leaders in their sector, with nearly 1.5 million subscribers
- 16 million visits per month[5], 4.4 million readers per month[6], 3.1 million *social media* followers [7]

CA Transitions & Énergies
- Financing: €19bn in total arranged financing for renewable energy projects by 2030.
- Production: 2 GW in installed capacity by 2028
- Electricity supply: 500 GWh by 2026 (i.e. the annual consumption of 196,000 inhabitants)

(1) All currencies
(2) At 31 December 2023 – combined rentals and property management units - Internal data from Crédit Agricole Immobilier on Square habitat portfolios hold by Crédit Agricole Services Immobiliers
(3) Source: ECB and Banque de France 2022 (2021 data).
(4) Source: Nilson Report 2022 (2021 data).
(5) Source : Plano Analystics 2023
(6) Source: One Next H2 2023.
(7) Source: Combined data for: Facebook, Instagram, Tiktok, Pinterest.

RETAIL BANKING - REGIONAL BANKS

Business and organisation

The Crédit Agricole Regional Banks are cooperative entities and fully fledged banks with a leading position in all their retail banking markets in France, both for individuals older than 18 and for those under 18. They are leaders in the agricultural and SME/small business markets and second in the corporates market.

Relying primarily on the Crédit Agricole Group's business lines, they market a full range of products and services designed to meet their customers' financial and asset management needs: payment instruments, insurance, savings, financing, equity transactions, property and international support. They have a network of nearly 5,500 branches, supported by about 5,000 Relais CA at small retailers and offer their customers a full range of remote banking services.

With 21.1 million individual customers, the Regional Banks account for 24.6%[(1)] of the French household bank deposit market and 24.1%[(2)] of the French household credit market.

As the business bank for 84% of farmers (source: Adéquation 2023), they rely on a network of more than 2,000 advisers dedicated to them and remain by far the leading private provider of banking services to these farmers.

The Regional Banks are also leaders in the SME and small business market, serving the needs of both individuals and small businesses, with a penetration rate of 24% (source: Pépites CSA 2021-2022). Every day, Crédit Agricole's 4,500 professional advisers and experts help more of our entrepreneurs customers to reach new heights.

Crédit Agricole has confirmed its leadership position in the corporates market, with a 38% penetration rate (source: Kantar 2023). Supported by 800 corporate relationship managers, the Regional Banks are specifically structured to advise and support all businesses in their territory (start-ups, SMEs and MSEs) and continue to support local authorities and, more broadly, local players in the public sector and the social economy.

To meet the challenges facing society, Crédit Agricole launched two new business lines in 2023: Crédit Agricole Transitions et Énergies and Crédit Agricole Santé et Territoires (Healthcare and Regions).

CUSTOMER PROJECT

With its Customer Project, Crédit Agricole Group seeks to speed up its growth and support all its customers with their transition projects. It aims to become the bank of preference for individuals, entrepreneurs and corporates;

To achieve this, and to rank first in the Net Promoter Score (NPS), Crédit Agricole's Regional Banks are working towards four targets:

1. implementing a human-scale banking model, connected for all;
2. putting customer and collective interests at the heart of what we do;
3. implementing a growth strategy expanded to include new territories and growth drivers;
4. making each of the Group's brands a benchmark in its area of activity.

A HUMAN-SCALE BANKING MODEL, CONNECTED FOR ALL

GUARANTEEING AN OMNICHANNEL RELATIONSHIP WHERE HUMAN RESPONSIBILITY BRINGS TRUST, DISCERNMENT AND SITUATIONAL INTELLIGENCE

Crédit Agricole's ecosystem offers a comprehensive approach to meeting the needs of all customers, at the local level, whether these needs relate to banking, insurance, property or the press, or to the new challenges facing society (healthcare, ageing, the energy transition, and more). Our approach is underpinned by a highly customer-focused model based on a foundation of digital excellence, where human responsibility brings trust, discernment and situational intelligence.

The Group is continuing to work on a major project to digitise the entire customer pathway, irrespective of whether customers are working alone or with the help of an adviser. The momentum is strong, production times shorten and take-up sharply rises. For instance, 62% of customers used the website[(3)] and the application in 2023, compared with 50% in 2020, accounting for 12.3 million active customers (+0.1 million in one year).

In 2023, the "Ma Banque" app for Regional Bank customers continued enhancing its features and integrating autonomous business journeys *(taking out home insurance, car quotes and simulating a mortgage or personal loan).* It now has 9.6 million active users, with almost 257 million users connecting every month.

REACHING A NEW MILESTONE IN CUSTOMER RELATIONSHIP EXCELLENCE AND DELIVERING A SUCCESSFUL CUSTOMER AND ADVISER EXPERIENCE

For the twelfth measure of strategic NPS **(Net Promoter Score) in 2023,** Crédit Agricole's **scores were up or relatively stable across** all its markets in France (excluding Associations). In the retail market segment, the NPS is strengthening at +11, putting Crédit Agricole in the top three in retail banking in France.

Each year, in order to round out the customer feedback processes and thus continue to improve the customer experience, the Group undertakes a survey of the Regional Banks' feedback processes, featuring in particular:

- strategic regional NPS in all customer markets
- event or branch NPS;
- one-off and qualitative surveys;
- an e-reputation analysis; and
- a qualitative analysis of customers' comments.

The various dimensions of the customer experience are always evolving through high standards. As a result of the current social context, customers are expecting more support and assistance from the bank, and are also expressing a need for greater recognition of their loyalty.

The high standards of customer experience offer our customers something to compare with on an almost daily basis, and increase their expectations: personalised advice, autonomy and responsibility, consideration, recognition of loyalty, smooth processes and zero defects.

(1) Source internal data - December 2023.
(2) Source internal data - December 2023.
(3) Source UseApp.

This calls on us to revisit **our customer relationship model,** on an ongoing basis, **through two major programmes** that have been or are being rolled out across Crédit Agricole's entities:

- **The relationship model,** which aims to position customer care in our responses, our concerns and our day-to-day practices. This programme is based on the autonomy, accountability and expertise of team members, the Responsible Human, with the symmetry of attentions as the basis of collective functioning. It supports the digital, human and organisational transformations of the Regional Banks and other Group entities, in France and internationally, which are at the heart of our model of a human, connected bank for all.

  Since its launch in 2020, almost all the Regional Banks have rolled it out to all their team members and managers. Other Group entities, which interface directly with the Regional Banks' customers, are also launching, with the aim of ensuring that customers perceive our universal customer-focused relationship signature, regardless of the entity to which the Crédit Agricole team member with whom they interact belongs.

  A new Advisory Role has also been designed, with the aim of advising customers loyally and instructively, and is gradually being rolled out in the Regional Banks.

  At the same time as they are rolling out this customer-focused culture, the Regional Banks have also focused their efforts on improving reachability, by investing in new telephone call management tools. The indicators for this item have improved: 89% of customers say they are satisfied with how easy it is to reach their branches (NPS survey in 2023).
- **The Group Plan to Combat Customer Irritants,** which involves drawing up and managing anti-irritant plans (prevention, detection, resolution, cross-functional communication and governance initiatives) at both entity and Group level.

  Between 2020 and 2022, more than 60 irritants known as "Top Irritants", i.e. those that have the greatest impact on customer satisfaction, have been dealt with at Group level (when the entities cannot resolve them by themselves).

In addition, the operational excellence initiatives of each of the entities, including the Regional Banks, have continued to expand, in an effort to improve the customer journeys and underlying processes, and to develop a culture of continuous improvement.

Major work has also been carried out to improve communication with our customers, initially on correspondence, and on an initial scope of the descriptions of transactions included on account statements (2022 - Insurance), which is being supplemented by successive deliveries covering all descriptions on all products and services.

In 2023, the Academy for Excellence in customer relations, which was set up in 2020, continued to work with all the Group entities to promote the customer-focused culture and excellence in customer relations. Working in particular with the 80 DGMs, Customer Champions, in the entities and with their teams, it offered even more personalised support in the form of various diagnoses, discussions between entities, and the collection and dissemination of inspiring practices both within and outside the Group (events, national or theme days, Web TV, videos, etc.).

Among the latest innovations, a personalised "Customer Fresco" is currently being rolled out across the Group. Similarly, a significant improvement is underway regarding the diagnosis of the customer-oriented culture of the entities and employees, which will then make it possible to identify more finely-tuned action plans on the internal drivers for improving the customer experience and satisfaction.

CUSTOMER AND COLLECTIVE INTERESTS AT THE HEART OF WHAT WE DO

PRODUCTS AND SERVICES THAT SERVE THE INTEREST OF OUR CUSTOMERS AND SOCIETY

- **Ma Banque au Quotidien,** our range of day-to-day banking services, developed jointly with our customers, is made up of five products (Eko, Globe-Trotter, Essentiel, Premium, Prestige) designed to meet all customer needs. Depending on the product or service they choose, our customers can get a bank card, insurance for their purchases and/or travel, a package for their transactions abroad, and so on. All of these services are available on-line or in-branch, and of course always with access to an adviser. More than 2.3 million customers were using a Ma Banque au Quotidien service at the end of Q3 2023.
- **Propulse by CA,** which was launched in October 2022, continued expanding in 2023 with the support of a dedicated promotional plan (communication and digital acquisition campaign). It helps entrepreneurs to succeed in their business activities with free content (articles and guides), services (100% on-line pro account, business plan tool, help with setting up a business) and community activities. The business accounts on offer (Start and Start+) include management tools to simplify your business (quote/invoice editor, expense account management, Urssaf social security declaration, and more) as well as insurance to protect small businesses in the event of setbacks.
  - EKO Pro. A new "entry-level" nationwide offering will be rolled out within all Regional Banks in 2023. It is targeted at micro-entrepreneurs with a primary or secondary business activity and offers basic services (account, card, branch) at a low price (€6/month) to meet the essential needs of this customer segment, while allowing them to add additional insurance and payment services.
  - OCC package. As part of the roll-out of the future MBQ Pro and in support of the TRESOPRO initiative to relaunch cash loans to small businesses, this new product meets the expectations of customers who want greater transparency in the pricing of their banking services.
  - CAMCA IMMOPRO/ASSO. These two products were rolled out to make it easier to take security on certain financing dedicated to small business premises and associations.
  - Electronic payment services. In 2023, CAPS launched Up2Pay Mobile, a mobile payment solution for small business customers and farmers/winemakers, and SécurIBAN, a bank details verification service to meet the needs of its SMEs and corporates customers. The entity is also committed to developing an affinity approach and personalised offerings, and is working on a dedicated product for the restaurant segment (Up2Pay Restaurant).
- **Épargne Engagée by CA.** Overhaul of 100% socially responsible investments range, along with the creation of training courses on how to integrate ESG preferences. The new range includes, for example, new money market and bond funds for legal entities and the CPR Invest Blue fund, which targets companies with a direct or indirect connection to the sea.
- **Booster de PTZ by CA:** Home ownership has become increasingly complex, particularly for first-time buyers, due to the European Central Bank's interest rate hikes. The Crédit Agricole Group, France's leading lender to individuals, financing one in three homes, has taken action to support its customers and give them back their purchasing power in their home ownership plans. In line with the extension of the criteria for the interest-free loan (Prêt à Taux Zéro 2024), Crédit Agricole has supported this initiative and, since 2 November 2023, has been offering its customers who qualify for the PTZ criteria twice the amount under the PTZ, up to €20,000, at 0% interest, with no application fees and a repayment period of up to 20 years. The offer is available until 30 June 2024.

- **New affordable home ownership product:** The OFS-BRS scheme has been rolled out in a third of the Regional Banks. It enables low-income families to buy a home in areas where property prices are under pressure. Successive governments created a ground lease (Bail Réel Solidaire—BRS) system supported by the creation of social housing organisations (Organismes Fonciers Solidaires —OFS), all of which are community land trusts. Created under France's law to facilitate access to home ownership "Loi pour l'Accès au Logement et à un Urbanisme Rénové" (ALUR), OFSs own the land and the leaseholder, either a household or a social landlord, owns the buildings. Crédit Agricole has positioned itself as a financier for these new tools. The Regional Banks are shareholders in several OFSs. More than one in two social housing organisations is financed by Crédit Agricole.
- **Transformation of the processing of unlisted securities** to provide customers with greater security and speed in the processing of their transactions, with the promise that a transaction can be completed in four days or sooner.
- **In the international corporates market,** launch of the new **Change Portal,** where customers can execute transactions and receive advice on simple foreign exchange products.

PROTECTING OUR CUSTOMERS AND SECURING THEIR LIFE TRAJECTORIES

- **Corporate Cybersecurity Risk:** Launch of a dedicated system for corporates including a diagnostic and advisory process via a partnership (Neverhack) as well as an insurance product (CAA). CAA rolled out and is running the system. The priority segment is SMEs and small MSEs.
- **Launch of an export credit insurance partnership with COFACE.** The aim of the partnership is to offer customers export credit insurance with global coverage of their needs. The insurance secures the performance and payment of export commercial contracts by providing the insured party with cover against non-payment of its claims (insolvency of debtors, country risks, and so on).
- The **Ma Protection Maison** remote monitoring solution is now part of Crédit Agricole and LCL's comprehensive "protection" approach. It is marketed in branches and via telephone platforms from the New Sesame subscription tool. The product and its distribution are constantly being improved, with the adaptation of the decision tree, which is integrated into New Sesame. The product is supported by a sales promotion plan, developed in cooperation with Crédit Agricole S.A. teams.
- **Remote assistance:** Remote assistance services will be fully integrated into the range of services available on the Bien Vivre Demain platform, in line with the Health & Territories Programme.
- Crédit Agricole is committed to helping young people by offering support ranging from banking to non-banking services, enabling them to carry out their projects according to their aspirations. In 2022, Crédit Agricole Group rolled out **a dedicated home insurance product for young tenants.** This solution is aimed at all young people up to the age of 30, who are tenants in a property with up to two rooms, and includes basic home insurance through a simple and inclusive offer costing six euros per month. More than 83,000 young people are covered under this policy.
- In 2023, Crédit Agricole Group continued its societal engagement, notably through its non-banking platform, **Youzful,** dedicated to providing guidance and employment for young people (255,000 young people registered and 700,000 job, work-study and internship offers since the launch of Youzful in January 2021). The platform was recently expanded to include housing and mobility, in view of the needs of young people in these areas.
- **Support for customers experiencing financial difficulties.** Since 1 October 2022, Crédit Agricole's Regional Banks waived transaction and service charges for customers in vulnerable situations who have the Compte à Composer Module Budget Protégé offer, which goes beyond the legislator's request, which imposes a ceiling of €20 per month. This measure ensures that the more than 128,000 customers will not be affected by transaction fees during the current period of economic hardship.
- In addition to the existing mechanism for automatically detecting situations of proven financial vulnerability, the 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, in particular with the continuation of the roll-out of a new, more effective algorithm in 2023.
- In order to continue improving the insurance products offered to SMEs, **the Commercial Vehicle** offer was reviewed in 2023 to improve the coverage provided and bring it more into line with the offer they might have as private individuals. The aim is to be more in line with the consumption patterns of these customers (leasing with option to buy/long-term leasing), and to have a better price positioning compared with the competition.
- **EKO AUTO:** Crédit Agricole Assurances is adding an inclusive EKO insurance product to its car insurance product range, which can be bought by all customers at an attractive price. It includes all mandatory covers as well as assistance services and bodily injury protection for the driver. The EKO AUTO product has been taken out by more than 70,000 customers since its launch.
- **EKO Mobilités:** Since the end of 2022, Agilauto has been offering a lease-financing solution giving as many people as possible access to cleaner mobility. This Lease with Option to Buy contract gives access to a Crit'Air 0 or 1 vehicle, new or used, less than five years old, for a rent starting from 100 euros per month.

A GROWTH STRATEGY EXPANDED TO INCLUDE NEW TERRITORIES AND GROWTH DRIVERS

- In 2023, as part of its Societal Project, Crédit Agricole supported all private individuals in the area of home energy renovation by offering them end-to-end support with access to educational content. Crédit Agricole Group thus provides an information and incentive tool for customers and prospects likely to be affected by the constraints of the French Climate and Resilience Law, as well as for those who are sensitive to the issue of energy transition and the reduction of their energy bills.

  This strong commitment took form in the launch of the **J'écorénove mon logement** website (https://j-ecorenove.credit-agricole.fr/), where customers, prospective customers and advisers can have access to:

  - an unprecedented and exhaustive documentary database on energy renovation;
  - an improvements simulator that estimates the energy label of the property concerned and recommends the work to be carried out (as well as an estimate of costs);
  - a simulator for national (CEE and Ma Prime Renov) and local aid;
  - a financing simulator;
  - a directory of professionals certified as Recognised Guarantor of the Environment (RGE).

  More than 700,000 customers and prospective customers have been able to access a database of information on energy renovation (7 million page views), and more than 200,000 simulations (energy label estimates, recommendations for renovation work, cost estimates and possible financial assistance, financing simulations) have been carried out, with users rating their satisfaction as 4/5. By generating *leads* the Regional Banks help their customers/prospects in financing their projects.

  In 2024, the "J'écorénove mon logement" website will offer customers/prospects the opportunity to perform at home and via a partner an audit of their homes or obtain the energy performance certificate (EPC) of the homes and to be supported from start to finish via a second partner to obtain all the financial aid linked to their project (CEE and MaPrimeRenov premiums).

- The Regional Banks are getting organised and integrating their strategy to support **local healthcare professionals at every** stage of their career. They are working to establish partnerships with medical residencies, while promoting the "medical resident housing loan" product, and dedicating specific expertise to financing projects for multi-practitioner clinics and pharmacies. More importantly, the Regional Banks appoint healthcare business line coordinators to support the healthcare ecosystem, in which every healthcare professional is represented.

  In 2023, we achieved an NPS for healthcare professionals of +20, 10 points higher than the overall market NPS. This trust-based relationship is also confirmed for the private segment, and more specifically for the wealth management segment, with an NPS of +26. These results attest to the growing expertise of the sales network and the synergy developed between the small business and wealth management markets to support healthcare projects as close to the local level as possible.
- **Mobility:** Crédit Agricole's ambition is to become a European leader in low carbon mobility, services and multi-life insurance for small businesses, corporates and farmers. To achieve this, solutions have been developed ranging from financing to auxiliary services with CAL&F, Agilauto, Olinn and Watea. Launch of a shared car leasing and rental experiment for local authorities (Agilauto Partage).
- Launch of a **"Human Resources Bank**" initiative to support Executives/HR directors in HR management. Better equip our customers and strengthen synergies around the two vertical business lines in the Employee Savings and Group Insurance, and the acquisition of Worklife for employee benefits: new offerings, fluid customer journey, distribution/leadership and skills development.

MAKE EACH OF THE GROUP'S BRANDS A BENCHMARK IN ITS AREA OF ACTIVITY.

- As part of its Societal Project, Crédit Agricole Group is developing its **Agilauto** solution, which was launched in 2019. Mobility solutions are a growth driver and act as a shock absorber for the Group's car loan performance. The challenge is to establish new centralised expertise by moving from financing to providing retail banking services. To achieve this, the 360° approach to the mobility needs of customers across all products and markets has been jointly reviewed by CACF, CAL&F, CASA and the CPM Regional Banks.

  Agilauto has the legitimate ambition of becoming the leader in long-term leasing in the regions thanks to a tailor-made customer experience and an inventory of vehicles that sets it apart.

  Tomorrow, our customers, whether they be private individuals or small businesses, will have access to a smart digital ecosystem, enabling them to take advantage of Agilauto's products and services effortlessly. The efficiency of the site, which was revamped back in June 2023, strengthens Agilauto.fr positioning from both a customer and employee point of view.

  This positioning will give our users a digital reflex that will make Agilauto.fr a real companion when choosing a mobility solution.

  Agilauto is developing an intuitive, fluid and empathetic experience to serve customers, employees, partners and products.

  In 2024, our customers' engagement will be encouraged through the design of a seamless customer journey with a choice of vehicles based on geolocation and a tailor-made range of services that will encourage the implementation of highly personalised products and services through:
  - an outstanding customer experience: multi-market and omnichannel;
  - an excellent omni-commerce design approach;
  - an ecosystem that keeps us ahead of the competition:
    - personalised products and services,
    - customer centre,
    - innovative showcasing of products.

By 2025, our customers will have complete autonomy in searching for and taking out their leases, and in all the related services and benefits. They will be free to start an application on-line and finish it when and where they like.

SUMMARY FOR EACH MARKET

RETAIL MARKET

2023 was characterised by continued inflation and a fall in household purchasing power.

Crédit Agricole stands ready to support customers facing financial difficulties, as well as to the issues of energy renovation, mobility and ageing.

The rapid rise in interest rates and the lack of adjustment in asset values has led to a severe contraction in the real estate market. Transaction volumes are down and the rental market is tight.

Against this backdrop, the Regional Banks have continued to finance all customers who have a viable project, and have rolled out an additional 0% interest rate product to support first-time home buyers.

Furthermore, half a million visitors visited the J'écorénove Mon Logement website, which aims to support and facilitate the energy transition of French homes.

HIGH-NET WORTH CUSTOMER MARKET

In 2023, the Regional Banks continued to grow (in terms of skills and business synergies) in a growing market that accounts for an ever-increasing share of retail savings.

The value proposition of the Regional Banks is improving (offerings, human resources) as they leverage the depth of their customer bases and their dominant positions in the SME, Agricultural and Corporates markets.

Against a backdrop of highly volatile markets, the Regional Banks are working to enhance the suitability of their advice for optimising customers' wealth.

All of these efforts are helping to consolidate the financial market share of the Regional Banks in a coveted market.

SAVINGS PRODUCTS AND SERVICES THAT SERVE THE INTEREST OF CUSTOMERS AND SOCIETY

In response to the financial and inflationary environment, Crédit Agricole is working to provide suitable advice and solutions for each of its customers by, for example:

- promoting regulated savings, in particular the Livret d'épargne populaire (passbook savings account) for eligible savers (31.5% of the Regional Banks' market share at end-September 2023);
- the home savings plan boosted by CA for customers wishing to combine an attractive return with preparing their home-buying plans;
- a broad range of "opportunity" savings (bond solutions with guaranteed or protected capital) suitable for all customer profiles, on all markets;
- enhanced access to passive management solutions (ETFs).

Crédit Agricole is systematically taking account of its customers' ESG preferences in the way it advises them, and is continuing to enhance its range of 'cause-based' savings products across all asset classes.

SMALL BUSINESS MARKET

In 2023, the small business market continued to grow despite inflation and international conflicts, driven by an ever-increasing number of entrepreneurs.

Against this backdrop, Crédit Agricole maintained its leadership position, with a customer satisfaction index of +14 (ranked third among traditional French banks). For the time being, customer default rates remain below pre-crisis levels (3.2% at end-2023).

To show its support for entrepreneurship, Crédit Agricole Group rolled out Propulse and EKO PRO, two new products designed to meet the strong growth in the market for micro-entrepreneurs and expectations regarding digital services. It has also stepped up its relations with healthcare partners to counter the exodus of doctors from certain regions and support multi-practitioner clinics. It has also invested in providing staff with training on associations (500,000 customers).

A number of products and services are currently being developed to support our customers' energy transition.

PUBLIC SECTOR AND THE SOCIAL ECONOMY

Against a backdrop of accelerating ecological and social change, the financial position of the players involved is changing. Regarding local authorities, despite the rise in expenditure, the situation remains healthy overall, and investment is continuing to grow. Looking ahead, the social housing sector is considered to be sound and well placed to meet the challenges of social housing production/refurbishment. However, occasionally, their financial position is constrained by the rise in the Livret A savings account rate.

1923-2023, 100 years of financing local authorities , during which the Group has supported the major transformations that local and regional authorities have undergone. Today, Crédit Agricole - which works with two in three local authorities - is broadening the scope of its support to include energy and societal changes, and is changing its approach to customers by positioning itself as a partner in local development.

Crédit Agricole is consolidating its position in the social housing sector as the second-largest private lender, tied with La Banque Postale, and is confirming its involvement with social landlords by financing one in every two social housing associations to support the energy renovation of social housing stock and promoting social inclusion.

With almost 558,000 customer associations (+3,090 new customers at end November 2023), Crédit Agricole supports nearly one in three associations. With a virtually stable market share (19.4%), lending grew (+4.2%) with risk kept under control, while savings continued to grow, reaching €15.5 billion.

CORPORATES MARKET

Crédit Agricole strengthened its position as a leading banker for businesses and their executives, with a commercial penetration rate of **38%** (*according to the Kantar barometer 2023*).

In addition, the Business NPS for 2023 rose to +24, placing Crédit Agricole in third place (+4 points vs. 2022) and reflecting the strong commitment of its sales teams to Excellence in Customer Relations.

Financing activity was at a high level, but slowed since May in an environment of tight liquidity and a less favourable economic climate, with:

- a 5% increase in loans outstanding to €98.3 billion at September 2023;
- MLT equipment loans at €11.7 billion (-6% vs 2022);
- a 12.7% share of the finance loan market at June 2023 (-2% from 2022).

Inflows constitute a major challenge that requires the support of our corporate relationship managers. The latest results show a significant fall in demand deposits and a sharp rise in term deposits and off-balance sheet deposits.

There is a strong momentum to launch new products and services in an ever-changing regulatory environment.

In response to the new regulations on paperless invoicing, a system was developed to support our customers in the transition to e-invoicing.

And, to support our customers as they make the transition - particularly in the area of energy efficiency - we launched new financing solutions, as well as a training/skills upgrade programme for our corporate relationship managers.

AGRICULTURE MARKET

In 2023, the agricultural sector showed resilience in the face of various challenges: geopolitical conflicts, soaring and volatile prices, carbon and agro-ecology, increasing unforeseeable climatic and health events, food sovereignty and generational renewal. In this ever-changing context, Crédit Agricole's Societal Project takes on its full meaning, with concrete work being done to support agricultural and food processing transitions, to shape France's Farming carbon chain and to promote food sovereignty.

Crédit Agricole is making progress and consolidating its leadership position, with a penetration rate that trended upwards to 84% in 2023.

2

REVIEW OF THE 2023 FINANCIAL POSITION AND PERFORMANCE

ACTIVITIES AND FINANCIAL INFORMATION

PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS OF THE 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 2023.

CHANGES IN THE SCOPE OF CONSOLIDATION

Changes in the scope of consolidation are described in Notes 2 and 13 to the consolidated financial statements for the year ended 31 December 2022.

ECONOMIC AND FINANCIAL ENVIRONMENT

OVERVIEW OF 2023

In 2023, the advanced economies showed unexpected resilience thanks to a range of shock absorbers, used to varying degrees, that included savings accumulated during the Covid pandemic, sound private balance sheets, a tight labour market, investment spurred by public policy and lower sensitivity to interest rate shock. These economies withstood persistently high inflation, severe monetary tightening and a disappointing recovery in China better than had been expected. They also continued to develop against a global backdrop of major geopolitical uncertainties, such as the ongoing war in Ukraine and the emergence of the Israeli-Palestinian conflict in October.

In the United States, in addition to surprisingly solid support from copious savings and the stimulus of President Biden's industrial policy, the key factor to this resilience was lower interest rate sensitivity. While growth continued to slow during the first half of the year (with annualised quarterly variations down to 2.1%), in the second half of the year it proved unexpectedly robust given the monetary tightening. As a result of the recovery in the second and third quarters (4.9% then 3.3% on an annualised quarterly basis), growth in 2023 averaged out at 2.5% (versus 1.9% in 2022). This good result was due to the resilience of consumer services and goods (contributing around one point and one-half point to growth respectively), in turn attributable to a sustained rise in real disposable income (4.2% on average) and a slightly lower savings rate (4% in the last quarter). Growth also got a boost from public spending and net external demand (with contributions to growth of almost 0.7 and 0.6 points respectively), but was hampered by private investment and supplies (resulting in the subtraction of 0.2 and 0.3 points respectively). Thanks to lower energy and food costs, headline inflation continued to decline (3.4% in the 12 months to December 2023 versus 6.5% one year earlier). This was despite a more limited decline in core inflation (3.9% in the 12 months to December 2023 versus 5.7% one year earlier). The Personal Consumption Expenditure index, the gauge used by the Federal Reserve [(1)], confirmed the disinflation trend, even though core inflation was persisting.

Inflation in the Eurozone spiralled in 2022 due to the rise in gas prices linked to the war in Ukraine, but it has since cooled considerably thanks to lower energy costs and a drop in food prices. Headline inflation fell significantly (from 9.2% in December 2022 to 2.9% in December 2023), while core inflation (excluding energy and unprocessed foods) remained more volatile (up by 3.9% in December 2023 versus 6.9% one year earlier). In December, the biggest contributor to the annual inflation rate was services (around +1.7 percentage points), while energy was a negative contributor (around -0.7 percentage points). Household consumption, hit hard by high inflation, initially stalled growth but then picked up in the second half of the year. In the third quarter, the negligible contribution of investment and net external demand coupled with the negative contribution of supplies overshadowed the positive contribution of household consumption. As a result, GDP fell by 0.1% during the quarter but remained relatively flat for the full year. This annual stagnation was the result of difficulties in Germany (-0.4% over the full year), in contrast to a moderate rise in Italy (0.1%) and a more marked increase in France (0.6%) and especially in Spain (1.8%). After a stagnant fourth quarter, the average growth rate for the Eurozone was 0.5% in 2023. With regard to France, annual growth is expected to be 0.9% in 2023.

The Central Banks have remained on high alert against a backdrop of activity that has been robust in the United States and less depressed than feared in the Eurozone, resilient labour markets and inflation still far from the 2% targets. Disinflation, which had fallen mechanically as a result of the positive base effects of energy and food prices, slowed, raising fears of price-wage spirals and more marked and lasting second-round effects. This led the Federal Reserve and the ECB to further strengthen their stance in combating inflation. Having raised the target range for the Fed funds interest rate by 425 basis points in 2022 to 4.25%-to-4.50%, the Federal Reserve maintained its monetary tightening, albeit less aggressively (100 basis points, taking the upper bound to 5.50% in July 2023). It also continued the quantitative tightening begun in June 2022 (non-reinvestment of securities reaching maturity). The ECB carried on with its own monetary tightening with increases totalling 200 basis points, having raised its key rates by 250 basis points in 2022. This put refinancing and deposit rates at 4.50% and 4% respectively from September 2023 onwards. After expanding its balance sheet (targeted longer-term refinancing transactions or TLTROs, the asset purchase programme or APP, and the pandemic emergency purchase programme or PEPP), the ECB continued its quantitative tightening (end of net asset purchases, TLTRO repayments) with the aim, all things being equal, of absorbing excess liquidity by 2029. The ECB nevertheless decided to continue to reinvest PEPP roll-off until the first half of 2024 – slightly longer than expected – before tapering it down and stopping it altogether at the end of 2024.

(1) Published together with the national accounts, the "Personal Consumption Expenditure" index measures the prices of goods and services purchased by households. In 2023, it was up by 2.7% in the fourth quarter (year-on-year) and by 3.7% on average (compared with 6.5% in 2022). Excluding energy and food, the core PCE was up 3.2% in the fourth quarter of 2023 (year-on-year) and by 4.1% on average (compared with 5.2% in 2023).

With regard to the bond markets, 2023 can be roughly divided into three parts. The markets began the year on an overly optimistic scenario that called for strong, sustained recovery in the Chinese economy, rapid normalisation of inflation and the imminent end of monetary tightening. Pressures on bonds (2- and 10-year swap rates) eased overall, despite a severe jolt in March linked to a disruption affecting the US banking system (bankruptcies of three US regional banks that were particularly exposed to new technologies and property). Persistent inflation, higher oil prices (OPEC's decision to cut production) and ongoing monetary tightening meant that market expectations failed to materialise and interest rates once again started on an upward trajectory before the Central Banks opted for monetary status quo in September. The hope that the tightening would finally come to an end, or at least ease quickly, fuelled a downward movement in interest rates.

Despite a fall at year-end, US two-year (4.25% at end-December 2023) and 10-year (3.90%) Treasury yields rose significantly in 2023: at 4.60% and 3.95% respectively, average rates were up by 160 and 100 basis points, accentuating the inversion of the curve for the full year. There was also a massive rise in European Treasury yields. German 2-year and 10-year yields averaged 2.90% and 2.45% respectively (up 215 and 130 basis points). At year-end, the Bund stood at around 2%, a year-on-year decline of almost 40 basis points. Although France's spread stabilised during the year at around 50 basis points above the Bund, spreads in Italy and Spain (95 and 170 basis points above the Bund respectively) contracted.

The equity markets, meanwhile, recorded a stellar performance, driven by more resilient growth and falling inflation, overshadowing a troubled global context and deferred monetary easing. With all bets on a soft landing, risk appetite was generally maintained, despite a tense and uncertain geopolitical climate, as reflected in average index gains (S&P 500 +24%, Eurostoxx 50 +17%, CAC 40 +14%). Lastly, the euro appreciated very slightly on average (+3%) against the dollar, which itself appreciated against the yen (+7%) and the yuan (+5%).

CRÉDIT AGRICOLE GROUP CONSOLIDATED RESULTS

For the full year 2023, the stated net income Group share amounted to €8,258 million, versus €7,997 million for the full year 2022, an increase of +3.3%.

Specific items for 2023 had a positive impact of +€611 million on stated net income Group share and were composed of +€331 million in recurring accounting items and +€280 million in non-recurring items. The recurring items mainly correspond to the reversal of the Home Purchase Saving Plans provision for +€360 million, as well as the accounting volatility items of the Large Customers division (the DVA for -€11 million and loan book hedging for -€18 million). The non-recurring items are related to the reorganisation of the Mobility activities [(1)] of the Specialised Financial Services division (+€176 million) and the reversal of provision for the Cheque Image Exchange fine (+€104 million).

(in millions of euros)	2023 stated	2022 stated [(1)]	Δ 2023/2022 stated	2023 underlying	2022 underlying [(1)]	Δ 2023/2022 underlying
Revenues	**36,492**	**34,804**	**+4.8%**	**35,641**	**34,324**	**+3.8%**
Operating expenses excl. SRF	(21,464)	(20,304)	+5.7%	(21,450)	(20,130)	+6.6%
SRF	(620)	(803)	-22.8%	(620)	(803)	-22.8%
GROSS OPERATING INCOME	**14,408**	**13,698**	**+5.2%**	**13,572**	**13,392**	**+1.3%**
Cost of risk	(2,941)	(2,892)	+1.7%	(2,856)	(2,697)	+5.9%
Cost of legal risk			n.m.	(0)		n.m.
Equity-accounted entities	263	419	-37.2%	302	427	-29.4%
Net income on other assets	88	28	x 3.1	(1)	28	n.m.
Change in value of goodwill	2		n.m.	(9)		n.m.
INCOME BEFORE TAX	**11,821**	**11,253**	**+5.0%**	**11,007**	**11,150**	**-1.3%**
Tax	(2,748)	(2,647)	+3.8%	(2,545)	(2,706)	-5.9%
Net income from discontinued or held-for-sale operations	(3)	121	n.m.	(3)	40	n.m.
NET INCOME	**9,071**	**8,727**	**+3.9%**	**8,459**	**8,484**	**-0.3%**
Non controlling interests	(813)	(729)	+11.4%	(813)	(722)	+12.5%
NET INCOME GROUP SHARE	**8,258**	**7,997**	**+3.3%**	**7,647**	**7,762**	**-1.5%**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**58.8%**	**58.3%**	**+0.5 pp**	**60.2%**	**58.6%**	**+1.5 pp**

(1) The data up to 31 December 2022 were restated after IFRS 17 came into force.

(1) Specific (one-off) items impacted the 2023 net income of the SFS division and CACF as follows: +€176 million in net income Group share (of which €300 million on revenues, -€14 million on operating expenses, -€85 million on the cost of risk, -€39 million on the net income of equity-accounted entities; +€89 million on gains from other assets, +€12 million on badwill and -€87 million on tax).

Excluding specific items, **underlying net income Group share** amounted to **€7,647 million,** down -1.5% compared with full year 2022.

Underlying revenues totalled €35,641 million, up **+3.8%** compared with 2022. This increase was due to very high revenues across all the business lines in the Asset Gathering division, the line-by-line integration of CA Auto Bank in the Specialised Financial Services division, a very high level of revenues in the Large Customers division and the higher net interest margin in the International Retail Banking division; by contrast, revenues in the French Retail Banking division were affected by the lower interest margin.

Underlying operating expenses excluding SRF amounted to -€21,450 million, up +6.6% compared with 2022, mainly including the scope effect relating to the line-by-line consolidation of CA Auto Bank within the Specialised Financial Services division since the second quarter of 2023, the consolidation of the operations of ISB within the Asset Servicing division since the third quarter of 2023, and the first consolidation of CATE into the Corporate Centre division in the fourth quarter of 2023. The remainder of the increase was due to higher staff costs in an inflationary environment, variable compensation linked to business performance, and higher IT expenses. The underlying cost/income ratio excluding SRF was 60.2%, up +1.5 percentage points compared with that of 2022. The SRF totalled -€620 million in 2023, down -22.8% compared to 2022. Underlying **gross operating income** totalled €13,572 million, up +1.3% compared with 2022.

The underlying cost of risk was -€2,856 million (including -€220 million in cost of risk on performing loans (Stages 1 and 2), -€2,554 million in cost of proven risk (Stage 3) and -€82 million in other risks, i.e. an increase of +5.9% compared with 2022.

In 2023, risk indicators confirmed 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 (32% of gross outstandings). Loan loss reserves amounted to €20.7 billion (€11.1 billion for Regional Banks), 42% of which represented provisioning of performing loans (48% for Regional Banks). The loan loss reserves for performing loans have increased at Group level by +€3.3 billion since the fourth quarter of 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 (82.6% at the end of December 2023) among the largest European banks.

Underlying income before tax, discontinued operations and non-controlling interests came to €11,007 million, down slightly by -1.3% compared with 2022.

The tax charge was €2,545 million, down by -5.9%, with an underlying effective tax rate of 23.8%.

Underlying net income Group share thus came to €7,647 million, down by -1.5% compared with 2022.

(1) Source: Analysis based on 31 December 2023 reporting on customer loans, Stage 3 outstandings and Stages 1, 2 and 3 provisions for Crédit Agricole S.A., Crédit Agricole Group, Banco Santander, BNP Paribas, Deutsche Bank, ING, UBS, Groupe BPCE and Unicredit and at 30 September 2023 for Société Générale, Standard Chartered, Barclays, and HSBC.

The specific items that had an impact on Crédit Agricole Group's financial statements in 2022 and 2023 are as follows:

(in millions of euros)	2023 Gross impact [(1)]	2023 Impact on net income	2022 Gross impact [(1)]	2022 Impact on net income
DVA (LC)	(15)	(11)	(19)	(14)
Loan portfolio hedges (LC)	(24)	(18)	21	16
Home Purchase Savings Plans (LCL)	58	43	34	26
Home Purchase Savings Plans (CC)	236	175	53	39
Home Purchase Savings Plans (RB)	192	142	412	306
Reclassification of held-for-sale operations – NBI (IRB)	-	-	0	0
Mobility activities reorganisation (SFS)	300	214	-	-
Exceptional provisioning on moratoria Poland (IRB)	-	-	(21)	(17)
Check Image Exchange penalty (CC)	42	42	-	-
Check Image Exchange penalty (LCL)	21	21	-	-
Check Image Exchange penalty (RB)	42	42	-	-
TOTAL IMPACT ON REVENUES	**851**	**650**	**480**	**355**
Creval integration costs (IRB)	-	-	(30)	(18)
Lyxor integration costs (AG)	-	-	(59)	(31)
CAGIP Transformation costs (CC)	-	-	(20)	(15)
Mobility activities reorganisation (SFS)	(14)	(10)	-	-
CAGIP Transformation costs (RB)	-	-	(30)	(22)
Donation for illiteracy (RB)	-	-	(35)	(26)
Reclassification of held-for-sale operations – Costs (IRB)	-	-	(0)	(0)
TOTAL IMPACT ON OPERATING EXPENSES	**(14)**	**(10)**	**(174)**	**(111)**
Mobility activities reorganisation (SFS)	(85)	(61)	-	-
Provision for own equity risk Ukraine (IRB)	-	-	(195)	(195)
TOTAL IMPACT ON COST OF CREDIT RISK	**(85)**	**(61)**	**(195)**	**(195)**
CACF/Stellantis transformation costs (SFS)	(8)	(16)	-	-
Mobility activities reorganisation (SFS)	-	-	5	5
TOTAL IMPACT EQUITY-ACCOUNTED ENTITIES	**(8)**	**(16)**	**5**	**5**
Mobility activities reorganisation (SFS)	89	57	-	-
TOTAL IMPACT ON NET INCOME ON OTHER ASSETS	**89**	**57**	**-**	**-**
Mobility activities reorganisation (SFS)	12	12	-	-
TOTAL IMPACT ON CHANGE OF VALUE OF GOODWILL	**12**	**12**	**-**	**-**
Mobility activities reorganisation (SFS)	-	3	-	-
"Affrancamento / reallineamento" gain (IRB)	-	-	146	126
TOTAL IMPACT ON TAX	**-**	**3**	**146**	**126**
Capital gain La Médicale (AG)	-	-	101	101
Reclassification of held-for-sale operations Crédit du Maroc (IRB)	-	-	(14)	(14)
Reclassification of held-for-sale operations (IRB)	-	-	(7)	(10)
TOTAL IMPACT ON NET INCOME FROM DISCOUNTED OR HELD-FOR SALE OPERATIONS	**-**	**-**	**80**	**77**
TOTAL IMPACT OF SPECIFIC ITEMS	**814**	**611**	**330**	**236**
Asset Gathering	-	-	42	70
French Retail Banking	312	248	382	283
International Retail Banking	-	-	(121)	(128)
Specialised Financial Services	263	176	(8)	(16)
Large Customers	(39)	(29)	2	1
Corporate Centre	277	216	32	24

(1) Impact before tax and before minority interests.

SOLVENCY

As of 31 December 2023, the phased-in Common Equity Tier 1 (CET1) ratio of Crédit Agricole Group was 17.5%. Consequently, Crédit Agricole Group had a substantial buffer of 8.2 percentage points between the level of its CET1 ratio and the SREP requirement of 9.3%, which is the largest SREP gap among European G-SIBs [(1)]. The fully loaded CET1 ratio is 17.4%.

For the full year, the phased-in CET1 was relatively unchanged with retained earnings generating +100 basis points in the face of organic business-line growth of -72 basis points, an impact of Group acquisitions and partnerships of -9 basis points, and a methodology and other effects of +1 basis point. The Group's equity transactions also had an adverse impact on the Group's CET1 ratio this year of -23 basis points. This corresponds mainly to the anticipation since third quarter 2023 of the impact of the purchase by SAS Rue La Boétie of Crédit Agricole S.A. shares (-17 basis points).

The phased-in Tier 1 ratio stood at 18.5% and the phased-in total ratio was 21.1% at end December 2023.

The phased-in leverage ratio stood at 5.5%, well above the regulatory requirement of 3.5%. In addition to the minimum requirement of 3% in effect since 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, which amounts to 0.5% for the Crédit Agricole Group.

Crédit Agricole Group's risk-weighted assets amounted to €609.9 billion, an increase of €35.3 billion over the year, linked to the growth of the risk-weighted assets from the equity-accounted value of Insurance for €14.2 billion, including €7.6 billion after IFRS 17 came into force and €3.9 billion related to the change in the regulatory treatment of the goodwill of Crédit Agricole Assurances subsidiaries. The contribution of other business lines (including foreign exchange impact) amounted to €23.4 billion. This included an increase of €12.5 billion in the risk-weighted assets of Retail Banking including €8.3 billion in Regional Banks, an increase of €9.0 billion for Specialised Financial Services mainly due to activity linked to the launch of Crédit Agricole Auto Bank, an increase in the Corporate Centre division (€4.0 billion) mainly impacted by a temporary foreign exchange position with a view to a USD AT1 call in January 2024, and an increase in the Asset Gathering division (€1.7 billion). This increase was slightly offset by a decrease in risk-weighted assets in the Large Customers division of -€3.8 billion, including -€1.3 billion in positive foreign exchange impact. The mergers and acquisitions contributed €2.9 billion to the growth of RWAs and relate to different operations carried out over the year, including the acquisition of RBC IS Europe by CACEIS, the reorganisation of the partnership between Stellantis and Crédit Agricole Consumer Finance as well as the acquisition of ALD/LeasePlan activities by the latter. In addition, methodology and regulatory effects (excluding cumulated impacts relating to Insurance) have had a positive effect of -€5.2 billion, with -€2.4 billion linked to the Capital Markets.

MAXIMUM DISTRIBUTABLE AMOUNT (MDA) TRIGGER THRESHOLD

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 2023, Crédit Agricole Group posted a buffer of 742 basis points above the MDA trigger, i.e. €45 billion in CET1 capital.

At 31 December 2023, Crédit Agricole S.A. posted a buffer of 323 basis points above the MDA trigger, i.e. €13 billion in CET1 capital.

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).

At 31 December 2023, **Crédit Agricole Group** posted a buffer of **196 basis points above the L-MDA trigger, i.e. €40 billion in Tier 1 capital.**

TLAC

Crédit Agricole Group must comply with 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 0.42% at 31 December 2023). Considering the combined capital buffer requirement, the Crédit Agricole Group must adhere to a TLAC ratio of above 21.9%;
- 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 2023, Crédit Agricole Group's TLAC ratio stood at 26.9% of RWA and 8.0% of leverage ratio exposure, excluding eligible senior preferred debt [(2)], which is well above the requirements.

The Group thus has a TLAC ratio excluding eligible senior preferred debt that is 500 basis points higher, i.e. €30 billion, than the current requirement of 21.9% of RWA.

For full-year 2023, €6.5 billion equivalent was issued in the market (senior non-preferred and Tier 2 debt) on top of the €1.25 billion of AT1. At end December, the amount of Crédit Agricole Group senior non-preferred securities taken into account in the calculation of the TLAC ratio was €28.9 billion.

MREL

The required minimum levels are set by decisions of resolution authorities and then communicated to each institution, then revised periodically. Since 1 January 2022, the Crédit Agricole Group has to meet a minimum total 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 0.42% for the Crédit Agricole Group at 31 December 2023). Considering the combined capital buffer requirement, the Crédit Agricole Group must adhere to a total MREL ratio of above 25.0%;
- 6.02% of the Leverage Ratio Exposure (LRE).

At 31 December 2023, Crédit Agricole Group had a MREL ratio of 32.1% of RWA and 9.5% of leverage exposure, well above the total MREL requirement.

(1) Based on public data of the 11 European G-SIBs as at 31 December 2023 for CAG, BNPP, BPCE, Deutsche Bank, ING, Santander, UBS and as at 30 September 2023 for Barclays, HSBC, Société Générale and Standard Chartered. Distance to SREP or requirement in CET1 equivalent.

(2) 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 2023.

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. At 31 December 2023, 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 2023, Crédit Agricole Group had a buffer of 500 basis points above the M-MDA trigger, taking into account the TLAC requirement applicable at 31 December 2023, i.e. €30 billion of CET1 capital.

From 1 January 2024, Crédit Agricole Group will be required to comply with the following MREL requirements:

- total MREL: 21.71% of RWA (plus a combined capital buffer requirement) and 6.13% of leverage ratio exposure;
- subordinated MREL: 17.14% of RWA (plus a combined capital buffer requirement) and 6.13% of leverage ratio exposure.

LIQUIDITY

Liquidity is measured at Crédit Agricole Group level.

The Crédit Agricole Group's liquidity position is solid. Standing at €1,698 billion at 31 December 2023, the Group's banking cash balance sheet shows a surplus of available stable sources of funding over the required amount of stable funding of €190 billion, down €23 billion compared with end-December 2022 after repayment of the TLTRO III (€68 billion).

Total TLTRO III outstandings for Crédit Agricole Group amounted to €26.8 billion [(1)] at 31 December 2023.

The Group's liquidity reserves, at market value and after haircuts, amounted to €445 billion at 31 December 2023, down by €22 billion compared to 31 December 2022. They covered short-term net debt more than two times over (excluding the replacements with Central Banks).

At end-December 2023, 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 €339.7 billion for Crédit Agricole Group and at €309.2 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 €235.5 billion for Crédit Agricole Group and at €216.7 billion for Crédit Agricole S.A.

The average LCRs over 12 months for Crédit Agricole Group and Crédit Agricole S.A. were respectively 144.3% and 142.7% at end-December 2023. The LCR ratios at 31 December 2023 were respectively 140.8% for Crédit Agricole Group and 142.3% for Crédit Agricole S.A. They were higher than the Medium-Term Plan target (around 110%) and the minimum regulatory requirement of 100% (since 1 January 2018).

In addition, the NSFR ratios at 31 December 2023 were respectively at 116.8% for Crédit Agricole Group and 111.8% for Crédit Agricole S.A., and exceeded the Medium-Term Plan target and the regulatory requirement of 100% (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 2023, the Group's main issuers raised the equivalent of €58.4 billion [(2)], in medium/long-term debt on the markets, 45% of which was issued by Crédit Agricole S.A.

Notable events for the Group in 2023 were as follows:

- Crédit Agricole CIB issued €15 billion in structured format;
- Crédit Agricole Consumer Finance issued €7.0 billion in the form of ABS securitisations and €2.5 billion equivalent in EMTN issues through Crédit Agricole Auto Bank (CAAB);
- Crédit Agricole Leasing and Factoring issued €350 million in ABS securitisations;
- CA Italy issued €1 billion at six-year senior secured format in June;
- Crédit Agricole next bank (Switzerland) issued 350 million Swiss francs in senior secured format in 2023;
- Crédit Agricole Assurances issued a 10-year Tier 2 for €500 million and made a tender offer on two subordinated perpetual issues (FR0012444750 & FR0012222297) for €500 million in October.

The Group's medium-to-long-term financing can be broken down into the following categories:

- €16.2 billion in secured financing;
- €23.2 billion in plain-vanilla unsecured financing;
- €15 billion in structured financing;
- €4.1 billion in long-term institutional deposits and CDs.

In addition, €27.8 billion was raised through off-market issuances, split as follows:

- €20.3 billion from banking networks (the Group's retail banking or external networks);
- €6.1 billion from supranational organisations or financial institutions;
- €1.4 billion from national refinancing vehicles (including the credit institution CRH).

In 2023, Crédit Agricole S.A. raised the equivalent of €26.2 billion [(2)] through the open market:

The bank raised the equivalent of €26.2 billion, of which €4.8 billion in senior non-preferred debt, €1.7 billion in Tier 2 debt, €12.2 billion in senior preferred debt and €7.5 billion in senior secured debt. The financing comprised a variety of formats and currencies:

- €8.5 billion [(3)];
- 5.85 billion US dollars (€5.5 billion equivalent);
- 1.3 billion pounds sterling (€1.4 billion equivalent);
- 177 billion Japanese yen [(3)] (€1.2 billion equivalent);
- 0.6 billion Swiss francs (€0.6 billion equivalent);
- 0.9 billion Australian dollars (€0.6 billion equivalent);
- 0.9 billion Singapore dollars (€0.6 billion equivalent);
- 1.0 billion Hong-Kong dollars (€0.1 billion equivalent);
- 2.0 billion Chinese yuan (€0.3 billion equivalent).

(1) Including CA Auto Bank.
(2) Gross amount before buy-backs and amortisations, excluding AT1 issuances.
(3) Excl. senior secured debt.

Since the beginning of the year, Crédit Agricole S.A. MLT issued 54% of its refinancing in currencies other than EUR [(1)].

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%.

The 2024 MLT market funding programme was set at €26 billion, of which €17 billion was in senior preferred or senior secured debt and €9 billion in senior non-preferred or Tier 2 debt. The programme was 35% completed at 31 January 2024.

On 2 January 2024, Crédit Agricole S.A. issued a PerpNC6.2 AT1 bond for €1.25 billion at an initial rate of 6.5%.

Finally, Crédit Agricole updated its Green Bond Framework in November 2023 and has since carried out two market issues in green format (in senior non-preferred and senior secured format) for a total amount of €2.5 billion.

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

CONTRIBUTION OF BUSINESS LINES TO NET INCOME GROUP SHARE OF CRÉDIT AGRICOLE

(in millions of euros)	2023 stated	2022 stated [(1)]
Retail Banking in France	2,630	3,538
International Retail Banking	780	327
Asset Gathering and Insurance	2,566	2,318
Large Customers	2,056	1,739
Specialised Financial Services (SFS)	851	751
Corporate Centre	(625)	(674)
TOTAL	**8,258**	**7,997**

(1) The data up to 31 December 2022 were restated after IFRS 17 came into force.

Unless mentioned otherwise, the results by business will be commented on the basis of the stated results.

RETAIL BANKING IN FRANCE – REGIONAL BANKS

(in millions of euros)	2023 stated	2022 stated [(1)]	Δ 2023/2022 stated	2023 underlying	2022 underlying [(1)]	Δ 2023/2022 underlying
Revenues	**13,259**	**14,156**	**-6.3%**	**13,025**	**13,744**	**-5.2%**
Operating expenses excl. SRF	(9,702)	(9,441)	+2.8%	(9,702)	(9,377)	+3.5%
SRF	(111)	(156)	-28.7%	(111)	(156)	-28.7%
GROSS OPERATING INCOME	**3,446**	**4,560**	**-24.4%**	**3,213**	**4,212**	**-23.7%**
Cost of risk	(1,152)	(1,137)	+1.4%	(1,152)	(1,137)	+1.4%
Equity-accounted entities	9	5	+65.3%	9	5	+65.3%
Net income on other assets	5	24	-78.4%	5	24	-78.4%
INCOME BEFORE TAX	**2,308**	**3,452**	**-33.1%**	**2,074**	**3,104**	**-33.2%**
Tax	(551)	(845)	-34.8%	(502)	(755)	-33.5%
Net income from discounted or held-for-sale operations	(0)	(0)	×6.7	(0)	(0)	×6.7
NET INCOME	**1,756**	**2,607**	**-32.6%**	**1,572**	**2,349**	**-33.1%**
Non controlling interests	(0)	(1)	-28.1%	(0)	(1)	-28.1%
NET INCOME GROUP SHARE	**1,756**	**2,606**	**-32.6%**	**1,572**	**2,349**	**-33.1%**
COST/INCOME RATIO EXCL. SRF (%)	**73.2%**	**66.7%**	**+6.5 pp**	**74.5%**	**68.2%**	**+6.3 pp**

(1) The data as of 31 December 2022 were restated after IFRS 17 came into force.

In 2023, **gross customer capture was positive** with +1.1 million new customers [(2)]. The customer base of the Regional Banks was marked by the high percentage of customers using their current accounts as their main account, at 76.1% [(3)] (up 2 percentage points over the last three years), and by the high proportion of digital customers, at 76.9% [(4)]. The payment card stock was up by +1.7% year-on-year, 14.8% of which was made up of premium cards.

(1) Excl. senior secured debt and excl. AT1 issuances.
(2) The customer base grew by +7,000 new customers in 2023.
(3) Percentage of demand deposits of individual customers aged 18 or over with more than 120 flows over the past 12 months, calculated based on all customers.
(4) Percentage of individual customers aged 18 or over with an active demand deposit account, with at least one synchronisation on Ma Banque or who have visited the new Crédit Agricole En Ligne customer portal during the month.

Loan production was down -28.6% compared with the fourth quarter of 2022. The drop was sharp for home loans (-40.8% compared to the fourth quarter of 2022). **Loan outstandings** stood at €646.2 billion at end-December 2023 (+2.4% compared with end-December 2022), driven by the corporate market (+2.6% compared with the fourth quarter of 2022). **Total customer assets** rose by +3.9% year on year to €888.0 billion at end-December 2023. This growth was mainly driven by on-balance sheet deposits, which reached €595.8 billion at end-December 2023, up +3.3% compared with end-December 2022. Off-balance sheet customer assets totalled €292.2 billion at end-December 2023, up +5.0% year-on-year, driven by net inflows, particularly on unit-linked bonds, and positive market effects.

The Regional Banks' contribution to the results of Crédit Agricole Group in 2023 amounted to €1,756 million (-32.6%) in stated net income Group share, with revenues of €13,259 million (-6.3%) and a cost of risk of -€1,152 million (+1.4%).

In 2023, revenues including the SAS Rue La Boétie dividend amounted to €14,792 million, down -4.7% compared with 2022. Net interest margin, excluding the reversal of Home Purchase Savings Plans provisions, was down -27.6% over the full year. It was adversely affected by higher refinancing costs, which rose faster than the gradual repricing of new loan production. Portfolio revenues were up due to the positive market effect, and fee and commission income was up +3.7% in 2023. Operating expenses posted a controlled increase of +2.1% in 2023. Gross operating income was down as a result by -15.4% over 2023 to €5,061 million. The cost of risk remained stable over the full year, rising by +1.3% to €1,155 million. **The Regional Banks' net income Group share, including SAS Rue La Boétie's dividend,** amounted to €3,386 million, down -15.9% over the full year 2023.

RETAIL BANKING IN FRANCE (LCL)

RETAIL BANKING IN FRANCE (LCL) – CONTRIBUTION TO RESULTS, STATED AND UNDERLYING 2023

(in millions of euros)	2023 stated	2022 stated (1)	Δ 2023/2022 stated	2023 underlying	2022 underlying (1)	Δ 2023/2022 underlying
Revenues	**3,850**	**3,851**	**-0.0%**	**3,772**	**3,817**	**-1.2%**
Operating expenses excl. SRF	(2,396)	(2,321)	+3.3%	(2,396)	(2,321)	+3.3%
SRF	(44)	(69)	-35.5%	(44)	(69)	-35.5%
GROSS OPERATING INCOME	1,410	1,462	-3.5%	1,331	1,427	-6.7%
Cost of risk	(301)	(237)	+27.1%	(301)	(237)	+27.1%
Net income on other assets	21	8	×2.8	21	8	×2.8
INCOME BEFORE TAX	1,130	1,232	-8.3%	1,051	1,198	-12.3%
Tax	(256)	(300)	-14.9%	(241)	(292)	-17.4%
NET INCOME	874	932	-6.2%	810	906	-10.6%
Non controlling interests	(0)	(0)	-66.9%	(0)	(0)	-66.9%
NET INCOME GROUP SHARE	**874**	**932**	**-6.2%**	**810**	**906**	**-10.6%**
COST/INCOME RATIO EXCL. SRF (%)	**62.2%**	**60.3%**	**+2.0 pp**	**63.5%**	**60.8%**	**+2.7 pp**

(1) The data as of 31 December 2022 were restated after IFRS 17 came into force.

Outstanding loans totalled €168.8 billion at end December 2023, up +2.7% from end December 2022, of which +3.4% for home loans, +3.8% for loans to professionals, +0.5% for corporate loans and +0.5% for consumer finance. Customer assets, which stood at €247.6 billion at end-September 2023, were also up, by +5.3% compared to end-December 2022, driven by on-balance sheet deposits (+7.0%) linked to growth in term deposits (+94.0% compared to end-December 2022) and passbook accounts / remunerated sight deposits (+9.3% compared to end-December 2022), with off-balance sheet savings also up compared to end-December 2022 (+2.2%), driven by positive market effects.

Gross customer capture stood at 331,000 new customers and net customer capture at 41,000 customers. The equipment rate for car, multi-risk home, health, legal, all mobile phones or personal accident insurance rose year-on-year by +0.4 percentage points compared to the fourth quarter of 2022 to stand at 27.5% at end December 2023.

For the year 2023, LCL's revenues were stable compared to 2022, at €3,850 million, due to the contraction in the net interest margin (-6.4%) against a backdrop of higher refinancing and funding costs, offset by an increase in fee and commission income (+4.5%), particularly for life and property and casualty insurance and payment instruments. Expenses excluding SRF showed a moderate increase (+3.3%), driven mainly by staff costs, and the cost/income ratio excluding SRF remained under control (+2.0 percentage points) at 62.2%, in line with LCL's MTP target of below 65%. As a result, gross operating income fell by -3.5% and the cost of risk rose by +27.1%, linked to the normalisation of credit risk. All in all, the business line's contribution to net income Group share stood at €874 million and was down -6.2%.

The business line contributed 10% of the underlying net income Group share of Crédit Agricole Group's core businesses (excluding the Corporate Centre division) and 10% of the underlying revenues excluding the Corporate Centre.

INTERNATIONAL RETAIL BANKING [1]

Within the scope of International Retail Banking, the controlling interest in Crédit du Maroc was sold in fourth quarter 2022, after its classification under IFRS 5 in first quarter 2022 (the residual 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 2023

(in millions of euros)	2023 stated	2022 stated [1]	Δ 2023/2022 stated	2023 underlying	2022 underlying [1]	Δ 2023/2022 underlying
Revenues	**4,040**	**3,373**	**+19.8%**	**4,040**	**3,394**	**+19.0%**
Operating expenses excl. SRF	(2,189)	(2,131)	+2.7%	(2,189)	(2,100)	+4.2%
SRF	(40)	(38)	+4.9%	(40)	(38)	+4.9%
GROSS OPERATING INCOME	**1,811**	**1,204**	**+50.4%**	**1,811**	**1,256**	**+44.2%**
Cost of risk	(463)	(701)	-33.9%	(463)	(506)	-8.4%
Equity-accounted entities	1	2	-33.5%	1	2	-33.5%
Net income on other assets	3	7	-55.7%	3	7	-55.7%
INCOME BEFORE TAX	**1,353**	**513**	**×2.6**	**1,353**	**760**	**+78.1%**
Tax	(425)	(67)	×6.4	(425)	(227)	+87.2%
Net income from discontinued or held-for-sale operations	(3)	(7)	-51.8%	(3)	14	ns
NET INCOME	**924**	**439**	**×2.1**	**924**	**546**	**+69.2%**
Non controlling interests	(145)	(113)	+28.2%	(145)	(92)	+57.2%
NET INCOME GROUP SHARE	**780**	**327**	**×2.4**	**780**	**454**	**+71.7%**
COST/INCOME RATIO EXCL. SRF (%)	**54.2%**	**63.2%**	**-9.0 pp**	**54.2%**	**61.9%**	**-7.7 pp**

(1) The data as of 31 December 2022 were restated after IFRS 17 came into force.

For 2023, International Retail Banking revenues rose by 19.8% to €4,040 million. This increase was driven by the strong performance of the net interest margin during the period, in line with the very positive interest rate environment. Costs excluding SRF remained under control, despite inflationary pressures, at -€2,189 million, a slight increase from 2022 (2.5%). These benefited from a base effect with Creval integration costs adjusted to underlying in 2022 for -€30 million. The SRF totalled €40 million for the year, up +4.9% compared to 2023. Gross operating income stood at €1,811 million, up 50.4%. Cost of risk fell by -33.9% to -€463 million compared with 2022. This was mainly due to the prudential provisioning for Ukraine risk, which was restated to underlying income for the first quarter of 2022 [2]. In total, net income Group share of International Retail Banking amounted to €780 million, versus €327 million in 2022. Lastly, it should be noted that an *affrancamento*-related tax gain boosted net income Group share in Italy in 2022 by €114 million. This was partially offset by a -€14-million provision recognised against Crédit du Maroc [3].

In 2023, International Retail Banking contributed 9% to the underlying net income Group share of the Crédit Agricole Group core businesses (excluding the Corporate Centre division) and 10% to underlying revenues excluding the Corporate Centre division.

ITALY

CA Italy's activity was strong in 2023. Gross customer capture for the year reached 175,000 new customers, while the customer base grew by 58,000 customers. The equipment rate for property and casualty insurance [4] continued to rise (+2.0 percentage points compared with the fourth quarter 2022 including Creval) to stand at 18.8%.

Crédit Agricole Italy was the Italian universal bank with the highest Net Promoter Score in 2023 [5], confirming the high level of satisfaction of its customers.

In parallel, loan outstandings at CA Italy stood at €61.1 billion [6] at end December 2023, up +2.8% compared with end December 2022, contrasting with the downward trend in the Italian market [7]. The increase in business loan outstandings was also particularly strong, up +6% compared to end-December 2022, driven by very dynamic production, which rose by +38% compared to the fourth quarter of 2022.

Finally, customer assets stood at €115.8 billion at end-December 2023, up +3.5% compared to end-December 2022. In particular, on-balance sheet deposits improved by +5.4% compared with end-December 2022, mainly driven by term savings. Off-balance sheet deposits were up +1.1% compared to end-December 2022, despite competition from Italian sovereign debt.

(1) At 31 December 2023 this scope includes the entities CA Italy, CA Polska, CA Egypt and CA Ukraine.
(2) Provisioning of -€195 million for the risk relating to Ukraine, restated to underlying income for Q1 2022.
(3) Control of Crédit du Maroc was sold in fourth quarter 2022 after the transition to IFRS 5 in first quarter 2022 (disposal of 63.7%, with the remaining 15% stake being recognised under IFRS 5).
(4) Car, home, health, legal, all mobile phones, or personal accident insurance.
(5) Source: Doxa study, October 2023.
(6) Net of POCI outstandings.
(7) Source: Abi Monthly Outlook, January 24: -3.9% December/December for all loans.

For full-year 2023, revenues for Crédit Agricole Italy rose +18.7% to €3,018 million. This sharp increase was largely due to the strong performance of the net interest margin during the year, in line with higher interest rates. Operating expenses excluding SRF were under control in an inflationary environment at €1,662 million, up slightly by +2% compared to 2022, and up +3.9% once adjusted for the Creval integration costs of -€30 million recorded in 2022. The SRF totalled €40 million for the year, up +4.9% compared to 2023. Gross operating income stood at €1,316 million, an increase of +50.4% versus 2022 (+45.4% after adjustment for the Creval integration costs in 2022). Cost of risk increased slightly by +5.8% from 2022 to -€330 million. Cost of risk/outstandings was 55 basis points [1], the coverage ratio remained high at 69.7% and the non-performing loans ratio was 3.5%. Pre-tax income amounted to €990 million in 2023, up by +73% on 2022. The tax charge was -€296 million. Note that in 2022, a non-recurring tax gain related to Italy's *affrancamento* was recognised and restated in underlying income in the amount of +€146 million in the fourth quarter. Net income Group share for CA Italy was €598 million, up 24.9% compared to 2022.

INTERNATIONAL RETAIL BANKING – EXCLUDING ITALY [2]

The scope of this division at end-December 2023 included Egypt, Poland and Ukraine. Control of Crédit du Maroc was sold in the fourth quarter of 2022 after the transition to IFRS 5 in the first quarter of 2022 (the remaining stake being recognised under IFRS 5).

For International Retail Banking excluding Italy, commercial activity was extremely brisk in Poland and Egypt.

The International Retail Banking business in Poland, Egypt and Ukraine had loan outstandings of €7.3 billion at end-December 2023, up +6.5% compared to end-December 2022, mainly driven by Poland and Egypt. Total customer assets stood at €11.9 billion, up +15.2% compared to end-December 2022.

At constant exchange rates, in Poland and Egypt, loan outstandings were sharply up +9.5% compared with end December 2022. Customer assets rose +12% over the same period at constant exchange rates. In Poland, loan outstandings increased by +7% compared to December 2022, with very buoyant activity for all segments. On-balance sheet deposits grew by +4.0%. In Egypt, loan outstandings rose by +22% at constant exchange rates compared with end December 2022, driven by a sharp increase in production. Strong growth was recorded in on-balance sheet deposits, up +39% at constant exchange rates compared with end December 2023.

The surplus of deposits for loans in Poland and Egypt amounted to €2.6 billion at 31 December 2023, and reached €4.1 billion when including the Ukraine scope [3].

In 2023, revenues for International Retail Banking excluding Italy totalled €1,022 million, up +23.1% compared to 2022, driven by the increase in the net interest margin in Poland and Egypt and a lower cost of risk. Operating expenses excluding SRF showed a moderate rise for the year of 5.2% against inflationary pressures and came in at -€527 million. Therefore, gross operating income stood at €496 million, an increase of 50.4% compared to 2022. Cost of risk stood at -€133 million, a decrease of -65.7% compared with 2022, which had been impacted by the provisioning of -€195 million for Ukraine, adjusted to underlying income for the first quarter of 2022. Income from discontinued operations totalled -€3 million at end 2023. Note that in 2022, a provision of -€14 million had been recognised against Crédit du Maroc [4] and reclassified to specific items. The contribution of International Retail Banking excluding Italy to net income Group share was €181 million in 2023 (versus -€152 million in 2022, impacted for the most part by provisioning for Ukraine), a highest historical level.

ASSET GATHERING DIVISION

The Asset Gathering division encompasses Insurance (Crédit Agricole Assurances), Asset management (Amundi) and Wealth management (CA Indosuez Wealth Management).

ASSET GATHERING (AG) – CONTRIBUTION TO RESULTS, STATED AND UNDERLYING 2023

(in millions of euros)	2023 stated	2022 stated [(1)]	Δ 2023/2022 stated	2023 underlying	2022 underlying [(1)]	Δ 2023/2022 underlying
Revenues	**6,693**	**6,290**	**+6.4%**	**6,693**	**6,290**	**+6.4%**
Operating expenses	(2,874)	(2,791)	+3.0%	(2,874)	(2,732)	+5.2%
SRF	(6)	(7)	-14.8%	(6)	(7)	-14.8%
GROSS OPERATING INCOME	**3,813**	**3,492**	**+9.2%**	**3,813**	**3,551**	**+7.4%**
Cost of risk	(5)	(17)	-68.1%	(5)	(17)	-68.1%
Equity-accounted entities	102	88	+15.7%	102	88	+15.7%
Net income on other assets	(10)	(3)	×4	(10)	(3)	×4
INCOME BEFORE TAX	**3,900**	**3,560**	**+9.5%**	**3,900**	**3,620**	**+7.7%**
Tax	(868)	(948)	-8.5%	(868)	(963)	-9.9%
Net income from discontinued or held-for-sale operations	1	127	-99.2%	1	26	-96.2%
NET INCOME	**3,033**	**2,739**	**+10.7%**	**3,033**	**2,683**	**+13.0%**
Non controlling interests	(466)	(422)	+10.6%	(466)	(435)	+7.2%
NET INCOME GROUP SHARE	**2,566**	**2,318**	**+10.7%**	**2,566**	**2,247**	**+14.2%**
COST/INCOME RATIO EXCL. SRF (%)	**42.9%**	**44.4%**	**-1.4 pp**	**42.9%**	**43.4%**	**-0.5 pp**

(1) The data as of 31 December 2022 were restated after IFRS 17 came into force.

(1) Cost of risk/outstandings (annualised quarterly basis points) 64 bps.
(2) The Crédit du Maroc entity has been classified under IFRS 5 since the first quarter of 2022 and the disposal of the controlling interest took place in the fourth quarter of 2022. The remaining stake is accounted for under IFRS 5.
(3) Excess liquidity in Ukraine deposited mainly with the Central Bank in Ukraine and bearing average interest of 17% in the fourth quarter 2023.
(4) The Crédit du Maroc entity has been classified under IFRS 5 since the first quarter of 2022 and the disposal of the controlling interest took place in the fourth quarter of 2022. The remaining stake is accounted for under IFRS 5.

At end-December 2023, assets under management in the Asset Gathering division stood at €2,564 billion, up 6.2% year-on-year, due to a positive market effect (+€144.9 billion) and positive net inflows (+€23.9 billion), which were favourably impacted by strong inflows into unit-linked bond products. Excluding double counting, assets under management stood at €2,285 billion at 31 December 2023, up +6.8% compared to 31 December 2022.

The 2023 data for the Insurance business line, and therefore the data for the Asset Gathering business line, are compared with 2022 pro forma IFRS 17 data.

In 2023, the Asset Gathering division generated revenues of €6,693 million, up +6.4% compared with 2022, boosted by positive contributions from all business lines. Costs excluding SRF were up +3.0%. As a result, the cost/income ratio excluding SRF stood at 42.9%, down -1.5 percentage points compared with the full year 2022. Gross operating income came to €3,813 million, up +9.2% compared with the full year 2022. Taxes totalled -€868 million, down -8.5%. The net income Group share of the Asset Gathering division stood at €2,566 million, up by +10.7% compared with the full year 2022, for all the division's business lines: asset management (+8.5%), insurance (+11.7%) and wealth management (+12.5%).

For the full year 2023, the Asset Gathering division contributed 30% of the underlying net income Group share of Crédit Agricole Group's core businesses (excluding Corporate Centre division) and 17% of the 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 2023

(in millions of euros)	2023 stated	2022 stated [1]	Δ 2023/2022 stated	2023 underlying	2022 underlying [1]	Δ 2023/2022 underlying
Revenues	**2,537**	**2,287**	**+10.9%**	**2,537**	**2,287**	**+10.9%**
Operating expenses excl. SRF	(312)	(255)	+22.0%	(312)	(255)	+22.0%
GROSS OPERATING INCOME	**2,225**	**2,031**	**+9.5%**	**2,225**	**2,031**	**+9.5%**
Cost of risk	1	(1)	ns	1	(1)	ns
Net income on other assets	(0)	0	ns	(0)	0	ns
INCOME BEFORE TAX	**2,226**	**2,030**	**+9.7%**	**2,226**	**2,030**	**+9.7%**
Tax	(490)	(602)	-18.6%	(490)	(602)	-18.6%
Net income from discontinued or held-for-sale operations	-	123	-100.0%	-	22	-100.0%
NET INCOME	**1,737**	**1,552**	**+11.9%**	**1,737**	**1,450**	**+19.8%**
Non controlling interests	(89)	(76)	+16.8%	(89)	(76)	+16.8%
NET INCOME GROUP SHARE	**1,648**	**1,475**	**+11.7%**	**1,648**	**1,374**	**+19.9%**
COST/INCOME RATIO EXCL. SRF (%)	**12.3%**	**11.2%**	**+1.1 pp**	**12.3%**	**11.2%**	**+1.1 pp**

(1) The data as of 31 December 2022 were restated after IFRS 17 came into force.

The Insurance business continued its commercial expansion and diversification in France and internationally. At the end of December 2023, total premium income reached €37.2 billion, up +4.5% compared to 2022.

Savings/Retirement activity was driven by unit-linked bond products and group retirement contracts, with revenues reaching €26.4 billion, up +4.4% year-on-year.

Assets (savings, retirement and death and disability) stood at the record level of €330.3 billion, up year-on-year by +€8,9 billion, i.e. +2.8%. Unit-linked contracts stood at a record 28.9% of assets, up +3.3 percentage points year-on-year, buoyed by the successful marketing of unit-linked bond products and favourable financial markets.

The **average policyholders' deferred profit-sharing** rate on Predica's euro-denominated policies stood at 2.80% [1] at the end of 2023, up +50 cents year-on-year (after a +106 cent increase in 2022). Lastly, the **Policy Participation Reserve** (PPE [2]) amounted to €9.8 billion at 31 December 2023, representing 4.5% of total euro outstandings.

The **property and casualty insurance business** was strong, with total premium income at €5.7 billion, up +9.1% compared with the full year 2022. At the end of December 2023, the portfolio of property and casualty policies totalled nearly 15.8 million [3], a +3.5% increase over one year. The equipment of individual customers in the banking networks of Crédit Agricole Group increased compared with end-December 2022 for all networks: 43.1%, or +0.5 percentage point for Regional Banks, 27.5%, or +0.4 percentage point for LCL, and 18.8% for CA Italy including Creval's customer base, or +2.0 percentage points. The combined ratio stood at 97.1% [4], up 1.8 percentage points year-on-year, with the fourth quarter of 2023 having been heavily impacted by weather-related claims, while the discount rate remained stable.

In death & disability/creditor/group insurance, total premium income in 2023 was €5.1 billion, up +8.3% compared with 2022.

(1) Up to 3.85% for the Anaé policy, which has a unit-linked share of more than 50% and a management fee of 0.5%.
(2) Scope "Life France".
(3) Scope: Property & Casualty in France and abroad.
(4) Combined ratio of P&C (Pacifica) including discounting and excluding reverse discounting: (claims + operating expenses + fee and commission income)/premiums, net of reinsurance; net combined ratio excluding the effects of discounting and reverse discounting in 2023 was 100.7%.

The Contractual Service Margin, or CSM, amounted to €23.8 billion at 31 December 2023, up 9.5% compared with 31 December 2022. This reflected a CSM on new business higher than the CSM allocation in net income, in a positive market environment for Savings/Retirement. The CSM allocation factor (1) on stock was 8.5% for the full year 2023.

For the full year 2023, revenues from insurance reached €2,537 million, up by +10.9% compared with the full year 2022, but down slightly excluding the IFRS 17 base effect (2), which notably reflected high claims (storms and floods) at the end of 2023. Gross operating income was up 9.5% compared to the full year 2022.

Meanwhile, the tax charge for 2023 was down -18.6%, mainly due to a base effect in 2022. As a result, net income Group share came to €1,648 million, up +11.7% compared with the full year 2022.

Insurance contributed 19% of the underlying net income Group share of Crédit Agricole Group's core businesses (excluding the Corporate Centre division) at end-December 2023 and 7% of their underlying revenues.

Crédit Agricole Assurances also demonstrated its strength and resilience, with a high Solvency 2 prudential ratio of 214% at 31 December 2023, up 10 percentage points compared with end-2022.

ASSET MANAGEMENT (AMUNDI)

The Asset Management business line reflects the results of Amundi, a subsidiary that is 69.0%-owned by Crédit Agricole Group, 67.6% of which is held by Crédit Agricole S.A.

ASSET MANAGEMENT – CONTRIBUTION TO RESULTS, STATED AND UNDERLYING 2023

(in millions of euros)	2023 stated	2022 stated (1)	Δ 2023/2022 stated	2023 underlying	2022 underlying (1)	Δ 2023/2022 underlying
Revenues	**3,134**	**3,074**	**+1.9%**	**3,134**	**3,074**	**+1.9%**
Operating expenses excl. SRF	(1,738)	(1,765)	-1.5%	(1,738)	(1,705)	+1.9%
SRF	(3)	(5)	-25.1%	(3)	(5)	-25.1%
GROSS OPERATING INCOME	**1,393**	**1,305**	**+6.7%**	**1,393**	**1,364**	**+2.1%**
Cost of risk	(3)	(12)	-78.4%	(3)	(12)	-78.4%
Equity-accounted entities	102	88	+15.7%	102	88	+15.7%
Net income on other assets	(5)	4	ns	(5)	4	ns
INCOME BEFORE TAX	**1,487**	**1,385**	**+7.4%**	**1,487**	**1,444**	**+3.0%**
Tax	(339)	(324)	+4.7%	(339)	(339)	+0.1%
NET INCOME	**1,148**	**1,061**	**+8.2%**	**1,148**	**1,106**	**+3.8%**
Non controlling interests	(360)	(335)	+7.5%	(360)	(349)	+3.3%
NET INCOME GROUP SHARE	**788**	**726**	**+8.5%**	**788**	**757**	**+4.1%**
COST/INCOME RATIO EXCL. SRF (%)	**55.5%**	**57.4%**	**-1.9 pp**	**55.5%**	**55.5%**	**-0.0 pp**

(1) The data as of 31 December 2022 were restated after IFRS 17 came into force.

Total assets under management stood at €2,037 billion at end-December 2023, up 7.0% compared with end-December 2022.

Retail business was strong over the year, driven by the French networks and third-party distributors. International networks, excluding Amundi BOC, posted net inflows at breakeven amid competition from BTP Valore in Italy, despite the success of fixed-maturity bond funds.

The **Institutional segment** was marked in 2023 by the return of inflows into treasury products, while inflows into MLT assets were positive thanks to bonds and passive funds, despite continued outflows from euro-denominated policies.

In the **JV** (3) segment, 2023 was characterized by continued inflows for SBI MF (India) in active management, a good level of activity in active management and treasury products for Amundi NH in South Korea, and outflows from low-margin institutional mandates in China.

For the full year 2023, revenues were high (+€3,134 million) and growing (+1.9%), driven by financial income (€80 million in 2023 vs. -€48 million for the full year 2022) and Amundi Technology revenues (+23.6% to €60 million); net management fee and commission income was down slightly in an environment characterised by risk aversion; performance fees were down even more sharply, by -28.0% (€123 million in 2023 vs. €171 million in 2022). Operating expenses excluding SRF were under control, down -1.5% (+1.9% excluding Lyxor integration costs in 2022) and benefited from further productivity efforts and Lyxor synergies. The cost/income ratio excluding SRF stood at 55.5%, an improvement of 1.9 percentage points compared with the full year 2022. As a result, gross operating income was up +6.7% compared with the full year 2022. The net income of equity-accounted entities increased by +15.7%. In total, net income Group share for the full year stood at €788 million, up +8.5%.

Asset management contributed 9% to the underlying net income Group share of Crédit Agricole Group's core businesses (excluding the Corporate Centre division) at end-December 2023 and 8% of their underlying revenues.

(1) CSM allocation factor = CSM allocation in P&L / [Opening CSM + stock changes + New Business].
(2) IFRS 17 base effect: i.e. after restatement of the 2022 base effect, which did not take into account the investment management decisions implemented at the end of 2022 (segregation of equity and derisking the portfolio).
(3) Net inflows include assets under advisory, assets sold and funds of funds, and take into account 100% of the Asian JVs' net inflows; for Wafa Gestion in Morocco, net inflows reflect Amundi's share in the JV's capital.

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 2023

(in millions of euros)	2023 stated	2022 stated [1]	Δ 2023/2022 stated	2023 underlying	2022 underlying [1]	Δ 2023/2022 underlying
Revenues	**1,023**	**929**	**+10.1%**	**1,023**	**929**	**+10.1%**
Operating expenses excl. SRF	(825)	(771)	+6.9%	(825)	(771)	+6.9%
SRF	(3)	(3)	+1.3%	(3)	(3)	+1.3%
GROSS OPERATING INCOME	**195**	**155**	**+25.7%**	**195**	**155**	**+25.7%**
Cost of risk	(4)	(4)	+13.4%	(4)	(4)	+13.4%
Net income on other assets	(5)	(7)	-24.4%	(5)	(7)	-24.4%
INCOME BEFORE TAX	**186**	**145**	**+28.3%**	**186**	**145**	**+28.3%**
Tax	(39)	(23)	+73.9%	(39)	(23)	+73.9%
Net income from discontinued or held-for-sale operations	1	4	-75.7%	1	4	-75.7%
NET INCOME	**148**	**127**	**+16.8%**	**148**	**127**	**+16.8%**
Non controlling interests	(17)	(10)	+64.3%	(17)	(10)	+64.3%
NET INCOME GROUP SHARE	**131**	**116**	**+12.5%**	**131**	**116**	**+12.5%**
COST/INCOME RATIO EXCL. SRF (%)	**80.6%**	**83.0%**	**-2.3 pp**	**80.6%**	**83.0%**	**-2.3 pp**

(1) The data as of 31 December 2022 were restated after IFRS 17 came into force.

In wealth management [2], total assets under management (CA Indosuez Wealth Management and LCL Private Banking) amounted to €197.5 billion at the end of December 2023 (including €135.1 billion for Indosuez Wealth Management). Assets rose by +3.9% over the course of 2023, with a favourable market effect offsetting outflows.

For the full year 2023, revenues from wealth management exceeded one billion euros to reach €1,023 million, up +10.1% compared with the full year 2022. Expenses excluding SRF were up +6.9%. Gross operating income thus rose by +25.7% to €195 million. As a result, net income Group share in 2023 climbed +12.5% to €131 million. For the full year 2023, the cost/income ratio excluding SRF was 80.6%, an improvement of -2.3 percentage points compared with the full year 2022.

Wealth management contributed 2% to the underlying net income Group share of Crédit Agricole Group's core businesses (excluding the Corporate Centre division) at end-December 2023 and 3% of their 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 2023

(in millions of euros)	2023 stated	2022 stated [1]	Δ 2023/2022 stated	2023 underlying	2022 underlying [1]	Δ 2023/2022 underlying
Revenues	**7,780**	**7,012**	**+11.0%**	**7,819**	**7,010**	**+11.5%**
Operating expenses excl. SRF	(4,507)	(3,905)	+15.4%	(4,507)	(3,905)	+15.4%
SRF	(312)	(442)	-29.4%	(312)	(442)	-29.4%
GROSS OPERATING INCOME	**2,961**	**2,665**	**+11.1%**	**3,000**	**2,663**	**+12.6%**
Cost of risk	(120)	(251)	-52.2%	(120)	(251)	-52.2%
Equity-accounted entities	21	15	+38.9%	21	15	+38.9%
Net income on other assets	2	(8)	ns	2	(8)	ns
INCOME BEFORE TAX	**2,865**	**2,421**	**+18.3%**	**2,904**	**2,420**	**+20.0%**
Tax	(691)	(592)	+16.8%	(701)	(591)	+18.6%
NET INCOME	**2,174**	**1,830**	**+18.8%**	**2,203**	**1,828**	**+20.5%**
Non controlling interests	(118)	(91)	+29.7%	(118)	(91)	+29.7%
NET INCOME GROUP SHARE	**2,056**	**1,739**	**+18.2%**	**2,085**	**1,738**	**+20.0%**
COST/INCOME RATIO EXCL. SRF (%)	**57.9%**	**55.7%**	**+2.2 pp**	**57.6%**	**55.7%**	**+1.9 pp**

(1) The data as of 31 December 2022 were restated after IFRS 17 came into force.

For the full year 2023, the revenues of the Large Customers division amounted to €7,780 million, or +11.0% compared with 2022, mainly due to good results in Capital Markets and Investment Banking and the consolidation of ISB. Operating expenses excluding SRF rose +15.4% compared with 2022 to €4,507 million, largely related to staff costs and IT investments, as well as the impact of the consolidation of ISB. SRF expenses fell sharply by -29.4% compared with 2022. Therefore, gross operating income for 2023 amounted to €2,961 million, an increase of +11.1% over 2022. The cost of risk ended 2023 with a net provision of -€120 million, compared with a net provision of -€251 million in 2022, which factored in the impact of the Ukraine-Russia war. As a result, the business line's contribution to underlying net income Group share was €2,056 million, a strong increase of +18.2% compared with 2022.

The business line contributed 25% of the underlying net income Group share of Crédit Agricole Group's core businesses (excluding the Corporate Centre division) at end-December 2023 and 20% of the underlying revenues excluding the Corporate Centre.

CORPORATE AND INVESTMENT BANKING

Corporate and investment banking as a whole posted a record performance for the year 2023.

Underlying revenues [1] from Corporate and Investment banking (CIB) were up +7.1% compared with 2022, to €6,141 million. The increase was driven by capital markets and investment banking, whose underlying revenues came to €2,969 million, up sharply by +12.8% compared with 2022, mainly attributable to FICC revenues, which were buoyed by structured interest rate products, primary credit and securitisation. Investment banking revenues were up over the year, reflecting the good performance of structured equities. Financing activities posted underlying revenues of €3,173 million, up +2.3% on 2022, attributable to strong growth of +7.1% in revenues from structured finance, with increasing revenues across all product lines. Commercial banking revenues were stable compared with 2022, and benefited from a good performance on cash management and telecoms.

Corporate and investment banking posted leading positions in syndicated loans (#2 in France [2] and #3 in EMEA [2]) and for bond issues (#2 All bonds in EUR Worldwide [2] and #2 Green, Social & Sustainable bonds in EUR [3]). Corporate and Investment Banking gained positions in euro-denominated bond issues, moving up from fifth place in 2021 to third place in 2022, and to second place in 2023. Average regulatory VaR stood at €13.2 million in the fourth quarter of 2023 and continues to reflect prudent risk management.

For the full-year 2023, published revenues were up +6.4% to €6,102 million compared with 2022. This figure exceeded €6 billion for the first time and reached its highest level ever for a single year. Expenses excluding SRF rose +10.7%, mainly due to staff costs including the adjustment of variable compensation to the activity, and IT costs to support the development of the business lines. The contribution to the SRF fell significantly by -29.5% to -€271 million in 2023. As a result, gross operating income of €2,486 million was up sharply (+6.8% compared with 2022.) The cost of risk recorded a provision of -€111 million in 2023, compared with -€248 million in 2022, which included the prudential provisioning of Russian exposures (provision of -€374 million on performing loans in Russia in 2022). The tax charge came to -€579 million, a +12.4% increase in line with activity growth. All in all, net income Group share for the full year 2023 stood at a record level of €1,799 million for 2023, an increase of +15.4% over the period.

(1) The specific items of CIB had an impact of -€38.9 million for the full year 2023 and comprised the DVA (the issuer spread portion of the FVA, and secured lending) amounting to -€14.6 million and loan book hedging totalling -€24.3 million vs. +€1.9 million in 2022.
(2) Refinitiv.
(3) Bloomberg.

ASSET SERVICING

The year 2023 was characterised by the creation of Uptevia, a 50/50 joint venture combining the issuer services business lines of [1] CACEIS and BNP Paribas. This new entity was consolidated using the equity-accounted method from the first quarter of 2023. The year was also characterised by the consolidation of RBC Investor Services Europe, which was rebranded as CACEIS Investor Services Bank ("ISB") following the finalisation of the acquisition of its activities on 3 July 2023. The full consolidation of ISB is planned by the end of 2025 with legal mergers of the entities and customer migrations scheduled for 2024.

Revenues for 2023 were +31.5% higher than in 2022, reflecting the consolidation of ISB, strong commercial momentum, particularly in terms of fee and commission income, and a higher interest margin. Expenses excluding SRF were up +31.7%, and include -€39.5 million in integration costs relating to the acquisition of ISB, while SRF costs fell sharply by -28.3%. This resulted in a very strong 41.2% increase in gross operating income compared with 2022. Net income was thus up by +42.4%. In the end, the contribution of the business line to net income Group share in 2023 was €257 million, representing a +43.3% increase compared with 2022.

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 2023

(in millions of euros)	2023 stated	2022 stated [1]	Δ 2023/2022 stated	2023 underlying	2022 underlying [1]	Δ 2023/2022 underlying
Revenues	**3,597**	**2,782**	**+29.3%**	**3,297**	**2,782**	**+18.5%**
Operating expenses excl. SRF	(1,673)	(1,443)	+15.9%	(1,659)	(1,443)	+14.9%
SRF	(29)	(34)	-15.7%	(29)	(34)	-15.7%
GROSS OPERATING INCOME	**1,896**	**1,304**	**+45.3%**	**1,610**	**1,304**	**+23.4%**
Cost of risk	(871)	(533)	+63.3%	(786)	(533)	+47.4%
Equity-accounted entities	130	308	-57.9%	168	316	-46.8%
Net income on other assets	71	2	×34.8	(18)	2	ns
Change in value of goodwill	12	-	ns	-	-	ns
INCOME BEFORE TAX	**1,237**	**1,081**	**+14.4%**	**974**	**1,090**	**-10.6%**
Tax	(306)	(222)	+37.9%	(219)	(214)	+2.1%
Net income from discontinued or held-for-sale operations	(0)	0	ns	(0)	0	ns
NET INCOME	**931**	**860**	**+8.3%**	**755**	**875**	**-13.8%**
Non controlling interests	(79)	(109)	-27.2%	(79)	(109)	-27.2%
NET INCOME GROUP SHARE	**851**	**751**	**+13.4%**	**676**	**767**	**-11.9%**
COST/INCOME RATIO EXCL. SRF (%)	**46.5%**	**51.9%**	**-5.4 pp**	**50.3%**	**51.9%**	**-1.6 pp**

(1) The data as of 31 December 2022 were restated after IFRS 17 came into force.

In 2023, factoring outstandings rose by +8.5% compared with end-2022, thanks to the increase in factored revenue to a record level of €32 billion, driven by France and Germany. Leasing outstandings rose +7.9% year-on-year, both in France and internationally, to reach €18.9 billion at end-December 2023 (of which €15 billion in France and €3.9 billion internationally).

In 2023, the activity of the Specialised financial services business line, in particular that of CACF, was marked by the reorganisation of "Mobility" activities, including: (1) the implementation of the agreement between CACF and Stellantis, effective since the beginning of April 2023, resulting in the finalisation of the creation of the 50/50 Leasys joint venture with Stellantis and the 100% takeover of CA Auto Bank (formerly FCA Bank) and Drivalia (car renting, car sharing); (2) the acquisition by CACF, since August 2023, of ALD and LeasePlan activities in six European countries, representing a total fleet of more than 100,000 vehicles (including 30,000 vehicles taken over by Leasys and 70,000 by CA Auto Bank) and total outstandings of €1.7 billion; (3) the creation of CA Mobility Services to propose 20 service offers by 2026, mainly through the acquisition of a minority stake in WATEA by Crédit Agricole Leasing & Factoring, the creation of a joint venture with Opteven and the acquisition of a stake in HiFlow.

In addition, Agilauto Partage, a joint subsidiary of Crédit Agricole Consumer Finance and Crédit Agricole Leasing & Factoring, has launched the Crédit Agricole Group's rural car-sharing service. This new electric mobility service is part of the Crédit Agricole Group's societal project to accelerate the essential transformations of society by offering innovative solutions adapted to the needs of all. In addition, since January 1, 2024, Sofinco Auto Moto Loisirs has joined forces with CA Auto Bank France to create the future leader in mobility financing in France. The new CA Auto Bank France aims to reach €3.2 billion in production by 2026. Finally, Leasys, the third largest player in the European market, is aiming to reach 1 million vehicles by 2026.

CACF's outstandings stood at €113 billion at end-December 2023, up +1.8% year-on-year. Outstandings at the automotive entities amounted to €44.7 billion, or 40% of total outstandings, of which €27.5 billion [2] at Crédit Agricole Auto Bank. Leasys' contribution to December 2023 outstandings was €7.5 billion at 100%.

(1) Operational register keeping, organisation of general meetings and other services to issuers in France.
(2) CAAB outstandings, including those managed by Drivalia.

2023 net income Group share [(1)] for the Specialised Financial Services business line was positively impacted by the reorganisation of CACF's "Mobility" activities.

For the year 2023, revenues from Specialised Financial Services increased by +29.3% to €3,597 million, driven by good performance of CAL&F (+8.0% compared to the year 2022) and higher revenues for CACF (+35.9% compared to 2022) thanks to the strategic pivot initiated this year around Mobility, including the 100% consolidation of CA Auto Bank, the takeover of ALD/LeasePlan activities and the creation of CA Mobility Services. Excluding one-off items for the year 2023 [(1)], the division's revenues amounted to €3,297 million, an increase of +18.5% over the period. Expenses excluding SRF rose by +15.9% compared to 2022, mainly due to increased staff costs, IT expenses and scope effect. The cost/income ratio excluding SRF remained low at 46.5%, an improvement of -5.4 percentage points compared to 2022. The SRF contribution came to -€29 million over the year 2023, a decrease of -15.7% compared to the same period of 2022. The cost of risk amounted to -€871 million over the year 2023, an increase of +63.3% compared to 2022 (+47.4% excluding one-off items). In addition to the scope effect linked to the 100% consolidation of CA Auto Bank, the increase in the cost of risk over the year is due to the increase in provisions for proven risk. The contribution of equity-accounted entities was down -57.9% (-46.6% restated for one-off items) compared to 2022. The tax charge excluding one-off items stood at -€214 million (+2.1% compared to 2022). Net income Group share excluding one-off items amounted to €851 million, up +13.4% compared to 2022, but down -11.9% excluding one-off items for the year 2023, due mainly to the increase in the cost of risk over the period.

The business line contributed 8% to the underlying net income Group share of Crédit Agricole Group's core businesses (excluding Corporate Centre division) over 2023 and 9% to underlying revenues excluding Corporate Centre division.

CONSUMER FINANCE

In 2023, the specific items affecting Consumer Finance were linked to the reorganisation of CACF's Mobility activities. Stated revenues amounted to €2,889 million (+35.9%). Restated for one-off items [(1)], they amounted to €2,589 million, up +21.8% compared to 2022, driven by the consolidation of CA Auto Bank, which more than offset the negative impact of the increase in refinancing costs on the production price. Stated costs excluding SRF amounted to -€1,291 million (+19.7%). Restated for one-off items, expenses were up +18.4% compared to 2022 and stable at constant scope. The SRF contribution came to -€13 million (-17.7% compared to 2022). The cost/income ratio excluding one-off items and excluding FRU improved by -1.4 percentage points compared to 2022, at 49.3%. Consequently, excluding one-off items, gross operating income was up +25.9% compared to 2022. The cost of risk totalled -€808 million (+68.2% for the year 2023). Restated for one-off items, the cost of risk stood at €723 million, up +50.6% compared to 2022. Excluding scope effect, the cost of risk continued to normalise. The cost of risk relative to outstandings stood at 121 basis points at end-December 2023 (-4 basis points compared to 2022). The contribution of equity-accounted entities amounted to €134 million, -56.5% compared to 2022 and -45.5% restated for one-off items. Income on other assets amounted to €78 million. This line is mainly composed of specific items. Excluding these items, income on other assets stood at -€11 million for the year 2023. Finally, the tax charge was stable for the year excluding one-off items. Non-controlling interests were down -26.3% to -€79 million compared to 2022. Thus, stated net income Group share for the year 2023 totalled €675 million (+16.6%). Restated for one-off items, net income for 2023 amounted to €499 million, down -16.1% compared to 2022.

LEASING & FACTORING

For 2023, revenues amounted to €708 million, up +8.0% compared to 2022, driven by the strong momentum of factoring activities, particularly in France, and the increase in leasing volumes in Poland. Expenses excluding SRF stood at -€381 million, representing a controlled rise of +4.6% compared to 2022, mainly linked to salary adjustments and support for growth in Poland, as well as good control of IT expenses over the year. The SRF contribution came to -€15 million in 2023 (14.0% compared with 2022). Gross operating income was up +14% compared to 2022, to €311 million. The cost/income ratio excluding SRF stood at 53.9%, an improvement of 1.7 percentage points compared to the year 2022. The cost of risk was -€63 million, an increase of +18.6% over the period, mainly due to the strengthening of provisions for proven risk in France and Italy. Net income Group share was €176 million, up +2.8% compared to the year 2022.

(1) Specific (one-off) items impacted the 2023 net income of the SFS division and CACF as follows: +€176 million in net income Group share (including €300 million on revenues, -€14 million on expenses, -€85 million on the cost of risk, -€39 million on the net income of equity-accounted entities, +€89 million on gains from other assets, +€12 million on badwill and -€87 million on tax).

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.); this division has included the new Crédit Agricole Transitions & Énergie business line since fourth quarter 2023;*
- *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 intra-group transactions.

CORPORATE CENTRE (CC) – CONTRIBUTION TO RESULTS, STATED AND UNDERLYING 2023

(in millions of euros)	2023 stated	2022 stated (1)	Δ 2023/2022 stated	2023 underlying	2022 underlying (1)	Δ 2023/2022 underlying
Revenues	**(2,728)**	**(2,660)**	**+2.6%**	**(3,006)**	**(2,712)**	**+10.8%**
Operating expenses excl. SRF	1,877	1,727	+8.7%	1,877	1,748	+7.4%
SRF	(77)	(56)	+36.9%	(77)	(56)	+36.9%
GROSS OPERATING INCOME	**(928)**	**(989)**	**-6.1%**	**(1,206)**	**(1,021)**	**+18.1%**
Cost of risk	(28)	(17)	+63.8%	(28)	(17)	+63.8%
Net income on other assets	(5)	(2)	×2.9	(5)	(2)	×2.9
Change in value of goodwill	(9)	-	ns	(9)	-	ns
INCOME BEFORE TAX	**(971)**	**(1,008)**	**-3.6%**	**(1,249)**	**(1,040)**	**+20.0%**
Tax	350	328	+6.8%	411	336	+22.3%
NET INCOME	**(621)**	**(680)**	**-8.7%**	**(837)**	**(704)**	**+19.0%**
Non controlling interests	(4)	6	ns	(4)	5	ns
NET INCOME GROUP SHARE	**(625)**	**(674)**	**-7.3%**	**(842)**	**(698)**	**+20.5%**

(1) The data as of to 31 December 2022 were restated after IFRS 17 came into force.

In 2023, the net income Group share of the Corporate Centre division amounted to -€625 million.

CRÉDIT AGRICOLE GROUP CONSOLIDATED BALANCE SHEET

BALANCE SHEET ASSETS

(in millions of euros)	Notes	31/12/2023	31/12/2022 restated [1]	01/01/2022 restated [1]
Cash, Central Banks	6.1	180,723	210,804	241,191
Financial assets at fair value through profit or loss	3.1-3.2-6.2-6.6	527,274	446,101	449,056
Held for trading financial assets		297,528	242,006	233,023
Other financial instruments at fair value through profit or loss		229,746	204,095	216,034
Hedging derivative instruments	3.3-3.5	32,051	50,494	16,029
Financial assets at fair value through other comprehensive income	3.1-3.2-6.4-6.6	224,449	219,216	272,724
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss		216,240	214,432	268,597
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss		8,209	4,784	4,127
Financial assets at amortised cost	3.1-3.2-3.4-6.5-6.6	1,399,604	1,343,209	1,257,228
Loans and receivables due from credit institutions		132,353	114,149	96,651
Loans and receivables due from customers		1,155,940	1,113,184	1,050,589
Debt securities		111,311	115,876	109,988
Revaluation adjustment on interest rate hedged portfolios [2]		(14,662)	(32,622)	5,231
Current and deferred tax assets	6.9	8,836	9,087	7,993
Accruals, prepayments and sundry assets	6.10	59,758	55,990	41,000
Non-current assets held for sale and discontinued operations	6.11	9	134	2,909
Insurance contracts issued that are assets	5.3	-	-	78
Reinsurance contracts held that are assets	5.3	1,097	973	854
Investments in equity-accounted entities	6.12	2,357	4,004	3,578
Investment property	6.13	12,159	13,162	12,290
Property, plant and equipment	6.14	13,425	10,768	10,907
Intangible assets	6.14	3,488	3,361	3,400
Goodwill	6.15	16,530	16,188	16,109
TOTAL ASSETS [2]		**2,467,099**	**2,350,870**	**2,340,579**

(1) The data at 31 December 2022 and 1 January 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 12 “Impacts of accounting changes or other events”.
(2) The balance sheet presentation of the revaluation adjustment on interest rate hedged portfolios was reclassified between assets and liabilities on 31 December 2022. Its net amount was unchanged, amounting to -€16 billion at 31 December 2022.

BALANCE SHEET LIABILITIES

(in millions of euros)	Notes	31/12/2023	31/12/2022 restated (1)	01/01/2022 restated (1)
Central Banks	6.1	274	59	1,276
Financial liabilities at fair value through profit or loss	6.2	353,882	285,458	257,150
Held for trading financial liabilities		263,878	231,694	205,073
Financial liabilities designated at fair value through profit or loss		90,004	53,764	52,077
Hedging derivative Instruments	3.3-3.5	34,424	47,324	16,827
Financial liabilities at amortised cost		1,490,722	1,467,563	1,449,965
Due to credit institutions	3.4-6.7	108,541	152,156	221,360
Due to customers	3.1-3.4-6.7	1,121,942	1,093,513	1,042,199
Debt securities	3.4-6.7	260,239	221,894	186,406
Revaluation adjustment on interest rate hedged portfolios (2)		(12,212)	(16,483)	5,720
Current and deferred tax liabilities	6.9	2,896	2,335	2,281
Accruals, prepayments and sundry liabilities	6.10	72,180	65,618	58,621
Liabilities associated with non-current assets held for sale and discontinued operations	6.11	21	205	2,502
Insurance contracts issued that are liabilities	5.3	351,778	334,280	380,741
Reinsurance contracts held that are liabilities	5.3	76	92	67
Provisions	6.16	5,508	5,643	7,094
Subordinated debt	6.17	25,208	23,156	25,873
TOTAL LIABILITIES		**2,324,758**	**2,215,250**	**2,208,116**
EQUITY		**142,340**	**135,620**	**132,463**
Equity – Group share		**135,114**	**128,199**	**125,117**
Share capital and reserves		31,227	30,456	29,927
Consolidated reserves		97,871	92,766	94,780
Other comprehensive income		(2,241)	(3,020)	436
Other comprehensive income on discontinued operations		-	-	(26)
Net income (loss) for the year		8,258	7,997	-
Non-controlling interests		**7,226**	**7,421**	**7,346**
TOTAL LIABILITIES AND EQUITY (2)		**2,467,099**	**2,350,870**	**2,340,579**

(1) The data at 31 December 2022 and 1 January 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 12 "Impacts of accounting changes or other events".
(2) The balance sheet presentation of the revaluation adjustment on interest rate hedged portfolios was reclassified between assets and liabilities on 31 December 2022. Its net amount was unchanged, amounting to -€16 billion at 31 December 2022.

MAIN CHANGES IN THE CONSOLIDATED BALANCE SHEET

At 31 December 2023, the consolidated balance sheet of Crédit Agricole Group amounted to €2,467.1 billion, up +€116.2 billion, i.e. 4.94% compared to the 2022 balance sheet.

This increase mainly stemmed from:

- the increase in financial assets at amortised cost totalling €56.4 billion;
- the +€81.2 billion increase in financial assets at fair value through profit or loss;
- offset by a decrease in hedging derivatives of -€18.4 billion.

ANALYSIS OF THE MAIN ITEMS

The recorded financial assets at fair value through profit or loss totalled €527.3 billion on 31 December 2023, an increase of +18.2% over the year, or +€81.2 billion (including +€55.5 billion on financial assets held for trading and +€25.7 billion on other financial assets at fair value through profit or loss).

Financial assets at fair value through other comprehensive income amounted to €224.4 billion at end-December 2023, an increase of €5.2 billion (2.4%).

Financial assets at amortised cost amounted to €1,399.6 billion at end-December 2023, up €56.4 billion (+4.2%). This increase was mainly attributable to the consolidation of CA Auto Bank for €25.5 billion, as well as the increase in loans and receivables due from customers.

Accruals, prepayments and sundry assets stood at €59.8 billion at 31 December 2023, an increase of 6.7% over the year. This increase was mainly due to an increase in accounts being settled.

Cash and Central Bank deposits fell to -€30.1 billion (-14.27%) for assets and rose to -€1.2 billion (-95.4%) for liabilities. The decrease in assets is mainly due to the repayment of TLTRO III borrowings.

Financial liabilities at fair value through profit or loss amounted to €353.9 billion at 31 December 2023, an increase of €68.4 billion (including €32.2 billion in financial liabilities held for trading and €36.2 billion in financial liabilities designated at fair value through profit or loss) over the year, up +24.0%.

Hedging derivatives decreased by -36.5% on the assets side and -27.3% on the liabilities side, mainly due to changes in the rate curves.

Insurance contracts issued that are liabilities were up +5.2% in 2023 from 2022, reaching €351.8 billion. This increase of €17.5 billion is due in particular to the insurance liability increases (mainly under the VFA model) associated with greater assets.

Equity amounted to €142.3 billion at 31 December 2023, a year-on-year increase of 4.96%.

OUTLOOK

2023 ECONOMIC OUTLOOK

Although the advanced economies proved unexpectedly resilient in 2023, they are gearing down, each at their own speed – slowly but surely. While they are not collapsing, neither is inflation any time soon. That said, uncertainty remains high, not least because of the conflicts in Ukraine and the Middle East, and downside risks are weighing on our growth scenario.

In the **United States**, although the hit from aggressive monetary tightening is undergoing a relatively long delay (which was underestimated), it is not without pain: the effects are just slower to spread – and longer-lasting. With growth still positive, albeit below potential, it appears the US economy will stay afloat until the middle of 2024 before the impact of rising interest rates makes a bigger dent through debt refinancing. Our central scenario calls for a recession as 2024 flows into 2025, but a shallow one. This is because businesses – and above all households – are on solid financial ground. In addition, consumers should do well in a labour market where the “imbalance” favours supply and any cooling would result in a slight rise in unemployment. They will also benefit from lower inflation, which should dip below 3% in second quarter 2024 – even if service prices stay higher. Our scenario assumes headline inflation of 2.4% and core inflation of 2.7% at the end of 2024, levels to which they would remain close throughout 2025. In terms of average growth, our scenario assumes a measurable decline in 2024 (1.6% after 2.5% in 2023) followed by a further dip in 2025 (to just 0.5%), despite an acceleration forecast at the end of the period due to interest rate cuts.

While the slowdown in the **Eurozone** is dramatic, it will be buffered by the disinflationary process, which leaves room for a soft landing on a downward growth trend. However, negative factors (higher real interest rates, a structural competitiveness shock linked to energy, a deeply uncertain external environment) are setting the Eurozone economy on course for lower growth than its pandemic-weakened potential. Some of the positive factors that have allowed European growth to dip without collapsing – despite inflation that is abating but still high, and the acute impacts of monetary tightening – will still be at work in 2024. Above all, employment and wages are holding up well at the expense of productivity and unit labour costs.

With a delay in transmission of 12 to 18 months after the last rate hike in September 2023, monetary transmission will continue to be deployed in 2024, squeezing the growth rate of total investment: it should remain positive (0.9% in 2024 and 1.8% in 2025), but well below the 2014-2019 average. The recovery in domestic demand will be driven for the most part by a pick-up in private consumption (1.1% in 2024 and 1.3% in 2025). A small, temporary increase in the unemployment rate (6.7% in 2024 and 6.6% in 2025, after 6.6% in 2023) would not derail this upturn, which is based on an increase in the wage bill and its purchasing power. Households will also be able to draw on substantial accumulated savings, which would no longer be built up as a precaution, just as soon as the disinflation momentum helps improve confidence. By contrast, budgets will become increasingly restrictive as all support packages (Covid and energy) are permanently withdrawn in 2024.

Growth is therefore expected to stand at 0.7% in 2024 before recovering to 1.4% in 2025. Average headline inflation (year-on-year) is expected to reach 2.8% in 2024 and 2.5% in 2025. This very “soft” growth scenario is based on a recovery in consumer spending that is itself justified by flatter but still positive job creation, sustained wage growth, continued (albeit slower) disinflation and, ultimately, improved confidence indicating a reduction in precautionary savings. However, this scenario is surrounded by downside risks: the “switch” to a recession scenario does not require an external shock, but rather a simple deviation from the favourable assumptions on which we based our central scenario (continued disinflation, easing of financing terms, brisk business activity and employment, and increased wage purchasing power).

As for **France,** the scenario assumes a “story”, consisting essentially of the components of the scenario outlined for the Eurozone: continued recovery in consumption in 2024 that should remain robust in 2025 (lower inflation, rising wages, slight drop in the savings rate), a modest decline in business investment before a recovery when financial terms ease (end-2024 and into 2025), and a small positive contribution from net external demand. Growth is expected to reach 1% in 2024 and 1.3% in 2025, from 0.9% in 2023.

A year after **China** abandoned its zero-Covid policy, growth remains hobbled by structural issues, and stimulus policies are unable to generate the confidence necessary to stabilise and recover. The Chinese economy is operating below potential. It still suffers from a chronic lack of domestic demand, reflected in non-existent inflation. China is facing deflation and a serious real estate crisis, as well as an ageing population, an accumulation of precautionary savings and high domestic debt. Taken together, it calls to mind late-1980s Japan and its “lost decade”. China's 2024 growth target is expected to be officially announced in March and should be between 4.5% and 5.0%. It is more likely that the government will adopt a more prudent and conservative approach with a target of around 4.5%, to avoid the political risk of “missing the target”. Our 2024 forecast is around this level, at 4.4%.

In terms of **monetary policy,** patience will be called for. While the major Central Banks seem to have finished hiking their key rates, they are not done with inflation yet. The quick and mechanical decline of headline inflation is likely to be followed by tougher – possibly stickier – core inflation. In the United States, the Federal Reserve wants to see inflation, which is gauged by the PCE (Personal Consumption Expenditure) index, fall permanently below 3% before it will ease its monetary policy. In the Eurozone, the risk of demand fuelling inflation has passed. But the wages-to-inflation transmission channel is still open, and the risk of second-round effects cannot be totally ruled out.

In our scenario, inflation rates would slowly converge towards the Central Banks' "comfort zones" (which are still unclear) but would still be higher than the 2% targets. These inflation forecasts call for a prudent monetary easing scenario. In terms of cutting policy rates, the markets' expectations seem "aggressive".

Our **US** scenario includes a 25 basis point drop – but not until July 2024. This reduction will be gradual, with another 25 basis point cut in November, putting the Fed funds rate's upper bound at 5% at the end of 2024. The predicted drop in growth could give the Fed room to accelerate its cuts in 2025. The upper bound is likely to be 3.50% at the end of 2025 – a threshold the Fed may struggle to move below, with inflation stuck above its target and a neutral interest rate that could top its previous mark.

As for the **ECB,** it is forecasting a deceleration in wages and will wait for this to play out. It is expected to continue to monitor unit profits to ensure that future wage rises will be absorbed by margins and not passed on to selling prices. Its first rate cut (25 basis points) is therefore not expected until September 2024. This would be followed by five cuts of 25 basis points each until the ECB reaches its neutral rate, with a deposit rate at 2.50%, in second quarter 2025. By the end of 2025, this policy would put the refinancing and deposit rates at 2.75% and 2.50% respectively, with a tightening of the rate corridor.

Just as with monetary policy, our long-term interest rate scenario is one of "guarded optimism". Between inflation, growth and the need to not ease financial terms too quickly, everything urges the Central Banks to be patient and points to a scenario of moderate decline in long-term rates once the series of key rate cuts has begun.

In the United States, our scenario has Treasury yields declining when the Fed makes its first cuts. It also calls for a ten-year yield of about 4% by the end of 2024. In the Eurozone, our forecast for government bond yields does not "clear up" until the second half of 2024. Our scenario is of a cumulative reduction of 75 basis points in 2024 in the ECB's policy rates, starting in September. This should usher the bond markets into a phase of decline and moderate steepening. The Bund yield is expected to be around 2.60% at the end of 2024, after rising during the first half of the year. Ten-year Treasury yields would approach 3.30% in France and 4.60% in Italy.

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 [1]. 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:
  - **Crédit Agricole Transitions & Énergies** to make energy transitions accessible to all and accelerate the advent of renewable energy;
  - **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.

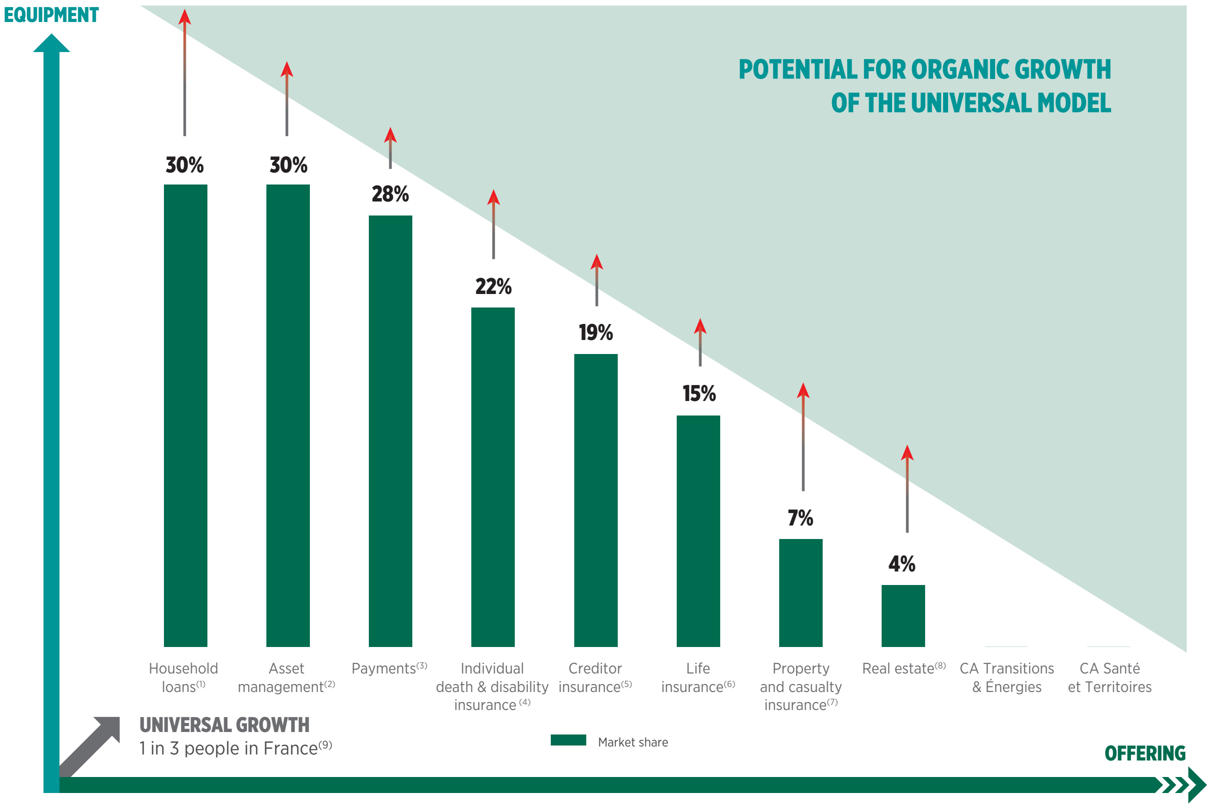
Since the start of the medium-term plan, net customer capture stands at 573,000 new customers, with improved customer satisfaction and greater use of digital channels. LCL won the Customer Service of the Year prize [2] and CA Italia was ranked number one in terms of the Net Promoter Score [3]. At the same time, LCL has deployed a digital journey for insurance subscriptions and 12% of its sales are made in "selfcare". Lastly, BforBank's new commercial launch took place in September 2023.

The chart below, showing our current market share, illustrates this potential for organic growth, based on three dimensions (acquiring new customers, constant innovation with new offerings, and equipping our customers across all regions).

(1) Regional Banks, LCL, CA Italia and CA Bank Polska.
(2) BVA 2023.
(3) Doxa study, October 2023.

AN INTRINSIC DEVELOPMENT MODEL BASED ON THE GLOBAL CUSTOMER RELATIONSHIP, AND COMPETITIVE AND INNOVATIVE BUSINESS LINES AT THEIR SERVICE

CHART ILLUSTRATING MARKET SHARE IN FRANCE



(1) Market shares of loans to households and similar LCL and Regional Banks at the end of December 2023, Banque de France study. (2) Market shares on UCITS in France at the end of December 2023 on all customer segments. (3) Banque de France repayment in Observatory for the Security of Payment Means 2023 reports (2022 data). (4) End of 2022, scope: annual contributions Temporary financial support in event of death + Funeral guarantee + Long-term care. (5) End of 2022, scope: annual contributions collected by CAA originated by CRCA and LCL. (6) End of 2022, PREDICA outstandings in life insurance (savings, retirement, death and disability). (7) End of 2022, P&C activities of Pacifica, annual contributions. (8) Real estate services market share – all Square Habitats (SQH) at end-2023. (9) 35% of French people – Sofia KANTAR 2021.

In addition, the strategy of **targeted acquisitions** and **partnerships** is set to continue, keeping within the Group constraints of profitability (ROI >10% in three years), compliance and risk. 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.

Accordingly, since 2022, Crédit Agricole S.A.'s external growth has focused on six main areas of development. First, private banking and asset servicing increased in scale thanks to the current transaction with Degroof Petercam [(1)] and the acquisition in August 2023 of the European operations of RBC Investor Services; the Asset Management division has strengthened its expertise with the signing of an agreement to acquire Alpha Associates. In addition, the Specialised Financial Services division developed a comprehensive mobility offering: the joint venture Leasys, created with Stellantis to become the European leader in long-term car rental; 100% of CA Auto Bank (formerly FCA-Bank) was acquired, in order to develop partnerships with smaller manufacturers and with independent distributors; six European subsidiaries of ALD and LeasePlan [(2)] were acquired; and lastly, CA Mobility Services was formed, to create 20 service offers by 2026, mainly through the acquisition of a minority stake in WATEA [(3)], the creation of a joint venture with Opteven [(4)] and the acquisition of HiFlow [(5)]. At the same time, the insurance business line extended its distribution network through new commercial partnerships: a non-life and credit insurance distribution agreement in Italy between Crédit Agricole Assurances and Banco BPM [(6)] and a partnership between Pacifica and Renault (Mobilize Financial Services) in car insurance. Furthermore, Crédit Agricole S.A. is structuring its property services operations via Crédit Agricole Immobilier's acquisition of Casino's property management activities (Sudeco), and is stepping up its digitisation and innovation thanks to its acquisition of a majority stake in Worklife [(7)] and, in payment services, its partnership with Wordline [(8)]. On 22 January 2024, Crédit Agricole S.A. announced its acquisition of a 7% minority stake in Worldline. Lastly, to support the transitions in the new CAT&E and CAS&T business lines, Crédit Agricole S.A. acquired a minority stake of 40% in R3 (energy transition consultancy) and a 43% stake in Selfee (energy production and supply). In addition, Crédit Agricole Assurances acquired majority stakes of 93% in Omedys and 86% in Medicalib.

(1) Signing of an agreement for the acquisition of a majority stake.
(2) Integration of ALD LeasePlan activities in Portugal and Luxembourg into Leasys, and integration of ALD LeasePlan activities in Ireland, Norway, the Czech Republic and Finland into CAAB.
(3) Digital fleet management tool on monthly subscription.
(4) Extended warranty.
(5) Vehicle transport solutions.
(6) In addition to the acquisition of a stake of 9.9% in the capital of Banco BPM in 2022.
(7) Employee benefits management tool.
(8) Creation of a joint venture to develop innovative commercial offers.

The Group's priority, which was confirmed 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, with strong potential in France, the Iberian zone and Germany. 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 advisory service, an equity financing offer, as well as a 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 to reach a < 61% cost/income ratio (excluding SRF) by 2025, thanks to synergies linked to the integration of 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% active bank 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), through a 50-50 joint venture with Stellantis, which came into effect in the first half of 2023, finalised the creation of Leasys, a European leader in mobility with a target of one million vehicles under long-term lease by 2026. Also in the first half of 2023, with the 100% takeover of FCA Bank and Drivalia, Crédit Agricole Consumer Finance created Crédit Agricole Auto Bank, a pan-European leader in multi-brand car financing, which operates independently of any manufacturer and is backed by the Crédit Agricole Group. CACF is therefore strengthening its automotive financing capabilities with an industrial platform covering 18 European countries, and its mobility offer (including short-term rentals) to respond to new uses and environmental challenges. By 2025, one in two new vehicles financed by CACF should be green (hybrid or electric). CACF has also built a new strategic pillar with the creation of Crédit Agricole Mobility Services to develop a comprehensive and ambitious range of services, with more than 20 automotive services to be offered by 2026. 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 consolidate its commitment to responsible investment, to amplify its leadership (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, new unit-linked products suited to customers' risk appetite, 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 aims 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 Crédit Agricole Assurances Retraites, the roll-out of a range of "ageing well tomorrow" services with a total 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 debt financing offering. For its part, **CACEIS** aims to support its customers in a changing asset servicing market by expanding its offerings (in particular ETFs, pension funds, fund distribution services, Private Equity Real Estate Solutions or PERES [(2)], and digital assets) and focusing on risk management and the integration of ESG principles. Its goal is to continue to improve its operational efficiency through volume growth, as well as to pursue its strategy of developing skills centres and digitalising its processes further.

AMBITION 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 by leveraging the planned JV with Worldline.

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.

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

Digital banks: In 2023, BforBank launched its new on-line banking positioning with ambitions in Europe (€450 million invested over five years); Blank, the neobank for professionals, is continuing its own growth and is also distributed as a white label by the Group's banks (Propulse by CA and LCL Essentiel Pro), and was launched in Italy in early 2024.

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.

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 in line with the previous plan and 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. Lastly, 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 was reduced to 58%when IFRS 17 came into force** in the first quarter of 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 [(3)].

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. 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

	2023	2025 target
NIGS	€5.9 bn [(1)]	>€6 bn
ROTE	12.6% [(1)]	> 12%
C/I excl. SRF	55.4% [(2)]	< 58% [(2)]
CET1 target	11.8%	11% [(3)]
	17.5% CAG	≥17% CAG
Distribution	Dividend [(4)] €1,05/share	50% cash

(1) Underlying 2023.
(2) Underlying Cost to Income ratio excluding SRF.
(3) Minimum distance of 250 bp above SREP in CET1.
(4) Proposed 2023 dividend submitted for the approval of the 2024 General Meeting.

(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.
(3) Global Systemically Important Banks.

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 Ambitions 2025 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 accomplishments of Crédit Agricole S.A. 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, Crédit Agricole presented, at two climate workshops held in December 2022 and December 2023, the **targets set for 10 sectors for 2030, with Net Zero trajectories for eight sectors** (Oil & Gas, Automotive, Electricity, Commercial Real Estate, Aviation, Shipping, Steel and Cement) and **support for trajectories in two sectors** (Residential Real Estate and Agriculture) for Crédit Agricole S.A. and its subsidiaries. For example, Crédit Agricole has mapped out its gradual withdrawal from the Oil & Gas sector by setting a target of reducing CO_2e emissions linked to the financing of this sector by 75% in absolute terms between 2020 and 2030 (compared with -30% announced in 2022); 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 for each kilometre travelled. The target for reducing the direct carbon footprint has also been set at -50% by 2030.

At the same time, Crédit Agricole is stepping up its support for renewable energy with targets such as increasing Crédit Agricole CIB's exposure to low-carbon energy by 80% between 2020 and 2025 (vs. 60% announced in 2022); reaching 14 GW of installed renewable energy capacity through Crédit Agricole Assurances' investments in 2025 or tripling the annual financing of renewable energy structured by Crédit Agricole Transitions & Énergies between 2020 and 2030.

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

- **Crédit Agricole Transitions & Énergies** (CAT&E);
- **Crédit Agricole Santé & Territoires** (CAS&T).

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. CAT&E 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 CAT&E, and taking advantage of the Group's more than 20 years of experience in financing renewable energy, Crédit Agricole also aims to massively support investments in renewable energy 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. CAT&E will also promote the establishment of short circuits to encourage the consumption of green energy.

CAT&E disclosed its roadmap in October 2023. It offers a full range of services covering both transition advisory and renewable energy development in the regions, by supporting the financing of transition projects and the production and supply of low-carbon energy.

- **Transition advisory** services are dedicated to supporting customers in their energy efficiency and environmental initiatives. CAT&E has accordingly developed a range of solutions delivered by R3 for businesses and local authorities, and the "J'écorénove mon logement" platform for individuals.
- **The financing offering** involves providing a comprehensive financial solution for all renewable energy production and energy efficiency projects, with Unifergie and the Group's financing entities, a financial engineering and legal services solution, as well as financing solutions in various areas of sustainable energy (renewable energy, energy performance, environment). By 2030, CAT&E's ambition is to mobilise €19 billion in financing provided by Crédit Agricole Group entities in France. CAT&E also aims to invest €1 billion to strengthen the equity capital of renewable energy developers and acquire production assets.
- Furthermore, CAT&E will **produce and supply electricity from renewable sources** locally for the benefit of developers, local authorities and consumers. CAT&E is targeting 2 GW of installed generation capacity from assets owned by the Group in 2028, and 500 MWh of low-carbon electricity supply, equivalent to the annual consumption of 196,000 city inhabitants, in 2026. The scheme is operated by Selfee, in which CAT&E is a core shareholder. Selfee is an operator in the electricity market that enables the purchase of locally generated electricity through a short circuit at a local price, by acting as the sole intermediary with the energy producer.

Crédit Agricole Santé & Territoires aims to meet the primary healthcare needs of the French throughout the country and at all times, and to anticipate and support society in adapting to ageing with accommodation services and other solutions. To meet the acute challenges posed by these issues in the regions, CAS&T offers a **two-pillar** response, underpinned by **acquisitions of key players in the sector and targeted partnerships:**

- **access to healthcare** with the launch of systems to combat medical deserts, with the aim of supporting healthcare professionals in new practices combining group practice, telemedicine and connected equipment:
  - in-person, with the **set-up of multi-practitioner clinics and centres** in the regions,
  - in phygital mode, with the acquisition of Omedys, a **solution for teleconsultation assisted** by paramedics,
  - at home, with the acquisition of Medicalib, a solution that **connects patients and paramedics** for the provision of care directly at home, which also offers services to health professionals;
- **ageing-well support,** with the launch of systems to guide senior citizens and their carers towards suitable solutions, and to encourage the roll-out of these solutions in different regions to meet the needs of a growing senior population:
  - creation of a **platform for listening, advice and assessment 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.

RISKS AND PILLAR 3

1. RISK FACTORS OF THE CRÉDIT AGRICOLE GROUP

This section sets out the main risks to which the Crédit Agricole Group is exposed, as well as certain risks related to holding Crédit Agricole S.A. securities given the Crédit Agricole Group's structure.

Other parts of this chapter discuss the Crédit Agricole Group's risk appetite and the systems employed to manage these risks.

In this section, the term "Crédit Agricole Group" is defined as the group consisting of Crédit Agricole S.A. Parent Company (parent company and listed company), its direct and indirect consolidated subsidiaries within the meaning of Article L. 233-3 of the French Commercial Code (Code de Commerce), the Crédit Agricole Mutuel Regional Banks (the "Regional Banks"), 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 Crédit Agricole Group's business are presented in this part under the following 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 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 RISK

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 further compared to the historically low levels of the post-Covid period and 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 hedge (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 2023, the exposure of the Crédit Agricole Group to credit and counterparty risk (including dilution risk and settlement delivery risk) was €2,143.5 billion before taking into account risk mitigation methods. This is distributed as follows: 37% retail customers, 29% corporates, 21% 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 €499.9 billion and €25.1 billion, respectively, as at 31 December 2023. At that period-end, the gross amount of loans and receivables in default was €26.2 billion.

b) ANY SIGNIFICANT INCREASE IN PROVISIONS FOR LOAN LOSSES OR CHANGES IN THE CRÉDIT AGRICOLE GROUP'S ESTIMATES OF THE RISK OF LOSS IN ITS LOAN AND RECEIVABLES BOOK 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 and receivables book, 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, 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 macroeconomic and geopolitical uncertainty. Furthermore, although tensions observed over the last years on prices and the availability of energy and commodities are now less intense, the price levels reached could still affect the solvency of certain customer segments (SMEs, professionals) or financed business sectors that are particularly sensitive to the price of these resources or their volatility (French agricultural sector, production and trading of commodities) by reducing their profitability and their cash flow. Any significant increase in provisions for doubtful loans or a significant change in the Crédit Agricole Group's estimate of the risk of loss inherent in its non-impaired loan book, 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 2023, the gross outstanding loans, receivables and debt securities of the Crédit Agricole Group were €1,444.7 billion. With regard to credit risk, the amounts of reserves, accumulated impairments and related adjustments amounted to €21.3 billion. The cost of risk/outstandings of the Crédit Agricole Group for 2023 [(1)] was 25 basis points.

c) A DETERIORATION IN THE QUALITY OF INDUSTRIAL AND COMMERCIAL CORPORATE DEBT OBLIGATIONS COULD ADVERSELY IMPACT THE CRÉDIT AGRICOLE GROUP'S RESULTS

The credit quality of corporate borrowers could deteriorate significantly, primarily from increased economic uncertainty and, in certain sectors, the risks associated with trade policies of major economic powers. 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 significantly impact the Crédit Agricole Group's profitability and financial position.

At 31 December 2023, the Crédit Agricole Group's gross exposure to industrial and commercial corporates, i.e. sectors other than financial and insurance activities; public administration and defence, compulsory social security; and administrative and support service activities amounted to €417.4 billion (of which €14 billion in default) and were subject to accumulated impairments of €11.5 billion.

d) THE CRÉDIT AGRICOLE GROUP MAY BE ADVERSELY AFFECTED BY EVENTS IMPACTING SECTORS TO WHICH IT HAS SIGNIFICANT EXPOSURE

The Crédit Agricole Group's credit exposures are very diversified due to its comprehensive customer-focused universal banking model activities. The Crédit Agricole Group is mainly exposed to retail banking through the Regional Bank network, the LCL network and that of Crédit Agricole Italia. At 31 December 2023, the share of retail customers in the Crédit Agricole Group's total portfolio of commercial lending was 45%, or €824.4 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 2023, 17% of the Crédit Agricole Group's commercial lending involved borrowers in the public sector (including local authorities), representing an amount of approximately €312.5 billion, and 5% of borrowers in the Energy sector, representing an amount of approximately €95.1 billion. Public sector borrowers can be affected by national and local budgetary policies and spending priorities. Borrowers in the energy sector are exposed to energy price volatility. 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, investment and derivative activities 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 financial 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 that it holds cannot be disposed of or is liquidated at prices below the full amount of the loan or derivative exposure due.

As at 31 December 2023, the total amount of the Crédit Agricole Group's gross exposure to counterparties that are credit institutions and related entities was €139 billion, of which €99.3 billion was using the internal ratings-based method.

f) THE CRÉDIT AGRICOLE GROUP IS EXPOSED TO COUNTRY RISK AND COUNTERPARTY RISK CONCENTRATED IN THE 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 to record additional charges or 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 2023, the Crédit Agricole Group's commercial lending amounted to €1,241.3 billion in France and €161.3 billion in Italy, representing 69% and 9%, respectively, of the Crédit Agricole Group's total exposure over the period. Worsening economic conditions in these countries would impact the Crédit Agricole Group. In 2024, national elections will be held in several major countries and this could create or intensify the risks of regional or global instability. Finally, 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 31 December 2023, commercial lending (including to bank counterparties) to the Crédit Agricole Group's 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 €76.2 billion.

In addition, the Crédit Agricole Group could suffer losses as a result of its direct and indirect exposure to Ukraine and Russia:

- In Ukraine, Crédit Agricole Ukraine's commercial lending amounted to €728 million at 31 December 2023, of which €646 million on the balance sheet, financed locally. The risks on these exposures were provisioned to the tune of €345 million at 31 December 2023. Exposure has steadily declined since the start of the conflict (€1.7 billion at 31 March 2022, then €961 million at end-2022).

(1) The cost of risk on outstandings is calculated by dividing the cost of risk on trade receivables recorded over the last four quarters on a rolling basis by the average outstandings at the beginning of the last four quarters, after reintegrating the outstandings of CA Auto Bank.

- In Russia, the Crédit Agricole 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 Crédit Agricole Group remains 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 Corporate and Investment Bank AO subsidiary (onshore exposures) represented the equivalent of €0.1 billion at 31 December 2023 compared to €0.2 billion at 31 December 2022 and €0.5 billion at 31 December 2021. The change over the period is due to a significant reduction in outstandings and, to a lesser extent, deposits with the Central Bank of Russia. The subsidiary's equity amounted to around €155 million equivalent, including €71 million in equity and €84 million in subordinated debt at 31 December 2023. The amount of equity has been fairly stable since 31 December 2022 (equivalent to €151 million). Net income at 31 December 2023 is expected to be positive by about +€14 million due to substantial reversal of provisions for cost of risk following loan repayments over the year.

  Exposures [1] booked outside Crédit Agricole Corporate and Investment Bank AO (offshore exposures) represented the equivalent of €1.2 billion at 31 December 2023 (€1.1 billion of which recorded on the balance sheet). They were down €1.7 billion from 31 December 2022 and down €3.4 billion in total since the start of the conflict at the end of February 2022. The off-balance-sheet portion of the offshore exposures (documentary credits, financial guarantees and, to a lesser extent, undrawn confirmed credit facilities) amounted to €0.1 billion as at 31 December 2023, down sharply by €1.5 billion since the outbreak of the conflict.

  Due to the ongoing conflict and the ensuing international sanctions, the portfolio continues to be closely monitored and exposures are gradually reducing as repayments are made in strict compliance with international sanctions and through the implementation of secondary disposals.

  Furthermore, since the start of the conflict in the first quarter of 2022, exposures have been subject to significant provisioning, mainly on performing exposures. It is then updated every quarter. Overall, the cost of risk for 2023 relating to Russian exposures represented an expense of €27.5 million, of which €117.5 million of additions relating to performing exposures (Stage 1 and Stage 2) and €90 million relating to reversals on specific files (Stage 3). The total amount of provisions on Russian exposures reached €347 million at 31 December 2023.

  The Russian exposure of the Crédit Agricole Indosuez Wealth Management Group represented the equivalent of €113 million at 31 December 2023, down from 31 December 2022 when it was equivalent to €220 million.

  The fluctuation risk associated with derivative transactions was zero at 31 December 2023 (compared to €0.6 million at 31 December 2022 and €60 million at 31 December 2021).

  Overall, these exposures, of limited size (0.3% of the total exposures of Crédit Agricole Corporate and Investment Bank at 31 December 2023) continue to be closely monitored.

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 €10.9 billion at 31 December 2023. 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 one or more major counterparties.

1.1.2 FINANCIAL RISKS

a) THE MONETARY TIGHTENING POLICY SHOULD COME TO AN END BUT CONTINUES TO IMPACT THE CRÉDIT AGRICOLE GROUP'S PROFITABILITY AND FINANCIAL POSITION

Due to the surge in inflation, the European Central Bank (the "ECB") has been rapidly tightening its monetary policy since July 2022: it has raised its central bank policy rates by 450 basis points (bps) in 14 months and has stopped reinvesting the proceeds of its Asset Purchase Programme (APP) in July 2023, while however continuing to reinvest the maturities of its Pandemic Emergency Purchase Program (PEPP) "at least until the end of 2024". The ECB is also reducing its balance sheet through the repayment of the Targeted Longer-Term Refinancing Operations (TLTROs). These provided long-term, low-cost financing to banks. As a result of monetary tightening, two-year swap rates increased in 2022 and 2023 and the yield curve has been inverted since end-2022. Even if the ECB should stop raising its rates, it is expected to keep them at the current level for a few more months, while continuing to reduce its balance sheet, which is likely to prolong upward pressure on interest rates.

The ECB's interest rate hikes and quantitative tightening have led to a rapid tightening of bank funding conditions, both in financial markets and among customers. At the same time, on the French market as a whole, the growth of outstanding loans slowed sharply due to the effect of the rise in interest rates, with a 25% year-on-year decline in new loan production (households and non-financial corporations), including a 40% decline in home loans to households. However, while in France the increase in interest rates on new loans is significant, the rise in the interest rate on outstanding loans is slower due to the high proportion of fixed-rate loans.

(1) On- and off-balance sheet commercial lending of customers and banks, net of the guarantees of export credit agencies, excluding the fluctuation risk.

In this context, the Crédit Agricole Group's results could be significantly affected by the increased cost of its resources (increased compensation of deposits in a context of increased competition in the collection of deposits, an increase in the cost of market resources and substitution for higher-cost to TLTROs), and by a partial or deferred transmission of the rise in market rates to newly granted loans under the combined effect of a decline in new production, increased competition, and the usury rate mechanism impacting the net interest margin.

Furthermore, developments in economic activity, inflation and interest rates are still surrounded by major uncertainties. Firstly, while a soft landing with limited adverse impact on the labour market is expected today, a harder landing cannot be completely ruled out. Furthermore, while inflation has fallen sharply since autumn 2022, largely due to base effects on energy prices – which rose sharply a year ago – and on food prices, as well as due to the easing of supply constraints, it is now expected to decline more slowly and remain quite volatile in the coming months. Finally, the ECB closely monitors "underlying" inflation (excluding volatile prices), which is proving to be sticky, reflecting the spread of the rise in energy prices and other inputs to all prices and wages. Inflationary surprises are therefore still possible. Hence the prospect, size and timing of potential future interest rate cuts remain uncertain, thus ensuing significant risks to Crédit Agricole Group's revenues and expenses.

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 in retail banking and, through its Regional Banks and LCL, is exposed to changes in interest rates, with a combined market share of over 30.2 %[1]Total households, ECO studies in France.

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 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, based on the assumptions of the supervisory outlier test (SOT) specified by the EBA, with a pass-through rate[2] 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 non-remunerated demand deposits maintained at their current level. In reality, 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 31 December 2023, if interest rates in the main areas in which the Crédit Agricole Group is exposed [3] were to fall, this would have a positive impact of +€5.7 billion on the economic value [4] of the Crédit Agricole Group; conversely, an increase in interest rates in the main areas in which the Crédit Agricole Group is exposed would have a negative impact of -€10.6 billion. 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

With a pass-through rate of 50% applied to housing loans and a 25% migration of non-remunerated 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 31 December 2023, 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 S.A.'s net interest margin would fall by -€0.2 billion in year one, -€0.4 billion in year two and -€0.5 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 +€0.3 billion in year one, +€0.5 billion in year two and +€0.5 billion in year three.

With a pass-through rate of 100% applied to housing loans, the sensitivities in year one, year two and year three would respectively be -€0.3 billion, -€0.9 billion and -€1.1 billion for a parallel downward shock scenario, and respectively +€0.4 billion, +€0.9 billion and +€1.2 billion for a parallel upward shock scenario.

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 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.

Therefore, in the event of an increase in rates, the negative sensitivity of fixed-rate assets is not fully offset by the positive sensitivity of fixed-rate liabilities.

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.

Lastly, given that the cycle of interest rate hikes seems to be over in principle, that inflation is declining and that markets are now expecting a cycle of interest rate cuts by central banks, Crédit Agricole S.A.'s net interest margin could be adversely impacted by (i) an increase in early fixed-rate loan repayments (if there is a cut in mortgage interest rates) and (ii) the interest rate on Livret A (regulated passbook accounts) set at 3% over the whole of 2024 following a sharp cut in short-term rates by the ECB.

(1) Total households, Eco studies
(2) The pass-through rate is the sensitivity of customer rates to a market rate variation.
(3) The interest rate shocks used correspond for the economic value analysis to the regulatory scenarios, namely +/-200 bp in the euro zone and in the United States and +/-100 bp in Switzerland, and for the net interest margin analysis at a uniform shock of +/-50 bp.
(4) 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

The market environment in 2023 was favourable to the Crédit Agricole Group's revenues from the Asset Management and Wealth Management, Insurance and Asset Servicing activities. At end-December 2023, revenues from these activities accounted for 11%, 6% and 4% respectively of the Crédit Agricole Group's revenues. The Crédit Agricole Group is the leading insurer in France, through Crédit Agricole Assurances[1]. Amundi's assets under management stood at €2,037 billion at 31 December 2023, and Crédit Agricole Assurances' assets under management stood at €330 billion at 31 December 2023.

However, in an environment where financial markets are declining, revenues from asset management, insurance, asset servicing and wealth management could be negatively impacted. For asset managers and for wealth management activities, part of revenues is directly linked to management fees based on the assets under management and on fee and commission income on these transactions. When markets are down, the total value of assets under management falls, leading to a potential drop in revenues from management fees. For insurance companies, a slump in markets could lead to a fall in the value of investments in financial instruments such as shares and bonds, potentially affecting returns for the insurer. Lastly, revenues from financial services activities could also be adversely impacted due to the reduced value of the customer portfolios of asset managers.

Moreover, financial terms 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. The Crédit Agricole Group'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.

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 the Crédit Agricole Group's revenues from its asset management and insurance businesses.

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 SHAREHOLDERS' 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. 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 Crédit Agricole Group's capital adequacy ratio. The fact that fair value adjustments are recognised in one accounting period does not mean that further adjustments will not be necessary in subsequent periods.

As at 31 December 2023, the gross outstanding debt securities held by the Crédit Agricole Group were €148.3 billion. Accumulated impairments, reserves and negative fair value adjustments due to credit risk were €217 million.

In addition, Crédit Agricole 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 section "Insurance sector risks" in the "Risk Management" part of this document) 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.

To measure the potential losses associated with these risks, the Crédit Agricole Group uses a Value at Risk (VaR) model detailed in the "Market risk" section of the "Risk management" part of this document. The VaR of the Crédit Agricole Group as at 31 December 2023 was €13 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 "Methodology for measuring and managing market risks" and 2.5.IV "Exposures" in the "Market risk" section of the "Risk management" part of this document. 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 €13.3 billion as at 31 December 2023.

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.

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

f) THE CRÉDIT AGRICOLE GROUP MAY SUFFER LOSSES IN CONNECTION WITH ITS HOLDINGS OF EQUITY SECURITIES

The Crédit Agricole Group bears the risk of a decline in value of equity securities it holds in connection with its market-making and trading activities, mainly with respect to listed securities, and its private equity activities, and in connection with transactions in which it acquires strategic equity investments in a company with a view to exercising control and influencing the strategy. 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 management of the entity concerned may adversely impact the ability of the Crédit Agricole Group to influence the policies of this 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 2023, the Crédit Agricole Group held €63.9 billion in equity instruments, of which €43.9 billion were recorded at fair value through profit or loss; on the other hand, €11.8 billion were held for trading purposes and €8.2 billion were recognised at fair value through equity.

g) THE CRÉDIT AGRICOLE GROUP MUST IMPLEMENT APPROPRIATE ASSET AND LIABILITY MANAGEMENT IN ORDER TO CONTROL THE EXPOSURE TO LOSSES. 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 2023, the 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 144.3%[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 116.8%, 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 the Crédit Agricole Group calculates using models other than publicly quoted prices. The Crédit Agricole Group 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 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 these 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, such as a sharp change in volatility or of its structure, could 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 2023, the notional amount of protection bought in the form of credit derivatives was €4.2 billion (€6.5 billion at 31 December 2022), the notional amount of short positions was zero (idem at 31 December 2022).

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 2021 to 2023, operational risk incidents for the Crédit Agricole Group were divided as follows: the "Implementation, delivery and process management" category represents 34% of the operational loss, the "Customers, products and business practices" category represents 17% of the operational loss, and the "External fraud" category represents 37% of the operational loss. Other operational risk incidents can be broken down into employment and safety practice (5%), internal fraud (3%), business disruptions and system failures (2%), and damage to property, plant & equipment (1%).

In addition, the amount of risk-weighted assets (RWAs) relating to operational risk to which the Crédit Agricole Group is exposed was €62.5 billion as at 31 December 2023.

a) THE CRÉDIT AGRICOLE GROUP IS EXPOSED TO FRAUD RISKS

Fraud is an offence and an intentional act aimed at obtaining a tangible or intangible benefit, to the detriment of a person or an organisation, committed in particular by contravening laws, regulations or internal rules.

(1) Average LCR at end-December 2023.

At 31 December 2023, the amount of proven fraud, at detection date, for the Crédit Agricole Group was €162.5 million, up +9% compared with 2022 (€148.5 million). At recognition date, this amount stood at €158 million for the year 2023.

Consumer finance, Retail Banking in France (LCL and Regional Banks) and International Retail Banking accounted for 80% of total fraud.

The risk breakdown for fraud is as follows:

- identity and documentary fraud: 44%;
- fraud in payment instruments (electronic payment, transfers and cheques): 30%;
- robbery: 12%;
- others: 14%.

Fraud represents a loss and has a significant cost for the Crédit Agricole Group. Other than the consequences in terms of operational losses and damage to reputation, fraud can today be part of money laundering and/or terrorist financing schemes. The risks are therefore not only operational but also regulatory. Certain acts of fraud can be subject to a suspicious transaction report to Tracfin. In view of this, it is vital to strengthen governance, prevention, detection and processing.

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 banking activity in France, and the Crédit Agricole Group continues to roll out 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 meet certain customers' needs in a timely manner 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. It 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 2021 to 2023, operational losses due to the risk of business disruptions and system failures accounted for between 2% and 3% of total operational losses.

c) THE CRÉDIT AGRICOLE GROUP'S RISK MANAGEMENT POLICIES, PROCEDURES AND METHODS MAY PROVE TO BE INEFFECTIVE AND INSUFFICIENT TO GUARANTEE AN ACTUAL REDUCTION OF ITS EXPOSURE TO UNIDENTIFIED OR UNANTICIPATED RISKS, WHICH COULD LEAD TO MATERIAL LOSSES

The Crédit Agricole Group's risk management policies, procedures, techniques and strategies may not guarantee an effective reduction of its risk exposure in all likely economic environments and market configurations. These procedures and methods 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 on its use of observed historical behaviour of the market and of players or on economic variables. 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, 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 2023, the Crédit Agricole Group had a regulatory prudential capital requirement of €5 billion in order to cover the operational risk, including €3.7 billion as calculated by the advanced measurement approach (AMA) based on past losses and medium- and long-term loss assumptions, and €1.3 billion using the standardised approach (TSA).

d) ANY DAMAGE TO THE CRÉDIT AGRICOLE GROUP'S REPUTATION COULD HAVE A NEGATIVE IMPACT ON ITS BUSINESS

The Crédit Agricole Group's business depends broadly 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, its reputation could be affected and could, as a result, have an adverse impact on its business. These issues include, but are not limited to, inappropriately dealing with potential conflicts of interest, incorrect monitoring of legal and regulatory requirements, competition issues, ethics issues, social and environmental responsibility, money laundering, information security policies and sales and trading practices. The 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 third-party data are still being developed. The Crédit Agricole Group's reputation could also be damaged by an employee's misconduct, fraud or embezzlement by financial intermediaries or any other act or misconduct or negligence by its third-party providers, external agents and sub-contractors. 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 disputes and expose the Crédit Agricole Group to fines or regulatory sanctions.

Reputational risk is a key consideration for the Crédit Agricole Group. It is managed by the Compliance department of the Crédit Agricole Group (including the Compliance departments of the member entities of the Crédit Agricole Group), which notably ensures 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 asset freezing obligations, and the protection of client data.

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 the section "Developments in legal risks" under "Risk management" of this document.

Organised as a business line, the Legal Affairs department has two main targets: 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 31 December 2023, provisions for legal risks amounted to €513 million, compared with €546 million at 31 December 2022.

f) THE INTERNATIONAL SCOPE OF THE CRÉDIT AGRICOLE GROUP'S OPERATIONS EXPOSES IT TO LEGAL AND COMPLIANCE RISKS

Due to its international scope, the Crédit Agricole Group's operations are exposed to risks inherent to 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 reached agreements with the US federal and New York State authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008. Crédit Agricole Corporate and Investment Bank and Crédit Agricole S.A., which cooperated with the US and New York State authorities in connection with their investigations, have agreed to pay a total penalty amount of US$787.3 million (i.e. €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, service providers 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 in which it only holds a stake, and in those cases its ability to require compliance with Crédit Agricole S.A.'s policies and procedures may be even more limited.

At 31 December 2023, the Crédit Agricole Group had operations in 46 countries. This includes the parent entity, its subsidiaries and their branches. However, it does not include held-for-sale and discontinued operations, nor any equity-accounted entities. Note that in 2023, 76% of the revenues (excluding intercompany disposals) of the Crédit Agricole Group came from its two main locations (namely France and Italy).

1.1.4 RISKS RELATING TO THE ENVIRONMENT IN WHICH THE CRÉDIT AGRICOLE GROUP OPERATES

a) PERSISTENT INFLATION OR AN UPTURN IN INFLATION AND, AS A RESULT, PERSISTENTLY HIGH INTEREST RATES COULD NEGATIVELY AFFECT THE CRÉDIT AGRICOLE GROUP'S BUSINESS ACTIVITIES, OPERATIONS AND FINANCIAL PERFORMANCE.

The effects of monetary policy and rising interest rates have not yet fully materialised and could continue to impact customer activity and asset quality even more severely. Moreover, inflation could fall less quickly than expected, or even rise again, depending on the following factors:

- Geopolitical developments, in particular the war in Ukraine, the future of which is highly uncertain, and the conflict in the Middle East and its possible spread, imply risk to the global economy, in particular to world trade and consequently to the price of certain commodities or key components and to supply chains.
- Among the many elections to be held across the world in 2024, US elections in November 2024 appear critical and likely to disrupt global geopolitical and economic balances.
- Weather conditions also impact world trade and supplies. Climatic events such as drought, fires, floods or a difficult winter, can lead to renewed price tensions.
- Business recovery in China, following the lifting of health restrictions at the end of 2022, has been very disappointing. China is struggling to get out of the deep real-estate crisis it is going through and to restore household and investor confidence, in spite of support measures. There are concerns over the health of the Chinese economy and a further economic deterioration would have negative repercussions across the global economy.
- In more structural terms, the Covid crisis and the war in Ukraine have clearly brought to light the major issues of sovereignty, preserving strategic sectors and protecting key supplies, in order to not be dependent on a hostile power or a single supplier. Combined with the accelerating challenges of climate transition, developments in countries' industrial strategies are leading to an economic reconfiguration of global value chains and giving rise to forms of protectionism, such as the American Inflation Reduction Act. These movements are likely to create additional price tensions and destabilise the economic sectors and players concerned

Higher inflation could lead central banks to further tighten or maintain restrictive monetary policies over a longer period, leading to persistently high interest rates, further eroding household purchasing power and worsening corporate conditions. Business failures, which fell sharply in 2020 (unrelated to the macroeconomic context) as a result of massive public support, are gradually returning to normal, but the number of failures could rise more rapidly than expected, leading to a rise in the unemployment rate. The real estate sector in particular is badly hit by the rise in interest rates. Persistently high interest rates and a decline in the confidence of economic agents could lead to a deeper crisis and impact the economy more broadly. These various factors not only increase the risk of default by the Crédit Agricole Group's customers, but also the risk of financial instability and a downturn in the financial markets, which have an impact on the Crédit Agricole Group's business activities and cost of risk.

In addition, the rapid rise in interest rates or persistently high interest rate levels could cause difficulties for some major economic players, particularly those with the most debt. Difficulties in repaying their debts and defaults on their part could cause a significant shock to the markets and have systemic impacts. In a more-difficult-to-read context weakened by major shocks, events linked to the difficulties of significant players are potentially damaging to the financial health of the Crédit Agricole Group, depending on its exposure and the systemic repercussions of the shock.

At 31 December 2023, the Crédit Agricole Group's exposures to sectors regarded as "sensitive" to inflation and high interest rates were as follows: (a) real estate (excluding housing loans) with EAD (Exposure at Default[1]) of €68 billion, of which 2% in default; (b) consumer goods and retail with EAD of €30,1 billion, of which 4.4% in default; (c) automotive with EAD of €26.7 billion, of which 0.5% in default; and (d) construction and public works with EAD of €12.8 billion, of which 2.1% in default.

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, as well as to the global geopolitical situation. In the financial year ended 31 December 2023, 62% of Crédit Agricole Group's revenues were generated in France, 14% in Italy, 15% in the rest of Europe and 9% in the rest of the world. A deterioration in economic conditions in the markets where the Crédit Agricole Group operates could have one or several of the following impacts:

- more-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
- macro-economic 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, and the indiscriminate quest for profitability, 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, the European sovereign debt crisis of 2011, the Covid crisis of 2020 or the war in Ukraine and the energy crisis it caused in 2022) 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

(1) Exposure at default: the Crédit Agricole Group's exposure in the event of counterparty default. The EAD includes on- and off-balance sheet exposures. Off-balance sheet exposures are converted into balance sheet equivalents using internal or regulatory conversion factors (draw-down scenarios).

- on the broader front, events of a geopolitical or political nature may occur and cause the relationship between governments and the organisation of the global economy to change more or less abruptly, in such a way that there is a major impact on the Bank's activities in the short or long term Major geopolitical risks can have major macroeconomic impacts on countries, sectors, value chains and companies. For example, uncertainties linked to the outcome of the war in Ukraine or a spread of the Middle East conflict or intensified tensions between the United States and China and their desire for economic decoupling, especially in the technology sectors, could give rise to multiple scenarios and trigger a number of risks: trade war and sanctions, military tensions around Taiwan and in the South China Sea, and nuclear risk;
- 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
- more generally, 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;
- in addition, in a context of declining global growth in 2023 and tighter 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 economic, geopolitical and climatic 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;
- the succession of unprecedented exogenous shocks and the resulting difficulties in assessing the economic situation may lead central banks to adopt inappropriate monetary policies: a premature end to monetary tightening could lead to self-sustaining inflation and a loss of the central bank's credibility, while a policy that is too restrictive for too long could lead to a pronounced recession in activity;
- the political and geopolitical context – more conflictual and tenser – induces greater uncertainty and increases the overall level of risk. In the event of rising tensions or the materialisation of latent risks, this could lead to major market movements and have a negative impact on economies;
- 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 corporates 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 France, a political and social crisis, against the backdrop of weak growth and high public debt, would have a negative impact on confidence and investors, and could cause an additional rise in interest rates and in the cost of refinancing for the government, corporates 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 French sovereign debt was €59.1 billion at 31 December 2023, which represents 3% of Crédit Agricole Group exposures.

The current economic and financial balances are fragile and uncertain. It is therefore difficult to predict when economic or financial market developments will occur, and to determine which markets will be most significantly impacted in the event of a significant deterioration. 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 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, not exhaustively, by (i) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on regulatory prudential requirements for credit institutions and investment firms (as amended or supplemented at any time) 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 amended or supplemented at any time) as transposed into French law; under these regulations, credit institutions, such as Crédit Agricole S.A., and banking groups, 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 2023, 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 21.5%;

- the rules applicable to bank recovery and resolution as defined, not exhaustively, 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 or supplemented at any time), as transposed into French law ("BRRD") 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 amended or supplemented at any time); 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 Chapter 3 of this document). In addition, the contribution of the Crédit Agricole Group to the annual financing of the Single Resolution Fund can be significant. Thus, at 31 December 2023, the Crédit Agricole Group's contribution to the Single Resolution Fund stood at €620 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 the 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 transactions 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;
- regulations applicable to Corporate Social and Environmental Responsibility (CSR), which in particular set out stricter requirements on the publication of information (i) on sustainability, to understand the impact of the activity of the institution concerned on CSR issues and the way in which these issues affect this institution's results and financial position, in accordance with, but not limited to, Directive 2013/34/EU of the European Parliament and Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, (as amended by Directive 2014/95/EU of the European Parliament and Council of 22 October 2014 as regards disclosure of non-financial and diversity information by certain large corporates and groups, and, more recently, by Directive (EU) 2022/2464 of the European Parliament and Council of 14 December 2022 as regards corporate sustainability reporting) and (ii) on how and to what extent banking groups finance or develop economic activities that can be considered environmentally sustainable within the meaning of Regulation (EU) 2020/852 of the European Parliament and Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, called the Taxonomy Regulation (as amended or supplemented at any time, including by Delegated Regulation (EU) 2021/2178 of the Commission of 6 July 2021 providing precisions on the content and presentation of information to be disclosed by corporates subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation);
- 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: 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 ability of the Crédit Agricole Group to expand its business or to pursue certain existing activities.

In addition, legislative and regulatory measures have come 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 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, strengthening of the powers of supervisory authorities, new rules for managing environmental, social and governance (ESG) risks, and new rules for disclosing information, particularly in relation to sustainability requirements.

- The measures relating to the banking and financial sector in which the Crédit Agricole Group 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) CRÉDIT AGRICOLE S.A. MAY NOT ACHIEVE THE TARGETS SET OUT IN ITS 2025 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 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 at expanding and adapting its commercial offers (more accessible, more responsible and more digital) in order to address new customers’ needs. In addition, the strategy of targeted acquisitions and partnerships will be continued, while abiding by the profitability constraints (ROI >10% in three years) set for Crédit Agricole S.A. Within this framework, Crédit Agricole S.A. aims at forging new distribution partnerships with financial, industrial and technological players. 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 2025 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. In 2023, Crédit Agricole S.A.’s external growth was carried out through acquisitions (Degroof Pertercam, and RBC Investor Services in Europe), and through partnerships and the acquisition of minority stakes (JV with Stellantis, Wordline, commercial partnerships with Banco BPM etc.). However, Crédit Agricole S.A. has demonstrated its strong integration capacity (including IT integration) for its acquisitions, with the recent completion of the integration of Lyxor and Creval.

The 2025 Medium-Term Plan includes a number of financial targets relating to the cost/income ratio, net income, return on equity, level of equity, and payout ratio. 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 Crédit Agricole S.A. The financial targets do not constitute projections or forecasts of anticipated results. The actual results of Crédit Agricole S.A. are likely to vary from these targets for a number of reasons, including if one or more of the risk factors described elsewhere in this section materialise. For example, Crédit Agricole S.A. is pursuing the following targets, which are set out in the 2025 Medium-Term Plan: to achieve net income Group share of over €6 billion by the end of 2025; to maintain a maximum cost/income ratio limit of 60% every year for the duration of the 2025 Medium-Term Plan, reduced to 58% since the implementation of the IFRS 17 reform; to achieve a return on tangible equity (ROTE) above 12% by the end of 2025; to target, throughout the 2025 Medium Term-Plan, a CET1 ratio of 11% with a floor of 250 basis points above SREP requirements (by pursuing a strategy of optimising the AT1 capital pool). The 2025 Medium-Term Plan also targets a Crédit Agricole S.A. dividend payout of up to 50% in cash, even if the CET1 ratio fluctuates around the target set in the 2025 Medium-Term Plan.

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 were 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.

Furthermore, as a responsible and committed player, Crédit Agricole S.A. took a stance for a fair climate transition that preserves social and territorial cohesion. This approach is based on three priorities: take action for the climate; strengthen social cohesion by taking action for equal access to care; and 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 S.A. has therefore chosen to use its universal banking model to support transitions for as many people as possible. By providing all its customers, from large international corporates to the most modest households, with products and services that use green energy and by constantly striving for innovation and progress, Crédit Agricole S.A. is continuing its role as a stakeholder committed to major societal changes.

Ambitious targets have been set so as to accelerate the pace of the transition to carbon neutrality by 2050. Following the announcement of Crédit Agricole Assurances' Net Zero Asset Owner commitments and Amundi's Net Zero Asset Managers commitments, the Crédit Agricole Group has established 10 priority sectors for which it has been decided to set Net Zero trajectories. These 10 sectors together account for over 75% of Crédit Agricole Group's global greenhouse gas emissions and approximately 60% of Crédit Agricole Group's exposure. Following the announcement in December 2022 of the 2030 targets set for the first five sectors (Oil & Gas, Electricity, Automotive, Commercial Real Estate and Cement), in December 2023, Crédit Agricole Group published the first results of the trajectories announced in 2022 for the first five sectors, as well as the Group's targets for the five new sectors (Residential Real Estate, Agriculture, Aviation, Shipping and Steel).

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 and therefore Crédit Agricole S.A., which could have a negative impact on its business. In addition, the new nature of certain ESG data requiring additional reliability work could lead to the recalculation of trajectories to achieve the targets set, and thus shift them over time.

b) INSURANCE ACTIVITIES COULD BE ADVERSELY IMPACTED IN THE EVENT OF DECORRELATION BETWEEN CLAIMS AND THE ASSUMPTIONS USED IN SETTING THE PRICES FOR INSURANCE PRODUCTS AND IN ESTABLISHING TECHNICAL RESERVES, AND IN THE EVENT OF A SHARP INCREASE IN RATES

Excluding savings/retirement activities, revenues from the insurance activities of the Crédit Agricole Group's subsidiaries specialising in this field significantly depend upon the extent to which the actual claims experience is consistent with the assumptions used in setting the prices for their insurance products and establishing technical reserves. To develop products and estimate future profits from insurance policies, Crédit Agricole Assurances uses empirical analysis and sectoral data. However, there is no guarantee that actual claims will not be higher than the assumptions used for setting prices and for determining reserves, particularly with regard to unanticipated risks, such as a pandemic or a natural disaster. 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 Crédit Agricole S.A.'s insurance business, results of operations and financial position. This would be seen in Crédit Agricole Assurances's combined ratio, with a ratio above 100% implying a non-profitable technical activity. At 31 December 2023, the combined ratio achieved 100.7%[1].

In savings/retirement activities, Crédit Agricole Assurances continues to adapt its strategy to changes in interest rates, by optimising changes in its profit-sharing reserves (provision pour participation aux excédents – PPE) and maintaining its policy of directing funds to attractive unit-linked policies. The profit-sharing reserves (PPE) thus reached €9.8 billion at 31 December 2023 (compared with €12.0 billion at 31 December 2022), i.e. 4.5% 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 28.9% at 31 December 2023, up +3.3 points year-on-year.

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 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 and/or 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 in the main markets in which the Crédit Agricole Group operates could affect the Crédit Agricole Group's business or result in its profit being over-taxed. 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. 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, SOCIAL AND GOVERNANCE RISKS

Environmental, Societal and Governance (ESG) risks can affect the Crédit Agricole Group in two ways, according to the principle of double materiality. Firstly, societal and environmental materiality, which reflects the impact, positive or negative, of the Crédit Agricole Group's activities on its ecosystem. Secondly, financial materiality, which formalises the impact of the ecosystem on the Crédit Agricole Group's business lines.

According to the societal and environmental materiality, environmental risks can have impacts on its operating tools in terms of physical risks. These risks are components of operational risk, the consequences of which should remain marginal at the level of the Crédit Agricole Group. The Crédit Agricole Group is also exposed to reputational risk related to its compliance with public commitments, particularly on ESG matters. The Crédit Agricole Group may thus face controversy by being challenged by third parties if they believe that these commitments are not being met.

Furthermore, the Crédit Agricole Group 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 a failure to achieve the quality of the working conditions and framework it has set out and thus damage the Crédit Agricole Group's reputation, which could have a negative impact on its business.

(1) Property and Casualty combined ratio (Pacifica scope) excluding discounting and undiscounting: (claims experience + overheads + fee and commission income) / premiums, net of reinsurance.

According to financial materiality, ESG risks may affect the counterparties of entities that are members of the Crédit Agricole Group and therefore, indirectly, the Crédit Agricole Group. ESG 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, when an entity that is a member of the Crédit Agricole Group lends to corporates 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 (including, but not limited to, a 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's member entities in the performance of their activities. The 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.), but also to social and governance factors. 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 indeed have to adapt its activities and its counterparty selection appropriately in order to achieve its strategic targets, avoid suffering losses and limit its reputational risk (see Net Zero Commitments detailed in Chapter 2 of the Universal Registration Document §3.4.3).

In terms of social risk, the Crédit Agricole Group could fail to achieve the targets of its Societal Project. This one 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.

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 members individually that are active in financial markets (principally its corporate and investment banking subsidiary, Crédit Agricole Corporate and Investment Bank). A downgrade in credit ratings could adversely affect the liquidity and competitive position of the Crédit Agricole Group or Crédit Agricole Corporate and Investment Bank, 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 Corporate and Investment Bank, 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 Corporate and Investment Bank'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 Corporate and Investment Bank'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 Corporate and Investment Bank.

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 2023, Crédit Agricole S.A.'s non-financial rating was maintained or even improved by MSCI (AA), Moody's ESG Solutions (from 67 to 72/100), ISS ESG (C+) and CDP (A-).

f) THE CRÉDIT AGRICOLE GROUP FACES INTENSE COMPETITION

The Crédit Agricole Group faces intense competition in all financial services markets and for its products and services, including Retail Banking services. To illustrate this, the Regional Banks have a market share of more than 24% [(1)] in France. 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.

(1) 24.6% for household bank deposits and 24.1% for household loans (source: Internal data, December 2023).

In addition, new competitors (including those using 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 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. is the corporate centre of the Crédit Agricole Network, which includes Crédit Agricole S.A., (parent company), the 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 corporate centre 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. Specifically, they have established a Fund for bank liquidity and solvency risks (fonds pour risques bancaires de liquidité et de solvabilité – FRBLS) designed to enable Crédit Agricole S.A. to fulfil its role as 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., under its duties as 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. 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 – BRRD"), transposed into French law by the French Decree-Law No. 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. The Directive (EU) 2019/879 of 20 May 2019, known as "BRRD2", amended the BRRD and was transposed into French law by the French Decree-Law No. 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 preferred by the resolution authorities, whereby resolution tools would be applied simultaneously at the level of Crédit Agricole S.A. and its affiliated members. In this respect, and in the event of a resolution of the Crédit Agricole Group, the perimeter comprising Crédit Agricole S.A. (in its capacity as the corporate centre) and all its affiliated members would be considered, as a whole, as the extended single entry point. Given the foregoing and the financial support mechanism that exist within the Network, a member of the Network cannot be placed 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 the targets of the resolution 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 shareholders (shares, cooperative shares, CCIs, CCAs) bear losses first, then the other creditors bear losses, provided that they are not legally excluded from bail-in or excluded form bail-in by a decision of the resolution authorities. French law also provides for safeguard when certain resolution tools or decisions are implemented, including the principle according to which equity holders and creditors of an institution in resolution should not incur greater losses than they would have incurred had the institution been wound-up under a judicial liquidation proceeding under the French Commercial Code (Code de Commerce) ("no creditor worse off than under normal insolvency proceedings" 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 will first write down the par value of 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, such bail-in tool would be applied to other debt instruments[(2)], resulting in the partial or total write-down of these instruments or their conversion into equity in order to absorb losses.

The resolution authorities may decide to implement, on the corporate centre and its affiliated members in a coordinated manner, write-down or conversion measures and, where applicable, bail-ins. In such an event, write-down or conversion measures and, where applicable, bail-in measures would apply to all entities of the Network, irrespective of the concerned entity and of the root 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, applicable 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 extent of this bail-in, which also aims to recapitalise the Crédit Agricole Group, is based on own funds requirements at the consolidated level.

Therefore, investors must then be aware that there is 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 banking 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 institution's assets separation tool.

This resolution framework does not affect the statutory financial support mechanism provided for 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 measures.

The implementation of a resolution proceeding on the Crédit Agricole Group would thus imply that the statutory financial support mechanism had failed to remedy the failure of one or more members of the Network, 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:

- 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.

This information, which is an integral part of the notes to the consolidated financial statements of the Group, is covered by the opinion of the Statutory Auditors on the financial statements. The relevant passages are identified in the management report between the tags [Audited] and ▲.

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 the Crédit Agricole 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 policy of selective and responsible financing;
- limited exposure to market risk;
- control of ALM risks (Liquidity, Global Interest Rate Risk, and Foreign Exchange) as well as monitoring the growth of risk weighted assets and the size of the balance sheet;
- strict management of operational risk exposure (including Information and Communication Technology-related risks) with zero legal risk appetite;
- model risk management through proven model governance and Group-level monitoring;
- containment of non-compliance risk;
- containment of environmental risks.

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 by the Group Risk Committee chaired by the 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 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 the Group's image in the market,
  - **the Crédit Agricole Group's solvency**, which guarantees the Group's sustainability by ensuring that it has sufficient equity to back the risks it is taking on,
  - **the Crédit Agricole Group's liquidity,** the management of which aims to prevent the Group's sources of financing drying up with the consequent threat of default on payments, or even resolution,
  - **business,** whose monitoring enables measurement of business risk and ensures achievement of the strategy laid down by the Group, thereby guaranteeing its long-term sustainability,
  - **the Crédit Agricole Group's profit,** because it is a direct source of future solvency and shareholder dividends and constitutes a key part of the Group's financial communications. Its level also reflects the materialisation of risks,

- interest risk and inflation risk that can substantially impact the Crédit Agricole Group's results due to its business of transformation and collection of regulated savings,
- **credit risk**, which constitutes the Group's main risk due to its commercial positioning and its growth strategy. Particular diligence is paid to this risk due to rising geopolitical risk (conflicts in Ukraine and the Middle East, tensions between the United States and China) and rising credit risk in France,
- and key risks which include market risk (more specifically at Crédit Agricole CIB), Group 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 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, which is based on the risk identification process that aims 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.

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 2023 are detailed in the Chapter "Risks and Pillar 3" of this document:

- Credit risk: Part 2.4 (Risk management) and Part 3.4.2 (Pillar 3);
- Market risk: Part 2.5 (Risk management) and Part 3.4.4 (Pillar 3);
- Financial risks (interest rate, exchange rate, liquidity and financing): Part 2.6 (Risk management) and Parts 3.6 and 3.7 (Pillar 3);
- Operational risk: Part 2.8 (Risk management) and Part 3.4.5 (Pillar 3).

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

Crédit Agricole Group	CET ratio (phased-in)	LCR ratio (year-end level)	Cost of risk	Net income Group share	Impaired loan on outstandings ratio
31/12/2023	17.5%	140.8%	€2.9 billion reported/ €2.9 billion underlying	€8.3 billion stated/ €7.6 billion underlying	2.13%
31/12/2022	17.6%	167.6%	€2.9 billion reported/ €2.7 billion underlying	€8.1 billion stated/ €7.9 billion underlying	2.11%

At 31 December 2023, 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.

SUITABILITY OF THE INSTITUTION'S SYSTEMS FOR THE RISKS 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.

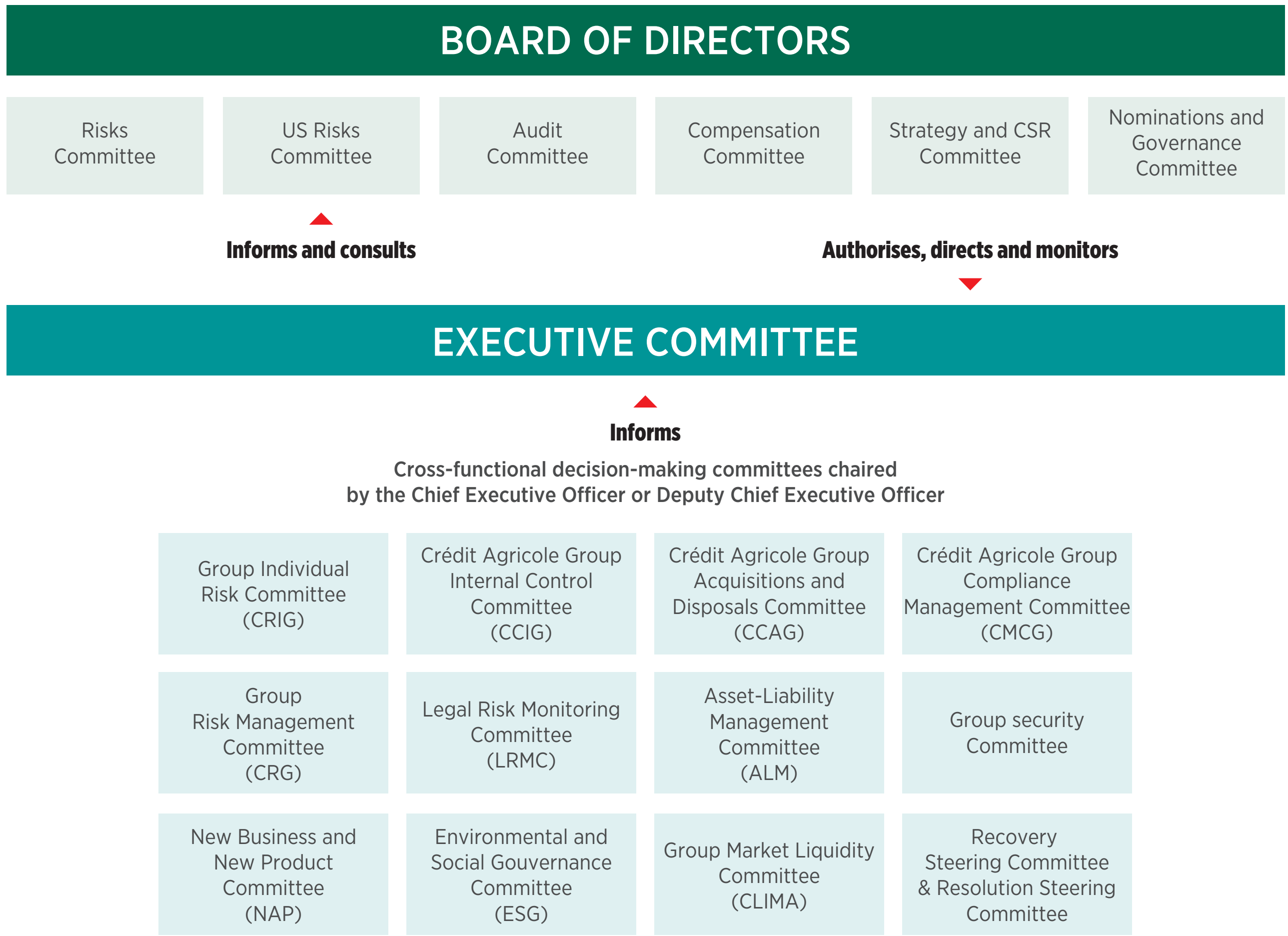
The Financial Steering unit of the Group Finance department (Direction des finances Groupe – FIG) is responsible for the management of structural asset/liability risk (interest rate, exchange rate and liquidity) as well as for the refinancing policy and for the management of capital requirements. Supervision of these risks by Executive Management is carried out through Liquidity and ALM (Asset and 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 the Crédit Agricole Group, 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 in charge of the Steering and Control functions, minimum of four meetings per year) which coordinates the three control functions: examines internal control issues common across the Group (including regulatory developments), promotes cross-functional actions within the Group, validates Crédit Agricole S.A. Parent Company's Consolidated Supervision Scope, approves the Annual Report and half-yearly information on internal control prior to their presentation to the supervisory body;
- **the Crédit Agricole Group Asset-Liability Management Committee** (ALM Committee, chaired by the Deputy Chief Executive Officer in charge of the Steering and Control functions, 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 – CMCG, chaired by the Deputy Chief Executive Officer in charge of the Steering and Control functions, 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, Digital and Payments 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 de Gestion des risques – RFGR) is appointed;
- the Risk Manager 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. They 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, individual and sectoral geographical anti-trust, as well as limits on interest rate, foreign exchange and liquidity risks;
- a Group recovery plan updated on an annual basis, in accordance with, firstly, the provisions of Directive 2014/59/EU of 15 May 2014, as amended, which establishes a framework for the recovery and resolution of credit institutions, and, secondly, Delegated Regulation (EU) 2016/1075 of 23 March 2016.

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, operational and climate 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, moderate adverse 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 own funds and to compare these indices 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 2023, 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 worst-case scenario.

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, climate and liquidity risks and structural risks related to interest rates and exchange rates. The stress test programme is approved annually by the Board of Directors.

The scenarios used in the ICAAP processes, Risk Appetite or 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 point 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/CRD 5), 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 and recommendations (incl. a procedural note on the internal control organisation within the Group) 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, 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 targets, 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.

(1) Article L. 511-41.

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.

THREE BUSINESS LINES 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 an 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 targets: 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;
- specialised 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, by the Group Compliance department and through the periodic missions of the Group Control and Audit 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 resolution – 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 frameworks 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 assures that the internal control system is constantly monitored to ensure 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 corporates 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 3,300 people at end-2022 (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 CONTROLS 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 their own risk management and permanent control system and has an RFGR – who reports to their own 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 failure.

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 Group 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 applying 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 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.

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.

Crédit Agricole S.A.'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 comply 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 with 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. Management data or risk data, reconciled with accounting data, can be used as inputs for certain Group 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 Registration 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 2.1 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 first-level controls 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. Parent Company;
- the permanent control of the Financial Communication department;
- the oversight of the Financial Steering department (Direction du pilotage financier – DPF) of the Crédit Agricole S.A. Parent Company, including Management Control;
- the governance coordination of Permanent Control for the Crédit Agricole S.A. departments under its responsibility;
- 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 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;
- the definition of the accounting and financial information control methodologies, within the Crédit Agricole Group.

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 Crédit Agricole S.A.'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 supervision and 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 corporates 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 controls performed and reported by the first and second lines of defence;
- the implementation, within a reasonable timeframe, of the recommendations made by the various internal or external audit bodies in the course of their assignments;
- 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 supervises and coordinates 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 1,272 full-time equivalent employees at end-2023:

- 809 within Crédit Agricole S.A. ;
- 464 within the scope of the Regional Banks.

2.4. CREDIT RISK

[Audited] 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 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 two conditions has been met:

- payment arrears 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 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. 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 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 Section II.4.3 “Use of credit derivatives”, and Asset and liability management under paragraph 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 of the counterparty 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 concerned, 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 banking, 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 norms et modèles – 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 Italy 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 developed and monitored by Crédit Agricole S.A. 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 two “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 CNM 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.

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).

Derivative transactions and repurchase agreements undertaken by Crédit Agricole CIB as part of market activities carry exposure to credit risk on the counterparties with which they are transacted. 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 value of 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 stress test exercises in 2023. The internal model is used to manage internal limits on transactions with each counterparty and to measure Basel II 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. This model uses the Effective Expected Positive Exposure (EEPE) indicator 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.

For the calculation of capital requirements for counterparty risk for repurchase agreements and derivative transactions at its subsidiaries, Crédit Agricole CIB uses the standardised approach.

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 under "Credit risk management – General principles of risk-taking". The techniques used by Crédit Agricole CIB to mitigate counterparty risk on market transactions are described in the paragraph "Credit risk mitigation techniques".(see "Pillar 3 disclosures", Section 3.4.2.4.1).

Crédit Agricole CIB 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.

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 6.8 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-2023, the commercial lending commitments of Crédit Agricole S.A., its subsidiaries, and Regional Banks to their 10 largest non-sovereign, non-bank customers, amounted to 5.44% of the total non-bank commercial lending portfolio (compared with 5.91% at 31 December 2022). 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, the Corporate and Investment Bank has a portfolio modelling tool that it uses to test how well portfolios hold up under stress scenarios.

The Regional Banks organise at their level a portfolio review and sector monitoring process tailored 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 assessment of 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 Crédit Agricole CIB's Strategy and Portfolio Committees (CSP) and Crédit Agricole S.A.'s Group Risk Committee (CRG);
- corporate and investment banking 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.

Segment information by geographic area is provided in Note 5.2 of the notes to the consolidated financial statements.

Moreover, exposures to other countries rated below B are detailed in Chapter III paragraph 2.4 "Exposure to 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 (2023 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 – Expected Credit Losses – 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 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 MECHANISMS

4.1 COLLATERAL AND GUARANTEES RECEIVED

[Audited] 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 (Comité des normes et méthodologies – CNM), (in accordance with the CRR 2/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).

Details of collateral commitments received are provided in Note 3.1 and Note 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 2023, the notional amount of protection bought in the form of credit derivatives was €4.2 billion (€6.5 billion at 31 December 2022), the notional amount of short positions was zero (the same at 31 December 2022).

Crédit Agricole CIB processes its derivatives through around 10 leading, competent and regulated bank counterparties, all investment grade. Furthermore, 75% of these derivatives are processed through clearing houses (69% at 31 December 2022), acting as guarantors of these credit risk hedging transactions. Bilateral transactions (i.e. those processed outside a clearing house) are carried out through competent and regulated bank counterparties, all investment grade, based in France, the United Kingdom or the United States and acting as guarantors of these credit risk hedging transactions. The bank monitors any concentration of protection on these hedging providers outside the clearing house, applying notional limits per banking counterparty, set and reviewed annually by the Crédit Agricole CIB Risk department.

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

Crédit Agricole S.A., its subsidiaries and the Regional Banks' maximum exposure to credit risk corresponds to the net carrying amount of financial assets (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 2023, the Crédit Agricole Group's maximum exposure to credit and counterparty risk amounted to €2,390 billion (€2,269 billion at 31 December 2022), an increase of 5.3% compared to 2022.

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), amounting to €1,799.5 billion, is presented below by geographic area and by business sector.

This scope excludes, in particular, derivative instruments, which are mainly monitored in VaR (see market risks) and financial assets held by insurance companies (€191 billion excluding unit-linked policies and UCITS – see "Insurance sector risks").

2.1 PORTFOLIO DIVERSIFICATION BY GEOGRAPHIC AREA

The commercial lending portfolio (including bank counterparties) is broken down here under by geographic area. The breakdown reflects the country in which the commercial lending risk is recognized.

BREAKDOWN BY GEOGRAPHIC AREA OF CRÉDIT AGRICOLE GROUP'S COMMERCIAL LENDING

Geographic area of exposure	2023	2022
Africa and Middle East	2%	2%
Central and South America	1%	1%
North America	4%	4%
Asia and Oceania excluding Japan	3%	3%
Eastern Europe	1%	1%
Western Europe excluding Italy	9%	8%
France (Retail Banking)	39%	39%
France (excluding Retail Banking)	30%	33%
Italy	9%	8%
Japan	3%	1%
TOTAL	**100%**	**100%**

The breakdown of commercial lending by geographic area was unchanged overall, although the relative share of French outside Retail Banking decreased, whereas those of Japan (investment of liquidity with the Bank of Japan) and Italy, the Group's second largest market, steadily increased.

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

The commercial lending portfolio (including bank counterparties) is broken down here under by business sector. This breakdown reflects the business sector in which the commercial lending risk is recognized.

BREAKDOWN BY BUSINESS SECTOR OF CRÉDIT AGRICOLE GROUP'S COMMERCIAL LENDING

Business sector	2023	2022
Air/Space	1.1%	1.1%
Agriculture and food processing	2.6%	2.6%
Insurance	0.8%	0.8%
Automotive	2.2%	2.2%
Other non-banking financial activities	3.5%	3.7%
Other industries	1.3%	1.2%
Other transport	1.1%	1.0%
Institutions	0.9%	1.4%
Wood/Paper/Packaging	0.3%	0.3%
Building and public works	1.3%	1.3%
Retail/Consumer goods industries	2.0%	1.9%
Other	3.0%	3.2%
Energy	5.6%	5.5%
o/w Oil and Gas	*2.4%*	*3.0%*
o/w Electricity and Utilities	*3.2%*	*2.5%*
Real estate	4.4%	4.5%
Heavy industry	1.9%	1.9%
IT/Technology	1.0%	1.0%
Shipping	0.9%	0.9%
Media/Publishing	0.2%	0.2%
Healthcare/Pharmaceuticals	1.2%	1.2%
Non-trading services/Public sector/Local authorities	17.2%	18.5%
Telecom	1.3%	1.2%
Tourism/Hotels/Restaurants	0.8%	0.8%
Retail Banking customers	45.4%	43.7%
TOTAL	**100%**	**100%**

The commercial lending portfolio by business sector is well diversified and remained overall unchanged in 2023. Only two sectors accounted for more than 10% of business and make up the majority of the lending portfolio, as in 2022: the "Retail Banking customers" sector, which continues to dominate at 45.4% of the total, and the "Non-trading services/Public sector/local authorities" sector, which remains in second place with 17.2% of the total portfolio of commercial lending compared with 18.5% in 2022.

For the other sectors:

- 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 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 health crisis), lending has been relatively stable since 2021;
- exposures to the "Banking Institutions" segment declined sharply following the 100% integration of FCA Bank, as well as due to the decline in exposures arising from CACEIS's clearing business and Crédit Agricole CIB's Trade Finance business
- 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), the outstandings of which declined slightly (-6%) in 2023. The other components of the lending portfolio relate to clients whose activities are highly diversified (notably asset/financial holding companies);
- the segment "Oil and gas" 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.
- half of the exposure of the "Electricity" segment focuses on large integrated or diversified groups;
- the "Real Estate" 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 macro-economic environment and inflationary pressures, the sharp rise in interest rates for more than a year now has led to a repricing of real estate assets and a relative weakness of the real estate sector. Crédit Agricole CIB's high-quality portfolio shows its resilience but remains under close monitoring;
- 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;
- 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, 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;
- exposure in the "Telecom" sector increased compared to 2022 due to a growth in activity focused on jumbo deals and infrastructure financing (fibre and data centres). 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 to credit institutions and customers are presented in Note 3.1 to the financial statements.

The gross amount of loans and receivables excluding debt securities (€1,309.4 billion at 31 December 2023, including accrued interests, compared with €1,249 billion at 31 December 2022) was up 4.8% from 2023. It is split mainly between corporates and retail customers (respectively, 31.7% and 55%).

2.4 EXPOSURE TO COUNTRY RISK

At 31 December 2023, commercial lending (including to bank counterparties) to Crédit Agricole S.A. customers in countries with ratings below B according to the Group's internal ratings, excluding countries in Western Europe (Italy, Spain, Portugal, Greece, Cyprus, Iceland and Andorra), totalled €76.2 billion versus €71.9 billion at 31 December 2022. 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 2023: the top 20 countries accounted for 94% of the lending portfolio at end-2023, compared to 95% at end-2022.

Two geographic areas are predominant: Asia (39%) and Middle East/North Africa (26%).

CHANGES IN COMMERCIAL LENDING FOR COUNTRIES WITH A CREDIT RATING LOWER THAN B *(IN MILLIONS OF EUROS)*

Date	North Africa/ Middle East	Sub-Saharan Africa	Americas	Asia	Central and Eastern Europe	Total
2023	19,675	2,203	8,752	29,343	16,178	76,150
2022	21,058	1,807	8,360	23,786	16,900	71,911

THE MIDDLE EAST AND NORTH AFRICA

Cumulative lending in Middle Eastern and North African countries amounted to €19.7 billion at 31 December 2023, down 7% compared to the end of 2022, mainly due to the decrease in commercial lending in Saudi Arabia (-€1.8 billion or -28%). Saudi Arabia, the United Arab Emirates, Egypt, Qatar and Kuwait accounted for 90% of the lending in the Middle East and North Africa at 31 December 2023 (compared to 92% at 31 December 2022).

CENTRAL AND EASTERN EUROPE

Cumulative lending in Central and Eastern European countries was down 4% from last year, due to a drop this year also related to the geopolitical context (Russia: -€1.8 billion and Ukraine: -€0.2 billion), which is partly offset by a €1.3 billion increase in lending in Poland. At 31 December 2023, the Group's lending portfolio was concentrated in three countries: Poland, Russia and Ukraine, 95% of the total for this region (compared to 94% at 31 December 2022).

ASIA

The integration of Hong Kong (€7 billion) in the scope of this reporting, though partly offset by a 9% decrease in commitments in the rest of China (-€1.4 billion), accounts for the significant increase in lending in Asian countries rated below B (+23% or +€5.6 billion compared to 31 December 2022). The latter remains the largest regional exposure (€21.3 billion including Hong Kong) ahead of India (€5.7 billion compared to €5.9 billion at 31 December 2022).

LATIN AMERICA

At end-December 2023, exposure to this region represented 11% of all exposure to countries rated lower than "B". Lending in Brazil and Mexico accounted for 91% of the Latin America total compared with 90% at end-December 2022.

SUB-SAHARAN AFRICA

The Group's lending in Sub-Saharan Africa totalled €2.2 billion at 31 December 2023, i.e. 2.9% of the total for countries with a rating below B, compared to 2.5% as at end-2022. Lending in South Africa accounted for 30% of lending in this region at 31 December 2023 (compared to 46% at 31 December 2022), with no other country accounting for more than 10% of the total for this region.

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)	31/12/2023	31/12/2022
Neither past due nor impaired	1,259,627	1,206,162
Past due but not impaired	24,253	18,352
Impaired	25,521	24,463
TOTAL	**1,309,401**	**1,248,978**

The loan and receivables book at 31 December 2023 was 96.2% made up of amounts that were neither past due nor impaired, compared with 96.6% at end-2022.

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-2022).

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 (€964.5 billion at 31 December 2023, compared with €995.5 billion at 31 December 2022), internally rated borrowers accounted for 93.6% of the total, compared with 92.4% at end-2022 (€902.9 billion at 31 December 2023, compared with €919.5 billion at 31 December 2022). 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 OF THE INTERNAL RATING

	31/12/2023	31/12/2022
AAA	32.5%	34.2%
AA	13.9%	13.3%
A	12.3%	11.8%
BBB	25.8%	25.1%
BB	13.5%	13.3%
B	1.0%	1.5%
On credit watch	1.0%	0.8%
TOTAL	**100.0%**	**100.0%**

This breakdown reflects a loan book that remains of good quality with, at 31 December 2023, 84.5% of lending to borrowers with *investment grade* ratings (ratings equal to or greater than BBB) compared to 84.4% at 31 December 2022, and a proportion on credit watch at 1% versus 0.8% at 31 December 2022.

3.3 IMPAIRMENT AND RISK COVERAGE

3.3.1 IMPAIRMENT AND RISK HEDGING POLICY

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 hedge 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).

3.3.2 IMPAIRED LOANS AND RECEIVABLES

At 31 December 2023, total individually impaired commitments amounted to €25.5 billion, compared with €24.5 billion at 31 December 2022. These consist of commitments for which the Group sees potential non-recovery. Individually impaired outstandings represented 1.9% of the Group's gross book value at 31 December 2023, compared with 2.0% at 31 December 2022.

Restructured loans[(1)] totalled €13.5 billion at 31 December 2023, compared to €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 2023

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".

2023 was again marked by the effects of geopolitical tensions and the change in monetary policy, with a sharp rise in interest rates, sustained inflation level and pressure on energy prices impacting the purchasing power of households and the margins of corporates and professionals.

It should be noted that 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.).

The main sectors to watch are: commercial and office real estate, real estate development, textile, distribution and THC (Tourism-Hotels-Catering).

4.2 FIGURES AND FACTS

In 2023, the cost of risk rose sharply to €2.9 billion, i.e. 26 bp. This year the overall impact of the Russia-Ukraine conflict is neutral (with reversals of provisions for non-default of -€0.1 billion offset by low additions for default of +€0.1 billion).

Excluding the direct impact of the conflict, the Crédit Agricole Group's cost of risk in 2023 rose by +€0.9 billion to €2.9 billion at end-2023 (25 bps versus 18 bps in 2022), with cost of proven risk accounting for €2.5 billion (+€0.9 billion versus 2022, or 21 bps versus 14 bps), cost of performing loans of €0.4 billion (or -€0.2 billion versus 2022) and other lines increasing by +€0.2 billion compared with 2022.

As regards proven risk (Stage 3) for the Crédit Agricole Group, excluding the direct impact of the conflict, a cost of €2.5 billion, i.e. 25 bp, compared with 18 bp in 2022, of which €0.9 billion for the Regional Banks (increase of +€0.5 billion, doubling last year's amount, with an increase in risk mainly for VSB/Professional customers and some new corporate customers), a cost of €0.3 billion for LCL (up +€0.1 billion or +50% on the same markets), a cost of €0.3 billion for Italy (level contained this year with a very slight decline), a cost of €0.1 billion for CIB (a two-fold increase compared with 2022 which was a low point excluding the impact of the conflict), a cost of €0.7 billion for consumer finance (increase of +€0.2 billion with pressure on supply chain distribution mainly in France and Italy) and a residual cost of €0.1 billion for other business lines, a moderate rise compared with 2022.

(1) The definition of restructured loans is detailed in Note 1.2 "Accounting policies and principles" to the consolidated financial statements.

As regards the risk on performing loans (Stage 1 and Stage 2) for the Crédit Agricole Group, excluding the impact of the conflict, a cost of €0.4 billion for 2023 (i.e. 3 bps versus 5 bps in 2022). This year, this includes mainly the positive effects of the 2023 update of macroeconomic scenarios under IFRS 9 for -€0.4 billion, reversals of cases going into default for -€0.4 billion, offset by the adverse impacts of the change in methodology for +€0.6 billion of which €0.4 billion in the last quarter: impact of the change in the significant deterioration criteria and the anticipation of future IFRS models that will incorporate the adverse effect of inflation if the rate exceeds a normative threshold of +2.0%. Excluding these, the cost of non-default includes a rather limited volume effect (€0.1 billion on ECL) and a bigger rating effect (+€0.4 billion on ECL), pointing to a start of portfolio underperformance, primarily for the Regional Banks and consumer finance. Lastly, local stress adjustments (FLL) were quite limited this year (+€0.1 billion compared with supplements of +€0.7 billion in 2022).

As regards the other lines of the cost of risk for the Crédit Agricole Group, a limited net cost (€0.1 billion) with an adverse scissors effect compared with 2022 for CIB cases.

Lastly, the direct impact of the conflict on the Large customers portfolio and network banking in Ukraine was neutral overall this year while substantial additional hedging had been undertaken in 2022 (cost of €0.9 billion Group-wide) due to the start of the conflict.

Overall, for the business lines that contribute most to risk:

- in French retail banking – Regional Banks, net cost was almost stable, but included an increase in proven risk (two-fold increase) offset by a drop in hedging requirements for performing loans (almost stable year-on-year for local stress compared with significant additions in the amount of €0.4 billion in 2022);
- in French Retail banking – LCL, net cost was up +27%, mainly due to an increase in default (+50%) partly offset by a fall in hedging requirements for performing loans;
- in Retail banking – Italy, very limited increase in net cost (only +6%) with a slight decline in proven risk (-5%) offset by an increase in other lines;
- in Large customers banking, cost of €0.1 billion this year compared with a reversal of -€0.3 billion in 2022 excluding the direct impacts of the conflict: no major case in 2023, but a slight increase in proven risk this year and mainly an adverse scissors effect compared with 2022 which had seen ECL decreases on performing loans;
- in customer finance (Crédit Agricole Consumer Finance), cost of €0.8 billion this year, on a sharp rise (+€0.3 billion), driven by the increase in proven risk with pressure on supply chain distribution in France and Italy.

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 above in paragraph II.2.2 "Credit risk management – Credit risk measurement".

IV. APPLICATION OF IFRS 9

1. CREDIT RISK RATING MEASUREMENT

In the face of economic and geopolitical uncertainties, the Group continues to regularly revise its forward-looking macroeconomic outlook to determine the credit risk estimate.

INFORMATION RELATING TO THE MACRO-ECONOMIC SCENARIOS APPLIED AT 31 DECEMBER 2023

The Group used four scenarios for calculating IFRS 9 provisioning parameters in production during December 2023, with projections up to 2026. They are based on different assumptions about energy prices, the change in the inflationary shock suffered in particular by the Eurozone and the monetary tightening carried out by the central banks with separate weightings assigned to each scenario.

FIRST SCENARIO: "CENTRAL" SCENARIO (WEIGHTED AT 50%)

The central scenario is one of "slow normalisation" characterised by a sharp economic slowdown, and a lower but still high inflation rate. The assumption of this very gradual adjustment implies interest rates remaining high over a long period. Core inflation is the decisive factor in this scenario and determines the monetary trajectory.

Scenario of business resilience despite inflation and monetary tightening

With the labour market holding up well and savings still abundant, albeit diminishing, household consumption dampened the drain on purchasing power and monetary tightening. Growth was thus more resilient than expected but so was core inflation. The scenario of deceleration without collapse presupposes a slow decline in inflation, easing revenues and putting an end to central bank policy rate hikes.

In the United States, business showed good resilience though cracks are beginning to appear (adjustment of residential investment, productive investment sluggish and likely to contract, households probably more prudent and less spendthrift: labour market holding up well but dip in savings, recourse to debt via credit cards, rise in interest rates). Even if there was a slight contraction in the last quarter, growth could reach 2% in 2023 and 0.6% in 2024: an ultimately natural slowdown, based on the decline in headline inflation and especially core inflation, which should end 2023 at around 4.2% and 4.7% respectively, before both approaching 2.5% at the end of 2024. The risks are mainly downside under this scenario: increase in oil prices, sticky inflation and further rise in central bank policy rates.

In the Eurozone, the rather sudden drop in the pace of growth does not point to a recession but rather to the "normalisation" of behaviour. Assuming an average headline inflation falling from 8.4% in 2022 to 5.6% in 2023 and 2.9% in 2024, the scenario would result in a modest growth rate of 0.5% in 2023 and 1.3% in 2024 – still below its potential rate.

The factors underpinning this normalisation are the relatively low number of insolvencies, restricted to specific sectors (hospitality, transport and logistics), the decline in prices that limit the extent to which business activity is weakened (consumption should benefit from the fall in inflation, improvement in real revenues as well as the surplus savings available to the wealthiest households, even though a large portion of this has already been turned into non-liquid property and financial assets). However the recovery in consumption will be very moderate, particularly in France (fewer support measures) where the labour market remains resilient. Corporate margins remain at an acceptable level (margins restored thanks to higher production prices). Non-housing investment also remains a factor underpinning growth thanks to the decline in the cost of intermediate goods and strong support from European funds. The primarily downside risks to growth would tend to be due to an increase in oil prices, tighter credit conditions (which could shift growth normalisation towards a sharper correction) and an anticipated margin squeeze.

Response from central banks: determined tightening and prudence before any easing

While the fall in headline inflation has mostly been automatic, the stickiness of core inflation, itself fuelled by stronger-than-expected growth, has led central banks to be more aggressive. Provided that inflation, and especially core inflation, continues to fall, the end of central bank policy rate hikes can be expected soon. However, long rates could slowly move towards a decline, though modest in the Eurozone.

In September 2023, the Federal Reserve opted for the status quo (Fed Funds within the range of 5.25% to 5.50%) while pointing out that there could be a further hike and delivering a dot plot suggesting a further tightening of 25 basis points. The fear of a recession coupled with the fact that inflation is still too high argues in favour of an increase limited to 25 bp by the end of the year. Fed Funds could therefore reach their peak in winter (Upper Limit at 5.75%). There could be a gradual monetary easing from the second quarter of 2024 (25 bp per quarter), leaving the Upper Limit at 4.75% at the end of 2024.

The ECB is likely to maintain a restrictive monetary policy over the coming quarters since inflation is falling too slowly and is still far from the target. The ECB raised its rates in September, taking the deposit rate to 4% while continuing its policy of quantitative tightening: end of reinvestments under the APP from July 2023 while those up to the end of 2024 under the PEPP will continue (this does not seem very consistent with monetary tightening through interest rates, hence the risk of a change in strategy and a possible end of reinvestments in 2024); TLTRO repayments will continue until the end of 2024 (but more gradually after the June 2023 repayment). There would be no cut in central bank policy rates before the end of 2024 (-50 bp).

Financial changes

By prioritising the fight against inflation, monetary strategies have helped limit the de-anchoring of inflation expectations and long-rate over-reaction, but they have promoted inverted interest rate curves and low or even negative real yields. Barring any inflation surprises, the risk of a rise in "risk-free" long rates and a noticeable widening of sovereign spreads within the Eurozone is limited. Our scenario also assumes US and German 10-year rates close to 4% and 2.60% respectively at the end of 2023, then falling slightly to 3.50% and remaining stable. The risk of an inverted curve over the long term is very real. Our scenario assumes a slightly positive slope (2/10-year swap rate) only from 2025 onwards.

SECOND SCENARIO: "MODERATE ADVERSE" SCENARIO (WEIGHTED AT 35%)

This scenario includes new inflationary pressures in 2024 driven by an increase in oil prices following from a concerted policy OPEC+ countries of sharper cuts in oil production. Their aim is to arrive at higher selling prices sustained over the long term, which means higher tax revenues. By assumption, the stress is concentrated on 2024. A gradual recovery will then take place in 2025-2026.

Scenario of price setting by oil cartels

Under this scenario, the price per barrel reaches US$140 (compared to US$95 under the central scenario and US$160 under the severe adverse scenario below). The renewed pressure on energy prices generates a second wave of inflation in the United States and in Europe in 2024. In Europe, this price shock results in "surplus inflation" of about +1.1 point compared with the central scenario, i.e. headline inflation of 4% in 2024 against 2.9%. In the United States, the inflation shock is slightly more brutal (+1.3 point) driving inflation to 3.9% in 2024 against 2.7% without the shock.

Repercussions for production: a moderate brake

The main consequence of this adverse scenario is the fall in household purchasing power and in private consumption: less spending on leisure, more selective consumption (more recourse to "discount" brands), deferred capital goods expenditure. Excess savings accumulated during the Covid crisis have reduced and no longer serve as buffers to dampen this new crisis.

As regards corporates, the rise in production costs impacts the industrial sector more particularly, a sector already heavily impacted by the previous gas and energy crisis: profitability undermined following the successive shocks of the last few years (Covid, supply difficulties, sustained increase in energy prices), fall in investment (lower profitability and worsening business climate), slight increase in unemployment rate.

And fiscal support measures for corporates and households are minimal due to the very high level of public debt in the Eurozone and the increase in the cost of debt. This results in a GDP decline in the Eurozone and the United States of an annual average of about 0.9 point of GDP in 2024 compared with the central scenario. The annual GDP growth in the Eurozone is expected to be nil in 2024 (+0.9% under the central scenario) and that of the United States -0.3% (instead of +0.6%).

Response from central banks and financial changes

Central banks are raising their policy rate to tackle inflation. The ECB's deposit rate reaches 4.5% at the end of 2024 compared with 3.5% under the central scenario thereafter gradually falling to 3% at the end of 2026. The Fed is also raising its Fed Funds rate to a more restrictive level in 2024. These measures cause the long-term sovereign rates to rise (Bund at 3% in 2024), but there is no widening of OAT/Bund and BTP/Bund spreads.

THIRD SCENARIO: "FAVOURABLE" SCENARIO (WEIGHTED AT 5%)

Under this scenario, we assume an improvement in growth in China and, by extension, in Asia that would favourably impact business in Europe and in the United States through a slight recovery in trade. This renewed buoyancy is initiated by the Chinese government adopting a new stimulus plan aiming to restore household confidence and to support the property market. It hinges, firstly, on measures easing lending conditions (lower interest rate and debt ratio) and various incentives (e.g. municipality grants) with the aim of boosting construction programmes and, secondly, on support measures for households and youth employment. This will result in the recovery of the construction sector requiring more imported raw materials and machine tools (spreading to its regional and European partners) and more buoyant private consumer spending on capital goods. With all these measures, the growth rate in China in 2024 is better than expected under the central scenario: +5.2% against +4.5% without the stimulus plan, or a gain of +0.7 percentage points. 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.

Scenario of higher growth in Asia stimulating demand for European goods

Increase in demand for imports from the Eurozone (China accounts for 7% of Eurozone exports and northern Asia for 11% of total exports) and from the United States due to the increase in Chinese imports. Upswing in the confidence and expectations of customer types. Slight improvement in world trade. Decrease in corporate failures and fall in unemployment rate compared with the central scenario. In Europe, the growth slowdown is therefore not as sharp as under the central scenario. This “fresh boost” would give an impetus to growth in the Eurozone of about 0.5 point of GDP in 2024. The annual growth rate would increase from 0.9% to 1.4% in 2024. In the United States, the extra support to growth would be slightly less (+0.2 point of GDP), i.e. an increase in growth to +0.8% instead of +0.6% in 2024.

Response from central banks and financial changes

The slight economic recovery does not lead to faster cuts in central bank policy rates in the Eurozone, with inflation remaining at a relatively high level of 3% in 2024. We assume the same figures for ECB rates as under the central scenario.

As regards long rates in the Eurozone, the Bund remains at the same level as that assumed under the central scenario. The levels of spreads in France and Italy are slightly more moderate. Stock markets and real estate markets also perform better than under the central scenario.

FOURTH SCENARIO: “SEVERE ADVERSE” SCENARIO (WEIGHTED AT 10%)

Another inflation shock in Europe in 2024

We assume renewed (brutal and sharp) pressures on oil and gas prices in 2024 with more difficult climate conditions (very harsh 2023-2024 winter in Europe, very hot summer in Asia and Europe in 2024) and the impact of competition between Europe and Asia in the race for LNG (quite sharp recovery in China). We also assume that there is no increase in the supply of oil from OPEC+ countries that could mitigate the increase in barrel prices. Lastly, we assume further difficulties for French nuclear power plants adding to the energy price shock under this scenario.

The price per barrel reaches US$160 in 2024 while the price of natural gas registers further sharp increases to reach a range of €200/MWh to €300/MWh in 2024. As a reminder, in 2022, the average prices for Brent and natural gas (Netherlands index) were US$101/barrel and €123/MWh.

The second-round effects on inflation (increase in intermediate costs partly passed on to production prices) contribute to the upsurge in inflation in the Eurozone: average increase of about 2 percentage points in 2024 compared with 2023. In 2025, inflation slows down but remains high, at about 5%.

Fiscal response constrained by the high level of public debt

In the face of this upsurge in inflation, governments do not implement national stimulus measures. Following two years of extremely accommodating measures for households and corporates to contain the worsening of public finances, there is no shared response across European countries. Responses are constrained by already very high public debt ratios (particularly in France and in Italy) and which are increasing significantly, impacted by the rise in interest rates, recession and planned investment expenditures (energy and digital transition etc.).

Response from central banks

The central scenario assumes that the tightening will end in 2023. In this scenario the priority remains rapid control over inflation at the cost of growth. This results in continued monetary tightening by the Fed and the ECB. We assume that the Fed will undertake a further increase of Fed Funds rates to 5.75% in mid-2024, a level at which they will remain until the end of 2025. As for the ECB, it will raise its refinancing rate to 5% in mid-2024 and maintain it at that level until the end of 2025. A gradual cut will be made in 2026.

Long term rates (swap and sovereign rates) increase sharply in 2024 before dropping back in 2025. The (2-10 year) curve is inverted (expected slowdown in inflation and decline in business). At the end of 2024, the Bund rate will be 3.85% and the 10-year swap in the Eurozone 4.20% (both increase by 125 basis points compared with the central scenario).

Recession in the Eurozone in 2024-2025

Industrial production is penalised by the new increase in energy prices, plus possible supply difficulties (gas etc.), and the rise in interest rates.

On the household front, the inflation shock causes a significant dent in purchasing power. Budgetary measures are very limited and not sufficient to dampen the shock, while the labour market is worsening and salary increases do not compensate for the increase in prices. The loss of purchasing power causes a decline in consumption and an increase in precautionary savings. Corporates register hikes in production costs resulting in lower profit, even if in certain sectors the increase in costs is partly passed on to selling prices. Productive investment declines.

The fall in GDP is quite significant in 2024-2025 in the Eurozone, of about 1.5% per year, with a slightly sharper fall in France.

France – specific shock

In France, discontent over the pensions reform continues. Wage demands to compensate the loss of purchasing power are not met (transport, energy, civil service etc.) leading to social conflict (similar to the “Yellow Vests” crisis) and a partial halt to economic activity. The government faces major difficulties in implementing new reforms. The rise in French 10-year OAT rates and the economic recession lead to a significant increase in budget deficit and public debt ratios. The social crisis coupled with political and budgetary difficulties lead to a downgrading of the sovereign rating by Moody’s and S&P with a negative outlook.

Financial shocks

France is facing a sharp rise in 10-year OAT rates and in the OAT/Bund spread, nearing 160 bp in 2024 and 150 bp in 2025. The 10-year OAT rate reaches 5.45% at the end of 2024. Italy is also facing a sharp rise in 10-year BTP (multiannual treasury bonds) rates and in the BTP/Bund spread, nearing 280 bp in 2024 and 2025. Credit spreads witness a significant widening particularly for financial companies.

Stock markets record a sharp drop, particularly the CAC 40, of about -40% over two years (recession, downgrading of rating, sociopolitical and budgetary tensions, rise in interest rates).

In the face of the significant rise in 10-year OAT rates, impacting borrowing rates, and the sharp deterioration of the economic situation, residential and commercial real estate markets in the Eurozone and in France witness a greater correction.

Lastly, the euro depreciates against the dollar in 2024.

FOCUS ON CHANGES TO THE MAIN MACRO-ECONOMIC VARIABLES UNDER EACH OF THE FOUR SCENARIOS

		Central scenario				Moderate adverse				Favourable				Severe adverse (budgetary stress)			
	Ref. 2022	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026
GDP – Eurozone	3.5	0.5	0.9	1.3	1.0	0.5	0.0	0.8	1.3	0.5	1.3	1.7	1.4	0.6	(1.6)	(1.3)	0.9
Unemployment rate – Eurozone	6.8	6.7	6.9	6.8	6.7	6.7	7.0	7.1	6.9	6.7	6.9	6.7	6.6	6.8	7.6	7.9	7.7
Inflation rate – Eurozone	8.4	5.6	2.9	2.4	2.2	5.6	4.0	3.0	2.5	5.6	3.0	2.5	2.2	5.5	8.0	5.0	3.5
GDP – France	2.5	0.9	1.0	1.4	1.4	0.9	0.1	0.7	1.6	0.9	1.2	1.6	1.4	0.6	(1.9)	(1.5)	1.3
Unemployment rate – France	7.3	7.3	7.7	7.9	8.0	7.3	7.9	8.0	8.0	7.3	7.6	7.8	8.0	7.3	8.0	8.8	8.6
Inflation rate – France	5.2	5.0	2.9	2.6	2.3	5.0	3.9	3.3	2.5	5.0	3.0	2.7	2.3	5.5	7.5	4.5	3.5
10-year OAT	3.11	3.25	3.25	2.75	2.95	3.25	3.70	3.60	3.00	3.25	3.30	2.80	2.90	3.25	5.45	4.50	3.10

FOR ALL SCENARIOS

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 2023, 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.

At end-December 2023, net additions to *Stage 1/Stage 2* provisions represented 10% of the Crédit Agricole Group's annual cost of risk compared with 90% for the share of proven risk in *Stage 3* and other provisions, based on a presentation excluding restated exceptional items.

SENSITIVITY ANALYSIS OF MACRO-ECONOMIC SCENARIOS IN THE CALCULATION OF IFRS 9 PROVISIONS (ECL *STAGES 1* AND *2*) BASED ON CENTRAL PARAMETERS

IN THE CRÉDIT AGRICOLE GROUP SCOPE

Change in ECL when applying 100% of the scenario (Crédit Agricole Group scope)

Central scenario	Moderate adverse	Favourable	Severe adverse
-5.2%	+3.3%	-8.3%	+18.6%

This exposure to ECL 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 Section 3.1 of the financial statements as at 31 December 2023.

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

2023 saw a less dynamic credit activity, with an increase in loans of €2 billion after an increase of €63 billion in 2022. Outstandings in French Retail Banking increased (Regional Banks: +€16 billion, LCL: +€4 billion) and in International Retail Banking (+€2 billion, mainly led by Italy), offset by a decrease of almost -€7 billion in financing activities. The increase is primarily in the consumer finance business lines (+€27 billion in 2023), impacted by the consolidation of CA Auto Bank's loans from April 2023 (+€24 billion to date), with the balance from the credit activity (+€3 billion). The Leasing and Factoring business line saw an increase in outstandings of +€3 billion in 2023.

The weight of the least risky performing loans (*Stage 1*) declined to 86.3% compared to 88.0% at the end of 2022. In spite of this, *Stage 1* customer loans increased by €17.1 billion over the period (compared to €54 billion in 2022). Their drop in proportion is due to the scope effect with the consolidation of CA Auto Bank, as well as the change in the significant deterioration criteria at the end of the year which led to €10 billion in loans being downgraded to *Stage 2*.

The share of performing loans showing signs of significant deterioration in credit risk *(Stage 2)* increased to 11.6% versus 9.9% at the end of 2022. For the period, *Stage 2* customer loans increased by €24.7 billion, of which €10 billion due to the change in the significant deterioration criteria and, to a lesser extent, the scope effect of CA Auto Bank (€1 billion).

Defaulting loans *(Stage 3)* witnessed contained growth (+€1.1 billion or +4.5%) in 2023, with the default rate remaining low at only 2.13% compared to 2.11% at the end of 2022.

ECL TRENDS

Value adjustments for losses on the best-rated counterparties *(Stage 1)* decreased very slightly in 2023 (-4.3% after an increase of +12% in 2022) mainly due to the lower growth in loans and a portion of loans downgraded to *Stage 2* (impact of change in the significant deterioration criteria). The average coverage ratio for this category is 0.26%, down slightly (0.28% in 2022).

Stage 2 ECLs are on a rather significant increase (+8.6% compared with +11.7% in 2022), in line with the dilutive effect of third parties downgraded to Stage 2 from Stage 1 following the change in the significant deterioration criteria (impact of only +€51 billion on ECL). The level of hedging of loans in *Stage 2* declined to 4.5% compared with 5.0% on average for the Crédit Agricole Group in 2022.

Over the year 2023 as a whole, as regards the calculation of ECLs on performing loans, the updated macroeconomic scenarios under IFRS 9 were favourable, with reversals due to the downgrade to default loans partly offset by the unfavourable portfolio effects (rating and volume). The limited increase in ECLs on performing loans over the year is attributable to changes in methodologies at the end of 2023 (SICR rule but particularly the anticipation of the impact of inflation in future IFRS 9 models), coupled with slight local stresses.

The coverage ratio for impaired loans *(Stage 3)* remained almost stable over the year (very moderate increase to 47.8% compared with 48.0% at end-2022) for the Crédit Agricole Group ▲.

2.5. MARKET RISK

[Audited] 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 its own organisation independent of operational hierarchies, risk identification and measurement methods, monitoring and consolidation procedures.

In an uncertain market environment marked by international tensions and rising interest rates/inflation, the Crédit Agricole Group maintained a 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 control:

- **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 the consistency of consolidated risk measurement. 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 the parent company 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 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 also 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 the use of shared platforms with the Front Office for performance and risk indicators. The independence of these processes is based on, firstly, an independent view of the inventories of transactions, supported by the Back Office teams, and, secondly, on the independent selection of market data by Market Risks and the independent validation of valuation models by this same 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 any 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 own local 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. 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

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. 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.

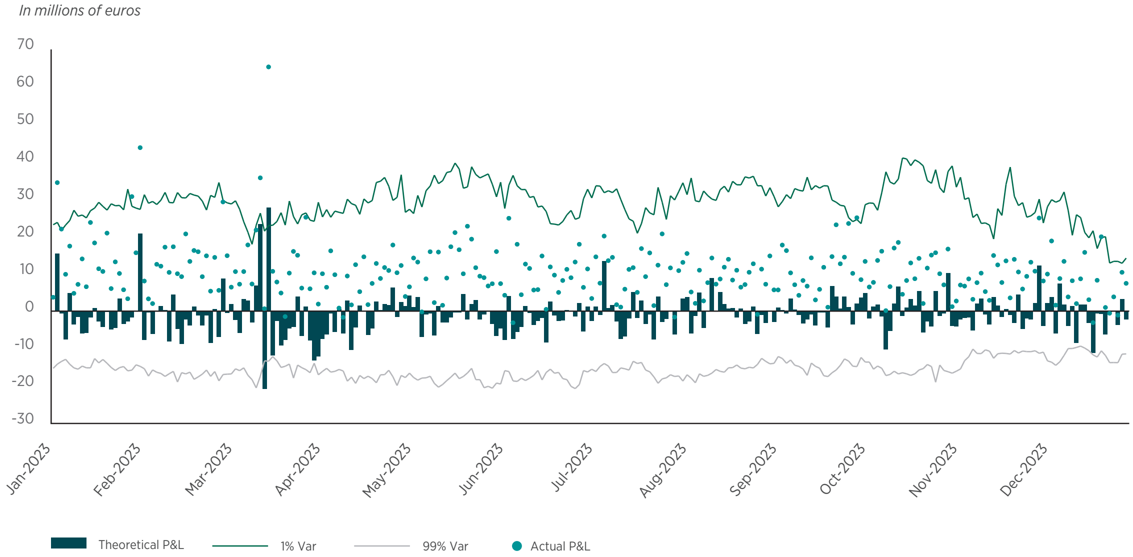
A significant methodological improvement was rolled out following an audit requested by the bank and conducted in 2021: the ECB has authorised Crédit Agricole CIB to include its xVA exposures in its VaR (and Stressed VaR) calculation from 16 March 2023.

BACK-TESTING

A back-testing process is applied to check the relevance of the VaR model for each entity of Crédit Agricole S.A. and its subsidiaries with 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 2023, within the regulatory scope of Crédit Agricole Corporate and Investment Bank (see chart below) was subject to one VaR exception over a consecutive 12-month period. Consequently, the multiplier, used to calculate capital requirements, stood at 4.25, down 0.75 points from end-2022.

BACK-TESTING OF THE REGULATORY VAR OF CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK FOR 2023



2. STRESS SCENARIOS

[Audited] 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 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) and the 2020 impacts of the Covid crisis;
- **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 and the parent company Crédit Agricole S.A., extreme adverse stress tests are used to measure the impact of even more severe market shocks. The adverse and extreme stress tests of Crédit Agricole Corporate and Investment Bank and the parent company Crédit Agricole S.A. were subject to a major recalibration of interest rate shocks in January 2023.

The stress scenarios are calculated weekly and Crédit Agricole Corporate and Investment Bank completes these measures by a daily calculation of global stress based on a so-called "semi-adverse" approach, taking into account all significant risk factors of the different asset classes.

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.

4. INDICATORS RELATED TO THE CRD 4

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-2023, 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 capital 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.

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 equity charge to cover volatility in the credit value adjustment (CVA). Under this Directive, the 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: these requirements are based on two indicators, the CVA VaR and the stressed CVA VaR. The other entities of the Crédit Agricole Group have adopted the standard method for calculating their regulatory 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 1.

The calculation of adjustments on the basis of regulatory requirements resulted in an equity impact at the end of December 2023 of €842 million for Crédit Agricole CIB, including €684 million for market risks.

IV. EXPOSURES

VAR (VALUE AT RISK)

The VaR of the Crédit Agricole 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 2022 and 31 December 2023, broken down by major risk factor, is shown in the table below:

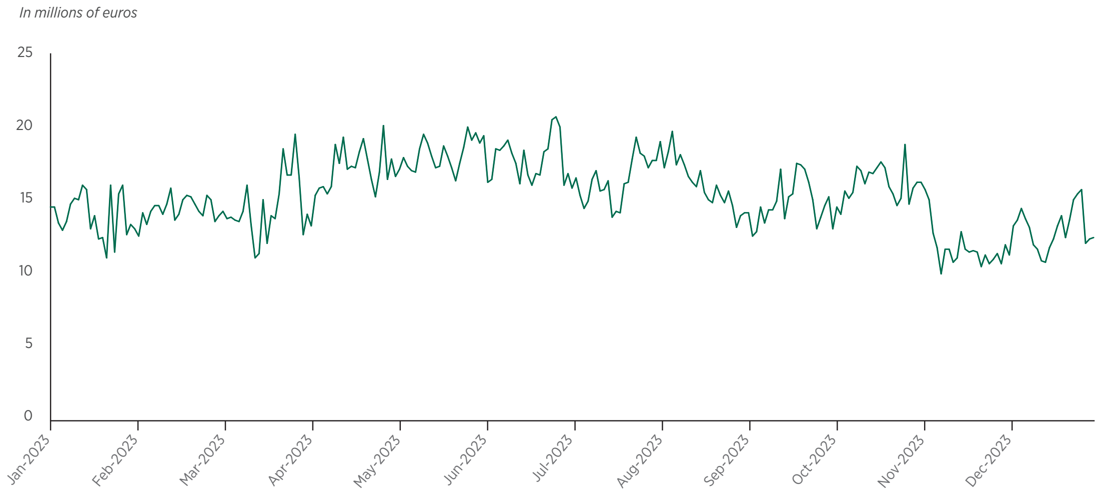
BREAKDOWN OF VAR (99%, 1 DAY)

(in millions of euros)	31/12/2023	Minimum	Maximum	Average	31/12/2022
Rate	8	7	18	11	9
Credit	5	5	9	6	6
Foreign exchange	3	2	10	4	5
Equity securities	4	2	5	3	3
Commodities	0	0	0	0	0
Offsetting effect	(7)	-	-	(9)	(8)
VAR OF CRÉDIT AGRICOLE S.A.	**13**	**10**	**21**	**16**	**15**

The VaR was within a range of €10 million to €21 million; these changes were mainly due to interest rate and credit activities and the offsetting effects between activities. The annual average VaR stood at €16 million in 2023, a stable level compared with the average in 2022.

The following graph shows the change in VaR over the course of 2023:

VAR OF CRÉDIT AGRICOLE S.A. AND SUBSIDIARIES BETWEEN 31 DECEMBER 2022 AND 31 DECEMBER 2023



STRESSED VAR (CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK)

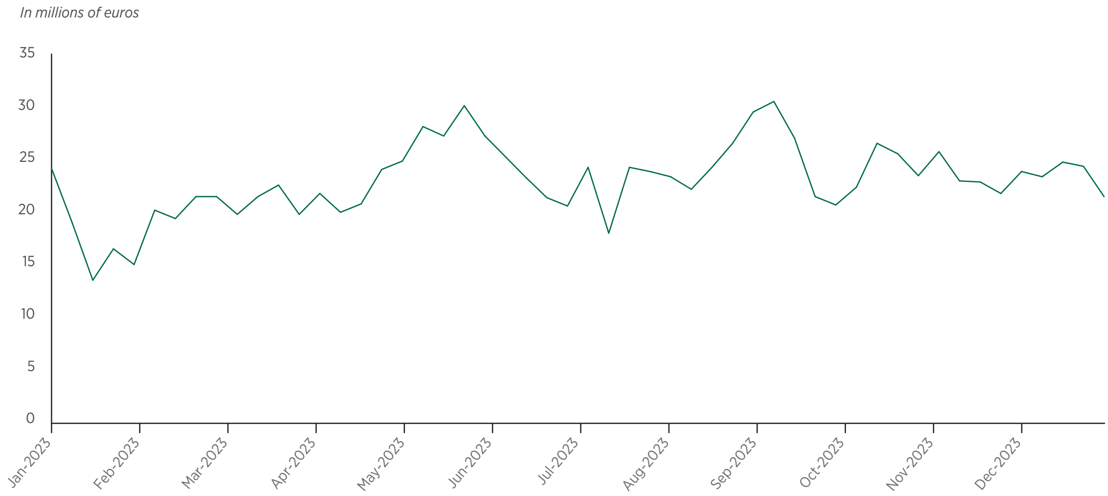
The stressed VaR is calculated on the scope of Crédit Agricole Corporate and Investment Bank.

The table below shows the change in regulatory stressed VaR on the capital market activities of Crédit Agricole Corporate and Investment Bank, between 31 December 2022 and 31 December 2023:

(in millions of euros)	31/12/2023	Minimum	Maximum	Average	31/12/2022
Crédit Agricole CIB stressed VaR	22	14	31	23	22

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 2023.



At end-December 2023, stressed regulatory VaR of Crédit Agricole Corporate and Investment Bank was €22 million, stable compared to end-2022. Averaged over the year, stressed VaR (€23 million) is stable compared to 2022.

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 2022 and 31 December 2023:

(in millions of euros)	31/12/2023	Minimum	Maximum	Average	31/12/2022
IRC capital	119	119	216	176	147

V. EQUITY RISK

1. TRADING PORTFOLIOS AND BANKING BOOK

[Audited] The different types of business are exposed to equity risk. The equity risk incurred by the capital 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 2023, outstanding amounts exposed to equity risk amounted to €52.1 billion, including portfolios of insurance companies for €41.2 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. ASSET AND LIABILITY MANAGEMENT

I. ASSET AND LIABILITY MANAGEMENT – STRUCTURAL FINANCIAL RISKS

[Audited] Crédit Agricole S.A.’s Financial Management department defines the principles of financial management and ensures their consistent application within the Crédit Agricole 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 Group is an ongoing target. 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 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 the Group’s 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 and Liability Management) Committee;
- Crédit Agricole S.A.’s Financial Management department and Risk Management and Permanent Controls department take part in meetings of the Asset-Liability Management Committees of the main subsidiaries.

Within Regional Banks, the Boards of Directors set limits for overall interest rate risk and the *trading* portfolio, and set alert thresholds for the management of their investment portfolios (available-for-sale securities). The 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. CURRENCY RISK

Foreign exchange risk of the Banking Book is treated differently depending on whether it relates to structural foreign exchange positions (revalued through equity) 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 2023, 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:

- the prevention of potential losses from the revaluation of structural foreign exchange positions in foreign currencies which impact short/medium term results (disposal of securities, dividend payment);
- the optimised immunisation of the CET1 ratio on foreign currencies eligible for ECB exemption under Article 352(2) of the Capital Requirements Regulation (CRR);
- the hedging of residual open positions based on the management guidelines approved by Crédit Agricole S.A.’s Asset-Liability Management Committee.

Five times a year, the Crédit Agricole S.A. structural foreign exchange positions are presented to Crédit Agricole S.A. ALM Committee, which is chaired by the Chief Executive Officer. General decisions on how to manage positions are taken during these meetings.

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 reference currency (provisions, net income generated by international subsidiaries and branches, dividends in foreign currencies etc.), and from balance sheet imbalances. The Treasury departments of international subsidiaries' manage their operational foreign exchange risk in their local currency.

The general rule is, from a cash flow point of view, to match assets and liabilities in the same currency in order not to be exposed to a foreign exchange risk on the nominal value (only on the interest margin). However, it is possible for this general rule not to apply to equity investments and net investment loans (assets side) or to AT1 issuances with temporary write-down features (liabilities side).

Income and expenses in currencies whose recognition causes a change in foreign exchange positions (accrued interest receivable, fee and commission income or expenses, invoices etc.) are hedged as and when required and at least once a month. Future interest rate margin is not hedged in advanced unless there is a strong probability that losses will materialise and the impairment risk is high.

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, the Group uses an internal liquidity risk management and control system whose targets 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 amortisation 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 (or their equivalent) 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 Chief Executive Officer in charge of the Steering and Control functions (who is also informed of the Group's liquidity position), is responsible for all key decisions (management of the refinancing programme, launch of new programmes, validation of refinancing budgets, management of the balance between loans and deposits etc.).

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 2023

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 regulatory 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 €56 billion at end-December 2023. Similarly, €129 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 €177 billion at end-December 2023 – 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 cleared with Caisse des Dépôts et Consignations are not netted in order to build the cash balance sheet; the amount of cleared deposits (€97 billion at end-December 2023) is booked to assets under "Customer-related trading assets" and to liabilities under "Customer-related funds".

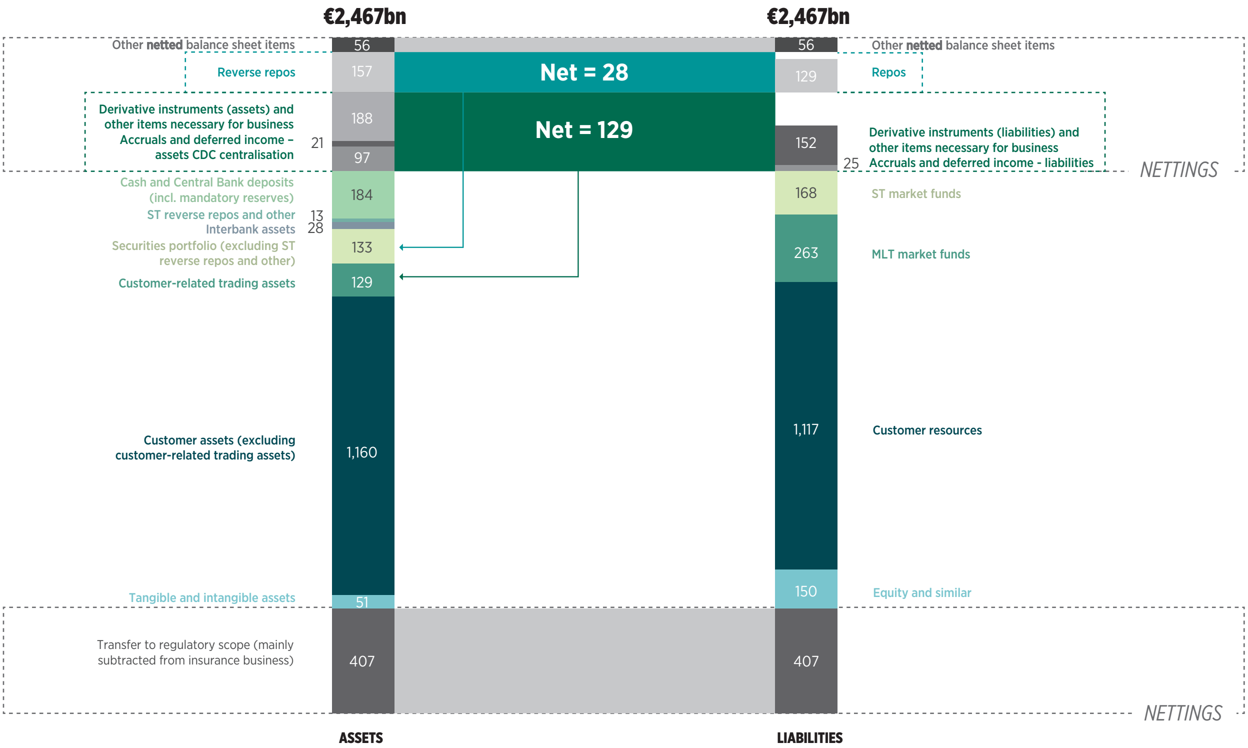
In a final stage, other restatements reassign outstandings that accounting standards allocate to one section, when they are economically related to another. As such, senior issues placed through the banking networks as well as financing by the European Investment Bank, the Caisse des Dépôts et Consignations 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 2023



Standing at €1,698 billion at 31 December 2023, the Group's banking cash balance sheet shows a surplus of stable funding resources over stable application of funds of €190 billion, down €23 billion compared to end-December 2022. This decline is due to the repayment of TLTRO III resources (€68 billion) partly offset by the acceleration of MLT funds raised in 2023.

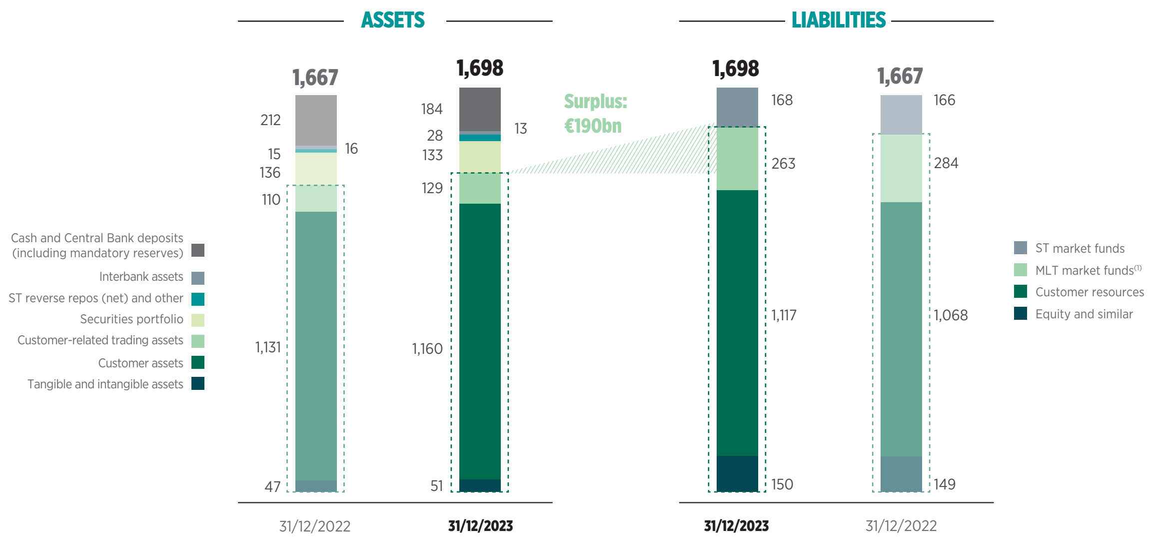
Total TLTRO III outstandings for Crédit Agricole Group amounted to €26.8 billion[(1)] at 31 December 2023. The main repayment deadlines are now concentrated in the first half of 2024 (€21 billion at the end of March and €5 billion at the end of June). As at 31 December 2023, the Group continues to maintain its LCR surpluses at a high level (€88 billion), in order to be able to meet TLTRO deadlines without major impact on the liquidity ratios.

In addition, in 2023, the Group recorded strong commercial activity, with a sharp rise in customer deposits (up +€49 billion), making it possible to achieve symmetry with the loan business at the end of 2023 (up +€48 billion)

Furthermore, given the excess liquidity, the Group posted a short-term lending position at 31 December 2023 (Central Bank deposits and short-term replacements exceeding the amount of short-term debt).

(1) Including CA Auto Bank.

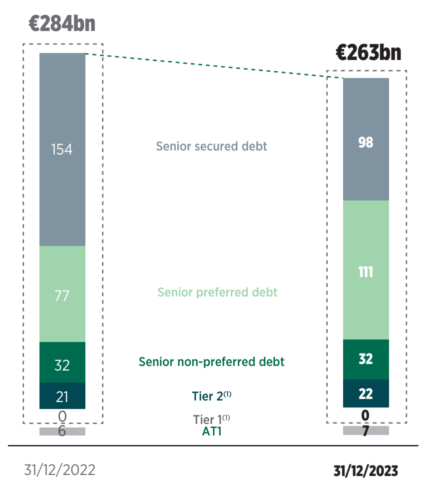
CRÉDIT AGRICOLE GROUP CASH BALANCE SHEET AT 31 DECEMBER 2023



(1) MLT market funds include TLTRO drawdowns.

Medium-to-long-term market resources were €263 billion at 31 December 2023, down by -€21 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 +€47 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 vision (excluding regulatory solvency adjustments).

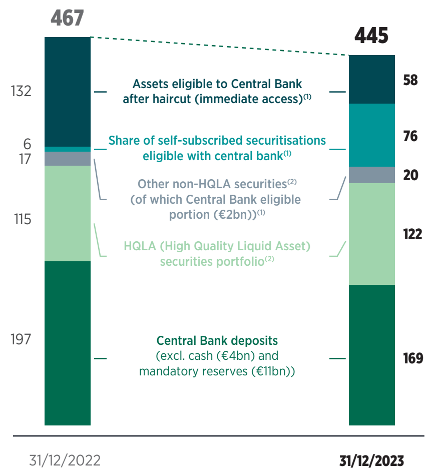
4.2 CHANGE IN CRÉDIT AGRICOLE GROUP'S LIQUIDITY RESERVES

Liquidity reserves after haircuts totalled €445 billion at 31 December 2023, a drop of -€22 billion compared with 31 December 2022. They covered short-term debt more than two times over (excluding the replacements with Central Banks).

2023 was marked by the stabilisation of liquidity reserves above the €400 billion level, in line with the post-normalisation management target for TLTRO. This target was met by the creation of new reserves in the form of Central Bank eligible securities (€72 billion of CA FH SFH securities in Central Bank value) self-subscribed in the second half of 2023.

The Crédit Agricole Group also continued its efforts to maintain immediately available reserves (after recourse to the ECB financing). Assets eligible for Central Bank refinancing after haircuts totalled €136 billion.

LIQUIDITY RESERVES OF CRÉDIT AGRICOLE GROUP AT 31 DECEMBER 2023



(1) Eligible for Central Bank refinancing for potential coverage of the LCR.
(2) Available securities, at market value after haircut.

Available liquidity reserves at end-2023 comprised:

- €58 billion in receivables eligible for Central Bank refinancing operations after the ECB haircut;
- €76 billion in self-held securitisation units (of which €72 billion of CA FH SFH securities) that are eligible for Central Bank refinancing operations, after haircut;
- €169 billion in Central Bank deposits (excluding cash and mandatory reserves);
- a securities portfolio amounting to €142 billion after haircut, consisting of HQLA marketable securities of €122 billion and other marketable securities of €20 billion after liquidity haircut (including €2 billion eligible for Central Bank refinancing).

Liquidity reserves in 2023 averaged €445 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 31/12/2023 *(in billions of euros)*	**Crédit Agricole Group**	**Crédit Agricole S.A.**
Liquidity buffer	339.7	309.2
Total net cash outflows	235.5	216.7
Liquidity Coverage Ratio (LCR)	144.3%	142.7%

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 LCRs over 12 months for Crédit Agricole Group and Crédit Agricole S.A. were respectively 144.3% and 142.7% at end-December 2023. They exceeded the Medium-Term Plan target of around 110%.

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.

Figures at 31/12/2023 *(in billions of euros)*	**Crédit Agricole Group**	**Crédit Agricole S.A.**
Stable financing requirement	1,057.0	851.3
Available stable financing	1,234.8	951.6
Net Stable FundingRatio (NSFR)	116.8%	111.8%

5. REFINANCING STRATEGY AND CONDITIONS IN 2023

Early 2023 was marked by continued inflationary pressures, in keeping with 2022, with rapid monetary tightening by central banks, and an increase in long term rates, weakening regional banks in the United States, with some failures witnessed and the collapse of Crédit Suisse. The second part of the year, from autumn, was marked by falling inflation figures, and the negative impact of monetary tightening on growth and employment that set the stage for an end to the cycle of central bank policy rate hikes and led the market to expect an early cut in these rates, in spite of geopolitical tensions in the Middle East.

In the first half of the year, the rapid increase in central bank policy rates (from 2.5% to 4% by the ECB, from 4.5% to 5.25% by the Fed) had a significant impact on US regional banks such as the Silicon Valley Bank whose assets invested in US Treasury bills had to be liquidated at a loss in response to the panic reaction of depositors wishing to make cash withdrawals. Against this backdrop of decline in confidence, the subsequent failure of Crédit Suisse led to the temporary closure of the primary market in March. The takeover of Crédit Suisse by its rival UBS prevented the spread of a systemic crisis, while reassuring news from the European banking sector regarding its liquidity allowed the primary market to gradually return to normal. Covered securities saw an abundant primary supply with €143 billion in volume for the first half of the year in the financial institutions market. This primary flow, coupled with the gradual end to the asset purchase programme by the ECB, led to a widening of spreads in this segment. Overall, bond issuance volumes in the first half of the year were supported by banks' rising liquidity needs and by the prospect of the TLTRO repayments (€508 billion were repaid in June 2023). Thus, a total of €323 billion, with covered, senior unsecured and subordinated features combined, were issued in the first half of 2023 against €258 billion in the first half of 2022 on the financial institutions market for euro transactions.

By the second half, central banks had reached their target rates. The ECB's deposit rate had stabilised at 4.5% in September and the Fed rate at 5.5%, with inflation converging to central banks' target rate (from 9.2% in December 2022 to 2.9% in December 2023 in the Eurozone, from 6.5% in December 2022 to 3.4% in December 2023 in the United States) and growth slowdown in Europe. In the fourth quarter, these indicators led to expectations of cuts in central bank policy rates from the second quarter of 2024. While flows remained high for secured products (€195 billion of covered products in 2023 against €213 billion in 2022), the primary market opened again with more junior formats, in particular with the reopening of the subordinated market post-Crédit Suisse. The primary market thus proved to be more resilient, in spite of the increase in refinancing programmes in 2023, with primary supply in the financial institutions sector for euro transactions to the tune of €455 billion in 2023 against €450 billion in 2022. Spreads saw on a narrowing trend in the last quarter in spite of geopolitical tensions in the Middle East.

V. HEDGING POLICY

[Audited] 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 Group's 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 than that of the Group. The level of hedging is adjusted by currency, primarily in order to immunise the Group's CET1 ratio against 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) 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

[Audited] In view of the predominance of its savings and retirement activities, the Crédit Agricole Assurances Group is more particularly exposed to market risks (price risk and foreign exchange 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 noncompliance risk and to legal risk particularly in process execution.

This section deals with risk related with financial instruments. The information given in this section is complementary to Note 5.3 "Specific characteristics of insurance" to the consolidated financial statements of Crédit Agricole Group included in Chapter 4 of this Document.

I. GOVERNANCE AND ORGANISATION OF RISK MANAGEMENT IN THE CRÉDIT AGRICOLE ASSURANCES GROUP

The risk governance system of 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, which includes the "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 Chief Executive Officer 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 Risk and Internal Control Committee, the Financial, Planning, Budgetary and Results Strategic Committee, the ALM and Investment Strategic Committee and the Reinsurance Strategic 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 Management 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 Crédit Agricole S.A.'s Risk Committee (a sub-committee of the 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 Crédit Agricole S.A. 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, 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 Crédit Agricole S.A.'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

This section deals with market risk related with financial instruments. Information on market risk arising from contracts that fall within the scope of IFRS 17 is disclosed in note 5.3 to the Group's consolidated financial statements.

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 that changes in market prices (e.g. interest rates, exchange rates, equity prices) affect the fair value or future cash flows of financial instruments.

The Crédit Agricole Assurances Group is exposed to several types of market risk:

- interest rate risk;
- price risk (equity and other diversification assets);
- currency risk;

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.

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 longterm horizons, with market analysis, supported by economic scenarios, to identify opportunities and limitations in terms of the environment and the markets..

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 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 is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Crédit Agricole Assurances is exposed to interest rate risk arising from the sensitivity of its investments in debt instruments to changes in interest rates relative to the value of the insurance contracts backing these investments. ▲

At 31 December 2023, Crédit Agricole Assurances Group's bond portfolio, excluding unit-linked policies and excluding UCITS, amounted to €191 billion at 31 December 2023 (in market value), compared to €184 billion at end-2022.

[Audited] 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.).

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;
- upward interest rate hedging through derivatives.

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:

- hedging using bond assets and swaps/swaptions to manage reinvestment risk;
- adaptation of asset and liability management 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.

For investments representative of unit-linked policies (amounting to €94 billion at December 31, 2023), the risk is significantly mitigated since it is largely and directly borne by policyholders.

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

FINANCIAL INVESTMENTS

The table showing the impact on profit or loss and equity of reasonably possible changes in interest rates at the end of the reporting period is disclosed in Note 5.3 to the Group's consolidated financial statements.

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. PRICE RISK (EQUITY AND OTHER DIVERSIFICATION ASSETS)

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 benefits (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. For investments representative of unit-linked policies (amounting to €94 billion at December 31, 2023), the risk is significantly mitigated since it is largely and directly borne by policyholders.

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 5.3 to the Group's consolidated financial statements. The fair value of financial assets and liabilities recognised at acquisition cost in the balance sheet is disclosed in Note 11.1 to the Group's consolidated financial statements.

ANALYSIS OF SENSITIVITY TO EQUITY RISK

The table showing the impact on profit or loss and equity of reasonably possible changes in the value of shares at the end of the reporting period is presented in Note 5.3 of the Group's consolidated financial statements.

3. CURRENCY RISK

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. For Crédit Agricole Assurances, this risk is very marginal.

Its exposure to foreign exchange risk arises partly from consolidated entities whose functional currency is not the euro, and partly from transactions carried out by entities in currencies other than their functional currency. At Crédit Agricole Assurances level, such transactions are marginal. Furthermore, the Group's financial assets are almost exclusively denominated in the same currencies as its insurance liabilities.

Crédit Agricole Assurances's 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 93% (low net exposure of €7.7 million at end-2023) and in PLN for the CA Zycie subsidiary, with a hedging ratio of 84% (net exposure of €4.4 million at end-2023);
- operational foreign exchange exposure arising from a mismatch between the asset's currency and that of its liabilities: 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

For Crédit Agricole Assurances liquidity risk essentially corresponds to its ability to meet its current liabilities. It is presented in Note 5.3 to the Group's consolidated financial statements.

BREAKDOWN OF FINANCIAL ASSETS BY CONTRACTUAL MATURITY

The bond portfolio maturity schedule (excluding unit-linked contracts) is included in Note 6.19 to the Group's consolidated financial statements.

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 included in Note 6.19 to the Group's consolidated financial statements.

III. CREDIT RISK

This section deals only with counterparty risk on financial instruments. Information on credit risk arising from contracts that fall within the scope of IFRS 17 is disclosed in note 5.3 to the Group's consolidated financial statements.

Credit risk is the risk that one party to a financial instrument, an insurance contract issued and recognised as an asset, or a reinsurance contract held, will default on an obligation and cause the other party to incur a financial loss.

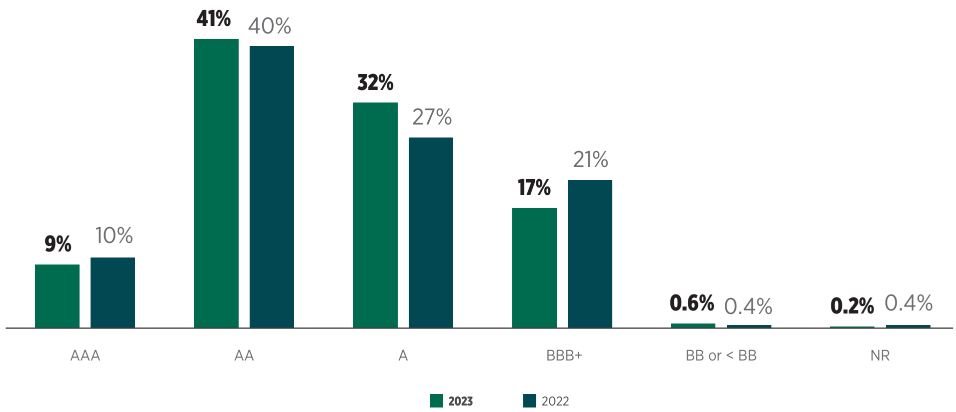
Amundi's risk management teams perform the analysis of counterparty risk for issuers and for OTC market transactions (derivatives) under the management mandates granted to them by the insurance companies.

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 Crédit Agricole S.A. 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. UNDERWRITING RISK

Information on risk arising from contracts that fall within the scope of IFRS 17 is disclosed in note 5.3 to the Group's consolidated financial statements.

In addition, the table showing the impact on CSM, profit or loss and equity of reasonably possible changes in the main insurance risk variables (such as mortality risk and drift in loss expense) at the end of the reporting period is also presented in the same Note 5.3 of the Group's consolidated financial statements. ▲

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. 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. 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 Crédit Agricole S.A.'s standards with an IT back-up plan based on the Crédit Agricole S.A. 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 reviewed annually.

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 3 November 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 regulation, securities regulations, data protection, customer protection, anti-money laundering and anti-terrorism financing requirements, international sanctions, anti-corruption etc.), professional or ethics standards and usages, 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 and 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, whether 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 the results and associated action plans validated 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 EQUITY 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 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 74% 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 equity 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 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:

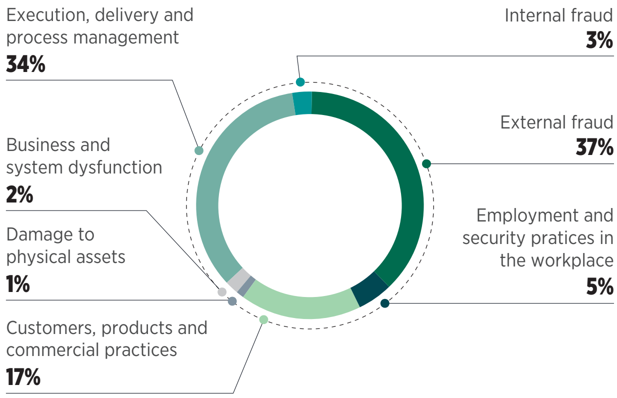
- it must form an integral part of the risk policy;
- it must be pragmatic, i.e. the methodology must be applicable to real operating conditions;
- it must have educational value, in order to be endorsed by Executive Management and the business lines;
- it must be robust, i.e. it must be able to provide estimates that are realistic and stable from one financial year to the next.

A biannual committee for *back-testing* the *Advanced Measurement Approach* (AMA) model has been set up 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, 2017 and 2023. These missions made it possible to note the Group's progress, but also to complete the prudential approach relating to emerging risks (cyber risk, compliance/conduct risk).

III. EXPOSURE

BREAKDOWN OF OPERATIONAL LOSSES BY BASEL RISK CATEGORY (2021 TO 2023)

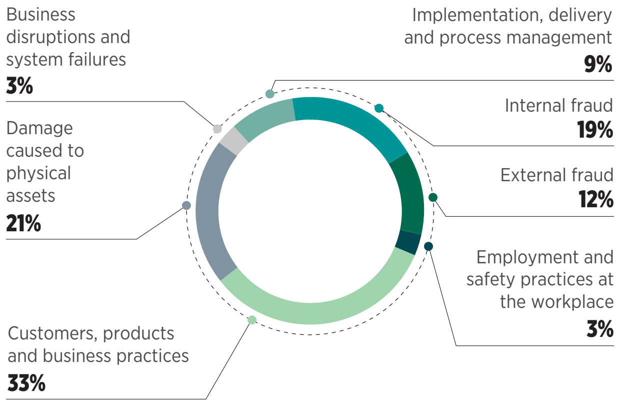


Generally, the exposure profile in terms of operating risks detected in the last three years reflects the principal activities of the Crédit Agricole Group:

- exposure to external fraud that remains significant, mainly in connection with credit operational risk (document fraud, fraudulent invoices, addressee unknown), with a major incident at CALEF in 2023 (financing of false invoices), and payment instruments fraud (bank cards, fraudulent transfers);
- execution and delivery risks, process management risks due to processing errors (management monitoring failures, processing or delivery failures, data entry failures, failure to meet deadlines, collateral monitoring or management failures etc.). An exceptional incident should be noted for CAMCA in 2021 following the abandoning of an IT project and for Crédit Agricole CIB in 2022 following a securitisation file: notification of defaults contested by the investor, as well as an incident for a Regional Bank in 2022 suspense items related to fiduciary assets.
- an exposure to the Customer category marked in particular by a provision following the questioning of unfair terms relating to mortgage loans in Swiss francs at CA Bank Polska and, to a lesser extent, provisions arising from the correction of anomalies following the marketing of quasi-banking insurance products for LCL and the Regional Banks.

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 (2023)



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 to cover 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 liability, comprehensive general liability, and professional civil 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), PE (Pertes d'Exploitation – Business interruption), Cyber and RCJ (Responsabilité Civile Juristes – Lawyers' Liability) policies were renewed on 1 January 2024. The RCP (Responsabilité Civile Professionnelle – professional liability insurance) and GDB (Globale de Banque – Global Bank = All Securities Risks + Fraud) policies expire on 1 May 2024 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

With its medium-term Smart Compliance for Society project, the Compliance business line reaffirms its desire to apply 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.

GOVERNANCE AND ORGANISATION

GOVERNANCE AND NON-COMPLIANCE RISK MANAGEMENT SYSTEM

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 – which are used to identify, assess, monitor and control these risks and, where relevant, to steer and follow up on the necessary corrective action plans.

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 Committees of the Board of Directors and the Board of Directors of Crédit Agricole S.A.

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 management and 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 report functionally to the Group Head of Compliance.

The Group Compliance department also leads and **supervises the Compliance business line.** Launched in 2021, 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 (e.g. financial security, market integrity etc.) and ensure tighter management of the entities according to the identified shortcomings. This method relies on automated dashboards and optimised and rationalised risk sensors. In addition, the Compliance department has strengthened the asset freezing system, with particular attention paid to the supervision of the Consolidated Surveillance Scope in the context of the applicability of asset freezing standards, including through the rollout of a dedicated monitoring tool.

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 implemented throughout the Group entities. To this end, it has teams specialised by area of expertise in the fight against money laundering and terrorist financing, fraud prevention, compliance with international sanctions and asset freezing, corruption prevention, financial market integrity and transparency, personal data protection, Know Your Customer (KYC) and customer protection, as well as ESG and prevention of the risk of misconduct. These teams use a dedicated system to monitor the rollout of procedures across all entities. If an entity is unable to roll out the expected procedures, a documented justification and the related action plan must be completed and this is monitored in the system.

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.

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. This control plan is regularly updated, in line with changes in regulations or in the Group's activities.

ORGANISATION AND COORDINATION OF COMPLIANCE RESOURCES

The **workforce of the Group Compliance business line** has almost doubled in seven years, reaching 2,088 positions at end-2023. 49% of these positions are dedicated to financial security (of which 35% are dedicated to international sanctions), 20% to Customer protection and market integrity and 8% to fraud prevention. The remaining 24% concern activities such as training, personal data protection or monitoring. Retail banking in France and abroad accounts for 41% of this workforce, while 29% are involved in Large customers and Private Banking activities. The Group has also significantly strengthened its compliance teams located in the United States. In 2023, Amundi US Compliance staff increased by 40% and those dedicated to governance ("Combined US Operations") rose by 25%.

The Compliance department has strengthened its human resources management in order to facilitate career development, the acquisition of new skills and expertise (e.g. in artificial intelligence), and increase the attractiveness of the Compliance business line within the Group. In keeping with the Human Project, the Compliance department has established employee skills development as a priority. For example, internal mobility is now given priority over external recruitment. Furthermore, a Compliance skills assessment framework is formally established at the level of the Group Compliance department. It covers two areas: business line skills (e.g. understanding of the regulatory environment, dissemination of the compliance culture) and cross-functional skills (e.g. adaptability, ability to see the big picture).

The Compliance department is vigilant about maintaining a good job coverage level. To this end, it undertakes external recruitments when necessary and also has recourse to recruitment firms, in particular in geographical areas where the job market is tight. The Group Compliance department has a good visibility over the job coverage level across the entire business line via dedicated reporting from entities twice a year.

FINANCIAL CRIME

The measures aimed at combating financial crime are the subject of ongoing action plans to take into account changes in risks, regulatory requirements and requirements of supervisory authorities.

KNOW YOUR CUSTOMER (KYC)

Indicators on the management of Know Your Customer (KYC) are rolled out across the whole Group. They concern in particular the customer onboarding process and the periodic review process. The periodic review is both quantitative (progress rate) and qualitative (consolidated results of level 2 controls, or "2.2.c") In parallel, there is a Group standard on obligations related to Know Your Customer (KYC). This standard is regularly updated. The set of control processes, management indicators and the Group standard apply to all customers, but special attention is paid to the riskiest customers in terms of the fight against money laundering and terrorist financing.

The Group is fully committed to the continuous improvement of the quality of the Know Your Customer (KYC) process. This commitment is reflected in the widespread performance of native consistency checks in data entry tools, and the widespread implementation of solutions involving customers in this process, called "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.

The Compliance department is strengthening the tools for detecting unusual transactions with regard to the fight against money laundering and terrorist financing, notably by using artificial intelligence:

- In retail banking, a new tool was rolled out in 2023, which allows (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. The alerts raised are more relevant. Work is ongoing to extend this tool to some of the Group's Specialised Business Lines.
- Other local tools complement this system in the specialised business lines. For example, Crédit Agricole CIB has a new detection tool specifically adapted to correspondent banks, based on an innovative approach using artificial intelligence.

INTERNATIONAL SANCTIONS

The invasion of Ukraine in February 2022 led to a wide range 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, mobilises 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 mechanism was initially 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.

The current system aims to ensure a good understanding of the regulatory requirements resulting from different sanction packages and of their application, in particular regarding innovative restrictions such as those targeting luxury goods, capping of deposits for Russian and Belarusian citizens, restrictions on securities, application of the freezing measure imposed on the Russian Central Depository (NSD), and implementation of measures to cap 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 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.

FIGHT AGAINST FRAUD

To protect customers and the Bank's interests, a structured fraud prevention system is deployed in all Crédit Agricole Group entities. Fraud prevention at Group level is now under the Financial Security division of Crédit Agricole S.A.

The governance of the fraud prevention system is applied Group-wide and is set out in a procedural document and a dedicated committee structure. The Cross-functional Steering Committee on Fraud Prevention and the Community Committee on Fraud Prevention meet on a quarterly basis with representatives of Regional Banks, subsidiaries of the Group and specialised functions.

This new organisation and the cross-functional steering of fraud prevention is in keeping with the determination to improve the detection of complex fraud and facilitate coordination among staff responsible for investigations.

In addition, IT tools have been strengthened at Group level: firstly, for better detection (cases of frauds involving cards, cheques and bank transfers) and secondly, for better cross-functionality (the screening of customer databases launched in March 2023 allows a more effective cross-functional detection of fraudsters, and ultimately better immunisation for the Group). In particular, given that the techniques used to commit fraud are becoming increasingly complex and modern, particularly due to organised gangs, the financial crime detection tool deployed to improve the fight against money laundering and terrorist financing also contributes actively to improving the detection of cases of fraud.

Building on the strengthening of detection tools, several projects are under way aiming at document and identity fraud detection. They are based on systems that examine weak signals and analyse behaviours, and on a partnership with the French Ministry of the Interior.

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 the only French international banking group 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. In 2023, the follow-up audit conducted by the certification body did not report any non-compliance.

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. Furthermore, in order to comply with the requirements of the Bank Holding Company Act, a dedicated application was rolled out in 2023 for entering data on permanent holdings of Crédit Agricole Group entities. This application enhances the security of the data collection process and ensures data reliability.

MARKET INTEGRITY

Through the system implemented, the Crédit Agricole Group contributes to the fairness, efficiency and integrity of the financial markets by combating abuses or attempted market abuses. These systems, made mandatory by the MAR and MIF regulations, are based on regularly updated policies, procedures, tools and training programmes.

Over the last financial year, the tools used for detecting market abuses, particularly in specialised business lines, have undergone major developments. They have thus become more effective.

Furthermore, as regards retail banking, a new project has been launched for overhauling and streamlining the detection system.

FIGHT AGAINST TAX AVOIDANCE

The fight against tax avoidance involves a number of regulations, including FATCA (Foreign Account Tax Compliance Act), AEOI (Automatic Exchange of Information), QI (Qualified Intermediary) and DAC6 (European Directive on the Reporting of Cross-border Arrangements). Crédit Agricole Group has set up procedures to implement these regulations and the resulting reporting obligations within its entities.

In 2023, several actions were undertaken at the level of retail banking entities in order to comply, natively, with the FATCA and AEOI regulations (e.g. digitalisation of self-certification for customers who are minors and protected adults). In addition to regulatory requirements, ad hoc actions to collect tax information (self-certification of tax residence and/or tax identification numbers in the context of FATCA and AEOI) were carried out in Retail Banking in 2023.

WHISTLEBLOWER RIGHTS

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.). This whistleblower scheme then 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.

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 roll-out of this online platform was completed in 2020 across the entire Crédit Agricole Group, covering more than 300 entities and almost 150,000 people. Entities joining the Group following acquisitions are connected to the platform as and when they are acquired.

At 31 December 2023, 455 alerts had been reported and processed through this new system since its roll-out.

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 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 2023 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 continued strains on purchasing power and the impact of the climate transition on household budgets, the prevention of financial vulnerability and support for customers in vulnerable situations remain a high priority.

QUALITY OF SERVICE, TRANSPARENCY TOWARDS CUSTOMERS (INCLUDING ESG AND SUSTAINABILITY), AND 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. Crédit Agricole has also amended its advisory processes to integrate its customers' 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. Lastly, with regard to pricing, the Group Compliance department is closely associated with the work carried out by the Group on transparency of charges and banking inclusion.

PRIORITY OF CUSTOMER INTERESTS THROUGH THE PREVENTION OF CONFLICTS OF INTEREST

The Crédit Agricole Group implements and regularly updates a system for the prevention and management of conflicts of interest, based on procedures and monitoring tools, and the regular training of employees. In 2023, this system was reinforced for employees of Crédit Agricole S.A, in terms of the disclosure of conflicts of interest of a private nature (offices held outside the Group).

Respect for the primacy of customers' interests is a key aspect of the prevention of conflicts of interest Through their honest, loyal and professional conduct, employees of Group entities serve and respect customers' interests in the best possible manner. In this regard, the prevention of conflicts of interest is an integral part of the ethical conduct promotion system. For example, in the last financial year, a new training module on the topic of conflicts of interest, as part of the ethics pathway, was provided to all employees.

PROTECTION OF PRIVACY AND PERSONAL DATA

In the context of the entry into force of the European General Data Protection Regulation (GDPR), the Group Data Protection Officer (DPO) reports to the Deputy Head of Group Compliance and is in charge of managing the DPO division of Crédit Agricole.

In terms of personal data protection, the Group established an ethical framework in 2017 by adopting a Personal Data Charter. 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 General Data Protection Regulation (GDPR) which came into force in 2018. Group entities put the charter and their Personal Data Protection Policy at the disposal of stakeholders on their website. This Policy includes detailed information on the purposes of personal data processing, the laws on which they are based, data retention periods and recipients as well as the sources of personal data.

Furthermore, to ensure respect for the rights and freedoms of the data subjects, Crédit Agricole Group leverages a system consisting of four pillars: "Governance", "Standards", "Training" and "Control"[1].

This system is managed by the Data Protection Officers appointed in each entity[2].

CULTURE OF ETHICS

The system for controlling non-compliance risks is based 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:

a) 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;

b) 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;

c) the FIDES Corpus, which brings together all the procedures that reflect regulatory changes in the area of compliance;

d) 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 commitment of Executive Management and Directors to the culture of ethics sets the right **"tone from the top".** In addition to the training and dedicated awareness-raising activities detailed below, it should be noted that figures on the promotion of ethics (such as the rate of completion of the "ethics quiz", assessment of the risk of misconduct) are among the non-financial performance criteria used to determine the compensation of executive corporate officers. Furthermore the risk of misconduct indicator is presented and approved annually by the Compliance Management Committee.

The spreading of this culture of ethics also relies on **awareness-raising, promotion and training activities** with regard to the challenges and risks of non-compliance that strongly mobilise all Group stakeholders: employees, executives and directors.

- ethics awareness actions are structured around the creation of a community of Group ethics advisers and driven by a number of publications (newsletter, comic strips, a hybrid course including videos and podcasts, interviews with Crédit Agricole S.A. employees). The annual "Ethics and You" quiz also contributes to raising awareness. Its terms as well as its content are regularly reviewed. As regards the Group's executives and Directors in particular, awareness is raised through dedicated training sessions and regular presentations on Compliance subjects at meetings of the Executive Committee, Risk Committee and the Board of Directors.
- The culture of ethics is also promoted through dedicated events such as the "Ethics days", intended for all employees and other target groups. They include talks by expert speakers, as well as dedicated times for discussing and sharing ideas(workshops, "serious games" etc.

(1) For more details on the system please refer to the Statement of Non-Financial Performance.
(2) Where the conditions laid down in Article 37 of the GDPR are met.

- 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, and compliance with international sanctions (see dedicated paragraph below).

In addition to the preventive measures described above, a measurement and back-testing system for the risk of misconduct is in place:

- a process for the annual assessment of the risk of misconduct measures the degree of compliance with the culture of ethics across all entities. Based on the outcome of this assessment, action plans are put in place to reinforce the culture of ethics;
- the annual system for the identification of "risky conduct" for employees whose work has a significant impact on the Bank's risk profile, takes into account the risk of misconduct. This system is used, where necessary, when determining the compensation of the concerned employees. It also leads, where applicable, to the implementation of further actions to reinforce the culture of ethics.

TRAINING PLAN

Five mandatory Compliance courses ("Professional standards and Standards of conduct", "Combating money laundering and the financing of terrorism CML-FT", "International sanctions", "Prevention of external fraud" and "Combating corruption") make up the basic obligatory Compliance training that must be followed by all Group employees. At the end of each training, there is a quiz to test the proper understanding of the concerned issues by employees.

A more comprehensive set of Compliance training courses (with over 50 modules) is available for all Group employees. These are mandatory for some employees depending on their function and entity. They are developed by the Crédit Agricole Group's in-house training institute, and can therefore be tailored to meet the specific needs of the Group.

In addition, ad hoc training courses are provided at Group and entity levels. In particular, the Fides Académie conducts three in-person sessions annually for employees joining the Compliance business line, providing a comprehensive view of Compliance issues and facilitating the sharing of experience.

As regards the promotion of the culture of ethics specifically, over 97% of Group employees had received training on the module "Professional standards and Standards of conduct" at 31 December 2023. This course was 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, a set of four training sessions to raise awareness about ethics ("Let's talk ethics") is available for all Group entities. The first two topics, "Ethics and social media" and "Ethics and diversity", were made available to employees starting in 2022. Since 2023, two other topics have been added: "Ethics and conflicts of interest" and "Ethics and environmental efforts". 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.

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 responsible for 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. The events organised by Compliance Valley concern current new technologies such as digital assets, the European digital identity, the metaverse etc., applied to the issues of compliance (ESG, Know Your Customer (KYC) etc.) Compliance Valley brings employees together and gets them familiar with these subjects. This familiarisation contributes to the transformation of business lines regarding regulatory issues linked to new technologies.

One of Compliance Valley's iconic events is the "Innovation Challenge". In 2023, employee feedback following the "Innovation Challenge" have allowed the identification of innovative solutions for the fight against fraud in payment instruments and for high net worth customer journeys (with the lifting of complaints related to compliance requirements).

3. PILLAR 3 DISCLOSURES

KEY PHASED-IN METRICS AT THE 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.

Since 1 January 2023, the Group's insurance entities have been applying the IFRS 17 standard.

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. The amounts also include retained earnings for the period.

Lastly, from 1st January 2023, global systemically important institutions must fulfill with a leverage ratio buffer requirement equivalent to half of the entity's systemic buffer, which is 0.50% for Crédit Agricole Group, bringing the requirement to 3.50% for Crédit Agricole Group (see Section 3.1.6.2 "Leverage ratio").

EU KM1 – Key phased-in metrics *(in millions of euros)*		**31/12/2023**	**30/09/2023**	**30/06/2023**	**31/03/2023**	**31/12/2022**
	Available capital *(amounts)*					
1	Common Equity Tier capital (CET1)	106,881	105,965	104,736	102,940	100,861
2	Tier 1 capital	112,624	113,457	112,065	110,306	107,064
3	Total capital	128,852	130,428	128,096	126,805	124,016
	Risk-weighted exposure amounts					
4	Total risk exposure amount	609,852	605,464	595,839	584,280	574,595
	Capital ratios *(as a percentage of risk-weighted exposure amount)*					
5	Common Equity Tier 1 ratio *(%)*	17.53%	17.50%	17.58%	17.62%	17.55%
6	Tier 1 ratio *(%)*	18.47%	18.74%	18.81%	18.88%	18.63%
7	Total capital ratio *(%)*	21.13%	21.54%	21.50%	21.70%	21.58%
	Additional capital requirements to address risks other than the risk of excessive leverage *(as a percentage of risk-weighted exposure amount)*					
EU 7a	Additional capital 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 of 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	Capital 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 *(%)*	0.42%	0.43%	0.40%	0.07%	0.05%
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 *(%)*	3.92%	3.93%	3.90%	3.57%	3.55%
EU 11a	Overall capital requirements *(%)*	13.42%	13.43%	13.40%	13.07%	13.05%
12	CET1 available after meeting the total SREP own funds requirements *(%)*	11.34%	11.61%	11.68%	11.75%	11.51%
	Leverage ratio					
13	Total exposure measure	2,061,506	2,014,964	1,990,639	2,031,225	1,985,992
14	Leverage ratio *(%)*	5.46%	5.63%	5.63%	5.43%	5.39%

EU KM1 – Key phased-in metrics *(in millions of euros)*		31/12/2023	30/09/2023	30/06/2023	31/03/2023	31/12/2022
	Additional capital requirements to address the risk of excessive leverage *(as a percentage of total exposure amount)*					
EU 14a	Additional capital 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%	3.00%	3.00%
	Leverage ratio buffer and overall leverage ratio requirement *(as a percentage of total exposure measure)*					
EU 14d	Leverage ratio buffer requirement *(%)*	0.50%	0.50%	0.50%	0.50%	0.00%
EU 14e	Overall leverage ratio requirement *(%)*	3.50%	3.50%	3.50%	3.50%	3.00%
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value – average)	339,674	355,743	377,024	390,500	403,468
EU 16a	Cash outflows – Total weighted value	314,873	316,843	320,725	319,404	317,713
EU 16b	Cash inflows – Total weighted value	79,400	80,665	80,685	78,398	75,787
16	Total net cash outflows (adjusted value)	235,472	236,178	240,040	241,006	241,925
17	Liquidity coverage ratio *(%)*	144.31%	150.84%	157.32%	162.55%	167.35%
	Net Stable Funding Ratio					
18	Total available stable funding	1,234,757	1,215,249	1,201,818	1,205,571	1,198,492
19	Total required stable funding	1,056,999	1,048,887	1,038,465	1,031,918	1,015,823
20	NSFR ratio *(%)*	116.82%	115.86%	115.73%	116.83%	117.98%

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 transitional provisions were applied for the first time starting from the closing as 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)		31/12/2023	30/09/2023	30/06/2023	31/03/2023	31/12/2022
	Available capital *(amounts)*					
1	Common Equity Tier 1 (CET1) capital	106,881	105,965	104,736	102,940	100,861
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	105,805	104,901	103,665	101,920	99,060
3	Tier 1 capital	112,624	113,457	112,065	110,306	107,064
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	111,549	112,393	110,994	109,286	105,263
5	Total capital	128,852	130,428	128,096	126,805	124,016
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	127,777	129,364	127,025	125,786	122,214
	Risk-weighted assets *(amounts)*					
7	Total risk-weighted assets	609,852	605,464	595,839	584,280	574,595
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	609,803	605,412	595,801	584,274	574,431
	Capital ratios					
9	Common Equity Tier 1 *(as a percentage of risk exposure amount)*	17.53%	17.50%	17.58%	17.62%	17.55%
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	17.35%	17.33%	17.40%	17.44%	17.24%
11	Tier 1 *(as a percentage of risk exposure amount)*	18.47%	18.74%	18.81%	18.88%	18.63%
12	Tier 1 *(as a percentage of risk exposure amount)* as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	18.29%	18.56%	18.63%	18.70%	18.32%

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)		31/12/2023	30/09/2023	30/06/2023	31/03/2023	31/12/2022
13	Total capital *(as a percentage of risk exposure amount)*	21.13%	21.54%	21.50%	21.70%	21.58%
14	Total capital *(as a percentage of risk exposure amount)* as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	20.95%	21.37%	21.32%	21.53%	21.28%
	Leverage ratio					
15	Leverage ratio total exposure measure	2,061,506	2,014,964	1,990,639	2,031,225	1,985,992
16	Leverage ratio	5.46%	5.63%	5.63%	5.43%	5.39%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	5.41%	5.58%	5.58%	5.38%	5.31%

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. These provisions ended on 1 January 2023.

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 No. 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 risk 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.

Lastly, the solvency and resolution ratios are an integral part of the risk appetite framework applied within the 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 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, leverage 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 role of Crédit Agricole S.A.'s Asset-Liability Management Committee, with regard to solvency, is:

- to review the medium-term solvency, leverage and resolution ratio projections for Crédit Agricole Group and Crédit Agricole S.A., as well as the ratios monitored by the 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 study any other subject affecting solvency and resolution ratios at Group level.

In addition, 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.

The Committee's main tasks are to review the short-term solvency, leverage ratio and resolution projections for the Crédit Agricole Group and for Crédit Agricole S.A., and to prepare any decisions to be submitted to the Asset-Liability Management Committee and the Board of Directors.

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. 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 CAPITAL ADEQUACY RATIO (EU INS2)

The table below provides information required by Article 438-(g) of CRR2.

Financial conglomerates – information on own funds and capital adequacy ratio (EU INS2)	**31/12/2023**
Supplementary own fund requirements of the financial conglomerate *(amount in millions of euros)*	57,944
CAPITAL ADEQUACY RATIO OF THE FINANCIAL CONGLOMERATE *(%)*	164%

At 31 December 2023, 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 164%, far above the minimum regulatory requirement of 100%. The level of the Crédit Agricole Group's phased-in financial conglomerate ratio as of 31 December 2023 corresponds to a financial conglomerate capital surplus of €57.9 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).

(1) Solvency 2 is a European regulatory reform of the insurance industry.

On 18 October 2013, the Crédit Agricole Group and Crédit Agricole S.A. received the authorisation from the ACPR to apply this treatment to the Crédit Agricole Assurances Group's 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.

Insurance participations (EU INS1) *(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	9,052	33,492

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 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 CRR 575/2013 as amended by CRR 2019/876 (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 2023, the phased-in CET1 ratios of Crédit Agricole S.A. and of Crédit Agricole Group were 11.8% and 17.5%, respectively. These ratios represent capital buffers of €25.7 billion for Crédit Agricole S.A. and €64.2 billion for the Crédit Agricole Group relative to the loss absorption thresholds of 5.125% and 7%, respectively.

At 31 December 2023, 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 €29.4 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 website (https://www.credit-agricole.com/finance/finance/publications-financieres) 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 (T2)

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 on the Internet (https://www.credit-agricole.com/en/finance/financial-publications) 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. Since 1 January 2023, neutralisation is no longer carried out;
- 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). Since 1 January 2023, neutralisation is no longer carried out;
- 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 (stages 1 and 2 of IFRS 9). In 2023, neutralisation is achieved on the basis of a rate of 50%.

3.1.5.1.5 POSITION AT 31 DECEMBER 2023

SIMPLIFIED REGULATORY CAPITAL

Simplified regulatory capital *(in millions of euros)*	31/12/2023 phased-in	31/12/2023 fully-loaded	31/12/2022 phased-in	31/12/2022 fully-loaded
Share capital and reserves	31,227	31,227	30,456	30,456
Consolidated reserves	97,871	97,871	92,584	92,584
Other comprehensive income	(2,241)	(2,241)	(4,715)	(4,715)
Net income/(loss) for the year	8,258	8,258	8,144	8,144
EQUITY – GROUP SHARE (CARRYING AMOUNT)	**135,114**	**135,114**	**126,470**	**126,470**
(-) AT1 instruments accounted as equity	(7,220)	(7,220)	(5,989)	(5,989)
Eligible minority interests	3,719	3,719	3,571	3,571
(-) Expected dividend	(1,655)	(1,655)	(1,648)	(1,648)
(-) Prudential filters	(1,518)	(1,518)	(909)	(909)
o/w: Prudent valuation	*(2,178)*	*(2,178)*	*(2,063)*	*(2,063)*
(-) Regulatory adjustments	(18,804)	(18,804)	(19,588)	(19,588)
Goodwills and intangible assets	*(18,288)*	*(18,288)*	*(19,136)*	*(19,136)*
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	*(97)*	*(97)*	*(142)*	*(142)*
Shortfall in adjustments for credit risk relative to expected losses under the internal ratings-based approach	*(420)*	*(420)*	*(310)*	*(310)*
Insufficient coverage for non-performing exposures (Pillar 1 and 2)	(1,549)	(1,549)	(1,050)	(1,050)
Amount exceeding thresholds	-	-	-	-
Other CET1 components	(1,208)	(2,283)	5	(1,796)
COMMON EQUITY TIER 1 (CET1)	**106,881**	**105,805**	**100,861**	**99,060**
Additional Tier 1 (AT1) instruments	5,964	5,845	6,467	4,711
Other AT1 components	(220)	(220)	(264)	(264)
TOTAL TIER 1	**112,624**	**111,431**	**107,064**	**103,507**
Tier 2 instruments	15,030	14,985	16,140	14,329
Other Tier 2 components	1,198	1,198	811	811
TOTAL CAPITAL	**128,852**	**127,613**	**124,016**	**118,647**
TOTAL RISK-WEIGHTED EXPOSURE AMOUNT (RWA)	**609,852**	**609,803**	**574,595**	**574,431**
CET1 RATIO	**17.53%**	**17.35%**	**17.55%**	**17.24%**
TIER 1 RATIO	**18.47%**	**18.27%**	**18.63%**	**18.02%**
TOTAL CAPITAL RATIO	**21.13%**	**20.93%**	**21.58%**	**20.65%**

For clarity, the full tables of the composition of capital (EU CC1 and EU CC2) are available directly on the Internet: https://www.credit-agricole.com/en/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	329	183	6	30	0	6	4	272	125	147
Close-out cost	45	305	12	7	1	3	3	180	176	4
Concentrated positions	12	57	-	24	-	-	-	92	61	31
Early termination	-	-	2	-	-	-	-	2	2	-
Model risk	45	169	4	-	0	152	30	214	214	-
Operational risk	2	0	-	0	-	-	-	2	-	2
Future administrative costs	-	89	-	-	-	-	-	89	89	-
TOTAL ADDITIONAL VALUATION ADJUSTMENTS (AVAS)								**2,178**	**668**	**1,510**

CHANGES DURING THE PERIOD

Phased-in Common Equity Tier 1 (CET1) capital stood at €106.9 billion at 31 December 2023, showing an increase of €6.0 billion compared to year-end 2022. This change was primarily attributable, for +€1.9 billion, to the entry into force of IFRS 17 applied by the Crédit Agricole Group's insurance entities, to the retention of earnings for €5.9 billion over the year, as well as to the anticipated impact of the purchase of Crédit Agricole S.A. shares by SAS Rue La Boétie before the end of the first half of 2024 for –€1 billion.

Phased-in Tier 1 capital was €112.6 billion, up +€5.6 billion from 31 December 2022, with a decrease in Additional Tier 1 capital of –€0.5 billion driven by the issuance of an Additional Tier 1 capital instrument for €1.25 billion in January 2023, and by a deduction in anticipation of a call in January 2024 of an AT1 instrument for €1.7 billion equivalent (US$1.75 billion).

Phased-in Tier 2 capital was €16.2 billion, down €0.7 billion compared with 31 December 2022, mainly due to the issuance over the period (an equivalent of +€1.7 billion at 31 December 2023) net of redemptions, haircuts and foreign exchange impact (-€2.8 billion).

In all, phased-in total capital stood at €128.9 billion, up €4.8 billion compared to 31 December 2022. 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 capital requirement	31/12/2023	31/12/2022
Pillar 1 minimum CET1 requirement	4.50%	4.50%
CET1 additional Pillar 2 requirement (P2R)	0.84%	0.84%
Combined buffer requirement	3.92%	3.55%
OVERALL CET1 REQUIREMENT	**9.27%**	**8.89%**
Pillar 1 minimum AT1 requirement	1.50%	1.50%
AT1 component of P2R	0.28%	0.28%
OVERALL *TIER 1* REQUIREMENT	**11.05%**	**10.67%**
Pillar 1 minimum Tier 2 requirement	2.00%	2.00%
Tier 2 component of P2R	0.38%	0.38%
OVERALL CAPITAL SREP REQUIREMENT	**13.42%**	**13.05%**

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% until 31 December 2023 for the Crédit Agricole Group and Crédit Agricole S.A., then of 1.75% and 1.65% respectively from 1 January 2024.
  - This requirement 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 at least 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	31/12/2023	31/12/2022
Phased-in capital conservation buffer	2.50%	2.50%
Phased-in systemic buffer	1.00%	1.00%
Countercyclical buffer	0.42%	0.05%
COMBINED BUFFER REQUIREMENT	**3.92%**	**3.55%**

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 Financial Stability Board 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.

As of 31 December 2023, countercyclical buffers have been activated in 18 countries by the relevant national authorities. Given the Crédit Agricole Group's exposure in these countries, the countercyclical buffer rate was 0.42% on the same date.

In addition, following HCSF decision No. 2023-3, which came into force on 1 August 2023, a sectoral systemic risk buffer was activated in France to prevent the excessive concentration risk of global systemically important institutions and other systemically important institutions towards highly indebted large French corporates.

It should be noted that the HCSF recognises the reciprocal application of the sectoral systemic risk buffers activated by Germany, Lithuania, Belgium and Norway.

With respect to the methods for applying the above buffers and the materiality of the exposures held by the Crédit Agricole Group, the systemic risk buffer rate was 0.00% at 31 December 2023.

The tables below provide information required by Article 440 (a and b) of CRR2.

AMOUNT OF INSTITUTION-SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER (EU CCYB2)

	Amount of institution-specific countercyclical capital buffer (EU CCYB2)	31/12/2023	31/12/2022
1	Total risk exposure amount *(in millions of euros)*	609,852	574,595
2	Institution specific countercyclical capital buffer rate	0.42%	0.05%
3	**INSTITUTION SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER REQUIREMENT**	**2,588**	**281**

GEOGRAPHICAL DISTRIBUTION OF CREDIT EXPOSURES RELEVANT FOR THE CALCULATION OF THE COUNTERCYCLICAL BUFFER (EU CCYB1)

		General credit exposures		Relevant credit exposures – Market risk				Capital requirements						
31/12/2023 *(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 (%)	Countercyclical buffer rate *(%)*
1	Breakdown by country:													
2	Australia	35	4,964	-	-	0	4,999	71	-	0	71	891	0.18%	1.00%
3	Belgium	7,033	4,677	-	-	-	11,710	264	-	-	264	3,297	0.68%	0.00%
4	Bulgaria	0	1	-	-	-	2	0	-	-	0	1	0.00%	2.00%
5	Croatia	3	0	-	-	-	4	0	-	-	0	3	0.00%	1.00%
6	Czech Republic	40	175	-	-	-	214	31	-	-	31	392	0.08%	2.00%
7	Denmark	545	1,101	-	-	67	1,712	61	-	1	62	772	0.16%	2.50%
8	Estonia	0	42	-	-	-	43	0	-	-	0	3	0.00%	1.50%
9	France	60,715	758,212	160	1,483	23,339	843,910	24,284	131	256	24,671	308,391	63.44%	0.50%
10	Germany	6,728	18,494	-	-	2,892	28,113	838	-	41	878	10,978	2.26%	0.75%
11	Hong Kong	66	4,708	-	-	218	4,992	76	-	3	80	995	0.20%	1.00%
12	Iceland	0	1	-	-	-	1	0	-	-	0	0	0.00%	2.00%
13	Ireland	475	5,166	-	-	95	5,737	136	-	1	137	1,710	0.35%	1.00%
14	Lithuania	24	1	-	-	22	47	2	-	1	3	36	0.01%	1.00%
15	Luxembourg	3,000	198,582	-	-	5,051	206,633	1,660	-	1	1,661	20,760	4.27%	0.50%
16	Netherlands	1,583	8,824	-	-	737	11,143	382	-	9	392	4,898	1.01%	1.00%
17	Norway	211	1,976	-	-	31	2,218	60	-	0	61	756	0.16%	2.50%
18	Romania	11	24	-	-	-	35	1	-	-	1	19	0.00%	1.00%
19	Slovakia	3	5	-	-	-	8	0	-	-	0	5	0.00%	1.50%
20	Sweden	162	3,091	-	-	22	3,276	100	-	0	101	1,257	0.26%	2.00%
21	United Kingdom	3,651	16,894	-	-	3,056	23,601	667	-	39	706	8,822	1.81%	2.00%
22	Other countries*	72,707	177,301	0	-	31,434	281,441	9,399	0	371	9,769	122,116	25.12%	0.00%
23	**TOTAL**	**156,994**	**1,204,238**	**160**	**1,483**	**66,962**	**1,429,837**	**38,033**	**131**	**723**	**38,888**	**486,100**	**100%**	**0.42%**

* For which no countercyclical buffer has been defined by the competent authority.

3.1.6.1.2 POSITION AT 31 DECEMBER 2023

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 applicable combined capital buffer requirement.

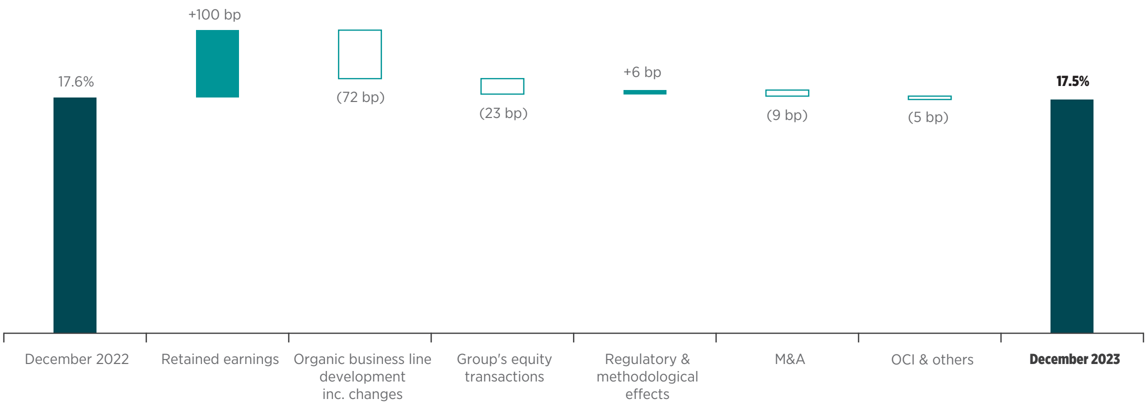
CRD 5 has supplemented the Maximum Distributable Amount principle with restrictions applicable in the event of non-compliance with the leverage ratio buffer requirement (L-MDA) with which systemically important institutions must comply (see Section 3.1.6.2 "Leverage ratio").

The distance to the MMD trigger threshold is therefore the minimum of the four distances calculated below.

	CET1 SREP requirement	Tier 1 SREP requirement	Overall capital SREP requirement	Overall leverage ratio requirement
Pillar 1 minimum requirement	4.50%	6.00%	8.00%	3.00%
Pillar 2 requirement (P2R)	0.84%	1.12%	1.50%	
Conservation buffer	2.50%	2.50%	2.50%	
Systemic risk buffer	1.00%	1.00%	1.00%	0.50%
Countercyclical buffer	0.42%	0.42%	0.42%	
SREP REQUIREMENT (A)	**9.27%**	**11.05%**	**13.42%**	**3.50%**
PHASED-IN RATIOS AT 31/12/2023 (B)	**17.53%**	**18.47%**	**21.13%**	**5.46%**
Distance to SREP requirement (b)-(a)	826 bp	742 bp	770 bp	196 bp
DISTANCE TO MDA TRIGGER THRESHOLD				**196 BP (€40BN)**

At 31 December 2023, the Crédit Agricole Group had a buffer of 196 basis points above the leverage ratio-related Maximum Distributable Amount trigger, i.e. approximately €40 billion in *Tier 1 capital.*

CHANGES IN COMMON EQUITY TIER 1 (CET1) OVER THE YEAR 2023



At 31 December 2023, the phased-in Common Equity Tier 1 (CET1) of Crédit Agricole Group was 17.5%, holding steady over 2023 and benefiting from a positive impact of +100 basis points from retained earnings. The change in risk-weighted assets due to organic growth in the business lines, including foreign exchange movements, had a negative impact of -72 basis points on the CET1 ratio, including an increase of +€24.3 billion in business lines' risk-weighted assets.

The Group's equity transactions this year also had an adverse impact of -23 basis points on the Group's CET1 ratio, with the anticipated impact, since the third quarter of 2023, of the purchase of Crédit Agricole S.A. shares by SAS Rue La Boétie (-17 basis points).

Group acquisitions and partnerships had a negative impact of -9 basis points on the CET1 ratio, including the acquisition of RBC IS Europe by CACEIS, the restructuring of the Stellantis/CACF partnership, and the acquisition of ALD/LeasePlan by CACF.

The CET1 ratio also benefited from methodological, regulatory, OCI and other positive effects amounting to +1 basis point.

SOLVENCY RATIOS OF REGIONAL BANKS [(1)]

The retained earnings for 2023 are included in regulatory capital at 31 December 2023.

Regional bank's capital ratios *(in millions of euros)*	**31/12/2023**	**31/12/2022**
COMMON EQUITY TIER 1 CAPITAL (CET1)	**70,049**	**68,324**
Additional Tier 1	19	14
TIER 1 CAPITAL	**70,068**	**68,337**
Tier 2	1,079	1,033
TOTAL CAPITAL	**71,147**	**69,370**
Credit risk	251,553	240,934
Market risk	325	285
Operational risks	21,437	21,473
TOTAL RISK-WEIGHTED ASSETS	**273,315**	**262,692**
CET1 RATIO	**25.63%**	**26.01%**
TIER 1 RATIO	**25.64%**	**26.01%**
TOTAL RATIO	**26.03%**	**26.41%**

(1) All 38 Regional Banks (excluding the Regional Bank of Corsica).

The phased-in CET1 solvency ratio of all Regional Banks (excluding Corsica) fell by 38 basis points to 25.6%, well above the minimum requirements (7% for the CET1 ratio and 10.5% for the total ratio, excluding countercyclical buffers).

Common Equity Tier 1 (CET1) increased by €1.7 billion over the year, notably as a result of the inclusion of retained earnings for the period (€3.0 billion) and taking into account the advance granted in the fourth quarter of 2023 to SAS Rue La Boétie to finance the Crédit Agricole S.A. share purchase programme for -€1 billion before the end of the first half of 2024. Total phased-in capital increased by an equivalent amount.

Risk-weighted assets were up by €10.7 billion over the year, driven by credit risk.

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 since 28 June 2021:

- the minimum leverage ratio requirement is 3%;
- since 1 January 2023, a leverage ratio buffer, defined as half of the entity's systemic buffer, has been 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%.

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 2023

The information below provide information required by Article 451 of CRR2.

DISCLOSURE OF QUALITATIVE INFORMATION ON THE LEVERAGE RATIO (EU LRA)

The leverage ratio of the Crédit Agricole Group was 5.5% on a phased-in Tier 1 basis.

The leverage ratio raised up by +7 basis points in 2023, mainly under the effect of the increase in Tier 1 capital (+28 bp), offset by an increase in leverage exposures (-21 bp) despite the positive effect of TLTRO repayments made over the year. The leverage ratio remained at a high level, 2.0 percentage points above the requirement at 31 December 2023.

Added to the 3% minimum requirement since 1 January 2023 and only for global systemically important institutions (G-SII), is a leverage ratio buffer, defined as half the entity's G-SII buffer, which is 0.50% for the Crédit Agricole Group.

Failure to comply with the leverage ratio buffer requirement could result in a distribution restriction and the calculation of a maximum distributable amount (L-MDA) as stated in Section 3.1.6.1.2 "Position at 31 December 2023"io

At 31 December 2023, the Crédit Agricole Group thus had a buffer of 196 basis points above the L-MDA trigger, i.e. approximately €40 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 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)*		**31/12/2023**	**30/06/2023**
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	1,749,940	1,683,992
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	5,268	2,200
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(15,753)	(12,587)
4	(Adjustment for securities received under securities financing activities 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)	(22,874)	(21,649)
7	**TOTAL ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES AND SFTS)**	**1,716,582**	**1,651,956**
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	26,370	30,258
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	51,099	50,135
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)	(1,423)	(1,316)
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	17,578	16,811
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(7,046)	(6,348)
13	**TOTAL DERIVATIVES EXPOSURES**	**86,578**	**89,540**
	Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	371,817	308,899
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(203,184)	(151,186)
16	Counterparty credit risk exposure for SFT assets	7,959	7,756
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**	**176,592**	**165,470**
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	394,473	393,159
20	(Adjustments for conversion to credit equivalent amounts)	(200,876)	(205,744)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	**OFF-BALANCE SHEET EXPOSURES**	**193,597**	**187,415**

LRCom: Leverage ratio common disclosure (EU LR2), continued *(in millions of euros)*		**31/12/2023**	**30/06/2023**
	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))	(97,386)	(90,808)
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)	(14,456)	(12,934)
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)**	**(111,842)**	**(103,742)**
	Capital and total exposure measure		
23	**TIER 1 CAPITAL**	**112,624**	**112,065**
24	**TOTAL EXPOSURE MEASURE**	**2,061,506**	**1,990,639**
	Leverage ratio		
25	**LEVERAGE RATIO** *(%)*	**5.46%**	**5.63%**
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) *(%)*	5.46%	5.63%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) *(%)*	5.46%	5.63%
26	Regulatory minimum leverage ratio requirement *(%)*	3.00%	3.00%
EU-26a	Additional capital 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 *(%)*	0.50%	0.50%
EU-27a	Overall leverage ratio requirement *(%)*	3.50%	3.50%
	Choice on transitional arrangements and relevant exposures		
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Transitionnal	Transitionnal
	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	175,338	#NA
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	168,634	#NA
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)	2,068,211	#NA
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)	2,068,211	#NA
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)	5.45%	#NA
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)	5.45%	#NA

LRSUM: SUMMARY RECONCILIATION OF ACCOUNTING ASSETS AND LEVERAGE RATIO EXPOSURES (EU LR1)

Applicable amount *(in millions of euros)*		31/12/2023
1	TOTAL ASSETS AS PER PUBLISHED FINANCIAL STATEMENTS	2,467,099
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(412,259)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	(13)
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	(268,769)
9	Adjustment for securities financing transactions (SFTs)	(195,225)
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	194,343
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)	(97,386)
12	Other adjustments	373,717
13	TOTAL EXPOSURE MEASURE	2,061,506

LRSPL: SPLIT-UP OF ON BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES, SFTS AND EXEMPTED EXPOSURES) (EU LR3)

CRR leverage ratio exposures *(in millions of euros)*		31/12/2023
EU-1	TOTAL ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES, SFTS, AND EXEMPTED EXPOSURES), OF WHICH:	1,642,129
EU-2	Trading book exposures	55,074
EU-3	Banking portfolio exposures, of which:	1,587,055
EU-4	Covered bonds	6,845
EU-5	Exposures treated as sovereigns	295,285
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	43,955
EU-7	Institutions	35,760
EU-8	Secured by mortgages on immovable property	496,197
EU-9	Retail exposures	250,856
EU-10	Corporates	358,525
EU-11	Exposures in default	23,173
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	76,459

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 TLAC ratio requirement has been transposed into European Union law via CRR2 and has been applicable since 27 June 2019.

The Group's regulatory capital, as well as eligible subordinated notes 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 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 0.42% for the Crédit Agricole Group at 31 December 2023). Considering the combined capital buffer requirement, the Crédit Agricole Group must comply with a TLAC ratio of above 21.9%;
- 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 2023, the Crédit Agricole Group TLAC ratio was 26.9% of RWA and 8.0% 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 500 basis points, i.e. €30 billion, above the currently required 21.9% of RWA.

In 2023, an equivalent of €6.5 billion was issued in the market (senior non-preferred debt and *Tier 2*) in addition to the €1.25 billion of AT1 capital. At end-December, the amount of senior non-preferred debt of the Crédit Agricole Group taken into account in the calculation of the TLAC ratio is €28.9 billion. All the 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 at https://www.credit-agricole.com/en/finance/finance/financial-information.

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. From 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 0.42% for the Crédit Agricole Group at 31 December 2023). Considering the combined capital buffer requirement, the Crédit Agricole Group must comply with a MREL ratio of above 25.0%;
- 6.02% of LRE.

At 31 December 2023, Crédit Agricole Group had a MREL ratio of 32.1% of RWA and 9.5% of leverage exposure, well above the total MREL requirement.

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. At 31 December 2023, 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 2023, the Crédit Agricole Group thus has a buffer of 500 basis points above the M-MDA trigger, considering the TLAC requirement applicable as of 31 December 2023, i.e. €30 billion in CET1 capital.

From 1 January 2024, the Crédit Agricole Group will be required to comply with the following MREL requirements:

- total MREL: 21.71% of RWA (to which the institution-specific combined capital buffer requirement will be added) and 6.13% of leverage exposure;
- subordinated MREL: 17.14% of RWA (to which the institution-specific combined buffer requirement will be added) and 6.13% of leverage exposure.

KEY METRICS – CAPITAL REQUIREMENT AND ELIGIBLE LIABILITIES REQUIREMENT APPLICABLE TO G-SIIS (EU KM2)

The table below provides the information required under Article 10 of Commission Implementing Regulation (EU) 2021/763. It presents an overview of the resolution ratios as well as the MREL requirements applicable to the Crédit Agricole Group.

		MREL					TLAC
EU KM2: Key indicators – MREL and TLAC		**31/12/2023**	**31/12/2023**	**30/09/2023**	**30/06/2023**	**31/03/2023**	**31/12/2022**
	Own funds and eligible liabilities, ratios and components *(in millions of euros)*						
1	Own funds and eligible liabilities	195,558	164,066	164,243	161,264	159,849	156,263
EU-1a	of which: own funds and subordinated liabilities	164,066					
2	Total risk exposure amount (TREA)[1] of the resolution group	609,852	609,852	605,464	595,839	584,280	574,595
3	OWN FUNDS AND ELIGIBLE LIABILITIES AS A PERCENTAGE OF TREA [1]	32.07%	26.90%	27.13%	27.06%	27.36%	27.20%
EU-3a	of which: own funds and subordinated liabilities	26.90%					
4	Total exposure measure (TEM)[1] of the resolution group	2,061,506	2,061,506	2,014,964	1,990,639	2,031,225	1,985,992
5	OWN FUNDS AND ELIGIBLE LIABILITIES AS A PERCENTAGE OF TEM [1]	9.49%	7.96%	8.15%	8.10%	7.87%	7.87%
EU-5a	of which: own funds and subordinated liabilities	7.96%					
6a	Does the subordination exemption permitted by Article 72b-(4) *of* Regulation (EU) No. 575/2013 apply? (5% exemption)		No	No	No	No	No
6b	Aggregate amount of permitted non-subordinated eligible liabilities instruments if the subordination exemption laid down in Article *72b(3)* of Regulation (EU) No 575/2013 is applied (max 3.5% exemption) [2]		0	0	0	0	0
6c	If a capped subordination exemption applies under Article *72b(3)* of Regulation (EU) No. 575/2013, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised under row 1, divided by the funding issued 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
	Minimum requirement for capital and eligible liabilities (MREL)						
EU-7	MREL EXPRESSED AS A PERCENTAGE OF TREA	21.04%					
EU-8	Of which: to be met with own funds or subordinated liabilities	14.35%					
EU-9	MREL EXPRESSED AS A PERCENTAGE OF TEM	6.02%					
EU-10	Of which: to be met with own funds or subordinated liabilities	6.02%					

(1) 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.
(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 2023.

COMPOSITION OF THE MREL AND THE TLAC AT THE LEVEL OF THE RESOLUTION GROUP (EU-TLAC1)

The table below provides the information required under Article 11 of Commission Implementing Regulation (EU) 2021/763. It presents the composition of own funds and liabilities eligible for the MREL and TLAC requirements applicable to the Crédit Agricole Group.

EU TLAC1 – Composition of MREL and TLAC ratios *(in millions of euros)*		31/12/2023 MREL	TLAC	Eligible for MREL, not for TLAC
	Own funds and eligible liabilities and adjustments			
1	Common Equity Tier capital (CET1)	106,881	106,881	-
2	Additional Tier capital (AT1)	5,744	5,744	-
6	Tier 2 (T2) capital	16,228	16,228	-
11	Own funds for the purposes of Article 92a Regulation (EU) No. 575/2013 and Article 45 of Directive 2014/59/EU	128,852	128,852	-
	Own funds and eligible liabilities: non-regulatory capital elements			
12	Eligible liability instruments issued directly by the resolution entity that are subordinated to excluded liabilities (not grandfathered)	29,116	29,116	-
EU-12a	Eligible liabilities instruments issued by other entities within the resolution group that are subordinated to excluded liabilities (not grandfathered)	-	-	-
EU-12b	Eligible liabilities instruments that are subordinated to excluded liabilities issued prior to 27 June 2019 (subordinated grandfathered)	-	-	-
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	6,353	6,353	(0)
13	Eligible liabilities that are not subordinated to excluded liabilities (not grandfathered pre-cap) (1)	25,255	N/A	N/A
EU-13a	Eligible liabilities that are not subordinated to excluded liabilities issued prior to 27 June 2019 (pre-cap) (1)	7,501	N/A	N/A
14	Amount of non subordinated eligible liabilities instruments, where applicable, after application of Article 72b(3) Regulation (EU) No. 575/2013 (1)		N/A	N/A
17	Eligible liabilities items before adjustments	66,706	35,214	31,492
EU-17a	of which: subordinated liabilities items	35,214	35,214	(0)
	Own funds and eligible liabilities: Adjustments to non-regulatory capital elements			
18	Own funds and eligible liabilities items before adjustments	195,558	164,066	31,492
19	(Deduction of exposures between multiple point of entry (MPE) resolution groups)		N/A	
20	(Deduction of investments in other eligible liabilities instruments)		-	
22	Own funds and eligible liabilities after adjustments	195,558	164,066	31,492
EU-22a	of which: own funds and subordinated liabilities	164,066		
	Risk-weighted exposure amount and leverage ratio exposure measure of the resolution group			
23	Total risk exposure amount (TREA)(2)	609,852	609,852	-
24	Total exposure measure (TEM)(2)	2,061,506	2,061,506	-
	Ratio of own funds and eligible liabilities			
25	**OWN FUNDS AND ELIGIBLE LIABILITIES AS A PERCENTAGE OF TREA**	**32.07%**	**26.90%**	**0.00%**
EU-25a	of which: own funds and subordinated liabilities	26.90%		
26	**OWN FUNDS AND ELIGIBLE LIABILITIES AS A PERCENTAGE OF TEM**	**9.49%**	**7.96%**	**0.00%**
EU-26a	of which: own funds and subordinated liabilities	7.96%		

EU TLAC1 – Composition of MREL and TLAC ratios
(in millions of euros)

		31/12/2023		
		MREL	**TLAC**	**Eligible for MREL, not for TLAC**
27	CET1 (as a percentage of the TREA) available after meeting the resolution group's requirements	8.90%	8.90%	
28	Institution-specific combined capital buffer requirement		3.92%	
29	of which: capital conservation buffer requirement		2.50%	
30	of which: countercyclical buffer requirement		0.42%	
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)* of Regulation (EU) No. 575/2013		863,209	

(1) 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 2023.
(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.

RANKING IN THE CREDITOR HIERARCHY AT THE LEVEL OF THE CRÉDIT AGRICOLE S.A. RESOLUTION ENTITY (EU-TLAC3)

The table below provides the information required under Article 14 of Commission Implementing Regulation (EU) 2021/763. 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 MREL-eligibility, as well as their ranking in the creditor hierarchy in normal insolvency proceedings.

EU TLAC3: Ranking in the creditor hierarchy – Crédit Agricole S.A. resolution entity
(in millions of euros)

31/12/2023		(most junior)		Insolvency ranking		(most senior)	
1	**Description of insolvency rank (1)**	**Equity**	**Super-subordinated debt**	**Subordinated debt**	**Senior non-preferred debt**	**Senior preferred debt**	**Total**
2	Liabilities and own funds	56,192	7,585	21,995	32,195	431,107	549,074
3	of which: excluded liabilities	-	-	-	-	346,965	346,965
4	Liabilities and own funds less excluded liabilities	56,192	7,585	21,995	32,195	84,143	202,109
5	Subset of liabilities and own funds less excluded liabilities that are own funds and eligible liabilities for the purpose of MREL (2)	56,192	5,992	21,348	29,116	29,304	141,952
6	of which: residual maturity ≥1 year <2 years	-	-	5,102	2,144	4,332	11,579
7	of which: residual maturity ≥2 year <5 years	-	-	6,058	15,737	12,331	34,126
8	of which: residual maturity ≥5 year <10 years	-	-	7,757	10,380	11,639	29,775
9	of which residual maturity ≥10 years, but excluding perpetual securities	-	-	2,431	856	1,002	4,289
10	of which: perpetual securities	56,192	5,992	-	-	-	62,184

(1) Insolvency ranking (by increasing order of seniority): Equity excluding Fund for General Banking Risk; Deeply subordinated debt issued before 28 December 2020 which is or has been recognised as Additional Tier 1 instruments, as well as deeply subordinated debt issued since 28 December 2020 which is fully or partially recognised as Additional Tier 1; Subordinated debt issued before 28 December 2020 which is or has been recognised as Additional Tier 2 instruments, as well as subordinated debt issued since 28 December 2020 which is fully or partially recognised as Tier 2; Senior non preferred debt in accordance with Article L. 613-30-3-I-4° of the Monetary and Financial Code; Senior preferred debt in accordance with Article L. 613-30-3-I-3° of the French Monetary and Financial Code
(2) 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 MREL.

3.1.6.4 INTERNAL 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 to introduce 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 2023, 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 2023.

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

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 2023".

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				
31/12/2023 *(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	180,723	180,990	180,990	-	-	-	-
Available-for-sale financial assets	297,528	299,782	-	249,143	-	155,217	-
Other financial assets at fair value through profit or loss	229,746	15,638	15,639	-	-	-	0
Hedging derivative instruments	32,051	32,047	-	32,047	-	-	-
Accounted debt's instruments at fair value through recyclable own funds	216,240	36,742	27,545	2,457	6,738	-	1
Accounted own funds' instruments at fair value through non recyclable own funds	8,209	4,936	4,935	-	-	-	0
Loans and receivables due from credit institutions	132,353	130,767	118,932	11,835	-	-	-
Loans and receivables due from customers	1,155,940	1,154,288	1,148,732	5,556	-	-	0
Held-to-maturity financial assets	111,311	102,442	98,226	4,217	-	-	0
Revaluation adjustment on interest rate hedged portfolios	(14,662)	(14,662)	-	-	-	-	(14,662)
Deferred tax assets	8,836	8,407	8,407	-	-	-	-
Accruals, prepayments and sundry assets	59,758	60,229	53,799	6,114	-	956	316
Non-current assets held for sale	9	9	-	-	-	-	9
Insurance contracts issued – Assets	-	-	-	-	-	-	-
Reinsurance contracts owned – Assets	1,097	-	-	-	-	-	-
Investments in equity-accounted entities	2,357	12,263	10,525	-	-	-	1,738
Investment property	12,159	1,389	1,389	-	-	-	-
Property, plant and equipment	13,425	10,972	10,972	-	-	-	-
Intangible assets	3,488	3,303	-	-	-	-	3,303
Goodwill	16,530	15,312	-	-	-	-	15,312
TOTAL ASSETS	**2,467,099**	**2,054,855**	**1,680,090**	**311,369**	**6,738**	**156,173**	**6,019**
LIABILITIES							
Central Banks	274	283	-	-	-	-	283
Available-for-sale financial liabilities	263,878	264,356	-	111,641	-	-	152,715
Financial liabilities at fair value through options	90,004	75,593	-	-	-	-	75,593
Hedging derivative instruments	34,424	34,105	-	-	-	-	34,105
Due to credit institutions	108,541	88,018	-	8,176	-	-	79,842
Due to customers	1,121,942	1,138,629	-	2,901	-	-	1,135,728
Debt securities	260,239	232,168	-	-	-	-	232,168
Revaluation adjustment on interest rate hedged portfolios	(12,212)	(12,212)	-	-	-	-	(12,212)
Current and deferred tax liabilities	2,896	3,248	3,099	-	-	-	149
Accruals, deferred income and sundry liabilities	72,180	63,544	9,879	-	-	-	53,665
Liabilities associated with non-current assets held for sale	21	21	-	-	-	-	21
Insurance contracts issued – Liabilities	351,778	-	-	-	-	-	-
Reinsurance contracts owned – Liabilities	76	-	-	-	-	-	-
Provisions	5,508	5,521	-	-	-	-	5,521
Subordinated debt	25,208	20,712	-	-	-	-	20,712
TOTAL LIABILITIES	**2,324,759**	**1,913,985**	**12,978**	**122,718**	**-**	**-**	**1,778,290**
EQUITY	**142,340**	**140,869**	**-**	**-**	**-**	**-**	**140,869**
Equity, Group share	**135,114**	**135,090**	**-**	**-**	**-**	**-**	**135,090**
Share capital and reserves	31,227	31,228	-	-	-	-	31,228
Consolidated reserves	97,871	97,847	-	-	-	-	97,847
Other comprehensive income	(2,241)	(2,242)	-	-	-	-	(2,242)
Other comprehensive income on non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-
Net income/(loss) for the year	8,258	8,256	-	-	-	-	8,256
Non-controlling interests	**7,226**	**5,779**	**-**	**-**	**-**	**-**	**5,779**
TOTAL EQUITY AND LIABILITIES	**2,467,099**	**2,054,855**	**12,978**	**122,718**	**-**	**-**	**1,919,159**

The carrying amounts for the regulatory scope of consolidation (column b) are not equal to the sum of their breakdown by the risk (coloumns 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:			
31/12/2023 *(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)]	**2,048,836**	**1,680,090**	**311,369**	**6,738**	**156,173**
2	Liabilities carrying value amount under the regulatory scope of consolidation (as per template EU LI1)	135,696	12,978	122,718	-	-
3	**Total net amount under the regulatory scope of consolidation**	**1,913,141**	**1,667,113**	**188,651**	**6,738**	**156,173**
4	Off-balance-sheet amounts [(3)]	723,091	202,190	0	54,626	
5	Differences in valuations	47,315	9,111	38,204	-	
6	Differences in netting rules	(130,978)	-	(130,978)	-	
7	Difference due to consideration of provisions	19,728	19,728	0	-	
8	Differences due to the use of credit risk mitigation techniques (CRMs)	(20,166)	(20,166)	-	-	
9	Differences due to credit conversion factors	(112,258)	-	-	-	
10	Differences due to Securitisation with risk transfer	-	-	-	-	
11	Other adjustments	(20,328)	(8,484)	(11,844)	-	
12	**Exposure amount considered for regulatory purposes**	**2,014,890**	**1,869,493**	**84,034**	**61,364**	

(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. APPENDIX TO THE REGULATORY CAPITAL

OUTLINE OF THE DIFFERENCES IN THE SCOPES OF CONSOLIDATION (LI3: ENTITY BY ENTITY) [1]

31/12/2023							
a	b	c	d	e	f	g	h
		Method of regulatory consolidation					
Name of the entity	Method of accounting	Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	Description of the entity
UPTEVIA	Equity method		X				Financial and insurance activities – activities of financial services, excluding insurance and pension funds
Uni-medias	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
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 Vita S.p.A.	Full consolidation			X			Financial and insurance activities – Insurance
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

(1) The scope of consolidation is described in full in Note 13 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 13 to the consolidated financial statements follow the same accounting en regulatory treatment as their holding entity.

31/12/2023							
a	b	c	d	e	f	g	h
		Method of regulatory consolidation					
Name of the entity	Method of accounting	Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	Description of the entity
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
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
DEMETR COMPARTIMENT JA 202	Full consolidation			X			Financial and insurance activities – activities of financial services, excluding insurance and pension funds
DEMETR COMPARTIMENT TS EU	Full consolidation			X			Financial and insurance activities – activities of financial services, excluding insurance and pension funds
DEMETR COMPARTMENT GL-2023	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
S3 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
DRIVALIA LEASE HELLAS SM S.A	Full consolidation			X			Administrative and support services activities
CA AUTO REINSURANCE DAC	Full consolidation			X			Financial and insurance activities – Insurance

31/12/2023							
a	b	c	d	e	f	g	h
		Method of regulatory consolidation					
Name of the entity	Method of accounting	Full consoli-dation	Propor-tional consoli-dation	Equity method	Neither consoli-dated nor deducted	Deducted	Description of the entity
CA AUTO INSURANCE HELLAS S.A	Full consolidation			X			Financial and insurance activities – auxiliary activities of financial and insurance services
DRIVALIA SPA	Full consolidation			X			Administrative and support services activities
DRIVALIA FRANCE SAS	Full consolidation			X			Administrative and support services activities
DRIVALIA ESPANA S.L.U.	Full consolidation			X			Administrative and support services activities
CA VERSICHERUNGSSERVICE GMBH	Full consolidation			X			Financial and insurance activities – auxiliary activities of financial and insurance services
DRIVALIA UK LTD	Full consolidation			X			Administrative and support services activities
DRIVALIA PORTUGAL S.A	Full consolidation			X			Administrative and support services activities
DRIVALIA LEASE DANMARK A/S	Full consolidation			X			Administrative and support services activities
DRIVALIA LEASE BELGIUM S.A.	Full consolidation			X			Administrative and support services activities
DRIVALIA LEASE NEDERLAND B.V.	Full consolidation			X			Administrative and support services activities
DRIVALIA LEASE NORGE AS	Full consolidation			X			Administrative and support services activities
DRIVALIA LEASE IRELAND LTD	Full consolidation			X			Administrative and support services activities
DRIVALIA LEASE FINLAND OY	Full consolidation			X			Administrative and support services activities
DRIVALIA LEASE CZECH REPUBLIC S.R.O	Full consolidation			X			Administrative and support services activities
CREDIT AGRICOLE MOBILITY	Full consolidation			X			Administrative and support services activities
FREECARS	Full consolidation			X			Transportation and warehousing
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
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 risks and operational risk were €609.9 billion at 31 December 2023 vs. €574.6 billion at 31 December 2022.

31/12/2023 *(in millions of euros)*		**Total risk exposure amounts (RWA)**			**Total own funds requirements**
		31/12/2023	**30/09/2023**	**31/12/2022**	**31/12/2023**
1	**Credit risk (excluding CCR)**	**499,935**	**494,819**	**464,686**	**39,995**
2	Of which the standardised approach	128,951	126,317	118,871	10,316
3	Of which the Foundation IRB (F-IRB) approach	47,221	47,881	105,273	3,778
4	Of which slotting approach	-	-	-	-
EU 4a	Of which equities under the simple risk weighted approach	67,567	64,382	50,589	5,405
5	Of which the Advanced IRB (A-IRB) approach	248,885	249,159	182,841	19,911
6	**Counterparty credit risk – CCR**	**25,098**	**26,572**	**24,485**	**2,008**
7	Of which the standardised approach	3,723	4,286	3,636	298
8	Of which internal model method (IMM)	10,915	11,625	11,854	873
EU 8a	Of which exposures to a CCP	803	676	184	64
EU 8b	Of which credit valuation adjustment – CVA	5,239	5,092	5,011	419
9	Of which other CCR	4,418	4,892	3,800	353
15	**Settlement risk**	**4**	**29**	**94**	**0**
16	**Securitisation exposures in the non-trading book (after the cap)**	**8,992**	**8,918**	**10,245**	**719**
17	Of which SEC-IRBA approach	2,148	2,227	3,409	172
18	Of which SEC-ERBA (including IAA)	5,195	5,177	5,631	416
19	Of which SEC-SA approach	1,642	1,507	1,198	131
EU 19a	Of which 1,250%	7	7	7	1
20	**Position, foreign exchange and commodities risks (Market risk)**	**13,278**	**12,904**	**14,823**	**1,062**
21	Of which the standardised approach	5,539	3,863	3,549	443
22	Of which IMA	7,740	9,041	11,274	619
EU 22a	**Large exposures**	**-**	**-**	**-**	**-**
23	**Operational risk**	**62,545**	**62,222**	**60,261**	**5,004**
EU 23a	Of which basic indicator approach	-	-	-	-
EU 23b	Of which standardised approach	16,549	16,242	14,115	1,324
EU 23c	Of which advanced measurement approach	45,995	45,980	46,147	3,680
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	14,603	14,688	13,739	1,168
29	**TOTAL**	**609,852**	**605,464**	**574,595**	**48,788**

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 review and approval by the management body of the risk management and control systems and their consistency, see Chapter 3 "Corporate Governance" of the Universal Registration Document, in Section 1 "Report of the Board of Directors";
- 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 in Part 3 "Pillar 3 Disclosures", Section 3.4.2.4.1 "Credit risk mitigation techniques".

Information on the Crédit Agricole Group's approach to corporate governance (EU OVB) is discussed in Chapter 3, "Corporate Governance" of the Universal Registration Document [(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 Universal Registration Document, in Part 3 "Information on executives and management bodies", 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 of the Universal Registration Document, 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 of the Universal Registration Document, in Part 1 "Report of the Board of Directors", Section 1.1.3 "Governance and diversity policy";
- for the Risk Committee and the frequency of its meetings, see Chapter 3 of the Universal Registration Document, Part 1 "Report of the Board of Directors" in Section 1.3.2 "The Risk Committee";
- for the flow to the management body of information on risks, see Chapter 3, 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

31/12/2023 *(in millions of euros)*	Credit risk					Credit valuation adjustment risk	Operational Risk	Market risk	Total risk-weighted assets
	Standardised approach	Weighting approach IRB	IRB Approach [(1)]	Contributions to a CCP default fund	Credit risk				
French Retail Banking	23,311	27,162	197,040	-	247,513	52	25,373	64	273,003
International Retail Banking	36,052	987	8,428	-	45,467	14	5,688	41	51,211
Asset Gathering and Insurance	7,800	34,898	1,193	-	43,891	342	8,306	106	52,644
Specialized Financial Services	45,399	3,110	20,029	-	68,538	195	4,287	22	73,042
Large Customers	15,525	1,220	88,150	586	105,480	4,636	17,562	8,658	136,337
Corporate Centre	6,722	7,501	3,677	-	17,900	-	1,329	4,387	23,615
TOTAL RISK-WEIGHTED ASSETS	**134,809**	**74,878**	**318,518**	**586**	**528,790**	**5,239**	**62,545**	**13,278**	**609,852**

(1) Advanced IRB or Foundation IRB approach depending on business lines.

31/12/2022 *(in millions of euros)*	Credit risk					Credit valuation adjustment risk	Operational Risk	Market risk	Total risk-weighted assets
	Standardised approach	Weighting approach IRB	IRB Approach [(1)]	Contributions to a CCP default fund	Credit risk				
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.

(1) Available on the website of Crédit Agricole S.A. – https://www.credit-agricole.com/en/finance/finance/ financial-publications.

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 2023:

(in millions of euros)	31/12/2022	Foreign exchange	Organic change and optimisation	Equity-accounted value Insurance	Scope	Method and regulatory changes	Total variation 2023	31/12/2023
Credit risk	494,500	(1,765)	22,254	2,731	2,423	8,647	34,290	528,790
of which Equity risk	*57,701*	-	*2,957*	*2,731*	-	*11,489*	*17,177*	*74,878*
CVA	5,011	-	228	-	-	-	228	5,239
Market risk	14,823	-	856	-	-	(2,400)	(1,544)	13,278
Operational risk	60,261	-	1,783	-	500	-	2,283	62,545
TOTAL	**574,595**	**(1,765)**	**25,121**	**2,731**	**2,923**	**6,247**	**35,257**	**609,852**

Crédit Agricole Group's risk-weighted assets amounted to €609.9 billion at 31 December 2023, up €35.3 billion (or +6.1%) over the year, due to the increase in the risk-weighted assets of the equity-accounted value of insurance for +€14.2 billion, including +€7.6 billion after IFRS 17 came into effect and +€3.9 billion linked to the change in regulatory treatment of the goodwill of Crédit Agricole Assurances subsidiaries.

The contribution of other business lines (including foreign exchange impact) totalled +€23.4 billion, including an increase in risk-weighted assets of +€12.5 billion in Retail Banking, of which +€8.3 billion for the Regional Banks; +€9.0 billion for the Specialised Financial Services division, due in particular to activity linked to the launch of Crédit Agricole Auto Bank; the Corporate Centre division (+€4.0 billion), notably impacted by a temporary foreign exchange position with a view to a USD AT1 call in January 2024; and the Asset Gathering division (+€1.7 billion). This increase was slightly offset by a -€3.8 billion decline in risk-weighted assets in the Large Customers division, including a -€1.3 billion positive foreign exchange impact.

Mergers and acquisitions contributed +€2.9 billion to RWA growth, and involved various transactions carried out during the year, including the acquisition of RBC IS Europe by CACEIS, the restructuring of the partnership between Stellantis and Crédit Agricole Consumer Finance, and the latter's acquisition of ALD/LeasePlan's activities. In addition, methodology and regulatory effects (excluding the cumulative impact on Insurance) had a positive effect of -€5.2 billion, of which -€2.4 billion related to Capital Markets Banking.

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 presents a general overview of changes 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 method and IRB approach). Counterparty risk is covered in Part 3, and Part 4 covers the credit and counterparty risk mitigation techniques.

General qualitative information on credit risk **(EU CRA)** is discussed in Chapter 3, 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 provisions adopted for the risk management function, 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 2023 and at 31 December 2022.

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 2023

	Standardised				IRB				Total				
31/12/2023 *(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 requirement
Central governments or Central Banks	77.8	84.8	84.6	8.5	336.5	363.7	358.6	3.9	414.3	448.5	443.2	12.4	1.0
Institutions	39.7	54.8	53.1	8.1	99.3	103.3	91.9	19.4	139.0	158.1	145.0	27.5	2.2
Corporates	128.6	110.3	80.0	62.4	556.3	507.2	436.5	185.0	684.9	617.6	516.4	247.3	19.8
Retail customers	56.7	47.6	44.9	28.7	736.1	736.1	749.0	102.9	792.7	783.6	793.8	131.7	10.5
Loans to individuals	35.6	31.5	30.3	20.3	606.2	606.2	614.4	75.8	641.8	637.7	644.7	96.0	7.7
o/w secured by real estate assets	6.6	6.4	6.4	2.5	459.7	459.7	459.7	42.0	466.3	466.1	466.1	44.6	3.6
o/w revolving	1.7	1.7	0.9	0.7	19.8	19.8	26.7	5.3	21.5	21.5	27.7	6.0	0.5
o/w other	27.2	23.4	23.0	17.0	126.7	126.7	128.0	28.4	154.0	150.1	151.0	45.4	3.6
Loans to small and medium businesses	21.1	16.1	14.5	8.5	129.8	129.8	134.5	27.2	150.9	145.9	149.1	35.6	2.8
o/w secured by real estate assets	0.4	0.4	0.3	0.2	29.6	29.6	29.6	7.8	30.0	29.9	29.9	8.0	0.6
o/w other	20.7	15.7	14.2	8.3	100.3	100.3	105.0	19.4	121.0	116.0	119.2	27.7	2.2
Shares	2.3		2.3	2.5	19.9		19.9	67.6	22.2		22.1	70.1	5.6
Securitisations	9.8		9.8	1.6	51.6		51.6	7.3	61.4		61.4	9.0	0.7
Assets other than credit obligation	30.2		30.0	22.9	-		-	-	30.2		30.0	22.9	1.8
TOTAL	**345.1**		**304.6**	**134.8**	**1,799.7**		**1,707.4**	**386.1**	**2,144.8**		**2,012.0**	**520.9**	**41.7**

(1) Initial gross exposure.
(2) Gross exposure after credit risk mitigation (CRM).

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 requirement**
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	538.1	475.7	415.9	180.1	673.5	586.8	493.6	239.5	19.2
Retail customers	49.0	40.1	36.9	22.5	728.7	728.7	738.8	99.0	777.7	768.8	775.6	121.5	9.7
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	127.5	127.5	131.2	25.6	146.6	141.4	143.4	32.6	2.6
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	99.3	99.3	102.9	18.2	117.7	112.5	114.6	24.9	2.0
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).

Measured in terms of gross exposure, the Group's total outstanding amounts showed a slight increase of +0.8%.

The main portfolio remains the "Retail customers" category, with total gross exposure of €792.7 billion at 31 December 2023 compared with €777.7 billion at the end of 2022.

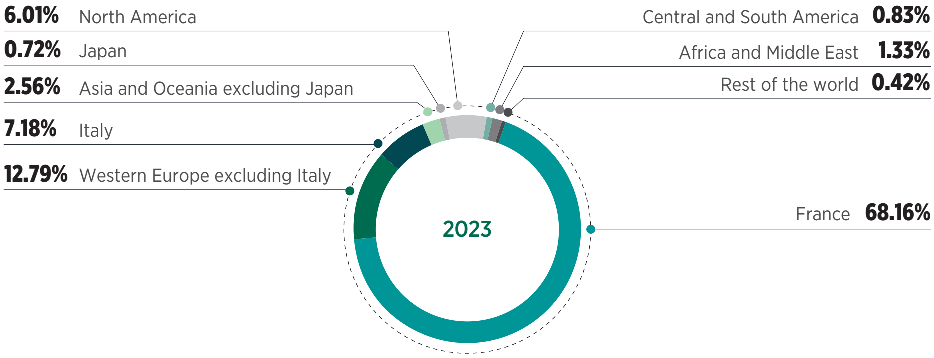
The "Central governments and Central Banks" portfolio fellby -4.2% due mainly to the decline in Central Bank deposits.

RWA density (defined as the ratio of risk weighted assets/EAD) was 16.6% on average for retail customers and 47.9% for Corporates at 31 December 2023.

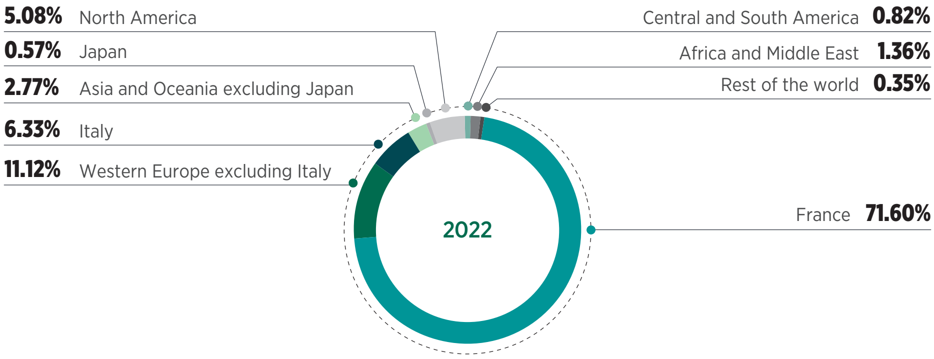
3.4.2.1.2 EXPOSURES BY GEOGRAPHIC AREA

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 Crédit Agricole Group.

AT 31 DECEMBER 2023



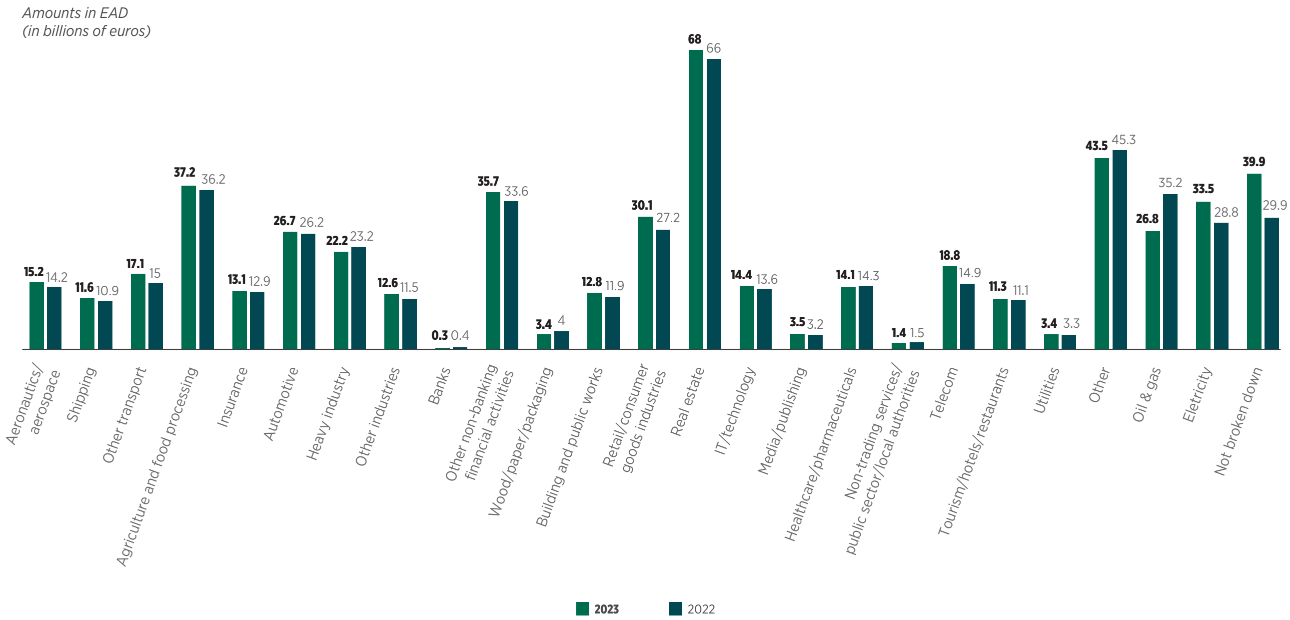
AT 31 DECEMBER 2022



3.4.2.1.3 EXPOSURES BY BUSINESS SECTOR

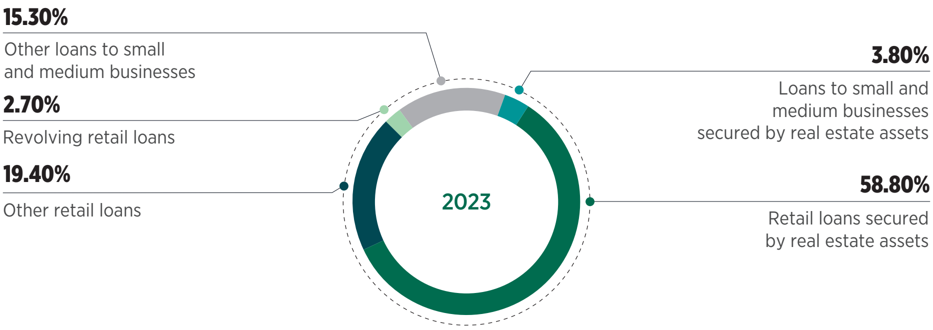
A focus on the Corporate portfolio is shown below. A breakdown of the Retail customers portfolio is also provided by Basel sub-portfolio (home loans, revolving credit, other loans to microenterprises, farmers and professional customers, other loans to individuals).

BREAKDOWN OF THE CORPORATE PORTFOLIO

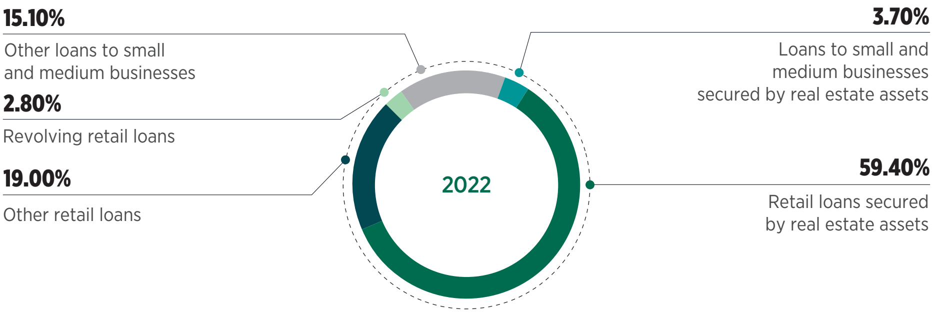


The breakdown of EAD amounts by economic sector remained stable overall with good diversification by sector.

RETAIL CUSTOMERS AT 31 DECEMBER 2023



RETAIL CUSTOMERS AT 31 DECEMBER 2022



BREAKDOWN OF THE RETAIL CUSTOMERS PORTFOLIO

The chart above shows a breakdown of the initial gross on- and off-balance sheet exposures for Crédit Agricole Group's Retail customers by Basel sub-portfolio (outstanding amounts of €792.7 billion at 31 December 2023 compared with €777.7 billion at 31 December 2022, an increase of +1.9% on an annual basis).

Within the "Retail customers" portfolio, the relative share of "loans to individuals secured by real estate assets" remains the largest (58.8% in 2023, compared with 59.4% in 2022). The share of "revolving exposures to individuals" fell further in 2023 to 2.7% of outstanding Retail customer loans from 2.8% in 2022.

3.4.2.1.4 LOANS AND RECEIVABLES AND DEBT SECURITIES BY MATURITY

MATURITY OF EXPOSURES (CR1-A)

31/12/2023 *(in millions of euros)*		Net exposure value on balance sheet					
		On demand	**≤ 1 year**	**>1 year ≤ 5 years**	**>5 years**	**No stated maturity**	**Total**
1	Loans and advances	2,656	426,842	493,580	496,324	1,374	1,420,776
2	Debt securities	-	44,852	66,927	63,403	8,383	183,564
3	**TOTAL**	**2,656**	**471,694**	**560,507**	**559,727**	**9,757**	**1,604,341**

31/12/2022 *(in millions of euros)*		Net exposure value on balance sheet					
		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**

3.4.2.1.5 DEFAULTED EXPOSURES AND VALUE ADJUSTMENTS

PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS (CR1)

31/12/2023 *(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	**187,498**	**187,489**	**9**	**17**		**17**	**(3)**	**(3)**	**(0)**	**(17)**		**(17)**			
010 Loans and advances	**1,270,782**	**1,134,035**	**136,035**	**25,593**	**83**	**25,503**	**(8,709)**	**(2,695)**	**(6,014)**	**(12,374)**	**(49)**	**(12,325)**		**713,063**	**7,721**
020 Central Banks	5,579	5,515	64				(6)	(0)	(6)					2,263	
030 General governments	40,233	38,626	1,606	72	1	71	(50)	(33)	(18)	(47)	(0)	(47)		6,965	8
040 Credit institutions	115,157	114,533	124	467		467	(45)	(45)	(0)	(366)		(366)		3,880	
050 Other financial corporations	36,035	33,549	2,463	780	2	778	(358)	(159)	(199)	(565)	(0)	(565)		12,430	108
060 Non-financial corporations	444,372	375,644	68,675	14,967	69	14,897	(5,059)	(1,668)	(3,391)	(7,072)	(47)	(7,024)		217,360	4,505
070 Of which SMEs	227,413	192,207	35,155	9,007	12	8,994	(3,589)	(1,290)	(2,299)	(4,792)	(3)	(4,789)		123,776	2,608
080 Households	629,406	566,167	63,103	9,307	11	9,290	(3,191)	(791)	(2,401)	(4,325)	(2)	(4,323)		470,164	3,100
090 Debt Securities	**147,697**	**137,700**	**1,084**	**630**	**1**	**616**	**(124)**	**(108)**	**(16)**	**(94)**		**(94)**		**2,272**	**0**
100 Central Banks	6,752	6,411	341				(26)	(25)	(1)						
110 General governments	77,037	76,790	202	0		0	(55)	(52)	(3)					1,308	
120 Credit institutions	32,513	32,416	45	4		4	(19)	(19)	(0)	(4)		(4)		398	
130 Other financial corporations	18,235	9,617	244	529		522	(9)	(8)	(1)	(6)		(6)		356	0
140 Non-financial corporations	13,160	12,467	252	96	1	90	(15)	(5)	(10)	(83)		(83)		210	
150 Off-balance sheet exposures	**721,325**	**697,980**	**23,345**	**1,766**	**0**	**1,766**	**(1,278)**	**(538)**	**(740)**	**(597)**		**(597)**		**75,495**	**175**
160 Central Banks	223,458	223,458					(0)	(0)							
170 General governments	19,631	18,618	1,013	0		0	(20)	(7)	(13)	-		-		4,149	
180 Credit institutions	57,233	57,089	144	87		87	(21)	(20)	(1)	(30)		(30)		1,022	0
190 Other financial corporations	113,391	111,455	1,936	13		13	(54)	(35)	(19)	(10)		(10)		3,522	2
200 Non-financial corporations	270,622	252,291	18,331	1,573	0	1,573	(1,053)	(418)	(635)	(527)		(527)		58,725	159
210 Households	36,992	35,070	1,922	93	0	92	(131)	(58)	(73)	(30)		(30)		8,077	14
220 TOTAL	**2,327,303**	**2,157,205**	**160,473**	**28,005**	**83**	**27,902**	**(10,114)**	**(3,344)**	**(6,770)**	**(13,082)**	**(49)**	**(13,033)**		**790,829**	**7,896**

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)	(0)	(54)		4,103	114
040 Credit institutions	101,292	101,199	92	481	0	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)	(0)	(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**	**0**	**105**	**(99)**	**(87)**	**(12)**	**(97)**		**(97)**		**2,149**	**0**
100 Central Banks	5,921	5,648	274				(9)	(8)	(1)						
110 General governments	79,555	79,255	299	0		0	(54)	(51)	(3)	(0)		(0)		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	0		(4)	(3)	(1)	-				26	0
140 Non-financial corporations	15,439	14,917	186	106	0	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)**	**(0)**	**(501)**		**40,965**	**237**
160 Central Banks	274,361	274,361					(0)	(0)							
170 General governments	21,028	20,218	810	0		0	(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	0
200 Non-financial corporations	239,460	223,169	16,290	1,404	3	1,400	(1,077)	(465)	(612)	(439)	(0)	(439)		25,200	220
210 Households	45,028	43,280	1,749	96	0	96	(168)	(72)	(96)	(27)	(0)	(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**

CHANGES IN THE STOCK OF NON-PERFORMING LOANS AND RECEIVABLES (CR2)

31/12/2023 *(in millions of euros)*		Gross carrying amount
1	**Initial stock of non-performing loans and advances (31/12/2022)**	**24,793**
2	Inflows to non-performing portfolios	9,756
3	Outflows from non-performing portfolios	(8,957)
4	Outflows due to write-offs	
5	Outflow due to other situations	
6	**FINAL STOCK OF NON-PERFORMING LOANS AND ADVANCES (31/12/2023)**	**25,593**

CREDIT QUALITY OF RENEGOTIATED EXPOSURES (CQ1)

31/12/2023 *(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 forbone exposures	
		Non-performing forbone						
	Performing forbone		Of which defaulted	of which impaired	On performing forbone exposures	On non-performing forbone exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
005 Cash balances at Central Banks and other demand deposits	-	-	-	-	-	-	-	-
010 Loans and advances	5,595	7,853	7,823	7,823	(389)	(3,202)	5,791	2,598
020 Central Banks	-	-	-	-	-	-	-	-
030 General governments	61	4	4	4	(2)	(3)	0	-
040 Credit institutions	-	46	46	46	-	(27)	-	-
050 Other financial corporations	88	155	155	155	(8)	(69)	115	54
060 Non-financial corporations	3,404	5,183	5,164	5,164	(260)	(2,087)	3,454	1,732
070 Households	2,042	2,465	2,454	2,454	(118)	(1,016)	2,221	812
080 Debt securities	-	3	3	1	-	(1)	-	-
090 Loan commitments given	408	183	180	180	(28)	(32)	179	45
100 TOTAL	**6,003**	**8,039**	**8,006**	**8,004**	**(417)**	**(3,235)**	**5,970**	**2,643**

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 forbone exposures	
		Non-performing forbone						
	Performing forbone		Of which defaulted	of which impaired	On performing forbone exposures	On non-performing forbone exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
005 Cash balances at Central Banks and other demand deposits	-	-	-	-	-	-	-	-
010 Loans and advances	6,169	8,252	8,154	8,154	(459)	(3,275)	6,855	2,682
020 Central Banks	0	-	-	-	-	-	-	-
030 General governments	66	4	4	4	(1)	(3)	1	0
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**

CREDIT QUALITY OF PERFORMING AND NON-PERFORMING EXPOSURES BY NUMBER OF PAST DUE DAYS (CQ3)

31/12/2023 *(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 year ≤ 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**	**187,498**	**187,498**		**17**	**0**		**0**		**17**			**17**
010	**Loans and advances**	**1,270,782**	**1,267,611**	**3,171**	**25,593**	**11,732**	**1,404**	**2,768**	**2,748**	**2,710**	**1,109**	**3,122**	**25,503**
020	Central Banks	5,579	5,579										
030	General governments	40,233	40,188	45	72	14	5	4	13	4	6	26	71
040	Credit institutions	115,157	115,157	1	467	5	0		37			425	467
050	Other financial corporations	36,035	36,022	13	780	239	21	37	34	90	45	314	778
060	Non-financial corporations	444,372	442,583	1,789	14,967	7,299	752	1,419	1,687	1,636	680	1,496	14,897
070	Of which SMEs	227,413	226,682	731	9,007	4,039	424	983	1,070	1,140	448	902	8,994
080	Households	629,406	628,084	1,322	9,307	4,175	626	1,309	977	981	379	861	9,290
090	**Debt securities**	**147,697**	**147,464**	**233**	**630**	**604**	**1**					**26**	**618**
100	Central Banks	6,752	6,752										
110	General governments	77,037	77,037		0	0							0
120	Credit institutions	32,513	32,513		4	4	1						4
130	Other financial corporations	18,235	18,002	233	529	529							522
140	Non-financial corporations	13,160	13,160		96	71						26	92
150	**Off-balance sheet exposures**	**721,325**			**1,766**								**1,766**
160	Central Banks	223,458											
170	General governments	19,631			0								0
180	Credit institutions	57,233			87								87
190	Other financial corporations	113,391			13								13
200	Non-financial corporations	270,622			1,573								1,573
210	Households	36,992			93								92
220	**TOTAL**	**2,327,303**	**1,602,574**	**3,404**	**28,005**	**12,336**	**1,405**	**2,768**	**2,748**	**2,727**	**1,109**	**3,147**	**27,904**

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 year ≤ 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**	**0**				**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	0	1	0			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		0							0	0
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			0								0
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**

QUALITY OF NON-PERFORMING EXPOSURES BY GEOGRAPHIC LOCATION (CQ4)

31/12/2023 *(in millions of euros)*	Gross carrying/nominal amount				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 non-performing		Of which subject to impairment			
			Of which defaulted				
ON BALANCE SHEET EXPOSURES	1,444,702	26,222	26,121	1,435,057	(21,300)		-
Europe	**1,323,533**	**23,874**	**23,773**	**1,313,962**	**(19,635)**		**-**
France	1,046,668	17,176	17,151	1,038,150	(14,440)		-
Italy	114,481	3,908	3,895	114,295	(2,697)		-
Germany	31,552	359	359	31,546	(295)		-
Luxembourg	18,616	107	107	17,890	(85)		-
United Kingdom	16,792	80	80	16,880	(91)		-
Spain	11,353	257	256	11,353	(203)		-
Switzerland	15,599	137	137	15,596	(81)		-
Netherland	11,085	127	126	11,085	(126)		-
Poland	12,687	422	410	12,545	(428)		-
Other European countries	44,700	1,302	1,254	44,623	(1,188)		-
Asia and Oceania	**42,741**	**394**	**394**	**42,722**	**(227)**		**-**
Japan	8,588	0	0	8,588	(13)		-
Other Asia and Oceania	34,153	394	394	34,135	(214)		-
North America	**40,654**	**284**	**284**	**40,615**	**(305)**		**-**
USA	33,044	195	195	33,004	(224)		-
Other Northern America	7,610	89	89	7,610	(81)		-
Central and South America	**12,176**	**1,079**	**1,079**	**12,162**	**(645)**		**-**
Africa and Middle East	**19,038**	**591**	**591**	**19,036**	**(486)**		**-**
Rest of the World	**6,560**	**0**	**0**	**6,560**	**(2)**		**-**
OFF BALANCE SHEET EXPOSURES	723,091	1,766	1,766			1,875	
Europe	**587,103**	**1,517**	**1,517**			**1,647**	
France	430,999	816	816			1,270	
Italy	41,144	181	181			111	
Germany	18,430	5	5			15	
Luxembourg	18,388	0	0			8	
United Kingdom	30,078	0	0			20	
Spain	6,449	30	30			20	
Switzerland	6,596	1	1			5	
Netherland	9,794	394	394			104	
Poland	3,486	25	25			15	
Other European countries	21,739	65	65			79	
Asia and Oceania	**28,395**	**117**	**117**			**26**	
Japan	7,128	-	-			1	
Other Asia and Oceania	21,267	117	117			26	
North America	**89,532**	**71**	**71**			**144**	
USA	85,126	52	52			138	
Other Northern America	4,406	19	19			5	
Central and South America	**5,737**	**10**	**10**			**25**	
Africa and Middle East	**9,843**	**51**	**51**			**33**	
Rest of the World	**2,481**	**0**	**0**			**0**	
TOTAL	**2,167,793**	**27,988**	**27,887**	**1,435,057**	**(21,300)**	**1,875**	**-**

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 offbalance-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**	**-**

CREDIT QUALITY OF LOANS AND RECEIVABLES TO NON-FINANCIAL CORPORATIONS BY BUSINESS LINE (CQ5)

31/12/2023 *(in millions of euros)*	Gross carrying amount	Of which non-performing	Of which non-performing – Of which defaulted	Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	a	b	c	d	e	f
010 Agriculture, forestry and fishing	38,567	1,247	1,219	38,567	(1,442)	-
020 Mining and quarrying	8,169	297	296	8,169	(306)	-
030 Manufacturing	72,028	1,705	1,688	72,012	(1,219)	-
040 Electricity, gas, steam and air conditioning supply	27,296	535	533	27,296	(344)	-
050 Water supply	3,068	50	50	3,068	(43)	-
060 Construction	15,827	1,116	1,115	15,827	(892)	-
070 Wholesale and retail trade	58,204	2,189	2,180	58,204	(1,784)	-
080 Transport and storage	28,232	1,176	1,175	28,232	(588)	-
090 Accommodation and food service activities	12,695	834	832	12,695	(833)	-
100 Information and communication	17,655	125	125	17,655	(154)	-
110 Financial and insurance activities	26,765	511	511	26,755	(361)	-
120 Real estate activities	93,549	2,215	2,212	93,524	(2,303)	-
130 Professional, scientific and technical activities	26,419	1,066	1,065	26,419	(922)	-
140 Administrative and support service activities	13,471	346	346	13,471	(259)	-
150 Public administration and defense, compulsory social security	1,696	11	11	1,696	(10)	-
160 Education	611	47	47	611	(33)	-
170 Human health services and social work activities	6,824	1,132	1,131	6,824	(328)	-
180 Arts, entertainment and recreation	1,644	115	115	1,644	(79)	-
190 Other services	6,619	251	247	6,617	(231)	-
200 TOTAL	**459,339**	**14,967**	**14,897**	**459,285**	**(12,130)**	**-**

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			
	a	b	c	d	e	f
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)	-
110 Financial and insurance activities	26,688	303	303	26,678	(337)	-
120 Real estate activities	87,668	1,981	1,973	87,647	(1,940)	-
130 Professional, scientific and technical activities	25,071	746	744	25,071	(726)	-
140 Administrative and support service activities	11,871	332	332	11,814	(252)	-
150 Public administration and defense, compulsory social security	1,626	11	11	1,626	(15)	-
160 Education	573	28	28	573	(19)	-
170 Human health services and social work activities	6,657	1,262	1,261	6,657	(303)	-
180 Arts, entertainment and recreation	1,618	130	130	1,618	(86)	-
190 Other services	10,621	305	301	10,619	(271)	-
200 TOTAL	**453,440**	**14,806**	**14,698**	**453,236**	**(11,846)**	**-**

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)	31/12/2023		31/12/2022	
	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)	1	(0)	0	(0)
020 Other than PP&E	213	(144)	186	(126)
030 *Residential immovable property*	*24*	*(8)*	*29*	*(11)*
040 *Commercial Immovable property*	*22*	*(14)*	*30*	*(17)*
050 *Movable property (auto, shipping, etc.)*	*164*	*(122)*	*125*	*(97)*
060 *Equity and debt instruments*	-	-	-	-
070 *Other collateral*	*3*	*(1)*	*3*	*(1)*
080 TOTAL	**214**	**(144)**	**187**	**(126)**

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 Crédit Agricole Italy and FriulAdria entities in Italy in 2013 (authorisation extended in 2022 to the Carispezia entity), the validation in the IRB approach of the Crédit Agricole Regional Banks and LCL "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 leverage 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 2023 were as follows:

- the not-yet-validated Crédit Agricole Italy portfolios (non-retail customer portfolios) as well as all other entities in the International Retail Banking division;
- 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.

3.4.2.2.1 EXPOSURES UNDER THE STANDARDISED APPROACH

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). 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, CRIF 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)

31/12/2023 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	70,705	49	76,561	15	8,484	11.08%
2 Regional government or local authorities	1,324	379	1,324	56	113	8.22%
3 Public sector entities	5,016	111	5,991	42	270	4.48%
4 Multilateral development banks	644	5	687	-	26	3.76%
5 International organisations	760	-	760	-	-	-
6 Banks (Institutions)	18,911	2,412	34,114	1,107	5,293	15.03%
7 Corporates	73,295	28,104	57,229	5,876	50,716	80.37%
8 Retail	44,293	3,542	36,700	857	25,380	67.58%
9 Secured by mortgages on immovable property	9,012	102	9,443	31	3,849	40.63%
10 Exposures in default	1,855	174	1,555	40	1,964	123.13%
11 Exposures associated with particularly high risk	499	74	499	21	779	150.00%
12 Covered bonds	1,278	-	1,278	-	162	12.70%
13 Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14 Collective investment undertakings	7,409	11,523	7,409	3,349	6,560	60.98%
15 Equity	2,280	0	2,280	0	2,548	111.70%
16 Other items	29,962	10	29,838	10	22,806	76.41%
17 TOTAL	**267,244**	**46,486**	**265,670**	**11,405**	**128,951**	**46.54%**

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 TO EXPOSURES BY ASSET CLASS AND RISK WEIGHTING COEFFICIENT (CR5)

	31/12/2023 Exposure classes *(in millions of euros)*	Risk weight																
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1,250%	Others	Total	o/w unrated
1	Central governments or Central Banks	71,019	-	-	-	13	-	94	-	-	2,645	1,223	1,582	-	-	-	76,576	76,501
2	Regional government or local authorities	816	-	-	-	564	-	-	-	-	1	-	-	-	-	-	1,380	1,188
3	Public sector entities	4,843	-	-	-	1,136	-	23	-	-	31	-	-	-	-	-	6,033	5,315
4	Multilateral development banks	661	-	-	-	-	-	-	-	-	26	-	-	-	-	-	687	625
5	International organisations	760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	760	760
6	Banks (Institutions)	17,012	1,922	-	-	12,765	-	1,738	-	-	1,690	96	-	-	-	-	35,222	31,466
7	Corporates	-	-	-	-	9,572	-	5,586	-	-	44,982	2,966	-	-	-	-	63,105	33,444
8	Retail	-	-	-	-	-	744	-	-	36,813	-	-	-	-	-	-	37,557	37,557
9	Secured by mortgages on immovable property	-	-	-	-	-	5,837	3,009	-	628	-	-	-	-	-	-	9,474	9,474
10	Exposures in default	-	-	-	-	-	-	-	-	-	857	738	-	-	-	-	1,595	1,595
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	520	-	-	-	-	520	520
12	Covered bonds	-	-	-	1,217	26	-	-	-	-	35	-	-	-	-	-	1,278	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Collective investment undertakings	3,028	-	1	119	2,248	-	2,730	-	-	2,066	400	-	-	165	-	10,758	9,975
15	Equity	-	-	-	-	-	-	-	-	-	2,103	-	178	-	-	-	2,281	2,281
16	Other items	4,498	-	-	-	3,180	-	-	-	-	22,170	-	-	-	-	-	29,848	29,799
17	**TOTAL**	**102,638**	**1,922**	**1**	**1,336**	**29,503**	**6,580**	**13,179**	**-**	**37,442**	**76,606**	**5,942**	**1,759**	**-**	**165**	**-**	**277,074**	**240,501**

STANDARDISED APPROACH TO EXPOSURES BY ASSET CLASS AND RISK WEIGHTING COEFFICIENT (CR5)

31/12/2022		Risk weight																
	Asset classes *(in millions of euros)*	**0%**	**2%**	**4%**	**10%**	**20%**	**35%**	**50%**	**70%**	**75%**	**100%**	**150%**	**250%**	**370%**	**1,250%**	**Others**	**Total**	**o/w unrated**
1	Central governments or Central Banks	72,477	-	-	-	33	-	0	-	-	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**

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 2023 as at the end of 2022. This reflects the quality of the activities carried out with these types of counterparties.

3.4.2.2.2 CREDIT RISK UNDER THE INTERNAL RATINGS-BASED APPROACH

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 exposure amounts for "Other non credit-obligation assets" 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 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 in 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	1
	Local authorities	8
	Financial institutions (banks, insurance, funds, etc.)	6
	Specialised financing	6
	Corporates	10
	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	3
	Retail banking – LCL	3
	Retail banking – Crédit Agricole Consumer Finance	12
	Retail banking – Crédit Agricole CIB	1
	Retail banking – CA Italia	3
CCF	Retail banking – Regional Banks	1
	Retail banking – LCL	1
	Retail banking – Crédit Agricole Consumer Finance	3
	Retail banking – CA Italia	3

3.4.2.2.3 QUALITY OF EXPOSURES UNDER THE INTERNAL RATINGS-BASED APPROACH

PRESENTATION OF THE INTERNAL RATINGS SYSTEM AND PROCEDURE

The internal ratings systems and procedures are described in Part 2 of "Risk management – Credit risk" Section 2.4.II.2 "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 PD (PROBABILITY OF DEFAULT) CATEGORY AT 31 DECEMBER 2023 (CR6)

31/12/2023 *(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	205,248	539	51.50%	213,326	-	45.22%	2.50	1,103	0.52%	1	(47)
	0.00 to <0.10	205,232	538	51.46%	213,314	-	45.22%	2.50	1,099	0.52%	1	(47)
	0.10 to <0.15	16	1	75.00%	13	0.12%	45.00%	2.50	4	34.96%	-	-
	0.15 to <0.25	629	2	75.00%	631	0.16%	45.00%	2.50	259	41.13%	-	(1)
	0.25 to <0.50	121	12	32.25%	112	0.32%	44.95%	2.50	65	58.64%	-	-
	0.50 to <0.75	82	181	69.82%	209	0.60%	45.69%	2.50	169	81.21%	1	(3)
	0.75 to <2.50	35	6	66.59%	39	0.97%	45.00%	2.50	37	95.42%	-	-
	0.75 to <1.75	35	6	66.59%	39	0.97%	45.00%	2.50	37	95.42%	-	-
	1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-
	2.50 to <10.00	10	1	55.84%	14	3.42%	45.00%	2.50	20	140.56%	-	-
	2.5 to <5	9	-	61.85%	13	3.00%	45.00%	2.50	18	136.14%	-	-
	5 to <10	1	1	50.00%	1	8.00%	45.00%	2.50	2	188.21%	-	-
	10.00 to <100.00	1	1	78.57%	1	20.23%	45.00%	2.50	3	253.63%	-	-
	10 to <20	-	-	-	-	-	-	-	-	-	-	-
	20 to <30	1	1	78.57%	1	20.23%	45.00%	2.50	3	253.63%	-	-
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	100.00%	45.57%	2.49	-	-	-	-
SUB-TOTAL		**206,125**	**742**	**55.88%**	**214,332**	**0.00%**	**45.22%**	**2.50**	**1,658**	**0.77%**	**3**	**(52)**
Institutions	0.00 to <0.15	46,168	2,701	49.91%	49,281	0.04%	41.34%	2.50	7,902	16.03%	7	(26)
	0.00 to <0.10	43,613	2,651	49.64%	46,692	0.04%	42.66%	2.50	7,475	16.01%	7	(26)
	0.10 to <0.15	2,555	50	64.07%	2,588	0.11%	17.57%	2.50	426	16.47%	1	-
	0.15 to <0.25	882	120	55.40%	1,002	0.18%	37.30%	2.50	372	37.09%	1	(2)
	0.25 to <0.50	736	28	47.47%	771	0.30%	44.57%	2.50	510	66.18%	1	(2)
	0.50 to <0.75	333	23	42.06%	328	0.60%	45.00%	2.50	280	85.34%	1	(3)
	0.75 to <2.50	198	65	51.62%	226	1.07%	44.85%	2.50	228	100.88%	1	(5)
	0.75 to <1.75	188	61	51.93%	214	1.02%	44.84%	2.50	213	99.16%	1	(5)
	1.75 to <2.5	10	4	47.29%	12	1.91%	45.00%	2.50	16	132.02%	-	-
	2.50 to <10.00	25	8	51.40%	29	3.08%	44.94%	2.50	39	137.08%	-	(1)
	2.5 to <5	24	8	50.11%	28	3.00%	44.94%	2.50	38	135.97%	-	(1)
	5 to <10	0	-	90.48%	1	6.70%	45.00%	2.50	1	189.16%	-	-
	10.00 to <100.00	67	3	52.98%	77	19.82%	44.91%	2.50	195	254.54%	7	(1)
	10 to <20	3	1	53.01%	3	12.83%	45.00%	2.50	8	249.06%	-	-
	20 to <30	64	2	52.96%	73	20.14%	44.90%	2.50	187	254.79%	7	(1)
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	12	-	-	11	100.00%	45.00%	2.50	-	-	5	(5)
SUB-TOTAL		**48,421**	**2,948**	**50.10%**	**51,725**	**0.11%**	**41.36%**	**2.50**	**9,527**	**18.42%**	**23**	**(45)**

31/12/2023 *(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 – SME	0.00 to <0.15	1,413	657	48.29%	1,689	0.08%	42.99%	2.50	315	18.68%	1	(6)
	0.00 to <0.10	801	292	41.47%	930	0.04%	44.10%	2.50	131	14.07%	-	(2)
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	172	23	74.99%	106	0.16%	45.00%	2.50	35	32.96%	-	-
	0.25 to <0.50	4,085	2,291	50.80%	4,747	0.40%	42.19%	2.50	2,095	44.15%	8	(51)
	0.50 to <0.75	119	12	67.67%	127	0.60%	42.24%	2.50	69	54.22%	-	(1)
	0.75 to <2.50	7,153	1,855	64.18%	6,518	1.16%	42.37%	2.50	4,283	65.71%	32	(173)
	0.75 to <1.75	7,009	1,834	64.06%	6,363	1.14%	42.32%	2.50	4,152	65.24%	31	(167)
	1.75 to <2.5	144	21	74.53%	155	1.93%	44.59%	2.50	131	84.95%	1	(6)
	2.50 to <10.00	3,481	742	63.08%	2,670	4.50%	42.21%	2.50	2,504	93.78%	51	(224)
	2.5 to <5	2,845	578	63.35%	2,269	3.83%	42.12%	2.50	2,021	89.06%	37	(173)
	5 to <10	636	164	62.13%	401	8.28%	42.75%	2.50	483	120.49%	14	(51)
	10.00 to <100.00	574	119	63.58%	415	20.41%	43.06%	2.50	675	162.83%	37	(71)
	10 to <20	200	34	65.83%	117	14.09%	42.61%	2.50	172	146.43%	7	(23)
	20 to <30	374	85	62.69%	297	22.90%	43.24%	2.50	503	169.30%	30	(48)
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	727	111	70.78%	344	100.00%	44.15%	2.50	-	-	152	(273)
SUB-TOTAL		**17,724**	**5,810**	**57.13%**	**16,616**	**3.89%**	**42.43%**	**2.50**	**9,977**	**60.04%**	**281**	**(799)**
Corporates – Specialised Lending	0.00 to <0.15	153	28	50.75%	167	0.06%	42.67%	2.50	36	21.55%	-	-
	0.00 to <0.10	153	28	50.75%	167	0.06%	42.67%	2.50	36	21.55%	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	678	47	63.99%	707	0.16%	43.31%	2.50	272	38.45%	-	(1)
	0.25 to <0.50	1,220	357	67.11%	1,452	0.30%	43.72%	2.50	814	56.04%	2	(3)
	0.50 to <0.75	908	252	70.41%	1,085	0.60%	43.92%	2.50	839	77.35%	3	(5)
	0.75 to <2.50	733	106	78.82%	811	1.14%	44.03%	2.50	786	96.98%	4	(16)
	0.75 to <1.75	644	86	79.68%	710	1.04%	44.23%	2.50	671	94.61%	3	(10)
	1.75 to <2.5	89	20	75.00%	101	1.90%	42.64%	2.50	115	113.71%	1	(5)
	2.50 to <10.00	27	6	75.00%	31	4.50%	43.08%	2.50	45	143.69%	1	(1)
	2.5 to <5	7	1	75.00%	8	3.00%	45.00%	2.50	10	125.66%	-	-
	5 to <10	20	6	75.00%	23	5.00%	42.43%	2.50	35	149.79%	-	(1)
	10.00 to <100.00	88	15	80.21%	100	19.99%	43.84%	2.50	243	242.00%	9	(4)
	10 to <20	1	-	-	1	15.00%	45.00%	2.50	2	234.83%	-	-
	20 to <30	88	15	80.21%	99	20.04%	43.83%	2.50	241	242.07%	9	(3)
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	42	-	-	42	100.00%	42.25%	2.50	-	-	18	(5)
SUB-TOTAL		**3,849**	**811**	**69.23%**	**4,395**	**1.93%**	**43.71%**	**2.50**	**3,034**	**69.04%**	**37**	**(35)**

31/12/2023 *(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 – Other	0.00 to <0.15	21,035	11,574	60.24%	28,475	0.05%	45.44%	2.53	5,956	20.92%	6	(15)
	0.00 to <0.10	17,647	8,739	63.18%	23,688	0.04%	45.69%	2.53	4,280	18.07%	4	(10)
	0.10 to <0.15	3,388	2,835	51.16%	4,787	0.12%	44.24%	2.50	1,675	35.00%	3	(5)
	0.15 to <0.25	974	435	68.33%	1,290	0.16%	45.49%	2.50	582	45.11%	1	(1)
	0.25 to <0.50	8,178	6,199	52.25%	10,227	0.37%	44.17%	2.50	6,395	62.53%	17	(75)
	0.50 to <0.75	469	208	76.42%	614	0.60%	44.01%	2.50	505	82.12%	2	(2)
	0.75 to <2.50	6,343	3,704	62.50%	5,956	1.12%	44.01%	2.50	5,904	99.13%	29	(150)
	0.75 to <1.75	5,854	3,530	61.86%	5,342	1.03%	43.91%	2.50	5,155	96.49%	24	(125)
	1.75 to <2.5	490	175	75.35%	614	1.92%	44.89%	2.50	750	122.15%	5	(25)
	2.50 to <10.00	2,371	881	59.41%	1,780	4.70%	44.05%	2.50	2,703	151.85%	37	(134)
	2.5 to <5	1,735	593	58.71%	1,406	3.76%	43.97%	2.50	1,996	141.92%	23	(87)
	5 to <10	637	288	60.86%	374	8.21%	44.35%	2.50	707	189.20%	14	(46)
	10.00 to <100.00	534	141	54.76%	389	20.52%	44.06%	2.50	980	251.84%	35	(40)
	10 to <20	134	42	59.02%	66	15.57%	42.70%	2.50	148	225.34%	4	(12)
	20 to <30	400	100	52.97%	323	21.53%	44.33%	2.50	832	257.24%	31	(28)
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	733	127	54.92%	380	100.00%	44.50%	2.50	-	-	187	(222)
SUB-TOTAL		40,639	23,270	58.67%	49,112	1.36%	44.92%	2.52	23,025	46.88%	314	(639)
TOTAL (ALL EXPOSURES CLASSES)		**316,757**	**33,581**	**57.85%**	**336,181**			**2.50**	**47,221**	**14.05%**	**657**	**(1,569)**

FOUNDATION INTERNAL RATINGS BASED APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD (PROBABILITY OF DEFAULT) 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	-	45.21%	2.50	927	0.40%	1	(34)
	0.00 to <0.10	222,675	835	56.40%	234,205	-	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)**

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 – 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)**
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)**

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 – 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)**

CREDIT RISK EXPOSURES BY PORTFOLIO AND PROBABILITY OF DEFAULT (PD) RANGE ADVANCED INTERNAL RATINGS-BASED APPROACH AT 31 DECEMBER 2023 (CR6)

31/12/2023 *(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	108,559	2,213	65.16%	127,949	0.01%	8.09%	1.73	681	0.53%	1	(14)
	0.00 to <0.10	108,559	2,213	65.16%	127,949	0.01%	8.09%	1.73	681	0.53%	1	(14)
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	1,064	918	73.39%	4,393	0.16%	9.74%	3.38	469	10.68%	2	(1)
	0.25 to <0.50	145	-	-	183	0.30%	10.00%	2.05	21	11.70%	0	(0)
	0.50 to <0.75	1,370	1,044	75.00%	1,067	0.60%	10.00%	2.13	179	16.73%	1	(3)
	0.75 to <2.50	476	610	75.00%	41	1.04%	45.00%	4.28	50	122.00%	0	(0)
	0.75 to <1.75	476	610	75.00%	41	1.04%	45.00%	4.28	50	122.00%	0	(0)
	1.75 to <2.5	0	-	-	0	1.89%	45.00%	1.00	0	99.67%	0	(0)
	2.50 to <10.00	480	363	75.00%	33	5.00%	60.00%	4.36	81	243.32%	1	(0)
	2.5 to <5	-	-	-	-	-	-	-	-	-	-	-
	5 to <10	480	363	75.00%	33	5.00%	60.00%	4.36	81	243.32%	1	(0)
	10.00 to <100.00	992	922	75.01%	161	14.01%	57.34%	2.55	467	289.91%	13	(11)
	10 to <20	742	505	75.00%	120	12.00%	60.38%	2.69	357	296.02%	9	(7)
	20 to <30	250	417	75.01%	41	20.00%	48.33%	2.14	110	271.75%	4	(4)
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	29	-	-	29	100.00%	45.00%	4.97	0	1.10%	20	(20)
SUB-TOTAL		**113,112**	**6,070**	**71.17%**	**133,857**	**0.06%**	**8.26%**	**1.79**	**1,949**	**1.46%**	**37**	**(49)**
Institutions	0.00 to <0.15	8,840	3,902	54.47%	13,855	0.05%	31.97%	1.70	1,266	9.14%	2	(1)
	0.00 to <0.10	8,101	2,225	63.66%	12,390	0.05%	31.21%	1.73	886	7.15%	1	(0)
	0.10 to <0.15	739	1,677	42.27%	1,465	0.11%	38.33%	1.50	381	26.00%	1	(0)
	0.15 to <0.25	1,635	2,227	61.71%	1,150	0.20%	45.62%	1.83	518	45.06%	1	(2)
	0.25 to <0.50	252	729	31.82%	499	0.30%	51.55%	1.67	364	72.96%	1	(1)
	0.50 to <0.75	477	357	23.59%	536	0.60%	24.89%	1.17	232	43.19%	1	(0)
	0.75 to <2.50	110	675	31.28%	284	1.26%	50.47%	1.23	336	118.48%	2	(1)
	0.75 to <1.75	91	462	20.16%	171	0.83%	53.08%	1.00	182	106.70%	1	(0)
	1.75 to <2.5	19	213	55.41%	113	1.90%	46.52%	1.58	154	136.29%	1	(1)
	2.50 to <10.00	42	55	21.20%	25	5.00%	65.77%	0.92	55	221.77%	1	(0)
	2.5 to <5	-	-	-	-	-	-	-	-	-	-	-
	5 to <10	42	55	21.20%	25	5.00%	65.77%	0.92	55	221.77%	1	(0)
	10.00 to <100.00	80	43	48.38%	6	13.32%	54.29%	4.34	20	344.08%	0	(0)
	10 to <20	79	43	48.38%	5	12.00%	49.88%	4.68	16	315.11%	0	(0)
	20 to <30	1	0	-	1	20.00%	76.64%	2.56	5	490.95%	0	(0)
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	255	213	6.66%	454	100.00%	45.00%	1.41	5	1.10%	379	(379)
SUB-TOTAL		**11,689**	**8,201**	**49.67%**	**16,808**	**2.82%**	**33.98%**	**1.68**	**2,797**	**16.64%**	**387**	**(384)**

31/12/2023 *(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 – SME	0.00 to <0.15	4,970	1,098	77.57%	5,822	0.11%	42.47%	2.41	1,249	21.45%	3	(15)
	0.00 to <0.10	863	396	130.63%	1,158	0.04%	43.35%	2.31	163	14.03%	0	(4)
	0.10 to <0.15	4,107	703	47.68%	4,664	0.13%	42.25%	2.43	1,086	23.29%	2	(11)
	0.15 to <0.25	7,565	264	66.26%	7,744	0.18%	44.55%	2.50	2,347	30.30%	6	(10)
	0.25 to <0.50	18,338	2,232	63.28%	19,800	0.39%	43.46%	2.50	8,618	43.53%	33	(122)
	0.50 to <0.75	92	10	47.19%	97	0.52%	44.01%	2.46	49	51.02%	0	(0)
	0.75 to <2.50	24,314	2,833	66.56%	26,100	1.14%	43.08%	2.50	17,223	65.99%	128	(446)
	0.75 to <1.75	22,944	2,719	66.20%	24,645	1.08%	42.99%	2.50	16,040	65.08%	115	(415)
	1.75 to <2.5	1,370	113	75.19%	1,455	2.05%	44.57%	2.50	1,184	81.34%	13	(31)
	2.50 to <10.00	8,934	868	66.08%	9,515	4.49%	42.62%	2.50	9,132	95.97%	184	(526)
	2.5 to <5	6,087	657	65.25%	6,522	3.21%	42.05%	2.50	5,631	86.34%	88	(314)
	5 to <10	2,847	212	68.66%	2,993	7.29%	43.86%	2.50	3,501	116.96%	96	(212)
	10.00 to <100.00	1,716	129	107.08%	1,783	19.09%	41.68%	2.50	2,701	151.45%	140	(237)
	10 to <20	1,057	82	65.30%	1,113	14.85%	42.77%	2.50	1,657	148.86%	71	(132)
	20 to <30	502	45	186.14%	511	22.12%	42.00%	2.51	821	160.69%	48	(47)
	30.00 to <100.00	157	3	63.72%	159	39.05%	33.03%	2.50	223	139.89%	21	(59)
	100.00 (Default)	2,103	117	59.14%	2,175	100.00%	44.43%	2.50	181	8.32%	966	(1,389)
SUB-TOTAL		**68,033**	**7,550**	**67.68%**	**73,036**	**4.57%**	**43.24%**	**2.49**	**41,499**	**56.82%**	**1,460**	**(2,745)**
Corporates – Specialised Lending	0.00 to <0.15	1,771	2,300	28.86%	2,270	0.08%	15.14%	2.25	221	9.72%	1	(1)
	0.00 to <0.10	1,251	612	44.77%	1,422	0.05%	13.28%	3.05	140	9.83%	1	(1)
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	6,163	1,009	62.53%	6,180	0.16%	9.46%	3.55	607	9.82%	1	(5)
	0.25 to <0.50	13,530	5,372	56.19%	14,331	0.31%	12.02%	3.30	2,381	16.62%	5	(11)
	0.50 to <0.75	7,760	2,691	61.64%	6,930	0.60%	13.98%	3.66	1,993	28.76%	6	(10)
	0.75 to <2.50	13,749	6,161	54.93%	12,030	1.03%	14.19%	3.29	4,028	33.48%	18	(56)
	0.75 to <1.75	11,692	5,138	54.62%	10,553	0.91%	14.03%	3.24	3,339	31.64%	13	(33)
	1.75 to <2.5	2,057	1,023	56.51%	1,477	1.90%	15.36%	3.67	689	46.66%	4	(23)
	2.50 to <10.00	1,855	581	71.10%	1,827	4.53%	15.70%	3.23	1,021	55.89%	13	(60)
	2.5 to <5	602	368	71.31%	727	3.00%	14.29%	3.42	342	47.10%	3	(7)
	5 to <10	1,253	213	70.73%	1,100	5.54%	16.62%	3.11	679	61.69%	10	(53)
	10.00 to <100.00	1,768	587	63.33%	1,645	15.19%	16.35%	3.52	1,429	86.90%	38	(141)
	10 to <20	1,115	238	68.12%	1,027	12.30%	19.69%	3.17	1,027	99.94%	25	(81)
	20 to <30	653	349	60.06%	617	20.00%	10.78%	4.09	402	65.19%	13	(60)
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	1,829	102	56.07%	1,463	100.00%	39.89%	2.49	195	13.33%	98	(98)
SUB-TOTAL		**48,425**	**18,803**	**54.24%**	**46,674**	**4.32%**	**13.85%**	**3.31**	**11,874**	**25.44%**	**180**	**(381)**

31/12/2023 *(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 – Other	0.00 to <0.15	56,016	103,376	62.49%	120,962	0.06%	35.98%	2.23	21,413	17.70%	25	(57)
	0.00 to <0.10	39,713	83,597	62.01%	93,871	0.04%	35.01%	2.17	13,071	13.92%	14	(34)
	0.10 to <0.15	16,303	19,779	64.56%	27,091	0.12%	39.31%	2.45	8,342	30.79%	10	(24)
	0.15 to <0.25	2,365	3,240	58.14%	4,324	0.16%	36.99%	2.32	1,470	34.01%	3	(4)
	0.25 to <0.50	33,956	36,664	59.90%	50,960	0.34%	40.20%	2.51	28,393	55.72%	49	(166)
	0.50 to <0.75	543	683	87.68%	881	0.59%	46.14%	3.01	781	88.60%	2	(3)
	0.75 to <2.50	22,376	11,896	64.35%	25,484	1.03%	41.95%	2.53	23,842	93.55%	114	(487)
	0.75 to <1.75	21,493	10,887	64.11%	24,184	0.98%	41.04%	2.48	21,599	89.31%	99	(447)
	1.75 to <2.5	883	1,009	66.96%	1,300	1.95%	58.85%	3.35	2,242	172.50%	15	(40)
	2.50 to <10.00	6,587	2,504	64.14%	6,077	4.32%	43.75%	2.48	9,000	148.11%	117	(443)
	2.5 to <5	4,373	2,051	63.00%	4,519	3.11%	43.57%	2.57	6,134	135.72%	62	(286)
	5 to <10	2,214	454	69.30%	1,557	7.82%	44.28%	2.20	2,867	184.08%	55	(157)
	10.00 to <100.00	1,833	910	180.54%	1,260	18.34%	41.16%	2.27	2,872	227.85%	97	(213)
	10 to <20	614	696	73.47%	576	14.16%	37.80%	2.07	1,118	194.00%	32	(109)
	20 to <30	1,207	213	530.28%	671	21.62%	44.20%	2.44	1,729	257.62%	64	(102)
	30.00 to <100.00	13	1	-	13	34.03%	32.88%	2.50	25	191.37%	1	(3)
	100.00 (Default)	3,919	837	41.12%	4,171	100.00%	45.16%	2.56	71	1.71%	2,843	(2,851)
SUB-TOTAL		**127,595**	**160,111**	**62.64%**	**214,120**	**2.42%**	**38.19%**	**2.35**	**87,842**	**41.03%**	**3,250**	**(4,224)**
Retail – Secured by immovable property SME	0.00 to <0.15	2,271	67	100.91%	2,339	0.13%	23.07%	1.00	128	5.45%	1	(3)
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	2,271	67	100.91%	2,339	0.13%	23.07%	1.00	128	5.45%	1	(3)
	0.15 to <0.25	4,353	103	101.00%	4,457	0.22%	23.49%	1.00	365	8.18%	2	(8)
	0.25 to <0.50	6,388	192	100.20%	6,580	0.40%	21.62%	1.00	769	11.68%	6	(24)
	0.50 to <0.75	2,318	23	100.00%	2,341	0.52%	14.77%	1.00	242	10.33%	2	(2)
	0.75 to <2.50	7,682	354	99.90%	8,036	1.20%	23.11%	1.00	2,081	25.90%	22	(99)
	0.75 to <1.75	6,765	333	99.89%	7,098	1.09%	24.06%	1.00	1,838	25.90%	19	(82)
	1.75 to <2.5	918	21	100.10%	938	2.06%	15.95%	1.00	244	25.96%	3	(17)
	2.50 to <10.00	3,765	167	100.00%	3,932	5.31%	25.70%	1.00	2,760	70.19%	55	(273)
	2.5 to <5	1,941	102	100.00%	2,043	3.70%	27.34%	1.00	1,277	62.52%	21	(116)
	5 to <10	1,824	65	100.00%	1,888	7.05%	23.94%	1.00	1,482	78.49%	34	(157)
	10.00 to <100.00	1,135	39	100.00%	1,174	19.47%	23.52%	1.00	1,223	104.17%	56	(160)
	10 to <20	899	33	100.00%	932	15.75%	23.42%	1.00	950	101.88%	36	(116)
	20 to <30	81	0	100.00%	81	26.26%	20.26%	1.00	82	101.43%	4	(10)
	30.00 to <100.00	156	5	100.00%	161	37.59%	25.71%	1.00	191	118.81%	16	(34)
	100.00 (Default)	695	1	3.99%	695	100.00%	55.44%	1.00	220	31.59%	385	(338)
SUB-TOTAL		**28,608**	**945**	**100.04%**	**29,553**	**4.33%**	**23.29%**	**1.00**	**7,786**	**26.35%**	**528**	**(906)**

31/12/2023 (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	285,862	6,059	100.00%	291,921	0.07%	12.89%	1.00	6,877	2.36%	25	(69)
	0.00 to <0.10	204,753	4,213	100.00%	208,965	0.05%	12.14%	1.00	3,465	1.66%	11	(23)
	0.10 to <0.15	81,109	1,846	100.00%	82,956	0.11%	14.77%	1.00	3,411	4.11%	14	(45)
	0.15 to <0.25	55,864	1,155	99.98%	57,019	0.22%	16.04%	1.00	4,268	7.49%	20	(63)
	0.25 to <0.50	39,594	1,138	100.00%	40,732	0.36%	14.08%	1.00	3,968	9.74%	22	(97)
	0.50 to <0.75	16,716	552	99.92%	17,267	0.69%	14.76%	1.00	2,717	15.73%	18	(84)
	0.75 to <2.50	27,282	711	100.00%	27,993	1.40%	16.91%	1.00	7,859	28.07%	66	(336)
	0.75 to <1.75	26,155	688	100.00%	26,844	1.37%	17.04%	1.00	7,513	27.99%	63	(320)
	1.75 to <2.5	1,126	23	100.00%	1,149	2.16%	13.98%	1.00	346	30.09%	3	(16)
	2.50 to <10.00	17,021	407	100.00%	17,428	5.43%	17.70%	1.00	11,228	64.43%	167	(594)
	2.5 to <5	11,050	219	100.00%	11,269	4.05%	17.84%	1.00	6,333	56.20%	82	(342)
	5 to <10	5,971	188	100.00%	6,159	7.95%	17.44%	1.00	4,895	79.47%	86	(252)
	10.00 to <100.00	3,649	59	100.00%	3,708	19.60%	19.51%	1.00	4,169	112.43%	148	(312)
	10 to <20	2,713	44	100.00%	2,757	15.04%	19.29%	1.00	2,998	108.74%	80	(192)
	20 to <30	418	10	100.00%	428	24.85%	17.96%	1.00	486	113.61%	19	(40)
	30.00 to <100.00	518	5	100.00%	523	39.32%	21.95%	1.00	685	130.88%	48	(80)
	100.00 (Default)	3,621	10	294.37%	3,625	100.00%	35.76%	1.00	950	26.20%	1,296	(1,148)
SUB-TOTAL		**449,609**	**10,091**	**100.19%**	**459,693**	**1.37%**	**14.12%**	**1.00**	**42,035**	**9.14%**	**1,762**	**(2,702)**
Retail – Qualifying revolving	0.00 to <0.15	382	8,573	157.27%	13,954	0.08%	42.43%	1.00	348	2.49%	5	(3)
	0.00 to <0.10	168	4,684	168.67%	8,094	0.04%	38.81%	1.00	107	1.33%	1	(1)
	0.10 to <0.15	213	3,889	143.54%	5,860	0.13%	47.41%	1.00	241	4.11%	4	(2)
	0.15 to <0.25	211	2,174	103.41%	2,459	0.21%	128.05%	1.00	394	16.01%	6	(2)
	0.25 to <0.50	274	950	165.06%	1,865	0.37%	44.69%	1.00	159	8.51%	3	(2)
	0.50 to <0.75	345	1,084	106.79%	1,506	0.65%	62.40%	1.00	291	19.33%	6	(3)
	0.75 to <2.50	951	1,488	133.04%	2,966	1.52%	45.96%	1.00	805	27.16%	21	(13)
	0.75 to <1.75	673	1,167	146.53%	2,409	1.37%	43.56%	1.00	562	23.33%	14	(10)
	1.75 to <2.5	278	321	83.98%	557	2.14%	56.35%	1.00	243	43.74%	7	(3)
	2.50 to <10.00	1,484	644	170.84%	2,646	5.22%	46.94%	1.00	1,731	65.41%	65	(42)
	2.5 to <5	881	453	167.50%	1,653	3.87%	45.42%	1.00	856	51.80%	28	(21)
	5 to <10	603	191	178.77%	993	7.46%	49.46%	1.00	874	88.07%	36	(21)
	10.00 to <100.00	741	182	140.30%	1,036	22.53%	51.22%	1.00	1,538	148.48%	121	(85)
	10 to <20	390	127	155.64%	605	13.52%	49.09%	1.00	734	121.43%	39	(28)
	20 to <30	74	6	255.18%	94	25.51%	55.39%	1.00	171	181.91%	13	(11)
	30.00 to <100.00	278	49	85.84%	338	37.82%	53.86%	1.00	634	187.62%	69	(46)
	100.00 (Default)	302	20	12.70%	305	100.00%	64.95%	1.00	60	19.68%	198	(200)
SUB-TOTAL		**4,689**	**15,115**	**144.19%**	**26,736**	**2.82%**	**53.02%**	**1.00**	**5,326**	**19.92%**	**425**	**(350)**

31/12/2023 *(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 SME	0.00 to <0.15	7,038	1,106	137.59%	8,560	0.13%	25.49%	1.00	542	6.33%	3	(8)
	0.00 to <0.10	540	0	225.64%	541	0.09%	10.56%	1.00	14	2.58%	0	-
	0.10 to <0.15	6,497	1,106	137.58%	8,019	0.13%	26.50%	1.00	528	6.58%	3	(8)
	0.15 to <0.25	17,824	3,250	124.76%	21,893	0.19%	20.91%	1.00	1,564	7.14%	9	(33)
	0.25 to <0.50	21,041	2,791	153.87%	25,351	0.37%	20.23%	1.00	2,561	10.10%	19	(85)
	0.50 to <0.75	1,371	642	51.31%	1,718	0.56%	46.25%	1.00	519	30.24%	4	(2)
	0.75 to <2.50	22,434	3,115	137.15%	26,818	1.27%	25.92%	1.00	6,191	23.09%	86	(315)
	0.75 to <1.75	17,393	2,300	129.59%	20,436	1.02%	28.28%	1.00	4,915	24.05%	61	(237)
	1.75 to <2.5	5,041	815	158.49%	6,382	2.06%	18.34%	1.00	1,276	19.99%	24	(78)
	2.50 to <10.00	10,467	1,361	141.93%	12,580	5.30%	30.25%	1.00	4,738	37.67%	202	(651)
	2.5 to <5	4,938	763	123.73%	5,935	3.73%	35.17%	1.00	2,499	42.11%	78	(273)
	5 to <10	5,530	598	165.14%	6,645	6.71%	25.85%	1.00	2,239	33.70%	124	(378)
	10.00 to <100.00	3,655	286	151.01%	4,323	19.08%	28.52%	1.00	2,259	52.27%	253	(453)
	10 to <20	3,018	232	160.96%	3,544	15.28%	27.20%	1.00	1,653	46.63%	153	(324)
	20 to <30	166	7	99.47%	175	25.23%	30.90%	1.00	127	72.47%	14	(25)
	30.00 to <100.00	471	46	109.43%	603	39.64%	35.57%	1.00	480	79.58%	86	(104)
	100.00 (Default)	3,714	200	14.87%	3,747	100.00%	62.63%	1.00	1,004	26.78%	2,347	(2,237)
SUB-TOTAL		**87,544**	**12,750**	**132.27%**	**104,990**	**5.46%**	**25.73%**	**1.00**	**19,379**	**18.46%**	**2,923**	**(3,784)**
Retail – Other non-SME	0.00 to <0.15	50,765	2,159	124.57%	53,477	0.07%	17.27%	1.00	1,970	3.68%	7	(14)
	0.00 to <0.10	34,965	1,456	125.80%	36,807	0.05%	15.48%	1.00	892	2.42%	3	(5)
	0.10 to <0.15	15,800	703	122.04%	16,670	0.12%	21.20%	1.00	1,078	6.46%	4	(9)
	0.15 to <0.25	15,318	829	102.04%	16,182	0.22%	24.38%	1.00	1,747	10.79%	9	(16)
	0.25 to <0.50	11,809	659	114.34%	12,578	0.37%	26.63%	1.00	2,215	17.61%	12	(25)
	0.50 to <0.75	7,336	263	101.81%	7,618	0.65%	34.77%	1.00	2,370	31.12%	17	(23)
	0.75 to <2.50	19,272	706	117.69%	20,153	1.42%	35.08%	1.00	9,077	45.04%	101	(117)
	0.75 to <1.75	15,689	644	119.95%	16,510	1.25%	34.23%	1.00	6,938	42.02%	70	(95)
	1.75 to <2.5	3,583	62	94.22%	3,643	2.18%	38.94%	1.00	2,138	58.70%	31	(22)
	2.50 to <10.00	10,315	378	114.56%	10,870	5.01%	36.37%	1.00	6,586	60.59%	194	(223)
	2.5 to <5	6,656	264	118.40%	7,050	3.78%	36.69%	1.00	4,169	59.14%	96	(112)
	5 to <10	3,659	114	105.70%	3,820	7.28%	35.78%	1.00	2,417	63.25%	98	(111)
	10.00 to <100.00	3,530	35	106.31%	3,727	23.24%	39.53%	1.00	3,675	98.60%	380	(362)
	10 to <20	2,136	24	111.01%	2,235	14.19%	38.30%	1.00	1,868	83.59%	120	(141)
	20 to <30	331	9	94.36%	425	25.19%	30.60%	1.00	376	88.49%	33	(33)
	30.00 to <100.00	1,062	2	102.19%	1,067	41.43%	45.67%	1.00	1,431	134.06%	227	(187)
	100.00 (Default)	3,336	10	49.79%	3,376	100.00%	55.97%	1.00	758	22.46%	1,839	(1,854)
SUB-TOTAL		**121,681**	**5,040**	**116.35%**	**127,981**	**4.10%**	**26.22%**	**1.00**	**28,398**	**22.19%**	**2,558**	**(2,633)**
TOTAL (ALL EXPOSURES CLASSES)		**1,060,985**	**244,676**	**73.39%**	**1,233,448**			**1.50**	**248,885**	**20.18%**	**13,510**	**(18,159)**

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	(0)
	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%	0	(1)
	0.75 to <1.75	44	30	75.00%	3	1.25%	45.00%	4.81	4	137.03%	0	(0)
	1.75 to <2.5	429	463	75.00%	28	1.90%	45.00%	4.27	40	143.96%	0	(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	0	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)
	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)
	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	(0)
	2.5 to <5	-	-	-	-	-	-	-	-	-	-	-
	5 to <10	113	402	31.54%	85	5.00%	62.32%	1.59	194	229.17%	3	(0)
	10.00 to <100.00	66	64	34.69%	88	12.25%	69.25%	1.21	318	362.22%	7	(0)
	10 to <20	66	51	37.84%	85	12.00%	69.71%	1.20	309	363.21%	7	(0)
	20 to <30	0	12	21.72%	3	20.00%	54.66%	1.35	9	331.07%	0	(0)
	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)**

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 – 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	(0)
	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	(0)
	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)**
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)**

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 – 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 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	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)**

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 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	0	225.64%	650	0.09%	7.67%	1.00	12	1.82%	0	-
	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)**
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)**

The disparities between customer classes seen in prior years in the Retail Banking portfolio were again apparent in 2023. The PD levels observed in loans secured by real estate assets are significantly lower than for other classes. For instance, 84.8% 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 52.4% for the "Other Retail customer exposures – SME" of the IRB portfolio – Group retail banking.

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 21.5% of expected losses.

SCOPE OF APPLICATION OF THE IRB AND SA APPROACHES (CR6-A)

	31/12/2023 *(in millions of euros)*	**Exposure value as defined in Article 166 CRR for exposures subject to IRB approach**	**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	323,867	433,577	15.61%	82.50%	1.90%
1,1	Of which Regional governments or local authorities		6,917	8.91%	91.09%	0.00%
1,2	Of which Public sector entities		135,469	3.10%	96.90%	0.00%
2	Institutions	70,968	86,639	13.92%	84.83%	1.25%
3	Corporates	426,899	627,635	3.44%	90.63%	5.93%
3,1	Of which Corporates – Specialised lending, excluding slotting approach		71,888	0.00%	100.00%	0.00%
3,2	Of which Corporates – Specialised lending under slotting approach		-	0.00%	0.00%	0.00%
4	Retail	748,875	791,072	2.10%	94.27%	3.63%
4,1	Of which Retail – Secured by real estate SMEs		29,723	0.49%	99.41%	0.11%
4,2	Of which Retail – Secured by real estate non-SMEs		466,038	1.38%	98.62%	0.00%
4,3	Of which Retail – Qualifying revolving		21,469	1.93%	96.69%	1.38%
4,4	Of which Retail – Other SMEs		120,560	1.75%	90.14%	8.11%
4,5	Of which Retail – Other non-SMEs		153,282	4.90%	82.76%	12.34%
5	Equity	19,865	53,218	17.48%	82.52%	0.00%
6	Other non-credit obligation assets	-	38,587	100.00%	0.00%	0.00%
7	**TOTAL**	**1,590,474**	**2,030,727**	**6.28%**	**90.01%**	**3.71%**

	31/12/2022 *(in millions of euros)*	**Exposure value as defined in Article 166 CRR for exposures subject to IRB approach**	**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	15,121	43,166	18.54%	81.46%	0.00%
6	Other non-credit obligation assets	-	32,967	100.00%	0.00%	0.00%
7	**TOTAL**	**1,581,462**	**1,989,751**	**8.26%**	**81.56%**	**10.18%**

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 2023.

IRB APPROACH – EFFECT ON RWA OF CREDIT DERIVATIVES USED FOR CRM (CR7)

		31/12/2023		31/12/2022	
(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**	**47,221**	**47,221**	**105,273**	**105,273**
2	Central governments and Central Banks	1,658	1,658	1,458	1,458
3	Institutions	9,527	9,527	10,037	10,037
4	Corporates	36,036	36,036	93,777	93,777
4,1	Of which Corporates – SMEs	9,977	9,977	31,905	31,905
4,2	Of which Corporates – Specialised lending	3,034	3,034	2,929	2,929
5	**Exposures under A-IRB**	**249,629**	**248,885**	**184,912**	**182,841**
6	Central governments and Central Banks	1,949	1,949	1,610	1,610
7	Institutions	2,742	2,797	3,673	4,014
8	Corporates	142,015	141,216	80,669	78,257
8,1	Of which Corporates – SMEs	41,499	41,499	17,584	17,584
8,1	Of which Corporates – Specialised lending	11,874	11,874	12,207	12,207
9	Retail	102,924	102,924	98,960	98,960
9,1	Of which Retail – SMEs – Secured by immovable property collateral	7,786	7,786	7,469	7,469
9,2	Of which Retail – non-SMEs – Secured by immovable property collateral	42,035	42,035	41,565	41,565
9,3	Of which Retail – Qualifying revolving	5,326	5,326	4,806	4,806
9,4	Of which Retail – SMEs – Other	19,379	19,379	18,151	18,151
9,5	Of which Retail – Non-SMEs- Other	28,398	28,398	26,970	26,970
10	**TOTAL (INCLUDING F-IRB EXPOSURES AND A-IRB EXPOSURES)**	**296,850**	**296,105**	**290,184**	**288,114**

IRB APPROACH – INFORMATION TO BE PUBLISHED ON THE EXTENT TO WHICH CRM IS USED (CR7-A)

31/12/2023 *(in millions of euros)* F-IRB		Total exposures	Credit risk mitigation techniques											Credit risk mitigation methods in the calculation of RWAs	
			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 Immovable property collaterals *(%)*	Part of exposures covered by Receivables *(%)*	Part of exposures covered by Other physical collateral *(%)*	Part of exposures covered by Other funded credit protection *(%)*	Part of exposures covered by Cash on deposit *(%)*	Part of exposures covered by Life insurance policies *(%)*	Part of exposures covered by Instruments held by a third party *(%)*	Part of exposures covered by Guarantees *(%)*	Part of exposures covered by Credit Derivatives *(%)*	RWA without substitution effects (reduction effects only)	RWA with substitution effects (both reduction and substitution effects)
1	Central governments and Central Banks	214,332	-	0.00%	-	0.00%						-		1,652	1,658
2	Institutions	51,725	0.02%	0.18%	0.08%	0.11%	-							9,184	9,527
3	Corporates	70,124	0.28%	11.48%	7.42%	3.94%	0.11%	-						36,385	36,036
3,1	Of which Corporates – SMEs	16,616	0.68%	23.97%	16.87%	6.98%	0.12%	-						10,287	9,977
3,2	Of which Corporates – Specialised lending	4,395	0.04%	13.82%	1.06%	12.32%	0.43%							3,037	3,034
3,3	Of which Corporates – Other	49,112	0.17%	7.04%	4.80%	2.16%	0.08%							23,061	23,025
4	**TOTAL**	**336,181**	**0.06%**	**2.42%**	**1.56%**	**0.84%**	**0.02%**	**-**						**47,221**	**47,221**

31/12/2022 *(in millions of euros)* F-IRB		Total exposures	Credit risk mitigation techniques											Credit risk mitigation methods in the calculation of RWAs	
			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 Immovable property collaterals *(%)*	Part of exposures covered by Receivables *(%)*	Part of exposures covered by Other physical collateral *(%)*	Part of exposures covered by Other funded credit protection *(%)*	Part of exposures covered by Cash on deposit *(%)*	Part of exposures covered by Life insurance policies *(%)*	Part of exposures covered by Instruments held by a third party *(%)*	Part of exposures covered by Guarantees *(%)*	Part of exposures covered by Credit Derivatives *(%)*	RWA without substitution effects (reduction effects only)	RWA with substitution effects (both reduction and substitution effects)
1	Central governments and Central Banks	235,180	-	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	1,409	1,458
2	Institutions	52,573	0.05%	0.17%	0.07%	0.10%	-	-	-	-	-	-	-	9,714	10,037
3	Corporates	170,101	0.41%	11.47%	7.70%	3.16%	0.60%	-	-	-	-	-	-	94,150	93,777
3,1	Of which Corporates – SMEs	54,520	0.68%	20.21%	14.78%	4.66%	0.78%	-	-	-	-	-	-	32,216	31,905
3,2	Of which Corporates – Specialised lending	4,270	0.05%	15.94%	3.39%	12.13%	0.42%	-	-	-	-	-	-	2,935	2,929
3,3	Of which Corporates – Other	111,311	0.29%	7.02%	4.41%	2.09%	0.52%	-	-	-	-	-	-	58,998	58,944
4	**TOTAL**	**457,853**	**0.16%**	**4.28%**	**2.87%**	**1.19%**	**0.22%**	**-**	**-**	**-**	**-**	**-**	**-**	**105,273**	**105,273**

			Credit risk mitigation techniques											Credit risk mitigation methods in the calculation of RWAs	
			Funded Credit Protection (FCP)								Unfunded Credit Protection (UFCP)			
31/12/2023 *(in millions of euros)* **A-IRB**		Total exposures	Part of exposures covered by Financial collaterals *(%)*	Part of exposures covered by Other eligible collaterals *(%)*	Part of exposures covered by Immovable property collaterals *(%)*	Part of exposures covered by Receivables *(%)*	Part of exposures covered by Other physical collateral *(%)*	Part of exposures covered by Other funded credit protection *(%)*	Part of exposures covered by Cash on deposit *(%)*	Part of exposures covered by Life insurance policies *(%)*	Part of exposures covered by Instruments held by a third party *(%)*	Part of exposures covered by Guarantees *(%)*	Part of exposures covered by Credit Derivatives *(%)*	RWA without substitution effects (reduction effects only)	RWA with substitution effects (both reduction and substitution effects)
1	Central governments and Central Banks	133,857	0.01%											1,322	1,949
2	Institutions	16,808	1.58%					-	-					2,880	2,797
3	Corporates	333,830	1.16%	11.70%	7.06%	0.88%	3.76%					0.39%		141,759	141,216
3,1	Of which Corporates – SMEs	73,036	0.48%	16.97%	14.15%	2.19%	0.64%					1.80%		41,579	41,499
3,2	Of which Corporates – Specialised lending	46,674	1.05%	46.00%	21.35%		24.65%							12,695	11,874
3,3	Of which Corporates – Other	214,120	1.42%	2.43%	1.52%	0.63%	0.27%							87,485	87,842
4	Retail	748,953		23.95%	23.95%							41.68%		102,924	102,924
4,1	Of which Retail – Immovable property SMEs	29,553		81.37%	81.37%							6.47%		7,786	7,786
4,2	Of which Retail – Immovable property non-SMEs	459,693		33.72%	33.72%							65.53%		42,035	42,035
4,3	Of which Retail – Qualifying revolving	26,736												5,326	5,326
4,4	Of which Retail – Other SMEs	104,990		0.07%	0.07%							7.63%		19,379	19,379
4,5	Of which Retail – Other non-SMEs	127,981		0.18%	0.18%							0.75%		28,398	28,398
5	**TOTAL**	**1,233,448**	**0.34%**	**17.71%**	**16.45%**	**0.24%**	**1.02%**	**-**	**-**			**25.41%**		**248,885**	**248,885**

31/12/2022 *(in millions of euros)* **A-IRB**		Total exposures	Credit risk mitigation techniques											Credit risk mitigation methods in the calculation of RWAs	
			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 Immovable property collaterals *(%)*	Part of exposures covered by Receivables *(%)*	Part of exposures covered by Other physical collateral *(%)*	Part of exposures covered by Other funded credit protection *(%)*	Part of exposures covered by Cash on deposit *(%)*	Part of exposures covered by Life insurance policies *(%)*	Part of exposures covered by Instruments held by a third party *(%)*	Part of exposures covered by Guarantees *(%)*	Part of exposures covered by Credit Derivatives *(%)*	RWA without substitution effects (reduction effects only)	RWA with substitution effects (both reduction and substitution effects)
1	Central governments and Central Banks	132,966	0.00%	0.06%	-	-	0.06%	-	-	-	-	-	-	1,072	1,610
2	Institutions	22,468	0.91%	-	-	-	-	-	-	-	-	-	-	4,072	4,014
3	Corporates	214,302	1.68%	11.91%	6.93%	-	4.99%	-	-	-	-	0.67%	-	78,737	78,257
3,1	Of which Corporates – SMEs	31,659	0.27%	13.16%	13.16%	-	-	-	-	-	-	4.50%	-	17,586	17,584
3,2	Of which Corporates – Specialised lending	46,661	0.90%	45.32%	22.43%	-	22.89%	-	-	-	-	-	-	13,142	12,207
3,3	Of which Corporates – Other	135,982	2.27%	0.16%	0.16%	-	-	-	-	-	-	-	-	48,010	48,466
4	Retail	738,753	-	24.03%	24.03%	-	-	-	-	-	-	41.75%	-	98,960	98,960
4,1	Of which Retail – Immovable property SMEs	28,265	-	81.94%	81.94%	-	-	-	-	-	-	6.43%	-	7,469	7,469
4,2	Of which Retail – Immovable property non-SMEs	453,915	-	33.94%	33.94%	-	-	-	-	-	-	65.22%	-	41,565	41,565
4,3	Of which Retail – Qualifying revolving	25,406	-	-	-	-	-	-	-	-	-	-	-	4,806	4,806
4,4	Of which Retail – Other SMEs	102,939	-	0.08%	0.08%	-	-	-	-	-	-	9.23%	-	18,151	18,151
4,5	Of which Retail – Other non-SMEs	128,228	-	0.19%	0.19%	-	-	-	-	-	-	0.79%	-	26,970	26,970
5	**TOTAL**	**1,108,489**	**0.34%**	**18.33%**	**17.36%**	**-**	**0.97%**	**-**	**-**	**-**	**-**	**27.95%**	**-**	**182,841**	**182,841**

3.4.2.2.5 RWA TRENDS

RWA FLOW STATEMENT FOR CREDIT RISK EXPOSURES USING THE IRB APPROACH (CR8)

31/12/2023 *(in millions of euros)*		**RWA amounts**
1	**RWAs as at the end of the previous reporting period (30/09/2023)**	**297,039**
2	Asset size (+/-)	1,988
3	Asset quality (+/-)	(2,250)
4	Model updates (+/-)	-
5	Methodology and policy (+/-)	-
6	Acquisitions and disposals (+/-)	(212)
7	Foreign exchange movements (+/-)	(1,475)
8	Other (+/-)	1,016
9	**RWAS AS AT THE END OF THE REPORTING PERIOD (31/12/2023)**	**296,105**

The change in line 8 “Other (+/-)” of the CR8 table is mainly due to RWA gains related to the proprietary synthetic securitisation at Crédit Agricole Corporate and Investment Bank: in the fourth quarter of 2023, the amortisation of securitisation programmes resulted in lower RWA gains.

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 frameworks 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 2023 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 2023

31/12/2023 *(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 *(%)*
Central governments and Central Banks	0.00 to <0.15	611	1	0.16%	0.00%	0.01%	0.06%
	0.00 to <0.10	600	1	0.17%	0.00%	0.01%	0.06%
	0.10 to <0.15	11	-	-	0.12%	0.12%	-
	0.15 to <0.25	7	-	-	0.16%	0.16%	-
	0.25 to <0.50	37	-	-	0.32%	0.38%	-
	0.50 to <0.75	5	-	-	0.60%	0.60%	-
	0.75 to <2.50	24	-	-	0.97%	1.01%	0.57%
	0.75 to <1.75	24	-	-	0.97%	1.01%	0.57%
	1.75 to <2.5	-	-	-	-	-	-
	2.50 to <10.00	4	-	-	3.42%	3.00%	-
	2.5 to <5	4	-	-	3.00%	3.00%	-
	5 to <10	-	-	-	8.00%	-	-
	10.00 to <100.00	1	-	-	20.23%	20.00%	-
	10 to <20	-	-	-	-	-	-
	20 to <30	1	-	-	20.23%	20.00%	-
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	1	1	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**690**	**2**	**0.29%**	**0.00%**	**0.26%**	**0.22%**
Institutions	0.00 to <0.15	26,917	10	0.04%	0.04%	0.03%	0.06%
	0.00 to <0.10	26,912	10	0.04%	0.04%	0.03%	0.06%
	0.10 to <0.15	5	-	-	0.11%	0.12%	-
	0.15 to <0.25	522	-	-	0.18%	0.16%	0.11%
	0.25 to <0.50	341	1	0.29%	0.30%	0.30%	0.35%
	0.50 to <0.75	153	-	-	0.60%	0.60%	0.16%
	0.75 to <2.50	67	3	4.48%	1.07%	1.16%	3.07%
	0.75 to <1.75	57	2	3.51%	1.02%	1.03%	3.14%
	1.75 to <2.5	10	1	10.00%	1.91%	1.90%	2.67%
	2.50 to <10.00	12	-	-	3.08%	4.67%	-
	2.5 to <5	2	-	-	3.00%	3.00%	-
	5 to <10	10	-	-	6.70%	5.00%	-
	10.00 to <100.00	9	-	-	19.82%	15.56%	0.64%
	10 to <20	5	-	-	12.83%	12.00%	1.14%
	20 to <30	4	-	-	20.14%	20.00%	-
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	30	30	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**28,051**	**44**	**0.16%**	**0.11%**	**0.16%**	**0.18%**

31/12/2023 *(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 – SME	0.00 to <0.15	3,175	-	-	0.08%	0.11%	0.03%
	0.00 to <0.10	434	-	-	0.04%	0.04%	0.19%
	0.10 to <0.15	2,741	-	-	0.13%	0.12%	-
	0.15 to <0.25	17	-	-	0.16%	0.16%	0.02%
	0.25 to <0.50	20,993	51	0.24%	0.40%	0.39%	0.12%
	0.50 to <0.75	93	2	2.15%	0.60%	0.60%	0.55%
	0.75 to <2.50	34,003	300	0.88%	1.16%	1.11%	0.46%
	0.75 to <1.75	33,811	294	0.87%	1.14%	1.11%	0.46%
	1.75 to <2.5	192	6	3.13%	1.93%	1.91%	1.43%
	2.50 to <10.00	14,529	670	4.61%	4.50%	4.34%	2.51%
	2.5 to <5	10,942	339	3.10%	3.83%	3.14%	1.94%
	5 to <10	3,587	331	9.23%	8.28%	7.98%	4.24%
	10.00 to <100.00	2,022	363	17.95%	20.41%	18.83%	11.33%
	10 to <20	876	165	18.84%	14.09%	14.78%	9.32%
	20 to <30	1,146	198	17.28%	22.90%	21.93%	12.86%
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	4,551	4,551	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**79,383**	**5,937**	**7.48%**	**3.89%**	**7.59%**	**6.71%**
Corporates – Specialised Lending	0.00 to <0.15	9	-	-	0.06%	0.05%	2.22%
	0.00 to <0.10	9	-	-	0.06%	0.05%	2.22%
	0.10 to <0.15	-	-	-	-	-	-
	0.15 to <0.25	51	-	-	0.16%	0.16%	-
	0.25 to <0.50	126	-	-	0.30%	0.30%	-
	0.50 to <0.75	133	-	-	0.60%	0.60%	-
	0.75 to <2.50	146	2	1.37%	1.14%	1.11%	0.27%
	0.75 to <1.75	119	2	1.68%	1.04%	0.93%	0.34%
	1.75 to <2.5	27	-	-	1.90%	1.90%	-
	2.50 to <10.00	12	-	-	4.50%	4.00%	0.59%
	2.5 to <5	6	-	-	3.00%	3.00%	-
	5 to <10	6	-	-	5.00%	5.00%	1.18%
	10.00 to <100.00	6	-	-	19.99%	14.67%	-
	10 to <20	4	-	-	15.00%	12.00%	-
	20 to <30	2	-	-	20.04%	20.00%	-
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	1	1	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**484**	**3**	**0.62%**	**1.93%**	**1.08%**	**0.35%**

31/12/2023 *(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 – Other	0.00 to <0.15	5,063	1	0.02%	0.05%	0.08%	0.06%
	0.00 to <0.10	2,518	1	0.04%	0.04%	0.04%	0.09%
	0.10 to <0.15	2,545	-	-	0.12%	0.12%	0.03%
	0.15 to <0.25	90	-	-	0.16%	0.16%	0.09%
	0.25 to <0.50	8,762	17	0.19%	0.37%	0.37%	0.21%
	0.50 to <0.75	108	-	-	0.60%	0.60%	0.17%
	0.75 to <2.50	8,661	86	0.99%	1.12%	1.10%	0.57%
	0.75 to <1.75	8,428	85	1.01%	1.03%	1.07%	0.56%
	1.75 to <2.5	233	1	0.43%	1.92%	1.92%	1.04%
	2.50 to <10.00	2,704	103	3.81%	4.70%	4.13%	1.42%
	2.5 to <5	2,160	66	3.06%	3.76%	3.17%	0.98%
	5 to <10	544	37	6.80%	8.21%	7.96%	3.14%
	10.00 to <100.00	417	57	13.67%	20.52%	19.74%	11.65%
	10 to <20	154	22	14.29%	15.57%	14.92%	6.54%
	20 to <30	263	35	13.31%	21.53%	22.56%	14.65%
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	878	878	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**26,683**	**1,142**	**4.28%**	**1.36%**	**4.51%**	**3.88%**

31/12/2023 *(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 *(%)*
Central governments and Central Banks	0.00 to <0.15	99	-	-	0.01%	0.01%	-
	0.00 to <0.10	99	-	-	0.01%	0.01%	-
	0.10 to <0.15	-	-	-	-	-	-
	0.15 to <0.25	2	-	-	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	6	-	-	1.04%	1.47%	-
	0.75 to <1.75	4	-	-	1.04%	1.25%	-
	1.75 to <2.5	2	-	-	1.89%	1.90%	-
	2.50 to <10.00	7	-	-	5.00%	5.00%	-
	2.5 to <5	-	-	-	-	-	-
	5 to <10	7	-	-	5.00%	5.00%	-
	10.00 to <100.00	12	-	-	14.01%	17.33%	0.95%
	10 to <20	4	-	-	12.00%	12.00%	2.86%
	20 to <30	8	-	-	20.00%	20.00%	-
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	7	7	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**137**	**7**	**5.11%**	**0.06%**	**6.97%**	**5.19%**
Institutions	0.00 to <0.15	229	-	-	0.05%	0.04%	-
	0.00 to <0.10	229	-	-	0.05%	0.04%	-
	0.10 to <0.15	-	-	-	0.11%	-	-
	0.15 to <0.25	70	-	-	0.20%	0.16%	-
	0.25 to <0.50	62	-	-	0.30%	0.30%	-
	0.50 to <0.75	33	-	-	0.60%	0.60%	-
	0.75 to <2.50	54	-	-	1.26%	1.24%	0.35%
	0.75 to <1.75	36	-	-	0.83%	0.92%	0.52%
	1.75 to <2.5	18	-	-	1.90%	1.90%	-
	2.50 to <10.00	32	-	-	5.00%	5.00%	-
	2.5 to <5	-	-	-	-	-	-
	5 to <10	32	-	-	5.00%	5.00%	-
	10.00 to <100.00	14	1	7.14%	13.32%	12.57%	3.12%
	10 to <20	13	1	7.69%	12.00%	12.00%	3.36%
	20 to <30	1	-	-	20.00%	20.00%	-
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	13	13	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**507**	**14**	**2.76%**	**2.82%**	**3.48%**	**2.69%**

31/12/2023 *(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 – SME	0.00 to <0.15	1,467	1	0.07%	0.11%	0.13%	0.36%
	0.00 to <0.10	8	-	-	0.04%	0.04%	-
	0.10 to <0.15	1,459	1	0.07%	0.13%	0.13%	0.36%
	0.15 to <0.25	4,432	1	0.02%	0.18%	0.19%	0.21%
	0.25 to <0.50	4,888	13	0.27%	0.39%	0.39%	0.51%
	0.50 to <0.75	18	-	-	0.52%	0.55%	0.18%
	0.75 to <2.50	6,001	15	0.25%	1.14%	1.27%	1.38%
	0.75 to <1.75	4,578	13	0.28%	1.08%	1.03%	1.07%
	1.75 to <2.5	1,423	2	0.14%	2.05%	2.05%	2.39%
	2.50 to <10.00	2,630	48	1.83%	4.49%	5.36%	4.10%
	2.5 to <5	1,288	11	0.85%	3.21%	3.78%	2.87%
	5 to <10	1,342	37	2.76%	7.29%	6.88%	5.27%
	10.00 to <100.00	766	54	7.05%	19.09%	17.83%	10.48%
	10 to <20	581	43	7.40%	14.85%	15.29%	11.55%
	20 to <30	132	1	0.76%	22.12%	20.95%	4.88%
	30.00 to <100.00	53	10	18.87%	39.05%	37.83%	12.67%
	100.00 (Default)	419	419	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**20,621**	**551**	**2.67%**	**4.57%**	**3.89%**	**3.54%**
Corporates – Specialised Lending	0.00 to <0.15	59	-	-	0.08%	0.06%	0.31%
	0.00 to <0.10	50	-	-	0.05%	0.05%	0.36%
	0.10 to <0.15	9	-	-	0.12%	0.12%	-
	0.15 to <0.25	216	-	-	0.16%	0.16%	-
	0.25 to <0.50	433	-	-	0.31%	0.31%	0.16%
	0.50 to <0.75	293	-	-	0.60%	0.60%	0.16%
	0.75 to <2.50	408	1	0.25%	1.03%	1.19%	1.12%
	0.75 to <1.75	310	-	-	0.91%	0.97%	0.53%
	1.75 to <2.5	98	1	1.02%	1.90%	1.90%	2.97%
	2.50 to <10.00	85	2	2.35%	4.53%	5.18%	3.93%
	2.5 to <5	12	-	-	3.00%	3.00%	7.29%
	5 to <10	73	2	2.74%	5.54%	5.53%	3.38%
	10.00 to <100.00	73	10	13.70%	15.19%	16.29%	18.89%
	10 to <20	36	7	19.44%	12.30%	12.42%	12.52%
	20 to <30	37	3	8.11%	20.00%	20.05%	25.09%
	30.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	65	65	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**1,632**	**78**	**4.78%**	**4.32%**	**5.49%**	**5.39%**

31/12/2023 *(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 – Other	0.00 to <0.15	1,355	-	-	0.06%	0.07%	-
	0.00 to <0.10	1,006	-	-	0.04%	0.05%	-
	0.10 to <0.15	349	-	-	0.12%	0.12%	-
	0.15 to <0.25	69	-	-	0.16%	0.16%	0.03%
	0.25 to <0.50	995	-	-	0.34%	0.35%	0.08%
	0.50 to <0.75	39	-	-	0.59%	0.60%	0.21%
	0.75 to <2.50	726	20	2.76%	1.03%	1.25%	1.29%
	0.75 to <1.75	565	20	3.54%	0.98%	1.06%	1.31%
	1.75 to <2.5	161	-	-	1.95%	1.91%	1.23%
	2.50 to <10.00	208	3	1.44%	4.32%	4.98%	1.86%
	2.5 to <5	128	2	1.56%	3.11%	3.27%	0.31%
	5 to <10	80	1	1.25%	7.82%	7.73%	4.35%
	10.00 to <100.00	81	3	3.70%	18.34%	18.21%	6.90%
	10 to <20	37	3	8.11%	14.16%	15.16%	7.14%
	20 to <30	44	-	-	21.62%	20.77%	6.69%
	30.00 to <100.00	-	-	-	34.03%	-	-
	100.00 (Default)	116	116	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**3,589**	**142**	**3.96%**	**2.42%**	**4.32%**	**3.78%**
Retail – Secured by immovable property SME	0.00 to <0.15	12,100	10	0.08%	0.13%	0.13%	0.12%
	0.00 to <0.10	-	-	-	-	-	-
	0.10 to <0.15	12,100	10	0.08%	0.13%	0.13%	0.12%
	0.15 to <0.25	26,767	21	0.08%	0.22%	0.21%	0.21%
	0.25 to <0.50	37,086	62	0.17%	0.40%	0.39%	0.38%
	0.50 to <0.75	9,590	13	0.14%	0.52%	0.52%	0.27%
	0.75 to <2.50	45,824	208	0.45%	1.20%	1.24%	0.96%
	0.75 to <1.75	36,992	129	0.35%	1.09%	1.05%	0.68%
	1.75 to <2.5	8,832	79	0.89%	2.06%	2.07%	2.10%
	2.50 to <10.00	21,280	550	2.59%	5.31%	5.36%	3.78%
	2.5 to <5	9,936	188	1.89%	3.70%	3.76%	2.23%
	5 to <10	11,344	362	3.19%	7.05%	6.77%	5.14%
	10.00 to <100.00	6,740	810	12.02%	19.47%	18.80%	15.57%
	10 to <20	5,563	544	9.78%	15.75%	15.25%	12.87%
	20 to <30	232	27	11.64%	26.26%	23.99%	17.94%
	30.00 to <100.00	945	239	25.29%	37.59%	38.47%	30.82%
	100.00 (Default)	4,948	4,948	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**164,335**	**6,622**	**4.03%**	**4.33%**	**4.99%**	**4.55%**

31/12/2023 *(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	2,166,239	1,248	0.06%	0.07%	0.06%	0.06%
	0.00 to <0.10	1,603,368	799	0.05%	0.05%	0.05%	0.05%
	0.10 to <0.15	562,871	449	0.08%	0.11%	0.11%	0.10%
	0.15 to <0.25	460,374	527	0.11%	0.22%	0.23%	0.15%
	0.25 to <0.50	332,889	975	0.29%	0.36%	0.35%	0.30%
	0.50 to <0.75	153,188	785	0.51%	0.69%	0.67%	0.53%
	0.75 to <2.50	209,401	1,688	0.81%	1.40%	1.37%	0.99%
	0.75 to <1.75	201,290	1,624	0.81%	1.37%	1.35%	0.96%
	1.75 to <2.5	8,111	64	0.79%	2.16%	2.06%	1.82%
	2.50 to <10.00	133,705	4,508	3.37%	5.43%	5.52%	4.46%
	2.5 to <5	81,377	1,983	2.44%	4.05%	4.02%	2.83%
	5 to <10	52,328	2,525	4.83%	7.95%	7.84%	6.99%
	10.00 to <100.00	33,170	5,224	15.75%	19.60%	17.89%	16.24%
	10 to <20	25,800	2,989	11.59%	15.04%	14.15%	13.09%
	20 to <30	3,663	1,088	29.70%	24.85%	24.53%	23.42%
	30.00 to <100.00	3,707	1,147	30.94%	39.32%	37.30%	31.02%
	100.00 (Default)	31,578	31,578	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**3,520,544**	**46,533**	**1.32%**	**1.37%**	**1.49%**	**1.39%**
Retail – Qualifying revolving	0.00 to <0.15	7,877,770	4,482	0.06%	0.08%	0.07%	0.05%
	0.00 to <0.10	5,659,290	2,533	0.05%	0.04%	0.05%	0.04%
	0.10 to <0.15	2,218,480	1,949	0.09%	0.13%	0.11%	0.09%
	0.15 to <0.25	3,199,587	4,154	0.13%	0.21%	0.15%	0.13%
	0.25 to <0.50	1,284,260	4,071	0.32%	0.37%	0.36%	0.28%
	0.50 to <0.75	901,839	4,918	0.55%	0.65%	0.67%	0.48%
	0.75 to <2.50	2,681,570	22,716	0.85%	1.52%	1.43%	1.04%
	0.75 to <1.75	2,367,686	17,966	0.76%	1.37%	1.35%	0.98%
	1.75 to <2.5	313,884	4,750	1.51%	2.14%	2.09%	1.55%
	2.50 to <10.00	1,542,878	62,136	4.03%	5.22%	5.35%	3.88%
	2.5 to <5	953,842	27,441	2.88%	3.87%	3.97%	2.74%
	5 to <10	589,036	34,695	5.89%	7.46%	7.57%	5.73%
	10.00 to <100.00	417,215	78,671	18.86%	22.53%	21.59%	16.66%
	10 to <20	253,954	29,141	11.48%	13.52%	13.68%	10.64%
	20 to <30	50,115	13,751	27.44%	25.51%	24.93%	21.04%
	30.00 to <100.00	113,146	35,779	31.62%	37.82%	37.84%	28.22%
	100.00 (Default)	188,390	188,390	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**18,093,509**	**369,538**	**2.04%**	**2.82%**	**2.32%**	**2.00%**

31/12/2023 *(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 SME	0.00 to <0.15	83,607	75	0.09%	0.13%	0.13%	0.08%
	0.00 to <0.10	296	-	-	0.09%	0.06%	0.82%
	0.10 to <0.15	83,311	75	0.09%	0.13%	0.13%	0.08%
	0.15 to <0.25	292,549	305	0.10%	0.19%	0.16%	0.11%
	0.25 to <0.50	328,313	1,018	0.31%	0.37%	0.34%	0.26%
	0.50 to <0.75	51,801	166	0.32%	0.56%	0.56%	0.35%
	0.75 to <2.50	510,854	4,723	0.93%	1.27%	1.32%	0.89%
	0.75 to <1.75	410,467	3,350	0.82%	1.02%	1.12%	0.74%
	1.75 to <2.5	100,387	1,373	1.37%	2.06%	2.12%	1.47%
	2.50 to <10.00	253,342	11,590	4.58%	5.30%	5.54%	3.95%
	2.5 to <5	125,316	3,922	3.13%	3.73%	3.87%	2.66%
	5 to <10	128,026	7,668	5.99%	6.71%	7.17%	5.22%
	10.00 to <100.00	123,402	25,171	20.40%	19.08%	22.38%	18.62%
	10 to <20	82,243	11,196	13.61%	15.28%	15.57%	12.29%
	20 to <30	5,831	1,549	26.57%	25.23%	24.20%	21.26%
	30.00 to <100.00	35,328	12,426	35.17%	39.64%	37.94%	32.94%
	100.00 (Default)	74,800	74,800	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**1,718,668**	**117,848**	**6.86%**	**5.46%**	**7.28%**	**6.62%**
Retail – Other non-SME	0.00 to <0.15	1,784,059	1,193	0.07%	0.07%	0.07%	0.07%
	0.00 to <0.10	1,070,154	503	0.05%	0.05%	0.04%	0.05%
	0.10 to <0.15	713,905	690	0.10%	0.12%	0.11%	0.10%
	0.15 to <0.25	821,808	1,180	0.14%	0.22%	0.19%	0.15%
	0.25 to <0.50	885,636	2,994	0.34%	0.37%	0.36%	0.29%
	0.50 to <0.75	602,140	3,569	0.59%	0.65%	0.64%	0.50%
	0.75 to <2.50	2,007,639	29,465	1.47%	1.42%	1.44%	1.14%
	0.75 to <1.75	1,723,941	24,252	1.41%	1.25%	1.31%	1.07%
	1.75 to <2.5	283,698	5,213	1.84%	2.18%	2.18%	1.56%
	2.50 to <10.00	1,149,739	50,460	4.39%	5.01%	5.13%	3.94%
	2.5 to <5	758,917	27,540	3.63%	3.78%	3.97%	3.06%
	5 to <10	390,822	22,920	5.87%	7.28%	7.38%	5.64%
	10.00 to <100.00	630,955	141,187	22.38%	23.24%	25.21%	21.16%
	10 to <20	335,195	41,524	12.39%	14.19%	14.40%	11.83%
	20 to <30	122,499	32,299	26.37%	25.19%	28.01%	25.65%
	30.00 to <100.00	173,261	67,364	38.88%	41.43%	44.13%	36.03%
	100.00 (Default)	379,500	379,500	100.00%	100.00%	100.00%	100.00%
	SUB-TOTAL	**8,261,476**	**609,548**	**7.38%**	**4.10%**	**7.70%**	**7.13%**

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 1.06% at 31 December 2023 (0.97% at 31 December 2022). 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 1.30% at 31 December 2023, compared with 1.20% at end-2022.

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. The Crédit Agricole Group uses the Standardised Approach (Art. 274) or the internal model method (Art. 283) to measure its exposure to counterparty risk on transactions on forward financial instruments in the banking portfolio.

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 Committee" 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 3.3.2.3.1 ANALYSIS OF EXPOSURE TO COUNTERPARTY RISK

EXPOSURE TO COUNTERPARTY RISK BY APPROACH AT 31 DECEMBER 2023

	Standard		IRB		Total		
31/12/2023 *(in billions of euros)*	**Exposure value (EAD)**	**RWA**	**Exposure value (EAD)**	**RWA**	**Exposure value (EAD)**	**RWA**	**Capital Requirement**
Central governments and Central Banks	0.9	0.0	10.4	0.3	11.3	0.3	0.0
Institutions	14.8	2.3	23.4	7.1	38.2	9.4	0.7
Corporates	2.0	1.9	32.5	7.7	34.5	9.6	0.8
Retail Customers	-	-	-	-	-	-	-
Shares	-	-	-	-	-	-	-
Securitisations	-	-	-	-	-	-	-
Other non credit-obligation assets	-	-	-	-	-	-	-
TOTAL	**17.7**	**4.2**	**66.3**	**15.1**	**84.0**	**19.3**	**1.5**

EXPOSURE TO COUNTERPARTY RISK BY APPROACH AT 31 DECEMBER 2022

	Standard		IRB		Total		
31/12/2022 *(in billions of euros)*	**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**

The total exposure to counterparty risk was €84.0 billion at 31 December 2023 (in the form of derivatives: €48.5 billion and in the form of securities financing transactions: €35.5 billion).

Information on exposure to forward financial instruments is also provided in Chapter 4, Note 3.3 “Market risk” to the consolidated financial statements.

3.4.2.3.2 EXPOSURE TO COUNTERPARTY RISK BY APPROACH

ANALYSIS OF EXPOSURE TO COUNTERPARTY RISK BY APPROACH (CCR1)

	31/12/2023 *(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
EU1	EU – Original Exposure Method (for derivatives)	-	-		1,4	-	-	-	-
EU2	EU – Simplified SA-CCR (for derivatives)	-	-		1,4	-	-	-	-
1	SA-CCR (for derivatives)	2,870	2,766		1,4	12,219	7,890	7,861	3,723
2	IMM (for derivatives and SFTs)			21,675	1,65	-	35,763	35,592	10,915
2a	Of which securities financing transactions netting sets			-		-	-	-	-
2b	Of which derivatives and long settlement transactions netting sets			21,675		-	35,763	35,592	10,915
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					342,446	37,869	31,527	4,454
5	VaR for SFTs					-	-	-	-
6	**TOTAL**					**354,664**	**81,522**	**74,979**	**19,092**

	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
EU1	EU – Original Exposure Method (for derivatives)	-	-		1,4	-	-	-	-
EU2	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**

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 2023 (CCR3)

31/12/2023 **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	891	-	-	-	35	-	-	-	0	-	-	926
Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	3	-	-	-	5	0	-	-	-	-	-	8
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	0	9,055	-	-	3,166	2,256	-	-	332	0	-	14,810
Corporates	-	-	-	-	18	111	-	-	1,837	19	-	1,985
Retail	-	-	-	-	-	-	-	1	-	-	-	1
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	0	4	-	4
TOTAL EXPOSURE VALUE	**894**	**9,055**	**-**	**-**	**3,224**	**2,368**	**-**	**1**	**2,169**	**24**	**-**	**17,735**

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	-	-	-	-	-	-	-	0	-	-	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	0	-	11,884
Corporates	-	-	-	-	5	116	-	-	1,815	9	-	1,945
Retail	-	-	-	-	-	-	-	3	-	-	-	3
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	0	5	-	6
TOTAL EXPOSURE VALUE	**682**	**5,776**	**-**	**-**	**3,288**	**2,814**	**-**	**3**	**1,947**	**14**	**-**	**14,524**

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 AT 31 DECEMBER 2023 (CCR4)

31/12/2023 **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	38	0.07%	45.00%	2.40	13	33.29%
	0.15 to <0.25	15	0.21%	45.00%	2.50	10	63.63%
	0.25 to <0.50	2	0.30%	45.00%	2.50	1	57.64%
	0.50 to <0.75	3	0.60%	45.00%	2.50	3	79.98%
	0.75 to <2.50	-	-	-	-	-	-
	2.50 to <10.00	-	-	-	-	-	-
	10.00 to <100.00	-	20.13%	45.05%	2.50	-	286.90%
	100.00 (Default)	-	-	-	-	-	-
	SUB-TOTAL	**59**	**0.15%**	**45.00%**	**2.44**	**26**	**44.51%**
Corporates – Other	0.00 to <0.15	517	0.05%	45.00%	2.49	99	19.17%
	0.15 to <0.25	16	0.16%	45.00%	2.50	7	43.45%
	0.25 to <0.50	122	0.35%	45.00%	2.50	76	62.44%
	0.50 to <0.75	31	0.60%	45.00%	2.50	25	80.04%
	0.75 to <2.50	77	0.99%	45.00%	2.50	75	97.45%
	2.50 to <10.00	15	5.51%	45.00%	2.50	25	164.10%
	10.00 to <100.00	10	21.45%	45.00%	2.50	27	259.77%
	100.00 (Default)	8	100.00%	45.00%	2.50	-	-
	SUB-TOTAL	**796**	**1.58%**	**45.00%**	**2.49**	**333**	**41.88%**
Corporates – SME	0.00 to <0.15	6	0.06%	45.00%	2.50	1	17.45%
	0.15 to <0.25	3	0.16%	45.00%	2.50	1	27.65%
	0.25 to <0.50	25	0.42%	45.00%	2.50	13	50.38%
	0.50 to <0.75	7	0.60%	45.00%	2.50	4	64.71%
	0.75 to <2.50	59	1.05%	45.00%	2.50	42	70.47%
	2.50 to <10.00	16	3.84%	45.00%	2.50	16	103.46%
	10.00 to <100.00	6	19.79%	45.00%	2.50	13	200.86%
	100.00 (Default)	1	100.00%	45.00%	2.50	-	-
	SUB-TOTAL	**123**	**3.01%**	**45.00%**	**2.50**	**90**	**72.86%**
TOTAL		**978**	**1.67%**	**45.00%**	**2.49**	**449**	**45.94%**

EXPOSURE TO COUNTERPARTY RISK BY PORTFOLIO AND PROBABILITY OF DEFAULT (PD) RANGE, SUPERVISORY PORTFOLIOS FOR FOUNDATION 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**
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	-	-	-	0.00	-	-
	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	-	-	-	0.00	-	-
	10.00 to <100.00	-	20.00%	45.00%	2.50	1	286.68%
	100.00 (Default)	-	-	-	0.00	-	-
	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 ADVANCED INTERNAL RATINGS-BASED APPROACH AT 31 DECEMBER 2023 (CCR4)

31/12/2023 **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	9,936	0.01%	7.55%	2.44	145	1.46%
	0.15 to <0.25	342	0.16%	11.64%	2.14	33	9.58%
	0.25 to <0.50	31	0.31%	10.00%	1.16	3	9.72%
	0.50 to <0.75	30	0.60%	10.00%	1.27	4	14.30%
	0.75 to <2.50	65	0.75%	45.00%	4.99	78	120.36%
	2.50 to <10.00	-	-	-	-	-	-
	10.00 to <100.00	7	20.00%	45.00%	4.96	20	279.03%
	100.00 (Default)	-	-	-	-	-	-
	SUB-TOTAL	**10,411**	**0.04%**	**7.96%**	**2.44**	**284**	**2.72%**
Institutions	0.00 to <0.15	18,978	0.08%	38.89%	2.06	4,547	23.96%
	0.15 to <0.25	2,693	0.19%	39.93%	1.83	1,254	46.56%
	0.25 to <0.50	926	0.30%	42.29%	2.01	584	63.13%
	0.50 to <0.75	390	0.60%	41.36%	2.46	333	85.42%
	0.75 to <2.50	326	1.01%	43.99%	1.24	302	92.56%
	2.50 to <10.00	2	5.00%	49.69%	0.99	3	142.29%
	10.00 to <100.00	9	20.23%	51.52%	4.84	33	358.29%
	100.00 (Default)	-	100.00%	45.00%	4.97	-	76.25%
	SUB-TOTAL	**23,324**	**0.13%**	**39.26%**	**2.03**	**7,056**	**30.25%**
Corporates – Other	0.00 to <0.15	22,592	0.05%	25.43%	1.34	2,400	10.62%
	0.15 to <0.25	1,538	0.16%	41.40%	2.50	711	46.24%
	0.25 to <0.50	2,717	0.33%	37.24%	1.88	1,310	48.19%
	0.50 to <0.75	1,718	0.60%	39.64%	0.60	842	49.03%
	0.75 to <2.50	1,683	0.90%	47.65%	1.16	1,291	76.71%
	2.50 to <10.00	174	3.34%	49.03%	2.24	261	149.67%
	10.00 to <100.00	40	19.11%	46.43%	2.27	102	256.53%
	100.00 (Default)	51	100.00%	45.00%	1.88	4	7.86%
	SUB-TOTAL	**30,514**	**0.37%**	**29.51%**	**1.40**	**6,920**	**22.68%**
Corporates – SME	0.00 to <0.15	9	0.04%	40.96%	2.41	1	12.18%
	0.15 to <0.25	-	0.16%	41.10%	2.48	-	31.76%
	0.25 to <0.50	2	0.42%	41.79%	4.10	1	54.18%
	0.50 to <0.75	-	-	-	-	-	-
	0.75 to <2.50	25	0.92%	41.03%	2.18	17	66.30%
	2.50 to <10.00	4	3.00%	41.10%	4.82	4	101.35%
	10.00 to <100.00	-	20.00%	42.53%	4.00	1	200.53%
	100.00 (Default)	-	-	-	-	-	-
	SUB-TOTAL	**41**	**1.11%**	**41.08%**	**2.59**	**24**	**58.40%**
Corporates – Specialised lending	0.00 to <0.15	87	0.07%	9.61%	4.42	6	7.36%
	0.15 to <0.25	348	0.16%	23.56%	4.73	113	32.61%
	0.25 to <0.50	293	0.30%	20.08%	4.52	101	34.52%
	0.50 to <0.75	170	0.60%	11.38%	4.88	43	25.63%
	0.75 to <2.50	112	0.95%	15.84%	4.00	45	40.73%
	2.50 to <10.00	5	5.00%	11.99%	2.87	2	44.97%
	10.00 to <100.00	11	19.97%	28.43%	4.20	19	171.05%
	100.00 (Default)	4	100.00%	10.52%	3.68	2	52.68%
	SUB-TOTAL	**1,028**	**0.94%**	**18.49%**	**4.57**	**333**	**32.37%**

31/12/2023 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
Retail	0.00 to <0.15	-	-	-	-	-	-
	0.15 to <0.25	-	0.25%	67.14%	1.00	-	34.28%
	0.25 to <0.50	-	-	-	-	-	-
	0.50 to <0.75	-	0.54%	95.48%	1.00	-	78.63%
	0.75 to <2.50	-	1.36%	87.92%	1.00	-	104.09%
	2.50 to <10.00	1	4.39%	74.53%	1.00	1	118.87%
	10.00 to <100.00	2	17.42%	56.79%	1.00	2	130.25%
	100.00 (Default)	-	100.00%	100.00%	1.00	-	-
	SUB-TOTAL	3	9.70%	69.23%	1.00	3	111.23%
TOTAL		**65,321**	**0.24%**	**29.39%**	**1.84**	**14,620**	**22.38%**

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	-	-
	10.00 to <100.00	5	20.00%	45.00%	4.77	13	276.99%
	100.00 (Default)	-	-	-	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	-	-
	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%

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
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	-	-
	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	-	-
	SUB-TOTAL	693	0.80%	21.44%	4.61	264	38.08%
Retail	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%**

3.4.2.3.5 COLLATERAL

COMPOSITION OF COLLATERAL FOR EXPOSURES TO COUNTERPARTY RISK (CCR5)

31/12/2023 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	-	9,340	296	12,513	-	914	-	1,392
2 Cash – other currencies	-	8,241	89	13,796	-	619	-	9
3 Domestic sovereign debt	-	3,600	-	59	-	155,122	-	144,503
4 Other sovereign debt	-	2,397	-	-	-	230,681	-	170,222
5 Government agency debt	-	52	984	2,947	-	27,170	-	24,098
6 Corporate bonds	-	1,247	-	-	-	17,320	-	22,220
7 Equity securities	-	63	-	-	-	26,139	-	21,160
8 Other collateral	-	7	46	53	-	3,135	-	4,574
9 TOTAL	**-**	**24,949**	**1,415**	**29,368**	**-**	**461,101**	**-**	**388,178**

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**

3.4.2.3.6 CHANGE IN RWA USING THE INTERNAL MODEL METHOD (IMM)

RWA FLOW STATEMENTS FOR CCR EXPOSURES USING THE IMM (CCR7)

31/12/2023 (in millions of euros)	RWA amounts
1 RWAs as at the end of the previous reporting period (30/09/2023)	**11,625**
2 Asset size	1,708
3 Credit quality of counterparties	(195)
4 Model updates (IMM only)	-
5 Methodology and policy (IMM only)	-
6 Acquisitions and disposals	-
7 Foreign exchange movements	(2,251)
8 Autres	28
9 RWA À LA FIN DE LA PÉRIODE CONSIDÉRÉE (31/12/2023)	**10 915**

3.4.2.3.7 CENTRAL COUNTERPARTY (CCP) EXPOSURES

CENTRAL COUNTERPARTY (CCP) EXPOSURES (CCR8)

(in millions of euros)	31/12/2023 Exposure value	31/12/2023 RWA	31/12/2022 Exposure value	31/12/2022 RWA
1 Exposures to QCCPs (total)		**600**		**459**
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	9,055	181	5,776	116
3 (i) OTC derivatives	5,039	101	2,598	52
4 (ii) Exchange-traded derivatives	45	1	49	1
5 (iii) SFTs	3,970	79	3,129	63
6 (iv) Netting sets where cross-product netting has been approved	-	-	-	-
7 Segregated initial margin	1,143		1,987	
8 Non-segregated initial margin	9,236	36	7,948	80
9 Prefunded default fund contributions	980	383	1,024	263
10 Unfunded default fund contributions	-	-		
11 Exposures to non-QCCPs (total)		**202**		**-**
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	16	202	-	-
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)	31/12/2023 Exposure value	31/12/2023 RWA	31/12/2022 Exposure value	31/12/2022 RWA
1 Total transactions subject to the Advanced method	16,394	3,250	19,350	3,383
2 (i) VaR component (including the 3× multiplier)	-	585	-	861
3 (ii) stressed VaR component (including the 3× multiplier)	-	2,665	-	2,522
4 Transactions subject to the Standardised method	32,636	1,989	20,564	1,628
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	**49,031**	**5,239**	**39,914**	**5,011**

3.4.2.4 CREDIT AND COUNTERPARTY RISK MITIGATION TECHNIQUES

CRM TECHNIQUES OVERVIEW: DISCLOSURE OF THE USE OF CREDIT RISK MITIGATION TECHNIQUES (CR3)

31/12/2023 *(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	742,004	720,783	315,492	405,292	3,483
2 Debt securities	145,838	2,272	12	2,260	
3 TOTAL	**887,842**	**723,055**	**315,503**	**407,552**	**3,483**
4 Of which non-performing exposures	6,034	7,721	3,753	3,968	-
5 Of which defaulted	5,989	7,664			

31/12/2022 *(in millions of euros)*	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Dont garantie par des dérivés de crédit
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			

With regard to qualitative information on credit risk mitigation techniques (EU CRC), see below paragraphs 3.4.2.4.1 "Credit risk mitigation techniques" and 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 institution are described in Chapter 3 of Part 2 "Risk management", Section 2.4.II.4 "Credit risk – Credit risk mitigation mechanisms", in paragraph 4.1 "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, Crédit Agricole 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 aerospace, 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-2023, 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 €27 million.

EXTERNAL RATINGS GIVEN TO THE EXPORT CREDIT AGENCIES

31/12/2023 *(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- [stable]
Euler Hermès S.A.	Aa2 [stable]	AA [stable]	AA [stable]
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

	Outstandings 31/12/2023		Outstandings 31/12/2022	
(in millions of euros)	Amount of guaranteed outstandings	% of guaranteed loans in the "residential mortgage loans" portfolio in France	Amount of guaranteed outstandings	% of guaranteed loans in the "residential mortgage loans" portfolio in France
Coverage by surety agencies (Crédit Logement, CAMCA)	278,276	59,79%	277,553	60.19%

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 Chapter 3, Part 2 "Risk management", in the 2.4.II.4.3 "Credit risk – Credit risk mitigation mechanisms – Use of credit derivatives" section.

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.4.2 "Use of netting agreements";
- for more information on the valuation and management of eligible collateral, ssee Section 2.4.II.4.1 "Credit risk mitigation mechanisms - Collateral and guarantees received";
- 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.4.3 "Credit risk mitigation mechanisms - Use of credit derivatives".

CREDIT DERIVATIVES EXPOSURES (CCR6)

31/12/2023 *(in millions of euros)*		Protection bought	Protection sold
Notionals			
0010	Single-name credit default swaps	18,532	13,900
0020	Index credit default swaps	3,910	1,631
0030	Total return swaps	-	2,046
0040	Credit options	-	-
0050	Other credit derivatives	-	-
0060	**TOTAL NOTIONALS**	**22,442**	**17,578**
Fair values			
0070	Positive fair value (asset)	98	798
0080	Negative fair value (liability)	(485)	(209)

3.4.2.5 EQUITY EXPOSURES IN THE BANKING PORTFOLIO

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;
- deeply subordinated notes.

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)

31/12/2023 **Categories** *(in millions of euros)*	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Expected loss amount
Private equity exposures	2,960	143	190%	3,104	5,897	25
Exchange-traded equity exposures	433	-	290%	433	1,257	3
Other equity exposures	16,390	4	370%	16,328	60,413	392
TOTAL	**19,784**	**148**		**19,865**	**67,567**	**420**

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 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 €19.9 billion at 31 December 2023 (compared with €15.2 billion at 31 December 2022).

Furthermore, equity exposures using the Standardised Approach amounted to €2.3 billion at 31 December 2023 for an RWA amount of €2.5 billion at 31 December 2023.

The amounts of gains and losses on equity instruments realised during the period reviewed are presented in Note 4 to the financial statements "Notes to the income statement and other comprehensive income".

3.4.3 SECURITISATION

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 by 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 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 CA Leasing & Factoring and Crédit Agricole Italy. In this case, the junior and/or mezzanine positions are retained.

It should be noted that in this context, since 2015 the Crédit Agricole Regional Banks have regularly conducted housing loan securitisation transactions ("RMBS") as part of the Crédit Agricole Habitat programme. Some of these transactions are fully underwritten in order to constitute liquid securities reserves (Crédit Agricole Habitat 2019, in which LCL also took part); for the others (Crédit Agricole Habitat 2018, 2020, 2022), the senior debt is placed on the market and each Regional Bank holds a portion of the junior debt. These transactions are rated by Moody's and DBRS Morningstar.

The Crédit Agricole Habitat 2018 and 2019 issues, having been fully redeemed in 2023, are no longer in place at the end of 2023, like the Crédit Agricole Habitat 2020 and 2022 issues.

TRANSACTIONS CARRIED OUT BY THE CA CONSUMER FINANCE GROUP IN 2023

In 2023, the Crédit Agricole Consumer Finance Group completed four public issues: SUNRISE 2023-1 in March for €896 million of senior tranches, SUNRISE 2023-2 in September for €659 million of senior tranches of which €320 million have been placed, GINKGO PERSONAL LOANS 2023 in September for €576 million of senior tranches, ABEST 22 in October for €1,192 million of senior tranches with €617 million placed.

In addition, CA Auto Bank completed a £500 million (€558 million) senior tranche private transaction in December. In December, Leasys added €150 million to its LABIRS ONE private transaction.

All the public issues completed in 2023 held STS status. The Crédit Agricole Consumer Finance Group used the following rating agencies: Fitch Ratings, S&P and DBRS Morningstar.

Many previous Crédit Agricole Consumer Finance Group transactions were still in place in 2023:

- For CA Consumer Finance S.A.: Ginkgo Debt Conso 2015-1 rated by Fitch Ratings and DBRS Morningstar, self-underwritten to constitute liquid securities reserves; Ginkgo MRL 2021, STS, rated by Fitch Ratings and DBRS Morningstar, self-underwritten to constitute liquid securities reserves; Ginkgo Auto Loans 2022-1, senior units of which were placed on the market in 2023 for €323 million and Ginkgo Sales Finance 2022-2, senior units of which were placed on the market in 2023 for €338 million.
- For Agos Ducato S.p.A.: Sunrise 2017 Private and Sunrise 2019 Private, non-STS, whose senior tranches have been placed; Sunrise 2019-2 and Sunrise 2021-2, STS, whose senior tranches have been placed; Sunrise 2020-1 and Sunrise 2021-1, partially self-underwritten; all these transactions, with the exception of the private transactions, are rated by Fitch Ratings and DBRS Morningstar.
- For CA Consumer Finance 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 are partially retained in order to partially constitute liquid securities reserves.
- For Creditplus Bank AG: Retail Automotive CP Germany 2021 UG, STS, rated by Standard & Poor's and DBRS, the senior tranches of which were initially held to constitute liquid securities reserves. In 2023, €479 million were placed on the market.
- For CA Auto Bank: ABEST 17, ABEST 19, ABEST 21 public and STS, the senior units of which have been placed; ABEST 20 public and non-STS, the units of which have been self-underwritten in order to constitute liquid securities reserves. These transactions have been rated by Fitch Ratings and DBRS Morningstar or Fitch Ratings and Moody's. CA Auto Bank also uses its private, not-rated, non-STS Nixes 6 programme, the senior tranches of which have been placed.

TRANSACTIONS CARRIED OUT BY THE CAL&F GROUP IN 2023

In the fourth quarter of 2023, CAL&F launched its first securitisation of French equipment leasing receivables, raising €350 million euros on the markets. The underlying portfolio, amounting to €500 million, is made up of equipment leases granted in France to VSBs/SMEs via CAL&F's network of partners.

The securitisation was arranged by Crédit Agricole CIB, which also acted as bookrunner for the issue and swap counterparty, and involved several Group entities (CACEIS, Uptevia, EuroTitrisation).

TRANSACTIONS CARRIED OUT BY CRÉDIT AGRICOLE ITALY IN 2023

Crédit Agricole Italia did not complete a new transaction in 2023. In 2021, Crédit Agricole Italy S.p.A., 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 2023, given the strong performance of the loan book, the vehicle redeemed 42% 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.

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 financing portfolio, optimise capital allocation, reduce the concentration of outstanding loans, release resources to contribute to the renewal of the banking portfolio (as part of the Distribute to Originate model of Crédit Agricole CIB) and maximise the return on equity.

NEW SYNTHETIC SECURITISATIONS CARRIED OUT BY CRÉDIT AGRICOLE CIB IN 2023

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 Distribution and Asset Rotation department at Crédit Agricole CIB. The approach used to calculate the risk-weighted amounts on proprietary securitisation exposures is the regulatory formula approach. The Bank does not systematically purchase protection on all tranches, as the goal is to cover some of the more risky tranches of the financing portfolio whilst keeping part of the overall risk.

As part of the management of the financing portfolio, the Crédit Agricole CIB team set up two new synthetic securitisation transactions. Both transactions benefit from STS (Simple, Transparent and Standard) status and are secured by cash collateral equal to the amount of risk guaranteed:

- CEDAR 2023-1, with private investors. This five-year transaction covers a total of €3 billion in Crédit Agricole CIB's large corporates loan book;
- EMERALD, with a private investor. This 13-year transaction covers a €1.1 billion portfolio of Crédit Agricole CIB project financing.

These transactions are private and unrated. For these transactions, Crédit Agricole CIB sold the first losses and the mezzanine position.

At the end of 2023, all synthetic securitisation transactions put in place by Crédit Agricole CIB (including those put in place in previous years, for the outstanding amount still hedged) represent a hedged portfolio amount of €25 billion.

NEW SYNTHETIC SECURITISATIONS CARRIED OUT BY OTHER CRÉDIT AGRICOLE GROUP ENTITIES IN 2023

With regard to synthetic securitisations, CA Auto Bank carried out three securitisations in 2023: PHYSICAL PERSON, SME and WHOLESALE for a total of €906 million placed.

At the end of 2023, Europejski Fundusz Leasingowy (EFL) issued its second synthetic leasing securitisation in Poland for PLN 2 billion, with the EIF (European Investment Fund) and the EIB (European Investment Bank). This securitisation takes the form of credit protection arranged by means of a financial guarantee provided by the EIF. As part of this transaction, EFL is committed to redeploying almost PLN 2 billion over three years to its customers, in exposures that meet the requirements defined for the fight against climate change. Crédit Agricole CIB is co-arranger alongside Santander CIB.

3.4.3.2.2 SECURITISATION TRANSACTIONS CARRIED OUT ON BEHALF OF CUSTOMERS AS ARRANGER, SPONSOR, INTERMEDIARY OR ORIGINATOR

Only Crédit Agricole CIB, within Crédit Agricole S.A., 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 2023, 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 €28.5 billion at 31 December 2023 (€31.5 billion at 31 December 2022).

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.

It should be noted that the majority of European ABCP transactions have a STS status.

ACTIVITIES CARRIED OUT AS SPONSOR

The programme activity was sustained throughout 2023, 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 2023 (€40 billion at 31 December 2022).

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 €2.7 billion at 31 December 2023 (€2 billion at 31 December 2022).

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 to 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 2023, Ester Finance Technologies recognised impaired loans (Bucket 3) for €138.9 million and an impairment (Bucket 3) of €8.7 million. Net of impairment (Bucket 3), this entity had a total of €16 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 1.3 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 1.3 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 1.3 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 2023

Crédit Agricole CIB's Securitisation activity in 2023 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;
- sustained 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 carried out four public issues and four private transactions, including three synthetic securitisations, and placed certain tranches of previously retained transactions; CAL&F launched its first securitisation of French equipment leasing receivables, and Europejski Fundusz Leasingowy (EFL) issued its second synthetic leasing securitisation in Poland.

At 31 December 2023, Crédit Agricole Group had no securitisation in situation of early redemption transactions. Moreover, Crédit Agricole Group did not provide any implicit support to securitisation transactions in 2023.

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 2023. The Group does not hold any resecuritisation positions.

3.4.3.4 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)

	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic			Traditional				Traditional			
	STS		Non-STS												
31/12/2023 *(in millions of euros)*		of which SRT		of which SRT		of which SRT	Sub-total	STS	Non-STS	Synthetic	Sub-total	STS	Non-STS	Synthetic	Sub-total
1 TOTAL EXPOSURES	24,135	-	787	-	14,134	14,134	39,056	3,751	15,614	-	19,365	1,140	1,830	-	2,971
2 Retail (total)	**-**	**-**	**204**	**-**	**-**	**-**	**204**	**1,294**	**7,280**	**-**	**8,574**	**1,140**	**736**	**-**	**1,876**
3 Residential mortgage	-	-	-	-	-	-	-	-	1	-	1	106	31	-	136
4 Credit card	-	-	-	-	-	-	-	-	232	-	232	-	-	-	-
5 Other retail exposures	-	-	204	-	-	-	204	1,294	7,047	-	8,341	1,035	706	-	1,740
6 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Wholesale (total)	**24,135**	**-**	**583**	**-**	**14,134**	**14,134**	**38,852**	**2,456**	**8,334**	**-**	**10,791**	**-**	**1,094**	**-**	**1,094**
8 Loans to corporates	-	-	-	-	11,699	11,699	11,699	-	519	-	519	-	-	-	-
9 Commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	11	-	11
10 Lease and receivables	24,135	-	458	-	-	-	24,594	2,456	4,355	-	6,811	-	357	-	357
11 Other wholesale	-	-	125	-	2,435	2,435	2,559	-	3,461	-	3,461	-	727	-	727
12 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic			Traditional				Traditional			
	STS		Non-STS												
31/12/2022 *(in millions of euros)*		of which SRT		of which SRT		of which SRT	Sub-total	STS	Non-STS	Synthetic	Sub-total	STS	Non-STS	Synthetic	Sub-total
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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 31/12/2023 On balance sheet	Off balance sheet	Total
1	TOTAL EXPOSURES	6,772	54,620	61,392
2	**Retail (total)**	**1,569**	**9,080**	**10,655**
3	Residential mortgage	103	34	137
4	Credit card	-	232	232
5	Other retail exposures	1,467	8,813	10,285
6	Re-securitisation	-	-	-
7	**Wholesale (total)**	**5,202**	**45,540**	**50,737**
8	Loans to corporates	-	12,216	12,217
9	Commercial mortgage	-	11	11
10	Lease and receivables	4,584	27,183	31,762
11	Other wholesale	618	6,130	6,747
12	Re-securitisation	-	-	-

SECURITISATION EXPOSURES IN THE BANKING PORTFOLIO AND RELATED REGULATORY CAPITAL REQUIREMENTS – BANK ACTING AS ISSUER OR AGENT IRB AND STD (SEC3)

		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	31/12/2023 *(in millions of euros)*	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1,250% RW	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250%	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250 %
1	TOTAL EXPOSURES	56,482	1,584	355	-	-	15,440	33,655	9,327	-	2,010	4,930	1,440	7	161	394	115	1
2	**Traditional transactions**	**42,446**	**1,584**	**257**	**-**	**-**	**1,307**	**33,655**	**9,327**	**-**	**196**	**4,930**	**1,440**	**7**	**16**	**394**	**115**	**1**
3	Securitisation	42,446	1,584	257	-	-	1,307	33,655	9,327	-	196	4,930	1,440	7	16	394	115	1
4	Retail underlying	8,669	109	-	-	-	-	6,691	2,087	-	-	1,048	322	-	-	84	26	-
5	Of which STS	1,294	-	-	-	-	-	1,294	-	-	-	129	-	-	-	10	-	-
6	Wholesale	33,777	1,475	257	-	-	1,307	26,964	7,240	-	196	3,883	1,118	7	16	311	89	1
7	Of which STS	21,745	688	-	-	-	-	22,434	-	-	-	3,074	-	-	-	246	-	-
8	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	**Synthetic transactions**	**14,036**	**-**	**97**	**-**	**-**	**14,134**	**-**	**-**	**-**	**1,814**	**-**	**-**	**-**	**145**	**-**	**-**	**-**
10	Securitisation	14,036	-	97	-	-	14,134	-	-	-	1,814	-	-	-	145	-	-	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	14,036	-	97	-	-	14,134	-	-	-	1,814	-	-	-	145	-	-	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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 <1,250% RW	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250%	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250%
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

SECURITISATION EXPOSURES IN THE BANKING PORTFOLIO AND RELATED REGULATORY CAPITAL REQUIREMENTS – BANK ACTING AS INVESTOR IRB AND STD (SEC4)

31/12/2023 *(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 <1,250% RW	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250%	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250%
1 TOTAL EXPOSURES	2,646	186	114	25	-	681	1,793	497	-	138	265	201	-	11	21	16	-
2 Traditional securitisation	**2,646**	**186**	**114**	**25**	**-**	**681**	**1,793**	**497**	**-**	**138**	**265**	**201**	**-**	**11**	**21**	**16**	**-**
3 Securitisation	2,646	186	114	25	-	681	1,793	497	-	138	265	201	-	11	21	16	-
4 Retail underlying	1,641	136	80	20	-	126	1,475	275	-	35	249	168	-	3	20	13	-
5 Of which STS	1,060	-	80	-	-	-	1,038	103	-	-	147	10	-	-	12	1	-
6 Wholesale	1,005	50	34	6	-	555	318	221	-	102	16	33	-	8	1	3	-
7 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic securitisation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
10 Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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 <1,250% RW	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250%	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250%
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

SECURITISATION EXPOSURES – DEFAULTED EXPOSURES AND ADJUSTMENT OF SPECIFIC CREDIT RISK (SEC5)

31/12/2023 *(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	58,421	1,646	-
2 Retail (total)	**8,778**	**30**	**-**
3 Residential mortgage	1	-	-
4 Credit card	232	-	-
5 Other retail exposures	8,545	30	-
6 Re-securitisation	-	-	-
7 Wholesale (total)	**49,643**	**1,616**	**-**
8 Loans to corporates	12,217	76	-
9 Commercial mortgage	-	-	-
10 Lease and receivables	31,405	1,523	-
11 Other wholesale	6,021	18	-
12 Re-securitisation	-	-	-

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	Retitrisation	-	-	-

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)

31/12/2023 *(in millions of euros)*		Institution acts as originator				Institution acts as sponsor				Institution acts as investor			
		Traditional				Traditional				Traditional			
		STS	Non-STS	Synthetic	Sub-total	STS	Non-STS	Synthetic	Sub-total	STS	Non-STS	Synthetic	Sub-total
1	TOTAL EXPOSURES	-	-	-	-	-	-	-	-	-	162	-	162
2	**Retail (total)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**162**	**-**	**162**
3	Residential mortgage	-	-	-	-	-	-	-	-	-	118	-	118
4	Credit card	-	-	-	-	-	-	-	-	-	0	-	0
5	Other retail exposures	-	-	-	-	-	-	-	-	-	30	-	30
6	Re-securitisation	-	-	-	-	-	-	-	-	-	14	-	14
7	**Wholesale (total)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
8	Loans to corporates	-	-	-	-	-	-	-	-	-	-	-	-
9	Commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-
10	Lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-
11	Other wholesale	-	-	-	-	-	-	-	-	-	-	-	-
12	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-

31/12/2022 *(in millions of euros)*	Institution acts as originator				Institution acts as sponsor				Institution acts as investor			
	Traditional				Traditional				Traditional			
	STS	Non-STS	Synthetic	Sub-total	STS	Non-STS	Synthetic	Sub-total	STS	Non-STS	Synthetic	Sub-total
1 TOTAL EXPOSURES	-	-	-	-	-	-	-	-	-	162	-	162
2 Retail (total)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**139**	**-**	**139**
3 Residential mortgage	-	-	-	-	-	-	-	-	-	113	-	113
4 Credit card	-	-	-	-	-	-	-	-	-	0	-	0
5 Other retail exposures	-	-	-	-	-	-	-	-	-	11	-	11
6 Re-securitisation	-	-	-	-	-	-	-	-	-	15	-	15
7 Wholesale (total)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22**	**-**	**22**
8 Loans to corporates	-	-	-	-	-	-	-	-	-	0	-	0
9 Commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-
10 Lease and receivables	-	-	-	-	-	-	-	-	-	22	-	22
11 Other wholesale	-	-	-	-	-	-	-	-	-	-	-	-
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)*	31/12/2023			31/12/2022		
	Long Positions	Short Positions	Capital requirement	Long Positions	Positions courtes	Exigences en fonds propres
EAD subject to weighting	-	-	-	-	-	-
0-10% weightings	-	-	-	-	-	-
10-12% weightings	-	-	-	-	-	-
12-20% weightings	28	-	0	4	-	0
20-40% weightings	4	-	0	22	-	0
40-100% weightings	116	-	1	120	-	2
100-150% weightings	-	-	-	-	-	-
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	14	-	2	15	-	3
Internal valuation approach	**162**	**-**	**4**	**162**	**-**	**5**
Supervisory Formula Approach	-	-	-	-	-	-
Transparency Approach	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
1,250% / Positions deducted from capital	-	-	-	-	-	-
TOTAL TRADING BOOK	**162**	**-**	**4**	**162**	**-**	**5**

CAPITAL REQUIREMENTS RELATING TO SECURITISATIONS HELD OR ACQUIRED

	31/12/2023				31/12/2022			
(in millions of euros)	Long Positions	Short Positions	Total weighted positions	Capital requirement	Long Positions	Short Positions	Total weighted positions	Capital requirement
WEIGHTED EAD	**162**	**-**	**4**	**4**	**162**	**-**	**5**	**5**
Securitisation	148	-	1	1	146	-	2	2
Resecuritisation	14	-	2	2	15	-	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 Chapter 3, Part 2 “Risk management”, in the 2.5.III “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 Corporate and Investment Bank and its subsidiaries have 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 Chapter 3, Part 2 “Risk management”, in the 2.5 “Market risk” section.

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.

The 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).

As regards information on VaR and SVaR models (EU MRB-A), among the market risks assessed using internal models, 28% of the RWA come from VaR models and 50% from SVaR models at end-December 2023.

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 average 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 19% of the RWA for market risks assessed using the internal model at end-December 2023.
- 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, 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 Chapter 3, Part 2 "Risk management" in the 2.5 "Market risk" section).

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 Chapter 3, Part 2 "Risk management" in the 2.5 "Market risk" section).

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)

		31/12/2023	31/12/2022
(in millions of euros)		RWA	RWA
	Futures and forwards		
1	Interest rate risk (general and specific)	620	539
2	Risk on shares (general and specific)	-	-
3	Currency risk	4,829	2,897
4	Commodities risk	12	21
	Options		
5	Simplificated approach	-	-
6	Delta-plus method	4	2
7	Scenarios based approach	25	32
8	Securitisation (specific risk)	49	57
9	**TOTAL**	**5,539**	**3,549**

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)

		31/12/2023		31/12/2022	
(in millions of euros)		RWA	Capital requirement	RWA	Capital requirement
1	**VaR (higher of values a and b)**	**2,202**	**176**	**3,739**	**299**
(a)	Previous day's VaR (VaRt-1)		35		49
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		176		299
2	**SVaR (higher of values a and b)**	**4,055**	**324**	**5,696**	**456**
(a)	Latest available SVaR (SVaRt-1))		69		69
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		324		456
3	**IRC (higher of values a and b)**	**1,483**	**119**	**1,839**	**147**
(a)	Most recent IRC measure		99		64
(b)	12 weeks average IRC measure		119		147
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**	**7,740**	**619**	**11,274**	**902**

RWEA FLOW STATEMENT FOR MARKET RISK EXPOSURES USING THE INTERNAL MODELS APPROACH (IMA) (MR2-B)

31/12/2023 *(in millions of euros)*		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total own funds requirements
1	**RWEAs at previous period end (30/09/2023)**	**2,619**	**4,123**	**2,299**	**-**	**-**	**9,041**	**723**
1a	Regulatory adjustment	2,125	3,296	483	-	-	5,905	472
1b	RWEAs at the previous quarter-end (end of the day)	494	826	1,816	-	-	3,136	251
2	Movement in risk levels	(48)	28	(571)	-	-	(591)	(47)
3	Model updates/changes	-	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	(12)	4	(2)	-	-	(10)	(1)
7	Other	-	-	-	-	-	-	-
8a	RWEAs at the end of the reporting period (end of the day)	433	858	1,243	-	-	2,535	203
8b	Regulatory adjustment	1,769	3,196	240	-	-	5,205	416
8	**RWEAS AT THE END OF THE REPORTING PERIOD (31/12/2023)**	**2,202**	**4,055**	**1,483**	**-**	**-**	**7,740**	**619**

VALUES RESULTING FROM USE OF INTERNAL MODELS

VALUE OF THE TRADING BOOK USING THE INTERNAL MODELS APPROACH (IMA) (MR3)

(in millions of euros)		31/12/2023	31/12/2022
1	**VaR (10 days, 99%)**		
2	Maximum value	66	84
3	Mean value	50	48
4	Minimum value	30	21
5	End of period value	35	49
6	**VaR in stressed period (10 days, 99%)**		
7	Maximum value	97	133
8	Mean value	73	76
9	Minimum value	43	46
10	End of period value	69	69
11	**Capital requirement in line with IRC (99.9%)**		
12	Maximum value	260	432
13	Mean value	133	134
14	Minimum value	50	49
15	End of period value	76	49
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 Part 5 "Risk management" of the Registration 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 the end of December 2023, there was one backtesting exception over 12-month rolling period, with hypothetical loss (daily result adjusted for uncertainty reserves and new transactions) exceeding VaR. This exception, detected on 14 March 2023, which must be included in determining the amount of capital, was mainly due to volatility observed in March 2023.

This exception is related to different market risks factors strong variations, namely: interest rates, bond yields & equity volatility

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 Crédit Agricole Group to use the Advanced Measurement Approach (AMA) to calculate 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 Chapter 3, Part 2 "Risk management", in the 2.8.II "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 Chapter 3, Part 2 "Risk management" in the 2.8.IV "Operational risks – Insurance and coverage of operational risks" section.

CAPITAL REQUIREMENTS AND RWA AMOUNTS FOR OPERATIONAL RISK (OR1)

	Banking activities	Relevant indicator 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	8,902	10,945	9,970	1,324	16,549
3	Subject to TSA:	8,902	10,945	9,970	-	-
4	Subject to ASA:	-	-	-	-	-
5	Banking activities subject to advanced measurement approaches AMA	25,678	26,143	26,650	3,680	45,995

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

	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
(in millions of euros)	010	030	040	050	060	080	090	100
010 ASSETS OF THE REPORTING INSTITUTION	244,278	41,951			1,772,266	280,129		
030 Equity instruments	4,625	2,601	4,625	2,601	14,022	1,801	11,018	1,801
040 Debt securities	44,701	39,316	45,023	39,653	139,479	112,323	131,405	111,512
050 Of which: covered bonds	108	108	108	108	3,555	3,380	3,336	3,216
060 Of which: securitisations	5,721	337	5,722	337	676	472	676	472
070 Of which: issued by general governments	35,191	34,692	35,525	35,037	73,954	75,512	82,795	80,586
080 Of which: issued by financial corporations	8,211	1,100	8,214	1,098	44,976	23,134	34,285	21,695
090 Of which: issued by non-financial corporations	945	658	939	654	14,436	7,325	10,515	7,022
120 Other assets	194,952	34			1,618,765	166,005		

TEMPLATE EU AE2 – COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED

				Unencumbered	
		Fair value of encumbered collateral received or own debt securities issued		Fair value of collateral received or own debt securities issued available for encumbrance	
			of which notionally eligible EHQLA and HQLA		dont EHQLA et HQLA
(in millions of euros)		010	030	040	060
130	COLLATERAL RECEIVED BY THE REPORTING INSTITUTION	323,742	297,239	74,944	56 656
140	Loans on demand	0	0	0	0
150	Equity instruments	20,791	8,835	9,289	1 666
160	Debt securities	302,950	288,405	65,655	54 989
170	Of which: covered bonds	5,862	4,853	4,289	3 297
180	Of which: securitisations	7,344	5,915	1,926	1 575
190	Of which: issued by general governments	272,922	272,289	46,911	45 790
200	Of which: issued by financial corporations	20,410	9,986	13,303	4 767
210	Of which: issued by non-financial corporations	7,552	4,605	4,377	1 453
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	16	0	30,318	0
241	OWN COVERED BONDS AND ASSET-BACKED SECURITIES ISSUED AND NOT YET PLEDGED			26,517	202
250	TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	568,035	339,191		

TEMPLATE EU AE3 – SOURCES OF ENCUM

(in millions of euros)		Matching liabilities, contingent liabilities or 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	539,560	495,772

TABLE EU AE4 – ADDITIONAL NARRATIVE INFORMATION

Crédit Agricole S.A. monitors and manages the encumbrance level of assets pledged in the Crédit Agricole Group.

The asset encumbrance ratio for the Crédit Agricole Group stood at 23.0% as of 31 December 2023.

The encumbrance for assets of the Crédit Agricole Group mainly covers 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 build up 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 our capacity to withstand 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 asset encumbrance ratio of Crédit Agricole Group observed in 2023 is explained notably by the partial repayment of the ECB TLTRO borrowings.

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 programmes:
  - Crédit Agricole Home Loan SFH, pledging the receivables of the Regional Banks and LCL,
  - Crédit Agricole Financement de l'Habitat SFH, pledging receivables from the Regional Banks and LCL, which covered bonds are self-retained by Crédit Agricole S.A. (to offset the disappearance of the Additional Credit Claims channel based on home loans),
  - 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 S.A., pledging the receivables of Crédit Agricole Next Bank (Switzerland) S.A.

As of 31 December 2023, the covered bonds issued on the market amounted to €53.5 billion for a total of €59.8 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 (via the FCT CA Habitat programmes).

  As of 31 December 2023, asset-backed securities issued on the market amounted to €8.3 billion for a total of €8.4 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).

  As of 31 December 2023, guaranteed deposits (other than repurchase agreements) amounted to €53.2 billion for a total of €72.6 billion in encumbered assets;
- debt securities (other than covered bonds or ABSs) suscribed by the Caisse de Refinancement de l'Habitat (CRH) in the form of promissory notes, pledging the receivables of the Regional Banks and LCL.

  As of 31 December 2023, these securities amounted to €6.0 billion for a total of €8.2 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.

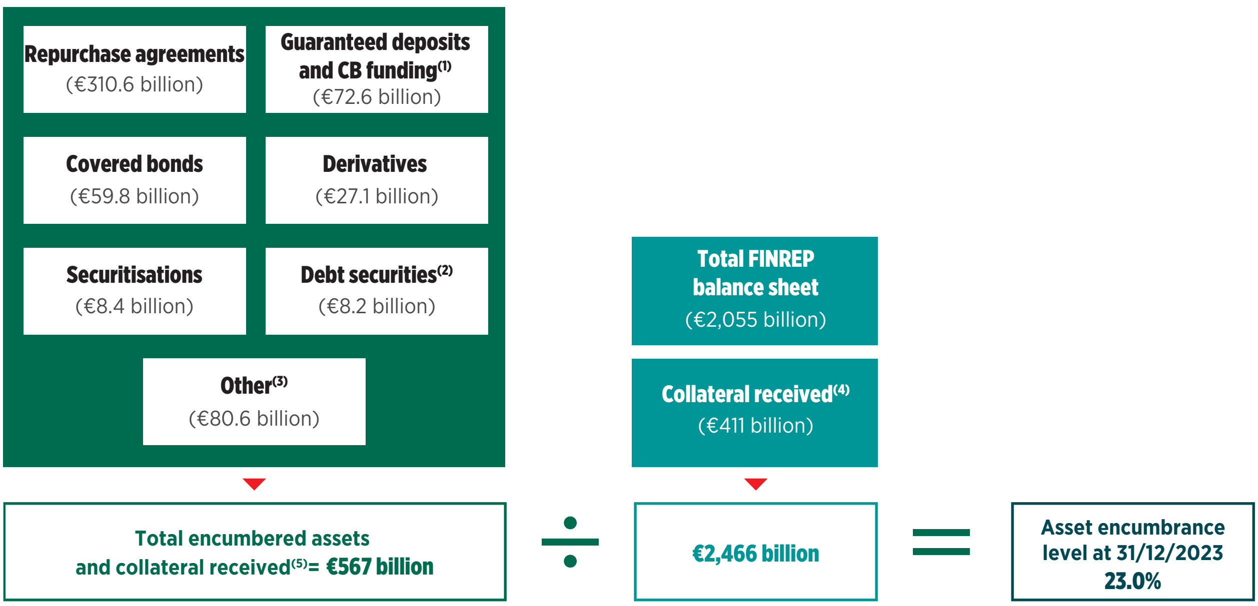
The other main sources of asset encumbrance in the Crédit Agricole Group are:

- repurchase agreements, mainly associated with the activity of Crédit Agricole CIB and mainly encumbering the collateral received comprising debt securities and secondarily 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).

  As of 31 December 2023, repurchase agreements amounted to €320.2 billion for a total of €310.6 billion in encumbered assets and collateral received;
- Security Lending and Borrowing mainly related to the activity of Crédit Agricole CIB and CACEIS and encumbering collateral received composed essentially of debt securities and secondarily equity instruments.

  As of 31 December 2023, Security Lending and Borrowing amounted to €83.1 billion for a total of €79.2 billion in encumbered assets and collateral received;
- derivatives associated mainly with the OTC derivative activity of Crédit Agricole CIB and encumbering mainly cash as part of margin calls.

  As of 31 December 2023, margin calls amounted to €27.1 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. LIQUIDITY RISK

3.6.1 LIQUIDITY RISK MANAGEMENT

Supplementing paragraph "5. Risks and Pillar 3 / 2. Risk management / 6. Asset and liability management / IV. Liquidity and financing risk" to meet the requirements defined in the EU LIQ A 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 Steering 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. authorises some Group entities to have direct access to the markets. This is particularly the case for CACF, Crédit Agricole CIB and CA Italy.

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 mobilised 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 Steering 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 Executive Management. The Group emergency plan is tested annually.

g) LIQUIDITY STRESS-TESTING

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 reported, 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 2023:

	LCR	NSFR	PRS	Stress	Reserves
Crédit Agricole Group	140.8%	116.8%	€190bn	– Global >0 – Systemic >0 – Idiosyncratic >0	€445bn
Crédit Agricole S.A.	142.3%	111.8%	NA	– Global >0 – Systemic >0 – 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)

EU LIQ 1 (LCR disclosure – quantitative data) and EU LIQ B (LCR disclosure – qualitative data) templates – Article 451a-(4) CRR

QUANTITATIVE INFORMATION

Average LCR[1] over 12 rolling months calculated on 31 March 2023, 30 June 2023, 30 September 2023 and 31 December 2023.

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	31/12/2023	30/09/2023	30/06/2023	31/03/2023	31/12/2023	30/09/2023	30/06/2023	31/03/2023
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					339,674	355,743	377,024	390,500
CASH OUTFLOWS									
2	**Retail deposits and deposits from small business customers, of which:**	**614,836**	**616,114**	**617,290**	**616,762**	**38,458**	**39,174**	**39,794**	**40,112**
3	Stable deposits	432,089	434,898	436,362	436,418	21,604	21,745	21,818	21,821
4	Less stable deposits	182,747	181,217	180,928	180,344	16,853	17,429	17,976	18,291
5	**Unsecured wholesale funding**	**352,843**	**360,119**	**371,415**	**380,204**	**160,513**	**162,757**	**168,123**	**171,027**
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	147,777	153,553	157,747	162,259	36,382	37,795	38,838	39,993
7	Non-operational deposits (all counterparties)	179,073	179,967	186,213	191,098	98,138	98,363	101,830	104,188
8	Unsecured debt	25,993	26,599	27,455	26,847	25,993	26,599	27,455	26,847
9	**Secured wholesale funding**					**35,883**	**35,785**	**34,933**	**32,763**
10	**Additional requirements**	**248,038**	**243,830**	**240,140**	**237,454**	**68,804**	**68,201**	**67,482**	**65,789**
11	Outflows related to derivative exposures and other collateral requirements	49,081	47,225	45,158	43,078	32,017	31,748	31,119	29,558
12	Outflows related to loss of funding on debt products								
13	Credit and liquidity facilities	198,957	196,605	194,983	194,376	36,787	36,453	36,363	36,230
14	Other contractual funding obligations	51,510	48,483	46,374	44,751	7,546	7,242	6,634	6,076
15	Other contingent funding obligations	68,935	69,160	69,960	67,604	3,669	3,684	3,759	3,636
16	**TOTAL CASH OUTFLOWS**					**314,873**	**316,843**	**320,725**	**319,404**
CASH INFLOWS									
17	**Secured lending (e.g. reverse repos)**	**242,833**	**234,606**	**224,151**	**215,113**	**36,308**	**36,675**	**36,137**	**34,571**
18	**Inflows from fully performing exposures**	**58,123**	**59,779**	**61,190**	**61,641**	**34,248**	**35,321**	**36,533**	**36,405**
19	**Other cash inflows**	**8,844**	**8,669**	**8,014**	**7,421**	**8,844**	**8,669**	**8,014**	**7,421**
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**	**309,801**	**303,055**	**293,356**	**284,175**	**79,400**	**80,665**	**80,685**	**78,398**
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 90% cap								
EU-20c	Inflows subject to 75% cap	247,075	241,335	233,191	227,215	79,400	80,665	80,685	78,398
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					339,674	355,743	377,024	390,500
22	TOTAL NET CASH OUTFLOWS [1]					235,472	236,178	240,040	241,006
23	LIQUIDITY COVERAGE RATIO [2]					144.31%	150.84%	157.32%	162.55%

(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 is at a comfortable level, benefiting from large excess liquidity including after the TLTRO repayments made in December 2023 (maintenance of a high level of Central Bank deposits and a high-quality securities portfolio).
(b)	Explanations on the changes in the LCR over time	The average ratio observed at the end of the quarters (see table above) remains high over 2023, at between 144% and 163%. This is the result of a proactive management of a high level of liquidity reserves in relation to changes in net cash outflows. The liquidity buffer was maintained at a high level throughout 2023 (a minimum of €356 billion over the first three quarters). At end December 2023, after TLTRO repayments of €11 billion, liquidity surpluses remained high (€340 billion as of 31 December 2023). Net cash outflows at 30 days were, in effect, significantly reduced in 2023 under the effect of arbitrage by corporate and retail customers between demand deposits and term deposits.
(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 with the Central Banks stems from the replacement of substantial excess liquidity, which remains high after the TLTRO repayment carried out in December 2023.
(e)	Derivative exposures and potential collateral calls	The cash outflows relating to this item materialise the contingent risk of an increase in margin calls on derivative transactions in an unfavourable market scenario (clear increase in 2023 due to the market volatility observed)
(f)	Currency mismatch in the LCR	As of 31 December 2023, 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)

EU LIQ 2 template (NSFR disclosure – quantitative data) – Article 451a-(4) CRR

QUANTITATIVE INFORMATION

NSFR measured on 31 March 2023, 30 June 2023, 30 September 2023 and 31 December 2023.

		a	b	c	d	e
Net Stable Funding Ratio (NSFR) at 31/03/2023		**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**	**128,418**	**57**	**82**	**17,145**	**145,605**
2	Own funds	128,418	57	82	17,145	145,605
3	Other capital instruments					
4	**Retail deposits**		**615,038**	**3,794**	**5,212**	**584,166**
5	Stable deposits		439,984	131	2,670	420,780
6	Less stable deposits		175,053	3,662	2,542	163,386
7	**Wholesale funding**		**757,272**	**87,710**	**203,194**	**419,757**
8	Operational deposits		148,814			74,407
9	Other wholesale funding		608,458	87,710	203,194	345,350
10	**Interdependent liabilities**		**86,871**			
11	**Other liabilities**	**-**	**141,533**	**4,939**	**53,573**	**56,043**
12	NSFR derivative liabilities	-				
13	All other liabilities and capital instruments not included in the above categories		141,533	4,939	53,573	56,043
14	**TOTAL AVAILABLE STABLE FUNDING (ASF)**					**1,205,571**
REQUIRED STABLE FUNDING (RSF) ITEMS						
15	**Total high-quality liquid assets (HQLA)**					**9,776**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**372**	**303**	**54,978**	**47,305**
16	**Deposits held at other financial institutions for operational purposes**		**7,187**			**3,594**
17	**Performing loans and securities:**		**426,323**	**95,067**	**868,235**	**792,111**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		202,067	7,927	5,665	13,309
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		64,190	9,475	29,561	40,077
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		103,733	51,747	368,171	392,180
21	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		1,659	647	11,371	8,544
22	Performing residential mortgages, of which:		20,024	20,027	442,633	316,319
23	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		16,636	16,922	414,919	289,515
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		36,310	5,890	22,206	30,226
25	**Interdependent assets**		**86,871**			
26	**Other assets**		**148,689**	**3,208**	**100,018**	**162,237**
27	Physical traded commodities				-	
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		12,931		538	11,448
29	NSFR derivative assets		5,421			5,421
30	NSFR derivative liabilities before deduction of variation margin posted		46,724			2,336
31	All other assets not included in the above categories		83,614	3,208	99,481	143,032
32	**Off-balance sheet items**		**64,502**	**19,865**	**199,332**	**16,895**
33	**TOTAL REQUIRED STABLE FUNDING (RSF)**					**1,031,918**
34	**NET STABLE FUNDING RATIO** *(%)*					**116.83%**

Net Stable Funding Ratio (NSFR) at 30/06/2023 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**	**131,140**	**75**		**16,923**	**148,063**
2	Own funds	131,140	75		16,923	148,063
3	Other capital instruments					
4	**Retail deposits**		**615,385**	**3,313**	**5,236**	**584,033**
5	Stable deposits		439,171	216	2,334	419,752
6	Less stable deposits		176,214	3,096	2,902	164,281
7	**Wholesale funding**		**697,933**	**81,315**	**205,596**	**423,429**
8	Operational deposits		140,855			70,428
9	Other wholesale funding		557,078	81,315	205,596	353,001
10	**Interdependent liabilities**		**90,808**			
11	**Other liabilities**	**-**	**154,920**	**2,607**	**44,990**	**46,293**
12	NSFR derivative liabilities	-				
13	All other liabilities and capital instruments not included in the above categories		154,920	2,607	44,990	46,293
14	**TOTAL AVAILABLE STABLE FUNDING (ASF)**					**1,201,818**
REQUIRED STABLE FUNDING (RSF) ITEMS						
15	**Total high-quality liquid assets (HQLA)**					**9,487**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**534**	**342**	**60,281**	**51,983**
16	**Deposits held at other financial institutions for operational purposes**		**5,923**			**2,961**
17	**Performing loans and securities:**		**395,816**	**97,913**	**868,190**	**797,158**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		173,211	11,825	5,257	15,858
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		63,989	9,247	29,311	43,027
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		103,661	49,903	369,781	392,624
21	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		1,122	595	11,888	8,585
22	Performing residential mortgages, of which:		19,833	20,272	442,060	315,710
23	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		16,570	16,947	413,803	288,397
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		35,123	6,665	21,780	29,941
25	**Interdependent assets**		**94,560**			
26	**Other assets**		**150,749**	**2,885**	**99,378**	**159,946**
27	Physical traded commodities				-	
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		8,695		528	7,840
29	NSFR derivative assets		6,439			6,439
30	NSFR derivative liabilities before deduction of variation margin posted		50,643			2,532
31	All other assets not included in the above categories		84,972	2,885	98,850	143,135
32	**Off-balance sheet items**		**61,855**	**19,283**	**201,599**	**16,929**
33	**TOTAL REQUIRED STABLE FUNDING (RSF)**					**1,038,465**
34	NET STABLE FUNDING RATIO *(%)*					115.73%

Net Stable Funding Ratio (NSFR) at 30/09/2023 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**	**129,583**	**75**	**1,178**	**17,719**	**147,890**
2	Own funds	129,583	75	1,178	17,719	147,890
3	Other capital instruments					
4	**Retail deposits**		**621,483**	**4,157**	**5,919**	**591,015**
5	Stable deposits		440,253	141	2,226	420,600
6	Less stable deposits		181,230	4,016	3,693	170,415
7	**Wholesale funding**		**750,232**	**62,147**	**211,696**	**430,146**
8	Operational deposits		142,818			71,409
9	Other wholesale funding		607,413	62,147	211,696	358,737
10	**Interdependent liabilities**		**92,979**			
11	**Other liabilities**	**-**	**161,646**	**1,472**	**45,462**	**46,197**
12	NSFR derivative liabilities	-				
13	All other liabilities and capital instruments not included in the above categories		161,646	1,472	45,462	46,197
14	**TOTAL AVAILABLE STABLE FUNDING (ASF)**					**1,215,249**
REQUIRED STABLE FUNDING (RSF) ITEMS						
15	**Total high-quality liquid assets (HQLA)**					**11,506**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**491**	**379**	**62,424**	**53,799**
16	**Deposits held at other financial institutions for operational purposes**		**6,169**			**3,085**
17	**Performing loans and securities:**		**444,313**	**95,781**	**869,023**	**798,018**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		211,237	12,646	5,109	16,586
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		70,596	9,241	30,216	44,255
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		105,775	48,104	371,372	394,592
21	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		884	723	11,689	8,401
22	Performing residential mortgages, of which:		20,011	20,690	442,562	314,608
23	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		16,718	17,181	414,200	287,099
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		36,694	5,100	19,763	27,977
25	**Interdependent assets**		**96,443**			
26	**Other assets**		**161,796**	**2,716**	**100,285**	**165,299**
27	Physical traded commodities				-	
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		8,220		549	7,454
29	NSFR derivative assets		6,625			6,625
30	NSFR derivative liabilities before deduction of variation margin posted		52,512			2,626
31	All other assets not included in the above categories		94,440	2,716	99,736	148,595
32	**Off-balance sheet items**		**68,381**	**13,604**	**207,978**	**17,180**
33	**TOTAL REQUIRED STABLE FUNDING (RSF)**					**1,048,887**
34	NET STABLE FUNDING RATIO *(%)*					115.86%

Net Stable Funding Ratio (NSFR) at 31/12/2023 Scope of consolidation: Crédit Agricole Group *dvs*		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**	**131,651**		**1,249**	**16,823**	**149,098**
2	Own funds	131,651		1,249	16,823	149,098
3	Other capital instruments					
4	**Retail deposits**		**623,136**	**5,725**	**6,850**	**594,913**
5	Stable deposits		441,552	202	2,037	421,703
6	Less stable deposits		181,584	5,523	4,814	173,210
7	**Wholesale funding**		**774,767**	**48,587**	**232,718**	**445,627**
8	Operational deposits		145,451			72,726
9	Other wholesale funding		629,316	48,587	232,718	372,901
10	**Interdependent liabilities**		**97,386**			
11	**Other liabilities**	**-**	**154,816**	**2,017**	**44,110**	**45,118**
12	NSFR derivative liabilities	-				
13	All other liabilities and capital instruments not included in the above categories		154,816	2,017	44,110	45,118
14	**TOTAL AVAILABLE STABLE FUNDING (ASF)**					**1,234,757**
REQUIRED STABLE FUNDING (RSF) ITEMS						
15	**Total high-quality liquid assets (HQLA)**					**13,846**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**473**	**434**	**58,607**	**50,587**
16	**Deposits held at other financial institutions for operational purposes**		**5,314**			**2,657**
17	**Performing loans and securities:**		**438,263**	**94,808**	**880,140**	**804,477**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		201,299	8,045	5,427	13,951
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		71,298	9,452	32,224	45,445
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		105,196	51,262	375,201	398,544
21	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		850	1,815	12,220	9,275
22	Performing residential mortgages, of which:		19,943	20,601	447,264	317,947
23	With a risk weight of less than or equal to 35% under the Basel 2 Standardised Approach for credit risk		16,782	17,111	418,916	290,526
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		40,528	5,449	20,024	28,589
25	**Interdependent assets**		**100,900**			
26	**Other assets**		**149,450**	**4,182**	**102,962**	**167,965**
27	Physical traded commodities				-	
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		9,228		504	8,272
29	NSFR derivative assets		7,825			7,825
30	NSFR derivative liabilities before deduction of variation margin posted		41,946			2,097
31	All other assets not included in the above categories		90,452	4,182	102,459	149,771
32	**Off-balance sheet items**		**70,903**	**15,013**	**207,592**	**17,467**
33	**TOTAL REQUIRED STABLE FUNDING (RSF)**					**1,056,999**
34	NET STABLE FUNDING RATIO *(%)*					116.82%

QUALITATIVE INFORMATION

The Crédit Agricole Group's NSFR ratio remained at a stable and comfortable level over 2023 (117% in March 2023 and 117% in December 2023, representing stable surpluses of resources of approximately €180 billion at end December 2023).

The need for stable financing stems mainly from customer loans, the weighted outstandings of which are relatively stable.

The stable resources are the result of the mobilisation of the commercial networks for term collection and the acceleration of MLT refinancing plans, which made it possible to offset the loss of NSFR efficiency linked to the reimbursement of TLTRO outstandings.

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, 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 Crédit Agricole S.A. Asset-Liability Management Committee 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 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 as well as for 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 approach through revenue 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 +/-125 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 125 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, to a lesser extent, market options), 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 for accounting purposes 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: OIS/BOR 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 2023

(in millions of euros)

Time to maturity	<1 year	1 to 5 years	≥5 years	Total
Cash flows from hedging derivatives	(804)	(1,368)	(416)	(2,588)

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 125 basis points respectively amounts to €2.1 billion, or 1.6% of total prudential capital.

The regulatory measurements appearing in the EU IRRBB1 statement below are penalised by the exclusion of the equity [(1)] of the Crédit Agricole Group, which constitutes an important 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)*	**31/12/2023**	**31/12/2022**
1 Parallel up	(10.6)	(10.2)
2 Parallel down	5.7	3.2
3 Steepener	(2.6)	(2.1)
4 Flattener	0.2	0.1
5 Short rates up	(2.7)	(2.8)
6 Baisse des taux courts	1,3	2,3

Changes of the net interest income *(in billions of euros)*	**31/12/2023**			**31/12/2022**		
	Year 1	**Year 2**	**Year 3**	**Year 1**	**Year 2**	**Year 3**
1 Parallel up	0.4	0.9	1.2	0.7	1.1	1.5
2 Parallel down	(0.3)	(0.9)	(1.1)	(0.6)	(1.1)	(1.5)

Sensitivity to the net interest income above is calculated with a pass-through rate [(2)] 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 above would suggest.

With a pass-through rate of 50% applied to housing loans and a 25% average migration over three years from non-remunerated demand deposits to passbooks, the sensitivities in years 1, 2 and 3 would be respectively €0.3 billion, €0.5 billion and €0.5 billion for a parallel upward shock scenario, and respectively -€0.2 billion, -€0.4 billion and -€0.5 billion for a parallel downward shock scenario. This impact does not capture delayed effects of past interest rate increases.

CALCULATION ASSUMPTIONS

The calculation assumptions and rate shock scenarios are defined by the European Banking Authority (EBA) in the "Guidance specifying criteria for the identification, evaluation, management and mitigation of the risks arising from potential changes in interest rates and of the assessment and monitoring of credit spread risk, of institutions' non-trading book activities" published on 20 October 2022 (EBA/GL/202214).

ECONOMIC VALUE

The ABE 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.

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, the United States, Switzerland and the United Kingdom.

(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

(1) Estimated at €8.1 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.

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 -150 basis points overnight to 0 basis points at 50 years with a linear interpolation for intermediate durations) 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 fall 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. COMPENSATION POLICY (EU REMA)

The information on the compensation 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

TABLE 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. What needs to be done now is to replace fossil fuel-based production methods with renewable energy sources, and to take major steps to ensure low-energy consumption.

THE GROUP'S ENVIRONMENTAL STRATEGY PUTS THIS GOAL INTO PRACTICE THROUGH SIX MAIN AREAS:

1. accelerating the development of renewable energy:
   a) through financings,
   b) through investments,
   c) and through customers' savings;
2. supporting all customers in their transitions and entering a new era through new initiatives:
   a) Crédit Agricole Transitions & Energies
   b) solutions fostering innovation and access to green energy,
   c) solutions promoting low-carbon mobility,
   d) solutions focused on housing and construction,
   e) Net Zero commitments for financing activities;
3. withdrawing from fossil fuels
4. take action to promote biodiversity and natural capital;
5. setting targets for reducing the environmental footprint of our own operations.

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 2023, the climate strategy was enhanced with new sector-specific decarbonisation trajectories to meet the Group's commitment to helping to achieve carbon neutrality by 2050.**

(1) Available on the website of Crédit Agricole S.A. – https://www.credit-agricole.com/en/finance/finance/ financial-publications

- **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 with regard 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 development of renewable energy

Accelerated investment and financing in green energy is crucial to effectively contribute to the energy transition to replace fossil fuels. Crédit Agricole Group 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 financially vulnerable households, with products and services that use low-carbon energy and by constantly striving for innovation and progress, Crédit Agricole Group is continuing its role as a company heavily involved in major societal changes:

a) Supporting customers with financing solutions;

b) Supporting the transition through investments;

c) Offering clients savings solutions that support the transition.

II. Supporting all customers in their transitions

As a cooperative mutual bank, Crédit Agricole helps its customers 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 Group 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) Crédit Agricole Transitions & Énergies;

b) solutions fostering innovation and access to green energy;

c) solutions promoting low-carbon mobility;

d) solutions focused on housing and construction;

e) Net Zero commitments for financing activities

In 2022 and then in 2023, Crédit Agricole Group presented its ambitions and action plans for 10 sectors, representing 60% of its outstandings: Oil & Gas, Automotive, Power, Commercial Real Estate, Residential Real Estate, Shipping, Aviation, Steel, Cement and Agriculture.

Methodological principles

- In 2021, Crédit Agricole Group 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 Group decided to provide itself with extensive resources to define targets and pathways in line with a Net Zero scenario.

III. Phasing out fossil fuels

For example, for several years, Crédit Agricole Group has been committed to phasing out 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 the EU and OECD countries) and 2040 (in the rest of the world). In 2022, Crédit Agricole Group confirmed this commitment by announcing several initiatives, particularly in the energy sector (oil and gas; power generation). In 2023, these were amplified by raising the targets originally set.

IV. Take action to promote biodiversity and natural capital

- Nature and biodiversity: in accordance with the UN Convention on Biological Diversity (CBD, 1992), Crédit Agricole recognises the central role of biodiversity conservation for humanity and the importance of safeguarding biodiversity in the face of climate change. Crédit Agricole Group 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, as is the case for climate with CO_2e emissions, to measure impacts and dependencies on nature. Nevertheless, Crédit Agricole Group 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).
- Integration of biodiversity conservation measures into financing and investment policies: within the financing and investment portfolios, Crédit Agricole 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 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 for biodiversity are still in their early stages, Crédit Agricole is taking action to safeguard biodiversity through its financing and investments and by supporting projects to raise awareness among employees and customers about these topics.

V. 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 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.
  - A strengthening of actions to reduce Crédit Agricole's environmental impact: 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 Group is contributing to global carbon neutrality by 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 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 environmental themes, are analysed using the principle of double materiality. First, societal and environmental materiality, which reflects the impact of Crédit Agricole Group's activities on its ecosystem; second, financial materiality, which formalises the impact of the ecosystem on Crédit Agricole Group'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. They are also used to assess the material risks directly related to the activities of Crédit Agricole Group 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 that measurement.

At the end of 2023, the full list of environmental performance indicators used for Crédit Agricole S.A. 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);
- 80% growth in low-carbon energy exposure by 2025 (outstanding financing);
- 80% growth in low-carbon energy exposure by 2025 (% change);
- Thermal coal assets outstanding as percentage of total exposure (Amundi);
- Thermal coal exposure (Crédit Agricole CIB);
- % of customers supported in their energy transition;
- Energy-related GHG emissions/m^2;
- GHG emissions related to business travel/FTE;
- Reducing our operating carbon footprint by 50% between 2019 and 2030: Scopes 1 and 2;
- Reducing our operating carbon footprint by 50% between 2019 and 2030: business travel;
- % (by revenues) of Crédit Agricole S.A. entities that have undertaken to measure their impacts on biodiversity;
- A decrease of 75% for financed emissions related to the oil and gas sector;
- A decrease of 58% for the intensity of financed emissions related to the power generation sector;
- A decrease of 50% for the intensity of financed emissions related to the automotive sector;
- A decrease of 36% for the intensity of financed emissions related to the shipping sector;
- A decrease of 25% for the intensity of financed emissions related to the aviation sector;
- A decrease of 40% for the intensity of financed emissions related to the commercial real estate sector;

- A decrease of 20% for the intensity of financed emissions related to the cement sector;
- A decrease of 26% for the intensity of financed emissions related to the steel sector.

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 company's sustainable activities, and not the pass/fail method of taking into account the total turnover of a company of which only some activities are sustainable.
- Lastly, 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. Since 2017, Crédit Agricole Assurances has applied an exclusion on investing in tobacco industry and no longer directly holds any tobacco assets in its portfolios. 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. 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 2023, 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 €183.5 billion out of a total of €278 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). At the end of 2023, Crédit Agricole Assurances directly held €12 billion in green bonds, over €1.5 billion in social bonds and €2.5 billion in sustainability 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 a "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 axes: integration of climate and environmental issues in the management criteria; support for corporates contributing to societal changes and agricultural and agri-food transitions; 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 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 "ESG Ambitions 2025" strategic plan announced 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: company 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 defined its own analysis framework and developed its ESG rating methodology. This method is both proprietary and centralised, fostering a consistent approach to responsible investment across the entire organisation, in line with Amundi's values and priorities.
  - On the listed markets, Amundi has developed two main ESG rating methodologies, one for corporate issuers and the other for sovereign entities. Our approach is based on universal documents such as the United Nations Global Compact, the OECD Guidelines on Corporate Governance, the International Labour Organisation (ILO), the United Nations Framework Convention on Climate Change (UNFCCC) etc. The ESG rating aims to measure an issuer's ESG performance, such as its ability to anticipate and manage sustainability risks and opportunities inherent in its sector and individual situations. The ESG rating also assesses a company's ability to manage the potential negative impact of its activities on the sustainability factors that could affect it. The analysis is based mainly on 22 external data providers.
- An active engagement policy: this is applied through regular exchanges between analysts and investee companies, and through individual or collaborative engagement actions on six key issues: transition towards a low-carbon economy; preservation of natural capital (protection of ecosystems and fight against biodiversity loss); social cohesion, through the protection of direct and indirect employees and the promotion of human rights; customer, product and social responsibility; governance practices, which must be sound and promote sustainable development; and dialogue promoting greater exercise of voting rights and the strengthening of corporate governance. 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 has set minimum standards and exclusion policies on critical sustainability issues, triggering specific follow-ups and escalation procedures when violations are identified that could lead to a commitment, specific voting actions (where applicable) or exclusion. These concern issuers who do not comply with internationally recognised agreements and/or frameworks or national regulations, as well as those who are exposed to targeted activities such as the coal and tobacco industries, and since the end of 2022, to unconventional hydrocarbons and nuclear weapons. These rules are applied to actively managed portfolios and to passive ESG portfolios (unless otherwise requested by customers) and implemented for all new mandates and dedicated funds (unless otherwise requested by customers), always in compliance with applicable legislation and regulations.

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. 13 sector CSR policies are currently published in the following sectors: armaments, energy (oil and gas, oil and shale gas, coal-fired power stations, nuclear, hydropower), mines and metals, construction (real estate, transport infrastructure), transport (aviation, shipping, automobile), forests and palm oil.
- **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:

- **a 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 by 2025; no more financing of new fossil fuel extraction projects; no direct financing of non-conventional oil and gas extraction (shale oil and gas, tar sands); no 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; end of corporate financing for independent producers dedicated solely to oil and gas exploration and production; and a case-by-case review of corporate financing of energy companies, using an assessment that is regularly updated, taking into account their commitments to the transition.

- **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 2023 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 98.26% of votes in favour.
  - Amundi believes that shareholders should be fully informed of how corporates intend to contribute to the collective energy transition effort. As a listed company, Amundi has a responsibility to its shareholders to be transparent about how its own climate strategy is progressing.
- **Adoption by Amundi of a new non-financial performance indicator entitled "Additional number of climate-committed corporates (compared to a 2021 baseline)".** At end-2023 the number stood at 966.

INTEGRATION OF ENVIRONMENTAL ISSUES INTO THE ANALYSIS OF SME AND MSE 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 MSEs (medium-sized enterprises) 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 about 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 MSE 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 and certain international retail banks.

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 both the corporate centre of the Crédit Agricole Group and the 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 the customers, the consideration of social and environmental issues, and respect for the mutualist values that form the basis of Crédit Agricole Group'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 the 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 the seminar of 14 March 2023, in which it examined, inter alia, the Group's Climate Strategy.

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 Societal Commitment Committee, created on 2 August 2023 – while maintaining a cross-functional approach that involves, depending on the topic, most of its Specialised Committees, in particular the Audit Committee, the Appointments and Governance Committee, the Risk Committee and the Compensation Committee.

- The **Audit Committee** examines the monitoring of the preparation of non-financial information and any changes in non-financial ratings.
- The **Societal Commitment Committee,** chaired by the Chairman of the Board of Directors, reviews, inter alia, sector policies on environmental matters and the Group's ESG strategy, before proposing their adoption to the Board of Directors, and analyses the results of all policies implemented and actions taken with regard to the Group's non-financial performance.
- 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 executives 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 **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.'s Executive Board consists of three Deputy Chief Executive Officers, who are "effective managers" (persons effectively running the company), alongside the Chief Executive Officer:
  - 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 four support departments of the three major axes of the Group Project: the Sustainabilty & Impact department, the Customer Project department and the Group Human Resources department as well as the Group Project Steering and Impulsion department;
  - Jérôme Grivet, Deputy Chief Executive Officer of Crédit Agricole S.A., in charge of steering and control;
  - Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole S.A., in charge of Large customers and Chief Executive Officer of Crédit Agricole CIB.
- **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 **ESG Strategy Committee,** chaired by the Chief Executive Officer of Crédit Agricole S.A. and made up of the three Deputy Chief Executive Officers, the Chief Executive Officer of Amundi, the Chief Executive Officer of Crédit Agricole Assurances, the Group Risk Manager and the Corporate Secretary of Crédit Agricole S.A., reviews the components of the ESG strategy (sector-specific policies, standards, guidelines, position papers, methodologies, net-zero trajectories etc.) and submits them to the Crédit Agricole S.A. Board of Directors for approval with the opinion of the Societal Commitment Committee and monitors the implementation of the Group's commitments. Held every two months, it can examine sensitive issues, monitor the handling of controversies and, as required, examine high-risk issues in the areas of CSR, ethics and reputation.
  - The **Group Societal Project Committee,** which is chaired by a Regional Bank chairman, is made up of 12 members, half of whom are Chief Executive Officers of Crédit Agricole S.A. and the other half are Regional Bank senior managers. It oversees the implementation of the Group's societal commitments and the alignment of its ESG strategy within the Crédit Agricole Group, and examines potential files relating to ESG issues. Held three times a year, it may also call on the Scientific Committee to examine issues where the scientific aspect is key.
  - The **Crédit Agricole Group Risk Committee (CRG),** 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 business sector, geographic area, or issue). Within this framework, the environmental risk strategy, prepared by the Sustainabilty & Impact department and the Risk department in collaboration with the Group entities, is presented to it annually. This risk strategy and the associated risk opinion determine the environmental risk roadmap for the coming year.
- The **Societal Commitment department** of Crédit Agricole S.A.
  - This department identifies the major societal issues for the Group, initiates and coordinates the implementation of the ESG strategy and structures all of the social and environmental initiatives within a CSR business line. The Chief Sustainability and Impact Officer, who reports directly to the Chief Executive Officer of Crédit Agricole S.A., chairs the business line's Management Committee, which is responsible for developing the Group's ESG strategy and defining and managing the business line's targets.
  - **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 **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 2023, the Committee met eight times to decide on methodological choices, steer sector-specific work 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 11 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 Crédit Agricole S.A. Board of Directors, 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 follow-up of 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 Board also determines multi-annual strategic guidelines in the area of social and environmental responsibility, on the recommendation of Executive Management. This strategy is adopted after an opinion is given by the Societal Commitment 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 Crédit 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 business sector, geographic area, or theme). Within this framework, the environmental risk framework, constructed by the Risk department in collaboration with the Sustainability & Impact department and the Group's entities, is presented to it annually. This risk management framework determines the environmental risk roadmap for the coming year.
- **The Sustainability & Impact department (SCD) 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, the following are examined by the Board of Directors to measure the environmental factors and risks and ensure that they are managed as effectively as possible:

1. **After analysis by the Risk Committee:**
   - the follow-up of 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;
   - management of Crédit Agricole S.A.'s and its subsidiaries' 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 and supervisors 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 analysis by the Societal Commitment Committee:**
   - changes to certain aspects of the Group's climate strategy guidelines, which will be the subject of a new presentation to the General Meeting on 22 May 2024 (in accordance with Article 5 of the AFEP/MEDEF Code);
   - the Net Zero Trajectories published by the Group at the end of 2023 for the aviation, maritime, steel, residential real estate and agriculture sectors, on the occasion of the climate workshop;
   - the climate scorecard presented every six months to the Board of Directors.
3. **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 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.
5. **After analysis by the Strategy Committee:**
   - monitoring of the work undertaken in the environmental area of the "Ambitions 2025" Medium-Term Strategic Plan;
   - the integrated report and the Company's 2022 CSR performance.

In the run-up to the General Meeting of 17 May 2023, the Board held a seminar on 14 March 2023 dedicated to the climate commitments and their monitoring by governance, studying in particular:

- the main climate commitments of the banks;
- 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 strategy, prepared by the Sustainability & Impact 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 2023, 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 information relating to environmental risks;
- the vigilance plan;
- the Group's climate strategy and related initiatives, after an opinion is given by the Societal Commitment Committee;
- the Statement of Non-Financial Performance.

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. 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's 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 executive 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 examined by the Compensation Committee, before being approved by the Board of Directors, the body competent to decide on their compensation. Following the adoption of a new Medium-Term Strategic Plan, the work of the Committee focused on the finalisation of the integration of indicators related to the Group's ESG commitments into the performance criteria for executive corporate officers, in particular societal, environmental and climate-related aspects. The Committee has decided to increase the share of these criteria in the annual variable compensation of executives to 20%. The Committee completed its work, which was presented on 8 February 2023 to the Board of Directors of Crédit Agricole S.A., which approved it for incorporation into the Compensation Policy for executives for the 2023 financial year, 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 Crédit Agricole Group's business lines and entities, which are presented to the Crédit Agricole Group Risk Committee 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, 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 [(1)] 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 (including credit, market, liquidity and operational risks), i.e. arising 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 their level of sensitivity to transition risk.

(1) The Net Zero Insurance Alliance's operations were wound down in December 2023.

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 Group Risk department issues an opinion on these policies, as well as on sector-specific risk frameworks.

Lastly, the Group's strategy of guiding 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 has set itself the target of helping to achieve carbon neutrality through its membership in the Net Zero alliances in 2021 and 2022, covering financing and investment portfolios and insurance activities (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 identified centrally using tools 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:

- a 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 (Environmental and Social Risks) 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 Sustainability & Impact 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 Chief Executive Officers 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 systems);
- 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).

TABLE 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 vulnerable 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, retain its employees and guarantee a suitable working environment. Crédit Agricole Group is particularly concerned about the safety of its employees, especially given the current war in Ukraine, which has hit Crédit Agricole Ukraine employees and their families very hard.**

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 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).

- 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 customer 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 rolled out a dedicated home insurance offer for young tenants in 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 by the automated system, the customer in question will receive a letter proposing and describing the advantages of the "LCL Initial" offer, a package of banking services to 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 Group'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, 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, the 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

- Attract and develop employees and prepare for succession: three priority challenges have been defined: to develop gender diversity in management positions, internationalise talent pools and enhance inputs to succession planning for the Group and its business lines.
- Attract and retain employees: in a highly competitive financial sector, attracting and retaining the talent the Group needs is one of the key factors in its development. The international dimension of Crédit Agricole provides employees with a multicultural working environment and multiple opportunities for development through the diversity of its business lines.
- Talent management: the Group supports its talents, providing them with the opportunity to join working groups tackling strategic problems and to access mentoring programmes, strengthening leadership, and to complete training in various subjects, such as new technologies.
- 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.
- Mobility: the Group is particularly attentive to fostering mobility between 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.
- The internationalisation of talent pools: this is a major challenge for Crédit Agricole. This criterion is one of the indicators for steering the human-centric 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.

Career development: evaluation and training

- Employee evaluation: Crédit Agricole's employees go through an Evaluation and Development process to allow each of them to play an active role in their own development and performance. The two interviews making up the evaluation structure are formalised in the career management tool and have the following objectives:
  - for the Responsibility Evaluation: to share the skill assessment and performance evaluation and to discuss the workload;
  - for the Career Interview: to share ideas about the employee's career development and any potential training needs.
- Training: the evolution and development of employees' skills is one of Crédit Agricole's major challenges, with three key areas:
  - an environment that encourages learning new things to ensure sustainable employability for employees;
  - continuous skills development and continuous adjustment to how jobs are changing;
  - the acquisition of new skills, the anticipation of future skills and keeping in step with technological changes and the regulatory changes of the Group's business model.
- The Executive Programme: Crédit Agricole engages all of its executives in a development journey that is designed to help them accelerate their own transformation and their management styles vis-à-vis their teams.
- Supporting the Societal Project: Crédit Agricole has continued to develop its training ecosystem entirely dedicated to the Societal Project. The offer has been developed and enhanced to mobilise resources enabling the acculturation of the majority of employees to environmental and societal challenges and to provide training for evolving jobs and activities through specific tools designed to enhance employees' skills and for needs by target audience and business line.

- The managerial transformation: the organisational and managerial transformation process, propelled by the Human-centred project, continued within Crédit Agricole S.A.'s entities, with actions to promote accountability based on new managerial practices, training courses and awareness programmes.
- The adaptation of jobs to technological changes: Crédit Agricole S.A. has launched the Digit Academy, a platform that offers IT, Digital and Data employees a new experience in learning, skills development and networking, including via their engagement in expert communities.

Strengthen the Group's commitment to diversity

- The Group pays particular attention to:
  - gender parity in all its activities and at all reporting levels of its organisation;
  - young people, by committing to welcoming and supporting 50,000 young people by 2025;
  - employment of people with disabilities;
  - raising awareness among all of its employees.
- Gender equality at work:
  - For several years, Crédit Agricole 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 discover talent: training in the role of Director; a mentoring programme by members of the Group Executive Committee for future executives; programmes to support potential: the "EVE" programme and development programmes for young female talent.
- Disability policy: the seventh Crédit Agricole S.A. agreement to promote the employment of people with disabilities for the 2023-2025 period is a continuation of the Group's ambitious policy.

A major commitment to young people

As part of the societal project, Crédit Agricole S.A. 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 employees' feedback: the Accountability Index (*Indice de Mise en Responsabilité,* IMR) of Crédit Agricole S.A. is an 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 three key principles: empowerment of employees, strengthening close customer relations and developing a framework of trust.
- Workplace Health and Safety: the Group's strategy regarding physical safety is based on risk prevention by training employees to enable them to adopt appropriate behaviour and acquire effective safety practices. Training courses and awareness-raising initiatives were provided to this end.
- Quality of Life in the Workplace: prevention and support actions for employees are implemented (free screening and vaccination campaigns, ergonomic advice, nutrition and stress management advice, 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.
- The social offer: accordingly, 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 Group 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 (24/7) via a single independent link on the Crédit Agricole website.

Sharing value creation

- Rewards: The reward policy is one of the three founding principles of the human-centric project: empowering employees, strengthening customer relations and fostering an atmosphere of trust. It should be noted that this policy includes provisions on gender neutrality and processes aimed at closing the compensation gaps.
- A decent wage: the Group'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-centric project, Crédit Agricole 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. proposes an annual capital increase offer reserved for Group employees and retirees.
- Health and welfare arrangements: The Global Agreement signed by Crédit Agricole S.A. with UNI Global Union includes a significant commitment in terms of health, disability, invalidity and death. The Group performs a regular inventory to ensure that devices comply with local legal obligations for all entities worldwide. In addition to these obligations, almost all Group employees are covered by supplementary health and welfare insurance.
- 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 Crédit Agricole S.A.'s employees in all its geographical locations.
- Crédit Agricole S.A. And UNI Global Union signed a new Global Agreement [(1)] on 9 October 2023. This four-year agreement reiterates the commitments of the previous agreement concerning respect for human rights and fundamental social rights, and addresses new issues such as the principles of teleworking and the duty of care, where UNI Global Union has recognised expertise on human and fundamental rights at work.

(1) https ://www.credit-agricole.com/responsable-et-engage/employeur-responsable

- 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 reorganisations: 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, the 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; 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

The Group participates in an open dialogue to inform regulators of the consequences of their decisions, enhance the customer-focused universal banking economic model and promote its Raison d'Être in the interest of its customers and society. In 2023, the main focus was on the financing of the economy, support for the energy transition and preservation of the special features of the mutualist banking model. In addition, the Group contributed to consultations with French and European authorities on such topics as retail investment strategy, the management of banking crises, the digital transformation of the banking sector and sustainable finance.

RESPONSIBLE PURCHASING

- **The Crédit Agricole Group has adopted a responsible purchasing policy in order to meet the major challenges of the future and contribute to the overall performance of the company.** A low-carbon transition component was added to this policy in 2023. It is now based on six commitments: ensuring responsible behaviour in supplier relations, contributing to the economic competitiveness of the ecosystem, sustainably improving the quality of relations with suppliers, integrating environmental and social aspects into purchasing activities, taking action for the transition to a low-carbon economy, and integrating this responsible purchasing policy into the existing governance mechanisms.
- **Ensuring responsible behaviour in the supplier relationship:** Crédit Agricole S.A. actively monitors its supplier payment deadlines. Improvement plans to reduce average payment terms are included on the agenda of the Group's Supplier Risk Committee.
- **Contributing to the economic performance of the ecosystem:** the Purchasing business line promotes inclusive purchasing in order to strengthen cohesion and social inclusion through: purchasing to develop employment in the regions (companies located in rural revitalisation areas (ZRR), priority neighbourhoods of the city policy (QPV), or companies in the social and solidarity economy); purchasing as a driver for the employment of vulnerable groups (sheltered and disability-friendly working structures, workforce integration structures).
- **Sustainably improving the quality of relationships with suppliers:** a Responsible Purchasing Charter is attached to all supplier contracts containing reciprocal commitments based on the fundamental principles of the United Nations Global Compact.
- **Integrating environmental and societal aspects into our purchasing:** the Purchasing business line has extended the integration of the CSR dimension to all purchasing projects in order to evaluate the CSR performance of suppliers and goods and services purchased (raised to at least 15% of the overall score). For critical purchasing categories, this score can rise to 30-40% of the overall score for short-listed suppliers.
- **Taking action for the climate and transition to a low carbon economy:** Crédit Agricole S.A. is committed to making 40% of its external expenditure with suppliers who have adopted science-based reduction targets. In parallel, a roadmap is being developed, based on three projects:
  - framing and implementing emissions reduction by supporting all the players in the purchasing ecosystem in an adapted and harmonised system;
  - measuring and reporting emissions reductions taking into account reporting requirements;
  - defining and managing a governance system with the stakeholders and partners in the project.

CYBERSECURITY AND FIGHTING 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).

Fighting 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.

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 Sustainability & Impact, Risk, Compliance, Purchasing and HR departments. They are also used to assess the material risks directly related to the 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 2023, 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 excluding maternity leave;
- 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 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. 13 sector CSR policies are currently published in the following sectors: armaments, energy (oil and gas, oil and shale gas, coal-fired power stations, nuclear, hydropower), mines and metals, construction (real estate, transport infrastructure), transport (aviation, shipping, automobile), forests and palm oil.
- **An analysis of the sensitivity of the transactions' in particular with regard to the social aspect:** the 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.

- 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 MSE 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 MSEs (medium-sized enterprises) 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 MSE 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). 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 and social 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.

In terms of functioning, with regard to the inclusion of social concerns and risks in its decisions, the Board has chosen to entrust the review of its ESG strategy to a dedicated Committee, the Societal Commitment 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:

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 Societal Commitment Committee,** chaired by the Chairman of the Board of Directors, reviews and approves 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.
- 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 management framework of the entities and business lines before proposing their adoption to the Board.
- 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 executives 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" of the Universal Registration Document).

- 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.

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.

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 oversees the implementation of the Group's societal commitments and the alignment of its ESG strategy within the Crédit Agricole Group, and examines potential files relating to ESG issues. Held three times a year, it may also call on the Scientific Committee to look into issues where the scientific aspect is key.
- 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 2023, the Committee met eight times to decide on methodological choices, steer sector-specific work 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 11 external members** who are recognised experts in climate and environmental issues (academic partners or individuals). It meets at least twice a year.

At the level of 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 implementation, tracks its progress and monitors the 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 **Crédit 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 business sector, 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 Societal Commitment Committee and the Strategy Committee, is a sponsor of the Societal Project, which is one of the three main pillars of its Group Project. He reports on these Committees' work to the Board of Directors, which approves the strategic guidelines. They work 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 2023 and the plenary session of the European Works Council (EWC) at the end of 2023. 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, a coordinated and comprehensive approach is taken with respect to the major issues of attractiveness, employee retention and working environment, all to enhance Crédit Agricole S.A.'s employer brand through seven initiatives:

- offering multiple career opportunities;
- training its employees;
- to amplify diversity 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.

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 Crédit Agricole S.A.'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 Board of Directors of Crédit Agricole S.A. 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, after review by the Appointments and Governance Committee, on the progress made in the deployment of the ethics 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 relationships with customers, suppliers, service providers and employees.

As a distributor of financial and insurance products and services, Crédit Agricole Group 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. Parent Company 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. Parent Company and the consolidated companies over which Crédit Agricole S.A. Parent Company 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.

In addition, as part of the International Framework Agreement signed with UNI Global Union in 2019 and extended until 31 July 2023, the commitment to respect human rights, freedom of association and trade union rights was 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 Sustainability & Impact 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 Committee:

- monitoring of the "2025 Ambitions" Medium-Term Plan and monitoring of work begun under the Human Project and Societal Project;
- proposed acquisitions and disposals;
- the integrated report and the Company's 2022 CSR performance.

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 management framework 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 Strategy, 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 the 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 Crédit Agricole S.A. Parent Company;
- the Non-Financial Performance Statement, the updated vigilance plan and the annual statement to the UK authorities under the Modern Slavery Act;
- the review of the results of the Accountability Index.

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 frameworks 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 2023, 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.

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 Crédit Agricole S.A. Parent Company 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 Crédit Agricole Group Risk Committee (CRG)** reviews and approves the Group-level risk frameworks presented by the entities and business lines (risk frameworks of subsidiaries or by business sector, geographic area or issue).
- **The Sustainability & Impact department of Crédit Agricole Group** identifies the major societal issues for the Group, initiates and coordinates the implementation of the ESG strategy and structures all of the social and environmental initiatives within a CSR business line. It is structured around two main divisions: coordination of the Societal Commitment business line and ESG expertise.

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. Accordingly, for 2023, the weighting of non-financial environmental and social criteria in the allocation of the annual variable compensation of executive corporate officers has been harmonised for the Chief Executive Officer and the Deputy Chief Executive Officers and increased to 20%, broken down as follows: 10% for criteria related to societal CSR; 10% for criteria related to environmental CSR.
- In addition, since the 2023 performance year, the vesting of the long term incentive compensation granted in the form of free performance shares is 33.33% conditioned on a target linked to Crédit Agricole S.A.'s environmental and societal performance. This is measured against two objectives: (1) helping to achieve carbon neutrality by 2050 and (2) amplifying diversity and gender parity across all Crédit Agricole S.A. entities and within its governance.

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 https://www.ca-cib.fr/nous-connaitre/responsable-et-engage/notre-politique-de-financement-durable).

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 (cf. https://www.ca-cib.fr/nous-connaitre/responsable-et-engage/notre-politique-de-financement-durable). 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 Crédit Agricole CIB 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. Crédit Agricole CIB uses the scores calculated by a non-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 Crédit Agricole CIB'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 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 Crédit Agricole CIB'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 the Crédit Agricole CIB and customers responsible for negative social impacts. This risk is managed through sensitivity analysis and CERES Committee recommendations for Sensitive transactions or customers.

TABLE 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

NET ZERO COMMITMENTS FOR FINANCING ACTIVITIES – MONITORING THE PERFORMANCE OF CORPORATE CUSTOMERS

To achieve these targets, Crédit Agricole has drawn up sector and business line action plans. In 2022 and then in 2023, Crédit Agricole published a Climate Workshop press release in which it outlines the 2030 targets, in line with the Net Zero Banking Alliance, for ten sectors (oil & gas, electricity, automotive, aviation, shipping, commercial real estate, residential real estate, agriculture, cement and steel) 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 Responsible Investment 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: company 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, in particular 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: the ESG analysis is carried out by the Responsible Investment team and is integrated into Amundi's portfolio management systems. It is available in real time in the managers' tools to provide them, in addition to financial ratings, with immediate access to the ESG scores of companies and sovereign issuers.
- Amundi has defined its own analysis framework and developed its ESG rating methodology. This methodology is both proprietary and centralised. This fosters a consistent approach to responsible investing across the entire organisation, in line with Amundi's values and priorities.
- On the listed markets, Amundi has developed two main ESG rating methodologies, one for corporate issuers and the other for sovereign entities. Our approach is based on universal documents such as the United Nations Global Compact, the OECD Guidelines on Corporate Governance, the International Labour Organisation (ILO), the United Nations Framework Convention on Climate Change (UNFCCC) etc. The ESG rating aims to measure an issuer's ESG performance, such as its ability to anticipate and manage sustainability risks and opportunities inherent in its sector and individual situations. The ESG rating also assesses a company's ability to manage the potential negative impact of its activities on the sustainability factors that could affect it. The analysis is based mainly on 22 external data providers.

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 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 submitted for opinion to the Sustainability & Impact department 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 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 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 non-financial 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 BANKING PORTFOLIO – INDICATORS OF TRANSITION RISK POTENTIALLY RELATED TO CLIMATE CHANGE

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	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount *(in millions of euros)*					**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)*			**Breakdown by maturity bucket**				
Sector/subsector			**Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12-(1) points (d) to (g) and Article 12-(2) of Regulation (EU) 2020/1818**	**Of which environmentally sustainable (CCM)**	**Of which Stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**		**Of which Scope 3 financed emissions**	**GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting**	**≤5 years**	**>5 years ≤10 years**	**>10 years ≤20 years**	**>20 years**	**Average weighted maturity**
1	EXPOSURES TOWARDS SECTORS THAT HIGHLY CONTRIBUTE TO CLIMATE CHANGE*	421,915	10,963	5,311	57,656	13,153	(10,836)	(3,144)	(6,147)	-	-	-	232,472	82,121	91,986	15,336	6.50
2	A – Agriculture, forestry and fishing	50,914	0	0	6,883	1,731	(1,817)	(488)	(1,088)	-	-	-	20,917	16,778	12,444	775	7.19
3	B – Mining and quarrying	8,098	2,505	22	1,522	334	(250	(170)	(73)	-	-	-	6,831	951	259	57	2.57
4	B.05 – Mining of coal and lignite	72	55	-	2	0	(0)	(0)	(0)	-	-	-	72	0	-	0	0.60
5	B.06 – Extraction of crude petroleum and natural gas	4,751	1,755	18	754	24	(117)	(110)	(2)	-	-	-	3,958	523	232	38	2.74
6	B.07 – Mining of metal ores	1,625	603	0	565	131	(65)	(56)	(9)	-	-	-	1,462	161	0	1	1.88
7	B.08 – Other mining and quarrying	671	86	0	186	148	(62)	(4)	(56)	-	-	-	467	176	27	0	3.39
8	B.09 – Mining support service activities	980	6	3	15	31	(6)	(0)	(5)	-	-	-	872	90	0	18	2.49
9	C – Manufacturing	79,203	5,685	1,274	9,106	1,953	(1,541)	(453)	(914)	-	-	-	66,348	9,431	1,909	1,515	3.00
10	C.10 – Manufacture of food products	12,384	0	0	1,300	429	(355)	(87)	(216)	-	-	-	9,212	2,304	553	314	3.96
11	C.11 – Manufacture of beverages	5,889	-	-	421	60	(97)	(29)	(36)	-	-	-	4,481	927	404	77	3.92
12	C.12 – Manufacture of tobacco products	8	0	-	1	0	(0)	(0)	(0)	-	-	-	7	0	-	0	1.44
13	C.13 – Manufacture of textiles	1,271	0	0	258	24	(22)	(7)	(12)	-	-	-	916	265	54	35	4.29
14	C.14 – Manufacture of wearing apparel	517	-	-	68	64	(33)	(3)	(29)	-	-	-	469	26	11	12	3.09
15	C.15 – Manufacture of leather and related products	860	-	0	77	25	(14)	(2)	(11)	-	-	-	810	33	15	3	1.64
16	C.16 – Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	1,244	-	0	116	41	(32)	(4)	(24)	-	-	-	735	375	59	75	5.87
17	C.17 – Manufacture of pulp, paper and paperboard	1,483	0	11	227	29	(31)	(10)	(17)	-	-	-	1,220	233	7	23	3.22
18	C.18 – Printing and service activities related to printing	536	-	-	94	28	(19)	(3)	(15)	-	-	-	434	77	7	17	3.88
19	C.19 – Manufacture of coke oven products	3,140	630	16	160	62	(17)	(3)	(14)	-	-	-	2,771	280	71	18	1.97
20	C.20 – Production of chemicals	5,230	139	13	689	32	(57)	(30)	(21)	-	-	-	4,238	793	105	95	3.17
21	C.21 – Manufacture of pharmaceutical preparations	2,929	0	0	260	5	(33)	(28)	(3)	-	-	-	2,461	419	16	34	3.14

	Sector/subsector	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount *(in millions of euros)*					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)*			Breakdown by maturity bucket				
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12-(1) points (d) to (g) and Article 12-(2) of Regulation (EU) 2020/1818	Of which environmentally sustainable (CCM)	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	≤5 years	>5 years ≤10 years	>10 years ≤20 years	>20 years	Average weighted maturity
22	C.22 – Manufacture of rubber products	2,440	-	0	618	45	(51)	(19)	(20)	-	-	-	1,838	523	35	44	3.87
23	C.23 – Manufacture of other non-metallic mineral products	1,778	0	36	332	65	(47)	(10)	(33)	-	-	-	1,431	243	34	69	3.93
24	C.24 – Manufacture of basic metals	7,416	4,527	216	454	66	(73)	(57)	(13)	-	-	-	7,079	290	20	28	1.17
25	C.25 – Manufacture of fabricated metal products, except machinery and equipment	5,195	81	233	1,122	325	(231)	(47)	(165)	-	-	-	4,292	693	135	75	3.13
26	C.26 – Manufacture of computer, electronic and optical products	6,149	18	2	190	20	(22)	(9)	(8)	-	-	-	5,696	343	36	74	1.52
27	C.27 – Manufacture of electrical equipment	2,992	228	230	390	57	(28)	(10)	(16)	-	-	-	2,578	348	12	54	3.09
28	C.28 – Manufacture of machinery and equipment n.e.c.	5,087	0	239	788	180	(163)	(28)	(128)	-	-	-	4,540	400	50	97	2.63
29	C.29 – Manufacture of motor vehicles, trailers and semi-trailers	7,619	27	240	660	67	(56)	(15)	(36)	-	-	-	7,239	148	39	193	2.10
30	C.30 – Manufacture of other transport equipment	2,209	35	34	260	140	(42)	(19)	(20)	-	-	-	1,861	178	85	85	3.79
31	C.31 – Manufacture of furniture	551	-	0	163	82	(33)	(3)	(29)	-	-	-	388	94	58	10	4.57
32	C.32 – Other manufacturing	1,036	-	4	192	43	(34)	(12)	(20)	-	-	-	777	163	34	62	4.96
33	C.33 – Repair and installation of machinery and equipment	1,241	-	0	266	63	(51)	(18)	(29)	-	-	-	873	275	72	20	4.21
34	D – Electricity, gas, steam and air conditioning supply	30,747	1,672	2,559	2,260	549	(299)	(86)	(154)	-	-	-	19,990	4,764	4,814	1,180	5.17
35	D35.1 – Electric power generation, transmission and distribution	26,732	603	2,543	1,970	530	(257)	(64)	(147)	-	-	-	18,009	3,677	3,896	1,151	5.07
36	D35.11 – Production of electricity	21,388	339	1,839	1,499	429	(242)	(59)	(140)	-	-	-	13,433	3,290	3,670	996	5.62
37	D35.2 – Manufacture of gas; distribution of gaseous fuels through mains	3,756	1,033	11	285	19	(42)	(22)	(7)	-	-	-	1,866	1,024	859	7	5.60
38	D35.3 – Steam and air conditioning supply	259	35	5	5	0	(0)	(0)	(0)	-	-	-	115	63	60	21	8.79
39	E – Water supply; sewerage, waste management and remediation activities	3,106	39	86	364	53	(50)	(10)	(34)	-	-	-	1,621	701	705	79	6.41
40	F – Construction	18,253	79	202	3,640	1,170	(987)	(187)	(676)	-	-	-	13,933	2,263	1,354	702	4.71
41	F.41 – Construction of buildings	8,096	42	98	1,019	570	(480)	(69)	(349)	-	-	-	6,098	754	871	373	5.04
42	F.42 – Civil engineering	2,261	37	73	481	65	(74)	(15)	(48)	-	-	-	1,655	299	208	99	5.02
43	F.43 – Specialised construction activities	7,896	-	31	2,140	535	(433)	(103)	(280)	-	-	-	6,179	1,210	276	230	4.29

Sector/subsector	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Gross carrying amount *(in millions of euros)*					**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)*			**Breakdown by maturity bucket**				
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12-(1) points (d) to (g) and Article 12-(2) of Regulation (EU) 2020/1818	**Of which environmentally sustainable (CCM)**	**Of which Stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**		**Of which Scope 3 financed emissions**	**GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting**	**≤5 years**	**>5 years ≤10 years**	**>10 years ≤20 years**	**>20 years**	**Average weighted maturity**
44 G – Wholesale and retail trade; repair of motor vehicles and motorcycles	65,872	236	16	9,187	2,842	(1,947)	(341)	(1,344)	-	-	-	45,345	13,560	5,402	1,565	4.29
45 H – Transportation and storage	30,611	747	861	6,517	1,087	(441)	(105)	(285)	-	-	-	21,687	6,687	1,630	607	4.34
46 H.49 – Land transport and transport via pipelines	12,824	540	732	1,528	173	(129)	(37)	(67)	-	-	-	9,202	2,820	603	198	4.25
47 H.50 – Water transport	8,929	206	0	2,481	350	(172)	(17)	(147)	-	-	-	6,457	1,683	488	302	4.50
48 H.51 – Air transport	5,462	0	4	2,051	509	(87)	(38)	(46)	-	-	-	3,652	1,514	238	58	4.19
49 H.52 – Warehousing and support activities for transportation	3,219	0	103	450	52	(51)	(14)	(24)	-	-	-	2,222	655	300	41	4.57
50 H.53 – Postal and courier activities	177	-	22	7	2	(2)	(0)	(1)	-	-	-	154	15	1	8	3.40
51 I – Accommodation and food service activities	15,493	-	0	5,255	992	(963)	(363)	(472)	-	-	-	8,623	4,178	2,299	393	5.94
52 L – Real estate activities	119,618	-	291	12,920	2,442	(2,540)	(942)	(1,108)	-	-	-	27,179	22,808	61,169	8,462	11.23
53 EXPOSURES TOWARDS SECTORS OTHER THAN THOSE THAT HIGHLY CONTRIBUTE TO CLIMATE CHANGE*	**163,775**	**696**	**359**	**11,787**	**4,571**	**(2,487)**	**(508)**	**(1,674)**	**-**	**-**	**-**	**104,522**	**30,050**	**10,503**	**18,700**	**6.51**
54 K – Financial and insurance activities	74,193	609	207	1,580	1,326	(611)	(84)	(437)	-	-	-	46,988	9,078	3,730	14,398	7.88
55 Exposures to other sectors (NACE codes J, M – U)	89,581	86	151	10,207	3,245	(1,875)	(424)	(1,237)	-	-	-	57,534	20,972	6,773	4,303	5.37
56 TOTAL	**585,690**	**11,658**	**5,669**	**69,443**	**17,724**	**(13,322)**	**(3,651)**	**(7,821)**	**-**	**-**	**-**	**336,994**	**112,171**	**102,489**	**34,036**	**6.50**

* 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.

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 2023 reporting, the Crédit Agricole Group changed the source of this information and now uses data supplied by Clarity AI to gather a list of corporates excluded from Paris Agreement benchmarks. The variations observed result from the fact that for this financial year, the Crédit Agricole Group refined its methodology. Corporates excluded from the Paris Agreement benchmarks are now identified at legal entity level and no longer at the consolidated level of the group to which they belong, as was the case in 2022.

In addition, the institutions allocate exposures to non-financial corporates, i.e. loans and receivables, debt securities and equity instruments classified in the banking portfolio, 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.

The Crédit Agricole Group has not published the columns relating to greenhouse gas emissions financed but has taken steps 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	h	i	j	k	l	m	n	o	p
		Total gross carrying amount *(in millions of euros)*															
			Level of energy efficiency (EP score in kWh/m² of collateral)						**Level of energy efficiency (EPC label of collateral)**							**Without EPC label of collateral**	
Counterparty sector			**0; ≤100**	**>100; ≤200**	**>200; ≤300**	**>300; ≤400**	**>400; ≤500**	**>500**	**A**	**B**	**C**	**D**	**E**	**F**	**G**		**Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated**
1	**TOTAL EU AREA**	**562,862**	**80,518**	**165,421**	**155,081**	**63,167**	**21,160**	**18,844**	**7,295**	**6,356**	**18,697**	**32,372**	**22,687**	**13,008**	**11,176**	**451,272**	**84.2%**
2	Of which Loans collateralised by commercial immovable property	86,989	10,944	11,870	11,720	5,458	3,379	5,713	710	908	735	867	985	741	574	81,470	52.8%
3	Of which Loans collateralised by residential immovable property	475,849	69,574	153,552	143,361	57,709	17,781	13,131	6,585	5,448	17,962	31,506	21,702	12,267	10,601	369,777	91.1%
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	25	-	-	-	-	-	-	-	-	-	-	-	-	-	25	-
5	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	380,061	62,745	125,666	113,020	47,705	16,177	14,750								380,061	100.0%
6	**TOTAL NON-EU AREA**	**12,605**	**108**	**309**	**255**	**59**	**0**	**26**	**75**	**133**	**314**	**208**	**27**	**0**	**-**	**11,848**	**-**
7	Of which Loans collateralised by commercial immovable property	6,727	105	303	248	59	0	26	73	132	312	198	26	-	-	5,987	-
8	Of which Loans collateralised by residential immovable property	5,878	3	6	6	0	0	0	2	1	2	10	1	0	-	5,861	-
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	-	-	-	-	-	-	-								-	

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/m²/year) in lines 5 and 10 of the model. The Crédit Agricole Group has estimated the energy performance of properties for which an energy performance certificate (DPE) is not available, only in the scope of 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 commercial buildings. On 2 June 2023, moreover, the European banking authority published a technical package for version 3.3 of its reporting framework. This technical package introduces checks to apply to the Pillar 3 ESG reporting tables. In order to comply with these checks, the Crédit Agricole Group has deducted primary energy consumption based on the labels shown on energy performance certificates, and has included this consumption in the ranges of actual energy efficiency levels (and not in the column entitled "estimated energy efficiency level").

MODEL 3 – BANKING PORTFOLIO – INDICATORS OF TRANSITION RISK POTENTIALLY RELATED TO CLIMATE CHANGE: ALIGNMENT PARAMETERS

a	b	c	d	e	f	g
Sector	**NACE Sectors (a minima)**	**Portfolio gross carrying amount** *(in millions of euros)*	**Alignment metric**	**Year of reference**	**Distance to 2030 reference value of IEA NZE 2050 in %**	**Target (2030)**
Power	3511; 3513; 3514; 3530; 3821	16,500	gCO_2e/kWh	2020	20	95.00
Fossil fuel combustion	0610; 0620; 1920; 3522; 4671; 4950	12,500	$MtCO_2e$	2020	43	6.10
Automotive	2910; 6430; 7711	38,500	gCO_2e/km	2020	77	95.00
Aviation	5110; 7735	9,600	gCO_2e/RTK	2019		750.00
Maritime transport	5020; 7734	6,600	$gCO_2e/DWT.nm$	2020		3.98
Cement, clinker and lime production	2311; 2351; 2370	700	$kgCO_2e/t$	2020	42	537.00
Iron and steel, coke, and metal ore production	2410; 2420; 2511	1,540	tCO_2e/t	2020	32	1.40
Commercial Real Estate (P4)	4110; 5510; 6820; 6832	64,500	$kgCO_2e/m^2/an$	2020	177	22.00

NOTES AND COMMENTS

a) Sectors	Sectors covered with a 2030 target by CASA as of December 31, 2023
b) NACE Sectors (a minima)	Non-exhaustive list of NACE of CASA's clients included in the NZBA trajectory
c) Portfolio gross carrying amount (Mn EUR)	Calculation base alignmed with the perimeters covered with NZBA by CASA as of December 31, 2023 at the year of reference
d) Alignment metric	Alignment with CASA's NZBA commitments metrics as of December 31, 2023.
e) Year of reference	Alignment with CASA's NZBA commitments baselines years as of December 31, 2023.
f) Distance to IEA NZE2050 in %	*1) When public, use of the 2030 target values of the reference scenarios of the NZBA commitments (IEA ZEN 2050 for all sectors, except Commercial Real Estate where CRREM is used);* *2) In the absence of a public 2020 target value (for Aviation and Maritime Transport), the distance is not yet indicated on 31 December 2023* *3) For Oil & Gas, in the absence of a directly comparable indicator, calculation of the distance from the reference reduction of the IEA NZE (-30%) applied to the CASA portfolio*
g) Target (year of reference + 3 years)	As of December 31, 2023, the table shares the 2030 targets as defined under the NZBA instead of three-year targets.

In 2021 and again in 2022, the Crédit Agricole Group and its various entities decided to join four coalitions of financial institutions committed to carbon neutrality by 2050. While each of the coalitions implies commitments specific to each business line, certain requirements form a common base: the setting of both long term (2050) and short-medium term (2025, 2030) targets with intermediate milestones; the establishment of a baseline year for annual measurement of emissions; the choice of a stringent decarbonisation scenario recognised by science; and the validation of targets and trajectories by the highest governance bodies. With this background, the Crédit Agricole Group decided to provide itself with extensive resources to define targets and pathways in line with a net zero scenario. 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.

At the level of the Crédit Agricole Group, the materiality analysis resulted in the prioritisation of the 10 most material sectors in our financing portfolios (oil and gas, electricity production, maritime transport, aviation, private residential real estate, commercial real estate, automotive, agriculture, steel and cement). These 10 sectors represent approximately 60% of the Crédit Agricole Group's outstandings and approximately 75% of global greenhouse gas emissions, which supports the fact that these are the priority sectors to target to address the challenge of climate change. For our Regional Bank, the materiality analysis resulted in the prioritisation of the five most material sectors in our financing portfolios: private residential real estate, commercial real estate, automotive, agriculture and electricity production.

In 2022 and 2023, we calculated the starting point (in 2020), per sector, of our emissions financed in several sectors. We used the PCAF [(1)] methodology, which consists in calculating, loan by loan, the share of our customers' emissions that we can allocate to ourselves as a bank, based on a formula adapted to each sector, customer type and available data. This methodology enables us to adopt a robust and granular approach, adaptable over time in order to obtain increasingly precise data.

As regards the choice of metrics and scenarios, in order to align our portfolios with the target of limiting global warming to 1.5°C, we have based our trajectories on the work of the IEA [(2)] (NZE 2050 scenario [(3)]) for most sectors, sometimes using other more granular and specific scenarios for certain sectors. As regards the definition of interim targets, the Group presents its targets and milestones in Chapter 2 "Non-financial performance" of the 2023 Universal Registration Document of Crédit Agricole S.A. The targets are fixed up to 2030.

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 (aggregate)	**Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)***	**Of which environmentally sustainable (CCM)**	**Average weighted maturity**	**Number of top 20 polluting firms included**
1	6,093	0.38%	25.45	3.06	15

* For counterparties among the top 20 carbon emitting companies in the world.

In this model, institutions report aggregate exposures 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 ending 31 December 2023, the share of these off-balance sheet exposures amounted to €7,795 million.

(1) Partnership for Carbon Accounting Financials is a global partnership of institutions, created by the financial sector, working together to develop and set up a harmonised method to account for the carbon footprint of their loans and investments. This initiative provides financial institutions with the necessary starting point to define scientific targets and align their portfolios with the Paris Agreement.
(2) The International Energy Agency is an international organisation founded by the OECD that addresses a wide range of issues, from electrical safety to investments, climate change, air pollution and energy access and efficiency.
(3) Net Zero Emission is a roadmap established by the International Energy Agency that presents a cross-sectoral energy transition scenario for the achievement of net zero emissions by 2050.

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	h	i	j	k	l	m	n	o
		Gross carrying amount													
			Of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					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	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Geographical zone: total perimeter		≤5 years	>5 years ≤10 years	>10 years ≤20 years	>20 years	Average weighted maturity							Of which Stage 2 exposures	Of which non-performing exposures
1	A – Agriculture, forestry and fishing	50,914	3,136	1,817	976	123	6.81	2,769	3,283	5,462	791	239	(254)	(60)	(165)
2	B – Mining and quarrying	8,098	1,343	281	84	8	3.07	647	1,069	1,710	185	38	(22)	(12)	(7)
3	C – Manufacturing	79,203	9,132	1,066	176	173	2.94	4,091	6,455	9,698	1,132	232	(166)	(51)	(97)
4	D – Electricity, gas, steam and air conditioning supply	30,747	2,527	671	389	104	4.44	1,519	2,172	3,624	456	102	(30)	(8)	(18)
5	E – Water supply; sewerage, waste management and remediation activities	3,106	183	59	61	7	6.01	128	182	294	55	5	(6)	(2)	(3)
6	F – Construction	18,253	1,675	271	179	107	5.40	979	1,251	2,062	432	168	(139)	(24)	(101)
7	G – Wholesale and retail trade; repair of motor vehicles and motorcycles	65,872	6,118	1,468	584	184	4.05	3,638	4,716	7,928	1,109	370	(252)	(41)	(182)
8	H – Transportation and storage	30,611	2,501	804	195	55	4.46	1,480	2,075	3,463	766	134	(56)	(14)	(36)
9	L – Real estate activities	119,618	3,520	2,901	8,279	1,168	12.88	7,010	8,858	14,088	1,760	367	(360)	(133)	(161)
10	Loans collateralised by residential immovable property	480,042	2,114	6,866	27,937	20,118	21.34	21,526	35,510	44,861	5,692	504	(427)	(208)	(175)
11	Loans collateralised by commercial immovable property	93,147	2,791	2,284	5,636	418	11.81	5,104	6,025	9,705	1,435	356	(320)	(110)	(152)
12	Repossessed collaterals	25	-	-	-	-		-	-	-	-	-	-	-	-
13	I – Accommodation and food service activities	15,493	1,485	686	421	65	6.66	1,165	1,492	2,374	905	172	(159)	(53)	(86)
14	J – Information and communication	20,383	1,688	254	35	75	3.62	878	1,175	2,021	167	14	(20)	(9)	(7)
15	K – Financial and insurance activities	74,193	7,174	1,101	486	1,692	6.94	4,681	5,772	10,348	259	287	(121)	(9)	(101)
16	M – Professional, scientific and technical activities	16,062	712	399	248	103	8.13	591	871	1,342	149	56	(38)	(7)	(26)
17	N – Administrative and support service activities	17,109	1,364	285	78	47	4.04	752	1,021	1,724	227	44	(32)	(6)	(22)
18	O – Public administration and defence; compulsory social security	1,054	13	3	4	2	7.72	10	12	22	0	0	(0)	(0)	(0)
19	P – Education	1,616	53	24	36	9	9.65	53	68	109	15	8	(7)	(1)	(6)
20	Q – Human health and social work activities	9,775	497	183	100	25	6.12	351	455	756	135	87	(30)	(7)	(21)
21	R – Arts, entertainment and recreation	1,989	100	34	37	3	7.36	69	106	151	48	14	(9)	(2)	(7)
22	S – Other service activities	2,192	97	51	33	17	9.87	75	123	157	36	15	(11)	(2)	(8)
23	T – Activities of households as employers; undifferentiated goods – and services – producing activities of households for own use	514	22	13	0	0	3.97	16	19	35	1	1	(0)	(0)	(0)
24	U – Activities of extraterritorial organisations and bodies	103	0	1	1	0	10.11	1	1	2	1	0	(0)	(0)	(0)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount													
		Of which exposures sensitive to impact from climate change physical events													
			Breakdown by maturity bucket										Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Geographical Zone: France		≤5 years	>5 years ≤10 years	>10 years ≤20 years	>20 years	Average weighted maturity	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
1	A – Agriculture, forestry and fishing	46,506	2,355	1,687	849	79	6.83	2,414	2,557	4,663	611	155	(169)	(41)	(104)
2	B – Mining and quarrying	598	23	12	2	4	7.15	19	22	41	11	3	(1)	(0)	(1)
3	C – Manufacturing	30,640	1,504	439	111	76	4.75	964	1,167	2,101	376	84	(68)	(19)	(40)
4	D – Electricity, gas, steam and air conditioning supply	13,034	395	113	225	68	8.07	363	438	788	36	10	(7)	(2)	(2)
5	E – Water supply; sewerage, waste management and remediation activities	1,658	47	26	24	5	7.33	46	55	100	11	3	(2)	(0)	(2)
6	F – Construction	13,517	1,057	192	138	65	5.33	683	770	1,414	343	81	(73)	(18)	(44)
7	G – Wholesale and retail trade; repair of motor vehicles and motorcycles	46,726	2,830	1,302	530	117	5.37	2,220	2,560	4,653	743	242	(166)	(31)	(113)
8	H – Transportation and storage	9,399	406	155	52	27	5.63	290	349	629	106	19	(13)	(3)	(8)
9	L – Real estate activities	108,961	2,065	2,635	8,120	1,160	13.98	6,264	7,716	12,452	1,565	219	(284)	(125)	(95)
10	Loans collateralised by residential immovable property	445,018	1,908	6,094	26,938	19,259	20.76	21,158	33,040	44,076	5,386	467	(392)	(192)	(160)
11	Loans collateralised by commercial immovable property	78,181	1,203	1,872	5,408	392	13.18	4,279	4,595	7,904	1,257	202	(238)	(101)	(83)
12	Repossessed collaterals	25	-	-	-	-		-	-	-	-	-	-	-	-
13	I – Accommodation and food service activities	11,702	847	583	330	54	7.22	857	957	1,713	693	114	(115)	(45)	(52)
14	J – Information and communication	7,198	342	79	28	33	5.38	212	269	479	46	9	(7)	(2)	(5)
15	K – Financial and insurance activities	39,666	2,084	811	346	1,214	11.36	2,062	2,392	4,352	126	23	(26)	(8)	(11)
16	M – Professional, scientific and technical activities	13,093	475	357	226	55	8.13	464	649	1,047	117	45	(29)	(6)	(19)
17	N – Administrative and support service activities	9,694	430	152	54	45	6.34	307	374	661	147	22	(15)	(4)	(8)
18	O – Public administration and defence; compulsory social security	141	1	1	4	2	14.50	4	5	9	0	0	(0)	(0)	(0)
19	P – Education	1,461	37	21	34	8	10.65	46	55	92	13	4	(3)	(1)	(2)
20	Q – Human health and social work activities	7,363	325	151	80	19	6.55	261	314	556	85	83	(24)	(5)	(18)
21	R – Arts, entertainment and recreation	1,557	61	26	28	3	7.70	51	67	110	39	10	(6)	(2)	(4)
22	S – Other service activities	1,770	67	33	27	14	9.28	62	79	128	23	9	(7)	(1)	(5)
23	T – Activities of households as employers; undifferentiated goods – and services – producing activities of households for own use	201	13	-	-	-	1.22	6	7	13	-	-	-	-	-
24	U – Activities of extraterritorial organisations and bodies	1	-	-	-	-	3.91	-	-	-	-	-	-	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount													
		Of which exposures sensitive to impact from climate change physical events													
			Breakdown by maturity bucket					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	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Geographical Zone: European Union (excluding France)		≤5 years	>5 years ≤10 years	>10 years ≤20 years	>20 years	Average weighted maturity							Of which Stage 2 exposures	Of which non-performing exposures
1	A – Agriculture, forestry and fishing	2,065	470	130	127	10	8.74	214	523	453	138	34	(29)	(7)	(21)
2	B – Mining and quarrying	641	86	3	-	-	1.52	37	51	82	21	1	(1)	-	-
3	C – Manufacturing	27,057	3,826	390	26	23	3.07	1,538	2,725	3,444	471	73	(61)	(16)	(41)
4	D – Electricity, gas, steam and air conditioning supply	6,384	818	120	52	9	3.00	422	576	944	79	4	(4)	(1)	(2)
5	E – Water supply; sewerage, waste management and remediation activities	589	64	15	20	-	6.27	38	62	85	22	1	(3)	(1)	(1)
6	F – Construction	1,855	328	68	40	9	6.12	146	300	315	85	78	(60)	(6)	(53)
7	G – Wholesale and retail trade; repair of motor vehicles and motorcycles	9,700	1,625	121	37	42	3.26	687	1,138	1,525	239	56	(46)	(6)	(38)
8	H – Transportation and storage	8,222	858	191	71	10	4.25	456	676	1,049	184	28	(21)	(5)	(15)
9	L – Real estate activities	4,149	588	234	138	5	7.03	330	635	712	170	142	(73)	(7)	(64)
10	Loans collateralised by residential immovable property	2,855	77	246	981	855	328.76	58	2,102	116	219	29	(21)	(9)	(10)
11	Loans collateralised by commercial immovable property	4,522	565	370	212	26	10.68	333	841	720	168	139	(75)	(9)	(64)
12	Repossessed collaterals	25	-	-	-	-		-	-	-	-	-	-	-	-
13	I – Accommodation and food service activities	1,519	301	98	91	11	9.27	149	351	318	163	46	(33)	(8)	(24)
14	J – Information and communication	5,728	568	129	8	3	2.92	301	407	678	44	5	(5)	(1)	(3)
15	K – Financial and insurance activities	15,133	1,755	205	129	343	6.09	1,108	1,325	2,430	8	115	(11)	(0)	(9)
16	M – Professional, scientific and technical activities	1,552	140	42	22	47	11.35	88	162	196	26	11	(8)	(1)	(7)
17	N – Administrative and support service activities	4,943	633	54	4	2	2.35	291	402	665	37	21	(16)	(2)	(14)
18	O – Public administration and defence; compulsory social security	78	5	2	-	-	4.19	3	4	7	-	-	-	-	-
19	P – Education	60	7	2	1	-	6.70	4	7	8	2	1	(1)	-	-
20	Q – Human health and social work activities	966	79	21	15	6	7.35	41	80	91	26	3	(3)	(1)	(2)
21	R – Arts, entertainment and recreation	210	29	7	8	-	7.62	12	31	28	8	2	(2)	-	(1)
22	S – Other service activities	221	28	17	6	3	13.17	12	42	27	13	6	(4)	(1)	(4)
23	T – Activities of households as employers; undifferentiated goods – and services – producing activities of households for own use	296	8	13	-	-	5.94	9	11	21	1	1	-	-	-
24	U – Activities of extraterritorial organisations and bodies	12	-	1	1	-	10.26	1	1	2	1	-	-	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
			Of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket										Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Geographical Zone: excluding European Union		≤5 years	>5 years ≤10 years	>10 years ≤20 years	>20 years	Average weighted maturity	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
1	A – Agriculture, forestry and fishing	2,342	311	-	-	34	4.04	142	204	345	42	50	(55)	(12)	(41)
2	B – Mining and quarrying	6,859	1,235	266	82	4	3.04	591	996	1,587	152	34	(20)	(12)	(6)
3	C – Manufacturing	21,506	3,803	237	39	74	1.92	1,589	2,563	4,153	285	75	(37)	(16)	(17)
4	D – Electricity, gas, steam and air conditioning supply	11,329	1,314	438	113	26	3.65	734	1,158	1,892	341	88	(20)	(5)	(14)
5	E – Water supply; sewerage, waste management and remediation activities	858	72	18	18	2	4.59	44	65	109	22	0	(1)	-	-
6	F – Construction	2,882	290	10	-	33	5.03	151	182	332	4	10	(7)	-	(4)
7	G – Wholesale and retail trade; repair of motor vehicles and motorcycles	9,446	1,664	44	16	26	1.23	731	1,019	1,750	127	72	(40)	(4)	(32)
8	H – Transportation and storage	12,990	1,237	458	72	17	4.18	734	1,050	1,784	476	88	(22)	(7)	(14)
9	L – Real estate activities	6,508	867	33	21	3	2.56	417	507	924	25	6	(2)	(1)	(1)
10	Loans collateralised by residential immovable property	32,169	129	526	18	4	6.28	310	367	670	88	7	(15)	(7)	(6)
11	Loans collateralised by commercial immovable property	10,444	1,023	42	16	0	2.57	492	589	1,081	11	15	(7)	(0)	(5)
12	Repossessed collaterals	-	-	-	-	-		-	-	-	-	-	-	-	-
13	I – Accommodation and food service activities	2,272	337	5	-	1	1.49	159	184	343	50	11	(11)	-	(10)
14	J – Information and communication	7,458	779	46	-	39	3.19	365	499	863	77	-	(8)	(6)	-
15	K – Financial and insurance activities	19,394	3,335	85	11	135	2.12	1,511	2,055	3,566	124	149	(84)	(1)	(81)
16	M – Professional, scientific and technical activities	1,416	96	-	1	2	1.67	40	60	99	6	-	(1)	-	-
17	N – Administrative and support service activities	2,472	300	79	19	-	3.04	154	244	398	43	-	(2)	(1)	-
18	O – Public administration and defence; compulsory social security	835	6	-	-	-	2.10	3	3	6	-	-	-	-	-
19	P – Education	95	8	-	-	-	2.04	4	5	9	-	3	(3)	-	(3)
20	Q – Human health and social work activities	1,446	93	11	5	0	2.90	49	61	109	24	2	(2)	(1)	(1)
21	R – Arts, entertainment and recreation	221	10	1	1	-	3.81	6	7	13	-	2	(2)	-	(2)
22	S – Other service activities	202	2	-	-	-	2.71	1	1	2	-	-	-	-	-
23	T – Activities of households as employers; undifferentiated goods – and services – producing activities of households for own use	18	2	-	-	-	1.07	1	1	2	-	-	-	-	-
24	U – Activities of extraterritorial organisations and bodies	90	-	-	-	-	0.13	-	-	-	-	-	-	-	-

This model covers the banking portfolio's exposures to the effects of both chronic and acute physical climate change events.

In accordance with the publication requirements, the information presented in this model offers only an estimate of the Crédit Agricole Group's gross exposure potentially sensitive to events involving physical climate risks, before taking into account mitigation measures, whether physical (such as adaptive actions by counterparties and public authorities, for example) or financial (such as insurance cover, for example), making it possible to estimate the impact on the Group's risks. Given the uncertainty of climate models and the lack of available data, moreover, the information presented only constitutes an initial estimate, which will be improved as work is carried out internally and by external organisations.

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, according to RCP 4.5.

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 physical assets' sensitivity to physical climate risks (e.g. location sufficiently granular to be directly linked to a localised hazard), and even more so for economic activities (e.g. sufficiently granular location of the main activity sites and dependencies in supply chains). Consequently, the Crédit Agricole Group's approach consists in prioritising the internal development of measurements, with as high a resolution as possible, of certain hazards at the level of real estate assets financed or held as collateral (flooding, shrinkage-swelling of clays, submergence in France, flooding and landslides in Italy), and using geo-sectoral portfolio-level proxies for measuring economic activities. It should be noted that these last measurements do 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.

For this financial year at 31 December 2023, the main changes stem:

- from the inclusion of the risk of submergence (composed of several hazards, both acute and chronic) in the measurement of the sensitivity to physical climate risks of real estate assets financed or held as collateral in France, resulting in increased sensitivity;
- following clarifications provided by the European Banking Authority regarding the reporting instructions, from the double counting of loans secured by real assets between the lines dedicated to the financing of economic activities (1-9, 13-24) and the lines dedicated to loans linked to real estate (10-11), resulting in different variations of sensitivity depending on the lines.

MODEL 6: SUMMARY OF KPI OF EXPOSURES ALIGNED WITH THE TAXONOMY

	a	b	c	d	e
		KPI			
		Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + Climate change adaptation)	% coverage (over total assets) *
1	GAR stock	3.97%	0.00%	3.97%	23.51%
2	GAR Flux	3,97 %	-	-	-

* % d'actifs sur lesquels porte l'ICP, par rapport au total des actifs bancaires.

The initial interpretation of Crédit Agricole Group, consisting of calculating the flow by stock variation, is called into question by the draft notice of the European Commission of 21 December 2023 on the Taxonomy Regulation. Consequently, Crédit Agricole Group will publish, for the first time, the GAR Flow for the year ending 31 December 2024 in accordance with the methodology, which consists of taking into account only new transactions during the year, without taking into account repayments or divestments.

MODEL 7: MITIGATION MEASURES: ASSETS USED FOR THE GAR CALCULATION

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	31 December 2023															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Total (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)		
(in millions of euros)	Total gross carrying amount			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional /adaptation	Of which enabling
GAR – COVERED ASSETS IN BOTH NUMERATOR AND DENOMINATOR																
1 LOANS AND ADVANCES, DEBT SECURITIES AND EQUITY INSTRUMENTS NOT HFT ELIGIBLE FOR GAR CALCULATION	821,678	482,669	58,205	53,768	1,157	1,331	745	7	-	3	3	483,414	58,211	53,768	1,161	1,335
2 Financial corporations	**41,208**	**9,401**	**319**	**-**	**87**	**92**	**652**	**-**	**-**	**-**	**-**	**10,052**	**319**	**-**	**-**	**93**
3 Credit institutions	24,914	6,991	22	-	-	2	451	-	-	-	-	7,442	22	-	-	2
4 Loans and advances	13,740	3,956	3	-	-	-	53	-	-	-	-	4,009	3	-	-	-
5 Debt securities, including UoP	10,704	2,925	19	-	-	1	388	-	-	-	-	3,313	19	-	-	1
6 Equity instruments	470	110	1		-	-	9	-		-	-	120	1		-	-
7 Other financial corporations	16,293	2,410	297	-	87	91	201	-	-	-	-	2,611	297	-	87	91
8 of which investment firms	1,693	504	-	-	-	-	-	-	-	-	-	504	-	-	-	-
9 Loans and advances	34	34	-	-	-	-	-	-	-	-	-	34	-	-	-	-
10 Debt securities, incl. UoP	1,655	469	-	-	-	-	-	-	-	-	-	469	-	-	-	-
11 Equity instruments	4	-	-		-	-	-	-		-	-	-	-		-	-
12 of which management companies	67	1	-	-	-	-	5	-	-	-	-	6	-	-	-	-
13 Loans and advances	47	1	-	-	-	-	5	-	-	-	-	6	-	-	-	-
14 Debt securities, incl. UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15 Equity instruments	20	-	-		-	-	-	-		-	-	-	-		-	-
16 of which insurance undertakings	12,479	1,007	229	-	87	27	192	-	-	-	-	1,199	230	-	87	28
17 Loans and advances	2,240	148	31	-	12	4	122	-	-	-	-	269	31	-	12	4
18 Debt securities, incl. UoP	332	29	7	-	3	1	10	-	-	-	-	40	7	-	3	1
19 Equity instruments	9,907	830	192		72	23	60	-		-	-	890	192		72	23
20 Non-financial corporations (subject to NFRD disclosure obligations)	**56,114**	**16,749**	**4,988**	**875**	**1,070**	**1,176**	**93**	**6**	**-**	**3**	**3**	**16,842**	**4,995**	**875**	**1,073**	**1,179**
21 Loans and advances	47,573	13,608	3,924	875	805	892	86	6	-	3	3	13,694	3,930	875	808	895
22 Debt securities, incl. UoP	7,950	2,959	1,005	-	255	263	6	-	-	-	-	2,965	1,005	-	255	263
23 Equity instruments	591	182	60		10	21	1	-		-	-	183	60		10	21
24 Households	**577,661**	**428,665**	**52,755**	**52,755**	**-**	**60**						**428,665**	**52,755**	**52,755**	**-**	**60**
25 of which loans collateralised by residential immovable property	450,227	425,949	52,755	52,755	-	60						425,949	52,755	52,755	-	60
26 of which building renovation loans	2,922	2,715	-	-	-	-						2,715	-	-	-	-
27 of which motor vehicle loans	27,672	-	-	-	-	-						-	-	-	-	-
28 Local governments financing	**146,696**	**27,855**	**142**	**138**	**1**	**3**	**-**	**-**	**-**	**-**	**-**	**27,855**	**142**	**138**	**1**	**3**
29 Housing financing	860	827	137	137	-	-						827	137	137	-	-
30 Other local governments financing	145,836	27,028	5	1	1	3	-	-	-	-	-	27,028	5	1	1	3
31 Collateral obtained by taking possession: residential and commercial immovable properties	25	-	-	-	-	-						-	-	-	-	-
32 TOTAL GAR ASSETS	821,703	482,669	58,205	53,768	1,157	1,331	745	7	-	3	3	483,414	58,211	53,768	1,161	1,335

(in millions of euros)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	31 December 2023															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Total (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)		
	Total gross carrying amount			Of which specialise d lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional /adaptation	Of which enabling
ASSETS EXCLUDED FROM THE NUMERATOR FOR GAR CALCULATION (COVERED IN THE DENOMINATOR)																
33 EU Non-financial corporations (not subject to NFRD disclosure obligations)	374,489															
34 Loans and advances	356,240															
35 Debt securities	6,389															
36 Equity instruments	11,861															
37 Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)	71,833															
38 Loans and advances	69,945															
39 Debt securities	1,288															
40 Equity instruments	600															
41 Derivatives	32,047															
42 On demand interbank loans	10,502															
43 Cash and cash-related assets	3,976															
44 Other assets (e.g. Goodwill, commodities etc.)	151,676															
45 TOTAL ASSETS IN THE DENOMINATOR (GAR)	1,466,226															
OTHER ASSETS EXCLUDED FROM BOTH THE NUMERATOR AND DENOMINATOR FOR GAR CALCULATION																
46 Sovereigns	90,268															
47 Central Banks exposure	199,683															
48 Trading book	299,782															
49 TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR	589,734															
50 TOTAL ASSETS	**2,055,960**															

Mortgage loans to households are the Crédit Agricole Group's largest item of eligible assets. Mortgage loans that meet the Taxonomy criteria are those that (i) have the best energy performance and (ii) are not subject to chronic or acute physical risk.

Properties with an energy performance level in the top 15% of the national or regional building stock (for properties with a building permit submitted before 31 December 2020) or with energy consumption at least 10% below the threshold set by the NZEB – Nearly Zero-Emission Building regulation (for properties with a building permit submitted after 31 December 2020), meet the Taxonomy's substantial contribution criteria. For the purposes of analysing alignment, and based on studies carried out by the *Observatoire de l'Immobilier Durable,* the Crédit Agricole Group defines properties belonging to the top 15% of the French building stock as being older properties with an energy performance certificate (DPE) of A or B and new properties subject to the RT 2012 thermal regulations. Furthermore, in accordance with the interpretation of the French Ministry of the Economy and Ecological Transition, properties subject to the RE 2020 environmental regulations must comply with the NZEB -10% criterion.

The identification and assessment of physical risks were based on the methodology used for Table 5 "Banking portfolio – Indicators of physical risk potentially related to climate change: Exposures subject to physical risk" of ESG Pillar 3. This methodology aims to identify the risk hazards to which buildings are exposed and assess the risks on the basis of a 2050 scenario. Properties subject to chronic or acute physical risk are considered non-aligned if no restructuring plan is in place.

MODEL 8 – GAR *(%)*

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	31 December 2023: KPIs on stock															
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Total (CCM + CCA)					
		Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors				
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable			
% (compared to total covered assets in the denominator)			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/ adaptation	Of which enabling	Proportion of total assets covered
1 GAR	**32.92%**	**3.97%**	**3.67%**	**0.08%**	**0.09%**	**0.05%**	**0.00%**	**-**	**0.00%**	**0.00%**	**32.97%**	**3.97%**	**3.67%**	**0.08%**	**0.09%**	**23.51%**
2 LOANS AND ADVANCES, DEBT SECURITIES AND EQUITY INSTRUMENTS NOT HFT ELIGIBLE FOR GAR CALCULATION	58.74%	7.08%	6.54%	0.14%	0.16%	0.09%	0.00%	-	0.00%	0.00%	58.83%	7.08%	6.54%	0.14%	0.16%	23.51%
3 Financial corporations	**22.81%**	**0.77%**	**-**	**0.21%**	**0.22%**	**1.58%**	**0.00%**	**-**	**0.00%**	**0.00%**	**24.39%**	**0.77%**	**-**	**0.21%**	**0.22%**	**0.49%**
4 Credit institutions	28.06%	0.09%	-	0.00%	0.01%	1.81%	0.00%	-	0.00%	0.00%	29.87%	0.09%	-	0.00%	0.01%	0.36%
5 Other financial corporations	14.79%	1.82%	-	0.53%	0.56%	1.23%	0.00%	-	0.00%	0.00%	16.02%	1.82%	-	0.53%	0.56%	0.13%
6 of which investment firms	29.74%	0.00%	-	-	0.00%	0.01%	-	-	-	-	29.74%	0.00%	-	-	0.00%	0.02%
7 of which management companies	0.96%	-	-	-	-	7.76%	-	-	-	-	8.72%	-	-	-	-	0.00%
8 of which insurance undertakings	8.07%	1.84%	-	0.70%	0.22%	1.54%	0.00%	-	0.00%	0.00%	9.61%	1.84%	-	0.70%	0.22%	0.06%
9 Non-financial corporations subject to NFRD disclosure obligations	**29.85%**	**8.89%**	**1.56%**	**1.91%**	**2.10%**	**0.17%**	**0.01%**	**-**	**0.01%**	**0.01%**	**30.01%**	**8.90%**	**1.56%**	**1.91%**	**2.10%**	**0.82%**
10 Households	**74.21%**	**9.13%**	**9.13%**	**-**	**0.01%**	**-**	**-**	**-**	**-**	**-**	**74.21%**	**9.13%**	**9.13%**	**-**	**0.01%**	**20.85%**
11 of which loans collateralised by residential immovable property	94.61%	11.72%	11.72%	-	0.01%	-	-	-	-	-	94.61%	11.72%	11.72%	-	0.01%	20.72%
12 of which building renovation loans	92.92%	-	-	-	-		--	-	-	-	92.92%	-	-	-	-	0.13%
13 of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Local government financing	**18.99%**	**0.10%**	**0.09%**	**0.00%**	**0.00%**	**-**	**-**	**-**		**-**	**18.99%**	**0.10%**	**0.09%**	**0.00%**	**0.00%**	**1.35%**
15 Housing financing	96.17%	15.95%	15.95%	-	-	-	-	-	-	-	96.17%	15.95%	15.95%	-	-	0.04%
16 Other local governments financing	18.53%	0.00%	0.00%	0.00%	0.00%	0.00%	-		-	-	18.53%	0.00%	0.00%	0.00%	0.00%	1.31%
17 COLLATERAL OBTAINED BY TAKING POSSESSION: RESIDENTIAL AND COMMERCIAL IMMOVABLE PROPERTIES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The initial interpretation of Crédit Agricole Group, consisting of calculating the flow by stock variation, is called into question by the draft notice of the European Commission of 21 December 2023 on the Taxonomy Regulation. Consequently, Crédit Agricole Group will publish, for the first time, the GAR Flow for the year ending 31 December 2024 in accordance with the methodology, which consists of taking into account only new transactions during the year, without taking into account repayments or divestments.

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	741	Y	-	Green bonds according to the Euronext Green Bond listing
2		Non-financial corporations	811	Y	-	Green bonds according to the Euronext Green Bond listing
3		Of which Loans collateralised by commercial immovable property	-	-	-	Green bonds according to the Euronext Green Bond listing
4		Other counterparties	6,789	Y	-	Green bonds according to the Euronext Green Bond listing
5	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	1,728	Y	-	Sustainability linked loans (SLLs), renewable energy, electric cars
6		Non-financial corporations	29,628	Y	-	Sustainability linked loans (SLLs), renewable energy, electric cars, to which are added the items in row 7 below
7		Of which Loans collateralised by commercial immovable property	6,871	Y	-	Properties that meet current national building standards, those with an EPD A and those that only meet the criteria of the substantial contribution of the Taxonomy
8		Households	51,643	Y	-	Electric cars; to which are added the elements in lines 9 and 10 below
9		Of which Loans collateralised by residential immovable property	44,995	Y	-	Properties that meet current national building standards, those with an EPD A and those that only meet the criteria of the substantial contribution of the Taxonomy
10		Of which building renovation loans	1,274	Y	-	Energy renovation work and zero-interest eco-loans
11		Other counterparties	102	Y	-	See Financial enterprises (line 5 above) and non-financial enterprises (line 6 above)

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 their 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 its Societal Project. These are assets that meet the current French construction standard (2012 Thermal Building Regulations) and that are not aligned with the Taxonomy criteria 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 the financial year ended 31 December 2023, 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 includes Green Bonds identified according to the benchmark published by Euronext.

STATEMENT BY THE PERSON RESPONSIBLE

Declaration concerning the publication of the information required under Part 8 of Regulation (EU) No 575/2013

Jérôme GRIVET, Deputy Chief Executive Officer of Crédit Agricole S.A.

I hereby declare that, to the best of my knowledge, disclosures provided according to Part Eight of Regulation (EU) No 575/2013 (as modified) have been prepared in accordance with applicable formal policies and internal procedures and systems of internal controls at the level of Credit Agricole Group.

Montrouge, 28 March 2024

The Deputy Chief Executive Officer of Crédit Agricole S.A.

Jérôme GRIVET

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CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Approved by the Board of Directors of Crédit Agricole S.A. on 7 February 2024 and submitted for approval by the Ordinary General Meeting of 22 May 2024

GENERAL FRAMEWORK

THE CRÉDIT AGRICOLE GROUP

The Crédit Agricole Group is composed of 2,395 Local Banks, 39 Regional Banks, the Crédit Agricole S.A. corporate centre and their subsidiaries.

Crédit Agricole Mutuel was created by the law of 5 November 1894, which established an initial principle for the creation of Crédit Agricole Local Banks, the law of 31 March 1899 that consolidated the Local Banks into Crédit Agricole Regional Banks and the law of 5 August 1920 that established the *Office National du Crédit Agricole.* This then became *Caisse Nationale de Crédit Agricole* and later Crédit Agricole S.A., whose role as 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 within the meaning of the French Monetary and Financial Code, for which:

- the commitments of the corporate centre and its affiliated institutions constitute joint and several commitments;
- the solvency and liquidity of all the affiliated institutions are monitored collectively based on the consolidated financial statements.

For groups with a corporate centre, Directive 86/635 on the accounts of European credit institutions sets out that all entities that make up the corporate centre and its affiliated institutions must be included in the consolidated financial statements drawn up, audited and published in accordance with this 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 that joint and severally cover the commitments of the different Crédit Agricole Group entities. In addition, the different texts cited in the first paragraph explain and establish the community of interests that exists, legally, financially, economically and politically, between Crédit Agricole S.A., the Regional Banks and the Local Banks of Crédit Agricole Mutuel. This community is based primarily on a mechanism of financial relations, on a single economic and commercial policy, and on joint decision-making, and has thus formed the foundations of the Crédit Agricole Group for more than a century.

In accordance with Regulation (EU) No. 1606/02, the consolidated financial statements of the reporting entity are drawn up in compliance with IFRS standards, as adopted by the European Union. The reporting entity is composed of Local Banks, 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 the line item "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.

50% of savings funds collected by the Regional Banks are transferred back to them in the form of so-called "mirror advances" (with maturities and interest rates precisely matching those of the savings funds received), 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 price 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 in current accounts, under "Loans and receivables due from credit institutions" or "Due to credit institutions" (depending on whether the current account open in the books of Crédit Agricole CIB is credit or debit – see above) or in term 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 III MECHANISM

As at 31 December 2023, the residual outstanding amount of TLTRO III loans from the ECB is €26.8 billion.

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.

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 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 strength mechanism provided for 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.

(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.

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 CONCERNING RELATED PARTIES

The related parties of 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 "Fee and commission income and expenses", 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".

RELATIONS AMONG CONSOLIDATED COMPANIES AFFECTING THE CONSOLIDATED BALANCE SHEET

The list of the Crédit Agricole Group companies included in the consolidation scope is presented in Note 13 "Scope of consolidation at 31 December 2023". Since, at year-end, the existing transactions and outstandings between the Group's fully consolidated companies are eliminated on consolidation, only transactions with equity-accounted companies affect the Group's consolidated financial statements.

The main corresponding outstandings and commitments in the consolidated balance sheet at 31 December 2023 relate to transactions with the equity-accounted entities for the following amounts:

- loans and receivables due from credit institutions: €21 million (€7,769 million at 31 December 2022);
- loans and receivables due from customers: €1,342 million (€2,581 million at 31 December 2022);
- due to credit institutions: €71 million (€3,161 million at 31 December 2022);
- due to customers: €216 million (€16 million at 31 December 2022);
- commitments given on financial instruments: €1,322 million (€6,322 million at 31 December 2022);
- commitments received on financial instruments: €3,697 million (€4,894 million at 31 December 2022).

The main changes compared with 31 December 2022 are due to the acquisition in April 2023 of an additional 50% of CA Auto Bank and consequently the switching of this equity-accounted entity to full consolidation.

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 the cooperative structure of the Crédit Agricole Group and the broad scope of the reporting entity, the notion of executive as defined by IAS 24 is not representative of the governance rules in force within the Crédit Agricole Group.

This being the case, the information required by IAS 24 concerning executive compensation is not presented.

CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT

(in millions of euros)	Notes	31/12/2023	31/12/2022 restated[2]
Interest and similar income	4.1	63,255	37,794
Interest and similar expenses	4.1	(43,143)	(16,702)
Fee and commission income	4.2	16,025	15,723
Fee and commission expenses	4.2	(4,188)	(4,140)
Net gains (losses) on financial instruments at fair value through profit or loss	4.3	12,251	(10,843)
Net gains (losses) on held for trading assets/liabilities		*3,668*	*(4,244)*
Net gains (losses) on other financial assets/liabilities at fair value through profit or loss		*8,583*	*(6,599)*
Net gains (losses) on financial instruments at fair value through other comprehensive income	4.4	(476)	(226)
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss		*(730)*	*(328)*
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)		*255*	*102*
Net gains (losses) arising from the derecognition of financial assets at amortised cost	4.5	(3)	(42)
Net gains (losses) arising from the reclassification of financial assets at amortised cost to financial assets at fair value through profit or loss		-	-
Net gains (losses) arising from the reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value through profit or loss		-	-
Net insurance revenue [1]	5.3	(7,356)	12,562
Insurance revenue		14,169	14,009
Insurance service expenses		(10,202)	(9,612)
Income or expenses related to reinsurance contracts held		(99)	138
Insurance finance income or expenses		(11,288)	7,982
Insurance finance income or expenses related to reinsurance contracts held		48	46
Credit cost of risk on insurance financial investments		15	-
Income on other activities	4.6	2,816	1,721
Expenses on other activities	4.6	(2,689)	(1,043)
REVENUES		**36,492**	**34,804**
Operating expenses	4.7	(20,186)	(19,288)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	4.8	(1,898)	(1,818)
GROSS OPERATING INCOME		**14,409**	**13,698**
Cost of risk	4.9	(2,941)	(2,892)
OPERATING INCOME		**11,468**	**10,806**
Share of net income of equity-accounted entities		263	419
Net gains (losses) on other assets	4.10	88	28
Change in value of goodwill	6.15	2	-
PRE-TAX INCOME		**11,822**	**11,253**
Income tax charge	4.11	(2,748)	(2,647)
Net income from discontinued operations	6.11	(3)	121
NET INCOME		**9,071**	**8,727**
Non-controlling interests	13.2	813	730
NET INCOME GROUP SHARE		**8,258**	**7,997**

(1) Net insurance financial result composed of Investment income net of expenses and Insurance finance income or expenses in Note 5.3 “Specific characteristics of insurance”.
(2) The data at 31 December 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 12 “Impact of accounting developments and other events”.

NET INCOME AND OTHER COMPREHENSIVE INCOME

(in millions of euros)	Notes	31/12/2023	31/12/2022 restated [1]
NET INCOME		9,071	8,727
Actuarial gains and losses on post-employment benefits	4.12	(222)	538
Other comprehensive income on financial liabilities attributable to changes in own credit risk	4.12	(263)	793
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	4.12	(111)	91
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss	4.12	(128)	1
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(725)**	**1,423**
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**4.12**	**12**	**-**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**131**	**(348)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**4.12**	**(1)**	**(2)**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**4.12**	**-**	**-**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX	**4.12**	**(582)**	**1,073**
Gains and losses on translation adjustments	4.12	(351)	201
Other comprehensive income on debt instruments that may be reclassified to profit or loss	4.12	10,152	(41,123)
Gains and losses on hedging derivative instruments	4.12	1,028	(2,902)
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss		(9,578)	37,815
Insurance finance income or expenses related to reinsurance contracts held recognised in other comprehensive income that will be reclassified to profit or loss		27	(247)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**1,277**	**(6,256)**
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities, Group Share	**4.12**	**(73)**	**47**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(422)**	**1,651**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**4.12**	**-**	**-**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**4.12**	**-**	**26**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX	4.12	782	(4,532)
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**4.12**	**200**	**(3,459)**
NET INCOME AND OTHER COMPREHENSIVE INCOME		**9,271**	**5,267**
Of which Group share		8,514	4,567
Of which non-controlling interests		758	700

(1) The data at 31 December 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 12 “Impacts of accounting changes or other events”.

BALANCE SHEET ASSETS

(in millions of euros)	Notes	31/12/2023	31/12/2022 restated [1]	01/01/2022 restated [1]
Cash, Central Banks	6.1	180,723	210,804	241,191
Financial assets at fair value through profit or loss	3.1-3.2-6.2-6.6	527,274	446,101	449,056
Held for trading financial assets		*297,528*	*242,006*	*233,023*
Other financial instruments at fair value through profit or loss		*229,746*	*204,095*	*216,034*
Hedging derivative Instruments	3.3-3.5	32,051	50,494	16,029
Financial assets at fair value through other comprehensive income	3.1-3.2-6.4-6.6	224,449	219,216	272,724
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss		*216,240*	*214,432*	*268,597*
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss		*8,209*	*4,784*	*4,127*
Financial assets at amortised cost	3.1-3.2-3.4-6.5-6.6	1,399,604	1,343,209	1,257,228
Loans and receivables due from credit institutions		*132,353*	*114,149*	*96,651*
Loans and receivables due from customers		*1,155,940*	*1,113,184*	*1,050,589*
Debt securities		*111,311*	*115,876*	*109,988*
Revaluation adjustment on interest rate hedged portfolios [2]		(14,662)	(32,622)	5,231
Current and deferred tax assets	6.9	8,836	9,087	7,993
Accruals, prepayments and sundry assets	6.10	59,758	55,990	41,000
Non-current assets held for sale and discontinued operations	6.11	9	134	2,909
Insurance contracts issued that are assets	5.3	-	-	78
Reinsurance contracts held that are assets	5.3	1,097	973	854
Investments in equity-accounted entities	6.12	2,357	4,004	3,578
Investment property	6.13	12,159	13,162	12,290
Property, plant and equipment	6.14	13,425	10,768	10,907
Intangible assets	6.14	3,488	3,361	3,400
Goodwill	6.15	16,530	16,188	16,109
TOTAL ASSETS [2]		**2,467,099**	**2,350,870**	**2,340,579**

(1) The data at 31 December 2022 and 1 January 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 12 "Impacts of accounting changes or other events".
(2) The balance sheet presentation of the revaluation adjustment on interest rate hedged portfolios was reclassified between assets and liabilities on 31 December 2022. Its net amount was unchanged, amounting to -€16 billion at 31 December 2022.

BALANCE SHEET LIABILITIES

(in millions of euros)	Notes	31/12/2023	31/12/2022 restated [1]	01/01/2022 restated [1]
Central Banks	6.1	274	59	1,276
Financial liabilities at fair value through profit or loss	6.2	353,882	285,458	257,150
Held for trading financial liabilities		*263,878*	*231,694*	*205,073*
Financial liabilities designated at fair value through profit or loss		*90,004*	*53,764*	*52,077*
Hedging derivative Instruments	3.3-3.5	34,424	47,324	16,827
Financial liabilities at amortised cost		1,490,722	1,467,563	1,449,965
Due to credit institutions	*3.4-6.7*	*108,541*	*152,156*	*221,360*
Due to customers	*3.1-3.4-6.7*	*1,121,942*	*1,093,513*	*1,042,199*
Debt securities	*3.4-6.7*	*260,239*	*221,894*	*186,406*
Revaluation adjustment on interest rate hedged portfolios [2]		(12,212)	(16,483)	5,720
Current and deferred tax liabilities	6.9	2,896	2,335	2,281
Accruals, prepayments and sundry liabilities	6.10	72,180	65,618	58,621
Liabilities associated with non-current assets held for sale and discontinued operations	6.11	21	205	2,502
Insurance contracts issued that are liabilities	5.3	351,778	334,280	380,741
Reinsurance contracts held that are liabilities	5.3	76	92	67
Provisions	6.16	5,508	5,643	7,094
Subordinated debt	6.17	25,208	23,156	25,873
TOTAL LIABILITIES		**2,324,758**	**2,215,250**	**2,208,116**
EQUITY		**142,340**	**135,620**	**132,463**
Equity – Group share		**135,114**	**128,199**	**125,117**
Share capital and reserves		31,227	30,456	29,927
Consolidated reserves		97,871	92,766	94,780
Other comprehensive income		(2,241)	(3,020)	436
Other comprehensive income on discontinued operations		-	-	(26)
Net income (loss) for the year		8,258	7,997	-
Non-controlling interests		**7,226**	**7,421**	**7,346**
TOTAL LIABILITIES AND EQUITY [2]		**2,467,099**	**2,350,870**	**2,340,579**

(1) The data at 31 December 2022 and 1 January 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 12 “Impacts of accounting changes or other events”.
(2) The balance sheet presentation of the revaluation adjustment on interest rate hedged portfolios was reclassified between assets and liabilities on 31 December 2022. Its net amount was unchanged, amounting to -€16 billion at 31 December 2022.

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 [3]	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 2022 PUBLISHED	**13,682**	**107,212**	**(1,287)**	**4,888**	**124,495**	**3,081**	**(1,078)**	**2,003**	**-**	**126,498**
Impacts of new accounting standards[1]	-	210	-	-	210	(1,634)	41	(1,593)	-	(1,383)
EQUITY AT 1 JANUARY 2022 RESTATED	**13,682**	**107,422**	**(1,287)**	**4,888**	**124,705**	**1,447**	**(1,037)**	**410**	**-**	**125,115**
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)**	**(4,515)**	**1,042**	**(3,473)**	**-**	**(3,499)**
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	(1)	43	-	43
Net income for 2022	-	-	-	-	-	-	-	-	7,997	7,997
Other changes	-	51	-	-	51	-	-	-	-	51
EQUITY AT DECEMBER 2022 RESTATED	**13,901**	**104,743**	**(1,411)**	**5,989**	**123,222**	**(3,024)**	**4**	**(3,020)**	**7,997**	**128,199**
Appropriation of 2022 net income	-	7,997	-	-	7,997	-	-	-	(7,997)	-
EQUITY AT 1 JANUARY 2022 RESTATED	**13,901**	**112,740**	**(1,411)**	**5,989**	**131,219**	**(3,024)**	**4**	**(3,020)**	**-**	**128,199**
Impacts of new accounting standards[2]	-	(231)	-	-	(231)	375	148	523	-	292
EQUITY AT 1 JANUARY 2022 RESTATED	**13,901**	**112,509**	**(1,411)**	**5,989**	**130,988**	**(2,649)**	**152**	**(2,497)**	**-**	**128,491**
Capital increase	(205)	31	-	-	(174)	-	-	-	-	(174)
Changes in treasury shares held	(285)	(718)	(92)	-	(1,095)	-	-	-	-	(1,095)
Issuance/redemption of equity instruments	-	(4)	-	1,231	1,227	-	-	-	-	1,227
Remuneration of undated deeply subordinated notes	-	(481)	-	-	(481)	-	-	-	-	(481)
Dividends paid in 2023	-	(3,803)	-	-	(3,803)	-	-	-	-	(3,803)
Dividends received from Regional Banks and their subsidiaries	-	2,259	-	-	2,259	-	-	-	-	2,259
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Changes due to share-based payments	-	76	-	-	76	-	-	-	-	76
Changes due to transactions with shareholders	**(490)**	**(2,640)**	**(92)**	**1,231**	**(1,992)**	**-**	**-**	**-**	**-**	**(1,992)**
Changes in other comprehensive income	**-**	**49**	**-**	**-**	**49**	**895**	**(578)**	**317**	**-**	**365**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	*45*	-	-	*45*	-	*(45)*	*(45)*	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	*3*	-	-	*3*	-	*(3)*	*(3)*	-	-
Share of changes in equity-accounted entities	-	-	-	-	-	(72)	10	(62)	-	(62)
Net income for 2023	-	-	-	-	-	-	-	-	8,258	8,258
Other changes	-	53	-	-	53	-	-	-	-	53
EQUITY AT 31 DECEMBER 2023	**13,411**	**109,971**	**(1,503)**	**7,220**	**129,098**	**(1,826)**	**(416)**	**(2,241)**	**8,258**	**135,114**

(1) Details of the impact of the application of IFRS 17 on equity at the transition date of 1 January 2022 are presented in the note 12 "Impact on equity of the application of IFRS 17 at 1 January 2022" below.

(2) Details of the changes in designation and classification of financial assets made at 1 January 2023 under the transition requirements of IFRS 17 on the new designation of financial assets are presented in the note "New designation of financial assets" below.

(3) 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 2022 PUBLISHED	7,324	(83)	(24)	(107)	7,217	133,715
Impacts of new accounting standards[1]	129	-	-	-	129	(1,254)
EQUITY AT 1 JANUARY 2022 RESTATED	7,453	(83)	(24)	(107)	7,346	132,461
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)**	**(3,531)**
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	(6)	4	(1)	3	(3)	40
Net income for 2022	729	-	-	-	729	8,726
Other changes	(135)	-	-	-	(135)	(84)
EQUITY AT DECEMBER 2022 RESTATED	7,557	(144)	8	(136)	7,421	135,620
Appropriation of 2022 net income	-	-	-	-	-	-
EQUITY AT 1 JANUARY 2022 RESTATED	7,557	(144)	8	(136)	7,421	135,620
Impacts of new accounting standards[2]	-	-	-	-	-	292
EQUITY AT 1 JANUARY 2022 RESTATED	7,557	(144)	8	(136)	7,421	135,912
Capital increase	-	-	-	-	-	(174)
Changes in treasury shares held	-	-	-	-	-	(1,095)
Issuance/redemption of equity instruments	(499)	-	-	-	(499)	728
Remuneration of undated deeply subordinated notes	(123)	-	-	-	(123)	(603)
Dividends paid in 2023	(384)	-	-	-	(384)	(4,187)
Dividends received from Regional Banks and their subsidiaries	-	-	-	-	-	2,259
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	9	-	-	-	9	85
Changes due to transactions with shareholders	**(997)**	**-**	**-**	**-**	**(997)**	**(2,988)**
Changes in other comprehensive income	**-**	**(40)**	**(16)**	**(55)**	**(55)**	**310**
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	-	(1)	1	-	-	(62)
Net income for 2023	813	-	-	-	813	9,071
Other changes	44	-	-	-	44	96
EQUITY AT 31 DECEMBER 2023	**7,417**	**(185)**	**(6)**	**(191)**	**7,226**	**142,340**

(1) Details of the impact of the application of IFRS 17 on equity at the transition date of 1 January 2022 are presented in the note 12 "Impact on equity of the application of IFRS 17 at 1 January 2022" below.
(2) Details of the changes in designation and classification of financial assets made at 1 January 2023 under the transition requirements of IFRS 17 on the new designation of financial assets are presented in the note "New designation of financial assets" below.

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 disposal 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	31/12/2023	31/12/2022 restated [6]
Pre-tax income		**11,822**	**11,253**
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets		1,898	1,817
Impairment of goodwill and other fixed assets	6.15	(2)	-
Net addition to provisions		10,763	(5,847)
Share of net income (loss) of equity-accounted entities		(263)	(419)
Net income (loss) from investment activities		(88)	(28)
Net income (loss) from financing activities		3,632	2,539
Other movements		1,027	1,473
Total non-cash and other adjustment items included in pre-tax income		**16,966**	**(465)**
Change in interbank items [1]		(80,069)	(79,920)
Change in customer items		(11,150)	(17,564)
Change in financial assets and liabilities		8,185	73,776
Change in non-financial assets and liabilities		785	(8,995)
Dividends received from equity-accounted entities [2]		616	675
Taxes paid		(1,983)	(2,382)
Net change in assets and liabilities used in operating activities		**(83,616)**	**(34,410)**
Cash provided (used) by discontinued operations		**-**	**(127)**
TOTAL NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES (A)		(54,828)	(23,749)
Change in equity investments [3]		**10,396**	**(3,862)**
Change in property, plant & equipment and intangible assets		**(1,732)**	**(1,797)**
Cash provided (used) by discontinued operations		**-**	**(387)**
TOTAL NET CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES (B)		8,664	(6,046)
Cash received from (paid to) shareholders [4]		**(1,764)**	**(1,006)**
Other cash provided (used) by financing activities [5]		**18,957**	**4,213**
Cash provided (used) by discontinued operations		**-**	**118**
TOTAL NET CASH FLOWS FROM (USED BY) FINANCING ACTIVITIES (C)		17,193	3,325
IMPACT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENT (D)		(2,676)	(1,310)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A + B + C + D)		**(31,647)**	**(27,780)**
Cash and cash equivalents at beginning of period		**207,877**	**235,657**
Net cash accounts and accounts with Central Banks *		210,733	240,130
Net demand loans and deposits with credit institutions **		(2,856)	(4,473)
Cash and cash equivalents at end of period		**176,230**	**207,877**
Net cash accounts and accounts with Central Banks *		180,405	210,733
Net demand loans and deposits with credit institutions **		(4,175)	(2,856)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(31,646)**	**(27,780)**

* 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) Change in interbank transactions:
In 2023, TLTRO III repayments amounted to -€68 billion.

(2) Dividends received from equity-accounted entities:
At 31 December 2023, this amount included the payment of dividends from CA Auto Bank for +€550 million from Amundi subsidiaries for +€23 million.

(3) Change 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 2023 is +€11,643 million. The main transactions concern the impact of net cash flows following the acquisition of 50% of the remaining shares of CA Auto Bank held by Stellantis for +€929 million, a cash payment of -€31 million for the acquisition of Watea by Crédit Agricole Leasing and Factoring, -€56 million following the acquisition of CA Anjou Maine of the Hyperion group, -€206 million in net cash following the acquisition of ALD's and LeasePlan's activities by the Drivalia entity, as well as +€11,010 million for the acquisition of the asset servicing activities of RBC Investor Services by CACEIS.
During the same period, the net impact on the Group cash position of acquisitions and disposals of non-consolidated equity investments came to -€1,165 million, essentially from insurance investments.

(4) Cash received from (paid to) shareholders:
This amount mainly corresponds to -€2,015 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 -€1,263 million;
- Dividends paid by the Regional Banks and subsidiaries for -€281 million;
- Dividends paid by non-controlling interests for -€384 million; and
- Interest, equivalent to dividends on undated financial instruments treated as equity for -€602 million.

This amount also includes capital reductions within the Local Banks and Regional Banks for -€236 million, issues of equity instruments for +€1,250 million and early redemptions of equity instruments for -€499 million.

(5) Other net cash flows from financing activities:
As at 31 December 2023, debt issues totalled +€45,544 million and redemptions -€25,390 million. Subordinated debt issues stood at +€1,808 million.
This line also includes cash flows from interest payments on subordinated debt and bonds for -€3,632 million.

(6) The data at 31 December 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 12 "Impacts of accounting changes or other events".

NOTES RELATING TO THE EFFECTS OF THE APPLICATION OF IFRS 17 AT 1 JANUARY 2023

IMPACT ON EQUITY OF THE APPLICATION OF IFRS 17 AT 1 JANUARY 2022

IFRS 17 must be applied retrospectively with mandatory restatement of comparative information.

The impact of the application of this new standard on the Group's equity at the transition date of 1 January 2022 is broken down in the table below:

(in millions of euros)	Consolidated equity
EQUITY AT 31/12/2021 – IFRS 4	**133,715**
Impact on reserves	**339**
Derecognition of the overlay reserve	3,626
Remeasurement of investment property at fair value through profit or loss (IAS 40 modified by IFRS 17)	2,761
Remeasurement of investments in associates and joint ventures at fair value through profit or loss (IAS 28 modified by IFRS 17)	208
Derecognition of existing balances that would not exist had IFRS 17 always applied	263,936
Measurement and recognition of assets and liabilities applying IFRS 17	(280,058)
Recognition of insurance finance income or expenses recognised in equity	9,866
Impact on other comprehensive income that will be reclassified to profit or loss	**(1,634)**
Derecognition of the overlay reserve	(3,626)
Derecognition of existing balances that would not exist had IFRS 17 always applied	11,857
Recognition of insurance finance income or expenses recognised in equity	(9,865)
Impact on other comprehensive income that will not be reclassified to profit or loss	**41**
Derecognition of existing balances that would not exist had IFRS 17 always applied	42
Recognition of insurance finance income or expenses recognised in equity	(1)
TOTAL – IMPACT ON EQUITY OF THE FIRST APPLICATION OF IFRS 17	**(1,254)**
EQUITY AT 01/01/2022 – IFRS 17	**132,460**

NEW DESIGNATION OF FINANCIAL ASSETS

Under the transition requirements of IFRS 17, entities that applied IFRS 9 before IFRS 17 (as is the case with the 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.

In application of these provisions, the Group made changes to the designation and classification of certain financial assets, retrospectively at the date of initial application of IFRS 17 (1 January 2023). The Group chose not to restate the figures of previous periods to reflect these designation or classification changes. The Group therefore recognised in the equity opening balance at 1 January 2023 all differences between the previous carrying amount of these financial assets and their carrying amount at the date of initial application.

The following table summarises the measurement category and carrying amount of the financial assets concerned, determined immediately before and after the application of the IFRS 17 transitional provisions for the new designation of financial assets:

	31/12/2022	01/01/2023									
		Financial assets at fair value through profit or loss						Financial assets at fair value through other comprehensive income		Financial assets at amortised cost	
			Other financial assets at fair value through profit or loss								
Financial assets *(in millions of euros)*	**Carrying amount**	**Financial assets held for trading**	**Equity instruments**	**Debt instruments not fulfilling the SPPI criteria**	**Assets backing unit-linked contracts**	**Financial assets designated at fair value through profit or loss**	**Other debt instruments at fair value through profit or loss**	**Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss**	**Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss**	**Loans and receivables**	**Debt securities**
Financial assets at fair value through profit or loss	**191,251**	**-**	**38,619**	**67,061**	**81,939**	**-**	**-**	**-**	**3,632**	**-**	**-**
Financial assets held for trading	-	-	-	-	-	-	-	-	-	-	-
Other financial assets at fair value through profit or loss	191,251	-	38,619	67,061	81,939	-	-	-	3,632	-	-
Equity instruments	*42,251*	-	*38,619*	-	-	-	-	-	*3,632*	-	-
Debt instruments not fulfilling the SPPI criteria	*67,061*	-	-	*67,061*	-	-	-	-	-	-	-
Assets backing unit-linked contracts	*81,939*	-	-	-	*81,939*	-	-	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-
Other debt instruments at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	**177,927**	**-**	**-**	**-**	**-**	**-**	**2,837**	**174,348**	**119**	**-**	**623**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	177,808	-	-	-	-	-	2,837	174,348	-	-	623
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	119	-	-	-	-	-	-	-	119	-	-
Financial assets at amortised cost	**2,310**	**-**	**-**	**-**	**-**	**-**	**30**	**-**	**-**	**828**	**1,452**
Loans and receivables	828	-	-	-	-	-	-	-	-	828	-
Debt securities	1,482	-	-	-	-	-	30	-	-	-	1,452
CARRYING AMOUNT OF FINANCIAL ASSETS IMMEDIATELY BEFORE THE DATE OF INITIAL APPLICATION OF IFRS 17	371,488	-	-	-	-	-	-	-	-	-	-
Restatement of the carrying amount	-	-	-	-	-	-	(5)	-	-	-	384
CARRYING AMOUNT OF FINANCIAL ASSETS AT THE DATE OF INITIAL APPLICATION OF IFRS 17 (AFTER APPLYING PARAGRAPH C29)	-	-	38,619	67,061	81,939	-	2,862	174,348	3,751	828	2,459

The reclassifications made by the Group at 1 January 2023 concern, on the one hand, the designation of certain equity instruments as measured at fair value through other comprehensive income and, on the other hand, the reassessment of the business model for some debt instruments. The latter were eligible for this reassessment as they were held for the purpose of an activity related to contracts falling under the scope of application of IFRS 17. The Group remeasured at fair value through profit or loss certain debt instruments that were previously measured at fair value through other comprehensive income or at amortised cost, considering that the business model they fell under was the model by default (other/sell model); these are only bonds issued by Crédit Agricole S.A. and underwritten by Crédit Agricole Assurances. Furthermore, the Group remeasured at amortised cost some debt instruments that were previously measured at fair value through other comprehensive income, considering that they were held under a business model whose main objective is to hold financial assets to collect their contractual cash flows (hold to collect); these are assets that were allocated as ring-fenced to equity and death and disability assets (and therefore no longer constitute underlying items for contracts measured using the VFA model) as part of the ring-fencing of Predica's assets.

As a reminder, since 1 January 2018, Crédit Agricole Group used 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 aimed 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 had the effect of eliminating from the income statement part of the additional accounting mismatch and the temporary volatility caused by application of IFRS 9 before the entry into force of IFRS 17.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 GROUP ACCOUNTING POLICIES AND PRINCIPLES, ASSESSMENTS AND ESTIMATES APPLIED

1.1 APPLICABLE STANDARDS AND COMPARABILITY

Unless otherwise stated, all amounts in this financial report are expressed in euros and shown in millions, with no decimal places. Rounding amounts to the nearest million euros may occasionally result in negligible differences in the totals and subtotals shown in the tables.

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 2023 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://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en

The standards and interpretations are the same as those applied and described in the Group's financial statements for the financial year ended 31 December 2022.

They have been supplemented by the IFRS standards as adopted by the European Union at 31 December 2023 and for which application is mandatory for the first time during financial year 2023.

These cover the following:

Standards, Amendments or Interpretations	Date of first-time application: financial years from	Material impact on the Group
IFRS 17 "Insurance Contracts" IFRS 17 replaces IFRS 4 "Insurance Contracts"	1 January 2023	Yes
Amendments to IFRS 17 Comparative information relating to the joint first-time application of IFRS 17 and IFRS 9	1 January 2023	No (1)
IAS 1 Disclosures of accounting policies	1 January 2023	No
IAS 8 Definition of accounting estimates	1 January 2023	No
IAS 12 Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023	No
IAS 12 International Tax Reform – Pillar 2	1 January 2023	No

(1) The Crédit Agricole Group has applied IFRS 9 for its insurance activities since 1 January 2018. It is therefore not affected by paragraphs C28A to C28E of these amendments. In addition, it has not applied the option offered by paragraph C33A of these amendments (classification overlay) concerning the presentation of comparative information for financial assets derecognised between the date of transition to IFRS 17 and the date of first-time application of IFRS 17.

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.

STANDARDS AND INTERPRETATIONS ADOPTED BY THE EUROPEAN UNION AND APPLIED BY THE GROUP AT 31 DECEMBER 2023 AND IMPACTING THE GROUP

IFRS 17 "Insurance contracts"

IFRS 17 replaces 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 Group applied IFRS 17, as well as the changes made by IFRS 17 to other IFRS standards, to its financial statements for the first time from 1 January 2023. The main changes to other IFRS standards affecting the Group are the amendments to IAS 28 and IAS 40, which allow the measurement at fair value through profit or loss of investment properties and investments in associates and joint ventures that are underlying items of insurance contracts with direct participation features. The accounting policies and principles for investment properties falling outside this definition remained unchanged, i.e. they have been recognised at acquisition cost less accumulated depreciation and impairment losses since the time they were placed in service.

IFRS 17 must be applied retrospectively with mandatory restatement of comparative information. Consequently, comparative information relating to the 2022 financial year has been restated in the financial statements for the 2023 financial year and a balance sheet at the transition date (1 January 2022) has been provided.

The effects of the entry into force of IFRS 17 on the Group's consolidated financial statements at 1 January 2022 are shown in the statement of changes in equity and the note "Impact on equity of the application of IFRS 17 at 1 January 2022" above.

Additional information about the methods used to measure insurance contracts at the transition date, and the effect of the application of the modified retrospective approach on the CSM (Contractual Service Margin), insurance income and amounts related to insurance finance income or expenses, can be found in the tables of Note 5.3 on transitional amounts.

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 has resulted in significant changes on these points.

Changes in recognition and measurement

The Group, as permitted under IFRS 4, previously recognised insurance contracts and investment contracts with discretionary participation features according to French accounting standards, except for specific requirements introduced by IFRS 4 for equalisation provisions, shadow accounting and the liability adequacy test.

These principles 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 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 has entailed 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). 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.

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 results in significant changes from the current presentation.

As a result, the balance sheet items under which the various items relating to the measurement of insurance contracts under IFRS 4 were previously recognised are no longer presented (policyholders' deferred profit sharing, insurance company technical reserves).

Similarly, the income statement items in which income and expenses relating to insurance contracts were previously recognised are no longer presented (in particular the amount reclassified as other comprehensive income under the overlay approach).

Lastly, the statement of profit or loss and other comprehensive income sees 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 introduces new requirements regarding qualitative and quantitative disclosures that must be provided in the notes to the financial statements. They concern recognised amounts, judgements and risks relating to the contracts that fall within the standard's scope of application.

Provisions relating to the recognition, measurement and presentation of contracts that fall within the scope of application of IFRS 17 are detailed in the section "Accounting policies and principles" below.

Standards and interpretations not yet adopted by the European Union as at 31 December 2023

The standards and interpretations published by the IASB at 31 December 2023 but not yet adopted by the European Union are not 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 2023.

IFRS IC decisions, finalised and approved by the IASB, that may impact the Group

In October 2022, the IFRIC published a decision regarding the measurement of multi-currency groups of insurance contracts, in response to a question on the application of IAS 21 in conjunction with IFRS 17 in measuring a group of insurance contracts generating multi-currency cash flows. In its decision, the IFRIC observed among other things that IFRS 17 and IAS 21 refer to transactions or items denominated in a single currency, and do not contain explicit provisions concerning the determination of the currency in which transactions or items generating multi-currency cash flows are denominated. Consequently, an entity must establish an accounting policy in accordance with IAS 8 to determine, at the initial recognition date, the currency or currencies in which such group of insurance contracts (including the CSM) is denominated. Accordingly, two accounting approaches (known as "single currency" and "multi-currency") can be applied to determine the changes in exchange rates that are financial risk changes recognised in application of IFRS 17 and those that are foreign exchange impact recognised in accordance with IAS 21. In application of this decision, Crédit Agricole Group has opted for the accounting policy that measures multi-currency groups of insurance contracts using the single-currency approach: thus, the differences resulting from the translation of the currencies in which the fulfilment cash flows of the group are denominated to the single currency in which the group is denominated are recognised under IFRS 17 (insurance financial income or expenses), and the differences resulting from the translation of the currency in which the group is denominated to the functional currency are recognised under IAS 21 (foreign exchange impact).

In October 2023, the IFRIC published a decision concerning the measurement of premium receivables from intermediaries, in response to a question on the application by the insurer of the provisions of IFRS 17 and IFRS 9 to such receivables when the policyholder has paid the premiums to the intermediary (thus discharging the policyholder's obligation under the insurance contract) but the intermediary, acting on behalf of the insurer, has not yet paid the premiums to the insurer (the insurer being nevertheless obliged to provide insurance contract services to the policyholder). In its decision, the IFRIC observed among other things that IFRS 17 does not state at what moment cash flows within the boundary of an insurance contract are removed from the measurement of a group of insurance contracts. Therefore, an entity must establish an accounting policy in application of IAS 8 to determine when cash flows are removed from the measurement of a group of insurance contracts: either when the cash flows are recovered or settled in cash – in which case the IFRS 17 provisions in terms of measurement, presentation and disclosure requirements apply to premiums receivable from an intermediary (View 1), or when the policyholder's obligation under the insurance contract is discharged – in which case the provisions of IFRS 9 apply to those same premiums receivable (View 2). In application of this decision, the Crédit Agricole Group has opted for the accounting policy that treats premiums receivable from intermediaries in accordance with IFRS 9 in this case.

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;
- policyholder behaviour;
- demographic changes.

This list is not exhaustive.

The year 2023 was marked by a unique geopolitical environment, with the ongoing crisis in Ukraine, tensions over commodities and energy and the crisis in the Middle East. The Crédit Agricole Group had to adapt to the macroeconomic context, the likes of 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 of the foreign exchange market. These various elements may have had an impact on the main accounting estimates at 31 December 2023.

Accounting estimates based on assumptions are principally used in the following assessments:

- financial instruments measured at fair value (including non-consolidated equity investments);
- insurance contract assets and liabilities;
- reinsurance contract assets and liabilities;
- liabilities under investment contracts without discretionary participation features;
- 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.

The procedures for the use of assessments or estimates are described in the relevant sections below.

In particular, the measurement of insurance contracts under IFRS 17 requires important judgements to be made. The main matters requiring judgement in the Group's application of IFRS 17 are as follows, and information about them is provided in the sections and notes referred to below:

- the estimation of future cash flows, in particular the projection of these cash flows and the determination of the contract boundary: in the sections "Measurement of insurance contracts/Estimation of future cash flows" and "Measurement of insurance contracts/Contract boundary";
- the technique used to determine the adjustment for non-financial risk: in the section "Measurement of insurance contracts/Adjustment for non-financial risk";
- the approach used to determine discount rates: in the section entitled "Measurement of insurance contracts/Discount rates";
- the definition of coverage units and the determination of the amount of CSM allocated to profit or loss in each period to reflect the services provided under insurance contracts: in the section entitled "Recognition of the contractual service margin in profit or loss";
- the determination of transitional amounts relating to groups of contracts existing at the transition date: in the note entitled "Insurance specialities/Transitional amounts";
- the Internal Margin, which is the level of margin achieved by banking distributors when selling insurance contracts within the Group.

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 the 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 and borrowings used to finance environmental projects and the ecological transition. 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. In particular, loans whose indexation of the ESG factor compensation does not introduce leverage or is considered immaterial in terms of variability of the cash flows of the instrument are not considered as failing the SPPI test on the basis of this single factor.

In May 2022, in the context of its Post-implementation Review (PIR) of IFRS 9, the IASB decided to start a standard-setting project to amend IFRS 9 in order to clarify the methods of application of the SPPI test to this type of financial asset. An exposure draft published in March 2023 was open for comments until 19 July 2023. The IASB is planning to publish an amendment to IFRS 9 in 2024, which will then be submitted to the European Union for adoption.

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 the Crédit Agricole Group 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).

In the case of disposal of the securities, 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 the 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 the 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.

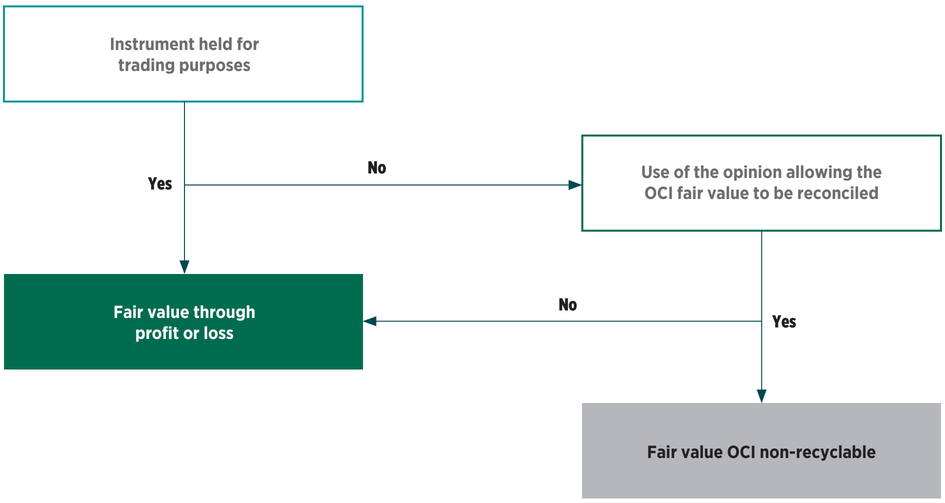
Debt instruments measured by definition at fair value through profit or loss whose business model is "Other/Sell" are recorded at the trade date.

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, the Crédit Agricole Group 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.

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 Group. 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 6.16 "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 Group 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, the 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 the Crédit Agricole Group’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.), the Crédit Agricole Group recognises the 12-month expected credit losses;
- **Stage 2:** if the credit quality deteriorates significantly for a given transaction or portfolio, the 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;
- the 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 (90 days) that makes it possible that the debtor is no longer in default (assessment by the Risk Management department).

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 the 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 increase in credit risk under the first level, defined above, for financial instruments with a rating model is based on the following two criteria:

1. Relative criteria:

To assess the significance of the relative increase in credit risk, thresholds are regularly calibrated on the basis of the lifetime probability of default, which includes forward-looking information at current reporting date and the initial recognition date.

A financial instrument is classified in 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 corporates (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 current reporting date is greater than 15% for retail customers and 12% for corporate customers, the increase in risk is considered significant and the financial instrument is classified in Stage 2;
- the Crédit Agricole Group uses the absolute threshold of more than 30 days of past due amounts as threshold for significant credit risk increase and classification in Stage 2;
- the financial instrument is classified in Stage 2 in case of distressed restructuring.

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 credit risk increase and classification in Stage 2.

If credit risk increase since origination is no longer observed, impairment may be reduced to the 12-month expected credit losses (Stage 1).

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, the 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 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 Crédit Agricole Group chooses not to apply the "hedge accounting" component of IFRS 9, as permitted by the standard. 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, 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 items, 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.

The Crédit Agricole Group considers that the best evidence of fair value is 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, the 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 the 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, the 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 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, 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 disposal of financial assets at fair value through profit or loss;
- changes in fair value and gains and losses on disposal 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 equity

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 (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)

The 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, the 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 schemes 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 6.16 "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, the 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, the 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 financial year and during prior years. Consequently, the 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 and the purchase price paid by the employee on the subscription date multiplied by the number of shares subscribed. This benefit no longer takes into account the lock-up discount since 1 January 2023.

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 Group 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".

INCOME TAX CHARGE (IAS 12)

In accordance with IAS 12, the income tax charge includes all income taxes, whether current or deferred.

Current tax liability

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 financial 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 financial 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 the 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.

Deferred tax

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.

Deferred tax assets and liabilities are offset against each other if, and only if:

- the 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.

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 financial year or during another financial year, in which case it is directly debited or credited to equity;
- or a business combination.

Capital gains on securities

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, the 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.

Leases (IFRS 16)

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.

Tax risks

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 a full 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

Definition and classification of contracts

Contracts issued by Group entities fall into the following categories:

- insurance contracts (including reinsurance contracts) issued, which fall within the scope of IFRS 17; and
- investment contracts, which are subject to either IFRS 17 or IFRS 9 depending on whether or not they include discretionary participation features.

Reinsurance contracts held by Group entities are also subject to IFRS 17.

Any reference below to insurance contracts also includes investment contracts with discretionary participation features and reinsurance contracts held, except where these are explicitly mentioned.

Insurance contracts

An insurance contract is a contract under which one party (the issuer) accepts a significant insurance risk for another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

A reinsurance contract is an insurance contract issued by one entity (the reinsurer) to compensate another entity for claims arising from one or more insurance contracts issued by that other entity (underlying contracts).

Insurance and reinsurance contracts also expose the Group to financial risk.

Insurance risk is defined as the risk, other than financial risk, transferred from the holder to the issuer of a contract. Financial risk is defined as the risk of a possible future change in one or more of the following: a specified interest rate, financial instrument price, commodity price, foreign exchange rate, price or rate index, credit rating or credit index or other variable, provided that, in the case of a non-financial variable, the variable is not specific to a party to the contract.

The main insurance risks relate to mortality (guarantees in the event of death), longevity (guarantees in the event of survival, e.g. life annuities), morbidity (guarantees in the event of disability), incapacity, health (medical cover) or unemployment of individuals, as well as civil liability and property damage.

In application of the principles of IFRS 17, insurance contracts may be insurance contracts with direct participation features or insurance contracts without direct participation features.

Insurance contracts with direct participation features are insurance contracts that are, in substance, investment-related service contracts under which the entity promises a return based on underlying items. They are 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.

Other insurance contracts issued and all reinsurance contracts (issued as well as held) constitute insurance contracts without direct participation features.

Investment contracts

Contracts that do not expose the insurer to significant insurance risk are known as investment contracts. They include investment contracts with discretionary participation features and investment contracts without discretionary participation features.

An investment contract with discretionary participation features is defined as a financial instrument that confers on a given investor the contractual right to receive additional sums over and above a sum that is not at the discretion of the issuer:

- which are likely to represent a significant portion of the total contractual benefits;
- the timing or amount of which is contractually at the issuer's discretion; and
- are contractually based on:
  - returns from a specified pool of contracts or a specified type of contract,
  - realised and/or unrealised investment returns on a specified pool of assets held by the issuer, or
  - the profit or loss of the entity or fund that issues the contract.

Investment contracts with discretionary participation features mainly cover savings contracts in euros. In the case of a multi-support contract, where the policyholder has the option to transfer all or part of its savings to a euro fund with discretionary participation at any time (under conditions that do not hinder such transfers), the Group considers that the contract as a whole is a contract with discretionary participation features, whether or not this option has been exercised by the policyholder.

Investment contracts that do not meet the above definition are investment contracts without discretionary participation features and fall within the scope of IFRS 9.

Recognition of insurance contracts

Separation of the components of an insurance contract

At inception, the Group separates embedded derivatives, distinct investment components and any promise to provide the policyholder with distinct goods or services other than insurance contract services, and accounts for them as stand-alone components in accordance with the applicable IFRS standards.

Once the distinct stand-alone components have been separated where appropriate, the Group applies IFRS 17 to account for all the remaining components of the insurance contract.

Level of aggregation of insurance contracts

Based on the requirements of the standard regarding the level of aggregation, contracts must be grouped into portfolios of contracts, 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 (annual cohort principle).

A portfolio of insurance contracts comprises insurance contracts subject to similar risks and managed together.

A portfolio must be divided into a minimum of the following groups:

- a group of contracts that are onerous at initial recognition, if any;
- a group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently, if any; and
- a group of the remaining contracts in the portfolio, if any.

These groups represent the level of aggregation at which insurance contracts are initially measured and recognised.

In order to apply the general principles of the standard concerning the identification of portfolios, the Group carried out various analyses based on the guarantees identified and the way in which the contracts are managed (for example, according to the financial portfolios to which they relate for retirement savings products, according to the grid used for the prospective assessment of risks and solvency for risk products, or according to business lines for property and casualty insurance products). 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 Crédit Agricole Group intends to use the exemption from the standard's annual cohort requirement for intergenerationally mutualised contracts. This accounting policy choice is applied to the portfolios relating to the Group's savings and retirement activities eligible for exemption.

The Group does not apply the provisions of the standard which allow these contracts to be classified in the same group if contracts in the same portfolio fall into different groups solely because legal or regulatory provisions limit the entity's practical ability to set a price or benefit level that differs according to the characteristics of the policyholders.

Recognition date for insurance contracts

A group of insurance contracts issued must be recognised from the earliest of the following dates:

- the start date of the coverage period of the group of contracts;
- the date when the first payment from a policyholder becomes due or, if there is no due date, the date when that first payment is received; and
- for a group of onerous contracts, the date when the group becomes onerous.

Insurance acquisition cost cash flows

Insurance acquisition cost cash flows are cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs. Such cash flows include cash flows that are not directly attributable to individual contracts or groups of insurance contracts within the portfolio.

With the exception of certain groups of contracts measured using the premium-allocation approach, where the decision has been made to recognise them directly as expenses, insurance acquisition cash flows paid prior to the recognition of the corresponding group of insurance contracts are recognised as an asset. This insurance acquisition cost cash flows asset is derecognised, in whole or in part, when the insurance acquisition cost cash flows are included in the measurement of the corresponding group of insurance contracts.

At the end of each reporting period, the Group assesses whether an insurance acquisition cost cash flow asset is recoverable if facts and circumstances indicate that the asset may be impaired. At 31 December 2023, the insurance acquisition cost cash flow assets identified by the Group were fully impaired and their carrying amount was therefore zero.

Measurement of insurance contracts

Contracts falling within the scope of application of IFRS 17 can be measured using three models:

- the general model, or BBA (Building Block Approach) model, which is the default valuation model;
- the VFA (Variable Fee Approach) model, which is mandatory for insurance contracts with direct participation features;
- the PAA (Premium Allocation Approach) model, a simplified model that is optional when certain criteria are met.

The Group measures its contracts using these three models.

The general model is mainly used for the Group's borrower, long-term care, death & disability, sick leave, term life and certain healthcare activities.

The Group analysed compliance with the three conditions needing to be met in order to be classified as an insurance contract with direct participation features (see section on contract classification above), in order to determine which of its contracts met these criteria. Therefore, the Group's savings, retirement and funeral business activities are valued using the VFA model.

The Group chose to apply the PAA model to its property and casualty insurance activities (insurance contracts issued and reinsurance contracts held).

Measurement of contracts using the standard model and the VFA model

Initial recognition

On initial recognition, the Group measures a group of insurance contracts at the total of:

- the fulfilment cash flows, which comprise:
  - estimates of future cash flows,
  - an adjustment to reflect the time value of money and the financial risks related to the future cash flows, to the extent that the financial risks are not included in the estimates of the future cash flows,
  - an adjustment for non-financial risk;
- the Contractual Service Margin (CSM).

Estimation of future cash flows

The purpose of estimating future cash flows is to determine the expected value of a set of scenarios that reflects the full range of possible outcomes. The cash flows of each scenario are discounted and weighted by the estimated probability of the corresponding outcome to obtain the expected present value.

The estimates of future cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows at the end of the reporting period. This information includes historical internal and external data on claims and other features of insurance contracts, updated to reflect conditions prevailing at the valuation date, including assumptions at that date about the future.

The estimates of future cash flows reflect the Group's view of current conditions at the end of the reporting period, provided that the estimates of the relevant market variables are consistent with observable market prices. The estimation of market variables is determined by maximising the use of observable market parameters.

In life insurance, the projection of future cash flows incorporates assumptions about policyholder behaviour and management decisions. These assumptions relate in particular to surrenders, the policyholders' profit-sharing policy and the asset allocation policy.

The estimation of the expected present value includes the impact of financial options and guarantees where these are material. Stochastic simulation methods are used for this estimation. Stochastic modelling involves projecting future cash flows under a large number of possible economic scenarios for market variables such as interest rates and equity returns.

The main options valued by the Group are the surrender option in savings or retirement contracts, guaranteed minimum rates and technical rates, contractual profit-sharing clauses and the minimum guaranteed benefit in respect of unit-linked contracts.

Modelled policyholders' profit sharing complies with local and contractual regulatory constraints and is subject to strategic assumptions reviewed by the entities' management.

Where contracts include a significant mortality (or longevity) risk, projections are also estimated by reference to regulatory mortality tables or experience tables where these are deemed more prudent.

Where a minimum guaranteed benefit in the event of death is included in a unit-linked contract, in order to ensure that the beneficiary of the contract receives at least the initial capital invested irrespective of changes in the value of the units of account, this is determined using an economic method (stochastic scenarios).

In non-life insurance, the Group estimates the ultimate cost of settling claims incurred but unpaid at the end of the reporting period and the value of expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. They are determined by applying deterministic statistical methods based on historical data and by using actuarial assumptions based on expert judgement to estimate the ultimate cost. Changes in the parameters used are likely to have a significant impact on the value of these estimates at the end of the reporting period, particularly for long-tail liability claims across insurance lines, where the uncertainty inherent in the realisation of forecasts is generally greater. These parameters relate in particular to the uncertainty surrounding the classification and quantification of losses, the scales (table and rates) that will be applied at the time of compensation and the probability of annuitisation of bodily injury claims. For the Group, the insurance lines concerned are motor liability, general liability, personal accident cover and professional medical liability.

Contract boundary

The measurement of a group of contracts includes all future cash flows included in the scope (the "boundary") of each of the group's contracts, i.e. all future cash flows that arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay premiums or in which it has a substantive obligation to provide the policyholder with services under the insurance contract.

The determination of the contract 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.

Cash flows taken into account in measuring contracts

The cash flows within the insurance contract boundary are those that are directly linked to the performance of the contract. In particular, they include premiums paid by the policyholder, payments to the policyholder, insurance acquisition cost cash flows allocated to the portfolio to which the contract belongs, claims management costs, and allocations of fixed or variable overheads that are directly attributable to the fulfilment of insurance contracts.

Cash flows are allocated by function (acquisition activities, other activities related to the performance of insurance contracts, and other activities) at the level of each legal entity using activity-based cost allocation methods.

Insurance acquisition and fulfilment cash flows are allocated to groups of contracts using systematic and rational methods applied uniformly to all costs with similar characteristics. They include both direct costs and an allocation of fixed and variable overheads.

The Group did not identify any insurance contracts without direct participation features that give it discretion over the cash flows it will pay to policyholders.

Discount rates

The Group adjusts the estimates of future cash flows to reflect the time value of money and the financial risks related to the future cash flows, to the extent that the financial risks were not included in the cash flow estimates.

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 (see section on subsequent measurement below).

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. Illiquidity premiums for bond assets are determined by comparing bond portfolio spreads with credit risk compensation. The illiquidity premiums for non-bond assets are obtained using a method derived from the Sharpe ratio, which quantifies the excess return attributable to illiquidity in these asset classes. The illiquidity premiums calculated in this way for the assets in the reference portfolio are then used to calculate the illiquidity premiums for the corresponding insurance liabilities, using a coefficient based on the comparison between the respective maturities of the assets and liabilities in order to reflect the increase in illiquidity premiums with the maturity.

The table below shows the yield curves used to discount the cash flows of insurance contracts:

	31/12/2023						31/12/2022					
	1 year	5 years	10 years	15 years	20 years	30 years	1 year	5 years	10 years	15 years	20 years	30 years
Life France												
EUR	4.47%	3.43%	3.50%	3.57%	3.51%	3.37%	4.16%	4.11%	4.07%	4.00%	3.74%	3.43%
Damages France												
EUR	4.02%	2.98%	3.05%	3.13%	3.06%	2.98%	3.68%	3.64%	3.60%	3.53%	3.27%	3.02%
International												
EUR	4.92%	3.87%	3.94%	4.02%	3.95%	3.75%	4.22%	4.17%	4.13%	4.06%	3.80%	3.48%
USD	4.95%	3.68%	3.63%	3.67%	3.64%	3.42%	5.40%	4.27%	4.07%	4.02%	3.94%	3.61%
JPY	(0.07%)	0.45%	0.85%	1.15%	1.39%	1.51%	(0.10%)	0.16%	0.49%	0.97%	1.26%	1.56%

The level of illiquidity premiums used is the following:

	31/12/2023	31/12/2022
	1 year	1 year
Life France		
EUR	108	95
Damages France		
EUR	65	49
International		
EUR	91	101
USD	53	69

Adjustment for non-financial risk

The estimate of the present value of future cash flows is subject to an explicit adjustment for non-financial risk in order to reflect the compensation required by the Group for the uncertainty about the amount and timing of cash flows that arises from non-financial risk.

The Group makes use of the confidence level technique for determining the risk adjustment for all of its contracts. The Group's valuation metric is VaR (Value at Risk), with a quantile of 80% for life insurance activities and 85% for non-life insurance activities, and an ultimate term (approximated by the maturity of liabilities for life insurance activities). This adjustment reflects the benefits of risk diversification at the entity level, determined using a correlation matrix. Diversification between entities is also taken into account.

Contractual service margin

The CSM of a group of contracts represents the unearned profit that the Group will recognise as it provides insurance contract services in the future.

On initial recognition of a group of contracts, if the aggregate of the fulfilment cash flows measured at the date of initial recognition, any cash flows arising at that date, and any amount arising from the derecognition at that date of any asset or liability previously recognised in respect of the cash flows relating to that group (including any insurance acquisition cost cash flow asset) is a net cash inflow, then the group of contracts is profitable. In this case, the CSM is measured as the equal and opposite amount of this net cash inflow, with the result that there is no income or expense on initial recognition.

If the total calculated above is a net cash outflow, then the group of contracts is onerous. In this case, the net cash outflow is immediately recognised as a loss in profit or loss, such that the carrying amount of the liability relating to the group is equal to the fulfilment cash flows and the group's contractual service margin is therefore zero.

Subsequent measurement

The carrying amount of a group of contracts at the end of each reporting period is the sum of the Liability for Remaining Coverage (LRC) and the Liability for Incurred Claims (LIC).

The liability for remaining coverage comprises the fulfilment cash flows relating to future services allocated to the Group at that date and the Group's contractual service margin at that date.

The liability for incurred claims comprises the fulfilment cash flows for claims incurred and other related expenses that have not yet been paid, including claims incurred but not yet reported.

The fulfilment cash flows of groups of contracts are measured at the end of the reporting period using the discounted estimates of the value of future cash flows, current discount rates and the discounted estimates of the adjustment for non-financial risks. Changes in fulfilment cash flows are recognised as follows:

Changes relating to future service	Recognised against the CSM (or recognised as insurance revenue if the group is onerous)
Changes relating to current or past services	Recognised in insurance service result
Effect of the time value of money, financial risk and changes therein on future cash flows	Recognised in insurance finance income or expenses

The CSM of each group of contracts is calculated at the end of each reporting period as follows, depending on whether the contracts are those without direct participation features (standard model) or those with direct participation features (VFA model).

Insurance contracts without direct participation features measured using the general model

For insurance contracts without direct participation features, the carrying amount of the contractual service margin of a group of contracts at the end of the reporting period equals the carrying amount at the start of the reporting period adjusted for:

- the effect of any new contracts added to the group during the period;
- interest accreted on the carrying amount of the contractual service margin during the reporting period, measured at the discount rates at initial recognition;
- the changes in fulfilment cash flows relating to future service, except to the extent that:
  - such increases in the fulfilment cash flows exceed the carrying amount of the contractual service margin, in which case the surplus is recognised as a loss in profit or loss and constitutes a loss component, or
  - such decreases in fulfilment cash flows are allocated to the loss component, leading to a reversal of the loss previously recognised in profit or loss;
- the effect of any foreign exchange impact on the contractual service margin; and
- the amount recognised in insurance revenue as a result of the provision of insurance contract services during the period, determined after all the other adjustments described above (see "Recognition of the contractual services margin in profit or loss" below).

Changes in fulfilment cash flows that relate to future service and that adjust the CSM include:

- experience adjustments arising from premiums received in the period that relate to future service, and related cash flows such as insurance acquisition cost cash flows and premium-based taxes, measured at the discount rates determined at initial recognition;
- changes in estimates of the present value of the future cash flows in the liability for remaining coverage, measured using discount rates determined at initial recognition, except those resulting from the effects of the time value of money, financial risk and changes therein;
- differences between investment components and loans granted to policyholders;
- changes in the adjustment for non-financial risk that relate to future service, measured using discount rates determined at initial recognition.

Insurance contracts with direct participation features measured using the VFA model

The variable fee approach (VFA model) reflects the specific nature of the services rendered by insurance contracts with direct participation features. These are insurance contracts which, in substance, are investment-related service contracts under which the entity promises a return based on underlying items.

The underlying items are those that determine a portion of the amounts to be paid to policyholders. Within the Group, they mainly comprise financial asset portfolios and, in the case of French savings contracts denominated in euros, the technical result of these contracts. The Group's policy is to hold the underlying financial assets. The composition and fair value of these assets are detailed in Note 5.3.

Insurance contracts with direct participation features are contracts under which the Group's obligation to the policyholder is the net of:

- the obligation to pay the policyholder an amount equal to the fair value of the underlying items; and
- a variable fee in exchange for the future services provided by the insurance contract, which corresponds to the difference between the amount of the entity's share of the fair value of the underlying items and the fulfilment cash flows that do not vary based on the returns on the underlying items.

Changes in the obligation to pay the policyholder an amount equal to the fair value of the underlying items are not related to future service and therefore do not result in an adjustment to the CSM: they are recognised in profit or loss.

Changes in the amount equal to the entity's share of the fair value of the underlying items are related to future service and result in an adjustment to the CSM.

The carrying amount of the CSM of a group of insurance contracts with direct participation features at the end of the reporting period is therefore the carrying amount at the opening of the period, adjusted for the following items:

- the effect of any new contracts added to the group during the period;
- the change in the amount equal to the entity's share of the fair value of the underlying items and changes in fulfilment cash flows relating to future service, except to the extent that:
  - the risk mitigation option is applied to exclude changes in the effect of the time value of money and financial risk on the amount of its share of the underlying items or fulfilment cash flows from the CSM (option not applied by the Group),
  - the decrease in the amount of the entity's share of the fair value of the underlying items, or the increase in fulfilment cash flows relating to future service, exceeds the carrying amount of the CSM, giving rise to a loss in profit or loss and constituting a loss component, or
  - the increase in the amount equal to the entity's share of the fair value of the underlying items, or the decrease in fulfilment cash flows relating to future service, is allocated to the loss component, leading to a reversal of the loss previously recognised in profit or loss;
- the effect of any foreign exchange impact on the contractual service margin; and
- the amount recognised in insurance revenue as a result of the provision of insurance contract services during the period, determined after all the other adjustments described above (see "Recognition of the contractual services margin in profit or loss" below).

The changes in fulfilment cash flows relating to future service that adjust the CSM include the changes specified above for insurance contracts without direct participation features (valued at current discount rates) and changes in the effect of the time value of money and financial risks that do not result from the underlying items, for example, the effect of financial guarantees.

Loss component

For contracts measured using the standard model and the VFA model, the Group establishes a loss element of the liability for remaining coverage for onerous groups of contracts. It is on the basis of this loss element that the amounts subsequently presented in profit or loss as reversals of losses on onerous groups of contracts are determined, and which are consequently excluded from insurance revenue (see section on presentation below).

When fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

Any subsequent decrease in fulfilment cash flows relating to future service, and any subsequent increase in the amount of the Group share of the fair value of the underlying items, for contracts with direct participation features, are allocated solely to the loss component.

If the loss component is reduced to zero, then any excess over the amount allocated to the loss component constitutes a new CSM for the group of contracts in question.

Measurement of contracts using the PAA model

The premium allocation approach (PAA model) is an optional measurement model that makes it possible to measure the liability for remaining coverage of a group of insurance contracts in a simplified manner if one of the following two eligibility criteria is met at the date the group is established:

- the Group reasonably expects that the measurement of the liability for remaining coverage of the group obtained using this simplified method will not differ materially from that which would be obtained by applying the provisions of the standard model; or
- the coverage period of each of the contracts in the group of contracts does not exceed one year.

The Group opted to apply this approach to its property and casualty insurance activities (insurance contracts issued and reinsurance contracts held). 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.

On initial recognition of a group of insurance contracts, the carrying amount of the liability for remaining coverage is measured at the amount of premiums received at the date of initial recognition minus any insurance acquisition cost cash flows allocated to the group at that date and plus or minus any amount arising from the derecognition at that date of any asset or liability previously recognised for cash flows relating to the group of contracts (including any insurance acquisition cost cash flow asset).

For a group of contracts measured under the PAA, the Group may make the accounting policy choice whereby insurance acquisition cost cash flows, if any, are recognised as expenses at the time these costs are incurred, provided that the coverage period for each of the contracts in the group at initial recognition is no more than one year. The Group opted not to use this option for the measurement of groups of contracts measured using the PAA model.

Upon subsequent measurement, the carrying amount of the liability for remaining coverage is increased by premiums received in the period plus any amounts relating to the amortisation of insurance acquisition cost cash flows recognised as an expense, minus the amount recognised as insurance revenue for insurance services provided in that period and insurance acquisition cost cash flows paid in that period.

On initial recognition of each group of contracts, the Group expects that the time between the provision of the services and the due date of the related premium will not exceed one year. Accordingly, the Group opted not to adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If, at any time during the coverage period, facts and circumstances indicate that a group of insurance contracts measured using the PAA model is onerous, the Group recognises a loss in profit or loss and increases the liability for remaining coverage to the extent that current estimates of fulfilment cash flows relating to the remaining coverage of the group exceed the carrying amount of the liability for that coverage. The fulfilment cash flows for these groups of contracts are discounted (at current rates) to the extent that the liability for incurred claims is also discounted.

For contracts measured using the PAA model, the loss component arising in the event of an onerous group of contracts is allocated to the liability for remaining coverage; reversals of this loss component cannot result in a liability for remaining coverage that is less than that which would be determined in the absence of the loss component.

The Group measures the liability for incurred claims of a group of insurance contracts measured using the PAA model as the amount of fulfilment cash flows relating to incurred claims, in accordance with the applicable provisions of the standard model. However, it is not required to adjust future cash flows for the time value of money and the effect of financial risk if the payment or receipt of these cash flows is expected within a period not exceeding one year from the date of the claim. The Group did not make use of this option. Future cash flows are therefore discounted (at current rates).

Recognition of reinsurance contracts held

Reinsurance contracts held are accounted for in accordance with the provisions applicable to insurance contracts without direct participation features presented above, modified to take account of their specific characteristics.

Level of aggregation

Portfolios of reinsurance contracts held are divided in accordance with the provisions of IFRS 17 applicable to insurance contracts issued. However, since reinsurance contracts held cannot be onerous, the Group considers, for the purposes of applying these provisions to reinsurance contracts held, that any reference to onerous contracts refers to reinsurance contracts held giving rise to a net gain on initial recognition.

Recognition date

A group of reinsurance contracts held is recognised at the beginning of the coverage period of the group. As an exception to this principle, for a group of reinsurance contracts held that provide proportional coverage, the Group defers the recognition date until the initial recognition date of any underlying insurance contract, if this date is later than the beginning of the coverage period of the group of reinsurance contracts held.

However, if the Group recognises an onerous group of underlying insurance contracts at an earlier date and the corresponding reinsurance contract was entered into on or before that earlier date, the group of reinsurance contracts held is recognised at that earlier date.

Contract boundary

The application of the contract boundary provisions set out above for insurance contracts issued to reinsurance contracts held implies that cash flows are included within the boundary of a group of reinsurance contracts held if they arise from substantive rights and obligations that exist during the reporting period in which the ceding company is obliged to pay amounts to the reinsurer or in which the ceding company has a substantive right to receive services from the reinsurer.

The cash flows within the boundary of the reinsurance contracts held are thus determined as those arising from the underlying contracts issued or expected to be issued and ceded by the Group under the reinsurance contract until the earliest possible termination date of the reinsurance contract.

Measurement

The Group measures estimates of the present value of future cash flows of a group of reinsurance contracts held using assumptions consistent with those used to measure estimates of the present value of future cash flows of the underlying group or groups of insurance contracts, with an adjustment to reflect the non-performance risk on the part of the reinsurer, including the effect of guarantees and losses arising from litigation.

The adjustment for non-financial risk corresponds to the amount of risk transferred by the ceding company to the reinsurer.

If the reinsurance contract held is entered into on or before the recognition of the onerous underlying contracts, when the Group recognises a loss on the initial recognition of an onerous group of underlying insurance contracts or on the addition of onerous underlying insurance contracts to an existing group, the Group adjusts the CSM of the group to which the onerous reinsurance contract belongs, and recognises income accordingly. This adjustment constitutes a loss-recovery component of the asset for remaining coverage for the group of reinsurance contracts held, depicting the recovery of losses on the onerous underlying insurance contracts. The loss-recovery component determines the amounts that are presented in profit or loss as reversals of recoveries of losses from reinsurance contracts held and are consequently excluded from the allocation of premiums paid.

Derecognition and modification of contracts

The Group derecognises an insurance contract:

- when it is no longer in force, i.e. when the obligation specified therein expires, or is discharged, or cancelled;
- when it is transferred to a third party; or
- if its terms are modified in a way that would have substantially changed the accounting for the contract if the new terms had always existed (e.g. different classification, or different measurement model), in which case a new contract based on the modified terms is recognised.

Effect of accounting estimates made in the interim financial statements

The Group prepares interim financial statements in accordance with IAS 34. It opted to modify the treatment of accounting estimates made in its previous interim financial statements when applying IFRS 17 in its subsequent interim financial statements and in its annual financial statements.

Presentation

Presentation in the balance sheet

The Group presents the carrying amount for the following items separately in the balance sheet:

- 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.

Assets and liabilities recognised for cash flows arising prior to the recognition of the related group of contracts (including insurance acquisition cost cash flows) are included in the carrying amount of the related portfolios of contracts.

Presentation in the income statement and the statement of other comprehensive income

The Group recognises income and expenses relating to contracts within the scope of application of IFRS 17 under the following income statement items:

- insurance revenue;
- insurance service expenses;
- income and expenses relating to reinsurance contracts held;
- insurance finance income or expenses;
- insurance finance income or expense related to reinsurance contracts held.

Income and expenses relating to reinsurance contracts held are presented separately from income and expenses relating to insurance contracts issued.

The Group opted to present income and expenses from reinsurance contracts held, other than insurance finance income or expenses, as a single amount within insurance service result.

The Group chose to allocate changes in the adjustment for non-financial risk between insurance service result and insurance finance income or expenses for insurance contracts without direct participation features, and to include these changes in full in insurance service result for insurance contracts with direct participation features.

Insurance revenue and insurance service expenses exclude investment components.

Amounts recognised in comprehensive income

Insurance revenue – Contracts measured using the general model and the VFA model

Insurance revenue recognised in the period reflects the provision of services relating to a group of insurance contracts by an amount that reflects the consideration to which the Group expects to be entitled in exchange for these services.

This includes:

- amounts relating to changes in the liability for remaining coverage related to the provision of services in exchange for which the Group expects to receive consideration:
  - insurance service expenses incurred during the period (measured at the amounts expected at the beginning of the reporting period), excluding any amounts allocated to the loss element of the liability for remaining coverage, investment component reimbursements, amounts relating to transactional taxes collected on behalf of third parties, acquisition costs and the amount relating to the adjustment for non-financial risk,
  - changes in the adjustment for non-financial risk, excluding changes included in insurance finance income or expenses, changes related to future service, and amounts allocated to the loss component of the liability for remaining coverage,
  - the amount of the contractual service margin recognised in profit or loss as a result of the provision of insurance contract services during the period,
  - other amounts, where appropriate, for example experience adjustments arising from premium receipts other than those related to future service;
- the amount of the portion of premiums allocated to the recovery of insurance acquisition cost cash flows.

The Group allocates the portion of premiums allocated to the recovery of insurance acquisition cost cash flows to each period in a systematic manner that reflects the passage of time. The Group adopted a straight-line allocation method without taking into account the capitalisation of interest. The same amount is recognised as insurance service expenses.

Recognition of the contractual service margin in profit or loss

The amount of the contractual service margin for a group of insurance contracts, which is recognised in each period in insurance revenue to reflect the insurance contract services provided in respect of that group during the period, is determined by identifying the coverage units in the group, allocating the CSM at the end of the reporting period (before recognition in profit or loss) equally to each coverage unit provided in the current period and expected to be provided in the future, and recognising in profit or loss the amount allocated to coverage units provided in the current period.

The number of coverage units in the group of contracts corresponds to the volume of insurance contract services provided by the contracts in the group, determined by taking into account, for each contract, the volume of benefits provided and the expected period of coverage. Coverage units are reviewed and updated at the end of each reporting period.

Insurance contract services include coverage in respect of an insured event (insurance coverage) as well as, in the case of insurance contracts with direct participation features, the management of the underlying items on behalf of the policyholder (investment-related services) and, in the case of insurance contracts without direct participation features, the generation of an investment return for the policyholder (investment-return services), where applicable.

The period over which the investment-return or investment-related services are provided ends no later than the date on which all amounts due to existing policyholders in respect of those services have been paid.

The Group's contracts measured using the general model do not include investment-return services.

The standard does not specify the appropriate indicator to be used to reflect the volume of services provided in the period, and judgement is therefore required in this regard. 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 is adapted to the characteristics of the relevant contracts. For insurance contracts with direct participation features, measured under the VFA, 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).

A breakdown of the expected pace at which the remaining CSM at the end of the reporting period will be recognised in profit or loss is provided in Note 5.3 below.

Insurance revenue – Contracts measured using the PAA model

For groups of contracts measured using the PAA model, insurance revenue for the period is the amount of expected premium receipts allocated to the period (excluding investment components).

The Group allocates the amount of these expected premium receipts to the insurance contract services periods on the basis of the passage of time for all its contracts measured using the PAA model.

Insurance service expenses

Insurance service expenses arising from insurance contracts issued are generally recognised in profit or loss as incurred. They exclude reimbursements of investment components and include the following items:

- claims expenses (excluding investment components) and other insurance service expenses incurred;
- amortisation of insurance acquisition cost cash flows;
- losses on onerous groups of contracts and reversals of such losses;
- changes in the liability for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein;
- impairment losses on insurance acquisition cost cash flow assets and reversals of such impairment losses.

Income and expenses related to reinsurance contracts held

Income and expenses related to reinsurance contracts held include:

- the allocation of premiums paid, which includes amounts relating to changes in the asset for remaining coverage related to the provision of services for which the Group expects to pay a consideration;
- amounts recovered from the reinsurer;
- the effect of changes in the non-fulfilment risk on the part of the issuer of reinsurance contracts held.

Insurance finance income or expenses

Insurance finance income or expenses consist of changes in the carrying amount of groups of insurance and reinsurance contracts resulting from the effects of the time value of money, financial risk and changes therein.

For groups of insurance contracts measured using the VFA model, these changes exclude changes allocated to the loss element (which are included in insurance service expenses) and include changes in the measurement of groups of contracts attributable to changes in the value of the underlying items (excluding additions and withdrawals).

Insurance financial income or expense for the period may be presented either in full in the income statement or broken down between the income statement and other comprehensive income ("OCI option").

For insurance contracts other than insurance contracts with direct participation features for which the entity holds the underlying items, the amount presented in profit or loss is determined by systematic allocation of the total expected insurance finance income or expense over the duration of the group of contracts:

- for groups of insurance contracts measured using the general model for which changes in financial risk assumptions do not have a material impact on the amounts paid to policyholders: using the discount rates determined at the date of initial recognition of the group of contracts;
- for groups of contracts measured using the PAA model: using the discount rates determined at the date of the occurrence of the claim.

For insurance contracts with direct participation features, for which the Group holds the underlying items, the amount recognised in profit or loss is the amount that eliminates accounting mismatches with the income or expenses included in profit or loss on the underlying items held. Under this option, the Group recognises income or expenses in profit or loss that correspond exactly to the income or expenses recognised in profit or loss for the underlying items, with the result that the sum of the items presented separately is zero.

For most of its insurance portfolios, the Group chose to apply the accounting method ("OCI option") which allows insurance finance income or expenses for the period to be allocated between profit and loss and other comprehensive income. For insurance contracts with direct participation features for which the entity holds the underlying items, application of this option results in the presentation in profit or loss of an amount that eliminates accounting mismatches with the income or expenses recognised in profit or loss on the underlying items held; for other contracts, the impact of changes in discount rates on the value of the contracts is presented in other comprehensive income.

Investment components

The provisions of the standard require the identification of investment components, which are defined as the amounts the Group must repay to the insured under all circumstances, whether or not the insured event occurs; they should not be recognised in insurance revenue or insurance service expenses.

The main investment components identified by the Group relate to savings and retirement contracts with an explicit surrender or transfer value.

Internal margin

IFRS 17 requires an estimate of future costs when measuring insurance liabilities on the balance sheet. The income statement shows the actual costs and the release of the estimated costs for the period.

Crédit Agricole's banking network markets insurance contracts issued and managed by the Group's insurance entities. These entities remunerate the banking network through commissions.

The Group adjusts the insurance liabilities and the income statement for the amount of the internal margin contained in intra-group commissions. Overheads incurred by the banking network when distributing insurance contracts are shown as insurance service expenses. The affected captions are:

- on the balance sheet: insurance liabilities for the VFA and BBA models;
- on the income statement: recognition of the CSM for the VFA and BBA models, and actual costs for all models.

The Group uses its banking networks' normalised management data to determine the margin on distributed insurance contracts.

These restatements are included in the Corporate Centre operating segment, Note 5.

LEASES (IFRS 16)

The Group may be the lessor or lessee of a lease.

Leases for which the Group is the lessor

Leases are classified either as a finance lease if the lease contract transfers almost all of the risks and benefits inherent in ownership of the underlying asset or as an operating lease if most of the risks and benefits of the leased asset are not transferred to the lessee.

- In the case of finance leases, they are considered equivalent to a fixed asset sale to the lessee financed by a credit granted to the latter by the lessor.
- The lessor thus records a financial debt for the lessee under "financial assets at amortised cost" for a value equal to the present value at the contract's implicit rate of the lease payments due, plus any non-guaranteed residual value owed to the lessor.

  The lease payments received break down between the interest recorded in the income statement under "Interest and similar income" and the capital amortisation, so that the net income represents a constant rate of return on the residual outstanding amount. The interest rate used is the implicit interest rate of the contract.

  For finance leases, the Crédit Agricole Group applies the general approach for the impairment of financial assets at amortised cost under IFRS 9.
- 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 depreciates them on a straight-line basis over their useful life excluding the residual value. Lease payments received are also recognised in profit or loss on a linear basis over the length of the leases.

  Lease income and depreciation amortisation are recognised in the income statement under "income from other activities" and "expenses on other activities".

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).

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 group of assets) classified as held for sale is measured at the lower of its carrying amount and fair value less costs to sell. In case of unrealised losses, impairment is recognised in the income statement. Moreover, non-current assets corresponding to depreciable fixed assets are no longer depreciated after they are declassified.

For equity-accounted investments, the share of earnings equal to the percentage held for sale is no longer booked.

If the fair value of a group of assets held for sale less its costs to sell 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.

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:

- net income from discontinued operations;
- the gain or loss recognised on the disposal or on measurement to fair value less costs to sell 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 the 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 accounts of European credit institutions, which together with Crédit Agricole S.A., the Regional Banks and the Local Banks constitute the "reporting entity"; and
- the financial statements of all companies over which, in accordance with the provisions of IFRS 10, IFRS 11 and IAS 28, Crédit Agricole S.A., the Regional Banks and the Local Banks exercise control, joint control or significant influence.

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 the 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.

The 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. 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 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 Crédit Agricole Group's involvement and decisions. at the time of the entity's creation, the agreements made at the time of its creation and the risks incurred by Crédit Agricole Group, any rights under agreements that give the investor the power to direct relevant activities only in specific circumstances, and any other facts or circumstances that indicate that 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. The Crédit Agricole Group is presumed 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 the 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 Crédit Agricole Group;
- the equity method, for entities over which Crédit Agricole S.A. exercises significant influence and joint ventures (excluding joint activities).

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, the 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 the 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 debt 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". 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 costs to sell 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 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 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 Crédit Agricole Group's percentage ownership interest in an entity that remains under its exclusive control declines, the difference between the disposal 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 MERGER BY CACEIS AND BNP PARIBAS OF THEIR ISSUER SERVICES DIVISIONS IN FRANCE INTO UPTEVIA, A JOINT VENTURE CREATED THROUGH BNP PARIBAS'S CONTRIBUTION OF ITS CORPORATE TRUST SERVICES (CTS) ACTIVITY TO CACEIS CORPORATE TRUST

On 1 January 2023, CACEIS S.A. and BNP Paribas created the joint venture Uptevia, equally owned by the two banks and merging their issuer services divisions in France.

Issuer services were previously conducted within CACEIS Group by its subsidiary CACEIS Corporate Trust, which was subject to IFRS 5 on 31 December 2022 and to a loss of control following two capital increases underwritten by BNP Paribas Securities Services on 1 January 2023. After those capital increases, CACEIS Corporate Trust was equally owned by CACEIS S.A. and BNP Paribas Securities Services and consolidated by the Group using the equity accounting method (vs. full consolidation method at 31 December 2022). At the same time, CACEIS Corporate Trust changed its company name to Uptevia.

A €5-million disposal gain was recognised for the share of the entity that was sold to the joint venture under "Net gains (losses) on other assets". Its share of earnings in equity-accounted associates was €1 million and its contribution under investments in equity-accounted associates on the balance sheet was €15 million.

2.1.2 FULL TAKEOVER OF 100% OF FCA BANK AND DRIVALIA BY CRÉDIT AGRICOLE CONSUMER FINANCE TO CREATE CA AUTO BANK AND LAUNCH WITH STELLANTIS OF THE JOINT VENTURE DEDICATED TO LONG-TERM CAR RENTAL IN EUROPE, LEASYS

For the record, on 17 December 2021, Crédit Agricole Consumer Finance (CACF) and Stellantis signed a master agreement aimed at creating a 50/50-owned pan-European leader in long-term car rental. The first stage of this agreement involved creating a new subsidiary jointly owned by CA Consumer Finance and Stellantis, followed by FCA Bank's disposal of its subsidiary Leasys to this new entity on 31 December 2022, to form the Leasys Group.

On 3 April 2023, the second stage of the master agreement was implemented through two series of transactions.

First, CA Consumer Finance and Stellantis formed a multi-brand operating car leasing player by combining the Leasys and Free2move Lease brands in order to form the Leasys Group. The Leasys Group, 50%-owned by Crédit Agricole Consumer Finance, has been equity-accounted in the Crédit Agricole Group's consolidated financial statements since 30 June 2023.

Subsequently, CA Consumer Finance acquired 50% of the remaining FCA Bank shares held by Stellantis. When the transaction was completed, FCA Bank was wholly owned by CACF and became Crédit Agricole Auto Bank. Crédit Agricole Auto Bank (formerly FCA Bank) has been accounted for in the Crédit Agricole Group's financial statements using the full consolidation method since 30 June 2023 (vs equity-accounted at 31 December 2022). The net assets' fair value at the acquisition date was €2,740 million.

These transactions combined as well as the reorganisation of the CA Consumer Finance Group's Mobility business had a one-time impact on the 2023 financial statements, affecting all Intermediate Management Balances related to transfers of goodwill, compensatory payments received or paid, accounting treatment for the full consolidation of CA Auto Bank (formerly FCA Bank) and the reorganisation of the CA Consumer Finance Group's car financing activities within the CA Consumer Finance Group (especially the review of application solutions).

In all, those items had a +€179 million impact on net income Group share at 31 December 2023.

2.1.3 CRÉDIT AGRICOLE CONSUMER FINANCE FINALISED, WITH STELLANTIS, THE ACQUISITION OF ALD'S AND LEASEPLAN'S ACTIVITIES IN SIX EUROPEAN COUNTRIES

On 3 August 2023, Crédit Agricole Consumer Finance announced the acquisition of ALD's activities in Ireland, Norway and Portugal as well as that of LeasePlan's activities in the Czech Republic, Finland and Luxembourg.

The acquisition resulted in the split of the scope acquired between, on the one hand, CA Auto Bank and Drivalia, a subsidiary of CA Auto Bank, receiving ALD's activities in Ireland and Norway and those of LeasePlan in the Czech Republic and Finland and, on the other hand, Leasys receiving ALD's activities in Portugal and those of LeasePlan in Luxembourg.

This transaction enables the development of CA Auto Bank and of Leasys to be accelerated.

At 31 December 2023, the impact of Leasys' acquisition of the ALD entities in Portugal and of LeasePlan in Luxembourg was immaterial in the Group's financial statements.

The acquisition by CA Auto Bank and Drivalia led to the recognition of goodwill in the amount of €58 million at 31 December 2023. In application of IFRS 3.45, the acquirer must finalise the initial recognition of goodwill within a period of maximum twelve months from the acquisition date.

2.1.4 ACQUISITION BY CACEIS OF THE ACTIVITIES OF RBC INVESTOR SERVICES IN EUROPE

On 3 July 2023, after obtaining the required banking and competition authorities authorisations, CACEIS acquired the asset servicing activities of RBC Investor Services and its associated Malaysian operational centre.

In Jersey, the transaction was finalised on 1 December 2023 after the receipt of the required authorisation from the regulator (Manpower licence and change of ownership).

In the United Kingdom, the legal and regulatory approval was obtained on 31 October 2023. From a legal standpoint, the acquisition is a Part VII transfer, meaning that the High Court of England and Wales will supervise the transfer of the designated commercial activities from one entity to another. The bulk of customer and employee transfers from RBC Trust UK to CACEIS Bank UK will take place in the first quarter of 2024.

The activities of the CACEIS Investor Services (formerly RBC Investor Services) entities will be integrated into CACEIS's systems and organisation gradually in 2024. The integration will include among other things the legal merger of local entities with CACEIS entities in various countries. It will also cover the migration of customers and information systems to a unique IT platform.

This acquisition led to the recognition of goodwill in the amount of €152 million at 31 December 2023. In application of IFRS 3.45, the acquirer must finalise the initial recognition of goodwill within a period of maximum twelve months from the acquisition date.

2.1.5 CREATION OF CRÉDIT AGRICOLE TRANSITIONS & ÉNERGIES "CAT&E"

In line with its climate strategy and its medium-term plan, the Crédit Agricole Group announced in 2022 the launch of a new activity through the creation of a new subsidiary: Crédit Agricole Transitions & Énergies. This subsidiary is wholly owned by Crédit Agricole S.A. and consolidated by the full consolidation method at 31 December 2023.

Crédit Agricole Transitions & Énergies thus aims to step up the development of renewable energy in France and to become a regional energy provider helped by the momentum nurtured since its beginnings through the experience of the Regional Banks, as well as to foster energy conservation practices by offering q transition consulting service to all our customers.

2.1.6 INDOSUEZ WEALTH MANAGEMENT, A SUBSIDIARY OF THE CRÉDIT AGRICOLE GROUP, ANNOUNCED A PLAN TO ACQUIRE A MAJORITY STAKE IN THE CAPITAL OF BANQUE DEGROOF PETERCAM

On 3 August 2023, Indosuez Wealth Management, a wholly owned subsidiary, signed an agreement with certain core shareholders for the acquisition of a majority stake of approximately 59% in Degroof Petercam, a wealth management leader in Belgium and a leading investment firm with an international presence and customer base. The stake will increase to approximately 65% after certain additional shareholders exercise their rights under the existing shareholders' agreements. The transaction is expected to close in the second quarter of 2024, subject to obtaining the authorisations of the relevant authorities.

This proposed acquisition will be carried out in partnership with the CLdN group, a Degroof Petercam core shareholder, which will retain a stake of around 20%, reflecting the desire to preserve its roots and domestic foothold in Belgium, in line with Crédit Agricole Group's partnership culture.

Following the transaction, a voluntary and unconditional tender offer by Indosuez Wealth Management for the remaining Degroof Petercam's shares is expected to take place in the second half of 2024 under the same terms and conditions.

Pending regulatory authorizations, there is no significant impact in the financial statements as of December 31, 2023.

2.2 APPLICATION OF THE NEW IFRS 17

The application of IFRS 17 for insurance contracts is mandatory for financial years starting on or after 1 January 2023. This standard replaces the previous IFRS 4.

Standardised procedures for implementing IFRS 17 in the Group's consolidated financial statements are presented in Note 1, "Applicable standards and comparability".

The impacts of the first-time application of IFRS 17 at 1 January 2023 and the profit or loss for the 2022 comparative period are described in Note 12 to the Group's consolidated financial statements at 31 December 2023.

2.3 PURCHASES OF CRÉDIT AGRICOLE S.A. SHARES BY SAS RUE LA BOÉTIE

On 10 November 2022, SAS Rue La Boétie announced its intention to buy up to €1 billion of Crédit Agricole S.A.'s shares by the end of first-half 2023. The transaction proceeded according to schedule and was completed in June 2023. The shares were acquired for €1,003 million (which included €3 million in acquisition costs). The purpose of the transaction was to take advantage of depressed market prices at the end of 2022.

On 4 August 2023, SAS Rue La Boétie announced its intention to repeat the transaction by buying up to €1 billion of Crédit Agricole S.A.'s shares by the end of first-half 2024. SAS Rue La Boétie again stated that the purpose of the transaction was to take advantage of depressed prices in the current economic context.

SAS Rue La Boétie also indicated that it did not intend to increase its stake in Crédit Agricole S.A. to more than 65%.

NOTE 3 FINANCIAL MANAGEMENT, RISK EXPOSURE AND HEDGING POLICY

Crédit Agricole S.A.'s Financial Management department is responsible for organising financial flows within 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".)

CREDIT RISK MEASUREMENT

In the context of economic and geopolitical uncertainties, the Group continues to regularly review its forward-looking macroeconomic forecasts to determine the estimate of credit risk.

Information on the macroeconomic scenarios as of December 2023

The Group used four scenarios for calculating IFRS 9 provisioning parameters in production on December 2023 with projections going up to 2026. They incorporate different assumptions on the effects of the Russian-Ukrainian conflict, the inflationary shock suffered in particular by the Eurozone and the monetary tightening by Central Banks, with a specific weighting assigned to each scenario.

First scenario: "Central" scenario (weighted at 50%)

The central scenario is one of "slow normalisation" characterised by a sharp economic slowdown, and a lower but still high inflation rate. The assumption of this very gradual adjustment implies interest rates remaining high over a long period. Core inflation is the decisive factor under this scenario and determines, notably, the monetary trajectory.

Scenario of business resilience despite inflation and monetary tightening

With the labour market holding up well and savings still abundant, albeit diminishing, household consumption mitigated the erosion of purchasing power and monetary tightening. Growth was thus more resilient than expected but so was core inflation. The scenario of deceleration without collapse presupposes a slow decline in inflation easing revenues and putting an end to Central Bank policy rate hikes.

In the United States, business showed good resistance though cracks are beginning to appear (adjustment of residential investment, productive investment sluggish and likely to contract, households probably more prudent and less spendthrift: labour market holding up well but dip in savings, recourse to debt via credit cards, rise in interest rates). Even if there was a slight contraction in the last quarter, growth could reach 2% in 2023 and 0.6% in 2024: an ultimately natural slowdown, based on the decline in headline inflation and especially core inflation, which should end 2023 at around 4.2% and 4.7% respectively, before both approaching 2.5% at the end of 2024. The risks are mainly downside under this scenario: increase in oil prices, sticky inflation and further rise in Central Bank policy rates.

In the Eurozone, the rather sudden drop in the pace of growth does not point to a recession but rather to the "normalisation" of behaviour. Assuming an average headline inflation falling from 8.4% in 2022 to 5.6% in 2023 and 2.9% in 2024, the scenario would result in a modest growth rate of 0.5% in 2023 and 1.3% in 2024 – still below its potential rate.

The factors underpinning this normalisation are the relatively low number of insolvencies and restricted to specific sectors (hospitality, transport and logistics), the decline in prices that limit the extent to which business activity is weakened (consumption should benefit from the fall in inflation, improvement in real income as well as the surplus savings available to the wealthiest households, even though a large portion of this has already been turned into non-liquid property and financial assets). However, the recovery in consumption will be very moderate, particularly in France (fewer support measures) where the labour market remains resilient. Corporate margins remain at an acceptable level (margins restored thanks to higher production prices). Non-housing investment also remains a factor underpinning growth thanks to the decline in the cost of intermediate goods and strong support from European funds. The primarily downside risks to growth would tend to be due to an increase in oil prices, tighter credit conditions (which could shift growth normalisation towards a sharper correction) and an anticipated margin squeeze.

Response from Central Banks: determined tightening and prudence before any easing

While the fall in headline inflation has mostly been automatic, the stickiness of core inflation, itself fuelled by stronger-than-expected growth, has led Central Banks to be more aggressive. Provided that inflation, and especially core inflation, continues to fall, the end of Central Bank policy rate hikes can be expected soon. However, long rates could slowly move towards a decline, though modest in the Eurozone.

In September 2023, the Federal Reserve opted for the status quo (Fed Funds within the range of 5.25% to 5.50%) while pointing out that there could be a further hike and delivering a dot plot suggesting a further tightening of 25 basis points. The fear of a recession coupled with the fact that inflation is still too high argues in favour of an increase limited to 25 bp by the end of the year. Fed Funds could therefore reach their peak in winter (Upper Limit at 5.75%). There could be a gradual monetary easing from the second quarter of 2024 (25 bp per quarter), leaving the Upper Limit at 4.75% at the end of 2024.

The ECB is likely to maintain a restrictive monetary policy over the coming quarters since inflation is falling too slowly and is still far from the target. The ECB raised its rates in September, taking the deposit rate to 4% continuing its policy of quantitative tightening: reinvestments under the APP ending from July 2023 while those up to the end of 2024 under the PEPP continuing (this does not seem very consistent with monetary tightening through interest rates, hence the risk of a change in strategy and a possible end of reinvestments in 2024); TLTRO repayments will continue until the end of 2024 (but more gradually after the June 2023 repayment). There would be no cut in Central Bank policy rates before the end of 2024 (-50 bp).

Financial changes

By prioritising the fight against inflation, monetary strategies have helped limit the de-anchoring of inflation expectations and long-rate over-reaction, but they have promoted inverted interest rate curves and low or even negative real yields. Barring any inflation surprises, the risk of a rise in "risk-free" long rates and a noticeable widening of sovereign spreads within the Eurozone is limited. Our scenario also assumes US and German 10-year rates close to 4% and 2.60% respectively at the end of 2023, then falling slightly to 3.50% and remaining stable. The risk of an inverted curve over the long term is very real. Our scenario assumes a slightly positive slope (2/10-year swap rate) only from 2025 onwards.

Second scenario: "Moderate adverse" scenario (weighted at 35%)

This scenario includes new inflationary pressures in 2024 driven by an increase in oil prices following from a concerted policy by OPEP+ countries of sharper cuts in oil production. Their objective is to arrive at higher selling prices sustained over the long term, which means higher tax revenues. By assumption, the stress is concentrated in 2024, and a gradual recovery will then take place in 2025-2026.

Scenario of price setting by oil cartels

Under this scenario, the price of oil barrel reaches $140 compared with $95 under the central scenario and $160 under the severe adverse scenario below. The renewed pressure on energy prices generates a second wave of inflation in the United States and in Europe in 2024. In Europe, this price shock results in "surplus inflation" of about +1.1 point compared with the central scenario or a headline inflation of 4% in 2024 versus 2.9%. In the United States, the inflation shock is slightly more brutal (+1.3 point) driving inflation to 3.9% in 2024 versus 2.7% without the shock.

Repercussions for production: a moderate brake

The main consequence of this adverse scenario is the fall in household purchasing power and in private consumption: less spending on leisure, more selective consumption (more recourse to "discount" brands), deferred capital goods expenditure. Excess savings accumulated during the COVID crisis have reduced and no longer serve as buffers to dampen this new crisis.

As regards corporates, the rise in production costs impacts the industrial sector more particularly, a sector already heavily impacted by the previous gas and energy crisis: profitability undermined following the successive shocks of the last few years (Covid, supply difficulties, sustained increase in energy prices), fall in investment (lower profitability and worsening business climate), slight increase in unemployment rate.

And fiscal support measures for corporates and households are minimal due to the high level of public debt in the Eurozone and the increase in the cost of debt Ò GDP contraction in the Eurozone and the United States by an annual average of 0.9 GDP point in 2024 compared with the central scenario. The annual GDP growth in the Eurozone would be nil in 2024 (+0.9% under the central scenario) and that of the United States -0.3% (instead of +0.6%).

Response from Central Banks and financial changes

Central Banks are raising their policy rate to tackle inflation. The ECB's deposit rate reaches 4.5% at the end of 2024 compared with 3.5% under the central scenario thereafter gradually falling to 3% at the end of 2026. The FED is also raising its Fed Funds rate to a more restrictive level in 2024. These responses lead to an increase in long-term sovereign rates (*Bund* at 3% in 2024), but no widening of OAT/*Bund* and BTP/*Bund* spreads.

Third scenario: "Favourable" scenario (weighted at 5%)

Under this scenario, we assume an improvement in growth in China and, by extension, in Asia that would favourably impact business in Europe and in the United States through a slight improvement in trade. This renewed buoyancy is initiated by the Chinese government adopting a new stimulus plan aiming to restore household confidence and to support the property market. It hinges, firstly, on measures easing lending conditions (lower interest rate and debt ratio) and various incentives (e.g. municipality grants) with the aim of boosting construction programmes and, secondly, on support measures for households and youth employment. This will result in the recovery of the construction sector requiring more imported raw materials and machine tools (spreading to its regional and European partners) and more buoyant private consumer spending on capital goods. With all these measures, the growth rate in China in 2024 is better than expected under the central scenario: +5.2% against +4.5% without the recovery plan, a gain of +0.7 percentage point. In the euro zone, this scenario leads to a sharp decline in inflation and an upturn in the confidence and expectations of economic agents. We are observing a recovery in consumption linked to improved purchasing power, restored confidence and the use of part of the accumulated savings surplus. The improvement in expectations and the partial absorption of tensions on supplies are leading to a resumption of investment spending in 2023-2024.

Scenario of higher growth in Asia stimulating demand for imports from Europe

Increase in demand for imports from the Eurozone (China accounts for 7% of Eurozone exports and northern Asia for 11% of total exports) and from the United States due to the increase in Chinese imports. Upswing in the confidence and expectations of economic actors. Slight improvement in world trade. Decrease in corporate failures and fall in unemployment rate compared with the central scenario. In Europe, the growth slowdown is therefore not as sharp as under the central scenario. This "fresh boost" would give an impetus to growth in the Eurozone of about 0.5 GDP point in 2024. The annual growth rate would increase from 0.9% to 1.4% in 2024. In the United States, the extra support to growth would be slightly less (+0.2 GDP point), or an increase in growth to +0.8% instead of +0.6% in 2024.

Response from Central Banks and financial changes

The slight improvement in the economic situation does not lead to faster cuts in Central Bank policy rates in the Eurozone, with inflation remaining at a relatively high level of 3% in 2024. We assume the same figures for ECB rates as under the central scenario.

Long-term rates in the Eurozone: Overall, *Bund* at the same level as that assumed under the central scenario. French and Italian spreads are slightly more moderate than under the central scenario.

The stock market and real estate markets perform better than under the central scenario.

Fourth scenario: "Severe adverse" (weighted at 10%)

Another inflation shock in Europe in 2024

We assume renewed (brutal and sharp) pressures on oil and gas prices in 2024 with more difficult climate conditions (very harsh winter in Europe in 2023-2024, very hot summer in Asia and Europe in 2024) and the impact of competition between Europe and Asia in the race for LNG (quite sharp increase in China). We also assume that there is no increase in the supply of oil from OPEP+ countries that could mitigate the increase in barrel prices. Lastly, we assume further difficulties for French nuclear power plants adding to the energy price shock under this scenario.

The price of oil barrel reaches $160 in 2024 while the price of natural gas registers a further sharp increase to a range of €200/MWh to €300/MWh in 2024. As a reminder, in 2022, the average prices for Brent and natural gas (Netherlands index) were $101/b and €123/MWh.

The second-round effects on inflation (increase in intermediate costs partly passed on to production prices) contribute to the upsurge in inflation in the Eurozone: average increase of about 2 percentage points in 2024 compared to 2023. In 2025, inflation slows down but remains high, at about 5%.

Fiscal response constrained by the high level of public debt

In the face of this upsurge in inflation, governments do not implement national support measures. Following two years of extremely accommodating measures for households and corporates to contain the deterioration in public finances, there is no shared response across European countries. Responses are constrained by already high public debt ratios (particularly in France and in Italy) and which are increasing significantly, impacted by the rise in interest rates, recession and planned investment expenditures (energy and digital transition, etc.).

Strong response from Central Banks

The central scenario assumes that the tightening ends in 2023. In this scenario, the priority remains the rapid control over inflation at the expense of growth. This results in continued monetary tightening by the Fed and the ECB. We assume that the Fed will undertake a further increase of Fed Funds rates to 5.75% in mid-2024, a level at which they will remain until the end of 2025. As for the ECB, it will raise its refinancing rate to 5% in mid-2024 and maintain it at that level until the end of 2025. A gradual cut will made in 2026.

Long term rates (swap and sovereign rates) increase sharply in 2024 before dropping back in 2025. The (2-10 year) curve is inverted (expected slowdown in inflation and decline in business). At the end of 2024, the *Bund* rate will be 3.85% and the 10-year swap in the Eurozone 4.20% (both +125 basis points compared with the central scenario).

Recession in the Eurozone in 2024-2025

Industrial production is penalised by the new increase in energy prices, and even supply difficulties (gas, etc.) and the rise in interest rates.

On the household front, the inflation shock causes a significant dent in purchasing power. Budgetary measures are very limited and not sufficient to dampen the shock, while the labour market is worsening and salary increases do not compensate for the increase in prices. The loss of purchasing power means a decline in consumption and an increase in precautionary savings. Corporates register hikes in production costs resulting in lower profit, even if in certain sectors the increase in costs is partly passed on to production prices. Productive investment declines.

The fall in GDP is quite significant in 2024-2025 in the Eurozone, of about 1.5% per year, with a slightly greater fall in France.

France – specific shock

In France, discontent over the pension reform continues. Wage demands to offset the loss of purchasing power are not met (transport, energy, civil service, etc.) giving rise to social conflict (similar to the "yellow vest crisis") and a partial halt to economic life. The government faces major difficulties in implementing new reforms. The rise in French 10-year OAT rates and the economic recession lead to a significant increase in budget deficit and public debt ratios. The combination of social crisis/political and budgetary difficulties lead to a downgrading of the sovereign rating by Moody's and S&P with a negative outlook.

Financial shocks

France is facing a sharp rise in 10-year OAT rates and in the OAT/*Bund* spread, nearing 160 bp in 2024 and 150 bp in 2025. The 10-year OAT rate reaches 5.45% at the end of 2024. Italy is also facing a sharp rise in 10-year multiannual Treasury Bonds (BTP) rates and in the BTP/*Bund* spread, nearing 280 bp in 2024 and 2025. Credit spreads are showing a significant increase particularly for financial companies.

Stock markets record a sharp drop, particularly the CAC 40, of about -40% over two years (recession, downgrading of rating, socio-political and budgetary tensions, rise in interest rates).

In the face of the significant rise in 10-year OAT rates, impacting borrowing rates, and the sharp deterioration of the economic situation, residential and commercial real estate markets in the Eurozone and in France, witness a greater correction.

Lastly, the euro depreciates against the dollar in 2024.

FOCUS ON THE CHANGES IN THE MAIN MACROECONOMIC VARIABLES IN THE FOUR SCENARIOS

	Ref.	Central scenario				Moderate adverse				Favourable				Severe adverse			
	2022	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026
GDP – Eurozone	3.5	0.5	0.9	1.3	1.0	0.5	0.0	0.8	1.3	0.5	1.3	1.7	1.4	0.6	-1.6	-1.3	0.9
Unemployment rate – Eurozone	6.8	6.7	6.9	6.8	6.7	6.7	7.0	7.1	6.9	6.8	6.7	6.7	6.6	6.8	7.6	7.9	7.7
Inflation rate – Eurozone	8.4	5.6	2.9	2.4	2.2	5.6	4.0	3.0	2.5	5.6	3.0	2.5	2.2	5.5	8.0	5.0	3.5
GDP – France	2.6	0.9	1.0	1.4	1.4	0.9	0.1	0.7	1.6	0.9	1.2	1.6	1.4	0.6	-1.9	-1.5	1.3
Unemployment rate – France	7.3	7.3	7.7	7.9	8.0	7.3	7.9	8.0	8.0	7.3	7.6	7.8	8.0	7.3	8.0	8.8	8.6
Inflation rate – France	5.2	5.0	2.9	2.6	2.3	5.0	3.9	3.3	2.5	5.0	3.0	2.7	2.3	5.5	7.5	4.5	3.5
10-year OAT	3.1	3.3	3.3	2.8	3.0	3.3	3.7	3.6	3.0	3.3	3.3	2.8	2.9	3.3	5.5	4.5	3.1

Sensitivity analysis of the macroeconomic scenarios in the calculation of IFRS 9 provisions (ECL Stages 1 and 2) on the basis of the central parameters

SCOPE: CRÉDIT AGRICOLE GROUP

Variation of ECL in passage to 100% of the scenario (scope is Crédit Agricole S.A.)			
Central scenario	**Moderate adverse**	**Severe adverse**	**Favourable scenario**
-5,2%	+3,3%	+18,6%	-8,3%

This sensitivity on the ECLs defined under the central parameters may be subject to adjustments for local forward-looking projects which, as the case may be, could reduce it or increase it.

Regarding all scenarios

In order to take into account local specificities (geographic and/or linked to certain activities/professions), sectoral supplements are established at the local level (forward looking local) by certain Group entities, which can thus complement the macroeconomic scenarios defined centrally.

Breakdown of Stage 1 / Stage 2 and Stage 3

Furthermore, at the end of December 2023, including local forward-looking scenarios, the share of Stage 1/Stage 2 provisions on the one hand (provisions for performing customer loans) and Stage 3 provisions on the other (provisions for proven risks) represented **42% and 58% of hedging inventories for Crédit Agricole Group**.

At end-December 2023, net additions to Stage 1/Stage 2 provisions represented **10% of the Crédit Agricole Group's annual cost of risk compared** with 90% for the Stage 3 share of proven risks and other provisions, based on a presentation excluding restated exceptional items.

3.1.1 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 2022	115,738	(66)	204	(8)	66	(58)	116,008	(132)	115,876
Transfers between stages during the period	**(696)**	**1**	**113**	**-**	**583**	**(2)**	**-**	**-**	
Transfers from Stage 1 to Stage 2	(120)	-	120	-	-		-	-	
Return to Stage 2 from Stage 1	2	-	(2)	-	-		-	-	
Transfers to Stage 3 (1)	(578)	2	(5)	-	583	(2)	-	-	
Return from Stage 3 to Stage 2/Stage 1	-	-	-	-	-	-	-	-	
TOTAL AFTER TRANSFERS	115,042	(65)	318	(8)	649	(61)	116,008	(132)	115,876
Changes in gross carrying amounts and loss allowances	**(6,529)**	**(17)**	**(1)**	**(3)**	**(5)**	**-**	**(6,534)**	**(21)**	
New financial production: purchase, granting, origination,... (2)	47,155	(35)	59	(3)			47,213	(38)	
Derecognition: disposal, repayment, maturity...	(53,744)	41	(69)	-	(10)	5	(53,823)	47	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	4	-	-	-	-	-	6	
Changes in models' credit risk parameters during the period		-		(1)		(5)	-	(8)	
Changes in model/methodology		(1)		-		-	-	(1)	
Changes in scope	19	-	-	-	-	-	19	-	
Other (3)	41	(26)	9	-	5	-	56	(26)	
TOTAL	108,513	(82)	316	(10)	644	(61)	109,474	(153)	109,321
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) (4)	2,051		(1)		(60)		1,989		
BALANCE AT 31 DECEMBER 2023	**110,564**	**(82)**	**315**	**(10)**	**584**	**(61)**	**111,463**	**(153)**	**111,311**
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 2022	113,971	(39)	125	(17)	496	(387)	114,592	(443)	114,149
Transfers between stages during the period	**(82)**	**-**	**82**	**(1)**	**-**	**-**	**-**	**(1)**	
Transfers from Stage 1 to Stage 2	(82)	-	82	(1)			-	(1)	
Return to Stage 2 from Stage 1	-	-	-	-			-	-	
Transfers to Stage 3 [(1)]	-	-	-	-	-	-	-	-	
Return from Stage 3 to Stage 2/Stage 1	-	-	-	-	-	-	-	-	
TOTAL AFTER TRANSFERS	113,890	(38)	208	(20)	495	(387)	114,594	(445)	114,149
Changes in gross carrying amounts and loss allowances	**20,030**	**(4)**	**(8)**	**14**	**(12)**	**4**	**20,010**	**14**	
New financial production: purchase, granting, origination,… [(2)]	56,019	(83)	364	(19)			56,383	(103)	
Derecognition: disposal, repayment, maturity…	(37,996)	82	(362)	19	-	-	(38,359)	101	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	(2)	-	-	-	-	-	(2)	
Changes in models' credit risk parameters during the period		1		12		(5)	-	9	
Changes in model/methodology		(2)		-		-	-	(2)	
Changes in scope	1,905	-	-	-	-	-	1,905	-	
Other [(3)]	102	1	(10)	2	(12)	8	80	11	
TOTAL	133,922	(42)	200	(6)	482	(383)	134,604	(431)	134,173
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [(4)]	(1,816)		(4)		1		(1,819)		
BALANCE AT 31 DECEMBER 2023	**132,105**	**(42)**	**196**	**(6)**	**484**	**(383)**	**132,784**	**(431)**	**132,353**
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) and 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 2022	997,348	(2,779)	111,731	(5,574)	23,967	(11,510)	1,133,046	(19,862)	1,113,184
Transfers between stages during the period	**(35,947)**	**(414)**	**31,055**	**719**	**4,892**	**(1,856)**	**-**	**(1,551)**	
Transfers from Stage 1 to Stage 2	(66,269)	294	66,269	(1,148)			-	(854)	
Return to Stage 2 from Stage 1	32,871	(753)	(32,871)	1,517			-	764	
Transfers to Stage 3 (1)	(3,042)	62	(3,779)	426	6,821	(2,207)	-	(1,719)	
Return from Stage 3 to Stage 2/Stage 1	494	(17)	1,435	(76)	(1,929)	352	-	259	
TOTAL AFTER TRANSFERS	961,403	(3,193)	142,785	(4,856)	28,861	(13,366)	1,133,048	(21,415)	1,111,633
Changes in gross carrying amounts and loss allowances	**53,225**	**535**	**(6,737)**	**(1,201)**	**(5,887)**	**1,405**	**40,601**	**738**	
New financial production: purchase, granting, origination,… (2)	277,561	(1,198)	31,046	(1,448)			308,607	(2,646)	
Derecognition: disposal, repayment, maturity…	(244,666)	977	(38,445)	1,161	(4,044)	1,487	(287,155)	3,624	
Write-offs					(2,129)	1,988	(2,129)	1,988	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	(15)	1	(27)	26	(42)	27	
Changes in models' credit risk parameters during the period (4)		799		(808)		(2,099)	-	(2,107)	
Changes in model/methodology		(11)		(57)		-	-	(67)	
Changes in scope (7)	22,058	(113)	884	(45)	366	(176)	23,307	(334)	
Other (5)	(1,726)	80	(208)	(5)	(54)	178	(1,988)	253	
TOTAL	**1,014,628**	**(2,658)**	**136,047**	**(6,057)**	**22,973**	**(11,962)**	**1,173,649**	**(20,676)**	**1,152,972**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) (3)	1,047		(143)		2,064		2,968		
BALANCE AT 31 DECEMBER 2023 (6)	**1,015,676**	**(2,658)**	**135,904**	**(6,057)**	**25,037**	**(11,962)**	**1,176,617**	**(20,676)**	**1,155,940**
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) ncludes 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) and changes in accrued interests.
(4) Concerning Stage 3 – this line corresponds to the change in the assessment of the credit risk on files already in default.
(5) The items in the "Others" line are mainly translation adjustments as well as, to a lesser extent, changes in value which could not be broken down.
(6) At 31 December 2023, Stage 3 integrates the impaired assets of Crédit Agricole Italy acquired from Credito Valtellinese for a gross carrying amount of €614 million and a value correction for losses of €319 million, i.e. a net carrying amount of €295 million.
(7) Since their acquisition, the impaired assets have been recognised under financial assets at amortised cost directly to Stage 3. This is for their gross amount and for the associated value adjustment for losses. The net value of these impaired loans since their acquisition amounted to €196 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 2022	211,283	(144)	3,148	(44)	1	(39)	214,432	(227)
Transfers between stages during the period	**(26)**	**-**	**28**	**2**	**-**	**-**	**2**	**2**
Transfers from Stage 1 to Stage 2	(161)	-	158	(3)			(3)	(3)
Return to Stage 2 from Stage 1	135	-	(130)	5			5	5
Transfers to Stage 3 (1)	-	-	-	-	-	-	-	-
Return from Stage 3 to Stage 2/Stage 1	-	-	-	-	-	-	-	-
TOTAL AFTER TRANSFERS	211,256	(143)	3,178	(43)	1	(39)	214,435	(225)
Changes in carrying amounts and loss allowances	**2,458**	**7**	**9**	**12**	**(3)**	**6**	**2,464**	**26**
Fair value revaluation during the period	10,621		96		-		10,717	
New financial production: purchase, granting, origination,… (2)	38,985	(34)	10,051	(13)	-	-	49,037	(47)
Derecognition: disposal, repayment, maturity…	(42,848)	22	(10,033)	9	(4)	3	(52,885)	34
Write-offs	-	-	-	-	-	-	-	-
Changes of cash flows resulting in restructuring due to financial difficulties	4	4	1	1	-	-	5	5
Changes in models' credit risk parameters during the period		13		15		2	-	31
Changes in model/methodology		-		-		-	-	-
Changes in scope	-	-	-	-	-	-	-	-
Other (4)	(4,304)	2	(106)	1	1	1	(4,409)	4
TOTAL	213,714	(136)	3,187	(30)	(3)	(33)	216,899	(199)
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) (3)	(672)		12		3		(658)	
BALANCE AT 31 DECEMBER 2023	**213,042**	**(136)**	**3,198**	**(30)**	**-**	**(33)**	**216,240**	**(199)**
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 commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment (a)	Loss allowance (b)	Net amount of commitment (a) + (b)
BALANCE AT 31 DECEMBER 2022	**226,972**	**(450)**	**12,531**	**(498)**	**578**	**(103)**	**240,080**	**(1,051)**	**239,029**
Transfers between stages during the period	**(3,754)**	**(47)**	**3,396**	**34**	**359**	**(12)**	**-**	**(25)**	
Transfers from Stage 1 to Stage 2	(6,787)	23	6,787	(90)			-	(67)	
Return to Stage 2 from Stage 1	3,253	(72)	(3,253)	122			-	50	
Transfers to Stage 3 (1)	(238)	3	(177)	6	415	(26)	-	(18)	
Return from Stage 3 to Stage 2/Stage 1	18	(1)	38	(3)	(57)	14	-	10	
TOTAL AFTER TRANSFERS	**223,217**	**(497)**	**15,927**	**(464)**	**936**	**(115)**	**240,080**	**(1,077)**	**239,003**
Changes in commitments and loss allowances	**13,273**	**109**	**(1,524)**	**25**	**(215)**	**(22)**	**11,534**	**112**	
New commitments given (2)	151,506	(750)	6,181	(277)			157,685	(1,027)	
End of commitments	(136,188)	781	(7,618)	337	(487)	54	(144,292)	1,172	
Write-offs	-	-	-	-	-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	(2)	-	-	-	(6)	-	(8)	-	
Changes in models' credit risk parameters during the period		85		(11)		(76)	-	(3)	
Changes in model/methodology		(5)		(35)		-	-	(40)	
Changes in scope	-	-	-	-	-	-	-	-	
Other (3)	(2,041)	(3)	(87)	12	277	-	(1,852)	9	
BALANCE AT 31 DECEMBER 2023	**236,491**	**(388)**	**14,402**	**(439)**	**720**	**(137)**	**251,614**	**(965)**	**250,650**

(1) Transfers to Stage 3 correspond to outstanding commitments 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						Total		
	Commitments subject to 12-month ECL (Stage 1)		Commitments subject to lifetime ECL (Stage 2)		Provisioned commitments (Stage 3)				
(in millions of euros)	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment (a)	Loss allowance (b)	Net amount of commitment (a) + (b)
BALANCE AT 31 DECEMBER 2022	**104,532**	**(142)**	**7,579**	**(244)**	**1,768**	**(398)**	**113,879**	**(785)**	**113,094**
Transfers between stages during the period	**(2,300)**	**(18)**	**2,165**	**1**	**123**	**(8)**	**(12)**	**(25)**	
Transfers from Stage 1 to Stage 2	(3,508)	14	3,505	(51)			(3)	(38)	
Return to Stage 2 from Stage 1	1,266	(34)	(1,271)	49			(4)	15	
Transfers to Stage 3 (1)	(103)	2	(81)	7	178	(13)	(5)	(5)	
Return from Stage 3 to Stage 2/Stage 1	44	-	12	(3)	(55)	6	-	2	
TOTAL AFTER TRANSFERS	**102,232**	**(161)**	**9,745**	**(242)**	**1,890**	**(405)**	**113,867**	**(808)**	**113,059**
Changes in commitments and loss allowances	**10,705**	**24**	**(1,382)**	**(59)**	**(848)**	**(55)**	**8,476**	**(90)**	
New commitments given (2)	131,901	(118)	3,100	(126)			135,001	(243)	
End of commitments	(120,394)	106	(4,347)	132	(927)	86	(125,668)	323	
Write-offs	-	-	-	-	(9)	9	(9)	9	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	(24)	-	(24)	
Changes in models' credit risk parameters during the period		36		(59)		(128)	-	(150)	
Changes in model/methodology		(1)		(3)		-	-	(4)	
Changes in scope	-	-	-	-	-	-	-	-	
Other (3)	(801)	-	(135)	(3)	89	3	(848)	-	
BALANCE AT 31 DECEMBER 2023	**112,936**	**(137)**	**8,363**	**(301)**	**1,043**	**(460)**	**122,342**	**(898)**	**121,444**

(1) Transfers to Stage 3 correspond to outstanding commitments 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.

3.1.2 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)

	31/12/2023					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
(in millions of euros)	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Financial guarantees	Credit derivatives
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	**370,003**	**159,792**	**210**	**64**	**260**	**-**
Held for trading financial assets	285,747	159,792	210	64	235	-
Debt instruments that do not meet the conditions of the "SPPI" test	84,172	-	-	-	25	-
Financial assets designated at fair value through profit or loss	84	-	-	-	-	-
Hedging derivative Instruments	**32,051**	**-**	**-**	**-**	**-**	**-**
TOTAL	**402,054**	**159,792**	**210**	**64**	**260**	**-**

	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)	**309,597**	**122,291**	**634**	**-**	**170**	**-**
Held for trading financial assets	236,526	122,291	634	-	153	-
Debt instruments that do not meet the conditions of the "SPPI" test	73,004	-	-	-	17	-
Financial assets designated at fair value through profit or loss	67	-	-	-	-	-
Hedging derivative Instruments	**50,494**	**-**	**-**	**-**	**-**	**-**
TOTAL	**360,091**	**122,291**	**634**	**-**	**170**	**-**

Financial assets subject to impairment requirements

	31/12/2023					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
(in millions of euros)	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Financial guarantees	Credit derivatives
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	216,240	-	-	-	-	-
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	**216,240**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
FINANCIAL ASSETS AT AMORTISED COST	1,399,604	27,750	252,340	76,604	348,885	443
of which impaired assets at the reporting date	13,699	291	2,396	1,052	3,338	-
Loans and receivables due from credit institutions	**132,353**	**11,804**	**-**	**9,379**	**1,299**	**-**
of which impaired assets at the reporting date	100	-	-	-	-	-
Loans and receivables due from customers	**1,155,940**	**15,946**	**252,328**	**67,107**	**345,349**	**443**
of which impaired assets at the reporting date	13,075	291	2,396	1,052	3,338	-
Debt securities	**111,311**	**-**	**12**	**119**	**2,237**	**-**
of which impaired assets at the reporting date	523	-	-	-	-	-
TOTAL	**1,615,845**	**27,750**	**252,340**	**76,604**	**348,885**	**443**
of which impaired assets at the reporting date	13,699	291	2,396	1,052	3,338	-

	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	214,432	-	-	-	-	-
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	**214,432**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
FINANCIAL ASSETS AT AMORTISED COST	1,343,211	20,240	278,660	61,322	339,578	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	**114,150**	**6,329**	**-**	**9,995**	**3,841**	**-**
of which impaired assets at the reporting date	108	-	-	-	107	-
Loans and receivables due from customers	**1,113,184**	**13,911**	**278,660**	**51,328**	**333,618**	**1,360**
of which impaired assets at the reporting date	12,458	245	2,213	452	3,282	-
Debt securities	**115,877**	**-**	**-**	**-**	**2,118**	**-**
of which impaired assets at the reporting date	7	-	-	-	-	-
TOTAL	**1,557,643**	**20,240**	**278,660**	**61,322**	**339,578**	**1,360**
of which impaired assets at the reporting date	12,573	245	2,213	452	3,389	-

Off-balance sheet commitments subject to provision requirements

	31/12/2023					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
(in millions of euros)	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Financial guarantees	Credit derivatives
Guarantee commitments	**121,443**	**4,907**	**124**	**367**	**13,865**	**1,157**
of which provisioned commitments at the reporting date	582	2	5	30	20	-
Financing commitments	**250,649**	**1,463**	**5,806**	**8,272**	**58,071**	**4,178**
of which provisioned commitments at the reporting date	583	7	23	68	62	-
TOTAL	**372,093**	**6,370**	**5,929**	**8,639**	**71,936**	**5,335**
of which provisioned commitments at the reporting date	1,166	9	28	98	82	-

	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
Guarantee commitments	**113,095**	**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	474	1	14	18	99	-
TOTAL	**352,124**	**4,910**	**6,233**	**3,408**	**38,204**	**7,438**
of which provisioned commitments at the reporting date	1,844	4	31	28	130	-

A description of the assets held as collateral is provided in Note 9 "Commitments given and received and other guarantees".

3.1.3 MODIFIED FINANCIAL ASSETS

Modified financial assets are those assets that have been restructured due to financial difficulties. Loans for which the 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	**-**	**-**	**-**
Gross carrying amount before modification	-	-	-
Net gains (losses) resulting from the modification	-	-	-
Loans and receivables due from customers	**505**	**666**	**1,244**
Gross carrying amount before modification	505	681	1,270
Net gains (losses) resulting from the modification	-	(15)	(27)
Debt securities	**4**	**1**	**-**
Gross carrying amount before modification	-	-	-
Net gains (losses) resulting from the modification	4	1	-

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
(in millions of euros)	**Assets subject to 12-month ECL (Stage 1)**
Restructured assets previously classified in Stage 2 or Stage 3 and reclassified in Stage 1 during the period	
Loans and receivables due from credit institutions	-
Loans and receivables due from customers	12
Debt securities	-
TOTAL	**12**

3.1.4 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 "Risks and Pillar 3 – Credit Risk Management" of Crédit Agricole S.A.'s Universal Registration Document.

Financial assets at amortised cost

		At 31 December 2023			
		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%	502,101	10,895	-	512,996
	0,5% < PD ≤ 2%	101,586	27,742	-	129,328
	2% < PD ≤ 20%	27,276	34,971	-	62,247
	20% < PD < 100%	-	3,821	-	3,821
	PD = 100%	-	-	12,372	12,372
TOTAL RETAIL CUSTOMERS		**630,963**	**77,429**	**12,372**	**720,763**
Non-retail customers	PD ≤ 0,6%	528,409	17,747	-	546,156
	0,6% < PD < 12%	98,972	35,266	-	134,237
	12% ≤ PD < 100%	-	5,973	-	5,973
	PD = 100% (1)	-	-	13,733	13,733
TOTAL NON-RETAIL CUSTOMERS		**627,381**	**58,986**	**13,733**	**700,100**
Impairment		(2,780)	(6,073)	(12,406)	(21,260)
TOTAL		**1,255,563**	**130,342**	**13,699**	**1,399,604**

(1) At 31 December 2023, Stage 3 integrates the impaired assets of Crédit Agricole Italy acquired from Credito Valtellinese for a gross carrying amount of €614 million and a value correction for losses of €319 million, i.e. a net carrying amount of €295 million.

		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%	519,042	6,893	-	525,936
	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%	-	-	11,249	11,249
TOTAL RETAIL CUSTOMERS		**612,532**	**60,715**	**11,249**	**684,496**
Non-retail customers	PD ≤ 0,6%	508,851	14,292	-	523,143
	0,6% < PD < 12%	105,676	30,839	-	136,515
	12% ≤ PD < 100%	-	6,213	-	6,213
	PD = 100% (1)	-	-	13,281	13,281
TOTAL NON-RETAIL CUSTOMERS		**614,527**	**51,344**	**13,281**	**679,152**
Impairment		(2,881)	(5,601)	(11,957)	(20,440)
TOTAL		**1,224,178**	**106,458**	**12,573**	**1,343,209**

(1) At 31 December 2022, Stage 3 integrates the impaired assets of Crédit Agricole Italy 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 that may be reclassified to profit or loss

		At 31 December 2023			
		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%	-	-	-	-
	0,5% < PD ≤ 2%	-	-	-	-
	2% < PD ≤ 20%	-	-	-	-
	20% < PD < 100%	-	-	-	-
	PD = 100%	-	-	-	-
TOTAL RETAIL CUSTOMERS		-	-	-	-
Non-retail customers	PD ≤ 0,6%	211,463	2,366	-	213,829
	0,6% < PD < 12%	1,579	822	-	2,400
	12% ≤ PD < 100%	-	11	-	11
	PD = 100%	-	-	-	-
TOTAL NON-RETAIL CUSTOMERS		213,042	3,198	-	216,240
TOTAL		**213,042**	**3,198**	**-**	**216,240**

		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%	-	-	-	-
	0,5% < PD ≤ 2%	-	-	-	-
	2% < PD ≤ 20%	-	-	-	-
	20% < PD < 100%	-	-	-	-
	PD = 100%	-	-	-	-
TOTAL RETAIL CUSTOMERS		-	-	-	-
Non-retail customers	PD ≤ 0,6%	209,726	2,380	-	212,106
	0,6% < PD < 12%	1,556	766	-	2,321
	12% ≤ PD < 100%	-	5	-	5
	PD = 100%	-	-	-	-
TOTAL NON-RETAIL CUSTOMERS		211,282	3,150	-	214,432
TOTAL		**211,282**	**3,150**	**-**	**214,432**

Financing commitments

		At 31 December 2023			
		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%	34,792	549	-	35,341
	0,5% < PD ≤ 2%	5,952	1,086	-	7,037
	2% < PD ≤ 20%	2,309	1,313	-	3,622
	20% < PD < 100%	-	78	-	78
	PD = 100%	-	-	148	148
TOTAL RETAIL CUSTOMERS		43,053	3,026	148	46,226
Non-retail customers	PD ≤ 0,6%	168,846	4,029	-	172,875
	0,6% < PD < 12%	24,592	6,120	-	30,712
	12% ≤ PD < 100%	-	1,228	-	1,228
	PD = 100%	-	-	572	572
TOTAL NON-RETAIL CUSTOMERS		193,438	11,377	572	205,387
Provisions [(1)]		(388)	(439)	(137)	(965)
TOTAL		**236,102**	**13,963**	**583**	**250,649**

(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 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	1,192	-	3,537
	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%	152,568	2,680	-	155,248
	0,6% < PD <12%	23,136	5,987	-	29,123
	12% ≤ PD < 100%	-	1,204	-	1,204
	PD = 100%	-	-	425	425
TOTAL NON-RETAIL CUSTOMERS		175,704	9,871	425	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.

Guarantee commitments

		At 31 December 2023			
		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%	1,511	29	-	1,540
	0,5% < PD ≤ 2%	391	38	-	428
	2% < PD ≤ 20%	176	77	-	253
	20% < PD < 100%	-	3	-	3
	PD = 100%	-	-	109	109
TOTAL RETAIL CUSTOMERS		2,078	147	109	2,334
Non-retail customers	PD ≤ 0,6%	101,879	5,629	-	107,508
	0,6% < PD < 12%	8,980	2,288	-	11,268
	12% ≤ PD < 100%	-	298	-	298
	PD = 100%	-	-	933	933
TOTAL NON-RETAIL CUSTOMERS		110,859	8,216	933	120,008
Provisions [1]		(137)	(301)	(460)	(898)
TOTAL		**112,799**	**8,062**	**582**	**121,443**

(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 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%	1,583	19	-	1,602
	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%	91,086	4,661	-	95,747
	0,6% < PD < 12%	11,266	2,383	-	13,649
	bah o	-	394	-	394
	PD = 100%	-	-	1,661	1,661
TOTAL NON-RETAIL CUSTOMERS		102,352	7,438	1,661	111,451
Provisions [1]		(142)	(243)	(397)	(783)
TOTAL		**104,439**	**7,336**	**1,370**	**113,095**

(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

(in millions of euros)	31/12/2023 Carrying amount	31/12/2023 Amount of changes in fair value resulting from changes in credit risk: During the period	31/12/2023 Amount of changes in fair value resulting from changes in credit risk: Cumulative	31/12/2022 Carrying amount	31/12/2022 Amount of changes in fair value resulting from changes in credit risk: During the period	31/12/2022 Amount of changes in fair value resulting from changes in credit risk: Cumulative
General administration	-	-	-	-	-	-
Central Banks	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-
Large corporates	84	-	-	67	-	-
Retail customers	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	**84**	**-**	**-**	**67**	**-**	**-**

Financial assets at amortised cost by customer type

(in millions of euros)	At 31 December 2023 – Carrying amount – Performing assets: 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	95,651	(64)	1,607	(18)	71	(47)	97,329
Central Banks	12,527	(25)	64	(6)	-	-	12,591
Credit institutions	149,066	(55)	177	-	488	(388)	149,731
Large corporates [(1)]	370,137	(1,398)	57,138	(2,712)	13,174	(5,977)	440,449
Retail customers	630,963	(1,238)	77,429	(3,338)	12,372	(5,995)	720,764
TOTAL	**1,258,344**	**(2,781)**	**136,415**	**(6,073)**	**26,105**	**(12,406)**	**1,420,864**

(1) At 31 December 2023, Stage 3 integrates the impaired assets of Crédit Agricole Italy acquired from Credito Valtellinese for a gross carrying amount of €614 million and a value correction for losses of €319 million, i.e. a net carrying amount of €295 million.

(in millions of euros)	At 31 December 2022 – Carrying amount – Performing assets: 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	100,720	(62)	1,041	(8)	195	(54)	101,956
Central Banks	5,652	(8)	31	(15)	-	-	5,683
Credit institutions	136,155	(50)	96	(4)	499	(392)	136,750
Large corporates [(1)]	372,002	(1,460)	50,175	(2,515)	12,586	(5,832)	434,763
Retail customers	612,531	(1,301)	60,716	(3,059)	11,249	(5,680)	684,496
TOTAL	**1,227,060**	**(2,882)**	**112,059**	**(5,601)**	**24,530**	**(11,957)**	**1,363,649**

(1) At 31 December 2022, Stage 3 integrates the impaired assets of Crédit Agricole Italy 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 that may be reclassified to profit or loss by customer type

	At 31 December 2023						
	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	96,759	(72)	259	(3)	-	-	97,017
Central Banks	496	-	340	(1)	-	-	836
Credit institutions	53,876	(40)	174	(1)	-	(1)	54,049
Large corporates	61,912	(25)	2,426	(25)	-	(32)	64,338
Retail customers	-	-	-	-	-	-	-
TOTAL	**213,042**	**(137)**	**3,198**	**(30)**	**-**	**(33)**	**216,240**

	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)	Of which Impairment on assets (Stage 2)	Credit-impaired assets (Stage 3)	Impairment on assets (Stage 3)	Total
General administration	95,533	(67)	1,108	(8)	-	-	96,641
Central Banks	157	-	273	(1)	-	-	430
Credit institutions	54,293	(38)	161	(2)	-	(2)	54,455
Large corporates	61,298	(39)	1,608	(34)	-	(37)	62,907
Retail customers	-	-	-	-	-	-	-
TOTAL	**211,282**	**(144)**	**3,150**	**(45)**	**-**	**(39)**	**214,432**

Due to customers by customer type

(in millions of euros)	31/12/2023	31/12/2022
General administration	30,243	25,846
Large corporates	408,788	410,755
Retail customers	682,911	656,913
TOTAL AMOUNT DUE TO CUSTOMERS	**1,121,942**	**1,093,513**

Financing commitments by customer type

(in millions of euros)	At 31 December 2022						
	Amount of commitment						
	Performing commitments						
	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	7,688	(6)	1,012	(12)	-	-	8,700
Central Banks	-	-	-	-	-	-	-
Credit institutions	6,073	(4)	24	(1)	-	-	6,098
Large corporates	179,677	(274)	10,341	(307)	572	(99)	190,590
Retail customers	43,053	(103)	3,026	(119)	148	(38)	46,226
TOTAL	**236,491**	**(388)**	**14,403**	**(439)**	**720**	**(137)**	**251,614**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

(in millions of euros)	At 31 December 2022						
	Amount of commitment						
	Performing commitments						
	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	8,132	(5)	809	(3)	-	-	8,942
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.

Guarantee commitments by customer type

	At 31 December 2023						
	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	207	-	1	-	-	-	208
Central Banks	406	-	-	-	-	-	406
Credit institutions	8,079	(4)	119	-	87	(30)	8,285
Large corporates	102,167	(118)	8,096	(257)	846	(374)	111,109
Retail customers	2,078	(15)	147	(43)	109	(57)	2,334
TOTAL	**112,937**	**(137)**	**8,363**	**(301)**	**1,043**	**(461)**	**122,342**

(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 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	9,278	(5)	112	-	33	(23)	9,423
Large corporates	92,363	(121)	7,325	(205)	1,628	(313)	101,316
Retail customers	2,178	(16)	142	(38)	106	(61)	2,426
TOTAL	**104,531**	**(142)**	**7,580**	**(243)**	**1,767**	**(397)**	**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.

Credit risk concentrations by geographical area

Financial assets at amortised cost by geographic area

	At 31 December 2023			
	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)	922,011	104,837	17,326	1,044,174
Other European Union countries [(1)]	193,072	17,421	5,666	216,159
Other European countries	37,368	4,012	748	42,127
North America	41,569	3,367	284	45,220
Central and South America	9,257	1,728	1,079	12,064
Africa and Middle East	15,460	2,235	608	18,303
Asia-Pacific (ex. Japan)	31,152	1,939	394	33,484
Japan	4,749	877	-	5,626
Supranational organisations	3,706	-	-	3,706
Impairment	(2,781)	(6,073)	(12,406)	(21,260)
TOTAL	**1,255,564**	**130,342**	**13,699**	**1,399,604**

(1) At 31 December 2023, Stage 3 integrates the impaired assets of Crédit Agricole Italy acquired from Credito Valtellinese for a gross carrying amount of €614 million and a value correction for losses of €319 million, i.e. a net carrying amount of €295 million.

	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)	905,103	85,260	15,877	1,006,240
Other European Union countries [(1)]	182,403	11,533	4,527	198,463
Other European countries	31,926	5,027	1,123	38,076
North America	40,564	3,403	319	44,286
Central and South America	9,357	1,784	1,368	12,509
Africa and Middle East	15,810	1,851	642	18,303
Asia-Pacific (ex. Japan)	34,716	2,215	491	37,422
Japan	4,723	986	183	5,892
Supranational organisations	2,457	-	-	2,457
Impairment	(2,882)	(5,601)	(11,957)	(20,440)
TOTAL	**1,224,178**	**106,458**	**12,573**	**1,343,209**

(1) At 31 December 2022, Stage 3 integrates the impaired assets of Crédit Agricole Italy 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 that may be reclassified to profit or loss by geographical area

	At 31 December 2023			
	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)	91,491	394	(4)	91,881
Other European Union countries	79,992	1,015	4	81,010
Other European countries	8,354	84	-	8,438
North America	20,987	1,167	-	22,154
Central and South America	377	-	-	377
Africa and Middle East	278	539	-	817
Asia-Pacific (ex. Japan)	4,128	-	-	4,128
Japan	4,468	-	-	4,468
Supranational organisations	2,968	-	-	2,968
TOTAL	**213,043**	**3,198**	**-**	**216,240**

	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)	107,668	492	-	108,158
Other European Union countries	72,451	908	-	73,361
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	**211,282**	**3,150**	**-**	**214,432**

Due to customers by geographic area

(in millions of euros)	31/12/2023	31/12/2022
France (including overseas departments and territories)	835,115	822,007
Other European Union countries	182,688	173,345
Other European countries	35,148	32,970
North America	14,079	18,286
Central and South America	5,102	4,731
Africa and Middle East	10,277	12,557
Asia-Pacific (ex. Japan)	24,610	20,662
Japan	14,918	8,951
Supranational organisations	4	4
TOTAL AMOUNT DUE TO CUSTOMERS	**1,121,942**	**1,093,513**

Financing commitments by geographic area

	At 31 December 2023			
	Amount of commitment			
	Performing commitments		Provisioned commitments (Stage 3)	
(in millions of euros)	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)		Total
France (including overseas departments and territories)	109,116	7,796	424	117,336
Other European Union countries	63,194	1,780	161	65,135
Other European countries	14,728	460	3	15,191
North America	30,700	1,970	5	32,675
Central and South America	2,638	716	7	3,361
Africa and Middle East	5,884	1,249	5	7,138
Asia-Pacific (ex. Japan)	8,595	431	116	9,142
Japan	1,636	-	-	1,636
Supranational organisations	-	-	-	-
Provisions [(1)]	(388)	(439)	(137)	(965)
TOTAL	**236,102**	**13,963**	**583**	**250,649**

(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 2022			
	Amount of commitment			
	Performing commitments		Provisioned commitments (Stage 3)	
(in millions of euros)	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)		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.

Guarantee commitments by geographic area

	At 31 December 2023			
	Amount of commitment			
	Performing commitments		Provisioned commitments (Stage 3)	Total
(in millions of euros)	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)		
France (including overseas departments and territories)	34,526	3,443	394	38,363
Other European Union countries	22,226	2,954	496	25,676
Other European countries	6,738	1,005	36	7,779
North America	34,839	349	66	35,254
Central and South America	2,189	25	4	2,217
Africa and Middle East	1,869	110	45	2,025
Asia-Pacific (ex. Japan)	9,565	415	1	9,981
Japan	983	63	-	1,046
Supranational organisations	-	-	-	-
Provisions [(1)]	(137)	(301)	(460)	(898)
TOTAL	**112,799**	**8,062**	**582**	**121,443**

(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 2022			
	Amount of commitment			
	Performing commitments		Provisioned commitments (Stage 3)	Total
(in millions of euros)	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)		
France (including overseas departments and territories)	36,889	2,962	333	40,185
Other European Union countries	18,818	2,082	1,326	22,226
Other European countries	9,129	1,517	41	10,688
North America	24,688	529	20	25,238
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	-	1,387
Supranational organisations	-	-	-	-
Provisions [(1)]	(142)	(243)	(397)	(783)
TOTAL	**104,389**	**7,336**	**1,370**	**113,095**

(1) Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.

3.1.5 INFORMATION ON WATCH LIST OR INDIVIDUALLY IMPAIRED FINANCIAL ASSETS

Analysis of watch list or individually impaired financial assets by customer type

	Carrying amount at 31/12/2023								
	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	**124**	**-**	**-**	**-**	**22**	**-**	**-**	**-**	**-**
General administration	-	-	-	-	-	-	-	-	-
Central Banks	-	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-	-
Large corporates	124	-	-	-	22	-	-	-	-
Retail customers	-	-	-	-	-	-	-	-	-
Loans and receivables	**10,537**	**373**	**-**	**10,534**	**2,650**	**13**	**1,110**	**842**	**5,917**
General administration	2,338	8	-	46	37	1	-	-	12
Central Banks	-	-	-	-	-	-	-	-	-
Credit institutions	1	-	-	2	1	-	-	-	91
Large corporates	5,667	188	-	4,499	1,361	5	743	459	2,651
Retail customers	2,531	177	-	5,988	1,252	6	367	383	3,163
TOTAL	**10,661**	**373**	**-**	**10,534**	**2,672**	**13**	**1,110**	**842**	**5,917**

	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	**9,886**	**324**	**-**	**5,506**	**2,572**	**16**	**1,294**	**888**	**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	941	580	2,441
Retail customers	1,966	184	-	3,660	878	8	351	307	2,634
TOTAL	**9,913**	**324**	**-**	**5,506**	**2,592**	**16**	**1,294**	**888**	**5,289**

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.

The Crédit Agricole Group's exposure to sovereign risk is as follows:

BANKING ACTIVITY

31/12/2023 (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
Saudi Arabia	-	-	-	326	326	-	326
Argentina	-	-	-	30	30	-	30
Belgium	-	49	175	2,157	2,381	116	2,497
Brazil	24	1	153	91	269	-	269
China	243	-	-	480	723	-	723
Egypt	-	-	539	377	916	-	916
Spain	-	7	(23)	1,459	1,443	37	1,480
United States	6,024	11	178	2,567	8,780	199	8,979
France	-	530	1,785	19,166	21,481	311	21,792
Hong Kong	57	-	-	1,123	1,180	9	1,189
Israel	-	-	-	-	-	-	-
Italy	-	49	3,709	5,126	8,884	27	8,911
Japan	-	1	1,757	1,170	2,928	-	2,928
Poland	-	-	1,005	299	1,304	-	1,304
United Kingdom	-	1	-	-	1	-	1
Russia	-	-	-	-	-	-	-
Taiwan	-	-	9	-	9	-	9
Turkey	-	-	-	-	-	-	-
Ukraine	-	-	110	1,046	1,156	-	1,156
Other sovereign countries	2,600	338	1,170	6,636	10,743	10	10,753
TOTAL	**8,948**	**987**	**10,567**	**42,053**	**62,554**	**709**	**63,263**

31/12/2022 *(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
Saudi Arabia	-	-	-	1,337	1,337	-	1,337
Argentina				36	36		36
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
Israel	-	-	-	-	-	-	-
Italy	-	2	3,241	12,093	15,336	58	15,394
Japan	226	1	1,079	1,273	2,579	(3)	2,576
Poland	1	-	930	249	1,180	-	1,180
United Kingdom	-	1	-	-	1	-	1
Russia	-	-	-	-	-	-	-
Taiwan	-	-	-	-	-	-	-
Turkey	-	-	-	-	-	-	-
Ukraine	-	-	61	677	738	-	738
Other sovereign countries	897	261	824	6,443	8,425	23	8,448
TOTAL	**2,168**	**1,491**	**10,055**	**48,985**	**62,699**	**940**	**63,639**

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)*	31/12/2023	31/12/2022
Saudi Arabia	-	-
Argentina	5	5
Belgium	4,324	2,642
Brazil	6	2
China	1	2
Egypt	-	-
Spain	7,599	4,788
United States	88	76
France	37,278	38,716
Hong Kong	1	-
Israel	-	-
Italy	7,389	7,152
Japan	183	201
Poland	203	305
United Kingdom	13	2
Russia	-	-
Taiwan	-	-
Turkey	7	6
Ukraine	3	2
Other sovereign countries	2,534	2,303
TOTAL EXPOSURES	**59,634**	**56,203**

3.3 MARKET RISK

(See Chapter "Risk factors– Market risk".)

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

	31/12/2023			
	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	3,003	11,186	17,385	31,574
Currency instruments	97	79	45	221
Other instruments	11	-	-	11
SUBTOTAL	3,111	11,265	17,429	31,806
Forward currency transactions	245	-	-	245
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – ASSETS	**3,356**	**11,265**	**17,429**	**32,051**

	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	27,580	44,724
Currency instruments	150	311	305	766
Other instruments	-	-	-	-
SUBTOTAL	3,275	14,330	27,886	45,490
Forward currency transactions	5,001	3	-	5,004
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – ASSETS	**8,276**	**14,333**	**27,886**	**50,494**

Hedging derivative instruments – fair value of liabilities

	31/12/2023			
	Exchange-traded transactions and Over-the-counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	3,654	8,860	20,474	32,988
Currency instruments	43	99	141	284
Other instruments	2	-	-	2
SUBTOTAL	3,700	8,959	20,615	33,274
Forward currency transactions	1,121	14	15	1,150
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – LIABILITIES	**4,821**	**8,974**	**20,630**	**34,424**

	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	5,211	10,686	24,218	40,115
Currency instruments	97	340	545	982
Other instruments	23	-	-	23
SUBTOTAL	5,329	11,026	24,764	41,119
Forward currency transactions	6,183	10	12	6,206
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – LIABILITIES	**11,513**	**11,036**	**24,776**	**47,324**

Trading derivative instruments – fair value of assets

	31/12/2023			
	Exchange-traded transactions and Over-the-counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	6,629	12,709	27,179	46,516
Currency instruments and gold	8,267	6,169	6,767	21,203
Other instruments	2,954	10,689	2,541	16,184
SUBTOTAL	17,850	29,567	36,486	83,903
Forward currency transactions	18,877	2,003	137	21,016
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – ASSETS	**36,727**	**31,570**	**36,623**	**104,919**

	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	27,838	48,407
Currency instruments and gold	8,527	7,527	7,813	23,867
Other instruments	4,937	8,241	3,086	16,265
SUBTOTAL	18,783	31,018	38,737	88,538
Forward currency transactions	22,353	1,838	150	24,341
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – ASSETS	**41,137**	**32,856**	**38,887**	**112,880**

Trading derivative instruments – fair value of liabilities

	31/12/2023			
	Exchange-traded transactions and Over-the-counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	4,057	12,812	31,477	48,347
Currency instruments and gold	5,675	7,832	5,406	18,913
Other instruments	2,070	2,876	1,794	6,739
SUBTOTAL	11,802	23,520	38,677	74,000
Forward currency transactions	19,978	2,013	404	22,395
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – LIABILITIES	**31,780**	**25,533**	**39,082**	**96,395**

	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	7,973	16,126	33,674	57,774
Currency instruments and gold	5,888	7,758	6,854	20,500
Other instruments	2,204	2,947	3,223	8,375
SUBTOTAL	16,065	26,831	43,752	86,649
Forward currency transactions	23,270	2,781	371	26,422
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – LIABILITIES	**39,336**	**29,612**	**44,123**	**113,070**

DERIVATIVE INSTRUMENTS: AMOUNT OF COMMITMENT

	31/12/2023	31/12/2022
(in millions of euros)	Total notional amount outstanding	Total notional amount outstanding
Interest rate instruments	16,451,273	16,061,259
Currency instruments and gold	677,695	590,725
Other instruments	204,402	202,995
SUBTOTAL	17,333,370	16,854,978
Forward currency transactions	2,981,772	2,761,152
TOTAL NOTIONAL AMOUNT	**20,315,142**	**19,616,130**

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

						31/12/2023
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Loans and receivables due from credit institutions (including Crédit Agricole internal transactions)	47,797	1,893	82,755	339	-	132,784
Loans and receivables due from customers (including finance leases)	152,938	116,365	404,965	501,078	1,271	1,176,617
TOTAL	200,735	118,258	487,720	501,417	1,271	1,309,401
Impairment						(21,108)
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						**1,288,293**

						31/12/20222
(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)	35,937	4,277	73,968	410	-	114,592
Loans and receivables due from customers (including finance leases)	149,209	110,717	385,407	486,109	1,606	1,133,048
TOTAL	185,146	114,994	459,375	486,519	1,606	1,247,640
Impairment						(20,308)
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						**1,227,332**

DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS BY RESIDUAL MATURITY

						31/12/2023
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Due to credit institutions	77,692	11,013	13,947	5,889	-	108,541
Due to customers	983,051	69,218	61,381	8,292	-	1,121,942
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**1,060,743**	**80,231**	**75,328**	**14,181**	**-**	**1,230,483**

						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	44,028	71,228	33,404	3,496	-	152,156
Due to customers	1,009,933	45,559	33,887	4,134	-	1,093,513
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**1,053,961**	**116,787**	**67,291**	**7,630**	**-**	**1,245,669**

DEBT SECURITIES AND SUBORDINATED DEBT

						31/12/2023
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
DEBT SECURITIES						
Interest bearing notes	-	1	3	-	-	4
Interbank securities	1,233	-	2,556	2,023	-	5,812
Negotiable debt securities	65,299	43,935	5,235	613	-	115,082
Bonds	3,404	12,233	64,256	53,475	-	133,368
Other debt securities	874	2,650	1,417	1,032	-	5,973
TOTAL DEBT SECURITIES	**70,810**	**58,819**	**73,467**	**57,143**	**-**	**260,239**
SUBORDINATED DEBT						
Dated subordinated debt	64	635	15,081	9,207	-	24,987
Undated subordinated debt	-	-	-	-	7	7
Mutual security deposits	-	-	-	-	212	212
Participating securities and loans	2	-	-	-	-	2
TOTAL SUBORDINATED DEBT	**66**	**635**	**15,081**	**9,207**	**219**	**25,208**

						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	11,681	49,253	39,644	-	104,391
Other debt securities	617	676	1,222	-	-	2,515
TOTAL DEBT SECURITIES	**75,787**	**48,247**	**56,159**	**41,702**	**-**	**221,895**
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**

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.

	31/12/2023					
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Financial guarantees given	122	112	-	-	-	234

	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

Contractual maturities of derivative instruments are given in Note 3.3 “Market risk”.

3.5 HEDGE ACCOUNTING

(See Note 3.3 “Market risk” and Chapter “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

	31/12/2023			31/12/2022		
	Market value		Notional amount	Market value		Notional amount
(in millions of euros)	positive	negative		positive	negative	
Fair value hedges	31,149	31,129	1,193,772	48,135	41,431	1,104,332
Cash flow hedges	827	3,195	106,433	1,365	4,927	82,533
Hedges of net investments in foreign operations	75	100	6,068	994	967	6,219
TOTAL HEDGING DERIVATIVE INSTRUMENTS	**32,051**	**34,424**	**1,306,273**	**50,494**	**47,324**	**1,193,084**

The Group applies, in accordance with our Accounting Policies and Principles relating to fair value hedges of interest rate portfolios, financial assets or financial liabilities portfolios, IAS 39 as adopted by the European Union (carve-out version). The standard allows the inclusion of low- or non-interest-bearing demand deposits in such hedges.

The Crédit Agricole Group has not recorded any material disqualification in the 2023 financial year in relation to the rising rates market environment.

HEDGING DERIVATIVE INSTRUMENTS: ANALYSIS BY RESIDUAL MATURITY (NOTIONALS)

The breakdown of notional values of derivative instruments is shown by remaining contractual maturity.

	31/12/2023			
	Exchange-traded transactions and over the counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total notional
Interest rate instruments	390,776	403,385	411,020	1,205,180
Currency instruments	7,363	918	69	8,350
Other instruments	203	1	-	204
SUBTOTAL	398,342	404,305	411,088	1,213,735
Forward currency transactions	69,387	18,247	4,904	92,538
TOTAL NOTIONAL OF HEDGING DERIVATIVES	**467,729**	**422,553**	**415,992**	**1,306,273**

	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	366,347	368,344	1,109,182
Currency instruments	8,447	1,157	143	9,747
Other instruments	108	1	-	109
SUBTOTAL	383,046	367,505	368,487	1,119,038
Forward currency transactions	60,382	10,398	3,266	74,046
TOTAL NOTIONAL OF HEDGING DERIVATIVES	**443,428**	**377,904**	**371,752**	**1,193,084**

Note 3.3 “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

	31/12/2023			
	Carrying amount		Changes in fair value during the period (including end of hedges during the period)	Notional Amount
(in millions of euros)	Assets	Liabilities		
Fair value hedges				
Organised markets and over the counter markets	**7,036**	**15,575**	**2,238**	**336,642**
Interest rate	6,910	15,155	2,107	311,142
Foreign exchange	126	420	131	25,500
Other	-	-	-	-
TOTAL FAIR VALUE MICRO-HEDGING	7,036	15,575	2,238	336,642
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	24,113	15,554	(11,384)	857,130
TOTAL FAIR VALUE HEDGES	**31,149**	**31,129**	**(9,146)**	**1,193,772**

	31/12/2022			
	Carrying amount		Changes in fair value during the period (including end of hedges during the period)	Notional Amount
(in millions of euros)	Assets	Liabilities		
Fair value hedges				
Organised markets and over the counter markets	**14,980**	**25,236**	**(7,180)**	**360,594**
Interest rate	11,005	20,785	(6,595)	331,321
Foreign exchange	3,975	4,451	(585)	29,273
Other	-	-	-	-
TOTAL FAIR VALUE MICRO-HEDGING	14,980	25,236	(7,180)	360,594
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	33,155	16,195	15,392	743,738
TOTAL FAIR VALUE HEDGES	**48,135**	**41,431**	**8,212**	**1,104,332**

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)*	31/12/2023			
		Present hedges	Ended hedges	
	Carrying amount	of which accumulated fair value hedge adjustments	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be amortised	Fair value hedge adjustments during the period (including termination of hedges during the period)
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**27,201**	**(840)**	**-**	**1,162**
Interest rate	27,201	(840)	-	1,162
Foreign exchange	-	-	-	-
Other	-	-	-	-
Debt instruments at amortised cost	**106,231**	**(3,110)**	**9**	**2,616**
Interest rate	97,751	(3,060)	9	2,532
Foreign exchange	8,481	(49)	-	84
Other	-	-	-	-
TOTAL FAIR VALUE HEDGES ON ASSETS ITEMS	**133,432**	**(3,949)**	**9**	**3,778**
Debt instruments at amortised cost	**181,198**	**(6,365)**	**-**	**6,005**
Interest rate	168,627	(6,222)	-	5,770
Foreign exchange	12,571	(142)	-	235
Other	-	-	-	-
TOTAL FAIR VALUE HEDGES ON LIABILITIES ITEMS	**181,198**	**(6,365)**	**-**	**6,005**

Micro-hedging *(in millions of euros)*	31/12/2022			
		Present hedges	Ended hedges	
	Carrying amount	of which accumulated fair value hedge adjustments	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be amortised	Fair value hedge adjustments during the period (including termination of hedges during the period)
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**26,892**	**(1,740)**	**-**	**(2,375)**
Interest rate	26,892	(1,740)	-	(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**	**(7,455)**	**26**	**(10,606)**
Debt instruments at amortised cost	**179,360**	**(15,071)**	**-**	**(17,761)**
Interest rate	160,412	(14,702)	-	(17,142)
Foreign exchange	18,948	(369)	-	(619)
Other	-	-	-	-
TOTAL FAIR VALUE HEDGES ON LIABILITIES ITEMS	**179,360**	**(15,071)**	**-**	**(17,761)**

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.

Micro-hedging *(in millions of euros)*	31/12/2023	
	Carrying amount	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be adjusted, on ended hedges
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-
Debt instruments at amortised cost	562,934	(1,016)
TOTAL – ASSETS	**562,934**	**(1,016)**
Debt instruments at amortised cost	284,947	7
TOTAL – LIABILITIES	**284,947**	**7**

Micro-hedging *(in millions of euros)*	31/12/2022	
	Carrying amount	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be adjusted, on ended hedges
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	3,788	-
Debt instruments at amortised cost [(1)]	467,984	(1,307)
TOTAL – ASSETS	**471,772**	**(1,307)**
Debt instruments at amortised cost [(1)]	215,768	22
TOTAL – LIABILITIES	**215,768**	**22**

(1) The balance sheet presentation of the revaluation adjustment on interest rate hedged portfolios was reclassified between assets and liabilities on 31 December 2022. Its net amount was unchanged, amounting to -€16 billion at 31 December 2022.

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

(in millions of euros)	31/12/2023		
	Net Income (Total Gains (losses) from hedge accounting)		
	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	(9,278)	9,240	(37)
Foreign exchange	131	(151)	(20)
Other	-	-	-
TOTAL	**(9,146)**	**9,089**	**(57)**

(in millions of euros)	31/12/2022		
	Net Income (Total Gains (losses) from hedge accounting)		
	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	8,797	(8,747)	50
Foreign exchange	(585)	585	-
Other	-	-	-
TOTAL	**8,212**	**(8,162)**	**50**

CASH FLOW HEDGES AND HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS (NIH)

Hedging derivatives

	31/12/2023			
	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	**462**	**1,172**	**94**	**75,194**
Interest rate	186	257	30	5,773
Foreign exchange	266	914	64	69,217
Other	11	2	-	204
TOTAL CASH FLOW MICRO-HEDGING	**462**	**1,172**	**94**	**75,194**
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	365	2,023	932	31,135
Cash flow hedges of the foreign exchange exposure of a portfolio of financial instruments	-	-	-	103
TOTAL CASH FLOW MACRO-HEDGING	**365**	**2,023**	**931**	**31,239**
TOTAL CASH FLOW HEDGES	**827**	**3,195**	**1,025**	**106,433**
HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**75**	**100**	**(39)**	**6,068**

	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**	**1,977**	**(186)**	**48,637**
Interest rate	52	198	(125)	2,095
Foreign exchange	797	1,756	(60)	46,432
Other	-	23	-	109
TOTAL CASH FLOW MICRO-HEDGING	**849**	**1,977**	**(186)**	**48,637**
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	512	2,936	(2,715)	32,026
Cash flow hedges of the foreign exchange exposure of a portfolio of financial instruments	4	13	(2)	1,869
TOTAL CASH FLOW MACRO-HEDGING	**517**	**2,950**	**(2,717)**	**33,896**
TOTAL CASH FLOW HEDGES	**1,365**	**4,927**	**(2,903)**	**82,533**
HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**994**	**967**	**8**	**6,219**

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

	31/12/2023		
	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	962	-	(1)
Foreign exchange	64	(1)	-
Other	-	-	-
Total cash flow hedges	**1,025**	**(1)**	**(1)**
Hedges of net investments in foreign operations	**(39)**	**4**	**-**
TOTAL CASH FLOW HEDGES AND HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**987**	**3**	**(1)**

	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	(2,842)	-	1
Foreign exchange	(62)	(1)	-
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**

3.6 OPERATIONAL RISKS

(See Chapter “Risk management – 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 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 OTHER COMPREHENSIVE INCOME

4.1 INTEREST INCOME AND EXPENSES

(in millions of euros)	31/12/2023	31/12/2022
On financial assets at amortised cost	**50,171**	**30,890**
Interbank transactions	12,015	4,357
Customer transactions	33,793	23,032
Finance leases	1,965	1,634
Debt securities	2,398	1,867
On financial assets recognised at fair value through other comprehensive income	**4,904**	**5,082**
Interbank transactions	-	-
Customer transactions	-	-
Debt securities	4,904	5,082
Accrued interest receivable on hedging instruments	**8,094**	**1,748**
Other interest income	**87**	**74**
INTEREST AND SIMILAR INCOME (1)(2)	**63,255**	**37,794**
On financial liabilities at amortised cost	**(38,484)**	**(15,226)**
Interbank transactions	(6,506)	(1,760)
Customer transactions	(22,436)	(8,685)
Finance leases	(483)	(791)
Debt securities	(8,712)	(3,430)
Subordinated debt	(346)	(560)
Accrued interest receivable on hedging instruments	**(4,612)**	**(1,444)**
Other interest expenses	**(47)**	**(32)**
INTEREST AND SIMILAR EXPENSES (3)	**(43,143)**	**(16,702)**

(1) €506 million of which for impaired loans (Stage 3) as at 31 December 2023 versus €363 million as at 31 December 2022.
(2) Includes €285 million in negative interest on financial liabilities at 31 December 2023 (€871 million at 31 December 2022).
(3) Includes €0 million in negative interest on financial assets at 31 December 2023 (-€109 million at 31 December 2022).

4.2 FEE AND COMMISSION INCOME AND EXPENSES

	31/12/2023			31/12/2022		
(in millions of euros)	Income	Expense	Net	Income	Expense	Net
Interbank transactions	367	(106)	261	396	(87)	309
Customer transactions	1,870	(306)	1,565	1,859	(256)	1,603
Securities transactions	56	(178)	(122)	46	(139)	(93)
Foreign exchange transactions	47	(39)	7	69	(59)	10
Derivative instruments and other off-balance sheet items	306	(237)	69	259	(177)	82
Payment instruments and other banking and financial services	7,541	(1,828)	5,713	7,068	(1,758)	5,310
Mutual funds management, fiduciary and similar operations	5,838	(1,493)	4,345	6,026	(1,664)	4,362
TOTAL FEES AND COMMISSIONS INCOME AND EXPENSE	**16,025**	**(4,188)**	**11,837**	**15,723**	**(4,140)**	**11,583**

Asset Gathering and Retail Banking (in France and abroad) are the main contributors of the 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)	31/12/2023	31/12/2022
Dividends received	1,536	1,374
Unrealised or realised gains (losses) on held for trading assets/liabilities	2,844	(5,600)
Unrealised or realised gains (losses) on equity instruments at fair value through profit or loss	436	(2,791)
Unrealised or realised gains (losses) on debt instruments that do not meet the conditions of the "SPPI" test	3,985	(3,170)
Unrealised or realised gains (losses) on other debt instruments measured by definition at fair value through profit or loss	125	-
Net gains (losses) on assets backing unit-linked contracts	4,444	(8,497)
Unrealised or realised gains (losses) on assets/liabilities designated at fair value through profit or loss [1]	(4,592)	4,980
Net gains (losses) on Foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	3,531	2,811
Gains (losses) from hedge accounting	(58)	50
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**12,251**	**(10,843)**

(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:

			31/12/2023
(in millions of euros)	Gains	Losses	Net
Fair value hedges	**15,024**	**(15,013)**	**11**
Changes in fair value of hedged items attributable to hedged risks	6,217	(8,444)	(2,227)
Changes in fair value of hedging derivatives (including termination of hedges)	8,807	(6,569)	2,238
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	**56,101**	**(56,169)**	**(68)**
Changes in fair value of hedged items	35,179	(23,863)	11,316
Changes in fair value of hedging derivatives	20,922	(32,306)	(11,384)
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	**-**	**(1)**	**(1)**
Changes in fair value of hedging instrument – ineffective portion	-	(1)	(1)
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**71,126**	**(71,184)**	**(58)**

			31/12/2022
(in millions of euros)	Gains	Losses	Net
Fair value hedges	**37,319**	**(37,344)**	**(25)**
Changes in fair value of hedged items attributable to hedged risks	22,253	(15,099)	7,155
Changes in fair value of hedging derivatives (including termination of hedges)	15,066	(22,245)	(7,180)
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	**62,430**	**(62,355)**	**75**
Changes in fair value of hedged items	23,550	(38,867)	(15,318)
Changes in fair value of hedging derivatives	38,880	(23,488)	15,392
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	**99,751**	**(99,701)**	**50**

Details of gains (losses) from hedge accounting by type of relationship (fair value hedges, cash flow hedges etc.) are presented in Note 3.5 "Hedge accounting".

4.4 NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH EQUITY

(in millions of euros)	31/12/2023	31/12/2022
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss [(1)]	(730)	(328)
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends) [(2)]	255	102
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	**(476)**	**(226)**

(1) Excluding realised gains or losses from the disposal of 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 financial year.

4.5 NET GAINS (LOSSES) ARISING FROM THE DERECOGNITION OF FINANCIAL ASSETS AT AMORTISED COST

(in millions of euros)	31/12/2023	31/12/2022
Debt securities	121	48
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	2	-
Gains arising from the derecognition of financial assets at amortised cost	**123**	**48**
Debt securities	(117)	(76)
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	(9)	(14)
Losses arising from the derecognition of financial assets at amortised cost	**(126)**	**(90)**
NET GAINS (LOSSES) ARISING FROM THE DERECOGNITION OF FINANCIAL ASSETS AT AMORTISED COST [(1)]	**(3)**	**(42)**

(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)	31/12/2023	31/12/2022 restated
Gains (losses) on fixed assets not used in operations	194	(47)
Net income from investment property	(882)	340
Other net income (expense)	815	386
INCOME (EXPENSE) RELATED TO OTHER ACTIVITIES	**127**	**678**

4.7 OPERATING EXPENSES

	31/12/2023			31/12/2022 restated		
(in millions of euros)	Operating expenses [(1)] (a)	Expenses related to insurance contracts (deducted from revenues) (b)	Total Operating expenses in the period [(1)] (c) = (a) + (b)	Operating expenses [(1)] (a)	Expenses related to insurance contracts (deducted from revenues) (b)	Total Operating expenses in the period [(1)] (c) = (a) + (b)
Employee expenses	(15,106)	(258)	(15,364)	(13,979)	(235)	(14,214)
Taxes other than on income or payroll-related and regulatory contributions [(2)]	(1,272)	(54)	(1,326)	(1,440)	(58)	(1,498)
External services and other operating expenses	(6,774)	(373)	(7,147)	(6,696)	(667)	(7,363)
Expenses incurred for the distribution of insurance contracts	2,966	(2,966)	-	2,827	(2,827)	-
OPERATING EXPENSES	**(20,186)**	**(3,651)**	**(23,837)**	**(19,288)**	**(3,786)**	**(23,075)**

(1) Amounts corresponding to the heading "Operating expenses" of the Income statement.
(2) Including -€619 million recognised for the Single Resolution Fund at 31 December 2023 (versus -€801 million at 31 December 2022).

The retirement reform adopted in France via finance law 2023-270 of 14 April 2023 amending social security for 2023 (published in the *Journal officiel* of 15 April 2023) and the implementing decrees 2023-435 and 2023-436 of 3 June 2023 (published in the *Journal officiel* of 4 June 2023) were taken into account in the annual financial statements for 2023. The impact of this reform was considered a change of *régime* and is recognised as a past service cost, under operating expenses.

At 31 December 2023, the impact of this reform was +€54.2 million on pre-tax income.

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 2023:

Board of Statutory Auditors of the Crédit Agricole Group

	Ernst & Young		PricewaterhouseCoopers		
(in millions of euros excluding taxes)	2023	2022	2023	2022	Total 2023
Statutory audit, certification, review of individual and consolidated financial statements	**14.93**	**16.01**	**21.52**	**18.55**	**36.45**
Issuer	2.32	2.61	2.36	2.34	4.68
Fully consolidated subsidiaries	12.61	13.40	19.16	16.21	31.77
Non audit services	**8.77**	**6.01**	**9.59**	**9.26**	**18.36**
Issuer	1.98	0.87	2.58	1.01	4.56
Fully consolidated subsidiaries	6.79	5.14	7.01	8.25	13.80
TOTAL	**23.70**	**22.02**	**31.11**	**27.81**	**54.81**

The total sum of fees paid to PricewaterhouseCoopers Audit, Statutory Auditor of the Crédit Agricole Group, appearing in the consolidated income statement for the financial year, amounts to €14.0 million, of which €10.7 million relates to the certification of the accounts of the Crédit Agricole Group, and €3.3 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 & Autres, Statutory Auditor of the Crédit Agricole Group, appearing in the consolidated income statement for the financial year, amounts to €12.0 million, of which €7.8 million relates to the certification of the accounts of the Crédit Agricole Group, and €4.2 million relates to non-audit services (comfort letters, agreed-upon procedures, responsibility statements, tax compliance review, services relating to social and environmental information, consultations etc.).

4.8 DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

	31/12/2023			31/12/2022 restated		
(in millions of euros)	Depreciation, amortisation and impairment (1) (a)	Expenses related to insurance contracts (deducted from revenues) (b)	Total Depreciation, amortisation and impairment in the period (3) (c) = (a) + (b)	Depreciation, amortisation and impairment (1) (a)	Expenses related to insurance contracts (deducted from revenues) (b)	Total Depreciation, amortisation and impairment in the period (3) (c) = (a) + (b)
Depreciation and amortisation	**(1,902)**	**(52)**	**(1,954)**	**(1,824)**	**(51)**	**(1,875)**
Property, plant and equipment (1)	(1,377)	(4)	(1,381)	(1,374)	(5)	(1,379)
Intangible assets	(525)	(48)	(573)	(450)	(46)	(496)
Impairment losses (reversals)	**5**	**-**	**5**	**6**	**-**	**6**
Property, plant and equipment (2)	1	-	1	-	-	-
Intangible assets	4	-	4	6	-	6
DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS	**(1,898)**	**(52)**	**(1,950)**	**(1,818)**	**(51)**	**(1,869)**

(1) Including -€492 million recognised for the depreciation of the right-of-use at 31 December 2023 versus -€507 million at 31 December 2022.
(2) Including -€4 million recognised for right-of-use impairment additions (reversals) at 31 December 2023 versus €0 million at 31 December 2022.
(3) Amounts corresponding to the heading "Depreciation, amortisation and impairment of property, plant & equipment and intangible assets" in the Income statement.

4.9 COST OF RISK

(in millions of euros)	31/12/2023	31/12/2022
CHARGES NET OF REVERSALS TO IMPAIRMENTS ON PERFORMING ASSETS (STAGE 1 OR STAGE 2) (A)	(305)	(1,154)
Stage 1: Loss allowance measured at an amount equal to 12-month expected credit loss	**122**	**(397)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	(5)	2
Debt instruments at amortised cost	58	(333)
Commitments by signature	70	(66)
Stage 2: Loss allowance measured at an amount equal to lifetime expected credit loss	**(427)**	**(757)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	(2)	(1)
Debt instruments at amortised cost	(417)	(794)
Commitments by signature	(8)	38
CHARGES NET OF REVERSALS TO IMPAIRMENTS ON CREDIT-IMPAIRED ASSETS (STAGE 3) (B)	(2,353)	(1,776)
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	5	-
Debt instruments at amortised cost	(2,248)	(1,802)
Commitments by signature	(109)	26
Other assets (C)	(7)	(5)
Risks and expenses (D)	(74)	98
CHARGES NET OF REVERSALS TO IMPAIRMENT LOSSES AND PROVISIONS (E) = (A)+(B)+(C)+(D)	(2,739)	(2,837)
Realised gains (losses) on disposal of impaired debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	(3)	-
Realised gains (losses) on impaired debt instruments at amortised cost	5	4
Losses on non-impaired loans and bad debt	(290)	(291)
Recoveries on loans and receivables written off	174	289
recognised at amortised cost	*174*	*289*
recognised in other comprehensive income that may be reclassified to profit or loss	-	-
Discounts on restructured loans	(42)	(15)
Losses on commitments by signature	(2)	(1)
Other losses	(71)	(46)
Other gains	26	5
COST OF RISK	**(2,941)**	**(2,892)**

4.10 NET GAINS (LOSSES) ON OTHER ASSETS

(in millions of euros)	31/12/2023	31/12/2022
Property, plant & equipment and intangible assets used in operations	**100**	**30**
Gains on disposals	172	52
Losses on disposals	(72)	(22)
Gains or losses on disposals of consolidated equity investments	**3**	**4**
Gains on disposals	8	7
Losses on disposals	(5)	(3)
Net income (expense) on combinations	**(16)**	**(6)**
NET GAINS (LOSSES) ON OTHER ASSETS	**88**	**28**

4.11 INCOME TAX

TAX CHARGE

(in millions of euros)	31/12/2023	31/12/2022
Current tax charge	(2,286)	(2,199)
Deferred tax charge	(462)	(448)
TOTAL TAX CHARGE	**(2,748)**	**(2,647)**

RECONCILIATION OF THE THEORETICAL TAX RATE AND THE EFFECTIVE TAX RATE

At 31 December 2023

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	11,557	25.83%	(2,985)
Impact of permanent differences		(0.76)%	88
Impact of different tax rates on foreign subsidiaries		0.88%	(102)
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		0.35%	(40)
Impact of reduced tax rate		(0.47)%	54
Impact of tax rate change		0.03%	(3)
Impact of other items		(2.08)%	240
EFFECTIVE TAX RATE AND TAX CHARGE		**23.78%**	**(2,748)**

The theoretical tax rate is the standard tax rate (including the additional social contribution) on taxable profits in France as at 31 December 2023.

At 31 December 2022

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	10,834	25.58%	(2,798)
Impact of permanent differences		(0.93)%	102
Impact of different tax rates on foreign subsidiaries		0.35%	(38)
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		(0.40)%	43
Impact of reduced tax rate		0.71%	(77)
Impact of tax rate change		(0.07)%	7
Impact of other items		(1.05)%	115
EFFECTIVE TAX RATE AND TAX CHARGE		**24.20%**	**(2,647)**

The theoretical tax rate is the standard tax rate (including the additional social contribution) on taxable profits in France as at 31 December 2022.

4.11.1 PILLAR 2 – GLOBE (GLOBAL ANTI-BASE EROSION)

The OECD has released new international tax rules aimed at requiring large Multinational Enterprises (MNEs) to pay a “top-up tax” whenever the Effective Tax Rate (ETR) in each jurisdiction in which they operate is below 15%. The purpose of the new rules is to combat competition between countries based on tax rates.

The rules will have to be transposed into domestic law by each country.

A European Directive was adopted within the EU at the end of 2022 (it is currently being transposed into member countries’ domestic law) and stipulates financial year 2024 as the first financial year for the application of the GloBE rules in the EU. At this stage, based on an initial calculation, the amounts estimated for the Group are immaterial; the assessment work started within the Group is ongoing. The implication is that a GloBE top-up tax might have to be recognised in the Group’s 2024 financial statements.

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)	31/12/2023	31/12/2022 restated
OTHER COMPREHENSIVE INCOME ON ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX		
Gains and losses on translation adjustments	**(351)**	**201**
Revaluation adjustment of the period	(351)	201
Reclassified to profit or loss	-	-
Other changes	-	-
Other comprehensive income on debt instruments that may be reclassified to profit or loss	**10,152**	**(41,123)**
Revaluation adjustment of the period	9,421	(41,435)
Reclassified to profit or loss	731	312
Other changes	-	-
Gains and losses on hedging derivative instruments	**1,028**	**(2,902)**
Revaluation adjustment of the period	1,025	(2,902)
Reclassified to profit or loss	3	-
Other changes	-	-
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss	(9,578)	37,815
Insurance finance income or expenses related to reinsurance contracts held recognised in other comprehensive income that will be reclassified to profit or loss	27	(247)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	**(73)**	**47**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**(422)**	**1,651**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**-**	**-**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**-**	**26**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX	**782**	**(4,532)**
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	(222)	538
Other comprehensive income on financial liabilities attributable to changes in own credit risk	**(263)**	**793**
Revaluation adjustment of the period	(259)	787
Reclassified to reserves	(4)	6
Other changes	-	-
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	**(111)**	**91**
Revaluation adjustment of the period	(60)	(44)
Reclassified to reserves	(51)	135
Other changes	-	-
Insurance finance income or expenses recognised directly in other comprehensive income that will not be reclassified to profit or loss	(128)	1
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**12**	**-**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**131**	**(348)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**(1)**	**(2)**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**-**	**-**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX	**(582)**	**1,073**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**200**	**(3,459)**
Of which Group share	255	(3,430)
Of which non-controlling interests	(55)	(29)

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 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.

At 31 December 2023, the Crédit Agricole Group's business activities were organised into seven operating segments:

1. the following six business lines:
   - French Retail Banking – Regional Banks,
   - French Retail Banking – LCL,
   - International Retail Banking,
   - Asset Gathering,
   - Large Customers,
   - Specialised Financial Services;
2. as well as the "Corporate Centre".

PRESENTATION OF BUSINESS LINES

French Retail Banking – Regional Banks

This business line covers Regional Banks and their subsidiaries.

The Regional Banks provide banking for individuals, farmers, small businesses, corporates and local authorities and have strong local connections.

The Crédit Agricole Regional Banks sell the full range of banking and financial services and products (savings vehicles [monetary, bonds, securities and funds], financing offers [including housing loans and consumer finance], insurance products [life, death & disability, and property and casualty]), as well as payment instruments, personal services, non-banking services and wealth 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;
- 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;
- 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, car 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, CA Auto Bank, GAC Sofinco and Wafasalaf).

  In April 2023, Crédit Agricole Consumer Finance and Stellantis created a joint-venture born from the merger of Leasys and Free2move, and took over 100% of CA Auto Bank (formerly FCA Bank). In August 2023, Crédit Agricole Consumer Finance acquired ALD's and LeasePlan's activities in six European countries;
- 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.

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;
- 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);

- asset servicing for institutional investors and issuers: CACEIS Bank for custody and depositary services, CACEIS Fund Administration for fund administration services and Uptevia (formerly CACEIS Corporate Trust[1]) for issuer services. In July 2023, CACEIS acquired the European asset servicing business of RBC Investor Services.

Corporate Centre

This segment encompasses three types of activity:

- 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 results of various other Crédit Agricole Group companies (notably 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.

Lastly, Crédit Agricole S.A. now has a new business line, Crédit Agricole Transitions & Énergies, focused on:

- the production and supply of direct-to-consumer carbon-free electricity, in collaboration with local players and the support of an investment offer and a financing offer;
- transition consulting and solutions, supporting the customers' energy conservation practices.

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.

	31/12/2023							
	French Retail Banking							
(in millions of euros)	Regional Banks	LCL	International Retail Banking	Asset Gathering	Large Customers	Specialised Financial Services	Corporate Centre[(1)]	Total
Revenues	13,259	3,850	4,041	6,693	7,779	3,597	(2,727)	36,492
Operating expenses	(9,813)	(2,441)	(2,229)	(2,880)	(4,819)	(1,702)	1,800	(22,084)
GROSS OPERATING INCOME	**3,446**	**1,409**	**1,812**	**3,813**	**2,960**	**1,895**	**(927)**	**14,409**
Cost of risk	(1,153)	(301)	(463)	(5)	(120)	(870)	(29)	(2,941)
OPERATING INCOME	**2,294**	**1,108**	**1,349**	**3,808**	**2,840**	**1,025**	**(957)**	**11,468**
Share of net income of equity-accounted entities	9	-	1	102	21	130	-	263
Net gains (losses) on other assets	5	21	3	(10)	2	71	(4)	88
Change in value of goodwill	-	-	-	-	-	11	(9)	2
PRE-TAX INCOME	**2,309**	**1,129**	**1,353**	**3,900**	**2,863**	**1,237**	**(969)**	**11,822**
Income tax charge	(551)	(256)	(425)	(869)	(690)	(306)	349	(2,748)
Net income from discontinued operations	-	-	(3)	1	-	-	(1)	(3)
NET INCOME	**1,757**	**873**	**925**	**3,032**	**2,173**	**931**	**(621)**	**9,071**
Non-controlling interests	1	-	145	466	118	79	4	813
NET INCOME GROUP SHARE	**1,757**	**873**	**780**	**2,566**	**2,055**	**852**	**(625)**	**8,258**

(1) The effect related to "internal margins" at the time of the consolidation of the insurance activity at the level of Crédit Agricole S.A. was recognised in the Corporate Centre business line. The impact of the adjustment of the costs incurred in the distribution of insurance contracts was -€2,966 million in revenues and +€2,966 million in operating expenses.

	31/12/2023							
	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	97	-	-	498	377	1,385	-	2,357
Of which goodwill	73	4,354	816	8,156	1,559	1,422	150	16,530
TOTAL ASSETS	**875,878**	**206,308**	**100,473**	**612,836**	**1,188,045**	**153,127**	**(669,568)**	**2,467,099**

(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.

	31/12/2022 restated							
	French Retail Banking							
(in millions of euros)	Regional Banks	LCL	International Retail Banking	Asset Gathering	Large Customers	Specialised Financial Services	Corporate Centre[1]	Total
Revenues	14,156	3,850	3,373	6,291	7,012	2,782	(2,660)	34,804
Operating expenses	(9,596)	(2,389)	(2,169)	(2,799)	(4,347)	(1,478)	1,672	(21,106)
GROSS OPERATING INCOME	4,560	1,461	1,204	3,492	2,665	1,304	(988)	13,698
Cost of risk	(1,137)	(237)	(701)	(16)	(251)	(533)	(17)	(2,892)
OPERATING INCOME	3,423	1,224	503	3,476	2,414	771	(1,005)	10,806
Share of net income of equity-accounted entities	5	-	2	87	16	309	-	419
Net gains (losses) on other assets	24	8	7	(2)	(9)	2	(2)	28
Change in value of goodwill	-	-	-	-	-	-	-	-
PRE-TAX INCOME	3,452	1,232	512	3,561	2,421	1,082	(1,007)	11,253
Income tax charge	(845)	(300)	(67)	(948)	(592)	(222)	327	(2,647)
Net income from discontinued operations	-	-	(6)	127	-	-	-	121
NET INCOME	2,607	932	439	2,740	1,829	860	(680)	8,727
Non-controlling interests	1	-	112	422	91	109	(5)	730
NET INCOME GROUP SHARE	2,606	932	327	2,318	1,738	751	(675)	7,997

(1) The effect related to "internal margins" at the time of the consolidation of the insurance activity at the level of Crédit Agricole S.A. was recognised in the Corporate Centre business line. The impact of the adjustment of the costs incurred in the distribution of insurance contracts was -€2,827 million in revenues and +€2,827 million in operating expenses.

	31/12/2022 restated							
	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	443	322	3,139	-	4,004
Of which goodwill	21	4,354	822	8,131	1,407	1,337	117	16,189
TOTAL ASSETS	905,761	208,900	99,632	569,729	1,098,414	100,939	(632,506)	2,350,870

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.

	31/12/2023				31/12/2022			
(in millions of euros)	Net income Group Share	Of which Revenues	Segment assets	Of which goodwill	Net income Group Share	Of which Revenues	Segment assets	Of which goodwill
France (including overseas departments and territories)	4,201	22,803	1,973,284	10,450	4,877	23,177	1,937,176	10,338
Italie	1,231	5,038	129,696	1,266	1,073	3,985	129,696	1,266
Other European Union countries	846	3,591	128,010	3,382	964	3,193	97,278	3,183
Other European countries	583	1,892	41,288	884	41	1,790	38,173	826
North America	591	1,511	76,074	477	466	1,264	71,349	494
Central and South America	70	111	1,302	-	(51)	(16)	1,472	-
Africa and Middle East	117	328	4,539	20	112	290	5,373	26
Asia-Pacific (ex. Japan)	465	888	34,111	30	402	853	30,213	32
Japan	154	330	78,796	21	114	268	40,142	23
TOTAL	8,258	36,492	2,467,099	16,530	7,997	34,804	2,350,870	16,188

5.3 SPECIFIC CHARACTERISTICS OF INSURANCE

INCOME OF THE INSURANCE COMPANIES

(in millions of euros)	31/12/2023	31/12/2022 restated
Insurance revenue	13,886	14,050
Insurance service expenses	(11,384)	(11,041)
Income or expenses related to reinsurance contracts held	(99)	139
Insurance service result	**2,403**	**3,148**
Revenue or income from other activities	**83**	**89**
Investment income	7,583	7,392
Investment expenses	(885)	(728)
Gains (losses) on disposals of investments net of impairment and amortisation reversals	(526)	(83)
Change in fair value of investments at fair value through profit or loss	5,772	(15,891)
Change in impairment on investments	3	(42)
Investment income net of expenses	**11,946**	**(9,351)**
Insurance finance income or expenses	(11,288)	7,982
Insurance finance income or expenses related to reinsurance contracts held	48	46
Change in investment contracts without discretionary participation features	(314)	672
NET FINANCIAL INCOME	393	(652)
Other current operating income (expense)	**(365)**	**(293)**
Other operating income (expense)	**(54)**	**(43)**
OPERATING INCOME	2,460	2,248
Financing expenses	**(157)**	**(187)**
Income tax charge	**(503)**	**(604)**
Net income from discontinued operations	**-**	**123**
CONSOLIDATED NET INCOME	1,799	1,580
Non-controlling interests	**(89)**	**(76)**
NET INCOME GROUP SHARE	**1,710**	**1,504**

INSURANCE AND REINSURANCE CONTRACTS

The carrying amount of the portfolios of insurance contracts issued and reinsurance contracts held, broken down by their position on the balance sheet and detailed according to their components, are presented in the following table.

(in millions of euros)	31/12/2023	31/12/2022
INSURANCE CONTRACTS ISSUED	351,778	334,280
Insurance contracts issued that are assets	**-**	**-**
Remaining coverage	-	-
Incurred claims	-	-
Assets for insurance acquisition cash flows	-	-
Insurance contracts issued that are liabilities	**351,778**	**334,280**
Remaining coverage	340,425	323,454
Incurred claims	11,353	10,825
Assets for insurance acquisition cash flows	-	-
REINSURANCE CONTRACTS HELD	(1,021)	(882)
Reinsurance contracts held that are assets	**(1,097)**	**(973)**
Remaining coverage	(368)	(220)
Incurred claims	(729)	(754)
Reinsurance contracts held that are liabilities	**76**	**92**
Remaining coverage	83	145
Incurred claims	(7)	(53)
INVESTMENT CONTRACTS WITHOUT DISCRETIONARY PARTICIPATION FEATURES[(1)]	3,189	3,239

(1) Investment contracts without discretionary participation features are classified under liabilities at fair value through profit or loss.

Reconciliations of the opening and closing balances of the contracts that enter into the scope of application of IFRS 17 are presented below.

These reconciliations show how the net carrying amounts of the insurance contracts issued and reinsurance contracts held, respectively, varied over the period due to cash flows as well as income and expenses recognised in profit or loss and in OCI.

An initial reconciliation (by type of liability) separately analyses the changes in the liability for remaining coverage and changes in the liability for incurred claims and reconciles these changes with the items of the income statement and statement of net income and other comprehensive income recognised directly in equity.

A second reconciliation (by measurement component of the contracts) analyses separately, for contracts that are not measured using the PAA model, the changes in estimates of the present value of future expected cash flow, adjustment for non-financial risk, and a contractual service margin.

RECONCILIATIONS OF THE OPENING AND CLOSING BALANCES OF THE CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED BY TYPE OF LIABILITY

	31/12/2023						31/12/2022					
	Liability for remaining coverage		Liability for incurred claims				Liability for remaining coverage		Liability for incurred claims			
				Contracts measured under PAA						Contracts measured under PAA		
(in millions of euros)	Excl. loss component	Loss component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Total	Excl. loss component	Loss component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Total
OPENING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	**323,365**	**91**	**5,439**	**5,252**	**133**	**334,280**	**369,093**	**98**	**6,559**	**4,795**	**118**	**380,663**
Opening carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	(473)	-	395	-	-	(78)
Opening carrying amounts of portfolios of insurance contracts issued that are liabilities	323,365	91	5,439	5,252	133	334,280	369,566	98	6,164	4,795	118	380,741
INSURANCE REVENUE	(14,169)					(14,169)	(14,009)					(14,009)
Insurance service expenses	**1,736**	**68**	**3,477**	**4,914**	**8**	**10,203**	**1,379**	**(7)**	**3,572**	**4,644**	**24**	**9,613**
Incurred claims (excluding investment components) and other incurred insurance service expenses	-	(41)	3,539	4,976	53	8,527	-	(34)	3,642	4,702	53	8,364
Amortisation of insurance acquisition cash flows	1,736					1,736	1,379					1,379
Changes in fulfilment cash flows relating to the liability for incurred claims			(62)	(62)	(45)	(169)			(70)	(59)	(29)	(158)
Losses on onerous groups of contracts and reversals of such losses		109			-	109		27			-	27
INSURANCE SERVICE RESULT	(12,433)	68	3,477	4,914	8	(3,966)	(12,630)	(7)	3,572	4,644	24	(4,396)
Insurance finance income or expenses	20,775	1	57	157	4	20,994	(45,440)	1	(2)	(348)	(8)	(45,798)
TOTAL CHANGES RECOGNISED IN PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	8,342	69	3,534	5,071	12	17,028	(58,069)	(6)	3,570	4,295	16	(50,194)
Investment components	**(26,954)**		**26,954**	**-**		**-**	**(22,420)**		**22,420**	**-**		**-**
Other changes	**(65)**	**4**	**(5)**	**(21)**	**(1)**	**(88)**	**373**	**(1)**	**(124)**	**2**	**(1)**	**249**
Cash flows in the period	**35,573**		**(30,751)**	**(4,264)**	**-**	**558**	**34,387**		**(26,986)**	**(3,841)**	**-**	**3,562**
Premiums received for insurance contracts issued	37,437					37,437	35,705					35,705
Insurance acquisition cash flows	(1,864)			(13)		(1,877)	(1,318)			(14)		(1,332)
Incurred claims paid and other insurance service expenses paid for insurance contracts issued, excluding insurance acquisition cash flows – including investment components			(30,751)	(4,251)		(35,002)			(26,986)	(3,826)		(30,812)
CLOSING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	**340,261**	**164**	**5,171**	**6,038**	**144**	**351,778**	**323,364**	**91**	**5,440**	**5,252**	**133**	**334,280**
Closing carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	-	-	-	-	-	-
Closing carrying amounts of portfolios of insurance contracts issued that are liabilities	340,261	164	5,171	6,038	144	351,778	323,364	91	5,440	5,252	133	334,280

RECONCILIATIONS OF THE OPENING AND CLOSING BALANCES OF THE INSURANCE CONTRACTS ISSUED BY MEASUREMENT COMPONENT OF THE CONTRACTS NOT MEASURED USING THE PREMIUM-ALLOCATION APPROACH

	31/12/2023				31/12/2022			
(in millions of euros)	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
OPENING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	**292,887**	**3,521**	**28,503**	**324,911**	**340,576**	**3,340**	**27,778**	**371,694**
Opening carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	(1,011)	390	543	(78)
Opening carrying amounts of portfolios of insurance contracts issued that are liabilities	292,887	3,521	28,503	324,911	341,587	2,950	27,235	371,772
Changes that relate to future service	**(5,315)**	**(90)**	**5,509**	**104**	**(4,305)**	**561**	**3,768**	**24**
Changes in estimates that adjust the contractual service margin	(2,438)	(325)	2,763	-	(1,296)	272	1,024	-
Changes in estimates that do not adjust the contractual service margin	89	(3)		86	7	1		8
Effects of contracts initially recognised in the period	(2,966)	238	2,746	18	(3,016)	288	2,744	16
Changes that relate to current service	**87**	**(306)**	**(3,220)**	**(3,439)**	**(94)**	**(239)**	**(3,109)**	**(3,442)**
Contractual service margin recognised in profit or loss to reflect the transfer of services			(3,220)	(3,220)			(3,109)	(3,109)
Change in the risk adjustment for non-financial risk that does not relate to future service or past service		(306)		(306)		(239)		(239)
Experience adjustments, excluding amounts relating to the risk adjustment for non-financial risk	87			87	(94)			(94)
Changes that relate to past service	**(60)**	**(2)**		**(62)**	**(64)**	**(6)**		**(70)**
Changes in fulfilment cash flows relating to incurred claims	(60)	(2)		(62)	(64)	(6)		(70)
INSURANCE SERVICE RESULT	**(5,288)**	**(398)**	**2,289**	**(3,397)**	**(4,463)**	**316**	**659**	**(3,488)**
Insurance finance income or expenses	**20,726**	**43**	**64**	**20,833**	**(45,368)**	**(135)**	**62**	**(45,441)**
TOTAL CHANGES RECOGNISED IN PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	15,438	(355)	2,353	17,436	(49,831)	181	721	(48,929)
Other changes	**(61)**	**(1)**	**(4)**	**(66)**	**244**	**-**	**4**	**248**
Cash flows in the period	**(904)**			**(904)**	**1,898**			**1,898**
Premiums received for insurance contracts issued	30,631			30,631	29,560			29,560
Insurance acquisition cash flows	(784)			(784)	(677)			(677)
Incurred claims paid and other insurance service expenses paid for insurance contracts issued, excluding insurance acquisition cash flows – including investment components	(30,751)			(30,751)	(26,985)			(26,985)
CLOSING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	**307,360**	**3,165**	**30,852**	**341,377**	**292,887**	**3,521**	**28,503**	**324,911**
Closing carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	-	-
Closing carrying amounts of portfolios of insurance contracts issued that are liabilities	307,360	3,165	30,852	341,377	292,887	3,521	28,503	324,911

RECONCILIATION OF OPENING AND CLOSING BALANCES OF CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD BY TYPE OF ASSET

	31/12/2023						31/12/2022					
	Assets for remaining coverage		Assets for incurred claims				Assets for remaining coverage		Assets for incurred claims			
				Contracts measured under PAA						Contracts measured under PAA		
(in millions of euros)	Excl. loss-recovery component	Loss-recovery component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Total	Excl. loss-recovery component	Loss-recovery component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Total
OPENING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD	**70**	**5**	**98**	**684**	**24**	**881**	**68**	**9**	**235**	**457**	**17**	**788**
Opening carrying amounts of portfolios of reinsurance contracts held that are assets	215	5	45	684	24	973	136	9	235	457	17	855
Opening carrying amounts of portfolios of reinsurance contracts held that are liabilities	(145)	-	53	-	-	(92)	(68)	-	-	-	-	(67)
ALLOCATION OF THE PREMIUMS PAID	(650)					(650)	(792)					(792)
Amounts recovered from the reinsurer	**-**	**(1)**	**202**	**355**	**(3)**	**553**	**1**	**(4)**	**363**	**558**	**8**	**927**
Amounts recovered for claims and other expenses incurred in the period	-	-	121	237	4	362	1	-	369	553	12	935
Changes in fulfilment cash flows relating to the assets for incurred claims			81	118	(7)	192			(6)	6	(4)	(4)
Changes in the loss-recovery component relating to onerous underlying contracts		(1)				(1)		(4)				(4)
Effect of changes in the risk of non-performance by the issuer of reinsurance contracts held	**(2)**	**-**	**-**	**-**	**-**	**(2)**	**2**	**-**	**-**	**-**	**-**	**2**
INCOME OR EXPENSES RELATED TO REINSURANCE CONTRACTS HELD	(652)	(1)	202	355	(3)	(99)	(789)	(4)	364	558	8	138
Insurance finance income or expenses related to reinsurance contracts held	**47**	**-**	**1**	**26**	**1**	**75**	**(167)**	**-**	**(6)**	**(27)**	**(1)**	**(201)**
TOTAL CHANGES RECOGNISED IN PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	(605)	(1)	203	381	(2)	(24)	(956)	(4)	357	532	7	(63)
Investment components	**(6)**		**4**	**2**		**-**	**(11)**		**9**	**2**		**-**
Other changes	**32**	**(1)**	**51**	**114**	**1**	**197**	**71**	**-**	**(119)**	**(99)**	**-**	**(147)**
Cash flows for the period	**791**		**(321)**	**(503)**	**-**	**(33)**	**897**		**(385)**	**(208)**	**-**	**305**
Premiums paid for reinsurance contracts held	791					791	897					897
Amounts recovered from the reinsurer – including investment components			(321)	(503)		(824)			(385)	(208)		(593)
CLOSING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD	**282**	**3**	**35**	**678**	**23**	**1,021**	**70**	**5**	**98**	**684**	**24**	**881**
Closing carrying amounts of portfolios of reinsurance contracts held that are assets	365	3	28	678	23	1,097	215	5	45	684	24	973
Closing carrying amounts of portfolios of reinsurance contracts held that are liabilities	(83)	-	7	-	-	(76)	(145)	-	53	-	-	(92)

RECONCILIATIONS OF THE OPENING AND CLOSING BALANCES OF THE CARRYING AMOUNTS OF THE REINSURANCE CONTRACTS HELD BY MEASUREMENT COMPONENT OF THE CONTRACTS NOT MEASURED USING THE PREMIUM-ALLOCATION APPROACH

	31/12/2023				31/12/2022			
(in millions of euros)	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
OPENING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD	**(226)**	**103**	**251**	**128**	**(46)**	**124**	**238**	**316**
Opening carrying amounts of portfolios of reinsurance contracts held that are assets	75	46	99	220	49	122	212	383
Opening carrying amounts of portfolios of reinsurance contracts held that are liabilities	(301)	57	152	(92)	(95)	2	26	(67)
Changes that relate to future service	**(101)**	**16**	**86**	**-**	**(48)**	**21**	**27**	**-**
Changes in estimates that adjust the contractual service margin	(90)	11	79	-	(25)	18	6	-
Changes in estimates that do not adjust the contractual service margin	-	-		-	-	-		-
Increase in the loss-recovery component on onerous underlying contracts that adjust the contractual service margin			-	-			-	-
Effects of contracts initially recognised in the period	(11)	4	7	-	(24)	3	21	-
Changes that relate to current service	**(4)**	**(15)**	**(130)**	**(149)**	**(4)**	**(18)**	**(26)**	**(48)**
Contractual service margin recognised in profit or loss to reflect services received			(130)	(130)			(26)	(26)
Reversals of the loss-recovery component excluded from the allocation of premiums paid			-	-			-	-
Change in the risk adjustment for non-financial risk that does not relate to future service or past service		(15)		(15)		(18)		(18)
Experience adjustments, excluding amounts relating to the risk adjustment for non-financial risk	(4)			(4)	(4)			(4)
Changes that relate to past service	**81**	**-**		**81**	**(5)**	**-**		**(5)**
Changes in fulfilment cash flows relating to incurred claims	81	-		81	(5)	-		(5)
Effect of changes in the risk of non-performance by the issuer of reinsurance contracts held	**(2)**			**(2)**	**2**			**2**
INCOME OR EXPENSES FROM REINSURANCE CONTRACTS HELD	(26)	-	(44)	(70)	(55)	3	1	(50)
Insurance finance income or expenses related to reinsurance contracts held	33	6	10	49	(160)	(24)	10	(173)
TOTAL CHANGES RECOGNISED IN PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	7	6	(34)	(21)	(215)	(20)	12	(224)
Other changes	**97**	**2**	**(4)**	**95**	**(51)**	**-**	**3**	**(48)**
Cash flows in the period	**(71)**			**(71)**	**84**			**84**
Premiums paid for reinsurance contracts held	250			250	466			466
Amounts recovered from the reinsurer – including investment components	(321)			(321)	(381)			(381)
CLOSING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD	**(193)**	**111**	**213**	**131**	**(226)**	**103**	**251**	**128**
Closing carrying amounts of portfolios of reinsurance contracts held that are assets	80	53	74	207	75	46	99	220
Closing carrying amounts of portfolios of reinsurance contracts held that are liabilities	(273)	58	139	(76)	(301)	57	152	(92)

EFFECT OF INITIALLY RECOGNISED CONTRACTS DURING THE PERIOD

The impact on the balance sheet of insurance contracts issued and reinsurance contracts held, initially recognised during the period (for contracts that are not measured using the PAA model), is presented in the following table:

	31/12/2023							
	Insurance contracts					Reinsurance contracts		
	Contracts issued		Contracts acquired					
(in millions of euros)	Non-onerous	Onerous	Non-onerous	Onerous	Total	Contracts subscribed	Contracts acquired	Total
Estimates of the present value of future cash inflows	(26,372)	(1,590)	-	-	(27,962)	(13)	-	(13)
Estimates of the present value of future cash outflows	23,400	1,596	-	-	24,996	24	-	24
Insurance acquisition cash flows	794	225	-	-	1,019			
Claims and other directly attributable expenses	22,606	1,371	-	-	23,977			
Risk adjustment for non-financial risk	226	12	-	-	238	(4)	-	(4)
Contractual service margin	2,746		-		2,746	(7)	-	(7)
EFFECT OF CONTRACTS INITIALLY RECOGNISED IN THE PERIOD	**-**	**18**	**-**	**-**	**18**	**-**	**-**	**-**

	31/12/2022							
	Insurance contracts					Reinsurance contracts		
	Contracts issued		Contracts acquired					
(in millions of euros)	Non-onerous	Onerous	Non-onerous	Onerous	Total	Contracts subscribed	Contracts acquired	Total
Estimates of the present value of future cash inflows	(28,206)	(468)	-	-	(28,674)	(15)	-	(15)
Estimates of the present value of future cash outflows	25,182	476	-	-	25,658	39	-	39
Insurance acquisition cash flows	1,006	53	-	-	1,059			
Claims and other directly attributable expenses	24,176	423	-	-	24,599			
Risk adjustment for non-financial risk	280	8	-	-	288	(3)	-	(3)
Contractual service margin	2,744		-		2,744	(21)	-	(21)
EFFECT OF CONTRACTS INITIALLY RECOGNISED IN THE PERIOD	**-**	**16**	**-**	**-**	**16**	**-**	**-**	**-**

EXPECTED RECOGNITION IN NET INCOME OF THE REMAINING CONTRACTUAL SERVICE MARGIN AT THE END OF THE REPORTING PERIOD

A breakdown of the expected recognition in income of the remaining contractual service margin at the end of the reporting period is presented in the following table:

	31/12/2023			
(in millions of euros)	≤ 5 years	> 5 years to ≤ 10 years	> 10 years	Total
Contractual service margin – Insurance contracts issued	10,509	6,834	13,509	30,852

	31/12/2022			
(in millions of euros)	≤ 5 years	> 5 years to ≤ 10 years	> 10 years	Total
Contractual service margin – Insurance contracts issued	9,463	9,388	9,652	28,503

INSURANCE CONTRACTS – TRANSITIONAL AMOUNTS

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 at the date of transition, 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).

At the transition date, i.e. 1 January 2022, the Group applied the full retrospective approach to measure the most recent property and casualty insurance contracts (measured according to the PAA model), as well as the retirement insurance contracts of the Crédit Agricole Assurances Retraite (Retirement insurance) general fund.

The Group 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 adjustment for non-financial risk at the date of initial recognition by adjusting the 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 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.

At the transition date, the Group did not apply the modified retrospective approach or the approach based on fair value to identify and measure assets for insurance acquisition cash flows.

RECONCILIATION OF THE OPENING AND CLOSING BALANCES OF THE CONTRACTUAL SERVICE MARGIN – INSURANCE CONTRACTS ISSUED

A reconciliation of the opening and closing balances of the contractual service margin of insurance contracts issued under the measurement approach used at the transition date is presented in the following table:

	31/12/2023					31/12/2022				
	Insurance contracts recognised at the transition date					Insurance contracts recognised at the transition date				
(in millions of euros)	Insurance contracts to which the full retrospective approach has been applied	Insurance contracts to which the modified retrospective approach has been applied	Insurance contracts to which the fair value approach has been applied	Insurance contracts recognised after the transition date	Total	Insurance contracts to which the full retrospective approach has been applied	Insurance contracts to which the modified retrospective approach has been applied	Insurance contracts to which the fair value approach has been applied	Insurance contracts recognised after the transition date	Total
OPENING CONTRACTUAL SERVICE MARGIN	**856**	**24,841**	**-**	**2,806**	**28,503**	**771**	**27,007**	**-**	**-**	**27,778**
Opening contractual service margin of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	543	-	-	543
Opening contractual service margin of portfolios of insurance contracts issued that are liabilities	856	24,841	-	2,806	28,503	771	26,464	-	-	27,235
Changes that relate to future service	**(313)**	**2,836**	**-**	**2,986**	**5,509**	**133**	**685**	**-**	**2,950**	**3,768**
Changes in estimates that adjust the contractual service margin	(313)	2,836	-	240	2,763	133	685	-	206	1,024
Effects of contracts initially recognised in the period				2,746	2,746				2,744	2,744
Changes that relate to current service	(35)	(2,785)	-	(400)	(3,220)	(48)	(2,912)	-	(149)	(3,109)
Contractual service margin recognised in profit or loss to reflect the transfer of services	**(35)**	**(2,785)**	**-**	**(400)**	**(3,220)**	**(48)**	**(2,912)**	**-**	**(149)**	**(3,109)**
INSURANCE SERVICE RESULT	(348)	51	-	2,586	2,289	85	(2,227)	-	2,801	659
Insurance finance income or expenses	**-**	**55**	**-**	**9**	**64**	**-**	**57**	**-**	**5**	**62**
TOTAL CHANGES RECOGNISED IN PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	(348)	106	-	2,595	2,353	85	(2,170)	-	2,806	721
Other changes	**-**	**(4)**	**-**	**-**	**(4)**	**-**	**4**	**-**	**-**	**4**
CLOSING CONTRACTUAL SERVICE MARGIN	**508**	**24,934**	**-**	**5,401**	**30,852**	**856**	**24,841**	**-**	**2,806**	**28,503**
Closing contractual service margin of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	-	-	-	-
Closing contractual service margin of portfolios of insurance contracts issued that are liabilities	508	24,934	-	5,401	30,852	856	24,841	-	2,806	28,503

INSURANCE REVENUE

A breakdown of insurance revenue (for insurance contracts issued) under the measurement approach used at the transition date is presented in Note 5.3 below.

RECONCILIATION OF THE OPENING AND CLOSING BALANCES OF THE CONTRACTUAL SERVICE MARGIN – REINSURANCE CONTRACTS HELD

A reconciliation of the opening and closing balances of the contractual service margin of reinsurance contracts held under the measurement approach used at the transition date is presented in the following table:

	31/12/2023					31/12/2022				
	Reinsurance contracts recognised at the transition date					Reinsurance contracts recognised at the transition date				
(in millions of euros)	Reinsurance contracts to which the full retrospective approach has been applied	Reinsurance contracts to which the modified retrospective approach has been applied	Reinsurance contracts to which the fair value approach has been applied	Reinsurance contracts recognised after the transition date	Total	Reinsurance contracts to which the full retrospective approach has been applied	Reinsurance contracts to which the modified retrospective approach has been applied	Reinsurance contracts to which the fair value approach has been applied	Reinsurance contracts recognised after the transition date	Total
OPENING CONTRACTUAL SERVICE MARGIN	**-**	**244**	**-**	**7**	**251**	**-**	**238**	**-**	**-**	**238**
Opening contractual service margin of portfolios of reinsurance contracts held that are assets	-	94	-	5	99	-	212	-	-	212
Opening contractual service margin of portfolios of reinsurance contracts held that are liabilities	-	150	-	2	152	-	26	-	-	26
Changes that relate to future service	**-**	**78**	**-**	**8**	**86**	**-**	**6**	**-**	**21**	**27**
Changes in estimates that adjust the contractual service margin	-	78	-	1	79	-	6	-	-	6
Increase in the loss-recovery component on onerous underlying contracts that adjust the contractual service margin	-	-	-	-	-	-	-	-	-	-
Effects of contracts initially recognised in the period				7	7				21	21
Changes that relate to current service	**-**	**(125)**	**-**	**(5)**	**(130)**	**-**	**(12)**	**-**	**(14)**	**(26)**
Contractual service margin recognised in profit or loss to reflect services received	-	(125)	-	(5)	(130)	-	(12)	-	(14)	(26)
Reversals of the loss-recovery component excluded from the allocation of premiums paid	-	-	-	-	-	-	-	-	-	-
INCOME OR EXPENSES FROM REINSURANCE CONTRACTS HELD	-	(47)	-	3	(44)	-	(6)	-	7	1
Insurance finance income or expenses related to reinsurance contracts held	**-**	**10**	**-**	**-**	**10**	**-**	**10**	**-**	**-**	**10**
TOTAL CHANGES RECOGNISED IN PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	-	(37)	-	3	(34)	-	4	-	7	11
Other changes	-	(4)	-	-	(4)	-	2	-	-	2
CLOSING CONTRACTUAL SERVICE MARGIN	**-**	**203**	**-**	**10**	**213**	**-**	**244**	**-**	**7**	**251**
Closing contractual service margin of portfolios of reinsurance contracts held that are assets	-	66	-	8	74	-	94	-	5	99
Closing contractual service margin of portfolios of reinsurance contracts held that are liabilities	-	137	-	2	139	-	150	-	2	152

RECONCILIATION OF THE CUMULATIVE AMOUNTS PRESENTED IN OCI FOR FINANCIAL ASSETS MEASURED AT FVOCI

At the time of the transition to IFRS 17, the Group determined the cumulative amount of insurance finance income or expenses recognised in OCI at 1 January 2022 by applying the modified retrospective approach for certain groups of contracts.

The reconciliation of the cumulative amount recognised in OCI for financial assets measured at fair value through other comprehensive income that are linked to these groups of contracts is presented in the following table:

(in millions of euros)	31/12/2023	31/12/2022
OPENING BALANCE OF THE CUMULATIVE AMOUNTS INCLUDED IN OTHER COMPREHENSIVE INCOME	(17,336)	9,707
Changes in the period	7,591	(27,043)
CLOSING BALANCE OF THE CUMULATIVE AMOUNTS INCLUDED IN OTHER COMPREHENSIVE INCOME	(9,745)	(17,336)

RISKS ARISING FROM THE CONTRACTS THAT FALL WITHIN THE SCOPE OF APPLICATION OF IFRS 17

Risk management is an integral part of the Group's economic model. The Group has developed and implemented a risk management organisation designed to identify, assess, control and monitor the risks associated with its activity. By relying on this organisation, the Group aims to meet its obligations toward its policyholders, customers and creditors, to manage its capital effectively and to comply with applicable laws and regulations.

The general risk management framework within the Crédit Agricole Assurances Group is presented in Section 5 "Risk factors and risk management" of the Universal Registration Document.

With regard to risks arising from contracts that fall within the scope of application of IFRS 17, information on the insurance risk and financial risks arising from these contracts and the management of these risks is provided below.

The Crédit Agricole Assurances Group issues insurance contracts and investment contracts (see Note 1 "Accounting policies and principles" and Note 5.3, section on "Insurance and reinsurance contracts" above). The nature and extent of underwriting risks and financial risks arising from these contracts are determined by the characteristics of the individual contracts. Risks are assessed for risk management purposes in relation to risks mitigated by associated reinsurance contracts and risks arising from financial assets held to fund the settlement of insurance liabilities. The extent to which earnings and equity in a given period are sensitive to financial risks depends on the extent to which they are economically hedged or borne by the policyholders and the extent of any accounting differences inherent in the accounting policies adopted by the Group.

Given the diversity of the Group's insurance activities, the Group is exposed to the following risks arising from its various contracts:

- underwriting risks:
  - insurance risks (such as mortality risk, morbidity risk, longevity risk, risk in drift in claims),
  - expense risk,
  - risk related to policyholder behaviour (including risk of withdrawal);
- financial risks:
  - market risk, including three types of risk:
    - interest rate risk,
    - price risk,
    - foreign exchange risk,
  - credit risk,
  - liquidity risk.

UNDERWRITING RISK

Crédit Agricole Group and its subsidiary Crédit Agricole Assurances operate, through their subsidiaries in France and internationally, in the savings/retirement, death & disability/creditor/group insurance and property and casualty insurance activities.

Insurance activities expose the Group to underwriting risks.

Underwriting risks include:

- insurance risk: the risk, other than financial risk, transferred from policyholders to the Group, which arises from the coverage of uncertain future events and the inherent uncertainty regarding the occurrence, amount and timing of resulting claims;
- the risk related to policyholder behaviour: including the risk of withdrawal.

The underwriting risk management targets, policies and processes implemented by the Group are as follows.

The Group's objective is to have sufficient resources to be able to cover the liabilities relating to the insurance and reinsurance contracts that it issues. Risk exposure is mitigated by diversification within insurance contract portfolios. Risk variability is also improved through rigorous selection and implementation of underwriting strategy guidelines, which aim to ensure that the risks underwritten are diversified in terms of the type of risks or level of benefits covered, as well as the use of reinsurance cession programmes.

For savings activities, the main subscription risk to which the Group is exposed is the risk of withdrawal. The risk of withdrawal may materialise, for example, in a context of rapidly rising interest rates.

Controlling this risk requires enhanced monitoring of the behaviour of policyholders, a competitive policyholders' deferred profit sharing policy aimed at retaining policyholders, a prudent financial policy, particularly in the management of reserves, and the use of withdrawal penalties.

The rate of withdrawal is monitored at several levels:

- withdrawal rates are monitored monthly by the entities concerned to detect cyclical deviations;
- quarterly monitoring is used to compare the rates of withdrawal with those in the market.

These activities also expose the Group to insurance risk, and more particularly to mortality risk (risk of the policyholder dying earlier than anticipated). In fact, certain multi-support contracts include a guarantee by the insurer to pay, in the event of the death of the policyholder, a minimum capital amount to the beneficiaries (i.e. a minimum guarantee).

The insurance risk to which the Group is exposed in the context of its retirement activities is the longevity risk (risk of the policyholder dying later than anticipated), which arises from the annuity phase.

The Group is also exposed to insurance risks (notably mortality, longevity, morbidity, pandemic, incapacity and disability) in its death & disability and creditor insurance activities.

The underwriting policy, which specifies the risks covered, the underwriting conditions (target customers, exclusions), and the pricing standards (notably the statistical tables established either from national or international statistics or from experience tables) help to control risk in this area.

The main risks to which the Group is exposed in its property and casualty insurance business are uncertainties about the frequency and severity of claims. These risks are influenced by the nature of the risks covered and the geographical location in which the risks are underwritten. These claims may arise from the risk of catastrophe (including extreme weather events such as floods, droughts, fires or storms, and other natural disasters such as earthquakes) or from the occurrence of individual incidents for significant amounts ("major claims"). In addition, the heightened climate risk could introduce significant uncertainty into the assumptions, potentially leading to a greater number of more significant claims than projected as well as to inadequate pricing of the insurance risk.

This risk is managed through:

- an appropriate underwriting (and pricing) policy, diversified within a single region;
- coordination of the underwriting policy through the banking networks and financial partners;
- a claims management policy carried out by dedicated claims management units or French or multi-country structures, or delegated to local service providers;
- the use of reinsurance, particularly to mitigate the risk associated with the occurrence of a major incident (storms, hailstorms, natural disasters etc.).

Insurance liabilities are estimated, checked and monitored by experts at entity and Group levels, and the claims experience is tracked using specific indicators (in particular the ratio between claims – reported, settled or provisioned – and premiums). Claims relating to catastrophe risk and major claims are monitored by tracking the consumption of a weather claims budget and a major claims budget.

The nature of the Group's exposure to underwriting risks and the targets, policies and processes used to manage and assess these risks have not changed from the previous period.

Sensitivity analysis

The table below shows the impact on CSM, profit or loss and equity of reasonably possible changes in the main insurance risk variables at the end of the reporting period (i.e. mortality risk and the risk in drift in claims). This analysis presents sensitivities before and after risk mitigation by reinsurance contracts held and assumes that all other variables remain constant. In practice, the correlation of the variables will have a significant effect on determining the ultimate impacts, but in order to demonstrate the impact associated with changes in each variable, the variables must be changed individually.

Sensitivities are based on the assumption of a 10% increase/decrease in mortality risk and a 5% increase/decrease in the drift in claims.

The impacts on net income and equity are presented net of deferred tax.

INSURANCE RISK

		31/12/2023					
		Impact on CSM		Impact on profit or loss		Impact on equity	
(in millions of euros)		Gross of reinsurance	Net of reinsurance	Gross of reinsurance	Net of reinsurance	Gross of reinsurance	Net of reinsurance
Mortality	10% increase	(411)	(448)	4	-	6	10
	10% decrease	414	468	(7)	(3)	(4)	(10)
Drift in claims	5% increase			(217)	(189)	(209)	(184)
	5% decrease			215	187	207	181

		31/12/2022					
		Impact on CSM		Impact on profit or loss		Impact on equity	
(in millions of euros)		Gross of reinsurance	Net of reinsurance	Gross of reinsurance	Net of reinsurance	Gross of reinsurance	Net of reinsurance
Mortality	10% increase	(273)	(349)	11	1	(4)	(34)
	10% decrease	306	380	(3)	3	12	41
Drift in claims	5% increase			(201)	(172)	(374)	(320)
	5% decrease			197	168	366	313

MARKET RISK

Market risk is the risk that changes in market prices (e.g. interest rates, exchange rates, share prices) will affect the fulfilment cash flows of insurance and reinsurance contracts and the fair value or future cash flows of financial instruments. It includes three types of risk: interest rate risk, foreign exchange risk and price risk.

This risk arises from the variability of the fair values of financial instruments or associated future cash flows, as well as from the variability of the fulfilment cash flows of insurance contracts due to changes in market risk variables.

Market risk arises mainly from the Group's investments in equity instruments, interest-bearing financial assets and liabilities, and financial assets and liabilities denominated in foreign currencies, but these exposures are largely offset by similar exposures on insurance and reinsurance contracts.

The Crédit Agricole Assurances Group is mainly exposed to interest rate risk and the price risk on equities and so-called "diversification" assets. It is only marginally exposed to foreign exchange risk.

The market risk management targets, policies and processes implemented by the Group are set out below.

The objective of market risk management is to maintain exposures to market risk within acceptable limits while optimising the return on this risk.

Information on how market risk relating to financial instruments is managed is set out in Chapter 5 "Risk factors and risk management" of the Universal Registration Document. Qualitative information on the measurement of the carrying amount and fair value of financial instruments is provided in the "Financial instruments" section of Note 1 "Accounting policies and principles" above. Quantitative information on the carrying amount of financial instruments is provided in the above "Insurance investments" section of Note 5.3 to the financial statements. Insurance quantitative information on the fair value of financial instruments are included in the information provided in the above Note 11.1 "Fair value of financial assets recognised in the balance sheet at amortised cost" and Note 11.2 "Information on financial instruments measured at fair value" to the financial statements.

With regard to the market risk arising from contracts that fall within the scope of application of IFRS 17, information is provided below for each type of market risk. The Group manages its assets and liabilities as part of an asset and liability management approach aimed at matching the cash flows from its financial investments with the cash flows from its insurance contracts, while optimising the long-term return on its investments for an acceptable level of risk. For insurance contracts with direct participation features (corresponding mainly to the Group's saving/retirement business), changes in the fair value of the underlying items due to changes in market variables are reflected in the value of the corresponding insurance contracts; the Group is therefore exposed mainly to market risk in respect of changes in its share of the fair value of the underlying items.

The nature of the Group's exposure to market risk and the targets, policies and processes used to manage and assess this risk have not changed from the previous period.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument, or the fulfilment cash flows of an insurance or reinsurance contract, will fluctuate due to changes in the market interest rates.

The Group's exposure to interest rate risk relates to debt instruments and all insurance contracts.

The Group's exposure to debt instruments is presented in the "Insurance investments" section of this note.

The Group's exposure to insurance contracts is presented in the "Insurance and reinsurance contracts" section of this note.

The Group is exposed to interest rate risk arising from the sensitivity of its investments in debt instruments to changes in interest rates relative to the value of the insurance contracts backing these investments.

The sensitivity associated with insurance contracts arises from the effects below.

For insurance contracts with no direct participation features (corresponding mainly to the death & disability, creditor and property and casualty insurance businesses), fulfilment cash flows are discounted using a discount rate curve that depends on the prevailing interest rates at the end of the reporting period. The risk mainly concerns the extent to which the return on the investments matches the finance income or finance expenses from the insurance.

For insurance contracts with direct participation features (corresponding mainly to savings/retirement activities), changes in the value of the insurance contracts reflect changes in the value of the underlying financial assets. The risk mainly concerns changes in the insurer's share of the fair value of the underlying financial assets.

In the case of unit-linked commitments, the interest rate risk is largely borne by policyholders. On the other hand, in the case of euro-denominated contracts, the existence of guaranteed minimum rates paid to policyholders heightens this risk.

The Group manages interest rate risk as part of an overall asset and liability management approach aimed at matching the duration of the investment portfolio with that of the insurance contracts. This approach combines several aspects: financial strategy, commercial policy, accounting considerations and financial performance, while taking into account the Group's risk appetite and local regulatory constraints.

To this end, the Group has established an interest rate risk management system that includes risk limits and associated governance ("Asset-Liability Management Committee", presentation of stress scenarios to the Board of Directors etc.).

These limits are calibrated according to the nature of the counterparty:

- for sovereigns and similar, the Crédit Agricole Assurances Group takes into account the weight of debt relative to GDP and the country rating;
- for financial and industrial companies, the Group modulates the limits based on the rating and supplements them using a group issuer approach;
- for the Crédit Agricole Group, the prudent measurement of exposure includes a proportion of Crédit Agricole unit-linked bond, in order to take account of the potential carry risk that could arise from a wave of redemptions.

The using of these limits is monitored on a monthly basis, so that the appropriate management level can be informed of any corrective measures to be taken if these limits are exceeded.

The Group also uses derivatives to hedge interest rate risk (caps to hedge against rising interest rates, floors and swaps to reduce the risk of reinvestment in the event of falling interest rates).

Given the concentration limits governing exposure to the debt instruments mentioned above, the Group has no significant concentration of interest rate risk.

Sensitivity analysis

The table below presents the impact on CSM, profit or loss and equity of reasonably possible changes in interest rates at the end of the reporting period. This analysis shows the impact on the valuation of insurance and reinsurance contracts and financial investments, assuming that all other variables remain constant. In practice, the correlation of the variables will have a significant effect on determining the ultimate impacts, but in order to demonstrate the impact associated with changes in each variable, the variables must be changed individually.

Sensitivities are based on the assumption of an increase/decrease in interest rates of 100 basis points.

For insurance and reinsurance contracts, sensitivities are based on the "risk-neutral" yield curve for the impact on CSM, and on the "real-world" yield curve for the impact on net income and shareholders' equity.

The impacts on net income and equity are presented net of deferred tax.

				31/12/2023
(in millions of euros)		Impact on CSM	Impact on profit or loss	Impact on equity
100 bps increase in risk-free rates	Insurance and reinsurance contracts	(942)	2,100	10,635
	Financial investments		(2,192)	(11,308)
100 bps decrease in risk-free rates	Insurance and reinsurance contracts	173	(2,167)	(10,845)
	Financial investments		2,192	11,435

				31/12/2022
(in millions of euros)		Impact on CSM	Impact on profit or loss	Impact on equity
100 bps increase in risk-free rates	Insurance and reinsurance contracts	(355)	1,865	9,931
	Financial investments		(1,912)	(10,620)
100 bps decrease in risk-free rates	Insurance and reinsurance contracts	(956)	(1,962)	(10,273)
	Financial investments		2,001	10,937

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument, or the fulfilment cash flows of an insurance or reinsurance contract, will fluctuate due to changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether those changes are caused by factors specific to the instrument or contract in question or to its issuer, or by factors affecting all similar financial instruments traded in the market or all similar contracts.

The Group's exposure to price risk relates to financial assets and liabilities whose values fluctuate due to changes in market prices, i.e. financial assets measured at fair value and insurance contracts with direct participation features.

The Group's exposure to equity instruments and debt instruments measured at fair value (through profit or loss or equity) is presented in the above "Insurance investments" section of this note to the financial statements.

Group entities may hold equities or other so-called 'diversification' financial assets (private equity and listed or unlisted structured products, property and hedge funds) in order to diversify their asset portfolios and benefit from the expected return on these markets over the long term. With regard to insurance contracts, the Group is exposed to the risk stemming from fluctuations in the prices of these assets only in respect of insurance contracts with direct participation features (corresponding mainly to savings/retirement business), owing to the impact that these fluctuations could have on the change in the insurer's share of the fair value of the underlying financial assets. However, in respect of unit-linked commitments (representing €94,362 million at 31 December 2023), this risk is significantly mitigated because it is largely transferred to policyholders.

In order to control this risk, asset allocation studies are carried out to determine a ceiling on the proportion of these equities and diversification assets, and a maximum level of price volatility.

Limits are set globally for diversification investments and individually for each asset class (equities, property, private equity and structured products, hedge funds). Compliance with these limits is monitored on a monthly basis.

As a result of the concentration limits on exposure to equities and diversification assets mentioned above, the Group has no significant concentration of price risk.

Sensitivity analysis

The table below presents the impact on CSM, profit or loss and equity of reasonably possible changes in the value of shares at the end of the reporting period. This analysis shows the impact on the valuation of insurance and reinsurance contracts and financial investments, assuming that all other variables remain constant. In practice, the correlation of the variables will have a significant effect on determining the ultimate impacts, but in order to demonstrate the impact associated with changes in each variable, the variables must be changed individually.

The sensitivities below have been calculated for equity risk, assuming a 10% increase/decrease in the value of equities.

(in millions of euros)		31/12/2023 Impact on CSM	 Impact on profit or loss	 Impact on equity
10% increase in equity prices	Insurance and reinsurance contracts	818	(4,700)	(4,819)
	Financial investments		4,751	4,923
10% decrease in equity prices	Insurance and reinsurance contracts	(864)	4,700	4,819
	Financial investments		(4,751)	(4,923)

(in millions of euros)		31/12/2022 Impact on CSM	 Impact on profit or loss	 Impact on equity
10% increase in equity prices	Insurance and reinsurance contracts	1,052	(5,913)	(5,907)
	Financial investments		6,293	6,310
10% decrease in equity prices	Insurance and reinsurance contracts	(1,077)	5,888	5,882
	Financial investments		(6,266)	(6,282)

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument, or the fulfilment cash flows of an insurance or reinsurance contract, will fluctuate due to changes in foreign exchange rates.

The Group's exposure to foreign exchange risk is marginal.

Most of the Group's transactions are carried out in euros.

Its exposure to foreign exchange risk arises partly from consolidated entities whose functional currency is not the euro, and partly from transactions carried out by entities in currencies other than their functional currency. At Group level, such transactions are marginal. Furthermore, the Group's financial assets are almost exclusively denominated in the same currencies as its insurance liabilities.

This exposure is managed by applying a foreign exchange risk hedging strategy, whether for subsidiaries whose functional currency is different from that of the Group, or for financial instruments and insurance contracts denominated in currencies other than the functional currencies of the entities.

The Crédit Agricole Assurances Group is exposed to two types of foreign exchange risk:

- a limited structural exposure to the yen on its Japanese subsidiary CA Life Japan, and to the zloty on its Polish subsidiary CA Zycie. The associated foreign exchange risk is managed by hedging the net assets and liabilities of these subsidiaries using foreign currency borrowings (NIH hedges: hedges of net investments in foreign operations); the hedging ratio was 93% (unhedged net exposure of €7.7 million) for CA Life Japan and 84% for CA Zycie (unhedged net exposure of €4.4 million) at 31 December 2023;
- an operational exposure resulting from the mismatch between the currencies of financial assets and insurance liabilities. The global portfolio of the Crédit Agricole Assurances Group, representing commitments in euros, is mainly invested in financial instruments denominated in euros. Nevertheless, in order to optimise the risk/return trade-off and achieve diversification in dedicated funds and fixed-income positions, it will seek to benefit from anticipated growth lags and interest-rate differentials between major geographical areas. The foreign exchange risk hedging strategy consists of not hedging emerging country currencies, regardless of the asset class, and instead hedging developed country currencies, with the option of limited tactical exposure to a single currency, the US dollar. Overall, foreign exchange exposure at Crédit Agricole Assurances Group is constrained by a market value limit in relation to the total portfolio and two sub-limits for emerging currencies and the US dollar.

As the Group is only marginally exposed to this risk, it has no significant concentration of foreign exchange risk.

As a result, reasonably possible changes in exchange rates at the end of the reporting period do not have a material impact on the CSM, profit or loss or equity.

INSURANCE RISK – CLAIMS DEVELOPMENT

Claims development gross of reinsurance

Real claims payments are compared to previous estimates of their undiscounted amount in the development of claims for compensation below on a gross of reinsurance basis at 31 December 2023:

(in millions of euros)	N-4	N-3	N-2	N-1	N	Total
Estimate of ultimate cost of claims (gross of reinsurance, undiscounted)						
At the end of the year of occurrence	2,995	2,893	3,334	4,154	4,536	
one year later	3,006	2,859	3,418	4,294		
two years later	3,049	2,856	3,366			
three years later	3,035	2,813				
four years later	3,015					
Total payments for gross claims	**2,591**	**2,359**	**2,705**	**3,115**	**2,136**	**12,906**
LIABILITIES FOR INCURRED CLAIMS, GROSS, UNDISCOUNTED – YEARS OF OCCURRENCE FROM N-4 TO N	**424**	**454**	**661**	**1,179**	**2,400**	**5,118**
Liabilities for incurred claims, gross, undiscounted – years of occurrence prior to N-4						1,769
Effect of discounting						(860)
Effect of the risk adjustment for non-financial risk						144
LIABILITIES FOR INCURRED CLAIMS, GROSS						**6,171**

Claims development net of reinsurance

Real claims payments are compared to previous estimates of their undiscounted amount in the development of claims for compensation below on a net of reinsurance basis at 31 December 2023:

(in millions of euros)	N-4	N-3	N-2	N-1	N	Total
Estimate of ultimate cost of claims (net of reinsurance, undiscounted)						
At the end of the year of occurrence	2,820	2,743	3,194	3,670	4,438	
one year later	2,849	2,694	3,282	3,659		
two years later	2,882	2,683	3,232			
three years later	2,857	2,641				
four years later	2,840					
Total payments for net claims	**2,459**	**2,231**	**2,597**	**2,842**	**2,141**	**12,270**
LIABILITIES FOR INCURRED CLAIMS, NET, UNDISCOUNTED – YEARS OF OCCURRENCE FROM N-4 TO N	381	410	635	817	2,297	4,540
Liabilities for incurred claims, net, undiscounted – years of occurrence from N-4 to N						1,592
Effect of discounting						(791)
Effect of the risk adjustment for non-financial risk						121
LIABILITIES FOR INCURRED CLAIMS, NET						**5,462**

Under the transition requirements of the standard, the Group does not present previously non-reported information on the development of claims incurred more than five years before the end of the annual reporting period for which it applies IFRS 17 for the first time (i.e. claims incurred before 2019).

CREDIT RISK

Credit risk is the risk that one party to a financial instrument, an insurance contract issued and recognised as an asset, or a reinsurance contract held, will default on an obligation and cause the other party to incur a financial loss.

For the Group, credit risk arises mainly from its reinsurance contracts held and its investments in debt instruments.

The Group's credit risk management targets, policies and processes are set out below.

Information on the management of credit risk relating to financial instruments is provided in Chapter 5 "Risk factors and risk management" of the Universal Registration Document. Qualitative information on calculating expected credit losses is provided in the "Financial instruments" section of Note 1 "Accounting policies and principles" above. Insurance quantitative information on value adjustments for losses, exposure to credit risk and an assessment of credit risk concentrations are included in the information provided in this "Credit risk" note.

With regard to the credit risk arising from contracts that fall within the scope of IFRS 17, the credit risk associated with future premium receipts from insurance contracts issued is mitigated by the Group's ability to terminate insurance contract services when policyholders default on their premium payment obligations, resulting in insignificant credit risk exposures for these contracts.

The credit risk therefore relates mainly to reinsurance contracts held (risk of a reinsurer defaulting and no longer being able to pay its share of the claims).

Amounts recoverable from reinsurers are estimated so as to be consistent with the liabilities of the underlying insurance contracts and in line with the terms of reinsurance contracts (see Note 1 "Accounting policies and principles"). The Group's entry into reinsurance programmes does not release it from its direct obligations to policyholders, and it is therefore exposed to a credit risk in respect of business ceded to reinsurance, to the extent that the reinsurer may not be able to meet its obligations under the reinsurance contract.

Each entity establishes its own reinsurance policy, which incorporates risk management principles that are standardised across the Crédit Agricole Assurances Group.

Managing the risk of default by reinsurers is based on the Group's internal standards:

- firstly, by contracting with reinsurers meeting a minimum financial strength criterion (A-), with compliance monitored throughout the relationship;
- rules on the dispersion of reinsurers (by treaty) and concentration limits on the premiums ceded to a single reinsurer defined by each entity that monitors them; the Group monitors the concentration of the overall premiums ceded, by reinsurer;
- measures to secure the provisions ceded through standard collateral clauses.

In addition, reinsurance programmes are reviewed annually by the Board of Directors of each entity.

The nature of the Group's exposure to credit risk and the targets, policies and processes used to manage and assess this risk have not changed from the previous period.

53% of reinsurance counterparty risk, excluding internal reinsurance, is concentrated with Caisse Centrale de Réassurance (CCR), a 100% state-owned, AA-rated reinsurer authorized to provide coverage for Cat Nat risks in France, the country's main natural catastrophe compensation scheme. At the end of 2023, excluding CCR SA, the top 5 reinsurers will account for 25% of commitments. The rating of these reinsurers is above A.

Maximum exposure to credit risk

The amount that best represents the Group's maximum exposure to credit risk at the end of the reporting period, for insurance contracts issued, is the amount of receivable premiums: this was €2,237 million at 31 December 2023 (vs. €2,052 million at 31 December 2022).

Credit quality of reinsurance contracts held

Information about the credit quality of reinsurance contracts held that are assets is given in the table below:

											31/12/2023
(in millions of euros)	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	NR	Total
Reinsurance contracts held that are assets	4	36	435	407	151	46	4	-	-	14	1,097

											31/12/2022
(in millions of euros)	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	NR	Total
Reinsurance contracts held that are assets	2	32	221	441	138	92	35	-	1	11	973

LIQUIDITY RISK

Liquidity risk is the risk that the Group might struggle to honour commitments related to insurance policies and financial liabilities to be settled through the use of cash or another financial asset.

As regards the liquidity risk arising from policies that fall within the scope of application of IFRS 17, this concerns the risk that the Group might not be able to meet its obligations upon maturity due to payouts to insured parties (particularly savings/retirement, surrenders and deaths), cash requirements related to contractual commitments or other cash outflows. Such outflows would exhaust the cash resources available for insurance and investment activities. In certain circumstances, the lack of liquidity could result in sales of assets at a loss, or potentially an inability to honour commitments to insured parties. The risk that the Group might be unable to honour its commitments to insured parties is inherent to all insurance operations and may be affected by an entire range of factors specific to the Group and to the market in general, including but not limited to credit events, systemic shocks and natural disasters.

The liquidity risk management targets, policies and processes put in place by the Group are as follows.

The Group's target in managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to honour its commitments upon maturity, whether under normal or stress conditions, without suffering unacceptable losses or risking damaging the Group's reputation.

The Group entities combine several approaches to their liquidity risk management.

On the one hand, liquidity is taken into account when selecting investments: majority of securities listed on regulated markets, limitation of less-liquid assets such as real estate, private equity, non-investment-grade bonds, equity investments and alternative asset management.

On the other hand, liquidity management mechanisms standardised at group level are defined by the entities in the context of their Asset and Liability Management, with indicators adapted to different horizons (short term, medium term, long term). For the life insurance entities, liquidity risk is controlled and structured using three mechanisms:

- long-term liquidity: monitoring and limitation of annual cash gaps, estimated on the portfolio in run-off, so as to ensure that the maturities of assets and liabilities are aligned, both in normal times and in stress conditions (wave of surrenders/deaths);
- medium-term liquidity: calculation of an indicator known as the "2-year reactivity rate", which measures the capacity to mobilise short-term or variable-rate assets whilst limiting the impact in terms of capital losses. This indicator is compared to a minimum threshold defined by each of the entities so as to be able to absorb a wave of surrenders. Faced with the risk of mass surrenders in the event of sharp rate rises, Crédit Agricole Assurances also uses a liquidity monitoring indicator, which measures, over a one-year horizon, the ratio of stressed liquid assets (using an estimate of a discount) to the liquidity requirement generated by a surrender rate of 40%;
- short-term liquidity: in the event of uncertainty about net inflows, setting minimum one-week and one-month liquidity amounts, with daily monitoring of surrenders. Crédit Agricole Assurances also has a surrender crisis management plan.

Temporary liquidity management mechanisms, in the event of an exceptional situation in which the markets would be unavailable, have been tested (test of the reserve liquidation channel for Predica, with the possibility of securities undergoing repurchase agreements involving the ECB via Crédit Agricole S.A.).

The life insurance entities analyse their cash gaps in order to identify any maturities to prioritise or, on the other hand, any to avoid (excessive falls, with interest rate risk upon reuse). They carry out monthly monitoring, via their dashboard, their reactivity ratio and their liquidity monitoring indicator, compared to the thresholds they have set themselves. They also regularly monitor surrender rates and arbitrage between the euro fund and the unit-linked contracts, so that they can put very-high-frequency monitoring in place in the event of stress situations.

The non-life entities maintain sufficient liquidity to be able to respond to the increase in the claims ratio, taking their reinsurance programme into account.

In the event of a rise in interest rates, the value of debt instruments purchased in a low-rate environment decreases, and the portfolio enters unrealised-loss status. An unforeseen rise in surrenders could force entities that have not made the necessary provisions to liquidate these fixed-term investments in order to obtain liquidity to meet their commitments at a time when the prices of such assets are not favourable, which could result in significant losses on disposals for the Group. To offset this situation, Crédit Agricole Assurances has implemented liquidity risk measurement, monitoring and control mechanisms (namely involving maintaining reserves). Crédit Agricole Assurances also has significant sources of cash inflows, namely the maturity of securities held and the collection of coupons and dividends.

The nature of the Group's exposure to liquidity risk and the targets, policies and processes used to manage and assess this risk have not changed compared with the previous period.

The Group has no significant risk concentration in terms of liquidity risk.

Breakdown of financial assets and liabilities by contractual maturity

Note 6.19 "Breakdown of financial assets by contractual maturity" below presents the maturity schedule of the Group's financial assets and includes insurance contribution.

Note 6.19 also provides information about the estimated maturity schedule of the Group's financial liabilities and includes insurance contribution..

Breakdown of maturities of insurance liabilities

For insurance and reinsurance contracts that are liabilities a breakdown of contracts by scheduled maturity of the estimates of the present value of future cash flows is presented in the following table:

							31/12/2023
(in millions of euros)	≤ 1 year	> 1 year to ≤ 2 years	> 2 years to ≤ 3 years	> 3 years to ≤ 4 years	> 4 years to ≤ 5 years	> 5 years	Total
Insurance contracts issued that are liabilities	2,265	467	1,750	2,022	2,186	304,708	313,398
Reinsurance contracts held that are liabilities	605	9	6	1	-	(348)	273
TOTAL INSURANCE AND REINSURANCE CONTRACTS LIABILITIES	**2,870**	**476**	**1,756**	**2,023**	**2,186**	**304,360**	**313,671**

							31/12/2022
(in millions of euros)	≤ 1 year	> 1 year to ≤ 2 years	> 2 years to ≤ 3 years	> 3 years to ≤ 4 years	> 4 years to ≤ 5 years	> 5 years	Total
Insurance contracts issued that are liabilities	4,317	995	2,431	3,860	4,397	282,139	298,139
Reinsurance contracts held that are liabilities	697	33	24	12	4	(469)	301
TOTAL INSURANCE AND REINSURANCE CONTRACTS LIABILITIES	**5,014**	**1,028**	**2,455**	**3,872**	**4,401**	**281,670**	**298,440**

This analysis does not include the remaining hedging liability on contracts valued using the PAA model.

Amounts payable on demand

A breakdown of the amounts payable on demand and of the carrying amount of the related contracts is presented in the following table:

		31/12/2023		31/12/2022
(in millions of euros)	Amounts payable on demand	Carrying amount	Amounts payable on demand	Carrying amount
TOTAL INSURANCE CONTRACTS LIABILITIES	**294,405**	**351,778**	**283,668**	**334,280**

Amounts payable on demand correspond to the surrender value of the contracts concerned (presented gross of penalties) at the end of the reporting period.

INSURANCE REVENUE

A breakdown of insurance revenue recognised over the period is presented in the following table:

(in millions of euros)	31/12/2023	31/12/2022
Changes in the liability for remaining coverage	**6,940**	**7,068**
Insurance service expenses incurred during the period	3,431	3,724
Change in the risk adjustment for non-financial risk	308	243
Contractual service margin recognised in profit or loss because of the transfer of insurance contract services in the period	3,220	3,109
Other amounts (including experience adjustments for premium receipts)	(19)	(8)
Allocation of the portion of the premiums that relate to the recovery of insurance acquisition cash flows	**1,112**	**795**
INSURANCE REVENUE FROM CONTRACTS NOT MEASURED APPLYING THE PAA	8,052	7,863
INSURANCE REVENUE FROM CONTRACTS MEASURED APPLYING THE PAA	6,117	6,146
INSURANCE REVENUE	**14,169**	**14,009**
of which Insurance contracts to which the modified retrospective approach has been applied	6,482	9,295
of which Insurance contracts to which the fair value approach has been applied	-	-

INSURANCE FINANCE INCOME OR EXPENSES

The following table presents a breakdown of the total amount of insurance finance income or expenses and net investment income recognised in profit or loss and in OCI over the period:

	31/12/2023			31/12/2022		
(in millions of euros)	Insurance contracts with direct participation features	Other contracts and own funds	Total	Insurance contracts with direct participation features	Other contracts and own funds	Total
INVESTMENT RETURN ON ASSETS	19,781	2,169	21,950	(45,622)	(3,990)	(49,612)
Investment income net of investment expenses recognised in profit or loss	**10,792**	**997**	**11,789**	**(8,917)**	**(608)**	**(9,525)**
Investment income	6,674	588	7,262	6,513	627	7,140
Investment expenses	(742)	(64)	(806)	(673)	(30)	(703)
Gains and losses on disposal of investments net of reversals of impairment and amortisation	(516)	-	(516)	(67)	(14)	(81)
Change in fair value of investments recognised at fair value through profit or loss	5,366	480	5,846	(14,652)	(1,187)	(15,839)
Change in impairment of investments	10	(7)	3	(38)	(4)	(42)
Gains and losses on investments recognised in other comprehensive income	**8,989**	**1,172**	**10,161**	**(36,705)**	**(3,382)**	**(40,087)**
Gains and losses on debt instruments at fair value through other comprehensive income that will be reclassified to profit or loss	8,992	1,128	10,120	(36,705)	(3,379)	(40,085)
Gains and losses on equity instruments measured at fair value through other comprehensive income that will not be reclassified to profit or loss	(3)	44	41	-	(3)	(3)
INSURANCE FINANCE INCOME OR EXPENSES	(20,699)	(220)	(20,919)	45,178	419	45,597
Insurance finance income or expenses recognised in profit or loss	**(11,178)**	**(62)**	**(11,240)**	**8,329**	**(301)**	**8,028**
Insurance finance income or expenses from insurance contracts issued recognised in profit or loss	(11,178)	(110)	(11,288)	8,329	(347)	7,982
Effect of unwinding of the discount rate	-	(287)	(287)	-	(66)	(66)
Effect of changes in interest rates and other financial assumptions	-	(7)	(7)	-	686	686
Insurance finance income or expenses for contracts with direct participation features	(20,700)	-	(20,700)	45,178	-	45,178
Disaggregation option	9,522	184	9,706	(36,849)	(967)	(37,816)
Amount recognised in profit or loss applying the risk mitigation option	-	-	-	-	-	-
Exchange differences on changes in the carrying amount of insurance contracts issued recognised in profit or loss	-	-	-	-	-	-
Insurance finance income or expenses from reinsurance contracts held recognised in profit or loss	-	48	48	-	46	46
Effect of unwinding of the discount rate	-	46	46	-	10	10
Effect of changes in interest rates and other financial assumptions	-	29	29	-	(211)	(211)
Disaggregation option	-	(27)	(27)	-	247	247
Exchange differences on changes in the carrying amount of reinsurance contracts held recognised in profit or loss	-	-	-	-	-	-
Insurance finance income or expenses recognised in other comprehensive income	**(9,521)**	**(158)**	**(9,679)**	**36,849**	**720**	**37,569**
Insurance finance income or expenses from insurance contracts issued recognised in other comprehensive income	(9,521)	(185)	(9,706)	36,849	967	37,816
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss	(9,393)	(185)	(9,578)	36,849	967	37,816
Insurance finance income or expenses recognised in other comprehensive income that will not be reclassified to profit or loss	(128)	-	(128)	-	-	-
Insurance finance income or expenses from reinsurance contracts held recognised in other comprehensive income	-	27	27	-	(247)	(247)
Insurance finance income or expenses related to reinsurance contracts held recognised in other comprehensive income	-	27	27	-	(247)	(247)
CHANGES IN VALUE OF INVESTMENT CONTRACTS WITHOUT DISCRETIONARY PARTICIPATION FEATURES	**-**	**(314)**	**(314)**	**-**	**672**	**672**

The composition and fair value of the underlying financial assets of the insurance contracts with direct participation features are presented in the following table:

(in millions of euros)	31/12/2023	31/12/2022
Investment property	9,894	10,219
Financial investments	273,925	258,452
Financial assets at fair value through profit or loss (excluding unit-linked)	*110,268*	*99,532*
Financial assets held for trading	-	-
Other financial assets at fair value through profit or loss	*110,268*	*99,532*
Financial assets at fair value through other comprehensive income	*163,239*	*158,496*
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	*161,116*	*158,496*
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	*2,123*	-
Financial assets at amortised cost	*418*	*424*
Loans and receivables from customers	-	-
Other loans and receivables	*418*	*424*
Debt securities	-	-
Unit-linked financial investments	92,878	80,134
Derivative instruments and separated embedded derivatives	524	694
Investments in associates and joint ventures	-	-
TOTAL UNDERLYING ITEMS FOR INSURANCE CONTRACTS WITH DIRECT PARTICIPATION FEATURES	**377,221**	**349,498**

NOTE 6 NOTES TO THE BALANCE SHEET

6.1 CASH, CENTRAL BANKS

	31/12/2023		31/12/2022	
(in millions of euros)	Assets	Liabilities	Assets	Liabilities
Cash	3,976	-	4,058	-
Central Banks	176,746	274	206,746	59
CARRYING AMOUNT	**180,722**	**274**	**210,804**	**59**

6.2 FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2023	31/12/2022
Held for trading financial assets	297,528	242,006
Other financial instruments at fair value through profit or loss	229,746	204,095
Equity instruments	43,931	47,446
Debt instruments that do not meet the conditions of the “SPPI” test (1)	88,424	74,642
Other debt instruments measured by definition at fair value through profit or loss	2,945	-
Assets backing unit-linked contracts	94,362	81,939
Financial assets designated at fair value through profit or loss	84	67
CARRYING AMOUNT	**527,274**	**446,101**
Of which lent securities	7	214

(1) Including €75,834 million in UCITS as at 31 December 2023 versus €62,536 million as at 31 December 2022

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2023	31/12/2022
Held for trading financial liabilities	263,878	231,694
Financial liabilities designated at fair value through profit or loss	90,004	53,764
CARRYING AMOUNT	**353,882**	**285,458**

Detailed information on trading derivatives is provided in Note 3.3 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 equity and will not be reclassified

	31/12/2023				
(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	**9,952**	**(101)**	**-**	**-**	**-**
Deposits	9,952	(101)	-	-	-
Subordinated liabilities	-	-	-	-	-
Debt securities	**62,290**	**(2,920)**	**(132)**	**259**	**4**
Other financial liabilities	**-**	**-**	**-**	**-**	**-**
TOTAL	**72,242**	**(3,021)**	**(132)**	**259**	**4**

(1) The amount realised upon derecognition is transferred to consolidated reserves.

	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	**35,039**	**(2,610)**	**(396)**	**(787)**	**(6)**
Other financial liabilities	**-**	**-**	**-**	**-**	**-**
TOTAL	**39,360**	**(3,055)**	**(396)**	**(787)**	**(6)**

(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

	31/12/2023			
(in millions of euros)	Carrying amount	Difference between carrying amount and due on maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk
Deposits and subordinated liabilities	**17,762**	**9,928**	**-**	**-**
Deposits	17,762	9,928	-	-
Subordinated liabilities	-	-	-	-
Debt securities	**-**	**-**	**-**	**-**
Other financial liabilities	**-**	**-**	**-**	**-**
TOTAL	**17,762**	**9,928**	**-**	**-**

	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	**14,404**	**11,503**	**-**	**-**
Deposits	14,404	11,503	-	-
Subordinated liabilities	-	-	-	-
Debt securities	**-**	**-**	**-**	**-**
Other financial liabilities	**-**	**-**	**-**	**-**
TOTAL	**14,404**	**11,503**	**-**	**-**

6.3 HEDGING DERIVATIVES

Detailed information is provided in Note 3.5 on “Hedge accounting”.

6.4 FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY

	31/12/2023		
(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	216,240	2,363	(18,176)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	8,209	1,775	(1,190)
TOTAL	**224,449**	**4,138**	**(19,366)**

	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	214,432	739	(27,236)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	4,784	1,256	(1,064)
TOTAL	**219,216**	**1,995**	**(28,300)**

DEBT INSTRUMENTS AT FAIR VALUE THROUGH EQUITY THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS

			31/12/2023
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	67,968	975	(7,954)
Bonds and other fixed income securities	148,273	1,388	(10,222)
Total debt securities	**216,240**	**2,363**	**(18,176)**
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	216,240	2,363	(18,176)
Income tax charge		(599)	4,747
OTHER COMPREHENSIVE INCOME ON DEBT INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**1,764**	**(13,429)**

			31/12/2022
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	65,467	387	(11,180)
Bonds and other fixed income securities	148,965	352	(16,055)
Total debt securities	**214,432**	**739**	**(27,236)**
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	214,432	739	(27,236)
Income tax charge		(188)	7,138
OTHER COMPREHENSIVE INCOME ON DEBT INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**551**	**(20,098)**

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

			31/12/2023
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Equities and other variable income securities	3,839	306	(167)
Non-consolidated equity investments	4,370	1,470	(1,023)
TOTAL EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS	8,209	1,775	(1,190)
Income tax charge		(145)	49
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**1,630**	**(1,141)**

			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	3,727	1,223	(952)
TOTAL EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS	4,784	1,256	(1,064)
Income tax charge		(100)	7
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**1,156**	**(1,057)**

Equity instruments derecognised during the period

	31/12/2023		
(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	922	103	(47)
Non-consolidated equity investments	34	11	(16)
TOTAL INVESTMENTS IN EQUITY INSTRUMENTS	**955**	**114**	**(63)**
Income tax charge		(1)	-
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX) [1]		**113**	**(63)**

(1) Realised gains and losses are transferred to consolidated reserves when the instrument in question is derecognised.

	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	10	(22)
TOTAL INVESTMENTS IN EQUITY INSTRUMENTS	102	13	(31)
Income tax charge		-	-
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX) [1]		**13**	**(31)**

(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)	31/12/2023	31/12/2022
Loans and receivables due from credit institutions	132,353	114,149
Loans and receivables due from customers	1,155,940	1,113,184
Debt securities	111,311	115,876
CARRYING AMOUNT	**1,399,604**	**1,343,209**

LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS

(in millions of euros)	31/12/2023	31/12/2022
CREDIT INSTITUTIONS		
Loans and receivables	120,693	104,715
of which non doubtful current accounts in debit [1]	*11,366*	*6,755*
of which non doubtful overnight accounts and advances [1]	*2,619*	*391*
Pledged securities	-	-
Securities bought under repurchase agreements	11,807	9,309
Subordinated loans	235	566
Other loans and receivables	49	4
Gross amount	**132,784**	**114,594**
Impairment	(431)	(445)
CARRYING AMOUNT	**132,353**	**114,149**

(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)	31/12/2023	31/12/2022
CUSTOMER TRANSACTIONS		
Trade receivables	45,344	44,222
Other customer loans	1,077,048	1,043,374
Pledged securities	-	-
Securities bought under repurchase agreements	5,556	5,726
Subordinated loans	71	84
Insurance receivables	-	-
Reinsurance receivables	-	-
Advances in associates' current accounts	970	919
Current accounts in debit	15,466	17,713
Gross amount	**1,144,455**	**1,112,038**
Impairment	(19,956)	(19,289)
NET VALUE OF LOANS AND RECEIVABLES DUE FROM CUSTOMERS	1,124,499	1,092,749
FINANCE LEASES		
Property leasing	5,827	5,744
Equipment leases, operating leases and similar transactions	26,334	15,266
Gross amount	**32,161**	**21,010**
Impairment	(720)	(575)
NET VALUE OF LEASE FINANCING OPERATIONS	31,441	20,435
CARRYING AMOUNT	**1,155,940**	**1,113,184**

DEBT SECURITIES

(in millions of euros)	31/12/2023	31/12/2022
Treasury bills and similar securities	39,051	44,428
Bonds and other fixed income securities	72,412	71,580
Total	**111,463**	**116,008**
Impairment	(153)	(132)
CARRYING AMOUNT	**111,311**	**115,876**

6.6 TRANSFERRED ASSETS NOT DERECOGNISED OR DERECOGNISED WITH ONGOING INVOLVEMENT

TRANSFERRED ASSETS NOT DERECOGNISED IN FULL AS AT 31 DECEMBER 2023

	Transferred assets but still fully recognized											Transferred assets recognised to the extent of on the entity's continuing involvement		
	Transferred assets					Associated liabilities					Assets and associated liabilities			
(in millions of euros)	Carrying amount	Of which securitisation (non-deconsolidating)	Of which securities sold/bought under repurchase agreements	Of which other (1)	Fair value (2)	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
Held for trading financial assets	**30,808**	**-**	**30,808**	**-**	**30,808**	**30,236**	**-**	**30,236**	**-**	**30,236**	**573**	**-**	**-**	**-**
Equity instruments	2,636	-	2,636	-	2,636	2,512	-	2,512	-	2,512	123	-	-	-
Debt securities	28,172	-	28,172	-	28,172	27,723	-	27,723	-	27,723	449	-	-	-
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	**23,245**	**-**	**23,245**	**-**	**24,025**	**23,232**	**-**	**23,232**	**-**	**23,232**	**794**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	23,245	-	23,245	-	24,025	23,232	-	23,232	-	23,232	794	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at amortised cost	**19,457**	**17,547**	**1,728**	**183**	**19,428**	**13,145**	**11,518**	**1,628**	**-**	**13,037**	**6,391**	**-**	**-**	**-**
Debt securities	1,868	-	1,685	183	1,868	1,628	-	1,628	-	1,628	240	-	-	-
Loans and receivables	17,586	17,545	42	-	17,560	11,517	11,517	-	-	11,409	6,151	-	-	-
TOTAL FINANCIAL ASSETS	**73,510**	**17,547**	**55,782**	**183**	**74,262**	**66,613**	**11,518**	**55,096**	**-**	**66,505**	**7,757**	**-**	**-**	**-**
Finance leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**73,510**	**17,547**	**55,782**	**183**	**74,262**	**66,613**	**11,518**	**55,096**	**-**	**66,505**	**7,757**	**-**	**-**	**-**

(1) Including loans of securities 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 AS AT 31 DECEMBER 2022

(in millions of euros)	Transferred assets but still fully recognized											Transferred assets recognised to the extent of on the entity's continuing involvement		
	Transferred assets					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)	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
Held for trading financial assets	**14,501**	**-**	**14,501**	**-**	**14,501**	**14,497**	**-**	**14,497**	**-**	**14,497**	**4**	**-**	**-**	**-**
Equity instruments	151	-	151	-	151	151	-	151	-	151	-	-	-	-
Debt securities	14,350	-	14,350	-	14,350	14,346	-	14,346	-	14,346	4	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial instruments at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	**17,907**	**-**	**17,907**	**-**	**16,975**	**17,907**	**-**	**17,907**	**-**	**17,907**	**(932)**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	17,907	-	17,907	-	16,975	17,907	-	17,907	-	17,907	(932)	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at amortised cost	**20,477**	**17,850**	**2,602**	**24**	**20,434**	**14,079**	**11,605**	**2,474**	**-**	**14,066**	**6,368**	**-**	**-**	**-**
Debt securities	2,626	-	2,602	24	2,596	2,474	-	2,474	-	2,478	118	-	-	-
Loans and receivables	17,851	17,850	-	-	17,838	11,605	11,605	-	-	11,588	6,250	-	-	-
TOTAL FINANCIAL ASSETS	52,885	17,850	35,010	24	51,910	46,483	11,605	34,878	-	46,470	5,440	-	-	-
Finance leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**52,885**	**17,850**	**35,010**	**24**	**51,910**	**46,483**	**11,605**	**34,878**	**-**	**46,470**	**5,440**	**-**	**-**	**-**

(1) Including loans of securities without cash collateral.
(2) When the counterparty (counterparties) to the associated liabilities has (have) recourse only to the transferred assets (IFRS 7.42D.(d)).

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 2023, Crédit Agricole Consumer Finance managed 26 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 therefore remain into Crédit Agricole S.A. consolidated financial statements.

The carrying amounts of the relevant assets (net of related liabilities) amounted to €7,475 million at 31 December 2023. They include, in particular, outstanding customer loans with a net carrying amount of €10,818 million. The amount of securities mobilised on the market stood at €10,598 million. The value of securities still available to be mobilised stood at €12,848 million.

CA Italy securitisations

At 31 December 2023, 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 therefore remains into the Crédit Agricole S.A. consolidated financial statements.

The carrying amounts of the relevant assets amounted to €14,431 million at 31 December 2023.

FCT Crédit Agricole Habitat 2020 and 2022 securitisation

At 31 December 2023, the Regional Banks managed two home loan securitisation vehicles. These securitisation transactions are not considered to form part of a deconsolidation transaction under IFRS and therefore remain into the Crédit Agricole Group consolidated financial statements. The carrying amounts of the relevant assets amounted to €2,658 million at 31 December 2023.

With regard to the financial year, the Crédit Agricole Group did not recognise any commitments incurred in respect of transferred assets derecognised in full.

6.7 FINANCIAL LIABILITIES AT AMORTISED COST

(in millions of euros)	31/12/2023	31/12/2022
Due to credit institutions	108,541	152,156
Due to customers	1,121,942	1,093,513
Debt securities	260,239	221,894
CARRYING AMOUNT	**1,490,722**	**1,467,563**

DUE TO CREDIT INSTITUTIONS

(in millions of euros)	31/12/2023	31/12/2022
CREDIT INSTITUTIONS		
Accounts and borrowings	80,841	130,720
of which current accounts in credit (1)	*12,497*	*9,852*
of which overnight accounts and deposits (1)	*6,191*	*684*
Pledged securities	-	-
Securities sold under repurchase agreements	27,700	21,436
CARRYING AMOUNT	**108,541**	**152,156**

(1) These transactions are partly comprised of the item "Net demand loans and deposits with credit institutions" on the Cash Flow Statement.

DUE TO CUSTOMERS

(in millions of euros)	31/12/2023	31/12/2022
Current accounts in credit	479,378	535,415
Special savings accounts	372,858	370,833
Other amounts due to customers	266,805	185,217
Securities sold under repurchase agreements	2,901	2,049
CARRYING AMOUNT	**1,121,942**	**1,093,513**

DEBT SECURITIES

(in millions of euros)	31/12/2023	31/12/2022
Interest bearing notes	5	8
Interbank securities	5,812	5,906
Negotiable debt securities	115,081	109,074
Bonds	133,368	104,391
Other debt securities	5,972	2,515
CARRYING AMOUNT	**260,239**	**221,894**

"Green bond" issues included in the item "Debt securities" totalled €9.5 billion as at 31 December 2023.

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.

The Crédit Agricole Group's outstanding senior non-preferred debt amounted to €31.9 billion as at 31 December 2023.

6.8 INFORMATION ON THE OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

OFFSETTING – FINANCIAL ASSETS

	31/12/2023					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument *(in millions of euros)*	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial 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]	136,798	-	136,798	80,854	24,629	31,315
Reverse repurchase agreements [4]	315,024	155,703	159,321	8,379	150,919	23
Securities lent	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS SUBJECT TO OFFSETTING	**451,822**	**155,703**	**296,119**	**89,233**	**175,549**	**31,337**

(1) Including margin calls but before any XVA impact.
(2) 77% 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 99.9% of the repurchase agreements in assets at the balance sheet date.

At 31 December 2023, 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).

	31/12/2022					
	Offsetting effects on financial assets 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 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
Securities lent	-	-	-	-	-	-
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) The amount of repurchase agreements subject to compensation represents 99% of the repurchase agreements in assets at the balance sheet date.

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).

OFFSETTING – FINANCIAL LIABILITIES

	31/12/2023					
	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]	130,819	-	130,819	80,854	29,706	20,259
Repurchase agreements [4]	297,936	155,703	142,233	8,379	130,495	3,359
Securities borrowed	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**428,755**	**155,703**	**273,052**	**89,233**	**160,201**	**23,618**

(1) Including margin calls but before any XVA impact.
(2) 84.5% 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 2023, 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).

	31/12/2022					
	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 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]	160,426	-	160,426	97,938	46,950	15,537
Repurchase agreements [4]	240,728	135,805	104,922	13,818	89,498	1,606
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**401,154**	**135,805**	**265,349**	**111,756**	**136,449**	**17,144**

(1) ncluding 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).

6.9 CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES

(in millions of euros)	31/12/2023	31/12/2022 restated
Current tax	2,647	2,268
Deferred tax	6,189	6,819
TOTAL CURRENT AND DEFERRED TAX ASSETS	**8,836**	**9,087**
Current tax	1,921	1,676
Deferred tax	975	659
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**2,896**	**2,335**

Net deferred tax assets and liabilities break down as follows:

(in millions of euros)	31/12/2023	31/12/2022 restated
Temporary timing differences – tax	**5,047**	**5,349**
Non-deductible accrued expenses	651	571
Non-deductible provisions for liabilities and charges	3,630	3,764
Other temporary differences (1)	766	1,014
Deferred tax on reserves for unrealised gains or losses	**714**	**1,129**
Financial assets at fair value through other comprehensive income	281	541
Cash flow hedges	404	671
Gains and losses/Actuarial differences	61	22
Other comprehensive income attributable to changes in own credit risk	(32)	(106)
Reclassification related to insurance finance income or expenses recognised directly in equity	-	-
Deferred tax on income and reserves	**(547)**	**(317)**
TOTAL DEFERRED TAX	**5,214**	**6,160**

(1) The portion of deferred tax related to tax loss carryforwards was €302 million for 2023 compared with €368 million for 2022.

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, the Crédit Agricole Group takes into account for each entity or tax group concerned the applicable tax regime and the earnings projections established during the budgetary process.

TAX AUDITS

Crédit Agricole CIB Paris tax audit

Following an audit of accounts for the 2019 and 2020 financial years, Crédit Agricole CIB received proposals for adjustments at the end of 2022 and of 2023. Crédit Agricole CIB has contested the adjustment points with a statement of reasons. 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 financial years.

Predica tax audit

Predica was the subject of an audit of accounts in 2022 and 2023. A proposal for adjustments was received at the end of 2023 for the 2019 and 2020 financial years. Predica has contested the adjustment points with a statement. A provision has been recognised to cover the estimated risk.

LCL tax audit

LCL was the subject of an audit of accounts for the 2018 to 2020 financial years. A proposal for adjustments was received at the end of 2023. A provision has been recognised to cover the estimated risk.

6.10 ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS AND LIABILITIES

ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS

(in millions of euros)	31/12/2023	31/12/2022
Other assets	**42,566**	**45,463**
Inventory accounts and miscellaneous	461	335
Collective management of *Livret de Développement Durable* (LDD) savings account and united	-	-
Sundry debtors [1]	39,567	43,405
Settlements accounts	2,514	1,690
Due from shareholders – unpaid capital	24	33
Accruals and deferred income	**17,192**	**10,527**
Items in course of transmission	6,447	5,031
Adjustment and suspense accounts	2,363	1,063
Accrued income	2,677	2,189
Prepaid expenses	1,692	1,549
Other accruals prepayments and sundry assets	4,013	695
CARRYING AMOUNT	**59,758**	**55,990**

(1) Including €803.9 million recognised in the form of a security deposit for the Single Resolution Fund at 31 December 2023 (versus €633.8 million at 31 December 2022).

As a reminder, the European regulatory framework intended to preserve financial stability has been supplemented by Directive 2014/59/EU of 15 May 2014, which establishes a framework for the recovery and resolution of credit institutions and investment firms. The system for funding the Single Resolution Mechanism (SRM) was set up by Regulation (EU) 806/2014 of 15 July 2014 for the relevant institutions.

The security deposit corresponds to the guarantees for institutions having recourse to the irrevocable payment commitments set out in Article 70, paragraph 3, of Regulation (EU) 806/2014, which stipulates that the share of those commitments shall not exceed 30% of the total amount of contributions raised in accordance with said article.

With regard to the 2023 financial year, the amount of the contribution in the form of irrevocable payment commitments was €76 million; the amount paid in the form of fees was €570 million in operating expenses (Note 4.8 to these financial statements).

In accordance with Implementing Regulation (EU) 2015/81 of 19 December 2014, when a resolution action requires the Fund to intervene pursuant to Article 76 of Regulation (EU) 806/2014, the Single Resolution Board calls on all or part of the irrevocable payment commitments, as made in accordance with Regulation (EU) 806/2014, in order to reconstitute the share of the irrevocable payment commitments within the Fund's available financial resources, as set by the Single Resolution Board within the limit of the ceiling set in the aforementioned Article 70, paragraph 3, of Regulation (EU) 806/2014.

The guarantees that come with these commitments will be restored in accordance with Article 3 of Regulation EU 2015/81 of 19 December 2014 once the Fund duly receives the contribution pertaining to the irrevocable payment commitments called upon. The Group does not expect a resolution action requiring an additional call for the Group, in the context of the aforementioned mechanism, to take place in the Eurozone in the foreseeable future, nor does it expect a loss or a withdrawal of its banking authorisation.

Moreover, this security deposit, which is classed under sundry accounts receivable in the institution's assets, with no change compared with the previous financial years, is paid in accordance with the agreement on the irrevocable payment commitment and the guarantee mechanism agreed between the Group and the Single Resolution Board.

ACCRUALS, PREPAYMENTS AND SUNDRY LIABILITIES

(in millions of euros)	31/12/2023	31/12/2022
Other liabilities [1]	**49,205**	**46,045**
Settlements accounts	3,068	3,292
Sundry creditors	42,128	38,949
Liabilities related to trading securities	1,851	1,561
Lease liabilities	2,155	2,241
Other	3	3
Accruals and deferred income	**22,975**	**19,573**
Items in course of transmission [2]	4,947	4,369
Adjustment and suspense accounts	1,769	1,473
Unearned income	4,127	3,782
Accrued expenses	8,292	7,930
Other accruals prepayments and sundry assets	3,841	2,019
CARRYING AMOUNT	**72,180**	**65,618**

(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 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

(in millions of euros)	31/12/2023	31/12/2022
Cash, Central Banks	-	-
Financial assets at fair value through profit or loss	-	(3)
Hedging derivative Instruments	-	-
Financial assets at fair value through other comprehensive income	-	-
Financial assets at amortised cost	-	3
Revaluation adjustment on interest rate hedged portfolios	-	-
Current and deferred tax assets	-	1
Accruals, prepayments and sundry assets	-	30
Insurance contracts issued that are assets	-	-
Reinsurance contracts held that are assets	-	-
Investments in equity-accounted entities	-	101
Investment property	9	-
Property, plant and equipment	-	-
Intangible assets	-	1
Goodwill	-	-
TOTAL ASSETS	9	134
Central Banks	-	-
Financial liabilities at fair value through profit or loss	-	-
Hedging derivative Instruments	-	-
Financial liabilities at amortised cost	-	9
Revaluation adjustment on interest rate hedged portfolios	-	-
Current and deferred tax liabilities	-	-
Accruals, prepayments and sundry liabilities	-	153
Insurance contracts issued that are liabilities	-	-
Reinsurance contracts held that are liabilities	-	-
Provisions	-	3
Subordinated debt	-	-
Adjustment to fair value of non-current assets held for sale and discontinued operations (excluding taxes)	21	39
TOTAL LIABILITIES AND EQUITY	21	205
NET ASSET FROM NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS	**(12)**	**(71)**

INCOME STATEMENT FROM DISCONTINUED OPERATIONS

(in millions of euros)	31/12/2023	31/12/2022
Revenues	-	73
Operating expenses	-	(30)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	-	(9)
Cost of risk	-	(2)
Pre-tax income	**-**	**32**
Share of net income of equity-accounted entities	6	-
Net gains (losses) on other assets	-	-
Change in value of goodwill	-	-
Income tax charge	-	(7)
Net income	**6**	**25**
Income associated with fair value adjustments of discontinued operations	(9)	95
Net income from discontinued operations	**(3)**	**120**
Non-controlling interests	-	-
NET INCOME FROM DISCONTINUED OPERATIONS – GROUP SHARE	**(3)**	**120**

DISCONTINUED OPERATIONS CASH FLOW STATEMENT

(in millions of euros)	31/12/2023	31/12/2022
Net cash flows from (used by) operating activities	-	(127)
Net cash flows from (used by) investment activities	-	(387)
Net cash flows from (used by) financing activities	-	118
TOTAL	**-**	**(396)**

6.12 JOINT VENTURES AND ASSOCIATES

FINANCIAL INFORMATION OF JOINT VENTURES AND ASSOCIATES

At 31 December 2023:

- the equity-accounted value of joint ventures totalled €1,076 million (€2,852 million as at 31 December 2022);
- the equity-accounted value of associates totalled €1,281 million (€1,152 million as at 31 December 2022).

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.

On 3 April 2023, the CA Consumer Finance Group acquired 50% of the FCA Bank shares held by Stellantis. When the transaction was completed, FCA Bank was wholly owned by CACF and became Crédit Agricole Auto Bank. As at 31 December 2023, Crédit Agricole Auto Bank (formerly FCA Bank) was accounted for in Crédit Agricole Consumer Finance Group's financial statements using the full consolidation method (vs equity-accounted at 31 December 2022).

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".

	31/12/2023					
(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						
Watea	30.0%	76	-	-	(4)	6
S3 Latam Holdco 1	34.7%	362	-	-	19	620
Leaseco (3)	50.0%	623	-	-	34	939
Others		15	-	551	41	302
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES (JOINT VENTURES)		**1,076**			**90**	**1,867**
ASSOCIATES						
GAC Sofinco Auto Finance Co. (ex-GAC CACF)	50.0%	539	-	23	49	539
ABC-CA Fund Management Co.	23.0%	191	-	9	15	191
Wafasalaf	49.0%	143	-	7	13	86
SBI Funds Management Private Limited	25.3%	275	-	7	79	252
Others		133		10	16	124
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**1,281**			**173**	**1,193**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**2,357**			**263**	**3,060**

(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 2023. 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.

(in millions of euros)	31/12/2022					
	% 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
Union de Banques Arabes et Françaises "U.B.A.F."	47.0%	-	-	-	-	136
Leaseco [3]	50.0%	633	-	-	(1)	924
Others		-	-	-	(7)	97
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES (JOINT VENTURES)		**2,852**			**236**	**3,579**
ASSOCIATES						
GAC Sofinco Auto Finance Co. (ex-GAC CACF)	50.0%	471	-	25	61	471
SBI Funds Management Ltd	25.5%	214	-	7	58	190
ABC-CA Fund Management Co.	23.1%	197	-	-	21	197
Wafasalaf	49.0%	133	-	14	19	78
Société d'Exploitation des Téléphériques Tarentaise-Maurienne	38.1%	58	-	-	5	58
Groupe Rossel La Voix (ex-Voix du Nord Investissement)	25.2%	34	-	-	-	24
Nh-Amundi Asset Management	20.8%	27	-	4	6	27
Generalfinance S.P.A.	14.1%	9	-	-	9	9
Wafa Gestion	23.6%	5	-	3	3	5
Others		4		-	-	5
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**1,152**			**182**	**1,063**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**4,004**			**418**	**4,642**

(1) The share of net income from policyholders' deferred profit sharing of the 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.

Condensed financial information for the material associates and joint ventures of the Crédit Agricole Group is shown below:

(in millions of euros)	31/12/2023			
	Revenues	Net income	Total assets	Total Equity
JOINT VENTURES				
Watea	1	(14)	42	21
S3 Latam Holdco 1	166	88	2,131	1,982
Leaseco [1]	359	125	10,303	1,878
ASSOCIATES				
GAC Sofinco Auto Finance Co. (ex-GAC CACF)	240	99	7,595	1,078
ABC-CA Fund Management Co.	93	46	604	573
Wafasalaf	110	28	1,680	163
SBI Funds Management Private Limited	342	208	729	687

(1) Includes Leasys S.P.A. data.

	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
Union de Banques Arabes et Françaises "U.B.A.F."	64	10	2,322	-
Leaseco [(1)]	(2)	(2)	8,137	1,850
ASSOCIATES				
GAC Sofinco Auto Finance Co. (ex-GAC CACF)	250	122	7,064	219
SBI Funds Management Ltd	280	156	550	515
ABC-CA Fund Management Co.	124	63	640	591
Wafasalaf	111	37	1,562	159
Société d'Exploitation des Téléphériques Tarentaise-Maurienne	-	13	148	151
Groupe Rossel La Voix (ex-Voix du Nord Investissement)	6	6	96	-
Nh-Amundi Asset Management	57	20	106	91
Generalfinance S.P.A.	9	9	404	54
Wafa Gestion	19	10	36	14

(1) Includes Leasys S.P.A. data.

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 27 joint ventures and 26 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:

	31/12/2023				
(in millions of euros)	**Interest %**	**Net asset value**	**Balance sheet total**	**Equity value**	**Result**
JOINT VENTURES					
FONCIÈRE HYPERSUD	51%	1	165	35	5
ARCAPARK SAS	50%	196	167	167	0
SCI EUROMARSEILLE 1	50%	21	ND	ND	ND
SCI EUROMARSEILLE 2	50%	7	ND	ND	ND
FREY RETAIL VILLEBON	48%	37	161	38	2
SCI RUE DU BAC	50%	152	228	175	6
SCI TOUR MERLE	50%	73	107	55	4
SCI CARPE DIEM	50%	171	226	108	13
SCI ILOT 13	50%	65	78	48	3
SCI 1 TERRASSE BELLINI	33%	68	131	88	0
SCI WAGRAM 22/30	50%	157	319	55	3
SCI ACADEMIE MONTROUGE	50%	62	271	126	3
SAS DEFENSE CB3	18%	12	107	84	-9
SCI PAUL CÉZANNE	49%	276	178	167	6
TUNELS DE BARCELONA	50%	0	ND	ND	ND
EUROPEAN MOTORWAY INVESTMENTS 1	60%	296	128	103	4
ELL HOLDCO SARL	49%	276	551	551	0
EUROWATT ENERGIE	75%	0	ND	ND	ND
FUTURES ENERGIES INVESTISSEMENTS HOLDING 3	80%	0	ND	ND	ND

	31/12/2023				
(in millions of euros)	Interest %	Net asset value	Balance sheet total	Equity value	Result
IEIH	80%	0	ND	ND	ND
EF SOLARE ITALIA	30%	0	ND	ND	ND
URI GmbH	45%	0	ND	ND	ND
ORDESA SERVICIOS EMPRESARIALES SL	60%	588	ND	ND	ND
JANUS RENEWABLES	50%	0	ND	ND	ND
SCI 103 GRENELLE	49%	156	174	163	4
LEAD INVESTORS	45%	0	ND	ND	ND
ASSOCIATES					
RAMSAY – GÉNÉRALE DE SANTÉ	40%	835	6,788	1,212	118
INFRA FOCH TOPCO	36%	537	3,459	107	-68
ALTAREA	24%	400	9,087	2,375	327
CLARIANE	25%	63	14,574	3,539	22
FREY	20%	166	2,051	990	129
ICADE	19%	511	18,218	6,588	54
PATRIMOINE ET COMMERCE	20%	55	93	431	48
SCI HEART OF LA DÉFENSE	33%	164	1,648	566	-90
SAS CRISTAL	46%	55	124	90	8
SCI FONDIS	25%	50	393	77	18
FUTURES ENERGIES INVESTISSEMENTS HOLDING	30%	0	ND	ND	ND
SEMMARIS	38%	38	0	0	0
CENTRAL SICAF	24%	164	1,222	758	70
PISTO GROUP HOLDING SARL	40%	280	101	9	30
CAVOUR AERO SA	37%	197	369	369	0
FLUXDUNE	25%	227	868	852	0
CASSINI SAS	50%	296	1,713	477	-71
FUTURES ENERGIES INVESTISSEMENTS HOLDING 2	48%	0	ND	ND	ND
SARL IMPULSE	39%	934	ND	ND	ND
AGUAS PROFUNDAS SA	35%	570	2,221	1,289	-14
ADL PARTICIPATIONS	25%	89	546	392	-4
EDISON RENEWABLES	49%	0	ND	ND	ND
HORNSEA 2	25%	0	ND	ND	ND
REPSOL RENOVABLES	13%	0	ND	ND	ND
ALTAMIRA	23%	0	ND	ND	ND
VERKOR	10%	0	ND	ND	ND
INNERGEX FRANCE	30%	0	ND	ND	ND

	31/12/2022				
(in millions of euros)	Interest %	Net asset value	Balance sheet total	Equity value	Result
JOINT VENTURES					
FONCIÈRE HYPERSUD	51%	11	116	74	43
ARCAPARK SAS	50%	150	167	167	25
SCI EUROMARSEILLE 1	50%	27	64	49	(16)
SCI EUROMARSEILLE 2	50%	7	73	14	(2)
FREY RETAIL VILLEBON	48%	42	161	38	-
SCI RUE DU BAC	50%	146	228	175	3
SCI TOUR MERLE	50%	57	106	55	9

	31/12/2022				
(in millions of euros)	**Interest %**	**Net asset value**	**Balance sheet total**	**Equity value**	**Result**
SCI CARPE DIEM	50%	150	226	108	11
SCI ILOT 13	50%	57	79	49	2
SCI 1 TERRASSE BELLINI	33%	66	136	88	9
SCI WAGRAM 22/30	50%	64	319	55	3
SCI ACADEMIE MONTROUGE	50%	86	306	132	3
SAS DEFENSE CB3	25%	21	124	93	9
SCI PAUL CEZANNE	49%	341	178	167	8
LUXEMBOURG INVESTMENT COMPANY 296 SARL	50%	1	85	84	-
TUNELS DE BARCELONA	50%	ND	485	77	21
EUROPEAN MOTORWAY INVESTMENTS 1	60%	278	128	104	4
CIRRUS SCA	20%	314	ND	ND	ND
ELL HOLDCO SARL	49%	271	551	551	-
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					
RAMSAY – GÉNÉRALE DE SANTÉ	40%	804	6,788	1,239	118
INFRA FOCH TOPCO	36%	457	3,446	476	119
ALTAREA	25%	632	8,887	3,785	307
KORIAN	25%	267	14,335	3,771	75
FREY	20%	191	2,039	993	111
ICADE	19%	587	18,313	8,860	487
PATRIMOINE ET COMMERCE	20%	47	938	423	45
SCI HEART OF LA DÉFENSE	33%	206	1,759	669	117
SAS CRISTAL	46%	68	124	90	7
SCI FONDIS	25%	58	393	77	127
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%	281	101	9	30
ALTA BLUE	33%	257	699	698	-
CAVOUR AERO SA	37%	163	369	369	-
FLUXDUNE	25%	227	868	852	-
CASSINI SAS	49%	275	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 SA	35%	472	2,221	1,289	(14)
ADL PARTICIPATIONS	25%	89	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

SIGNIFICANT RESTRICTIONS ON JOINT VENTURES AND ASSOCIATES

The 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 Crédit Agricole Group.

Legal constraints

The subsidiaries of the Crédit Agricole Group are subject to legal provisions concerning the distribution of capital and distributable income. 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 the Crédit Agricole Group are held for the benefit of policyholders. Assets on the balance sheet of the insurance subsidiaries of the 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)	31/12/2023	31/12/2022 restated
Investment property measured at cost	2,187	2,082
Investment property measured at fair value	9,972	11,080
TOTAL INVESTMENT PROPERTY	**12,159**	**13,162**

INVESTMENT PROPERTY MEASURED AT COST

Investment properties measured at cost in the Group's financial statements are properties, including those let to third parties, that are not underlying items of insurance contracts.

(in millions of euros)	31/12/2022 restated	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Transfers in non-current assets held for sale and discontinued operations	Other movements	31/12/2023
Gross amount	2,751	41	228	(71)	-	-	(33)	2,916
Depreciation and impairment	(669)	(3)	(83)	25	-	-	1	(729)
INVESTMENT PROPERTY MEASURED AT COST (1)	**2,082**	**38**	**145**	**(46)**	**-**	**-**	**(32)**	**2,187**

(1) Including investment property let to third parties.

(in millions of euros)	31/12/2021 restated	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 restated
Gross amount	2,612	88	273	(249)	-	-	27	2,751
Depreciation and impairment	(668)	(37)	(51)	83	-	-	4	(669)
INVESTMENT PROPERTY MEASURED AT COST (1)	**1,944**	**51**	**222**	**(166)**	**-**	**-**	**31**	**2,082**

(1) Including investment property let to third parties.

INVESTMENT PROPERTY MEASURED AT FAIR VALUE

Investment properties measured at fair value in the Group's financial statements are properties that constitute underlying items of insurance contracts with direct participation features.

(in millions of euros)	31/12/2022 restated	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Change in fair value	Other movements	31/12/2023
INVESTMENT PROPERTY MEASURED AT FAIR VALUE	**11,080**	**-**	**246**	**(306)**	**-**	**(1,098)**	**50**	**9,972**

(in millions of euros)	31/12/2021 restated	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Change in fair value	Other movements	31/12/2022 restated
INVESTMENT PROPERTY MEASURED AT FAIR VALUE	**10,346**	**-**	**1,142**	**(585)**	**-**	**178**	**(1)**	**11,080**

FAIR VALUE OF INVESTMENT PROPERTIES

The Crédit Agricole Group's investment properties are valued by qualified experts. These independent property experts use a combination of several valuation methods to establish a market value. The weighting of each of these methods against another requires a certain amount of judgement and evolves depending on the market characteristics of each property (location, property type, i.e. residential, commercial or offices etc.).

The main valuation methods and the related key hypotheses are as follows:

- the capitalisation method, which involves capitalising the revenues that the property is likely to generate by applying a capitalisation rate to an assigned rental income, which is generally determined in comparison with the rents charged for properties of the same type located in the same geographical area as the property. The other key hypotheses used are the indexation rate for rent in future years and the average length of time for which vacant properties are on the market;
- the comparison method, which consists of determining a metric market value to be used for a comparison relating to sales of identical or similar properties;
- the discounted cash flow (DCF) method, which consists of discounting gross or net expected cash flows over a given period. This method rests on two main hypotheses: the cash flows that will be generated, as well as the indexation rate for rent in future years, and the discount rate used.

The valuation of investment properties takes into account any planned investments that will need to be made in order to meet regulatory requirements related to climate change, such as the tertiary decree for commercial and office property, and the new rules on energy diagnostics for residential properties.

All the investment properties accounted for at cost or at fair value have a market value established on the basis of expert opinion (Level 2) of €12,741 million at 31 December 2023, compared with €13,601 million at 31 December 2022.

(in millions of euros)		31/12/2023	31/12/2022
Quoted prices in active markets for identical instruments	Level 1	30	4
Valuation based on observable data	Level 2	12,741	13,601
Valuation based on unobservable data	Level 3	407	343
MARKET VALUE OF INVESTMENT PROPERTIES		**13,178**	**13,949**

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)	31/12/2022	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31/12/2023
PROPERTY, PLANT & EQUIPMENT USED IN OPERATIONS							
Gross amount	24,650	2,601	2,701	(1,426)	40	(71)	28,496
Depreciation and impairment	(13,882)	(656)	(1,623)	1,088	(19)	21	(15,071)
CARRYING AMOUNT	**10,768**	**1,945**	**1,079**	**(338)**	**21**	**(51)**	**13,425**
INTANGIBLE ASSETS							
Gross amount	9,922	359	867	(288)	16	7	10,882
Depreciation and impairment	(6,561)	(211)	(664)	85	(4)	(40)	(7,393)
CARRYING AMOUNT	**3,361**	**148**	**203**	**(203)**	**12**	**(33)**	**3,488**

(in millions of euros)	31/12/2021	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2022
PROPERTY, PLANT & EQUIPMENT USED IN OPERATIONS							
Gross amount	24,216	(239)	2,038	(1,197)	(18)	(150)	24,650
Depreciation and impairment	(13,309)	38	(1,436)	813	5	7	(13,882)
CARRYING AMOUNT	**10,907**	**(201)**	**602**	**(384)**	**(13)**	**(143)**	**10,768**
INTANGIBLE ASSETS							
Gross amount	9,540	51	760	(363)	(9)	(57)	9,922
Depreciation and impairment	(6,139)	(75)	(582)	239	8	(12)	(6,561)
CARRYING AMOUNT	**3,401**	**(24)**	**178**	**(124)**	**(1)**	**(69)**	**3,361**

6.15 GOODWILL

(in millions of euros)	31/12/2022 gross	31/12/2022 net	Increases (acquisitions)	Decreases (Divestments)	Impairment losses during the period	Translation adjustments	Other movements	31/12/2023 gross	31/12/2023 net
French Retail Banking	**5,589**	**4,376**	**52**	**-**	**-**	**(1)**	**-**	**5,641**	**4,427**
of which LCL Group	5,558	4,354	-	-	-	-	-	5,558	4,354
including Regional Banks(1)	31	22	52	-	-	(1)	-	83	73
International Retail Banking	**3,324**	**823**	**-**	**-**	**-**	**(5)**	**-**	**3,326**	**818**
of which Italy	3,042	796	-	-	-	-	-	3,042	796
of which Poland	201	-	-	-	-	-	-	216	-
of which Ukraine	33	-	-	-	-	-	-	31	-
of which other countries	48	27	-	-	-	(5)	-	37	22
Asset Gathering	**8,132**	**8,131**	**-**	**-**	**-**	**25**	**-**	**8,155**	**8,156**
of which asset management	5,951	5,951	-	-	-	(22)	-	5,929	5,929
of which insurance	1,262	1,261	-	-	-	-	-	1,261	1,261
of which international wealth management	919	919	-	-	-	47	-	965	966
Specialised Financial Services	**3,093**	**1,337**	**85**	**-**	**-**	**1**	**-**	**3,178**	**1,423**
of which Consumer finance (excl. Agos) (2)	1,756	963	85	-	-	(1)	-	1,840	1,047
of which Consumer finance-Agos	672	103	-	-	-	-	-	672	103
of which Factoring	665	271	-	-	-	2	-	666	273
Large Customers	**2,727**	**1,407**	**152**	**-**	**-**	**(1)**	**-**	**2,878**	**1,558**
of which Corporate and investment banking	1,818	498	-	-	-	(1)	-	1,817	497
of which Asset servicing (3)	909	909	152	-	-	-	-	1,061	1,061
Corporate Centre (4)	**122**	**115**	**43**	**-**	**(9)**	**-**	**-**	**165**	**150**
TOTAL	**22,987**	**16,189**	**332**	**-**	**(9)**	**19**	**-**	**23,343**	**16,530**
Group Share	**20,998**	**14,372**	**264**	**(13)**	**(10)**	**26**	**-**	**21,281**	**14,640**
Non-controlling interests	**1,988**	**1,816**	**67**	**13**	**-**	**(6)**	**-**	**2,063**	**1,890**

(1) Increase in the goodwill of French Retail Banking in the amount of +€52 million at 31 December 2023 in connection with the acquisition of the entity Hypérion Développement.
(2) Increase in the goodwill of Specialised Financial Services in the amount of +€85 million at 31 December 2023 in connection with the acquisition of ALD and LeasePlan (€58 million) and FreeCars (€27 million).
(3) Increase in gross goodwill of Large Customers in the amount of +€152 million at 31 December 2023 in connection with the acquisition of European activities of RBC Investor Services by CACEIS.
(4) Increase in the gross goodwill of the Corporate Centre in the amount of €43 million at 31 December 2023 in connection with the acquisitions made by CA Immobilier.

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 (2024-2026) 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 war in Ukraine, a gradual decrease in inflation and a context of markedly higher interest rates in the long term. Different economies' degrees of resilience to this environment vary, however, depending on their economic structures and their budgetary and monetary room for manoeuvre.

Global growth slowed considerably in 2023 and is expected to remain below its potential in 2024. Unlike in the Eurozone, US growth accelerated in 2023, driven by strong growth at the beginning of the year, resilient domestic demand (robust private consumption) and a vigorous labour market. The contractionary effects of monetary policy will have a delayed impact on activity, and will further affect growth, which is expected to slow sharply in 2024.

In the Eurozone, the inflation shock weighed heavily on consumption and the rise in interest rates hindered investment (particularly in construction). Exports suffered from slowing Chinese growth and sluggish intra-zone demand. Budgetary measures to support growth were tapered off and are now on the way to being scrapped altogether. The Eurozone, however, experienced a soft landing, with growth falling significantly but stopping short of going into recession.

A "slight" increase in growth in the Eurozone is forecast for 2024 (a rate of 0.7%, compared with 0.5% in 2023), before a moderate upturn in 2025. Growth will remain below its potential due to the competitiveness shock brought about by the war in Ukraine, which is expected to persist. These forecasts are based on (i) inflationary tensions receding very gradually in 2024 but with an inflation rate exceeding the target of 2%, (ii) a recovery in consumption that will be limited, due in particular to the absence of a price-wage loop, (iii) Limited effects on supply and global procurement chains in the absence of an acute escalation of the conflict in the Middle East, but a real risk of rising freight costs.

In monetary policy terms, priority is still given to fighting inflation. Despite the slowdown, Central Banks will not risk lowering their guard too quickly, especially since core inflation may prove more resilient than planned. In the US, after aggressive rate rises in 2022 (425 basis points) and more modest rises in 2023 (100 basis points), bringing the target range to 5.25%-5.50%, the Fed seems to have reached the end of its monetary tightening cycle, but remains vigilant about the evolution of inflation before any relaxation of monetary conditions.

In the Eurozone, the ECB is also committed to monetary tightening and has raised its rates by 450 basis points since summer 2022, thereby going from an extremely accommodating level to a restrictive threshold. The ECB seems to have reached the end of its cycle of raising interest rates, and an initial rate reduction of 25 basis points is envisaged in the third quarter of this year, to be followed by three other subsequent reductions of 50 basis points each. The refinancing rate should therefore be 3.75% at the end of 2024 and 2.75% at the end of 2025. In parallel, long-term rates will begin a more gradual reduction, accompanying a rather modest upturn in economic activity.

As of 31 December 2023, 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 2023 (for Crédit Agricole S.A. fully consolidated entities)	Perpetual growth rates	Discount rates	Capital allocated
French Retail Banking – LCL	2.0%	7.9%	10.67%
International Retail Banking – Italy	2.0%	9.4%	9.48%
International Retail Banking – Others	5.0%	18.86%	12.50%
Specialised Financial Services	2.0%	7.9% to 9.9%	10.22% to 10.53%
Asset Gathering	2.0%	7.9% to 8.8%	9.96% to 10.31% 80% of the solvency margin (Insurance)
Large Customers	2.0%	8.4% to 9.8%	9.96% to 10.49%

Valuation parameters, in particular the discount rates, were updated to 31 December 2023. Discount rates are determined based on a rolling monthly average over 15 years. The discount rate level is broadly stable compared to the prior financial year.

Perpetual growth rates as of 31 December 2023 remain unchanged from those used as of 31 December 2022.

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 equity 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 2023	+100 bp	-50 bp	+50 bp	-10%	10%	-100 bp	100 bp
French Retail Banking – LCL	(3.4%)	+8.6%	(7.2%)	+1.9%	(1.9%)	+2.9%	(2.9%)
International Retail Banking – Italy	(3.3%)	+5.5%	(4.8%)	+2.0%	(2.0%)	+2.2%	(2.2%)
International Retail Banking – Others	(5.3%)	+4.1%	(3.8%)	+1.5%	(1.5%)	+1.6%	(1.6%)
Specialised Financial Services	(2.2%)	+9.8%	(8.3%)	+8,0%	(8.0%)	+3.9%	(3.9%)
Asset Gathering	(0.6%)	+9.4%	(8.0%)	NS	NS	+1.5%	(1.5%)
Large Customers	(1.0%)	+7.2%	(6.3%)	+0.8%	(0.8%)	+2.3%	(2.3%)

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.

- **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;
  - a 100-basis point increase in the level of CET1 equity 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 consolidated carrying amount for all the CGUs.

6.16 PROVISIONS

(in millions of euros)	31/12/2022	Changes in scope	Additions	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	31/12/2023
Home purchase schemes risks	748	-	3	-	(488)	-	-	262
Execution risks of commitments by signature	1,834	-	3,052	(10)	(3,005)	(15)	6	1,863
Operational risks	457	1	119	(27)	(166)	-	1	385
Employee retirement and similar benefits(1)	1,372	60	188	(188)	(70)	(14)	211	1,559
Litigation	546	2	134	(84)	(91)	-	6	513
Equity investments	7	-	5	(1)	(2)	-	-	9
Restructuring	13	-	-	(3)	(5)	-	-	5
Other risks	667	116	423	(139)	(145)	(13)	4	912
TOTAL	**5,643**	**179**	**3,925**	**(450)**	**(3,973)**	**(44)**	**228**	**5,508**

(1) Of which €998 million for post-employment benefits under defined-benefit schemes, as detailed in Note 7.4, including €170 million for the provision for long-service awards.

At 31 December 2023, employee retirement schemes and similar benefits included €156 million (€223 million at 31 December 2022) 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)	31/12/2021	Changes in scope	Additions	Reversals, amounts used	Reversals, amounts unused	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)	(3,157)	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	819	(5)	191	(182)	(153)	2	(4)	667
TOTAL	**7,094**	**(53)**	**3,800**	**(546)**	**(4,204)**	**35**	**(482)**	**5,643**

(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.

INVESTIGATIONS, INFORMATION REQUESTS AND LITIGATION PROCEEDINGS

In the normal course of business, Crédit Agricole Group is regularly subject to litigation proceedings, as well as requests for information, investigations, controls and other regulatory or judicial procedures from various institutions in France and abroad. The provisions recognized reflect the management's best judgement, considering the information in its possession at the closing date of the accounts.

Cheque Image Exchange (CIE) case

LCL and Crédit Agricole S.A. and ten other banks were served notice of grievances in March 2008 on behalf of the *Conseil de la concurrence* i.e. the French Competition Council, which has since been replaced by 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 constituted 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 anti-competitiveness of the fees and contested the legality of the proceedings.

In its decision published on 20 September 2010, the French Competition Authority ruled that the Cheque Image Exchange fee (CEIC) was anti-competitive by its very purpose. Concerning one of the fees for related services, the fee for cancellation of wrongly cleared transactions (AOCT), 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 fee.

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.

On appeal by the French Competition Authority, 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, 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 brought the case before the Paris Court of Appeal.

In its ruling on 21 December 2017, the Paris Court of Appeal confirmed the decision of the French Competition Authority dated 20 September 2010 but reduced the sanction on Crédit Agricole from €82,940,000 to €76,560,000. LCL's sanction remains unchanged, at an amount of €20,930,000.

As well as the other banks party 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 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 fee 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.

In its ruling dated 28 June 2023, the French Supreme Court *(Cour de cassation)* dismissed the French Competition Authority's appeal, definitively confirming that the CEIC and the AOCT fees did not constitute a restriction of competition by object, and that it had not been established that the CEIC had resulted in the effect of distorting, restricting or preventing normal competition between banks. This decision puts a definitive end to the case.

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 Crédit Agricole S.A. and Crédit Agricole CIB. The agreement with the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury is with Crédit Agricole CIB. Crédit Agricole CIB also entered into separate Deferred Prosecution Agreements (DPAs) with the United States Attorney's Office for the District of Columbia (USAO) and the District Attorney of the County of New York (DANY), the terms of which are three years. On 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. On 20 December 2023, the Court handed down its decision, reducing the fine to €110,000,000 and dismissing some of the practices imputed to Crédit Agricole S.A. and Crédit Agricole CIB. Crédit Agricole S.A. and Crédit Agricole CIB are looking into the opportunity to appeal this ruling.

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 CHF4,465,701 and proceeding costs of CHF187,012 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. The hearing before the Court was held on 16 June 2023 and the deliberation date is not known at this stage.

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 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 the US District Court of New York.

On 29 December 2018, the same group of individuals, joined by 57 new plaintiffs, filed a separate action ("O'Sullivan II") against the same defendants.

On 21 December 2018, a different group of individuals also 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 judgement 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.

Proceedings: with regard to the "O'Sullivan" case, 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.). ("Freeman I"). (The "O'Sullivan II" case has been stayed pending resolution of the "O'Sullivan I" and "Tavera" cases, previously stayed pending the outcome of the appeal proceedings in the "Freeman I" case.) On 5 June 2023, the Court extended the stay of the "O'Sullivan I" and "O'Sullivan II" lawsuits pending a ruling by the US Supreme Court in the "Freeman I" case. On 2 October 2023, the Supreme Court dismissed the petition for review of the ruling by the Second Circuit Court of Appeals in the "Freeman I" case. On 9 November 2023, the Court extended the stay pending resolution of certain petitions filed before the District Court in the "Freeman I" and related cases, most notably Freeman vs. HSBC Holdings, PLC, 18-cv-7359 (E.D.N.Y.) ("Freeman II") and Stephens vs. HSBC Holdings PLC, 18-cv-7439 (E.D.N.Y.).

With regard to the "Tavera" case, on 12 September 2023 the Court extended the stay until the Supreme Court's ruling on the "Freeman I" case. On 2 October 2023, the Supreme Court dismissed the petition for review of the ruling by the Second Circuit Court of Appeals in the "Freeman I" case. On 8 November 2023, the Court extended the stay pending resolution of certain petitions filed before the District Court in the Freeman I, Freeman II and Stephens cases and ordered the plaintiffs to submit a status report on 1 April 2024.

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.

CA Bank Polska

Between 2007 and 2008, CA Bank Polska, along with other Polish banks, granted mortgage loans denominated or indexed in Swiss francs (CHF) and repayable in PLN. The significant increase in the exchange rate of the CHF against Poland's national currency (PLN) led to a sharp rise in loan repayments for borrowers.

The courts deem the clauses in these loan contracts that allow banks to unilaterally set applicable exchange rates to be abusive and as a result, the number of disputes with banks is constantly rising.

In May 2022, CA Bank Polska introduced an out-of-court settlement programme for claims raised by borrowers.

Action by H2O fundholders

On 20 and 26 December 2023, a total of 6,077 individuals and legal entities belonging to an association known as "CollectifPorteurs H2O" brought legal action against CACEIS Bank before the Paris Commercial Court, along with Natixis Investment Managers and KPMG Audit, as part of a substantive lawsuit filed directly against H2O AM LLP, H2O AM Europe SAS and H2O AM Holding.

The plaintiffs are holders of units in funds managed by companies in the H2O group, some of whose assets were hived off into side pockets in 2020, and holders of life insurance policies invested in unit-linked policies representing these funds. The plaintiffs are seeking a judgement that will hold all defendants jointly and severally liable for damages in respect of the loss they consider to have incurred as a result of the hive-off of the funds in question, which they estimate at €723,826,265.98.

In seeking to hold CACEIS Bank jointly and severally liable with the H2O group and other co-defendants, the plaintiffs allege that CACEIS Bank breached its duty of care as the funds' custodian.

HOME PURCHASE SAVING PLANS

Deposits collected in home purchase savings accounts and plans during the savings phase

(in millions of euros)	31/12/2023	31/12/2022
HOME PURCHASE SAVINGS PLANS		
Under 4 years old	9,612	9,441
Between 4 and 10 years old	45,462	52,584
Over 10 years old	40,718	44,025
TOTAL HOME PURCHASE SAVINGS PLANS	95,792	106,050
TOTAL HOME PURCHASE SAVINGS ACCOUNTS	13,917	13,463
TOTAL DEPOSITS COLLECTED UNDER HOME PURCHASE SAVINGS CONTRACTS	**109,709**	**119,513**

Customer assets, excluding government subsidies, are based on the carrying amount at the end of November 2023 for the financial statements at 31 December 2022 and at the end of November 2022 for the financial statements at 31 December 2022.

Outstanding loans granted to holders of home purchase savings accounts and plans

(in millions of euros)	31/12/2023	31/12/2022
Home purchase savings plans	69	18
Home purchase savings accounts	85	94
TOTAL OUTSTANDING LOANS GRANTED UNDER HOME PURCHASE SAVINGS CONTRACTS	**154**	**112**

Provision for home purchase savings accounts and plans

(in millions of euros)	31/12/2023	31/12/2022
HOME PURCHASE SAVINGS PLANS		
Under 4 years old	50	-
Between 4 and 10 years old	86	130
Over 10 years old	123	618
TOTAL HOME PURCHASE SAVINGS PLANS	259	748
TOTAL HOME PURCHASE SAVINGS ACCOUNTS	3	-
TOTAL PROVISIONS FOR HOME PURCHASE SAVINGS CONTRACTS	**262**	**748**

Home Purchase Saving Plans have three components:

- a savings component linked to an option sold to HPSP (Home Purchase Saving Plan) holders to extend their investment under pre-set rate conditions;
- a commitment component linked to HPSP and HPSA (Home Purchase Saving Account) credits which may be achieved in the future under pre-set rate conditions;
- a credit component linked to HPSP and HPSA loans already made at rate conditions which, at the time they were made, may not have been the same as the market rates.

Until the first half of 2022, only the savings component was significant. The low level of interest rates made the savings component of the HPSP attractive (mainly for older originations with rates above 2%). The sudden rise in rates led the Group to freeze the plan at the 30 June 2022 level.

Since the situation stabilised in the second half of 2023 with a once again consistent hierarchy of rates between customer products, the Group updated the parameters of the Home Savings Plan model. With the new rate environment, the savings component is significantly reduced and the commitment component now represents 90% of the plan.

The calculation of the provision for the commitment component takes into account parameters which have been set according to expert opinion for HPSP originations with rates of 2.5%, 2%, 1.5% and 1%: the quarterly utilisation coefficient of loan entitlements and the rate of loans granted within the framework of the HPSP contract. These parameters were set according to expert opinion to the extent that the history at our disposal which would have allowed their appraisal does not reflect current conditions.

An increase of 0.1% in the quarterly utilisation coefficient of loan entitlements would (all things being equal) lead to a 7% increase in the provision for the Crédit Agricole Group. An increase of 0.1% in the rate of loans granted under the HPSP contract would (all things being equal) lead to a decrease in the provision of 12% for the Crédit Agricole Group.

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 plans and accounts collected by the Regional Banks are recognised at 100% as liabilities in the consolidated financial statements of the Crédit Agricole Group.

Half of the amount of outstanding loans related to home purchase savings plans and accounts is recognised by the 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. and LCL and the Regional Banks.

Consequently, the ratio between the provision booked and the amounts outstanding shown on Crédit Agricole Group's balance sheet is not representative of the level of provisioning for the home purchase savings risk.

6.17 SUBORDINATED DEBT

(in millions of euros)	31/12/2023	31/12/2022
Dated subordinated debt (1)	24,987	22,950
Undated subordinated debt (2)	7	3
Mutual security deposits	212	201
Participating securities and loans	2	2
CARRYING AMOUNT	**25,208**	**23,156**

(1) Includes issues of dated subordinated notes (TSR).
(2) Includes issues of deeply subordinated notes (TSS) and undated subordinated notes (TSDI).

SUBORDINATED DEBT ISSUES

The Crédit Agricole Group subordinated debt issues are part of the management of equity, while contributing to the refinancing of all of the Crédit Agricole Group's operation.

The European Directive and Regulation on capital requirements for credit institutions and investment firms (CRD IV/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). Consequently, subordinated debt instruments are converted into capital or impaired as a priority and in any case before unsecured senior debt instruments, particularly in the event of implementation of the bail-in tool by the competent authorities as part of the resolution of the issuing entity. Likewise, in the event of liquidation of this same issuing entity, the creditors of these subordinated debt instruments will only potentially be paid, if there are still available funds after the preferred and non-preferred unsecured debt instruments are paid.

(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.

6.18 UNDATED FINANCIAL INSTRUMENTS

The main issues of undated subordinated and deeply subordinated debt classified in shareholders' Equity – Group share are:

					At 31 December 2023			
		Amount in currency at 31 December 2022	Partial repurchases and redemptions	Amount in currency at 31 December 2023	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 units)*	*(in millions of units)*	*(in millions of units)*	*(in millions of units)*
23/01/2014	USD	1,750	-	1,750	1,283	(1,204)	(8)	72
08/04/2014	GBP	103	-	103	126	(88)	(1)	36
19/01/2016	USD	1,250	-	1,250	1,150	(716)	(8)	425
26/02/2019	USD	1,250	-	1,250	1,098	(357)	(7)	734
14/10/2020	EUR	750	-	750	750	(96)	(5)	649
23/06/2021	GBP	397	-	397	481	(88)	(1)	392
04/01/2022	USD	1,250	-	1,250	1,102	(109)	(8)	985
1/10/2023	EUR	-	-	1,250	1,250	(86)	(9)	1,155
Crédit Agricole S.A. issues	**-**		**-**	**-**	**7,240**	**(2,744)**	**(47)**	**4,448**
Group share/ Non controlling interests effect						101	-	101
Issues subscribed by Crédit Agricole CIB for currency regulation					-	-	-	-
TOTAL					**7,240**	**(2,643)**	**(47)**	**4,549**

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 2022	Partial repurchases and redemptions	Amount in currency at 31 December 2023	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	(119)	626	626	(255)
1/13/2015	EUR	1,000	(380)	620	620	(211)
Insurance issues	**-**	**-**	**-**	**-**	**1,246**	**(466)**
TOTAL					**1,246**	**(466)**

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)	31/12/2023	31/12/2022	31/12/2023	31/12/2022
UNDATED DEEPLY SUBORDINATED NOTES				
Interests paid accounted as reserves	(479)	(420)	(33)	(17)
Changes in nominal amounts	1,231	1,101	(499)	-
Income tax savings related to interest paid to security holders recognised in net income	133	113	-	-
Issuance costs (net of tax) accounted as reserves	(4)	(8)	-	-
Other	-	-	(191)	-
UNDATED SUBORDINATED NOTES			-	
Interests paid accounted as reserves	-	-	102	(76)
Changes in nominal amounts	-	-	-	-
Income tax savings related to interest paid to security holders recognised in net income	23	20	-	-
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.

6.19 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".

						31/12/2023
(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Cash, Central Banks	180,723	-	-	-	-	180,723
Financial assets at fair value through profit or loss	132,314	46,309	62,605	88,720	197,326	527,274
Hedging derivative Instruments	2,199	1,157	11,265	17,430	-	32,051
Financial assets at fair value through other comprehensive income	5,758	14,866	65,529	130,076	8,220	224,449
Financial assets at amortised cost	207,566	131,938	524,409	534,497	1,194	1,399,604
Revaluation adjustment on interest rate hedged portfolios	(14,662)					(14,662)
TOTAL FINANCIAL ASSETS BY MATURITY	**513,898**	**194,270**	**663,808**	**770,723**	**206,740**	**2,349,439**
Central Banks	274	-	-	-	-	274
Financial liabilities at fair value through profit or loss	142,358	39,562	87,948	80,586	3,428	353,882
Hedging derivative Instruments	3,825	996	8,973	20,630	-	34,424
Financial liabilities at amortised cost	1,131,553	139,050	148,795	71,324	-	1,490,722
Subordinated debt	66	635	15,081	9,207	219	25,208
Revaluation adjustment on interest rate hedged portfolios	(12,212)					(12,212)
TOTAL FINANCIAL LIABILITIES BY MATURITY	**1,265,864**	**180,243**	**260,797**	**181,747**	**3,647**	**1,892,298**

	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	107,261	35,233	52,511	68,994	182,102	446,101
Hedging derivative Instruments	5,300	2,976	14,333	27,885	-	50,494
Financial assets at fair value through other comprehensive income	7,412	21,625	71,662	113,556	4,961	219,216
Financial assets at amortised cost	195,404	131,120	497,554	517,614	1,518	1,343,209
Revaluation adjustment on interest rate hedged portfolios	(32,662)					(32,662)
TOTAL FINANCIAL ASSETS BY MATURITY	**493,519**	**190,954**	**636,060**	**728,049**	**188,581**	**2,237,162**
Central Banks	59	-	-	-	-	59
Financial liabilities at fair value through profit or loss	120,788	23,704	61,470	76,383	3,113	285,458
Hedging derivative Instruments	7,749	3,763	11,036	24,776	-	47,324
Financial liabilities at amortised cost	1,129,748	165,034	123,451	49,331	-	1,467,564
Subordinated debt	27	601	12,163	10,164	201	23,156
Revaluation adjustment on interest rate hedged portfolios	(16,483)					(16,483)
TOTAL FINANCIAL LIABILITIES BY MATURITY	**1,241,888**	**193,102**	**208,120**	**160,654**	**3,314**	**1,807,078**

NOTE 7 EMPLOYEE BENEFITS AND OTHER COMPENSATION

7.1 ANALYSIS OF EMPLOYEE EXPENSES

(in millions of euros)	31/12/2023	31/12/2022
Salaries [(1)] [(2)]	(9,927)	(9,053)
Contributions to defined-contribution plans	(847)	(819)
Contributions to defined-benefit plans	(63)	(102)
Other social security expenses	(2,757)	(2,498)
Profit-sharing and incentive plans	(840)	(853)
Payroll-related tax	(929)	(889)
TOTAL EMPLOYEE EXPENSES	**(15,364)**	**(14,214)**

(1) Regarding deferred variable compensation paid to market professionals, the Crédit Agricole Group booked a charge for share-based payments of €86.5 million at 31 December 2023 compared with €61 million at 31 December 2022.
(2) Of which retirement-related indemnities amounted to €233 million at 31 December 2023, compared with €315 million at 31 December 2022.

7.2 AVERAGE HEADCOUNT FOR THE PERIOD

Average headcount	31/12/2023	31/12/2022
France	111,532	108,182
International	42,670	36,638
TOTAL	**154,202**	**144,820**

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 financial 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 31/12/2023	Estimate number of employees covered as at 31/12/2022
Central Support functions	UES Crédit Agricole S.A.	Agriculture industry plan 1.24%	1,902	1,791
Central Support functions	UES Crédit Agricole S.A.	"Article 83" Group Executive managers plan	196	238
French Retail Banking – LCL	LCL	"Article 83" Group Executive managers plan	229	253
Large Customers	Crédit Agricole CIB	"Article 83" type plan	5,852	5,579
Asset Gathering	CAAS/ Pacifica/SPIRICA	Agriculture industry plan 1.24%	5,112	4,728
Asset Gathering	CAAS/Pacifica/SPIRICA	"Article 83" Group Executive managers plan	75	79
Asset Gathering	CACI/CA Indosuez Wealth (France)/CA Indosuez Wealth (Group)/Amundi	"Article 83" type plan	4,103	4,062

7.4 POST-EMPLOYMENT BENEFITS, DEFINED-BENEFIT SCHEMES

CHANGE IN ACTUARIAL LIABILITY

(in millions of euros)	31/12/2023 Eurozone	31/12/2023 Outside Eurozone	31/12/2023 All Zones	31/12/2022 All Zones
Actuarial liability at 31/12/N-1	**2,348**	**1,433**	**3,781**	**4,692**
Translation adjustments	-	53	53	25
Cost of service rended during the period	141	32	172	215
Financial cost	86	45	131	42
Employee contributions	1	20	21	19
Benefit plan changes, withdrawals and settlement	(55)	-	(55)	(4)
Changes in scope	75	10	86	(9)
Benefits paid (mandatory)	(156)	(77)	(233)	(315)
Tax, administrative costs and bonuses	-	-	-	-
Actuarial gains/(losses) arising from changes in demographic assumptions (1)	44	(5)	39	109
Actuarial gains/(losses) arising from changes in financial assumptions (1)	93	85	178	(993)
ACTUARIAL LIABILITY AT END OF PERIOD	**2,577**	**1,596**	**4,173**	**3,781**

(1) Including actuarial gains and losses related to experience adjustments.

BREAKDOWN OF THE NET EXPENSE RECOGNISED IN THE INCOME STATEMENT

			31/12/2023	31/12/2022
(in millions of euros)	Eurozone	Outside Eurozone	All Zones	All Zones
Service cost	(86)	(32)	(119)	(212)
Income/expenses on net interests	18	(1)	17	21
IMPACT ON PROFIT OR LOSS FOR THE YEAR	**(68)**	**(33)**	**(102)**	**(191)**

BREAKDOWN OF INCOME RECOGNISED IN OTHER COMPREHENSIVE INCOME ON ITEMS THAT MAY NOT BE RECLASSIFIED TO PROFIT AND LOSS

			31/12/2023	31/12/2022
(in millions of euros)	Eurozone	Outside Eurozone	All Zones	All Zones
Revaluation from net liabilities (from net assets)				
Total amount of actuarial gains or losses recognised in other comprehensive income that will not be reclassified to profit or loss at beginning of period	**394**	**116**	**511**	**1,027**
Translation adjustments	-	1	1	3
Actuarial gains/(losses) on assets	13	(14)	(1)	360
Actuarial gains/(losses) arising from changes in demographic assumptions [(1)]	44	(5)	39	109
Actuarial gains/(losses) arising from changes in financial assumptions [(1)]	93	85	178	(993)
Adjustment of assets restriction's impact	5	2	7	4
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	**549**	**185**	**735**	**511**

(1) Including actuarial gains and losses related to experience adjustments.

CHANGE IN FAIR VALUE OF ASSETS

			31/12/2023	31/12/2022
(in millions of euros)	Eurozone	Outside Eurozone	All Zones	All Zones
Fair value of assets at beginning of period	**1,965**	**1,408**	**3,374**	**3,667**
Translation adjustments	-	50	50	18
Interests on asset (income)	72	45	118	37
Actuarial gains/(losses)	(10)	14	4	(364)
Employer contributions	40	33	73	177
Employee contributions	1	20	21	19
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	39	11	50	5
Tax, administrative costs and bonuses	-	(1)	(1)	(1)
Benefits paid out under the benefit plan	(96)	(75)	(171)	(184)
FAIR VALUE OF ASSETS AT END OF PERIOD	**2,011**	**1,505**	**3,515**	**3,374**

CHANGE IN FAIR VALUE OF REIMBURSEMENT RIGHTS

			31/12/2023	31/12/2022
(in millions of euros)	Eurozone	Outside Eurozone	All Zones	All Zones
Fair value of reimbursement rights at beginning of period	**225**	**-**	**225**	**288**
Translation adjustments	-	-	-	-
Interests on reimbursement rights (income)	8	-	8	1
Actuarial gains/(losses)	(3)	-	(3)	5
Employer contributions	15	-	15	1
Employee contributions	-	-	-	-
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	2	-	2	(4)
Tax, administrative costs and bonuses	-	-	-	-
Benefits paid out under the benefit plan	(10)	-	(10)	(66)
FAIR VALUE OF REIMBURSEMENT RIGHTS AT END OF PERIOD	**237**	**-**	**237**	**225**

NET POSITION

			31/12/2023	31/12/2022
(in millions of euros)	Eurozone	Outside Eurozone	All Zones	All Zones
Closing actuarial liability	**(2,577)**	**(1,596)**	**(4,173)**	**(3,781)**
Impact of asset restriction	(19)	(9)	(28)	(21)
Fair value of assets at end of period	2,011	1,505	3,515	3,374
Other [(1)]	(16)	(3)	(18)	(37)
NET POSITION OF ASSETS/(LIABILITIES) AT END OF PERIOD	**(601)**	**(103)**	**(704)**	**(465)**

(1) Following the adjustment of €86 million recognised on 1 January 2021 in respect of Article 137-11 of the pension scheme, the commitment remaining to be adjusted amounts to €12 million at 31 December 2023, an adjustment of €26 million having been recognised for financial year 2023.

DEFINED-BENEFIT SCHEMES: MAIN ACTUARIAL ASSUMPTIONS

	31/12/2023		31/12/2022	
(in millions of euros)	Eurozone	Outside Eurozone	Eurozone	Outside Eurozone
Discount rate [(1)]	3.14%	2.77%	3.46%	3.29%
Actual return on plan assets and on reimbursement rights	3.93%	3.99%	(3.25)%	(18.67)%
Expected salary increase rates [(2)]	1.78%	1.75%	1.62%	1.74%
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	15.2%	341	99	28.6%	430	430	20.6%	771	529
Bonds	56.5%	1,268	275	38.2%	575	576	49.1%	1,843	850
Property/Real estate	7.8%	176	-	11.3%	170	-	9.2%	347	-
Other assets	20.5%	462	-	21.8%	329	-	21.1%	790	-

(1) Of which fair value of reimbursement rights.

At 31 December 2023, sensitivity rates showed that:

- a 50-basis point increase in discount rates would reduce the commitment by -4.96%;
- a 50-basis point decrease in discount rates would increase the commitment by +5.31%.

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 84% covered at 31 December 2023 (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 the Crédit Agricole Group for these other employment-related commitments amounted to €561 million at 31 December 2023.

7.6 SHARE-BASED PAYMENTS

7.6.1 STOCK OPTIONS PLAN

No new plan was implemented in 2023.

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 2024, March 2025, March 2026, March 2027 and March 2028.

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)	31/12/2023	31/12/2022
Owned property, plant & equipment	11,329	8,598
Right-of-use on lease contracts	2,096	2,170
TOTAL PROPERTY, PLANT & EQUIPMENT USED IN OPERATIONS	**13,425**	**10,768**

The 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. The 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

The Crédit Agricole Group is the lessee of many assets including offices, agencies and computer equipment.

Information relating to the contracts of which the Crédit Agricole Group is a lessee is presented below:

(in millions of euros)	31/12/2022	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2023
PROPERTY/REAL ESTATE							
Gross amount	3,530	105	426	(451)	(8)	(20)	3,582
Depreciation and impairment	(1,444)	(24)	(431)	281	1	10	(1,607)
TOTAL PROPERTY/REAL ESTATE	**2,086**	**81**	**(5)**	**(170)**	**(7)**	**(10)**	**1,975**
EQUIPMENT							
Gross amount	279	-	112	(150)	2	-	244
Depreciation and impairment	(195)	-	(53)	127	(2)	-	(123)
TOTAL EQUIPMENT	**84**	**-**	**59**	**(23)**	**-**	**-**	**121**
TOTAL RIGHT-OF-USE	**2,170**	**81**	**54**	**(193)**	**(7)**	**(10)**	**2,096**

(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	3,510	(9)	478	(449)	(5)	5	3,530
Depreciation and impairment	(1,334)	-	(461)	351	-	-	(1,444)
TOTAL PROPERTY/REAL ESTATE	**2,176**	**(9)**	**17**	**(98)**	**(5)**	**5**	**2,086**
EQUIPMENT							
Gross amount	331	(1)	30	(78)	(1)	(3)	279
Depreciation and impairment	(193)	1	(52)	47	-	3	(195)
TOTAL EQUIPMENT	**138**	**-**	**(22)**	**(31)**	**(1)**	**-**	**84**
TOTAL RIGHT-OF-USE	**2,314**	**(9)**	**(5)**	**(129)**	**(6)**	**5**	**2,170**

MATURITY SCHEDULE OF LEASE LIABILITIES

	31/12/2023			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total lease liabilities
Lease liabilities	486	1,016	653	2,155

	31/12/2022			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total lease liabilities
Lease liabilities	570	1,091	580	2,241

DETAILS OF RENTAL CONTRACT INCOME AND EXPENSES

(in millions of euros)	31/12/2023	31/12/2022
Interest expense on lease liabilities	(43)	(31)
Expense relating to short-term leases	(69)	(94)
Expense relating to leases of low-value assets	(67)	(52)
Expense relating to variable lease payments not included in the measurement of lease liabilities	(15)	(17)
Income from subleasing right-of-use assets	2	1
Gains or losses arising from leaseback transactions	-	-
Gains or losses arising from lease modifications	-	1
Depreciation for right-of-use assets	(495)	(508)
TOTAL EXPENSE AND INCOME ON LEASE CONTRACTS	**(688)**	**(700)**

CASH FLOW AMOUNTS FOR THE PERIOD

(in millions of euros)	31/12/2023	31/12/2022
Total Cash outflow for leases	(527)	(622)

8.2 LEASES FOR WHICH THE GROUP IS THE LESSOR

The 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 car rental. 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)	31/12/2023	31/12/2022
Finance leases	**1,633**	**1,437**
Selling profit or loss	(38)	60
Finance income on the net investment in the lease	1,671	1,377
Income relating to variable lease payments	-	-
Operating leases	**977**	**287**
Lease income	977	287

SCHEDULE OF RENT PAYMENTS TO BE RECEIVED

							31/12/2023
(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	7,857	19,080	4,955	31,892	1,542	1,118	31,468

							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	9,559	7,535	20,619	1,219	1,038	20,439

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)	31/12/2023	31/12/2022
COMMITMENTS GIVEN		
Financing commitments	**251,614**	**240,080**
Commitments given to credit institutions	6,098	10,406
Commitments given to customers	245,516	229,674
Guarantee commitments	**122,342**	**113,878**
Credit institutions	8,755	9,958
Customers	113,587	103,920
Securities commitments	**10,527**	**7,120**
Securities to be delivered	10,527	7,120
COMMITMENTS RECEIVED		
Financing commitments	**155,312**	**160,973**
Commitments received from credit institutions	149,884	156,391
Commitments received from customers	5,429	4,582
Guarantee commitments	**447,382**	**450,525**
Commitments received from credit institutions	122,772	122,306
Commitments received from customers	324,610	328,219
Securities commitments	**10,043**	**5,998**
Securities to be received	10,043	5,998

As part of the economic support measures in the wake of the COVID-19 health crisis, the Crédit Agricole Group granted loans for which it received guarantee commitments from the French State (SGLs). At 30 June 2023, these guarantee commitments received amounted to €12.0 billion.

On 23 March 2022, the Governing Council of the European Central Bank decided to gradually lift the temporary measures to ease the monetary policy guarantees introduced in response to the COVID-19 pandemic.

In this context, as from 30 June 2023 Banque de France has discontinued the eligibility of residential mortgage loans within the framework of the exceptional measures put in place in 2011 in response to the financial crisis and accordingly has amended Governor decision 2022-04 of 30 June 2022.

Consequently, the Crédit Agricole Group will no longer post €164 billion of property-related receivables with Banque de France.

Crédit Agricole Group also decided to issue bonds covered by paid-up home loans (FH SFH Covered Bonds) for a total amount of €92 billion. The programme was subscribed by Crédit Agricole S.A. to build up reserves eligible for the European Central Bank's refinancing programme.

The Crédit Agricole Group is pledging €92 billion in property-related receivables as collateral for the FH SFH issue.

FINANCIAL INSTRUMENTS GIVEN AND RECEIVED AS COLLATERAL

(in millions of euros)	31/12/2023	31/12/2022
CARRYING AMOUNT OF FINANCIAL ASSETS PROVIDED AS COLLATERAL (INCLUDING TRANSFERRED ASSETS)		
Securities and receivables provided as collateral for the refinancing structures (Banque de France, CRH, etc.)	308,691	384,799
Securities lent	6,684	6,491
Security deposits on market transactions	19,747	25,491
Other security deposits	-	-
Securities sold under repurchase agreements	142,233	104,923
TOTAL CARRYING AMOUNT OF FINANCIAL ASSETS PROVIDED AS COLLATERAL	**477,354**	**521,704**
CARRYING AMOUNT OF FINANCIAL ASSETS RECEIVED IN GUARANTEE		
Other security deposits	-	-
Fair value of instruments received as reusable and reused collateral		
Securities borrowed	9	8
Securities bought under repurchase agreements	206,995	173,784
Securities sold short	55,843	37,179
TOTAL FAIR VALUE OF INSTRUMENTS RECEIVED AS REUSABLE AND REUSED COLLATERAL	**262,846**	**210,971**

RECEIVABLES PLEDGED AS COLLATERAL

At 31 December 2023, Crédit Agricole S.A. deposited €110.9 billion of receivables (mainly on behalf of the Regional Banks and subsidiaries) for refinancing transactions to the Banque de France, compared to €278.0 billion at 31 December 2022.

At 31 December 2023, Crédit Agricole S.A. deposited €7.2 billion of receivables for refinancing transactions to the Caisse de Refinancement de l'Habitat on behalf of the Regional Banks, compared to €8.2 billion at 31 December 2022, and €1.2 billion of receivables were deposited directly by LCL.

At 31 December 2023, €185.6 billion of Regional Bank receivables and €28.8 billion of LCL receivables were pledged as collateral for the secured bond issues of Crédit Agricole Home Loan SFH, a financial company wholly owned by Crédit Agricole S.A.

As at 31 December 2023, in the context of transactions with EIB/CEB supranationals, Crédit Agricole S.A. deposited €2.5 billion in receivables on behalf of the Regional Banks.

As at 31 December 2023, in the context of refinancing transactions with CDC, Crédit Agricole S.A. deposited €2.3 billion in receivables on behalf of the Regional Banks.

GUARANTEES HELD

Guarantees held and assets received as collateral by the Crédit Agricole 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 central body 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. The Crédit Agricole Group had no such assets at 31 December 2023.

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 Crédit Agricole Group's activity.

RECLASSIFICATION PERFORMED BY THE CRÉDIT AGRICOLE GROUP

In 2023, 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

IFRS 7 requires the disclosure of information on financial instruments that are not recognised at fair value.

Amounts shown under the “carrying amount” of the financial instruments concerned include accrued interests and debt and, in the case of assets, are net of impairment. Furthermore, the carrying amount in the tables includes the fair value of the hedged portion of the micro-hedged items in fair value hedging (see Note 3.5 of these consolidated financial statements). However, the carrying amount of the items presented in this table does not include the revaluation adjustment on interest rate hedged portfolios.

As a reminder, financial assets whose characteristics are SPPI must be recognised at amortised cost if they are managed in a portfolio whose management objective is the collection of contractual cash flows over the lifetime of the assets and whose sales are strictly regulated and limited. Furthermore, to be eligible for this category, they must, in addition to this management method, meet two criteria, 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 (“Solely Payments of Principal & Interests” test or “SPPI” test).

In that sense, disclosures relating to the market value of these instruments must be analysed with special care:

- The values indicated represent an estimate of the market value at 31 December 2023. However, these market values may be subject to variations depending on market data, in particular the interest rate trends and the quality of the credit risk of the counterparties. These fluctuations can lead to a potentially substantial difference between the indicative fair value presented in the table below and the derecognition value, particularly at maturity or close to maturity compatible with a collection management model in which the financial instruments are classified.

  Accordingly, the difference between the indicated fair value and the carrying amount does not represent the institution’s going concern realisable value.
- Given the management model consisting of collecting the cash flows of the portfolio’s financial instruments, it is recalled that these financial instruments are not managed according to their fair value trends and that the performance of these assets is assessed on the basis of the contractual cash flows received over the lifetime of the instrument.
- The estimated indicative fair value of the instruments recognised at amortised cost is subject to the use of valuation models, in particular customer loans and receivables and more specifically those whose valuation is based on Level 3 unobservable data.

FAIR VALUE OF FINANCIAL ASSETS RECOGNISED IN THE BALANCE SHEET AT AMORTISED COST

(in millions of euros)	Value at 31/12/2023	Estimated fair value at 31/12/2023	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
LOANS AND RECEIVABLES	1,288,294	1,250,283	-	104,291	1,145,992
Loans and receivables due from credit institutions	132,353	132,365	-	34,254	98,111
Loans and receivables due from customers	1,155,940	1,117,918	-	70,037	1,047,881
Debt securities	111,311	108,789	85,250	10,276	13,263
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	1,399,604	1,359,072	85,250	114,567	1,159,256

The revaluation adjustment on interest rate hedged portfolios on the assets side of the balance sheet was -€14,662 million at 31 December 2023 compared with -€32,622 at 31 December 2022 and is not included in the carrying amount.

(in millions of euros)	Value at 31/12/2022	Estimated fair value at 31/12/2022	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
LOANS AND RECEIVABLES	1,227,333	1,170,301	-	90,254	1,080,048
Loans and receivables due from credit institutions	114,149	112,966	-	31,074	81,893
Loans and receivables due from customers [(1)]	1,113,184	1,057,334	-	59,180	998,154
Debt securities	115,877	112,451	89,239	8,210	15,002
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	1,343,209	1,282,751	89,239	98,464	1,095,049

(1) For home loans on French markets, the fair value is derived from a discount calculation, the rate of which comes from ALM data. Previously, within the scope of the Regional Banks, the rate used was determined based on loans marketed.

FAIR VALUE OF FINANCIAL LIABILITIES RECOGNISED IN THE BALANCE SHEET AT AMORTISED COST

(in millions of euros)	Value at 31/12/2023	Estimated fair value at 31/12/2023	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Due to credit institutions	108,541	108,449	-	107,486	963
Due to customers	1,121,942	1,121,609	-	747,685	373,924
Debt securities	260,239	259,150	176,950	78,541	3,660
Subordinated debt	25,208	25,113	24,707	402	4
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	1,515,929	1,514,321	201,657	934,114	378,551

The revaluation adjustment on on interest rate hedged portfolios the liabilities side of the balance sheet was -€12,212 million at 31 December 2023 compared with -€16,483 million at 31 December 2022 and is not included in the carrying amount.

(in millions of euros)	Value at 31/12/2022	Estimated fair value at 31/12/2022	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Due to credit institutions	152,156	152,057	-	150,639	1,418
Due to customers	1,093,513	1,092,684	-	720,550	372,135
Debt securities	221,894	218,049	73,344	144,705	-
Subordinated debt	23,156	22,832	22,506	326	-
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	1,490,719	1,485,622	95,850	1,016,219	373,552

11.2 INFORMATION ON FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

ASSESSMENT OF COUNTERPARTY RISK FOR DERIVATIVE ASSETS (CREDIT VALUATION ADJUSTMENT OR CVA) AND NON-PERFORMANCE RISK FOR DERIVATIVE LIABILITIES (DEBIT VALUATION ADJUSTMENT OR DVA OR OWN CREDIT RISK)

The purpose of the counterparty credit valuation adjustment (CVA) is to incorporate the credit risk associated with the counterparty (risk of non-payment of amounts due in the event of default) in the valuation of derivative instruments. This adjustment is calculated overall for each counterparty based on a transaction's future exposure profile net of any collateral. The adjustment is always negative and reduces the fair value of financial instrument assets.

The purpose of the debit valuation adjustment (DVA) specific to our institution is to incorporate the risk borne by our counterparties in the valuation of derivative instruments. This adjustment is calculated overall for each counterparty based on a transaction's future exposure profile. The adjustment is always positive and reduces the fair value of financial instrument liabilities.

CVA/DVA calculations are based on an estimate of expected losses which in turn are based on the probability of default and on the loss given default. The methodology used maximises the use of observable input data. The probability of default is derived in priority directly from listed CDS or proxies of listed CDS where these are deemed sufficiently liquid.

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 validated 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;
- **uncertainty reserves:** 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 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 creditworthiness (Credit Valuation Adjustment/Debit Valuation Adjustment) and to future funding costs and benefits (Funding Valuation Adjustment).

Credit 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 observable input data (probabilities of default are derived in priority directly from 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.

Debit 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 may expose its counterparties in the event of default or a deterioration in its creditworthiness) in the value of 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) and losses incurred in the event of default. The calculation takes into account the Margin Period of Risk (MPR), which is the period of time between the occurrence of Crédit Agricole's default and the effective liquidation of all positions. The methodology used maximises the use of observable input data (use of Crédit Agricole CDS to determine default probabilities). This adjustment is always positive and reduces the fair value of the OTC derivative liabilities held in the portfolio.

Funding 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 OTC derivatives. This adjustment is calculated on the basis of transactions not hedged by a CSA (Credit Support Annex) or covered by a non-perfect/Golden CSA and on the basis of future exposure profiles (positive and negative) 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.

Collateral Valuation Adjustment (ColVA)

The Collateral Valuation Adjustment (ColVA) is a mark-to-market adjustment that aims to incorporate the additional future funding costs and benefits based on the actual funding costs of these securities (on the repo market) into the fair value of OTC derivatives collateralised by non-sovereign securities. This adjustment is calculated per counterparty based on the future exposure of the trading portfolio weighted by a specific spread.

Depending on the case, this adjustment may be a specific provision or be included in mark-to-market figures via a specific discount curve.

Liquidity Valuation Adjustment (LVA)

The Liquidity Valuation Adjustment (LVA) 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 accrued interests and debt and are net of impairment.

Financial assets measured at fair value

(in millions of euros)	31/12/2023	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
HELD FOR TRADING FINANCIAL ASSETS	297,528	46,315	237,474	13,739
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	654	-	-	654
Securities bought under repurchase agreements	141,958	-	134,762	7,196
Pledged securities	-	-	-	-
Held for trading securities	49,996	46,190	3,538	268
Derivative instruments	104,919	125	99,174	5,620
OTHER FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	229,746	119,696	86,554	23,496
Equity instruments at fair value through profit or loss	**43,931**	**19,951**	**10,288**	**13,691**
Debt instruments that do not meet the conditions of the "SPPI" test	**88,424**	**47,172**	**31,812**	**9,440**
Loans and receivables due from credit institutions	501	-	501	-
Loans and receivables due from customers	2,102	-	2,077	25
Debt securities	85,821	47,172	29,234	9,414
Other debt instruments measured by definition at fair value through profit or loss	**2,945**	**-**	**2,945**	**-**
Assets backing unit-linked contracts	**94,362**	**52,573**	**41,424**	**365**
Financial assets designated at fair value through profit or loss	**84**	**-**	**84**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	84	-	84	-
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	224,449	198,027	24,418	2,005
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	8,209	2,912	3,637	1,660
Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	216,240	195,115	20,781	345
HEDGING DERIVATIVE INSTRUMENTS	32,051	-	32,051	-
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**783,774**	**364,038**	**380,496**	**39,239**
Transfers from Level 1: Quoted prices in active markets for identical instruments			339	26
Transfers from Level 2: Valuation based on observable data		894		1,420
Transfers from Level 3: Valuation based on unobservable data		6	1,223	
TOTAL TRANSFERS TO EACH LEVEL		**899**	**1,562**	**1,446**

Transfers between Level 1 and Level 2 mainly involve Treasury bills, bonds and other fixed-income securities.

Transfers from Level 1 to Level 3 mainly involve trading securities.

Transfers from Level 2 to Level 3 mainly involve 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)	31/12/2022	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	242,006	23,234	208,873	9,900
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	1,647	-	1	1,646
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	112,880	254	107,853	4,773
OTHER FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	204,095	113,642	68,216	22,237
Equity instruments at fair value through profit or loss	**47,446**	**24,359**	**10,566**	**12,521**
Debt instruments that do not meet the conditions of the "SPPI" test	**74,642**	**40,616**	**24,525**	**9,502**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	2,654	-	2,466	188
Debt securities	71,988	40,616	22,058	9,314
Other debt instruments measured by definition at fair value through profit or loss	**-**	**-**	**-**	**-**
Assets backing unit-linked contracts	**81,939**	**48,667**	**33,058**	**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	219,216	189,834	27,579	1,803
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	4,784	41	3,267	1,475
Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	214,432	189,793	24,312	327
HEDGING DERIVATIVE INSTRUMENTS	50,494	-	50,494	-
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**715,810**	**326,710**	**355,161**	**33,939**
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**	**1,799**	**485**

Transfers from Level 1 to Level 3 mainly involve the equities and other variable income securities.

Transfers between Level 1 and Level 2 mainly involve Treasury bills, bonds and other fixed-income securities.

Transfers from Level 2 to Level 3 mainly involve securities bought/sold under repurchase agreements of credit institutions and trading derivatives.

Transfers from Level 3 to Level 2 mainly involve securities bought/sold under repurchase agreements of customers and credit institutions and trading derivative instruments.

Financial liabilities measured at fair value

(in millions of euros)	31/12/2023	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Held for trading financial liabilities	**263,878**	**55,781**	**203,697**	**4,400**
Securities sold short	55,851	55,755	86	11
Securities sold under repurchase agreements	111,632	-	108,992	2,640
Debt securities	-	-	-	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	96,395	26	94,619	1,750
Financial liabilities designated at fair value through profit or loss	**90,004**	**13,785**	**57,985**	**18,234**
Hedging derivative instruments	**34,424**	**3**	**34,343**	**78**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**388,307**	**69,569**	**296,026**	**22,712**
Transfers from Level 1: Quoted prices in active markets for identical instruments			-	10
Transfers from Level 2: Valuation based on observable data		5		1,149
Transfers from Level 3: Valuation based on unobservable data		-	1,473	
TOTAL TRANSFERS TO EACH LEVEL		**5**	**1,473**	**1,158**

Liability transfers to and from Level 3 mainly involve securities bought/sold under repurchase agreements to 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)	31/12/2022	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	**231,694**	**37,315**	**190,988**	**3,392**
Securities sold short	37,187	37,116	71	-
Securities sold under repurchase agreements	81,437	-	79,926	1,512
Debt securities	-	-	-	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	113,070	199	110,992	1,880
Financial liabilities designated at fair value through profit or loss	**53,764**	**10,619**	**34,343**	**8,802**
Hedging derivative instruments	**47,324**	**1**	**46,554**	**770**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**332,783**	**47,934**	**271,885**	**12,964**
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 to 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.

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:

- securities bought/sold under repurchase agreements;
- debt designated at fair value:

  Debt designated at fair value is classified in Level 2 when its 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, primarily via brokers' prices. Market consensus, if applicable, allow corroboration of 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 into profit or loss either over the period considered to be unobservable or on the maturity of the deal when the unobservability of the factors is not linked to maturity.

Level 3 therefore mainly includes:

- securities bought/sold under repurchase agreements;
- loans and receivables due from customers;
- securities:

  The unlisted shares or bonds for which no independent valuation is available;
- debt designated at fair value:

  Debt designated at fair value is classified in Level 3 when its 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 map by risk factor/product, underlying (currency, index etc.) and maturity indicating the classification used.

The following are classified primarily 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 (31/12/2022)	33,939	-	1,647	3,283	-	197	4,773
Gains or losses during the period [(1)]	(6)	-	(33)	(74)	-	4	(488)
Recognised in profit or loss	53	-	7	(74)	-	4	(468)
Recognised in other comprehensive income	(59)	-	(40)	-	-	-	(19)
Purchases	12,504	-	691	5,339	-	108	1,524
Sales	(4,289)	-	(1,351)	-	-	(54)	(9)
Issues	6	-	-	-	-	-	-
Settlements	(2,109)	-	(298)	(622)	-	-	(1,079)
Reclassifications	-	-	-	-	-	-	-
Changes associated with scope during the period	(1,021)	-	-	-	-	-	-
Transfers	216	-	-	(730)	-	13	900
Transfers to Level 3	1,446	-	-	134	-	26	1,252
Transfers from Level 3	(1,229)	-	-	(864)	-	(13)	(353)
CLOSING BALANCE (31/12/2023)	**39,239**	**-**	**654**	**7,196**	**-**	**268**	**5,620**

	Equity instruments at fair value through profit or loss	Other financial instruments at fair value through profit or loss							
		Debt instruments that do not meet the conditions of the "SPPI" test					Financial assets designated at fair value through profit or loss		
(in millions of euros)	Equity and other variable income securities ans non-consolidated equity investments	Loans and receivables due from credit institutions	Loans and receivables due from customers	Debt securities	Other debt instruments measured by definition at fair value through profit or loss	Assets backing unit-linked contracts	Loans and receivables due from credit institutions	Loans and receivables due from customers	Debt securities
CLOSING BALANCE (31/12/2022)	12,521	-	188	9,314	-	213	-	-	-
Gains or losses during the period [(1)]	537	-	(1)	35	-	10	-	-	3
Recognised in profit or loss	540	-	(1)	35	-	10	-	-	2
Recognised in other comprehensive income	(3)	-	-	-	-	-	-	-	-
Purchases	2,439	-	1	1,760	-	143	-	-	82
Sales	(997)	-	(103)	(1,697)	-	(2)	-	-	(4)
Issues	-	-	-	-	-	-	-	-	-
Settlements	(6)	-	(59)	(44)	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Changes associated with scope during the period	(939)	-	-	33	-	-	-	-	-
Transfers	135	-	-	14	-	-	-	-	(81)
Transfers to Level 3	90	-	-	27	-	-	-	-	(3)
Transfers from Level 3	45	-	-	(13)	-	-	-	-	(78)
CLOSING BALANCE (31/12/2023)	**13,691**	**-**	**25**	**9,414**	**-**	**365**	**-**	**-**	**-**

(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	Financial assets at fair value through other comprehensive income: Debt instruments at fair value through other comprehensive income that may be reclassified to profit or los	Hedging derivative instruments
CLOSING BALANCE (31/12/2022)	**1,475**	**327**	**-**
Gains or losses during the period [1]	6	-	-
Recognised in profit or loss	3	-	-
Recognised in other comprehensive income	3	-	-
Purchases	478	21	-
Sales	(28)	(46)	-
Issues	5	-	-
Settlements	(2)	-	-
Reclassifications	-	-	-
Changes associated with scope during the period	(115)	-	-
Transfers	(159)	43	-
Transfers to Level 3	(82)	-	-
Transfers from Level 3	(76)	43	-
CLOSING BALANCE (31/12/2023)	**1,660**	**345**	**-**

(1) This balance includes the gains and losses of the period made on assets reported on the balance sheet at the reporting period, for the following amounts:

Gains/ losses for the period from Level 3 assets held at the end of the period	***(3)***
Recognised in profit or loss	(2)
Recognised in other comprehensive income	(1)

Financial liabilities measured at fair value according to Level 3

(in millions of euros)	Total	Held for trading financial liabilities: Securities sold short	Held for trading financial liabilities: Securities sold under repurchase agreements	Held for trading financial liabilities: Debt securities	Held for trading financial liabilities: Due to credit institutions	Held for trading financial liabilities: Due to customers	Held for trading financial liabilities: Derivative Instruments	Financial liabilities designated at fair value through profit or loss	Hedging derivative instruments
CLOSING BALANCE (31/12/2022)	**12,964**	**-**	**1,512**	**-**	**-**	**-**	**1,880**	**8,802**	**770**
Gains or losses during the period [1]	483	-	(26)	-	-	-	(282)	786	5
Recognised in profit or loss	566	-	(26)	-	-	-	(269)	857	5
Recognised in other comprehensive income	(83)	-	-	-	-	-	(12)	(71)	-
Purchases	6,104	1	2,602	-	-	-	406	3,096	-
Sales	(30)	-	-	-	-	-	(22)	(8)	-
Issues	7,371	-	-	-	-	-	-	7,371	-
Settlements	(4,289)	-	(913)	-	-	-	(280)	(2,399)	(697)
Reclassifications	424	-	-	-	-	-	-	424	-
Changes associated with scope during the period	-	-	-	-	-	-	-	-	-
Transfers	(314)	10	(535)	-	-	-	48	163	-
Transfers to Level 3	1,158	10	341	-	-	-	257	550	-
Transfers from Level 3	(1,473)	-	(876)	-	-	-	(209)	(388)	-
CLOSING BALANCE (31/12/2023)	**22,712**	**11**	**2,640**	**-**	**-**	**-**	**1,750**	**18,234**	**78**

(1) This balance includes the gains and losses of the period made on liabilities reported on the balance sheet at the reporting period, for the following amounts:

Gains/ losses for the period from Level 3 assets held at the end of the period	***561***
Recognised in profit or loss	561
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)	31/12/2023	31/12/2022
Deferred margin at beginning of period	**241**	**185**
Margin generated by new transactions during the period	250	180
Margin recognised in net income during the period	(132)	(124)
DEFERRED MARGIN AT END OF PERIOD	**359**	**241**

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 BENCHMARK INDEX REFORMS

REMINDERS ON THE RATE INDEX REFORM AND IMPLICATIONS FOR THE CRÉDIT AGRICOLE GROUP

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 was set at 30 June 2023.

Since 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, 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;
- the orderly and controlled completion of transitions is 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 thus enable Group entities to ensure the continuity of their activity after the disappearance of the benchmarks and to be able to manage the new product offers referencing RFRs or certain forward RFRs while limiting the operational and commercial risks after the cessation of the indexes.

USD LIBOR transition

At Group level, as a result of the strong commitment of the teams and the structure put in place, the transition of almost all contracts was successfully completed through the trigger of the fallback clause either before or at the time of the relevant event and the use of synthetic USD LIBOR was kept to a minimum post 30 June 2023.

For some of these contracts and financial instruments, the Group has also been able to benefit from the system implemented by the US authorities, which validated the designation of a statutory replacement rate for the USD LIBOR for American contracts.

The actions carried out in the second half of 2023 were mainly aimed at completing negotiations that had not been fully finalised before 30 June and effectively switching the leasing contracts before the first interest period based on the replacement index in accordance with the transition strategy adopted.

Apart from a few loans where the transaction's maturity is before the end of synthetic LIBOR and for which borrowers are therefore not inclined to make the transition, and a number of contracts that are in the final stages of renegotiation, all contracts have now switched to an alternative index.

Transition of the other indexes (CDOR, WIBOR, SOR)

At 31 December 2023, the Group still had some exposures to other benchmarks whose non-representativeness or cessation have been announced:

- CDOR (Canada), the cessation of which was announced after 28 June 2024 for the remaining maturities (one-month, two-months and three-months);
- WIBOR (a Polish benchmark classified as critical by the European Commission) for which the cessation schedule has not yet been confirmed by the administrator;
- SIBOR (Singapore), which is scheduled to cease after 31 December 2024 for the one-month and three-months maturities.

The transitions for CDOR and SIBOR concern almost exclusively investment banking while WIBOR is also used within Crédit Agricole Group by CA Poland (retail banking) and CAL&F through the EFL entity (leasing).

Actions continued in the second half of the financial year 2023 in order to prepare the effective switch as early as possible and finalise the inventory of exposed customers and transactions. Crédit Agricole CIB, except where authorised, also stopped the flow of new transactions to CDOR in 2023.

Almost all the CDOR and a large majority of WIBOR transactions are derivatives where it is planned to rely on the ISDA fallback provisions to the extent that most counterparties have adhered to the ISDA 2020 protocol.

MANAGEMENT OF THE RISKS ASSOCIATED WITH THE RATE REFORM

In addition to preparing for and implementing the replacement of the reference indexes, since 2019 the work performed by the Group has covered 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).

The future operational migrations will rely on all the processes and tools previously developed for the transition of the contracts indexed to the IBOR rates, which are no longer published or are already non-representative. In order to limit the operational and commercial risks, the entities affected will also organise proactive transitions wherever possible, in compliance with the recommendations and milestones defined by the authorities.

To date, the potential risks associated with the reform only concern the transition from WIBOR and CDOR for which the challenges are very localised and deemed immaterial for the Group and the transition from SIBOR for which the exposures are extremely marginal.

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.

The outstandings carried forward are those whose maturity date is later than the date of cessation or non-representativeness of the benchmark index.

For the LIBOR USD maturities for which non-representativeness was fixed at 30 June 2023 (one-month, three-months and six-months), the deferred exposures correspond to the remaining transactions/contracts not effectively switched at this date, since their switch was not triggered by the fallback clause in early July 2023 and since they do not fall within the scope of application of the legislative measures implemented by the competent authorities.

For non-derivative financial instruments, the exposures correspond to the nominal value of the securities and the outstanding capital of depreciable instruments.

NOTE 12 IMPACT OF ACCOUNTING DEVELOPMENTS AND OTHER EVENTS

INCOME STATEMENT

Impacts: IFRS 17 at 31 December 2022

(in millions of euros)	31/12/2022 restated	Impact of IFRS 17	31/12/2022 stated
Interest and similar income	37,794	146	37,648
Interest and similar expenses	(16,702)	37	(16,739)
Fee and commission income	15,723	(183)	15,906
Fee and commission expenses	(4,140)	821	(4,961)
Net gains (losses) on financial instruments at fair value through profit or loss	(10,843)	(635)	(10,208)
Net gains (losses) on held for trading assets/liabilities	(4,244)	14	(4,258)
Net gains (losses) on other financial assets/liabilities at fair value through profit or loss	(6,599)	(649)	(5,950)
Net gains (losses) on financial instruments at fair value through other comprehensive income	(226)	-	(226)
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss	(328)	-	(328)
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)	102	-	102
Net gains (losses) arising from the derecognition of financial assets at amortised cost	(42)	-	(42)
Net gains (losses) arising from the reclassification of financial assets at amortised cost to financial assets at fair value through profit or loss	-	-	-
Net gains (losses) arising from the reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value through profit or loss	-	-	-
Net insurance revenue	12,562	12,562	
Insurance revenue	14,009	14,009	
Insurance service expenses	(9,612)	(9,612)	
Income or expenses related to reinsurance contracts held	138	138	
Insurance finance income or expenses	7,981	7,981	
Insurance finance income or expenses related to reinsurance contracts held	46	46	
Credit cost of risk on insurance financial investments	-	-	
Income on other activities	1,721	(49,113)	50,834
Expenses on other activities	(1,043)	33,533	(34,576)
Reclassification related to insurance finance income or expenses recognised directly in equity		(526)	526
REVENUES	**34,804**	**(3,358)**	**38,162**
Operating expenses	(19,288)	3,276	(22,564)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	(1,818)	71	(1,889)
GROSS OPERATING INCOME	**13,698**	**(11)**	**13,709**
Cost of risk	(2,892)	1	(2,893)
OPERATING INCOME	**10,806**	**(10)**	**10,816**
Share of net income of equity-accounted entities	419	(1)	420
Net gains (losses) on other assets	28	-	28
Change in value of goodwill	-	-	-
PRE-TAX INCOME	**11,253**	**(11)**	**11,264**
Income tax charge	(2,647)	(139)	(2,508)
Net income from discontinued operations	121	4	117
NET INCOME	**8,727**	**(146)**	**8,873**
Non-controlling interests	730	1	729
NET INCOME GROUP SHARE	**7,997**	**(147)**	**8,144**

NET INCOME AND OTHER COMPREHENSIVE INCOME

Impacts: IFRS 17 at 31 December 2022

(in millions of euros)	31/12/2022 restated	Impact of IFRS 17	31/12/2022 stated
NET INCOME	8,727	(146)	8,873
Actuarial gains and losses on post-employment benefits	538	-	538
Other comprehensive income on financial liabilities attributable to changes in own credit risk	793	17	776
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	91	-	91
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss	1	1	
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**1,423**	**18**	**1,405**
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**-**	**(18)**	**18**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**(348)**	**(3)**	**(345)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**(2)**	**7**	**(9)**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**-**	**-**	**-**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX	1,073	4	1,069
Gains and losses on translation adjustments	201	-	201
Other comprehensive income on debt instruments that may be reclassified to profit or loss	(41,123)	(33,661)	(7,462)
Gains and losses on hedging derivative instruments	(2,902)	(99)	(2,803)
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss	37,815	37,815	
Insurance finance income or expenses related to reinsurance contracts held recognised in other comprehensive income that will be reclassified to profit or loss	(247)	(247)	
Reclassification related to insurance finance income or expenses recognised directly in equity		569	(569)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**(6,256)**	**4,377**	**(10,633)**
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities, Group Share	**47**	**(1)**	**48**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**1,651**	**(1,092)**	**2,743**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**-**	**-**	**-**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**26**	**-**	**26**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX	(4,532)	3,284	(7,816)
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	(3,459)	3,288	(6,747)
NET INCOME AND OTHER COMPREHENSIVE INCOME	**5,267**	**3,141**	**2,126**
Of which Group share	4,567	3,141	1,426
Of which non-controlling interests	700	-	700

BALANCE SHEET ASSETS

Impacts: IFRS 17 at 31 December 2022

(in millions of euros)	31/12/2022 restated	Impact of IFRS 17	31/12/2022 stated
Cash, Central Banks	210,804	-	210,804
Financial assets at fair value through profit or loss	446,101	14,384	431,717
Held for trading financial assets	*242,006*	*1*	*242,005*
Other financial instruments at fair value through profit or loss	*204,095*	*14,383*	*189,712*
Hedging derivative Instruments	50,494	-	50,494
Financial assets at fair value through other comprehensive income	219,216	2,091	217,125
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	*214,432*	*2,091*	*212,341*
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	*4,784*	*-*	*4,784*
Financial assets at amortised cost	1,343,209	(1,336)	1,344,545
Loans and receivables due from credit institutions	*114,149*	*(130)*	*114,279*
Loans and receivables due from customers	*1,113,184*	*(1,205)*	*1,114,389*
Debt securities	*115,876*	*(1)*	*115,877*
Revaluation adjustment on interest rate hedged portfolios (1)	(32,622)	1	(32,623)
Current and deferred tax assets	9,087	(965)	10,052
Accruals, prepayments and sundry assets	55,990	(2,458)	58,448
Non-current assets held for sale and discontinued operations	134	-	134
Insurance contracts issued that are assets	-	-	
Reinsurance contracts held that are assets	973	973	
Deferred participation benefits		(17,043)	17,043
Investments in equity-accounted entities	4,004	(4,423)	8,427
Investment property	13,162	4,162	9,000
Property, plant and equipment	10,768	(2)	10,770
Intangible assets	3,361	(109)	3,470
Goodwill	16,188	(1)	16,189
TOTAL ASSETS (1)	**2,350,870**	**(4,726)**	**2,355,596**

(1) The balance sheet presentation of the revaluation adjustment on interest rate hedged portfolios was reclassified between assets and liabilities on 31 December 2022. Its net amount was unchanged, amounting to -€16 billion at 31 December 2022.

Impacts: IFRS 17 at 1 January 2022

(in millions of euros)	01/01/2022 restated	Impact of IFRS 17	01/01/2022 stated
Cash, Central Banks	241,191	-	241,191
Financial assets at fair value through profit or loss	449,056	15,922	433,134
Held for trading financial assets	*233,023*	*(8)*	*233,031*
Other financial instruments at fair value through profit or loss	*216,034*	*15,931*	*200,103*
Hedging derivative Instruments	16,029	6	16,023
Financial assets at fair value through other comprehensive income	272,724	4,024	268,700
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	*268,597*	*4,025*	*264,572*
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	*4,127*	*(1)*	*4,128*
Financial assets at amortised cost	1,257,228	(1,055)	1,258,283
Loans and receivables due from credit institutions	*96,651*	*(52)*	*96,703*
Loans and receivables due from customers	*1,050,589*	*(1,003)*	*1,051,592*
Debt securities	*109,988*	-	*109,988*
Revaluation adjustment on interest rate hedged portfolios	5,231	-	5,231
Current and deferred tax assets	7,993	(120)	8,113
Accruals, prepayments and sundry assets	41,000	(2,081)	43,081
Non-current assets held for sale and discontinued operations	2,909	(56)	2,965
Insurance contracts issued that are assets	78	78	
Reinsurance contracts held that are assets	854	854	
Deferred participation benefits		3	(3)
Investments in equity-accounted entities	3,578	(4,468)	8,046
Investment property	12,290	3,998	8,292
Property, plant and equipment	10,907	(2)	10,909
Intangible assets	3,400	(83)	3,483
Goodwill	16,109	-	16,109
TOTAL ASSETS	**2,340,579**	**17,022**	**2,323,557**

BALANCE SHEET LIABILITIES

Impacts: IFRS 17 at 31 December 2022

(in millions of euros)	31/12/2022 restated	Impact of IFRS 17	31/12/2022 stated
Central Banks	59	-	59
Financial liabilities at fair value through profit or loss	285,458	13,266	272,192
Held for trading financial liabilities	*231,694*	*(8)*	*231,702*
Financial liabilities designated at fair value through profit or loss	*53,764*	*13,274*	*40,490*
Hedging derivative Instruments	47,324	8	47,316
Financial liabilities at amortised cost	1,467,563	(113)	1,467,676
Due to credit institutions	*152,156*	*(45)*	*152,201*
Due to customers	*1,093,513*	*(2,245)*	*1,095,758*
Debt securities	*221,894*	*2,177*	*219,717*
Revaluation adjustment on interest rate hedged portfolios [1]	(16,483)	55	(16,538)
Current and deferred tax liabilities	2,335	(314)	2,649
Accruals, prepayments and sundry liabilities	65,618	711	64,907
Liabilities associated with non-current assets held for sale and discontinued operations	205	-	205
Insurance contracts issued that are liabilities	334,280	334,280	
Reinsurance contracts held that are liabilities	92	92	
Insurance company technical reserves		(354,538)	354,538
Provisions	5,643	(2)	5,645
Subordinated debt	23,156	1	23,155
TOTAL LIABILITIES	**2,215,250**	**(6,555)**	**2,221,805**
EQUITY	**135,620**	**1,829**	**133,791**
Equity – Group share	**128,199**	**1,729**	**126,470**
Share capital and reserves	30,456	-	30,456
Consolidated reserves	92,766	181	92,585
Other comprehensive income	(3,020)	1,698	(4,718)
Other comprehensive income on discontinued operations	-	(3)	3
Net income (loss) for the year	7,997	(147)	8,144
Non-controlling interests	**7,421**	**100**	**7,321**
TOTAL LIABILITIES AND EQUITY [1]	**2,350,870**	**(4,726)**	**2,355,596**

(1) The balance sheet presentation of the revaluation adjustment on interest rate hedged portfolios was reclassified between assets and liabilities on 31 December 2022. Its net amount was unchanged, amounting to -€16 billion at 31 December 2022.

Impacts: IFRS 17 at 1 January 2022

(in millions of euros)	01/01/2022 restated	Impact of IFRS 17	01/01/2022 stated
Central Banks	1,276	-	1,276
Financial liabilities at fair value through profit or loss	257,150	13,595	243,555
Held for trading financial liabilities	*205,073*	*(2)*	*205,075*
Financial liabilities designated at fair value through profit or loss	*52,077*	*13,597*	*38,480*
Hedging derivative Instruments	16,827	-	16,827
Financial liabilities at amortised cost	1,449,965	2,502	1,447,463
Due to credit institutions	*221,360*	*168*	*221,192*
Due to customers	*1,042,199*	*(2,367)*	*1,044,566*
Debt securities	*186,406*	*4,701*	*181,705*
Revaluation adjustment on interest rate hedged portfolios	5,720	(121)	5,841
Current and deferred tax liabilities	2,281	(732)	3,013
Accruals, prepayments and sundry liabilities	58,621	(16)	58,637
Liabilities associated with non-current assets held for sale and discontinued operations	2,502	(64)	2,566
Insurance contracts issued that are liabilities	380,741	380,741	
Reinsurance contracts held that are liabilities	67	67	
Insurance company technical reserves		(377,687)	377,687
Provisions	7,094	(10)	7,104
Subordinated debt	25,873	-	25,873
TOTAL LIABILITIES	**2,208,116**	**18,274**	**2,189,842**
EQUITY	**132,463**	**(1,252)**	**133,715**
Equity – Group share	**125,117**	**(1,381)**	**126,498**
Share capital and reserves	29,927	-	29,927
Consolidated reserves	94,780	212	94,568
Other comprehensive income	436	(1,593)	2,029
Other comprehensive income on discontinued operations	(26)	-	(26)
Net income (loss) for the year	-	-	-
Non-controlling interests	**7,346**	**129**	**7,217**
TOTAL LIABILITIES AND EQUITY	**2,340,579**	**17,022**	**2,323,557**

CASH FLOW STATEMENT

Impacts: IFRS 17 at 31 December 2022

(in millions of euros)	31/12/2022 restated	Impact of IFRS 17	31/12/2022 stated
Pre-tax income	**11,253**	**(11)**	**11,264**
Net depreciation and impairment of property, plant & equipment and intangible assets	1,817	(71)	1,888
Impairment of goodwill and other fixed assets	-	-	-
Net addition to provisions	(5,847)	(7,044)	1,197
Share of net income of equity-accounted entities	(419)	166	(585)
Net income (loss) from investment activities	(28)	-	(28)
Net income (loss) from financing activities	2,539	(38)	2,577
Other movements	1,473	6,613	(5,140)
Total non-cash and other adjustment items included in pre-tax income	**(465)**	**(373)**	**(92)**
Change in interbank items	(79,920)	1	(79,921)
Change in customer items	(17,564)	(743)	(16,821)
Change in financial assets and liabilities	73,776	1,369	72,407
Change in non-financial assets and liabilities	(8,995)	869	(9,864)
Dividends received from equity-accounted entities	675	(255)	930
Taxes paid	(2,382)	20	(2,402)
Net change in assets and liabilities used in operating activities	**(34,410)**	**1,260**	**(35,670)**
Cash provided (used) by discontinued operations	**(127)**	**(11)**	**(116)**
TOTAL NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES (A)	**(23,749)**	**865**	**(24,614)**
Change in equity investments	**(3,862)**	**(23)**	**(3,839)**
Change in property, plant & equipment and intangible assets	**(1,797)**	**46**	**(1,843)**
Cash provided (used) by discontinued operations	**(387)**	**(1)**	**(386)**
TOTAL NET CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES (B)	**(6,046)**	**22**	**(6,068)**
Cash received from (paid to) shareholders	**(1,006)**	**(5)**	**(1,001)**
Other cash provided (used) by financing activities	**4,213**	**(971)**	**5,184**
Cash provided (used) by discontinued operations	**118**	**4**	**114**
TOTAL NET CASH FLOWS FROM (USED BY) FINANCING ACTIVITIES (C)	**3,325**	**(972)**	**4,297**
IMPACT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENT (D)	**(1,310)**	**6**	**(1,316)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A + B + C + D)	**(27,780)**	**(79)**	**(27,701)**
Cash and cash equivalents at beginning of period	**235,657**	**(51)**	**235,708**
Net cash accounts and accounts with Central Banks[1]	240,130	-	240,130
Net demand loans and deposits with credit institutions[2]	(4,473)	(50)	(4,423)
Cash and cash equivalents at end of period	**207,877**	**(129)**	**208,006**
Net cash accounts and accounts with Central Banks[1]	210,733	-	210,733
Net demand loans and deposits with credit institutions[2]	(2,856)	(129)	(2,727)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(27,780)**	**(78)**	**(27,702)**

(1) Consisting of the net balance of the "Cash and Central Banks" item, excluding accrued interest (and including the cash of entities reclassified as non-current assets held for sale)
(2) 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 and including Crédit Agricole internal transactions)

NOTE 13 SCOPE OF CONSOLIDATION AT 31 DECEMBER 2023

13.1 INFORMATION ON SUBSIDIARIES

13.1.1 RESTRICTIONS ON CONTROLLED ENTITIES

Regulatory, legal or contractual provisions may limit the Crédit Agricole Group's ability to have free access to the assets of its subsidiaries and to settle the Group's liabilities.

The 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 Crédit Agricole Group.

Legal constraints

The subsidiaries of the Crédit Agricole Group are subject to legal provisions concerning the distribution of capital and distributable income. 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: The 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 the Crédit Agricole Group are held for the benefit of policyholders. Assets on the balance sheet of the insurance subsidiaries of the 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 Group 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.

For Crédit Agricole Ukraine, the appropriation of profits for dividend payments and the payment of dividends themselves (other than dividends on preference shares) are prohibited indefinitely. According to the National Bank of Ukraine's Resolution No. 23 dated 25 February 2022 "on some issues of operation of Ukrainian banks and banking groups": The banks, with the exception of state banks whose dividends are allocated to the Ukrainian state budget, are not permitted to:

1. allocate capital for any purpose other than the use of profits for charter capital increases, general provisions and bank funds included in primary capital, and to cover losses carried forward;
2. pay dividends to shareholders, other than dividends on preference shares.

13.1.2 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 2023, the outstanding volume of these issues was €23.2 billion.

As part of its third-party securitisation business, Crédit Agricole CIB provides liquidity facilities to its ABCP conduits. At 31 December 2023, these liquidity facilities totalled €39.8 billion.

Crédit Agricole S.A. provided no other financial support for any structured entities consolidated at 31 December 2023 and 31 December 2022.

13.1.3 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 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 ongoing involvement".

13.2 NON-CONTROLLING INTERESTS

INFORMATION ON THE SCOPE OF SIGNIFICANT NON-CONTROLLING INTERESTS

The table below 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.

					31/12/2023
(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%	365	2,984	257
Crédit Agricole Italia Group	14%	14%	96	853	40
CACEIS Group	30%	30%	119	1,121	-
Agos SPA	39%	39%	73	469	72
CA Egypt	35%	35%	48	154	-
Other entities (1)	0%	0%	111	1,645	14
TOTAL			**813**	**7,226**	**383**

(1) Of which €1,246 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.

					31/12/2022
(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 noncontrolling interests at the end of the reporting period	Dividends paid to non-controlling interests
Amundi Group	31%	31%	339	2,864	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	2,122	16
TOTAL			**729**	**7,421**	**402**

(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.

	31/12/2023			
(in millions of euros)	Total assets	Revenues	Net income	Net income and other comprehensive income
Amundi Group	36,011	3,122	1,160	1,067
Crédit Agricole Italia Group	94,313	3,040	712	709
CACEIS Group	116,331	1,678	392	386
Agos SPA	20,492	829	188	188
CA Egypt	3,137	286	139	129
TOTAL	**270,284**	**8,955**	**2,591**	**2,479**

	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**

13.3 COMPOSITION OF THE SCOPE

					% control		% interest	
Crédit Agricole Group scope of consolidation	**(1)**	**(a)**	**(b)**	**(c)**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
AUSTRALIA								
Crédit Agricole CIB (Australie)	■	-	*B*	*LC*	*100.0*	*100.0*	*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	69.0	69.3
CA AUTO BANK GMBH	■	O1/O2	S	SFS	100.0	50.0	100.0	50.0
CAA STERN GMBH	■	-	S	AG	100.0	100.0	100.0	100.0
LEASYS AUSTRIA GMBH	▲	-	JV	SFS	50.0	50.0	50.0	50.0
URI GmbH	X	-	SJV	AG	45.0	45.0	45.0	45.0
BELGIUM								
AMUNDI ASSET MANAGEMENT BELGIUM	■	-	*B*	*AG*	*100.0*	*100.0*	*69.0*	*69.3*
Benelpart	■	-	S	LC	100.0	100.0	98.3	97.4
CA AUTO BANK S.P.A BELGIAN B	■	*O1/O2*	*B*	*SFS*	*100.0*	*50.0*	*100.0*	*50.0*
CA Indosuez Wealth (Europe) Belgium B	■	-	*B*	*AG*	*100.0*	*100.0*	*100.0*	*100.0*
CACEIS Bank, Belgium B	■	-	*B*	*LC*	*100.0*	*100.0*	*69.5*	*69.5*
CACEIS INVESTOR SERVICES BELGIUM	■	I3	S	LC	100.0	-	69.5	-
CALEF SA – BELGIUM B	■	-	*B*	*SFS*	*100.0*	*100.0*	*100.0*	*100.0*
Crédit Agricole CIB (Belgique)	■	-	*B*	*LC*	*100.0*	*100.0*	*100.0*	*100.0*
DRIVALIA LEASE BELGIUM S.A.	■	I2	S	SFS	100.0	-	100.0	-
Financière des Scarabées	■	E4	S	LC	-	100.0	-	98.7
FLUXDUNE	X	-	JV	AG	25.0	25.0	25.0	25.0
FREECARS BELGIUM	■	I3	S	SFS	100.0	-	77.0	-
Lafina	■	E4	S	LC	-	100.0	-	97.7
LEASYS SPA Belgian B	▲	-	*B*	*SFS*	*50.0*	*50.0*	*50.0*	*50.0*
OLINN BELGIUM	■	E4	S	SFS	-	100.0	-	100.0
OLINN BELGIUM (EX RENTYS)	■	O1	S	SFS	100.0	100.0	100.0	100.0
SNGI Belgium	■	E4	S	LC	-	100.0	-	100.0
Sofipac	■	-	S	LC	99.7	98.6	98.0	96.0
BRAZIL								
Banco Crédit Agricole Brasil S.A.	■	-	S	LC	100.0	100.0	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 B	■	-	*B*	*AG*	*100.0*	*100.0*	*69.0*	*69.3*
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*	*69.0*	*69.3*
CHINA								
ABC-CA Fund Management CO	▲	-	A	AG	33.3	33.3	23.0	23.1
Amundi BOC Wealth Management Co. Ltd	■	-	S	AG	55.0	55.0	37.9	38.1
Crédit Agricole CIB China Ltd.	■	-	S	LC	100.0	100.0	100.0	100.0
Crédit Agricole CIB China Ltd. Chinese B	■	-	*B*	*LC*	*100.0*	*100.0*	*100.0*	*100.0*
GAC – Sofinco Auto Finance Co.	▲	-	A	SFS	50.0	50.0	50.0	50.0
HUI JU DA 2022-01	▲	I2	SJV	SFS	50.0	-	50.0	-
HUI JU DA 2022-02	▲	I2	SJV	SFS	50.0	-	50.0	-
HUI JU DA 2023-1	▲	I2	SJV	SFS	50.0	-	50.0	-
HUI JU DA 2023-2	▲	I2	SJV	SFS	50.0	-	50.0	-
HUI JU TONG 2020-1	▲	E1	SJV	SFS	-	50.0	-	50.0
HUI JU TONG 2020-2	▲	E1	SJV	SFS	-	50.0	-	50.0
HUI JU TONG 2021-1	▲	E1	SJV	SFS	-	50.0	-	50.0
HUI JU TONG 2021-2	▲	E1	SJV	SFS	-	50.0	-	50.0
HUI JU TONG 2022-1	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
HUI JU RONG 2023-1	▲	I2	SJV	SFS	50.0	-	50.0	-
COLOMBIA								
S3 CACEIS COLOMBIA S.A, SOCIEDAD FIDUCIARIA	▲	O1	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	69.0	69.3
Amundi Czech Republic, Investicni Spolecnost, A.S.	■	-	S	AG	100.0	100.0	69.0	69.3
DRIVALIA LEASE CZECH REPUBLIC S.R.O	■	I3	S	SFS	100.0	-	100.0	-
DENMARK								
ALEASE & MOBILITY B DANISH	▲	*O1*	*B*	*SFS*	*50.0*	*50.0*	*50.0*	*50.0*
CA AUTO FINANCE DANMARK A/S	■	O1/O2	S	SFS	100.0	50.0	100.0	50.0
CRÉDIT AGRICOLE CIB DENMARK B	■	*I2*	*B*	*LC*	*100.0*	-	*100.0*	-
DRIVALIA LEASE DANMARK A/S	■	O2	S	SFS	100.0	50.0	100.0	50.0
EGYPT								
Crédit Agricole Egypt S.A.E.	■	-	S	IRB	65.3	65.3	65.3	65.3
FINLAND								
AMUNDI ASSET MANAGEMENT FINLAND B	■	-	*B*	*AG*	*100.0*	*100.0*	*69.0*	*69.3*
CA AUTO FINANCE DANMARK A/S, FINLAND B	■	*O1/O2*	*B*	*SFS*	*100.0*	*50.0*	*100.0*	*50.0*
Crédit Agricole CIB (Finlande)	■	-	*B*	*LC*	*100.0*	*100.0*	*100.0*	*100.0*
DRIVALIA LEASE FINLAND OY	■	I3	S	SFS	100.0	-	100.0	-

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
FRANCE								
2,401 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
11 GABRIEL PERI	■	-	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
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	■	-	CSE	AG	100.0	100.0	69.0	69.3
ACTICCIA VIE (1)	■	E2	CSE	AG	-	41.4	-	41.4
ACTICCIA VIE 3 (1)	■	-	CSE	AG	99.3	96.9	99.3	96.9
ACTICCIA VIE 90 C (1)	■	-	CSE	AG	100.0	97.3	100.0	97.3
ACTICCIA VIE 90 N2 (1)	■	-	CSE	AG	100.0	97.6	100.0	97.6
ACTICCIA VIE 90 N3 C (1)	■	-	CSE	AG	100.0	97.7	100.0	97.7
ACTICCIA VIE 90 N4 (1)	■	-	CSE	AG	100.0	97.9	100.0	97.9
ACTICCIA VIE 90 N6 C (1)	■	-	CSE	AG	100.0	97.5	100.0	97.5
ACTICCIA VIE N2 C (1)	■	E2	CSE	AG	-	74.7	-	74.7
ACTICCIA VIE N4 (1)	■	-	CSE	AG	99.8	97.4	99.8	97.4
ACTIONS 50 3DEC (1)	■	-	CSE	AG	95.4	96.5	95.4	96.5
ADIMMO	■	-	S	CC	100.0	100.0	99.5	99.4
ADL PARTICIPATIONS	5	-	JV	AG	24.5	25.0	24.5	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
ADX FORMATION	■	I3	S	FRB	100.0	-	60.0	-
ADX GROUPE	■	I3	S	FRB	100.0	-	60.0	-
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	X	-	A	AG	24.1	24.6	24.1	24.6
ALLIANZ-VOLTA (1)	■	I2	CSE	AG	100.0	-	100.0	-
ALTAT BLUE	X	E2	JV	AG	-	33.3	-	33.3
AM AC FR ISR PC 3D (1)	■	-	CSE	AG	37.1	32.2	37.1	32.2

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
AM DESE FIII DS3IMDI (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
AM.AC.EU.ISR-P-3D (1)	■	-	CSE	AG	34.0	33.3	34.0	33.3
AM.AC.MINER.-P-3D (1)	■	-	CSE	AG	69.1	37.8	69.1	37.8
AM.AC.USA ISR P 3D (1)	■	-	CSE	AG	53.7	59.8	53.7	59.8
AM.ACT.EMER.-P-3D (1)	■	-	CSE	AG	28.1	46.5	28.1	46.5
AM.RDT PLUS -P-3D (1)	■	-	CSE	AG	58.4	47.5	58.4	47.4
AMIENS INVEST	■	I1	S	FRB	99.9	-	89.9	-
AMIRAL GROWTH OPP A (1)	■	-	CSE	AG	51.1	51.1	51.1	51.1
AMUN.ACT.REST.P-C (1)	■	-	CSE	AG	39.1	28.2	39.1	28.2
AM KBI AC MO ENPERIC (1)	■	I2	CSE	AG	97.6	-	97.6	-
AM OBLI MD AC PM C (1)	■	I2	CSE	AG	100.0	-	100.0	-
AMUN.TRES.EONIA ISR E FCP 3DEC (1)	■	-	CSE	AG	60.8	69.1	60.8	69.1
AMUNDI	■	-	S	AG	69.0	69.3	69.0	69.3
AMUNDI IT SERVICES SNC	■	O1	S	AG	100.0	100.0	69.0	69.3
AMUN ENERG VERT FIA (1)	■	I1	CSE	AG	62.4	-	62.4	-
AMUNDI AC.FONC.PC 3D (1)	■	-	CSE	AG	58.5	55.7	58.5	55.7
AMUNDI ACTIONS FRANCE C 3DEC (1)	■	-	CSE	AG	69.0	49.1	69.0	49.1
AMUNDI AFD AV DURABL P1 FCP 3DEC (1)	■	-	CSE	AG	70.5	66.9	70.5	66.9
AMUNDI ALLOCATION C (1)	■	-	CSE	AG	100.0	99.9	100.0	99.9
AMUNDI Asset Management	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI CAA ABS CT (1)	■	-	CSE	AG	100.0	85.9	100.0	85.9
AMUNDI CAP FU PERI C (1)	■	-	CSE	AG	99.0	98.5	99.0	98.5
Amundi ESR	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI EURO LIQUIDITY SHORT TERM SRI PM C (1)	■	-	CSE	AG	100.0	99.9	100.0	99.9
AMUNDI Finance	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI Finance Emissions	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI FLEURONS DES TERRITOIRES PART A PREDICA (1)	■	-	CSE	AG	60.5	57.9	60.5	57.9
AMUNDI HORIZON 3D (1)	■	-	CSE	AG	66.8	65.3	66.8	65.3
AMUNDI Immobilier	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI India Holding	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI Intermédiation	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI KBI ACTION PC (1)	■	-	CSE	AG	88.5	87.2	88.5	87.2
AMUNDI KBI ACTIONS C (1)	■	-	CSE	AG	92.2	89.8	55.5	53.9
AMUNDI IMMO DURABLE (1)	■	I1	CSE	AG	99.7	-	99.7	-
AMUNDI KBI AQUA C (1)	■	-	CSE	AG	59.5	56.4	59.5	56.4
AMUNDI OBLIG EURO C (1)	■	-	CSE	AG	56.4	52.7	56.4	52.7
AMUNDI PATRIMOINE C 3DEC (1)	■	-	CSE	AG	86.0	81.0	86.0	81.0
AMUNDI PE Solution Alpha	■	-	CSE	AG	100.0	100.0	69.0	69.3
AMUNDI Private Equity Funds	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI PULSACTIONS (1)	■	-	CSE	AG	53.1	53.8	53.1	53.8
AMUNDI TRANSM PAT C (1)	■	-	CSE	AG	98.4	95.6	98.4	95.6

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
AMUNDI VALEURS DURAB (1)	■	-	CSE	AG	78.4	75.9	78.4	75.9
AMUNDI Ventures	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI-CSH IN-PC (1)	■	-	CSE	AG	51.7	41.9	51.7	41.9
AMUNDIOBLIGMONDEP (1)	■	-	CSE	AG	86.2	100.0	86.2	100.0
ANATEC	■	-	S	AG	100.0	100.0	69.0	69.3
Angle Neuf	■	-	S	FRB	100.0	100.0	100.0	100.0
AMUNDI VAUGIRARD DETTE IMMO II (1)	■	I1	CSE	AG	100.0	-	100.0	-
Anjou Maine Gestion	■	-	S	FRB	100.0	100.0	100.0	100.0
ANTINEA FCP (1)	■	-	CSE	AG	3.7	4.5	3.7	4.5
Aquitaine Immobilier Investissement	■	-	S	FRB	100.0	100.0	100.0	100.0
ARCAPARK SAS	X	-	JV	AG	50.0	50.0	50.0	50.0
ARMOR CROISSANCE	■	-	S	FRB	100.0	100.0	100.0	100.0
ARMOR IMMOBILIER	■	I1	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	85.1	83.1	85.1	83.1
ATOUT FRANCE C FCP 3DEC (1)	■	-	CSE	AG	40.9	40.0	40.9	40.0
ATOUT PREM S ACTIONS 3DEC (1)	■	-	CSE	AG	100.0	96.9	100.0	96.9
ATOUT VERT HORIZON FCP 3 DEC (1)	■	-	CSE	AG	33.5	33.2	33.5	33.2
Auxifip	■	-	S	SFS	100.0	100.0	100.0	100.0
AXA EUR.SM.CAP E 3D (1)	■	-	CSE	AG	95.8	91.2	95.8	91.2
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
BCTI	■	I3	S	FRB	100.0	-	60.0	-
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
Bforbank S.A.	■	-	S	FRB	100.0	100.0	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	61.4	53.8	61.4	53.8
BFT Investment Managers	■	-	S	AG	100.0	100.0	69.0	69.3
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	■	E4	CSE	CC	-	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	65.5	47.4	65.5	47.4
BFT SEL RDT 23 PC (1)	■	-	CSE	AG	100.0	66.2	100.0	66.2
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

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
CA Aquitaine Immobilier	■	-	S	FRB	100.0	100.0	100.0	100.0
CA AUTO BANK S.P.A FRENCH B	■	*O1/ O2*	*B*	*SFS*	*100.0*	*50.0*	*100.0*	*50.0*
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 FINANCEMENT HABITAT SFH	■	I2/ O1	S	CC	100.0	-	100.0	-
CA Grands Crus	■	-	S	CC	100.0	100.0	100.0	100.0
CA Indosuez	■	-	S	LC	100.0	100.0	100.0	100.0
CA Indosuez Gestion	■	-	S	LC	100.0	100.0	100.0	100.0
CA INVESTISSEMENTS STRATEGIQUES CENTRE-EST	■	-	S	FRB	100.0	100.0	100.0	100.0
CA MASTER PATRIMOINE FCP 3DEC (1)	■	-	CSE	AG	99.8	96.2	99.8	96.2
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 c.I.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	0.0	100.0	0.0	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)	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA ACTIONS MONDES P (1)	■	I1	CSE	AG	100.0	-	100.0	-
CAA INFRASTRUCTURE (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA INFRASTRUCTURE 2017 (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
CAA INFRASTRU.2020 A (1)	■	I1	CSE	AG	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 PE 20 COMP 1 A1 (1)	■	-	CSE	AG	100.0	100.0	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

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Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
CAA PRIV.FINANC.COMP.1 A1 FIC (1)	■	E2	CSE	AG	-	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 (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 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
CAA PRIVATE EQUITY 2019 COMPARTIMENT TER (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
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
CAA PV EQ2021 BIS A2 (1)	■	I1	CSE	AG	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
CAAP TRANSITIONS	■	I1	S	FRB	100.0	-	100.0	-
CABINET ESPARGILIÈRE	■	-	S	CC	100.0	100.0	99.5	99.4
CAAP TRANSITIONS ENERGETIQUES FPCI	■	I1	CSE	FRB	99.0	-	99.0	-
CACEIS Bank	■	-	S	LC	100.0	100.0	69.5	69.5
CACEIS Fund Administration	■	-	S	LC	100.0	100.0	69.5	69.5
CACEIS INVESTOR SERVICES BANK FRANCE S.A.	■	I3	S	LC	100.0	-	69.5	-
CACEIS INVESTOR SERVICES FRANCE S.A.	■	I3	S	LC	100.0	-	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 DIVERSIFIE	■	-	CSE	FRB	100.0	100.0	100.0	100.0
CADEISDA 2DEC (1)	■	-	CSE	AG	48.9	48.9	48.9	48.9
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

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
CAL IMPULSION	■	I1	S	FRB	100.0	-	100.0	-
CALIE Europe Succursale France	■	-	*B*	*AG*	*100.0*	*100.0*	*100.0*	*100.0*
CALIFORNIA 09 (1)	■	-	CSE	AG	82.8	82.3	82.8	82.3
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	■	-	CSE	FRB	99.9	100.0	99.9	100.0
CAP REGULIER 3	■	-	CSE	FRB	99.9	100.0	99.9	100.0
CAPG ENERGIES NOUVELLES	■	-	S	FRB	100.0	100.0	100.0	100.0
CAPG INVESTISSEMENTS ENERGETIQUES	■	-	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	100.0	100.0	100.0
CASRA CAPITAL	■	-	S	FRB	100.0	100.0	100.0	100.0
CASRA ENERGIE RENOUVELABLE	■	I1	S	FRB	100.0	-	100.0	-
CASSINI SAS	X	-	JV	AG	50.0	49.0	50.0	49.0
CATP TRANSITION ENERGETIQUE	■	I1	S	FRB	100.0	-	100.0	-
CEDAR	■	-	CSE	AG	100.0	100.0	69.0	69.3
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
SCI 11 COURS DE LA LIBERTÉ	■	I2	S	FRB	100.0	-	100.0	-
SCI LINASENS (1)	■	I2	S	AG	57.9	-	57.9	-
SAS COMMERCES 2	■	I1	S	AG	99.9	-	99.9	-
IMEFA CENT SOIXANTE TROIS (1)	■	I1	S	AG	68.0	-	68.0	-
SCI 11 PLACE DE L'EUROPE (1)	■	I1	S	AG	100.0	-	100.0	-
INNERGEX FRANCE	X	I2	S	AG	30.0	-	30.0	-
VAUGIRARD LONGUEUIL	■	I2	S	AG	100.0	-	100.0	-
VERKORS	X	I2	JV	AG	10.0	-	10.0	-
LEAD INVESTORS	X	I2	JV	AG	45.0	-	45.0	-
VAUGIRARD FACTORY	■	I2	S	AG	100.0	-	100.0	-
SC CAA EURO SELECT (1)	■	I1	CSE	AG	100.0	-	100.0	-
SELEC EUR ENV JAN 22 (1)	■	I1	CSE	AG	91.7	-	91.7	-
IMPACT GREEN BONDS M (1)	■	I1	CSE	AG	93.1	-	93.1	-
MID INFRA SLP (1)	■	I1	CSE	AG	100.0	-	100.0	-
GRD 44 N 6 PART P (1)	■	I1	CSE	AG	100.0	-	100.0	-
LCL ECHUS – GAMMA C (1)	■	I1	CSE	AG	100.0	-	100.0	-
FONDS AV ECHUS FIA C (1)	■	I1	CSE	AG	99.8	-	99.8	-
FDC A1 PART P (1)	■	I1	CSE	AG	100.0	-	100.0	-
CRÉDIT AGRICOLE TRANSITIONS ET ENERGIES	■	I1	CSE	FRB	100.0	-	100.0	-
FCT CA LEASING 2023-1	■	I2	CSE	SFS	100.0	-	100.0	-
CFM Indosuez Conseil en Investissement	■	-	S	LC	70.2	70.2	69.0	69.0

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Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
CFM Indosuez Conseil en Investissement, Succursale de Nouméa	■	-	*B*	*LC*	*70.2*	*70.2*	*69.0*	*69.0*
CHALOPIN GUILLOTIÈRE	■	-	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	87.3	85.5	87.3	85.5
CHORELIA N4 PART C (1)	■	-	CSE	AG	88.1	86.1	88.1	86.1
CHORELIA N5 PART C (1)	■	-	CSE	AG	76.6	75.2	76.6	75.2
CHORELIA N6 PART C (1)	■	-	CSE	AG	80.6	79.2	80.6	79.2
CHORELIA N7 C (1)	■	-	CSE	AG	87.0	85.0	87.0	85.0
CHORELIA PART C (1)	■	-	CSE	AG	84.2	82.6	84.2	82.6
Chorial Allocation	■	-	CSE	AG	100.0	100.0	69.0	69.3
CL CLARES	■	-	S	FRB	100.0	100.0	100.0	100.0
CL Développement de la Corse	•	E1	Parent	CC	-	100.0	-	100.0
CL Promotion	■	-	S	FRB	100.0	100.0	100.0	100.0
CM2S DIVERSIFIE	■	-	S	FRB	100.0	100.0	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
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
COTOIT	■	I1	S	CC	100.0	-	99.5	-
CPR AM	■	-	S	AG	100.0	100.0	69.0	69.3
CPR CONSO ACTIONNAIRE FCP P (1)	■	-	CSE	AG	49.0	47.8	49.0	47.8
CPR CROIS.REA.-P (1)	■	-	CSE	AG	28.5	27.2	28.5	27.2
CPR EUR.HI.DIV.P 3D (1)	■	-	CSE	AG	39.6	40.8	39.6	40.8
CPR EuroGov LCR	■	-	CSE	CC	100.0	100.0	100.0	100.0
CPR EUROLAND ESG P (1)	■	-	CSE	AG	18.3	18.0	18.3	18.0
CPR FOCUS INF.-P-3D (1)	■	-	CSE	AG	33.0	22.3	33.0	22.3
CPR GLO SILVER AGE P (1)	■	-	CSE	AG	96.6	99.9	96.6	99.9
CPR OBLIG 12 M.P 3D (1)	■	-	CSE	AG	13.6	94.7	13.6	94.7
CPR REF.ST.EP.R.0-100 FCP 3DEC (1)	■	-	CSE	AG	100.0	97.8	100.0	97.8
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	64.7	66.2	64.7	66.2
CPR SILVER AGE P 3DEC (1)	■	-	CSE	AG	55.8	59.7	55.8	59.7
CRCAM GESTION	■	E1	S	FRB	-	100.0	-	100.0
Crealfi	■	E4	S	SFS	-	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 CAPITAL INVESTISSEMENT	■	I1	S	FRB	100.0	-	100.0	-
CRÉDIT AGRICOLE AQUITAINE EXPANSION	■	I1	S	FRB	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	■	-	S	AG	100.0	100.0	100.0	100.0
Crédit Agricole Assurances Solutions	■	-	S	AG	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE ATLANTIQUE VENDEE 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 ENERGIES RENOUVELABLES	■	-	S	FRB	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE CENTRE LOIRE SERVICES	■	-	S	FRB	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE CENTRE-EST CAPITAL INVESTISSEMENT	■	I1	S	FRB	100.0	-	100.0	-
CRÉDIT AGRICOLE CENTRE-EST ENERGIES NOUVELLES – CACE'EN	■	-	S	FRB	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE CENTRE-EST ENERGIES NOUVELLES – CACE'EN	■	-	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
CA Consumer Finance	■	O1	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 Énergies Nouvelles	■	-	S	FRB	100.0	100.0	100.0	100.0

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(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
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	■	-	S	SFS	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE NORMANDIE SEINE ENERGIES	■	I2	S	FRB	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	100.0	100.0	96.9
Crédit Agricole Services Immobiliers	■	-	S	CC	99.5	99.4	99.5	99.4
Crédit Agricole Technologies et Services	■	-	S	CC	100.0	100.0	100.0	100.0
CRÉDIT AGRICOLE VAL DE FRANCE IMMOBILIER	■	I1	S	FRB	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
CROISSY BEAUBOURG INVEST	■	I1	S	FRB	99.9	-	89.9	-
CROISSY INVEST 2	■	I1	S	FRB	51.0	-	45.9	-
CROIX ROUSSE	■	-	S	FRB	100.0	100.0	100.0	100.0
DAPAR	■	-	S	FRB	100.0	100.0	100.0	100.0
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
DEMETR COMPARTIMENT JA 202	■	I2	CSE	LC	100.0	-	-	-
DEMETR COMPARTIMENT TS EU	■	I2	CSE	LC	100.0	-	-	-
DEMETR COMPARTMENT GL-2023	■	I2	CSE	LC	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
DIRECT LEASE	■	E4	S	SFS		100.0		100.0
Doumer Finance S.A.S.	■	-	S	LC	100.0	100.0	100.0	100.0
DRIVALIA FRANCE SAS	■	O2	S	SFS	100.0	50.0	100.0	50.0
DRIVALIA LEASE FRANCE S.A.	■	O1/ O2	S	SFS	100.0	50.0	100.0	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

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
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	5	-	JV	AG	49.2	49.0	49.2	49.0
Émeraude Croissance	■	-	CSE	FRB	100.0	100.0	100.0	100.0
EPARINTER EURO BD (1)	■	-	CSE	AG	18.9	20.6	18.9	20.6
EPONA RILLIEUX	■	I2	S	FRB	100.0	-	100.0	-
ESNI (compartiment Crédit Agricole S.A.)	■	E1	CSE	CC	-	100.0	-	100.0
ESTER FINANCE TECHNOLOGIES	■	-	S	LC	100.0	100.0	100.0	100.0
Étoile Gestion	■	E4	S	AG	-	100.0	-	69.3
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	AG	51.1	21.0	51.1	21.0
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
EXPERTAM	■	-	S	FRB	-	-	-	-
FCP Centre Loire	■	E2	CSE	FRB	-	100.0	-	100.0
FCP CHAMPAGNE BOURGOGNE RENDEMENT	■	E1	S	FRB	-	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 BRIDGE 2016-1 (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
FCT CAA – Compartment 2017-1 (1)	■	-	CSE	AG	0.0	100.0	0.0	100.0
FCT CAA COMPARTIMENT CESSION DES CRÉANCES LCL	■	-	S	AG	100.0	100.0	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 Crédit Agricole Habitat 2018 (sauf compartiment Corse)	■	E1	CSE	FRB	-	100.0	-	100.0
FCT Crédit Agricole Habitat 2018 Compartiment Corse	■	E1	CSE	CC	-	100.0	-	100.0
FCT Crédit Agricole Habitat 2019 (sauf compartiment Corse)	■	E1	CSE	FRB	-	100.0	-	100.0

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Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
FCT Crédit Agricole Habitat 2019 Compartiment Corse	■	E1	CSE	CC	-	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)	■	-	CSE	FRB	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2022 Compartiment Corse	■	-	CSE	CC	100.0	100.0	100.0	100.0
FCT GINKGO AUTO LOANS 2022	■	O1	CSE	SFS	100.0	100.0	100.0	100.0
FCT GINKGO DEBT CONSO 2015-1	■	O1	CSE	SFS	100.0	100.0	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	■	E1	CSE	SFS	-	100.0	-	100.0
FCT GINKGO SALES FINANCE 2022-02	■	-	CSE	SFS	100.0	100.0	100.0	100.0
FCT GINKGO SALES FINANCE 2023-01	■	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)	■	E1	CSE	FRB	-	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
FDS AV ECH FIA OM C (1)	■	O1	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
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
Fininvest	■	-	S	LC	98.4	98.4	98.4	98.4
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
FOCH TENREMONDE	■	I1	S	FRB	100.0	-	100.0	-
Foncaris	■	-	S	CC	100.0	100.0	100.0	100.0
FONCIÈRE 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
FONCIÈRE HYPERSUD	X	-	JV	AG	51.4	51.4	51.4	51.4
Foncière TP	■	-	S	FRB	100.0	100.0	100.0	100.0
FONDS AV ECHUS FIA A (1)	■	-	CSE	AG	100.0	0.2	100.0	0.2
FONDS AV ECHUS FIA B (1)	■	E2	CSE	AG	-	100.0	-	100.0
FONDS AV ECHUS FIA F (1)	■	E2	CSE	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	100.0	100.0	100.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
Force Lorraine Duo	■	-	CSE	FRB	100.0	100.0	100.0	100.0
Force Profile 20	■	-	S	FRB	100.0	100.0	99.9	99.9
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 DéveloppementFoncier	■	-	S	FRB	100.0	100.0	100.0	100.0
FRANCHE-COMTE CRÉDIT AGRICOLE IMMOBILIER	■	-	S	FRB	100.0	100.0	100.0	100.0
FREECARS	■	I3	S	SFS	77.0	-	77.0	-
FREY	X	-	A	AG	19.7	19.7	19.7	19.7
FREY RETAIL VILLEBON (1)	X	-	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
GALENA	■	I3	S	FRB	100.0	-	60.0	-
GEST'HOME	■	-	S	CC	100.0	100.0	99.5	99.4
GRAND SUD-OUEST CAPITAL	■	I1	S	FRB	100.0	-	100.0	-
Grands Crus Investissements (GCI)	■	-	S	CC	100.0	99.7	99.7	99.7
GRANGE HAUTE	■	-	S	FRB	100.0	100.0	100.0	100.0
GRD 44 (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD 44 N°3 (1)	■	E1	CSE	AG	-	100.0	-	100.0
GRD 44 N2 (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD 44 N4 PART CD (1)	■	E1	CSE	AG	-	100.0	-	100.0
GRD 44 N5 (1)	■	E1	CSE	AG	-	100.0	-	100.0
GRD 54 (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
GRD ACT.ZONE EURO (1)	■	-	CSE	AG	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	100.0	95.7	100.0	95.7
GRD IFC 97 FCP (1)	■	-	CSE	AG	100.0	92.6	100.0	92.6
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	100.0	97.8	100.0	97.8
GRD17 (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0

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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
H2O INVESTISSEURS	■	I3	S	FRB	60.0	-	60.0	-
H2O PARTICIPATION	■	I3	S	FRB	50.1	-	-	-
HASTINGS PATRIM AC (1)	■	-	CSE	AG	0.2	34.4	0.2	34.4
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	96.7	82.6	96.7	82.6
HYPERION DEVELOPPEMENT	■	I3	S	FRB	100.0	-	60.0	-
HYPERION PARTICIPATION	■	I3/E5	S	FRB	-	-	-	-
IAA CROISSANCE INTERNATIONALE (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
Icade	X	-	A	AG	19.1	19.1	19.1	19.1
IDIA	■	-	S	CC	100.0	100.0	100.0	100.0
IDIA DEVELOPPEMENT	■	-	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	■	-	CSE	AG	65.2	65.2	65.2	65.2
IMMOBILIER GESTION PRIVEE	■	I1	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	24.6	23.1	24.6	23.1
INDO ALLOC MANDAT C (1)	■	-	CSE	AG	93.9	93.3	93.9	92.0
INDOS.EURO.PAT.PD 3D (1)	■	-	CSE	AG	36.6	32.7	36.6	32.7
INDOSUEZ ALLOCATION (1)	■	-	CSE	AG	93.9	98.5	93.9	98.5
INDOSUEZ CAP EMERG.M (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
Inforsud Gestion	■	-	CSE	FRB	100.0	100.0	100.0	100.0
INFRA FOCH TOPCO	X	-	A	AG	35.7	35.9	35.7	35.9
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	55.2	52.3	55.2	52.3
IRIS HOLDING FRANCE	■	-	S	AG	80.1	80.1	80.1	80.1
Issy Pont (1)	■	-	CSE	AG	100.0	100.0	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
CLARIANE	X	O1	A	AG	24.7	25.0	24.7	25.0
L&E Services	■	-	S	LC	100.0	100.0	100.0	100.0
LA FONCIÈRE REMOISE	■	-	S	FRB	100.0	100.0	100.0	100.0
La Route Avance	■	-	CSE	LC	100.0	100.0	-	-
LCL	■	-	S	FRB	100.0	100.0	100.0	100.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
LCL AC.DEV.DU.EURO (1)	■	-	CSE	AG	78.5	79.3	78.5	79.3
LCL AC.EMERGENTS 3D (1)	■	-	CSE	AG	39.2	38.9	39.2	38.9
LCL AC.MDE HS EU.3D (1)	■	-	CSE	AG	45.2	46.5	45.2	46.4
LCL ACT RES NATUREL (1)	■	-	CSE	AG	53.8	53.8	53.8	53.8
LCL ACT.E-U ISR 3D (1)	■	-	CSE	AG	31.3	29.7	31.3	29.7
LCL ACT.OR MONDE (1)	■	-	CSE	AG	59.1	58.5	59.1	58.5
LCL ACT.USA ISR 3D (1)	■	-	CSE	AG	85.9	92.8	85.9	92.8
LCL ACTIONS EURO C (1)	■	-	CSE	AG	38.2	36.6	38.2	36.6
LCL ACTIONS EURO FUT (1)	■	-	CSE	AG	43.5	42.7	43.5	42.7
LCL ACTIONS MONDE FCP 3 DEC (1)	■	-	CSE	AG	42.7	42.7	42.7	42.7
LCL ALLOCATION DYNAMIQUE 3D FCP (1)	■	-	CSE	AG	95.8	94.4	95.8	94.4
LCL BDP ECHUS D (1)	■	E2	CSE	AG	-	100.0	-	100.0
LCL BP ECHUS B (1)	■	E2	CSE	AG	-	100.0	-	100.0
LCL BP ECHUS C PREDICA (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
LCL COM CARB STRA P (1)	■	-	CSE	AG	95.3	96.8	95.3	96.8
LCL COMP CB AC MD P (1)	■	-	CSE	AG	82.1	58.8	82.1	58.7
LCL DEVELOPPEM.PME C (1)	■	-	CSE	AG	65.7	65.1	65.7	65.1
LCL ECHUS – PI (1)	■	E2	CSE	AG	-	72.7	-	72.7
LCL Emissions	■	-	S	AG	100.0	100.0	69.0	69.3
LCL FLEX 30 (1)	■	-	CSE	AG	61.1	54.7	61.1	54.7
LCL INVEST.EQ C (1)	■	-	CSE	AG	96.7	95.9	96.7	95.9
LCL INVEST.PRUD.3D (1)	■	-	CSE	AG	94.7	91.3	94.7	91.3
LCL MGEST FL.0-100 (1)	■	-	CSE	AG	89.5	87.0	89.5	87.0
LCL OBL.CREDIT EURO (1)	■	-	CSE	AG	88.7	69.0	88.7	69.0
LE CONNECTEUR	■	-	S	FRB	100.0	100.0	100.0	100.0
LEASYS France S.A.S	▲	-	JV	SFS	50.0	50.0	50.0	50.0
LEASYS SAS	▲	O1	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
LES PALMIERS DU PETIT PEROU (SCI)	■	I1	S	FRB	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
LINXO	■	-	S	CC	94.5	88.5	94.5	88.5
LINXO GROUP	■	-	S	CC	94.5	88.5	94.5	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 SA	■	-	CSE	LC	100.0	100.0	-	-
LOCA-CORB	■	-	S	FRB	100.0	100.0	100.0	100.0
Locam	■	-	S	FRB	100.0	100.0	100.0	100.0
Londres Croissance C16	■	-	CSE	AG	100.0	100.0	69.0	69.3
LYONNAISE DE PRÉFABRICATION	■	-	S	FRB	100.0	100.0	100.0	100.0
M.D.F.89 FCP (1)	■	-	CSE	AG	99.6	99.6	99.6	99.6
MACE MONGE	■	E1	S	FRB	-	100.0	-	100.0
MAISON DE LA DANSE	■	-	S	FRB	100.0	100.0	100.0	100.0
MAZARIK 24	■	-	S	FRB	100.0	100.0	100.0	100.0

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

					% control		% interest	
Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	12/31/2023	12/31/2022	12/31/2023	12/31/2022
MGC	■	-	S	FRB	100.0	100.0	100.0	100.0
MIDCAP ADVISORS SAS (EX-SODICA)	■	-	S	LC	100.0	100.0	100.0	100.0
Molinier Finances	■	-	S	LC	100.0	100.0	98.2	97.1
MOULIN DE PRESSENSÉ	■	E1	S	FRB	-	100.0	-	100.0
NANTEUIL LES MEAUX INVEST	■	I1	S	FRB	99.9	-	89.9	-
NECI	■	-	S	FRB	100.0	100.0	100.0	100.0
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	■	-	S	FRB	100.0	100.0	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	■	-	S	FRB	100.0	100.0	100.0	100.0
NMP PERILEVAL	■	I2	S	FRB	100.0	-	100.0	-
NMP VANEAU	■	-	S	FRB	100.0	100.0	100.0	100.0
NOISIEL INVEST	■	I1	S	FRB	99.9	-	89.9	-
Nord Capital Investissement	■	-	S	FRB	97.2	99.5	95.2	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	99.5	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	■	E1	S	FRB	-	100.0	-	100.0
NS Immobilier	■	E5	S	FRB	-	100.0	-	100.0
OBJECTIF DYNAMISME FCP [1]	■	-	CSE	AG	100.0	90.0	100.0	90.0
OBJECTIF LONG TERME FCP [1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
OBJECTIF MEDIAN FCP [1]	■	-	CSE	AG	100.0	97.1	100.0	97.1
OBJECTIF PRUDENCE FCP [1]	■	-	CSE	AG	89.1	85.9	89.1	85.9
OLINN FINANCE	■	-	S	SFS	100.0	100.0	100.0	100.0
OLINN IT	■	-	S	SFS	100.0	100.0	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	■	-	S	FRB	100.0	100.0	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	■	-	CSE	AG	100.0	100.0	69.0	69.3
OPCI Immo Emissions	■	-	CSE	AG	100.0	100.0	65.1	69.3
OPCI Iris Invest 2010	■	-	CSE	AG	80.1	80.1	80.1	80.1

					% control		% interest	
Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	12/31/2023	12/31/2022	12/31/2023	12/31/2022
OPCI MASSY BUREAUX	■	-	CSE	AG	100.0	100.0	100.0	100.0
OPCI Messidor	■	-	CSE	AG	22.4	21.1	22.4	21.1
OPCIMMO LCL SPPICAV 5DEC [1]	■	-	CSE	AG	99.0	96.6	99.0	96.6
OPCIMMO PREM SPPICAV 5DEC [1]	■	-	CSE	AG	97.2	96.1	97.2	96.1
OPTALIME FCP 3DEC [1]	■	E2	CSE	AG	-	95.7	-	95.7
OXLIN	■	-	S	CC	94.5	88.5	94.5	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	X	-	A	AG	20.2	20.2	20.2	20.2
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	AG	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
PORT EX ABS RET P [1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
PORT.METAUX PREC.A-C [1]	■	-	CSE	AG	100.0	98.7	100.0	98.7
PORTF DET FI EUR AC [1]	■	E2	CSE	AG	-	1.9	-	1.9
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
PORTFOLIO LCR GOV	■	-	CSE	CC	100.0	100.0	91.0	84.2
PORTFOLIO LCR GOV 4A	■	-	CSE	CC	100.0	100.0	94.8	95.7
PORTOFOLIO LCR 50	■	-	CSE	CC	100.0	100.0	100.0	100.0
PORTOFOLIO LCR CREDIT JUIN 2026 (C)	■	O1	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 ENERGIES DURABLES	■	-	S	AG	60.0	60.0	60.0	60.0
Predica OPCI Bureau	■	-	CSE	AG	100.0	100.0	100.0	100.0
Predica OPCI Commerces	■	-	CSE	AG	100.0	48.4	100.0	48.4
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	■	-	S	AG	100.0	100.0	100.0	100.0
Prediquant Eurocroissance A2 [1]	■	-	CSE	AG	100.0	100.0	100.0	100.0

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
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	X	-	A	AG	39.8	39.8	39.8	39.8
RAVIE FCP 5DEC [1]	■	-	CSE	AG	100.0	96.6	100.0	96.6
RED CEDAR	■	-	CSE	AG	100.0	100.0	69.0	69.3
RENE 35	■	-	S	FRB	100.0	100.0	100.0	100.0
RETAH PART C [1]	■	-	CSE	AG	100.0	96.1	100.0	96.1
Réunion Télécom	■	-	S	FRB	86.0	86.0	86.0	86.0
RIVERY INVEST	■	I1	S	FRB	99.9	-	89.9	-
RSD 2006 FCP 3DEC [1]	■	-	CSE	AG	100.0	100.0	100.0	100.0
RUE DU BAC (SCI) [1]	5	-	JV	AG	50.0	50.0	50.0	50.0
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 Boetie	Parent	-	Parent	CC	100.0	100.0	100.0	100.0
S.A.S. Sacam Avenir	■	-	S	CC	100.0	100.0	100.0	100.0
SA 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	Parent	-	Parent	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	■	-	S	FRB	100.0	100.0	100.0	100.0
SAS Crédit Agricole Centre Loire Investissement	■	-	S	FRB	100.0	100.0	100.0	100.0
SAS CRISTAL	X	-	A	AG	46.0	46.0	46.0	46.0
SAS DEFENSE CB3	X	-	JV	AG	18.1	25.0	18.1	25.0
SAS PREDI-RUNGIS	■	-	S	AG	100.0	100.0	100.0	100.0
SAS RUE LENEPVEU	■	-	S	FRB	100.0	100.0	100.0	100.0
SAS SQUARE HABITAT CHARENTE-MARITIME DEUX-SEVRES	■	-	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	■	-	S	CC	100.0	100.0	99.5	99.4
SCI 1 PLACE FRANCISQUE-REGAUD	■	-	S	FRB	100.0	100.0	100.0	100.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
SCI 1 TERRASSE BELLINI [1]	X	-	JV	AG	33.3	33.3	33.3	33.3
SCI 103 GRENELLE [1]	X	I1	JV	AG	49.0	-	49.0	-
SCI 18 RUE VICTORIEN-SARDOU	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI 22 QUAI SARRAIL	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI 24 AVENUE DE LA GARE	■	-	S	FRB	100.0	100.0	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 [1]	X	-	JV	AG	50.0	50.0	50.0	50.0
SCI ALLÉE DE LOUISE	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI BMEDIC HABITATION [1]	■	-	S	AG	99.0	99.0	99.0	99.0
SCI CA Run Developpement	■	-	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 [1]	X	-	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	■	-	S	FRB	100.0	100.0	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	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI Euralliance Europe	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI EUROMARSEILLE 1	X	-	JV	AG	50.0	50.0	50.0	50.0
SCI EUROMARSEILLE 2	X	-	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 [1]	■	-	S	AG	100.0	100.0	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 [1]	X	-	A	AG	25.0	25.0	25.0	25.0

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
SCI GAMBETTA	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI GEX POUILLY	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI GREEN CROZET	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI GREENWICH	■	-	S	FRB	100.0	100.0	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 DEFENSE (1)	X	-	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 ILOT 13 (1)	X	-	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 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 012 (1)	■	-	S	AG	100.0	100.0	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 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 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

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
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 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 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
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 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 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

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
SCI JDL BATIMENT 5	■	O1	S	FRB	99.0	100.0	99.0	100.0
SCI La Boétie 65	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI LA LEVEE	■	-	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	■	E1	S	FRB	-	75.0	-	75.0
SCI LE GRAND SUD	■	-	S	FRB	100.0	100.0	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 LYON TONY GARNIER [1]	■	O1	S	AG	90.0	90.0	90.0	90.0
SCI MEDI BUREAUX [1]	■	-	S	AG	99.8	99.8	99.8	99.8
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	■	-	S	FRB	100.0	100.0	100.0	100.0
SCI Paul Cézanne [1]	X	-	JV	AG	49.0	49.0	49.0	49.0
SCI PLS 8 QJM	■	-	S	FRB	100.0	100.0	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	100.0
SCI SERENA	■	-	S	FRB	100.0	100.0	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	95.0	89.3	95.0	89.3
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 VILLEURBANNE LA SOIE ILOT H [1]	■	O1	S	AG	90.0	90.0	90.0	90.0
SCI WAGRAM 22/30 [1]	X	-	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	38.4	48.9	38.4	48.9
SEGUR 2	■	-	S	FRB	100.0	100.0	100.0	100.0
SEL EUR CLI SEP 22 C [1]	■	-	CSE	AG	90.0	61.0	90.0	61.0
SEL EUR ENV MAI 22 C [1]	■	-	CSE	AG	88.4	88.6	88.4	88.6
SEL FR ENV MAI 2022 [1]	■	-	CSE	AG	80.4	80.4	80.4	80.4
SEMMARIS	X	-	JV	AG	38.0	38.0	38.0	38.0
Sequana	■	E1	CSE	FRB	-	100.0	-	100.0
SH PREDICA ENERGIES DURABLES SAS	■	-	S	AG	100.0	100.0	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
SNGI	■	-	S	LC	100.0	100.0	100.0	100.0
SO.GI.CO	■	-	S	CC	100.0	100.0	99.5	99.5

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
Socadif	■	-	S	FRB	100.0	100.0	100.0	100.0
SOCIÉTÉ DE GESTION EN VALEURS MOBILIÈRES	■	-	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 TÉLÉPHÉRIQUES 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	69.0	69.3
SOFILARO DETTE PRIVEE	■	-	S	FRB	100.0	100.0	100.0	100.0
Sofinco Participations	■	-	S	SFS	100.0	100.0	100.0	100.0
SOFIPACA	■	-	S	FRB	100.0	100.0	100.0	100.0
SOLIDARITÉ AMUNDI P [1]	■	-	CSE	AG	78.7	80.2	78.7	80.2
SOLIDARITÉ INITIATIS SANTÉ [1]	■	-	CSE	AG	77.1	76.5	77.1	76.5
SOLYMO	■	-	S	FRB	100.0	100.0	100.0	100.0
Spirica	■	-	S	AG	100.0	100.0	100.0	100.0
SQUARE HABITAT ALPES PROVENCE	■	O1	S	CC	100.0	100.0	99.5	99.4
SQUARE HABITAT ATLANTIQUE VENDÉE	■	-	S	FRB	100.0	100.0	100.0	100.0
SQUARE HABITAT CABINET LIEUTAUD	■	O1	S	CC	100.0	100.0	99.5	99.4
SQUARE HABITAT CABINET LIEUTAUD GESTION	■	O1	S	CC	100.0	100.0	99.5	99.4
SQUARE HABITAT CENTRE France	■	O1	S	CC	100.0	100.0	99.5	99.4
SQUARE HABITAT CENTRE OUEST	■	-	S	CC	100.0	100.0	99.5	99.4
SQUARE HABITAT FRANCHE-COMTÉ	■	-	S	CC	100.0	100.0	99.5	99.4
SQUARE HABITAT HAUTES-ALPES	■	O1	S	CC	100.0	100.0	99.5	99.4
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	99.5	99.4
SQUARE HABITAT VAUCLUSE	■	O1	S	CC	100.0	100.0	99.5	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	■	E1	S	FRB	-	100.0	-	100.0
Sud Rhône-Alpes Placement	■	-	S	FRB	100.0	100.0	99.9	99.9
SUDECO	■	I3	S	CC	100.0	-	100.0	-
TAKAMAKA	■	-	S	FRB	100.0	100.0	100.0	100.0
TCB	■	-	S	LC	99.1	98.7	98.3	97.4
TERRALUMIA	■	I1	S	FRB	100.0	-	100.0	-

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value

(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control		% interest	
					12/31/2023	12/31/2022	12/31/2023	12/31/2022
Toulouse 31 Court Terme	■	-	CSE	FRB	100.0	100.0	100.0	100.0
TOUR MERLE (SCI) (1)	X	-	JV	AG	50.0	50.0	50.0	50.0
TRIA 6 ANS N 16 PT C (1)	■	-	CSE	AG	82.1	81.2	82.1	81.2
TRIANANCE 6 AN 12 C (1)	■	E2	CSE	AG	-	0.8	-	0.8
TRIANANCE 6 AN 13 C (1)	■	E2	CSE	AG	-	83.4	-	83.4
TRIANANCE 6 AN 14 C (1)	■	E2	CSE	AG	-	89.2	-	89.2
TRIANANCE 6 ANS N 15 (1)	■	-	CSE	AG	0.5	84.7	0.5	84.7
TRIANANCE 6 ANS N6 (1)	■	E2	CSE	AG	-	0.4	-	0.4
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
UPTEVIA	▲	O1/O2	JV	LC	50.0	100.0	34.8	69.5
VAL BRIE PICARDIE INVESTISSEMENT	■	I1	S	FRB	90.0	-	90.0	-
Val de France Expansion	■	-	S	FRB	100.0	100.0	100.0	100.0
Val de France Rendement	■	E1	S	FRB	-	100.0	-	100.0
VAUGIRARD GRIMSBY	■	-	S	AG	100.0	100.0	100.0	100.0
VENDOME INV.FCP 3DEC (1)	■	-	CSE	AG	90.7	86.9	90.7	86.9
VENDOME SEL EURO PC (1)	■	-	CSE	AG	14.0	6.9	14.0	6.9
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
WATEA	▲	I3	JV	SFS	30.0	-	30.0	-
GERMANY								
A-BEST NINETEEN	■	O2	CSE	SFS	100.0	50.0	100.0	50.0
A-BEST SIXTEEN	■	O2	CSE	SFS	100.0	50.0	100.0	50.0
Amundi Deutschland GmbH	■	-	S	AG	100.0	100.0	69.0	69.3
CA AUTO BANK S.P.A. GERMAN B	■	*O1/O2*	*B*	*SFS*	*100.0*	*50.0*	*100.0*	*50.0*
CA VERSICHERUNGSSERVICE GMBH	■	O1/O2	S	SFS	100.0	50.0	100.0	50.0
CACEIS Bank S.A., Germany B	■	-	*B*	*LC*	*100.0*	*100.0*	*69.5*	*69.5*
CACEIS FONDS SERVICE GMBH	■	-	S	LC	100.0	100.0	69.5	69.5
CALEF SA – NIEDERLASSUNG DEUTSCHLAND	■	-	*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*
FERRARI FINANCIAL SERVICES GMBH	▲	-	JV	SFS	50.0	50.0	50.0	25.0
LEASYS SPA GERMAN B	▲	-	*B*	*SFS*	*50.0*	*50.0*	*50.0*	*50.0*
OLINN DEUTSCHLAND	■	-	S	SFS	100.0	100.0	100.0	100.0
RETAIL AUTOMOTIVE CP GERMANY 2021 UG	■	-	CSE	SFS	100.0	100.0	100.0	100.0
GREECE								
CA AUTO BANK GMBH HELLENIC B	■	*O1/O2*	*B*	*SFS*	*100.0*	*50.0*	*100.0*	*50.0*
CA AUTO INSURANCE HELLAS S.A	■	O1/O2	S	SFS	100.0	50.0	100.0	50.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control		% interest	
					12/31/2023	12/31/2022	12/31/2023	12/31/2022
Crédit Agricole Life	■	-	S	AG	100.0	100.0	100.0	100.0
DRIVALIA LEASE HELLAS SM S.A	■	O2	S	SFS	100.0	50.0	100.0	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 B	■	*E1*	*B*	*AG*	-	*100.0*	-	*69.3*
AMUNDI Hong Kong Ltd.	■	-	S	AG	100.0	100.0	69.0	69.3
CA Indosuez (Suisse) S.A. Hong Kong B	■	-	*B*	*LC*	*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	69.0	69.3
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	▲	-	A	AG	36.6	36.8	25.3	25.5
IRELAND								
Amundi Intermédiation Dublin B	■	-	*B*	*AG*	*100.0*	*100.0*	*69.0*	*69.3*
Amundi Ireland Ltd	■	-	S	AG	100.0	100.0	69.0	69.3
CA AUTO BANK S.P.A IRISH B	■	*O1/O2*	*B*	*SFS*	*100.0*	*50.0*	*100.0*	*50.0*
CA AUTO REINSURANCE DAC	■	O1/O2	S	SFS	100.0	50.0	100.0	50.0
CACEIS Bank, Ireland B	■	-	*B*	*LC*	*100.0*	*100.0*	*69.5*	*69.5*
CACEIS INVESTOR SERVICES BANK S.A. DUBLIN B	■	*I3*	*B*	*LC*	*100.0*	-	*69.5*	-
CACEIS INVESTOR SERVICES IRELAND LIMITED	■	I3	S	LC	100.0	-	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
DRIVALIA LEASE IRELAND LTD	■	I3	S	SFS	100.0	-	100.0	-
EFL Lease Abs 2017-1 Designated Activity Company	■	-	CSE	SFS	100.0	100.0	100.0	100.0
EFL LEASE ABS 2021-1 DESIGNATED ACTIVITY COMPANY	■	-	S	SFS	100.0	100.0	100.0	100.0
ERASMUS FINANCE	■	O2	CSE	SFS	100.0	50.0	100.0	50.0
FIXED INCOME DERIVATIVES – STRUCTURED FUND PLC	■	-	CSE	LC	100.0	100.0	100.0	100.0

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
KBI Fund Managers Limited	■	E1	S	AG	-	87.5	-	69.3
KBI Global Investors (North America) Limited	■	-	S	AG	100.0	87.5	69.0	69.3
KBI Global Investors Limited	■	-	S	AG	100.0	87.5	69.0	69.3
KBI GLOBAL SUSTN INFR-DEUR [1]	■	I2	CSE	AG	43.1	-	43.1	-
LM-CB VALUE FD-PA EUR [1]	■	-	CSE	AG	29.6	48.8	29.6	48.8
PIMCO GLOBAL BND FD-CURNC EX [1]	■	-	CSE	AG	24.9	52.1	24.9	52.1
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 TV2027	■	-	CSE	AG	100.0	100.0	100.0	100.0
Space Holding (Ireland) Limited	■	-	S	AG	100.0	100.0	100.0	100.0
ITALY								
A-BEST EIGHTEEN	▲	E1	SJV	SFS	-	50.0	-	50.0
A-BEST FIFTEEN	▲	E1	SJV	SFS	-	50.0	-	50.0
A-BEST FOURTEEN	■	O2	CSE	SFS	100.0	50.0	100.0	50.0
A-BEST SEVENTEEN	■	O2	CSE	SFS	100.0	50.0	100.0	50.0
Agos	■	-	S	SFS	61.0	61.0	61.0	61.0
AGOSCOM S.R.L	■	E1	S	SFS	-	100.0	-	61.0
AMUNDI Real Estate Italia SGR S.p.A.	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI SGR S.p.A.	■	-	S	AG	100.0	100.0	69.0	69.3
CA Assicurazioni	■	-	S	AG	100.0	100.0	100.0	100.0
CA AUTO BANK	■	O1/O2	S	SFS	100.0	50.0	100.0	50.0
CA Indosuez Wealth (Europe) Italy B	■	*-*	*B*	*LC*	*100.0*	*100.0*	*100.0*	*100.0*
CACEIS Bank, Italy B	■	*-*	*B*	*LC*	*100.0*	*100.0*	*69.5*	*69.5*
CACEIS INVESTOR SERVICES BANK S.A. MILANO B	■	*I3*	*B*	*LC*	*100.0*	*-*	*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	24.5	25.0	24.5	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 Group Solutions	■	-	CSE	IRB	100.0	100.0	86.2	86.2
Crédit Agricole Italia	■	-	S	IRB	86.4	86.4	86.4	86.4
Crédit Agricole Leasing Italia	■	-	S	IRB	100.0	100.0	88.4	88.4
Crédit Agricole Vita S.p.A.	■	-	S	AG	100.0	100.0	100.0	100.0
DRIVALIA SPA	■	O2	S	SFS	100.0	50.0	100.0	50.0
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

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
CRÉDIT AGRICOLE LEASING & FACTORING S.A. – SUCCURSALE ITALIANA	■	*O1*	*B*	*SFS*	*100.0*	*100.0*	*100.0*	*100.0*
GENERALFINANCE S.P.A.	▲	E2	A	IRB	-	16.3	-	14.1
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	▲	-	SJV	SFS	50.0	50.0	50.0	50.0
LEASYS ITALIA S.P.A.	▲	O1	JV	SFS	50.0	50.0	50.0	50.0
Nexus 1	■	-	CSE	AG	96.9	96.9	96.9	96.9
OLINN ITALIA	■	-	S	SFS	100.0	100.0	100.0	100.0
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	■	I1	CSE	SFS	100.0	-	61.0	-
SUNRISE SPV 50 SRL	■	-	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV 92 SRL	■	O1	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV 93 SRL	■	O1	CSE	SFS	100.0	100.0	61.0	61.0
SUNRISE SPV 94 SRL	■	O1	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
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	69.0	69.3
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*
JERSEY								
CACEIS FUND ADMINISTRATION JERSEY (CI) LIMITED	■	I3	S	LC	100.0	-	69.5	-
LUXEMBOURG								
1827 A2EURC [1]	■	-	CSE	AG	36.1	15.2	36.1	15.2
56055 A5 EUR [1]	■	-	CSE	AG	96.3	97.1	96.3	97.1
56055 AEURHC [1]	■	-	CSE	AG	1.2	1.7	1.2	1.7
5880 AEURC [1]	■	-	CSE	AG	92.3	81.2	92.3	81.2
5884 AEURC [1]	■	-	CSE	AG	9.8	5.4	9.8	5.4
5909 A2EURC [1]	■	-	CSE	AG	63.5	62.4	63.5	62.4
5922 AEURHC [1]	■	-	CSE	AG	56.6	58.9	56.6	58.9
5932 AEURC [1]	■	-	CSE	AG	9.9	64.5	9.9	64.5
5940 AEURC [1]	■	-	CSE	AG	0.8	26.2	0.8	26.2
7653 AEURC [1]	■	-	CSE	AG	46.5	56.2	46.5	56.2
78752 AEURHC [1]	■	-	CSE	AG	40.2	45.5	40.2	45.5
9522 A2EURC [1]	■	-	CSE	AG	33.9	76.5	33.9	76.5
A FD EQ E CON AE(C) [1]	■	-	CSE	AG	58.7	60.7	58.7	60.7
A FD EQ E FOC AE (C) [1]	■	-	CSE	AG	0.4	45.7	0.4	45.7
AF INDEX EQ JAPAN AE CAP [1]	■	-	CSE	AG	18.3	53.7	18.3	53.7

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
AF INDEX EQ USA A4E (1)	■	-	CSE	AG	61.9	68.4	61.9	68.4
AIJPMGBIGOAHE (1)	■	-	CSE	AG	74.6	100.0	74.6	100.0
AIMSCIWOAE (1)	■	-	CSE	AG	5.4	6.4	5.4	6.4
ALTALUXCO	X	E2	JV	AG	-	50.0	-	50.0
AMUN NEW SIL RO AEC (1)	■	-	CSE	AG	92.1	35.4	92.1	35.4
AMUNDI B GL AGG AEC (1)	■	-	CSE	AG	8.1	6.5	8.1	6.5
AMUNDI BGEB AEC (1)	■	-	CSE	AG	43.4	50.8	43.4	50.8
AMUNDI DS IV VAUGIRA (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
AMUNDI EMERG MKT BD-M2EURHC (1)	■	-	CSE	AG	85.6	29.6	85.6	29.6
AMUNDI EQ E IN AHEC (1)	■	-	CSE	AG	27.9	44.9	27.9	44.9
AMUNDI FUNDS ABSOLUTE RETURN MULTI-STRAT (1)	■	-	CSE	AG	95.7	99.9	95.7	99.9
AMUNDI FUNDS PIONEER US EQUITY RESEARCH VALUE HGD (1)	■	-	CSE	AG	81.7	86.1	81.7	86.1
AMUNDI GLB MUL-ASSET-M2EURC (1)	■	-	CSE	AG	84.9	83.0	84.9	83.0
AMUNDI GLO M/A CONS-M2 EUR C (1)	■	-	CSE	AG	69.0	48.4	69.0	48.4
AMUNDI GLOBAL SERVICING	■	-	S	AG	100.0	100.0	69.0	69.3
Amundi Luxembourg SA	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI SF – DVRS S/T BD-HEUR (1)	■	-	CSE	AG	24.2	26.9	24.2	26.9
AMUNDI-EUR EQ GREEN IM-IEURC (1)	■	-	CSE	AG	48.6	50.8	48.6	50.8
AMUNDI-GL INFLAT BD-MEURC (1)	■	-	CSE	AG	81.2	77.7	81.2	77.7
APLEGROSENIEUHD (1)	■	-	CSE	AG	15.7	15.7	15.7	15.7
ARCHM.-IN.DE.PL.III (1)	■	-	CSE	AG	100.0	100.0	100.0	100.0
BA-FII EUR EQ O-GEUR (1)	■	-	CSE	AG	49.2	49.9	49.2	49.9
BRIDGE EU 20 SR LIB (1)	■	-	CSE	AG	68.7	100.0	68.7	100.0
CA Indosuez Wealth (Asset Management)	■	-	S	LC	100.0	100.0	100.0	100.0
CA Indosuez Wealth (Europe)	■	-	S	LC	100.0	100.0	100.0	100.0
CACEIS Bank, Luxembourg B	■	-	*B*	*LC*	*100.0*	*100.0*	*69.5*	*69.5*
CACEIS INVESTOR SERVICES BANK S.A.	■	I3	S	LC	100.0	-	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 SA	X	-	JV	AG	37.1	37.0	37.1	37.0
CHORELIA N3 PART C (1)	■	-	CSE	AG	85.6	83.8	85.6	83.8
CIRRUS SCA A1	X	E2	JV	AG	-	20.0	-	20.0
CPR INV MEGATRENDS R EUR-ACC (1)	■	-	CSE	AG	28.9	34.7	28.9	34.7
CPR I-SM B C-AEURA (1)	■	-	CSE	AG	93.1	95.1	93.1	95.0
CPR-CLIM ACT-AEURA (1)	■	-	CSE	AG	24.6	26.4	24.6	26.4
CPRGLODISOPARAC (1)	■	-	CSE	AG	74.1	43.5	74.1	43.5
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

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
EUROPEAN MOTORWAY INVESTMENTS	X	-	JV	AG	60.0	60.0	60.0	60.0
EXANE 1 OVERDR CC (1)	■	-	CSE	AG	66.9	69.1	66.9	69.1
FCP Camca Lux Finance	■	-	S	FRB	100.0	100.0	100.0	100.0
FCH JNS HEN HON ERO CT-ZCEUR (1)	■	I2	CSE	AG	63.1	-	63.1	-
FE AMUNDI INC BLDR-IHE C (1)	■	-	CSE	AG	89.8	90.5	89.8	90.5
FEAMUNDISVFAEC (1)	■	-	CSE	AG	85.5	68.9	85.5	68.9
FRANKLIN DIVER-DYN-I ACC EU (1)	■	-	CSE	AG	60.6	40.9	60.6	40.9
FRANKLIN GLB MLT-AS IN-IAEUR (1)	■	-	CSE	AG	90.1	63.2	90.1	63.2
Fund Channel	■	-	S	AG	100.0	100.0	69.1	69.3
IGSF-GBL GOLD FD-I C (1)	■	E2	CSE	AG	-	41.8	-	41.8
INDFGBEUR2026P (1)	■	I2	CSE	AG	49.2	-	49.2	-
INDFNAOSA (1)	■	I2	CSE	AG	98.8	-	98.8	-
INDOFIIFLEXEG (1)	■	-	CSE	AG	47.1	42.1	47.1	42.1
INDO-GBL TR-PE (1)	■	-	CSE	AG	76.0	63.0	76.0	63.0
INDOSUEZ NAVIGATOR G (1)	■	-	CSE	AG	48.7	50.6	48.7	50.6
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	92.1	63.5	92.1	63.5
JPM US SEL EQ PLS-CA EUR HD (1)	■	-	CSE	AG	100.0	57.4	100.0	57.4
JPMORGAN F-JPM US VALUE-CEHA (1)	■	-	CSE	AG	28.7	51.2	28.7	51.2
JPMORGAN F-US GROWTH-C AHD (1)	■	-	CSE	AG	6.6	11.3	6.6	11.3
LEASYS LUXEMBOURG S.A	▲	I3	JV	SFS	50.0	-	50.0	-
LUXEMBOURG INVESTMENT COMPANY 296 SARL	X	E2	JV	AG	-	50.0	-	50.0
MACQAURIE STRATEGIC STORAGE FACILITIES HOLDINGS SARL	X	-	JV	AG	40.1	40.0	40.1	40.0
OLINN LUXEMBOURG	■	-	S	SFS	100.0	100.0	100.0	100.0
Partinvest S.A.	■	-	S	LC	100.0	100.0	69.5	69.5
PIO-DIV S/T-AEURND (1)	■	-	CSE	AG	36.5	70.1	36.5	70.1
PREDICA INFRASTRUCTURE SA	■	-	S	AG	100.0	100.0	100.0	100.0
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	5	-	JV	AG	38.5	38.0	38.5	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
VAUGIRARD FIBRA	■	I2	S	AG	100.0	-	100.0	-
MALAYSIA								
AMUNDI Malaysia Sdn Bhd	■	-	S	AG	100.0	100.0	69.0	69.3
CACEIS MALAYSIA SDN.BHD	■	I3	S	LC	100.0	-	69.5	-
MAURITIUS								
GSA Ltd	■	-	S	SFS	100.0	100.0	100.0	100.0

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
MEXICO								
AMUNDI ASSET MANAGEMENT MEXICO B	■	-	*B*	*AG*	*100.0*	*100.0*	*69.0*	*69.3*
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 B	■	-	*B*	*AG*	*100.0*	*100.0*	*69.0*	*69.3*
MONACO								
Caisse régionale Provence – Côte d'Azur, Agence de Monaco	■	-	*B*	*FRB*	*100.0*	*100.0*	*100.0*	*100.0*
CFM Indosuez Gestion	■	-	S	LC	70.2	70.2	69.0	67.2
CFM Indosuez Wealth	■	-	S	LC	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	▲	E3	JV	IRB	-	15.0	-	15.0
Crédit du Maroc Leasing et Factoring	▲	E3	JV	SFS	-	33.3	-	33.3
DRIVALIA LEASE ESPANA SAU, MOROCCO B	■	*O1/ O2*	*B*	*SFS*	*100.0*	*50.0*	*100.0*	*50.0*
Themis Courtage	▲	-	A	SFS	49.0	49.0	49.0	49.0
WAFA Gestion	▲	-	A	AG	34.0	34.0	23.4	23.5
Wafasalaf	▲	-	A	SFS	49.0	49.0	49.0	49.0
NETHERLANDS								
A-BEST 21	■	O2	CSE	SFS	100.0	50.0	100.0	50.0
AMUNDI ASSET MANAGEMENT NEDERLAND	■	-	*B*	*AG*	*100.0*	*100.0*	*69.0*	*69.3*
CA AUTO FINANCE NEDERLAND BV	■	O1/ O2	S	SFS	100.0	50.0	100.0	50.0
CACEIS Bank, Netherlands B	■	-	*B*	*LC*	*100.0*	*100.0*	*69.5*	*69.5*
CALEF SA – DUTCH B	■	-	*B*	*SFS*	*100.0*	*100.0*	*100.0*	*100.0*
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.	■	E2	S	SFS	-	100.0	-	100.0
DRIVALIA LEASE NEDERLAND B.V.	■	I2	S	SFS	100.0	-	100.0	-
Financierings Data Netwerk B.V.	▲	E1	JV	SFS	-	50.0	-	46.7
Finata Zuid-Nederland B.V.	■	E1	S	SFS	-	98.1	-	98.1
FINDIO N.V	■	O1/ O2	S	SFS	-	100.0	-	100.0
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	▲	-	JV	SFS	50.0	50.0	50.0	50.0
MAGOI BV	■	-	CSE	SFS	100.0	100.0	100.0	100.0
RICARE DIRECT BV	■	O1	S	SFS	100.0	100.0	100.0	100.0
Sinefinair B.V.	■	-	CSE	LC	100.0	100.0	100.0	100.0
Sufinair B.V.	■	-	CSE	LC	100.0	100.0	100.0	100.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
NORWAY								
CA AUTO FINANCE NORGE A/S	■	O1/ O2	S	SFS	100.0	50.0	100.0	50.0
DRIVALIA LEASE NORGE AS	■	I3	S	SFS	100.0	-	100.0	-
POLAND								
ALTAMIRA	X	-	JV	AG	22.5	22.5	22.5	22.5
AMUNDI Polska	■	-	S	AG	100.0	100.0	69.0	69.3
Arc Broker	■	-	S	IRB	100.0	100.0	100.0	100.0
CA AUTO BANK S.P.A POLSKA B	■	*O1/ O2*	*B*	*SFS*	*100.0*	*50.0*	*100.0*	*50.0*
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.	■	O1	S	IRB	100.0	100.0	100.0	100.0
Crédit Agricole Polska S.A.	■	O1	S	IRB	100.0	100.0	100.0	100.0
Crédit Agricole Service sp z o.o.	■	O1	S	IRB	100.0	100.0	100.0	100.0
DRIVALIA LEASE POLSKA SP Z O O	■	O1/ O2	S	SFS	100.0	50.0	100.0	50.0
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
LEASYS POLSKA	▲	-	JV	SFS	50.0	50.0	50.0	50.0
TRUCK CARE Sp	■	-	S	SFS	100.0	70.0	100.0	70.0
PORTUGAL								
AGUAS PROFUNDAS SA	X	-	JV	AG	35.0	35.0	35.0	35.0
ARES LUSITANI STC, S.A	■	-	CSE	SFS	100.0	100.0	100.0	100.0
CA AUTO BANK S.P.A PORTUGUESE B	■	*O1/ O2*	*B*	*SFS*	*100.0*	*50.0*	*100.0*	*50.0*
Credibom	■	-	S	SFS	100.0	100.0	100.0	100.0
DRIVALIA PORTUGAL S.A	■	O1/ O2	S	SFS	100.0	50.0	100.0	50.0
Eurofactor S.A. (Portugal)	■	-	*B*	*SFS*	*100.0*	*100.0*	*100.0*	*100.0*
LEASYS MOBILITY PORTUGAL S.A	▲	I3	JV	SFS	50.0	-	50.0	-
LEASYS PORTUGAL S.A	▲	-	JV	SFS	50.0	50.0	50.0	50.0
MUDUM SEGUROS	■	-	S	AG	100.0	100.0	100.0	100.0
QATAR								
CACIB Qatar Financial Center B	■	-	*B*	*LC*	*100.0*	*100.0*	*100.0*	*100.0*
ROMANIA								
Amundi Asset Management S.A.I SA	■	-	S	AG	100.0	100.0	69.0	69.3
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

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
SINGAPORE								
Amundi Intermédiation Asia PTE Ltd	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI Singapore Ltd.	■	-	S	AG	100.0	100.0	69.0	69.3
Azqore SA Singapore B	■	-	B	LC	82.9	82.9	82.9	82.9
CA Indosuez (Suisse) S.A. Singapore B	■	-	B	LC	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 B	■	-	B	AG	100.0	100.0	69.3	69.3
UBAF (Singapour)	▲	-	B	LC	47.0	47.0	47.0	47.0
SLOVAKIA								
Amundi Czech Republic Asset Management Bratislava B	■	-	B	AG	100.0	100.0	69.0	69.3
SOUTH KOREA								
Crédit Agricole CIB (Corée du Sud)	■	-	B	LC	100.0	100.0	100.0	100.0
Crédit Agricole Securities (Asia) Limited Seoul B	■	-	B	LC	100.0	100.0	100.0	100.0
NH-AMUNDI ASSET MANAGEMENT	▲	-	A	AG	30.0	30.0	20.7	20.8
UBAF (Corée du Sud)	▲	-	B	LC	47.0	47.0	47.0	47.0
WOORI CARD 2022 1 ASSET SECURITIZATION SPECIALTY CO LTD	■	-	CSE	LC	100.0	100.0	-	-
SPAIN								
A-BEST 20	■	O2	CSE	SFS	100.0	50.0	100.0	50.0
AMUNDI Iberia S.G.I.I.C S.A.	■	-	S	AG	100.0	100.0	69.0	69.3
CA AUTO BANK S.P.A. SPANISH B	■	O1/O2	B	SFS	100.0	50.0	100.0	50.0
CA Indosuez Wealth (Europe) Spain B	■	-	B	LC	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 ESPAÑA	■	-	B	LC	100.0	100.0	69.5	69.5
CACEIS FUND SERVICES SPAIN S.A.U.	■	-	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	■	-	S	SFS	100.0	100.0	100.0	100.0
Crédit Agricole Leasing & Factoring, Sucursal en España	■	-	B	SFS	100.0	100.0	100.0	100.0
DRIVALIA ESPAÑA S.L.U.	■	O2	S	SFS	100.0	50.0	100.0	50.0
DRIVALIA LEASE ESPAÑA SAU	■	O1/O2	S	SFS	100.0	50.0	100.0	50.0
FACTUM IBERICA	■	-	S	SFS	100.0	100.0	100.0	100.0
FREECARS SPAIN LOGISTIC SOCIEDAD LIMITADA	■	I3	S	SFS	100.0	-	77.0	-
JANUS RENEWABLES	X	-	JV	AG	50.0	50.0	50.0	50.0
LEASYS SPA, Spanish B	▲	-	B	SFS	50.0	50.0	50.0	50.0
ORDESA SERVICIOS EMPRESARIALES	X	-	JV	AG	60.0	60.0	60.0	60.0

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
Predica – Prévoyance Dialogue du Crédit Agricole	■	-	B	AG	100.0	100.0	100.0	100.0
REPSOL RENOVABLES	X	-	JV	AG	12.5	12.5	12.5	12.5
Sabadell Asset Management, S.A., S.G.I.I.C.	■	-	S	AG	100.0	100.0	69.0	69.3
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
TUNELS DE BARCELONA	X	-	JV	AG	50.0	50.0	50.0	50.0
VAUGIRARD AUTOVIA S.L.U.	■	-	CSE	AG	100.0	100.0	100.0	100.0
Vaugirard Infra S.L.	■	-	S	AG	100.0	100.0	100.0	100.0
VAUGIRARD RENOVABLES	■	-	S	AG	100.0	100.0	100.0	100.0
SWEDEN								
AMUNDI ASSET MANAGEMENT SWEDEN B	■	-	B	AG	100.0	100.0	69.0	69.3
CA AUTO FINANCE SVERIGE AB	■	O1/O2	S	SFS	100.0	50.0	100.0	50.0
Crédit Agricole CIB (Suède)	■	-	B	LC	100.0	100.0	100.0	100.0
SWITZERLAND								
AMUNDI Suisse	■	-	S	AG	100.0	100.0	69.0	69.3
Azqore	■	-	S	LC	82.9	82.9	82.9	82.9
CA AUTO FINANCE SUISSE SA	■	O1/O2	S	SFS	100.0	50.0	100.0	50.0
CA Indosuez (Suisse) S.A. Switzerland B	■	-	B	LC	100.0	100.0	100.0	100.0
CA Indosuez (Switzerland) S.A.	■	-	S	LC	100.0	100.0	100.0	100.0
CA Indosuez Finanziaria S.A.	■	-	S	LC	100.0	100.0	100.0	100.0
CACEIS Bank, Switzerland B	■	-	B	LC	100.0	100.0	69.5	69.5
CACEIS INVESTOR SERVICES BANK S.A. ZURICH B	■	I3	B	LC	100.0	-	69.5	-
CACEIS Switzerland S.A.	■	-	S	LC	100.0	100.0	69.5	69.5
Crédit Agricole nextbank (Suisse) S.A.	■	-	S	IRB	100.0	100.0	100.0	100.0
OLINN SUISSE	■	-	S	SFS	100.0	100.0	100.0	100.0
TAIWAN								
Amundi Taiwan Limited	■	-	S	AG	100.0	100.0	69.0	69.3
Crédit Agricole CIB (Taipei)	■	-	B	LC	100.0	100.0	100.0	100.0
UKRAINE								
CRÉDIT AGRICOLE UKRAINE	■	O1	S	IRB	100.0	100.0	100.0	100.0
UNITED ARAB EMIRATES								
AMUNDI ASSET MANAGEMENT DUBAI (OFF SHORE) B	■	-	B	AG	100.0	100.0	69.0	69.3
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 B	■	-	B	LC	100.0	100.0	100.0	100.0

(1) Consolidation method: ■ Full integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

Crédit Agricole Group scope of consolidation	(1)	(a)	(b)	(c)	% control 12/31/2023	% control 12/31/2022	% interest 12/31/2023	% interest 12/31/2022
UNITED KINGDOM								
AMUNDI (UK) Ltd.	■	-	S	AG	100.0	100.0	69.0	69.3
AMUNDI ASSET MANAGEMENT LONDON B	■	*E1*	*B*	*AG*	*-*	*100.0*	*-*	*69.3*
Amundi Intermédiation London B	■	*-*	*B*	*AG*	*100.0*	*100.0*	*69.0*	*69.3*
Amundi IT Services London B	■	*I2*	*B*	*AG*	*100.0*	*-*	*69.0*	*-*
CA AUTO FINANCE UK LTD	■	O1/O2	S	SFS	100.0	50.0	100.0	50.0
CACEIS Bank, UK B	■	*-*	*B*	*LC*	*100.0*	*100.0*	*69.5*	*69.5*
CACEIS INVESTOR SERVICES BANK S.A. LONDON B	■	*I3*	*B*	*LC*	*100.0*	*-*	*69.5*	*-*
CACEIS UK TRUSTEE AND DEPOSITARY SERVICES LTD	■	*I1*	*B*	*LC*	*100.0*	*-*	*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	■	E1	CSE	LC	-	100.0	-	100.0
DRIVALIA LEASE UK LTD	■	O1/O2	S	SFS	100.0	50.0	100.0	50.0
DRIVALIA UK LTD	■	O2	S	SFS	100.0	50.0	100.0	50.0
FERRARI FINANCIAL SERVICES GMBH, UK B	▲	*-*	*B*	*SFS*	*50.0*	*50.0*	*50.0*	*50.0*
HORNSEA 2	X	-	SJV	AG	25.0	25.0	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	69.0	69.3
NIXES SIX (LTD)	■	O2	CSE	SFS	100.0	50.0	100.0	50.0
Succursale Crédit Agricole S.A.	■	*-*	*B*	*CC*	*100.0*	*100.0*	*100.0*	*100.0*
UNITED STATES								
Amundi Asset Management US Inc.	■	-	S	AG	100.0	100.0	69.0	69.3
Amundi Distributor US Inc.	■	-	S	AG	100.0	100.0	69.0	69.3
Amundi Holdings US Inc.	■	-	S	AG	100.0	100.0	69.0	69.3
Amundi US Inc.	■	-	S	AG	100.0	100.0	69.0	69.3
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 (États-Unis)	■	*-*	*B*	*LC*	*100.0*	*100.0*	*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 INC.	■	E2	S	AG	-	100.0	-	69.3
Vanderbilt Capital Advisors LLC	■	E1	S	AG	-	100.0	-	69.3

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)

Subsidiary

Branch

Consolidated structured entity

Joint venture

Structured joint venture

Joint operation

Associate

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 integration ▲ Equity accounted ● Parent X Fair value
(a) Scope changes (b) Type of entity and controls nature (c) Activity (see détails at the end of the table)

NOTE 14 NON-CONSOLIDATED EQUITY INVESTMENTS AND STRUCTURED ENTITIES

14.1 NON-CONSOLIDATED EQUITY INVESTMENTS

These securities, which are recorded at fair value through profit or loss or at fair value through equity 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 €27,576 million at 31 December 2023, compared with €22,163 million at 31 December 2022. At 31 December 2023, the main investment in non-consolidated companies where percentage of control is greater than 20% and there is a significant carrying amount is Crédit Logement (shares A and B). The Group's investment represents 32.50% of Crédit Logement's capital and amounts to €481 million but does not confer any significant influence over this entity, which is jointly held by various French banks and corporates.

14.1.1 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.

14.1.2 MATERIAL 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.

14.2 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 2023, the 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

The 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

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 cash 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, the 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

The Crédit Agricole Group sponsors structured entities in the following instances:

- the 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 the Crédit Agricole Group and it is the main user thereof;
- the Crédit Agricole Group transfers its own assets to the structured entity;
- the Crédit Agricole Group is the manager;
- the name of a subsidiary or of the parent company of the Crédit Agricole Group is linked to the name of the structured entity or to the financial instruments issued by it.

The Crédit Agricole Group has sponsored non-consolidated structured entities in which it does not hold an interest at 31 December 2023.

Gross revenues from sponsored entities mainly comprise interest expense and income in securitisation and investment funds, in which Crédit Agricole Group does 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 2023, the Crédit Agricole Group did not provide financial support to any non-consolidated structured entities.

At 31 December 2023, the 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 2023 and 31 December 2022, 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:

	31/12/2023															
	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	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	3	3	-	3	2,712	2,712	-	2,712	44,841	44,841	-	44,841	4	4	-	4
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	69	69	-	69	-	-	-	-
Financial assets at amortised cost	108	108	-	108	-	-	-	-	-	-	-	-	2,140	2,140	-	2,140
TOTAL ASSETS RECOGNISED RELATING TO NON-CONSOLIDATED STRUCTURED ENTITIES	112	112	-	112	2,712	2,712	-	2,712	44,909	44,909	-	44,909	2,143	2,143	-	2,143
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	26	26	-	26	518	518	-	518	-	-	-	-	14	14	-	14
Liabilities	12	-	-	-	-	-	-	-	-	-	-	-	240	-	-	-
TOTAL LIABILITIES RECOGNISED RELATING TO NON-CONSOLIDATED STRUCTURED ENTITIES	39	26	-	26	518	518	-	518	-	-	-	-	254	14	-	14
Commitments given	**-**	**15**	**-**	**15**	**-**	**13,147**	**328**	**12,819**	**-**	**-**	**-**	**-**	**-**	**2,147**	**-**	**2,147**
Financing commitments	-	15	-	15	-	-	-	-	-	-	-	-	-	2,147	-	2,147
Guarantee commitments	-	-	-	-	-	13,148	328	12,819	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provisions for execution risks – commitments given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMITMENTS (NET OF PROVISION) TO NON-CONSOLIDATED STRUCTURED ENTITIES	-	15	-	15	-	13,147	328	12,819	-	-	-	-	-	2,147	-	2,147
TOTAL BALANCE SHEET RELATING TO NON-CONSOLIDATED STRUCTURED ENTITIES	**2,021**	**-**	**-**	**-**	**82,061**	**-**	**-**	**-**	**463,043**	**-**	**-**	**-**	**5,321**	**-**	**-**	**-**

(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 3.3 "Market risk". These are investment funds in which the Group is not a manager, and structured financing entities in which the Group has only granted a loan.

	31/12/2022															
	Securitisation 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	34,920	34,920	-	34,920	-	-	-	-
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**	**34,977**	**34,977**	**-**	**34,977**	**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	**-**	**-**	**-**	**-**	**82,098**	**-**	**-**	**-**	**4,153**	**-**	**-**	**-**		**-**	**-**	**-**

(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 3.3 "Market risk". These are investment funds in which the Group is not a manager, and structured financing entities in which the Group has only granted a loan.

MAXIMUM EXPOSURE TO LOSSES

The maximum exposure to loss risk on financial instruments corresponds to the carrying amount, 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 15 EVENTS AFTER 31 DECEMBER 2023

There have been no material events subsequent to the reporting period end.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(For the year ended 31 December 2023)

This is a translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the General Meeting of Shareholders

CRÉDIT AGRICOLE S.A.

12, place des États-Unis

92127 Montrouge Cedex

OPINION

In compliance with the engagement entrusted to us by your General Meeting of Shareholders, we have audited the accompanying consolidated financial statements of CRÉDIT AGRICOLE GROUP for the year ended 31 December 2023.

As indicated in the "General framework" section of the consolidated financial statements, the consolidated financial statements of the CRÉDIT 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 2023 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 1 January 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5-(1) of Regulation (EU) No. 537/2014 or in the French Code of ethics *(Code de déontologie)* for Statutory Auditors.

OBSERVATION

Without qualifying the opinion expressed above, we draw your attention to the change in accounting method relating to the application as from 1 January 2023 of IFRS 17 "Insurance Contracts" as set out in Notes 1.1 "Applicable standards and comparability", 1.2 "Accounting policies and principles" and 12 "Impact of accounting developments and other events" and in the other notes to the financial statements presenting quantified figures related to the impact of these changes.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

CREDIT RISK AND ESTIMATE OF EXPECTED LOSSES ON PERFORMING AND NON-PERFORMING LOANS

Description of risk	How our audit addressed this 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, in particular, in an environment still marked by significant uncertainty related to the context of the armed conflict in Ukraine, coupled with an inflationary context and rising 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 parameters evaluation model(probability of default – PD, loss given default – LGD)and ECL calculation, 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 the energy and automobile sectors and in Russia (Stage 1 and Stage 2), as well as those on all non-performing exposures (Stage 3), due to an uncertain economic environment, the complexity of identifying exposures presenting a risk of non-recovery and the degree of judgement needed to estimate recovery flows;
• Retail Banking: loss allowances on exposures in Stages 1, 2 and 3 and particularly for the corporate and professional segments in France and Italy;
• Crédit Agricole Consumer Finance: loss allowances on exposures classified in Stages 1, 2 and 3 in France and Italy.
 	
As at 31 December 2023, the loss allowances for expected losses related to all eligible exposures (excluding Credit Agricole internal transactions) amounted to €23,2 billion, including:
• €10,2 billion of loss allowances on performing exposures (€3,4 billion for Stage 1 and €6,8 billion for Stage 2);
• €13 billion of loss allowances on non-performing exposures (Stage 3).
 	
See Notes 1.2 and 3.1 to the consolidated financial statements.
	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 war in Ukraine, the inflationary context and rise in interest rates, the macroeconomic forecasts used for the calculation of loss allowances, as well as the related financial information.
	
	We tested the controls we judged as key implemented by the main entities for the annual portfolio reviews, the updating of credit ratings, the identification of sectors impacted by macro-economic context, the identification of performing or non-performing exposures, and the measurement of loss allowances. We also read the main conclusions of the main Crédit Agricole Group entities' specialised committees in charge of monitoring performing and non-performing loans as well as recommendations from supervisory authorities.
	
	Regarding impairment on exposures classified in Stages 1 and 2:
	• we appreciated the economic scenarios used, and the methods and measurements for the various loss allowance inputs and calculation models with the support of our experts. In particular, we analyzed the adjustments made to take into account the impact of inflationary context;
	• we examined the methodology used by the Risk Department to identify significant increases in credit risk since origination and the accounting treatments implemented;
	• we 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;
	• we 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;
	• we 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 on exposures classified in Stage 3:
	• 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 Crédit Agricole Consumer Finance, we compared the 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.

RISK OF MISMEASUREMENT 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 in particular in the context of the war in Ukraine, coupled with inflation and rising interest 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 and International Retail Banking – Italy CGUs. At 31 December 2023, goodwill recorded in the balance sheet amounted to €16,5 billion. *See Notes 1.2 and 6.15 to the consolidated financial statements.*	We obtained an understanding of the processes implemented by the 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 based on samples and compared the main assumptions, such as discount rate 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 value. 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 (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.

ASSESSMENT OF PROVISIONS FOR REGULATORY, LEGAL AND TAX LITIGATION

Description of risk	How our audit addressed this risk
The Crédit Agricole Group is the subject of litigation procedures, requests for information, investigations, controls and other procedures of a regulatory or legal nature from various institutions in France and abroad. 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 procedures or uncertainties regarding certain tax treatments. Given the importance of judgement made by the management when evaluating the financial risks and consequences for Crédit Agricole Group, the assessments of legal, tax and compliance risks constitute a key audit matter. The investigations, requests for information and actions of certain authorities, as well as the main tax inspections as of 31 December 2023, are presented in Notes 1.2, 6.9 and 6.16 to the consolidated financial statements.	We obtained an understanding of the process implemented by management to assess the risks arising from these procedures of regulatory and legal nature 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 in particular: • assessing the assumptions made to determine provisions or receivables based on available information such as 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 CLASSIFIED IN LEVEL 3

Description of risk

Within the Large Corporate business line of the Crédit Agricole S.A. 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.

Taking into account the uncertain economic environment, we consider that the valuation of these financial assets and liabilities of Crédit Agricole CIB 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 are recorded in the balance sheet of the Crédit Agricole Group as financial assets at fair value which, in Level 3, represent €39,2 billion at 31 December 2023.

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 €22,7 billion at 31 December 2023.

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, 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;
- 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 and 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.

ASSESSMENT OF THE EFFECT OF FIRST-TIME ADOPTION OF IFRS 17 "INSURANCE CONTRACTS" AND OF INSURANCE CONTRACT LIABILITIES

Description of risk	How our audit addressed this risk
The first application of IFRS 17 "Insurance contracts" from 1 January 2023 results in significant changes to the rules applicable to the measurement and recognition of insurance liabilities as well as to the presentation of the Group's consolidated financial statements. The standard is applicable retrospectively to insurance contracts in place at the transition date of 1 January 2022. Notes 1 and 5.3 to the consolidated financial statements present the qualitative and quantitative disclosures required by IFRS 17, as well as the main accounting policies applied and the key assumptions by the Group on the transition date. The adoption of this new accounting standard has led to the recognition of an overall impact of -€1.3 billion on shareholders' equity on 1 January 2022, and to the recognition of a contractual service margin at opening date of €27.8 billion. The significance of the changes in the measurement and recognition of insurance contract liabilities resulting from this new accounting standard, the accounting methods chosen and the significant judgments made by management in determining certain key measurement assumptions, including for the determination of the margin realized by bank distributors when commercializing in-house insurance contracts, led us to consider the assessment of the impact of the first-time application of IFRS 17 "Insurance Contracts" on the opening balances and comparatives of the Group's consolidated financial statements as a key audit matter. Regarding the measurement of insurance liabilities contracts, this is based on the determination of the best estimate of the discounted value of future cash flows necessary to satisfy the contractual obligations towards policyholders, and the adjustment for non-financial risks designed to cover the uncertainty of the amount based on a level of confidence retained by the Group (simplified method), as well as on a contractual service margin representing the unearned profit that the Group will recognize as income as it delivers the services provided for in the insurance contracts (default method and variable fee method). Given the sensitivity of the above insurance liabilities to the various underlying assumptions (in particular long-term horizon of commitments, policyholder behaviours, discount rates…), to the expert judgments, and to the complexity of the actuarial methods used, we considered that measurement of insurance liabilities contracts constituted a key audit matter. As at 31 December 2023, insurance contracts in issue recorded under liabilities represent € 351,8 billion. *See Notes 1, 2.2, 3, 5.3 and 12 to the consolidated financial statements.*	For the assessment of the effect of first-time application of IFRS 17, we performed the following procedures with the assistance of our actuarial experts: • obtaining an understanding of the Group's plan for applying IFRS 17 and the governance structure regarding the validation of IFRS 17 valuations models, the parameters and assumptions to be applied at closing date, and the financial impact on estimates of insurance liabilities; • obtaining an understanding and assess the relevance of the processes and controls defined by management, including the internal control environment of information system, to determine the impact of the adoption of IFRS 17 on the consolidated financial statements at January 1, 2022 and on the comparative statements at December 31, 2022; • assess the compliance of the accounting policies applied by the Group with the requirements of IFRS 17. We paid particular attention to the simplifying assumptions used to apply the modified retrospective method at the transition date, and in particular to the methods used to measure and recognize the contractual service margin and the distribution of insurance contracts; • assess the appropriateness of the information disclosed in the notes to the consolidated financial statements relating to the first application of IFRS 17. For the main insurance liabilities mentioned opposite, we have performed the following procedures with the assistance of our actuarial experts: • obtaining an understanding of the internal control environment related to the process of determining insurance liabilities, the best estimate of the discounted value of future cash flows required to meet contractual obligations to policyholders under insurance contracts, and the information systems supporting the processing of technical data and their input into the accounting system; • appreciating the methodology applied by the Group to measure these provisions in accordance with the principles of IFRS 17; • testing of the controls we considered key in the process of measuring insurance liabilities relating to the methodologies, judgments and assumptions made by management, including the internal control environment for information systems; • testing, on a sample basis, of the main methodologies, assumptions, underlying data and key actuarial parameters used in determining estimates of discounted future cash flows, the adjustment for non-financial risks and the margin on contractual services; • assessment of the appropriateness of the discount rate curve used; • independent recalculation of the estimated future cash flows of certain insurance liabilities; • assessing the appropriateness of the information disclosed 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 2023, PricewaterhouseCoopers Audit and Ernst & Young et Autres were in the twentieth and thirty-ninth 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. 821-55 of the French Commercial Code *(Code de commerce)*, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

REPORT TO THE AUDIT COMMITTEE

We submit 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. 821-27 to L. 821-34 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, 28 March 2024

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Agnès Hussherr	Vanessa Jolivalt

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GENERAL INFORMATION

INFORMATION ON CRÉDIT AGRICOLE GROUP LOCATIONS

TABLE ON LOCATIONS (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	20,981	109,822	4,139	(986)	(112)	-
France DOM-TOM	416	1,710	65	(23)	2	-
OTHER EU COUNTRIES						
Germany	805	1,737	256	(90)	(6)	-
Austria	68	149	35	(9)	2	-
Belgium	129	202	71	(9)	-	-
Bulgaria	1	2	-	-	-	-
Denmark	15	55	2	(1)	1	-
Spain	554	1,065	281	(90)	13	-
Finland	26	127	16	-	(3)	-
Greece	6	49	3	(1)	-	
Hungary	4	19	1	-	-	-
Ireland	281	915	153	(23)	1	-
Italy	4,556	15,799	1,714	(178)	(344)	-
Luxembourg	1,568	2,447	1,045	(111)	(16)	-
Netherlands	99	437	(1)	(2)	-	-
Poland	585	4,909	114	(29)	2	-
Portugal	179	694	56	(14)	(1)	-
Czech Republic	49	288	25	(5)	1	-
Romania	1	8	-	-	-	-
Slovakia	2	5	-	-	-	-
Sweden	64	58	35	(7)	-	-
OTHER EUROPEAN COUNTRIES						
Switzerland	553	1,460	78	(17)	2	-
United Kingdom	1,870	1,183	1,473	(180)	(1)	-
Guernsey	-	-	-	-	-	-
Jersey	-	10	-	-	-	-
Monaco	234	469	99	(23)	-	-
Norway	4	65	1	-	-	-
Serbia	-	-	-	-	-	-
Russia	11	108	20	(2)	(4)	-
Ukraine	220	2,143	136	(67)	1	-
NORTH AMERICA						
Canada	15	19	9	(2)	-	-
United States	1,497	1,256	767	(183)	14	-
Mexico		3	-	-	-	-

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
CENTRAL AND SOUTH AMERICA						
Argentina	-	-	-	-	-	-
Brazil	111	110	81	(21)	-	-
Chile	2	3	1	-	-	-
AFRICA AND MIDDLE EAST						
Algeria	-	-	-	-	-	-
Saudi Arabia	1	10	-	-	-	-
Egypt	286	2,529	192	(54)	1	-
United Arab Emirates	55	129	9	(1)	-	-
Morocco	1	3	-	-	-	-
Mauritius	-	181	-	-	-	-
Qatar	-	6	-	-	-	-
ASIA AND OCEANIA (EXCL. JAPAN)						
Australia	65	46	43	(14)	1	-
China	96	267	33	(2)	(11)	-
South Korea	119	100	80	(15)	(2)	-
Hong Kong	330	703	157	(24)	(1)	-
India	49	252	27	(12)	-	-
Malaysia	16	1,053	11	(3)	1	-
Singapore	182	1,035	106	(19)	-	-
Taiwan	56	120	(3)	(4)	3	-
Vietnam						
JAPAN						
Japan	330	444	228	(65)	(6)	-
TOTAL	**36,492**	**154,202**	**11,558**	**(2,286)**	**(462)**	**-**

MATERIAL CHANGES

The financial statements for financial year 2023 were approved by the Board of Directors at its meeting of 7 February 2024. 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 2023 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 the 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, 28 March 2024

Chief Executive Officer of Crédit Agricole S.A.

Philippe Brassac

STATUTORY AUDITORS

STATUTORY AUDITORS

Ernst & Young et Autres	PricewaterhouseCoopers Audit
Company represented by Vanessa Jolivalt	Company represented by Agnès Hussherr
1-2, place des Saisons	63, rue de Villiers
92400 Courbevoie, Paris – La Défense 1	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 Vanessa Jolivalt.

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

Auditex	Jean-Baptiste Deschryver
Company represented by Jean-Baptiste Schoutteten	
1-2, place des Saisons	63, rue de Villiers
92400 Courbevoie, Paris – La Défense 1	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*

Auditex (previously 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 FOR AMENDMENT A01 OF THE UNIVERSAL REGISTRATION DOCUMENT

This cross-reference table contains the headings provided for in Annex 1 (as referred to in Annex 2) of Delegated Regulation (EU) 2019/980 of the Commission of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and repealing Commission Regulation (EC) No. 809/2004 (Annex I), in application of the “Prospectus Directive”. It refers to the pages of this document, and also references the pages of the 2023 Universal Registration Document filed with the AMF on 22 March 2024 under number D.24-0156.

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Section 1	**Persons responsible**		
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1.2	Declaration of the persons responsible	867	481
1.3	Statement or report of the persons acting as experts	N/A	N/A
1.4	Information from a third party	N/A	N/A
1.5	Declaration concerning the competent authority	N/A	N/A
Section 2	**Statutory auditors**		
2.1	Identity of the Statutory Auditors	867	481
2.2	Change, if any	867	481
Section 3	**Risk factors**	**348-363**	**45-60**
Section 4	**Information about the issuer**		
4.1	Legal name and commercial name	578 ; 842	3
4.2	Location, registration number and legal entity identifier (“LEI”)	578 ; 842	N/A
4.3	Date of incorporation and lifespan	578 ; 842	N/A
4.4	Registered office and legal form, legislation governing the business activities, country of origin, address and telephone number of the legal registered office, website with a warning notice	38 ; 842-849 ; 877	N/A
Section 5	**Business overview**		
5.1	Principal activities	14-28 ; 323-334 ; 672-675	7-16; 19-20; 364-387
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5.7	Investments		
5.7.1	Major investments made	29-31 ; 590-591 ; 624-625 ; 756-772 ; 854	315-316
5.7.2	Main current or future investments	854	N/A
5.7.3	Information on joint ventures and associates	710-714	401-407
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Section 6	**Organisational structure**		
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6.2	List of important subsidiaries	582-583 ; 759-772 ; 808-810	450-467
Section 7	**Review of the financial position and performance**		
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7.1.2	Forecasts of future development and research and development activities	338-340	38-43
7.2	Operating income	584 ; 787	274
7.2.1	Major factors, unusual or infrequent events or new developments	318-323	20-25
7.2.2	Reasons for major changes in revenues or net income	N/A	N/A
Section 8	**Capital resources**		
8.1	Information on share capital	9-10 ; 415-434 ; 587-589 ; 726 ; 786 ; 824	3; 6; 8-9; 36-37; 108-134; 276-279; 357; 363
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8.3	Financing needs and structure	322-323 ; 394-398 ; 656-658	23; 89-95; 348-350
8.4	Restrictions on the use of capital	415-419 ; 756	108-128; 447
8.5	Expected sources of financing	854	N/A
Section 9	**Regulatory environment**		
	Description of the regulatory environment that could impact the Company's business activities	357-359 ; 595-623 ; 624-625	53-56; 282-311
Section 10	**Trend information**		
10.1	Description of the main trends and any material change in the Group's financial performance since the end of the financial year	338-340 ; 855	38-43
10.2	Events that could materially impact the outlook	338-340 ; 855	38-43
Section 11	**Profit projections or estimates**		
11.1	Profit projections or estimates reported	N/A	N/A
11.2	Statement describing the main assumptions for projections	N/A	N/A
11.3	Declaration of comparability with the historical financial information and compliance of the accounting methods	N/A	N/A
Section 12	**Administrative, management, supervisory and executive management bodies**		
12.1	Information on the members	193-207 ; 231-260	N/A
12.2	Conflicts of interest	197 ; 204 ; 261	N/A
Section 13	**Compensation and benefits**		
13.1	Compensation paid and benefits in kind	197 ; 262-306 ; 730-734	420-424
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		Page number of the Universal Registration Document	Page number of the current update of the Universal Registration Document
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Section 16	Major shareholders		
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Section 18	**Financial information concerning the Company's assets and liabilities, financial position and profits and losses**		
18.1	Historical financial information		
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18.1.3	Accounting standards	595-623 ; 792-795	282-314
18.1.4	Change of accounting standards	N/A	N/A
18.1.5	Balance sheet, income statement, changes in equity, cash flow, accounting methods and explanatory notes	9 ; 786-834	6; 276-470
18.1.6	Consolidated financial statements	576-783	270-477
18.1.7	Age of financial information	584-591 ; 786-787	274-283
18.2	Interim and other financial information (audit or review reports, as applicable)	N/A	N/A
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18.3.1	Independent audit of historical annual financial information	776-782	471-477
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18.3.3	Unaudited financial information	N/A	N/A
18.4	Pro forma financial information	N/A	N/A

		Page number of the Universal Registration Document	Page number of the current update of the Universal Registration Document
18.5	Dividend policy		
18.5.1	Description of the dividend distribution policy and any applicable restriction	35	N/A
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Section 19	**Additional information**		
19.1	Information on share capital		
19.1.1	Amount of capital subscribed, number of shares issued and fully paid up and par value per share, number of shares authorised	34-35; 850-851 ; 726 ; 824 ; 842-844	N/A
19.1.2	Information on non-equity shares	N/A	N/A
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19.1.7	History of share capital	34-35	N/A
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Section 20	**Material contracts**	**855**	**N/A**
Section 21	**Documents available**	**855**	**N/A**

N/A: not applicable.

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 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 annual and consolidated financial statements for the financial year ended 31 December 2022 and the corresponding Statutory Auditors' reports, as well as the Group's management report, appearing respectively on pages 698 to 742 and 528 to 688, on pages 743 to 746 and 689 to 696 and on pages 280 to 309 of the Crédit Agricole S.A. 2022 Registration Document filed with the AMF on 27 March 2023 under number D.23-0154. The information is available via the following link: https://www.credit-agricole.com/pdfPreview/197620.

The sections of the Registration Documents number D.22-0142 and number D.23-0154 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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S.A.

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