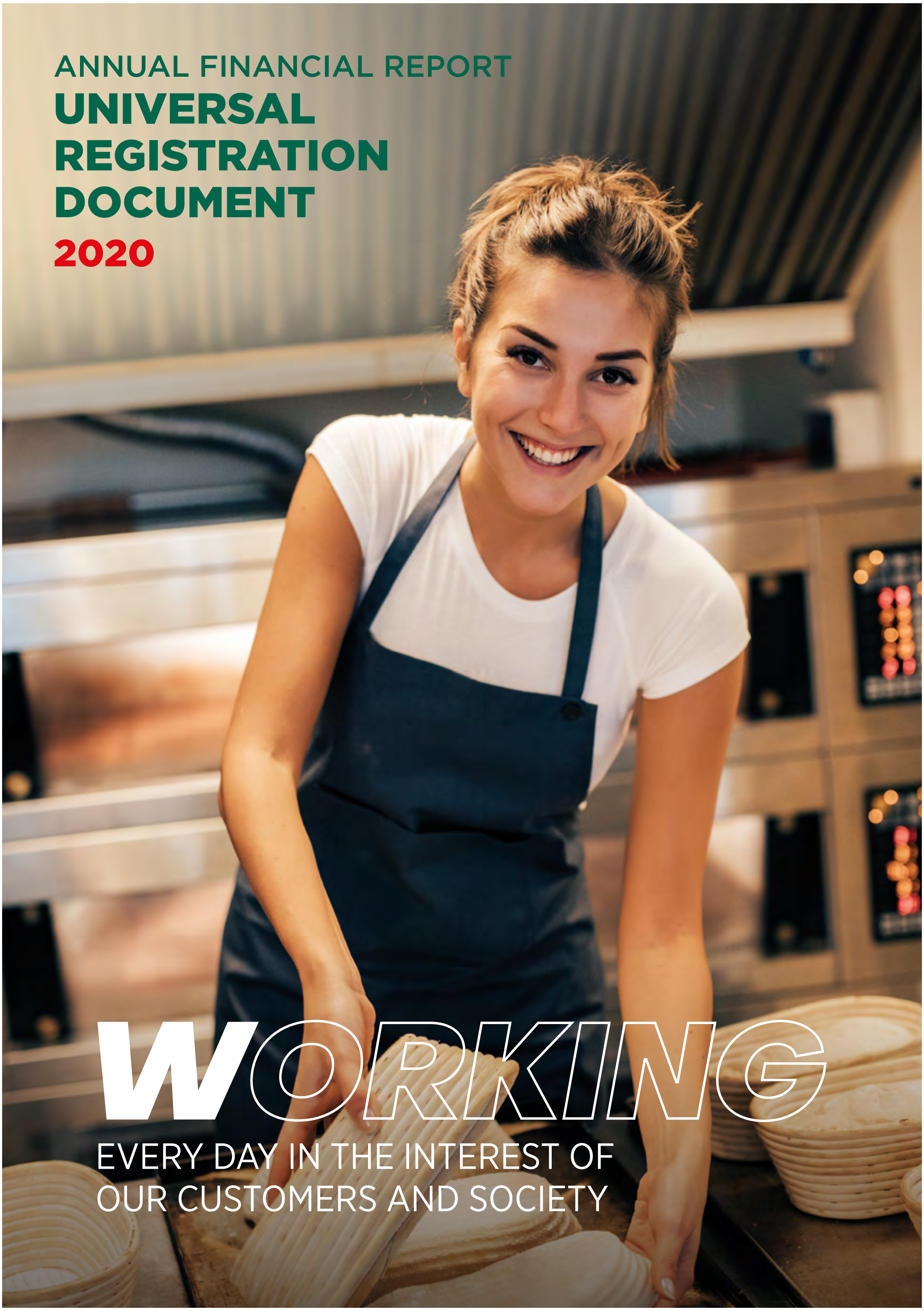
ANNUAL FINANCIAL REPORT

UNIVERSAL REGISTRATION DOCUMENT 2020



WORKING

EVERY DAY IN THE INTEREST OF OUR CUSTOMERS AND SOCIETY

CRÉDIT AGRICOLE S.A.

CONTENTS

UNIVERSAL REGISTRATION DOCUMENT

ANNUAL FINANCIAL REPORT 2020

WORKING EVERY DAY IN YOUR INTEREST
AND FOR SOCIETY

AUTORITÉ
DES MARCHÉS FINANCIERS

AMF

The English version of the Universal Registration Document was filed on 24 March 2021 with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a translation into English of the Annual Financial Report/URD of the Company issued in French and it is available on the website of the Issuer.

INTERVIEW OF DOMINIQUE LEFEBVRE AND PHILIPPE BRASSAC

In 2020 we experienced an unprecedented crisis – a public health crisis coupled with a global economic crisis. Did this lead you to rethink your model?

Dominique Lefebvre

The ongoing crisis, swift and unprecedented, has revealed the value companies have for citizens and society. For Crédit Agricole, recognized in France as one the 25 most critical businesses during the crisis, the value to our clients was demonstrated every day. We have continued to provide essential services to the general public and helped corporations, small businesses and farmers get through this crisis by providing them with massive public measures.

In the face of global pandemic, the first answer of the public authorities was to strictly curb movements and contacts, leading to the shutdown of entire parts of the economy and of some public services. There has been a very strong abidance by these measures, and it was essential for the Management and the Board of Crédit Agricole S.A. to prevent the anxiety linked to the health situation from being increased by material anxiety. Be it the entrepreneur, who from one day to another, had to face piled up production without being able to distribute it, be it the consumer seeing his loans' payment terms coming due while he was temporarily facing lack of liquidity, we had to be present and help our clients find the right solutions to these contingencies on which they had no control.

Throughout this period, which required us to act quickly at Crédit Agricole, we nevertheless continued to focus on what matters leveraging on our Raison d'Être[(1)] "working every day in the interest of our customers and society". Our Raison d'Être[(1)] has guided our action and proves the relevance of our model based on universal, customer-focused, global relationship banking. Throughout the past year, Crédit Agricole has proven its strength, resilience and value for all our stakeholders.

This commitment was embodied through the treatment of 211,000 applications for state-guaranteed loans totalling €31 billion[(2)] in France and the granting 552,000 moratoria to corporate and small business customers totalling €4.2 billion in France at its maximum. This commitment also materialized through decisions specific to the Group Crédit Agricole, such as the extra-contractual mutualist contribution, with €239 million dedicated to small businesses policy-holders, even though pandemic risk is not covered. It also materialized through €70 million donated to solidarity funds in 2020. But beyond the significant figures, I would like above all to recall that one remembers the strong mobilization of the Group which not only allowed the continuity of our activity to be ensured, but also set conditions to ensure the continuity of the activity of our clients once restrictions are lifted.

Dominique Lefebvre
Chairman of the Board of Directors

Crédit Agricole Group will continue to support the economy until it returns to its pre-crisis level. As you can see, neither our model nor our Raison d'Être[(1)] has been affected by this public health crisis. In fact, they are more relevant than ever. They are reflected in the daily work of our 142,000 employees, who are there for our 52 million customers, providing tailored solutions quickly, effectively and collectively. The greatest testaments to the relevance of our action is that our customer satisfaction has increased in our networks in both France and Italy.

Do you think Crédit Agricole can come through this period of unrest? Many fear there will be a wave of business failures that could affect banks. What do you think?

Philippe Brassac

2020 was an unusual year, with a global sanitary crisis, and the economic impact of public-sector responses has been unprecedented. In 2020 GDP fell 3.4% globally and 8.3% in France. But we must bear in mind this hasn't been a "traditional" economic crisis. What we have experienced is a public health crisis, first and foremost, and the necessary measures taken to protect the public and stem the pandemic were what impacted economic activity, especially corporates and small businesses in France. But the crisis does not reflect any structural economic weaknesses that would have to be corrected over time.

The impact has been and will remain limited, thanks not only to the massive and powerful public efforts instituted by governments and central banks, but also to the resilience and soundness of the Crédit Agricole Group. And the simple reason for this is that this isn't anything like what we experienced during the crises in 2008 and 2011. Our solvency and liquidity position at the start of the COVID-19 crisis were far stronger than during the previous crises, and we even managed to strengthen them over the course of 2020. Crédit Agricole Group's phased-in CET1 ratio stands at at 17.2% at the end of 2020 – more than 830 basis points above the regulatory requirement. This high level of solvency meant we could put all our efforts into supporting our customers during this period while still increasing our stock of provisions, including those for performing loans. Most notably, we allocated additional provisions to sectors considered most at risk, such as transport and tourism. At the end of 2020, the stock of provisions at Group level totalled €19.6 billion, equivalent to seven years of average historical cost of risk.

We helped lower risk by working with governments on state-guaranteed loans and moratoria to provide companies with the liquidity they needed to come out of the crisis intact, so previously healthy companies could avoid bankruptcy.

So far, this solution is paying off. At the end of 2020, our rate of doubtful loans and disputed receivables was just 2.4%, unchanged from 2019. This does not preclude the possibility that this extraordinary period will adversely affect businesses in some sectors. However, our strong position in terms of solvency, liquidity and risk provisioning means that we can continue to support them until the crisis is over, and in so doing, help our regions. This is what our Raison d'Être[(1)], which guides what we do every day, is all about.

Lastly, as Chairman Dominique Lefebvre pointed out, Crédit Agricole's model has proven how resilient it is during these uncertain times because of the strength of its foundation. First of all, there is our size: we are the leading retail bank in the European Union in terms of customers and the tenth largest bank in the world by balance sheet size[(3)]. Our decentralised model allows each of our business lines to make the decisions that are

(1) Please refer to the glossary for the definition of Raison d'Être.

(2) With a very high acceptance rate of 2.71%.

(3) Source: The Banker, July 2020.

Refer to the glossary on page 681 for the definition of technical terms.

most appropriate for them while remaining within the guidelines defined in our Group Project: our customers, personal relationships and society are the cornerstones of our Raison d'Être[1]. This decentralised model has allowed our Group to remain an example of agility and operational efficiency. We are forging industrial and commercial partnerships across all our business lines with players seeking efficiency. We have established 24 partnerships worldwide, allowing us to expand our customer base indirectly, well beyond our 52 million customers. Our specialised business lines are all leaders in their fields, such as Amundi, Europe's leading asset manager, Crédit Agricole Assurances, which makes us the largest insurer in France, and Crédit Agricole CIB, the global leader in green and social bonds. Our universal model, based on revenue synergies between Group business lines, gives us an enormous potential for organic growth and significant recurring revenues (in 2020, 76% of revenues are recurring[2]). But most of all, it is the unwavering commitment of our employees that has allowed us to be there for our customers throughout the crisis and that will allow us to continue to be there once things pick up again. This was especially evident in 2020 with the gain of more than 1.5 million new retail banking customers and an increase in loans outstanding (excluding state-guaranteed loans) of 4.9%. I have no concerns about Crédit Agricole's ability to get through this period or our ability to continue working for our customers and for society each and every day.

How does the February 2021 announcement make up for the lack of dividend payment in 2020?

Philippe Brassac

The European Central Bank asked us not to pay dividends in 2020. It was a political decision to ensure that all banks' capital could be mobilised to finance the economy. While this decision was undoubtedly necessary for some banks, this wasn't the case for Crédit Agricole, which is one of the most solvent financial institutions in the world. Consequently, we were in a position to pay a dividend to our shareholders and wanted to do so. We nevertheless understood the authorities' decisions, which were for the greater good, and we obviously followed and applied their decisions.

On 15 December 2020 the European Central Bank authorised euro zone banks to pay dividends under certain conditions. The dividend policy was therefore adjusted in 2020 to account for the exceptional circumstances. Since Crédit Agricole Group and Crédit Agricole S.A. have comfortable levels of capital, the Crédit Agricole S.A. Board of Directors will ask the General Meeting of 12 May 2021 to approve a dividend payment of €0.80 per share in respect of 2020, with a scrip dividend payment option. The nominal amount exceeds what would have been our traditional pay-out ratio of 50% in cash and allows us to offset part of the dividend against unpaid earnings for 2019[3].

The announced dividend means that all shareholders will receive a yield of 8%[4], based on a share price of €10. The financial strength of Crédit Agricole S.A. also means we can continue simplifying the Group's capital structure, and we are committed to fully unwinding the Switch mechanism (our internal guarantee mechanism for weighted insurance risks) by 2022. This will be accretive to Crédit Agricole S.A.'s net income but will limit the dilutive impact of the share-based dividend payments to approximately -1%. The beneficiaries of this dividend include Crédit Agricole S.A.'s 800,000 individual shareholders. Most of all, though, it will boost the strength of the Regional Banks, which account for 55% of our shareholder base, allowing them to provide regional financing. The earnings retention ratio at Group level is consequently more than 80%.

Where do you stand in terms of the future's major environmental challenges?

Dominique Lefebvre

The climate emergency is no longer up for debate. We all know it's happening. Nevertheless, the ways to tackle it can vary. What we need to address now is how to manage the economic growth needed to absorb the declines in GDP we saw in 2020 while reducing the amount of greenhouse gasses we produce. Our goal is to become the bank of the ecological transition, especially an equitable transition, because it will only succeed if we are careful not to sideline the most vulnerable communities. Inclusion and social justice are crucial in this transition to a low-carbon economy.

Global climate governance is therefore imperative, not because we need a supranational entity, but because it would create dialogue, lead to collaboration and enable ordinary citizens to understand how different nations are charting a course forward and sharing the change process together. Instead of waiting for this hypothetical governance to be installed, the financial sector must pave the way and not allow this issue of environmental responsibility to be a distinguishing factor vis-à-vis competitors. The urgency of what's at stake is such that it isn't the time for beauty pageants; it's time for cooperation, the convergence of wills and sharing best practices. The French financial industry is already exploring this avenue. It must continue its efforts in this regard and maybe even work towards adopting a common course, an objective alliance whose members all abide by the same rules of conduct when it comes to combating climate change. At the Crédit Agricole Group, our decentralised organisational structure is a strength that allows us to take the most effective action for each of our business lines for deal with these climate challenges.

(1) Please refer to the glossary for the definition of Raison d'Être.

(2) Recurring revenues, i.e., revenues attached to an inventory item (outstanding loans/customer assets, assets under management) or an insurance policy (property and casualty insurance, death and disability insurance).

(3) This amount is made possible by SAS Rue La Boétie's pledge to subscribe for the option of a share-based dividend payment. The proposed mechanism is in strict compliance with the ECB's requirements of 15 December 2020.

(4) Yield calculated based on a share price of €10. Impact on 2020 EPS <-6% assuming zero public participation, taking into account the formal pledge by SAS Rue La Boétie to subscribe for payment in shares, and assuming that the employee mutual funds (FPCEs) also request the share-based payment option.

CRÉDIT AGRICOLE GROUP'S RAISON D'ÊTRE[1]

2020, Our Raison d'Être[1] in action

2020 was marked by an unprecedented and unforeseen global health crisis, the significant economic effects of which are continuing into 2021. The crisis has demonstrated the significance and strength of the Group's Raison d'Être[1].

WORKING

EVERY DAY IN THE INTEREST OF OUR CUSTOMERS AND SOCIETY

Crédit Agricole's end purpose

is to be a trusted partner to all its customers:

Its solid position and the diversity of its expertise enable CA 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.

CA is committed to seeking out and protecting its customers interests in all it does. It advises them with transparency, loyalty and pedagogy.

It places human responsibility at the heart of its model: it is committed to helping all its customers benefit from the best technological practices, while guaranteeing them access to competent, available local teams that can ensure all aspects of the customer relationship.

Proud of its cooperative and mutualist identity

and drawing on a governance representing its customers, Crédit Agricole:

Supporting the economy, entrepreneurship and innovation in France and abroad: it is naturally committed to supporting its regions.

It takes intentional action in societal and environment fields by supporting progress and transformations.

It serves everyone: from the most modest to the wealthiest households, from local professionals to large international companies.

This is how Crédit Agricole demonstrates its usefulness and availability to its customers, and the commitment of its 142,000 employees to excellence in customer relations and operations.

(1) Please refer to the glossary for the definition of Raison d'Être.

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole Group

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

FLOAT

30.9%
INSTITUTIONAL INVESTORS

8.0%
INDIVIDUAL SHAREHOLDERS

5.8%
EMPLOYEE SHARE OWNERSHIP PLANS (ESOP)

N-S[1]
TREASURY SHARES

HOLDING **44.7%**

REGIONAL BANKS

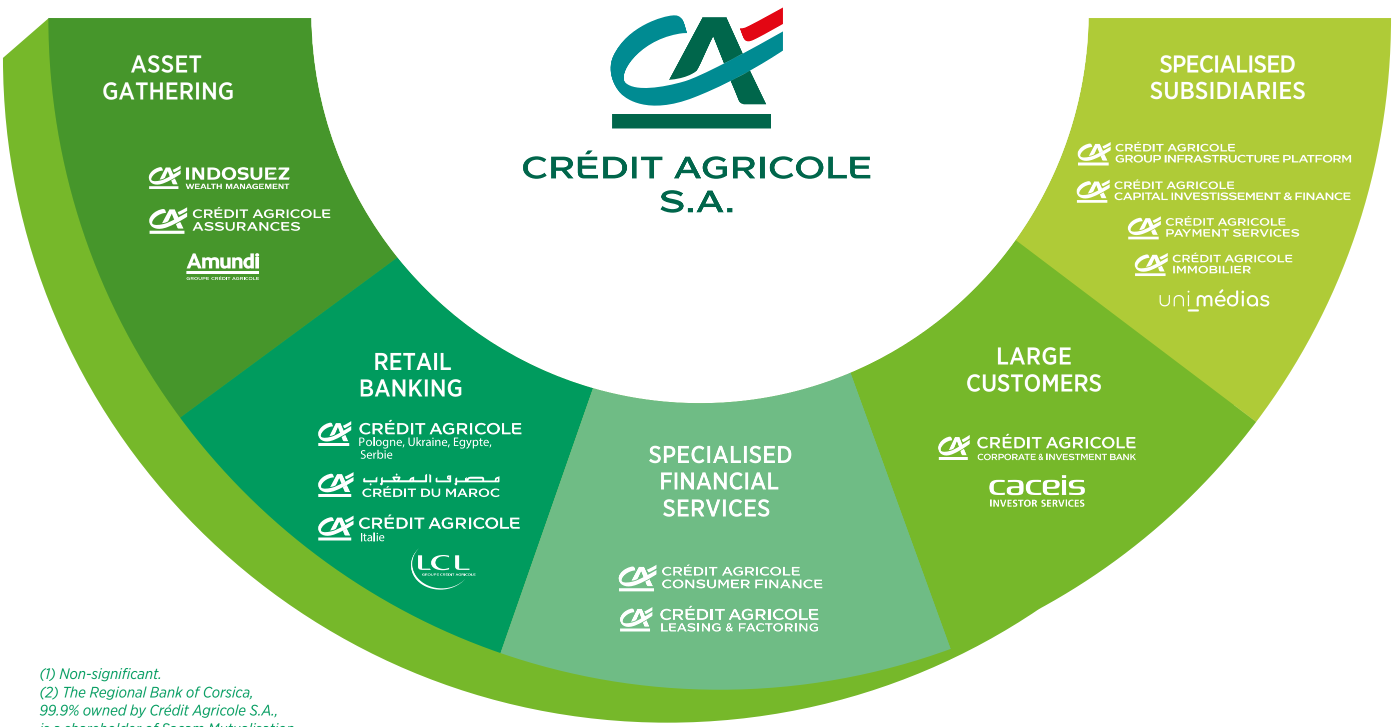
10.9 Million
MUTUAL SHAREHOLDERS
who hold mutual shares in

2,410
LOCAL BANKS

39
REGIONAL BANKS
jointly holding the majority of CRÉDIT AGRICOLE S.A.'S share capital through SAS Rue La Boétie[2]

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

HOLDING **55.3%**



(1) Non-significant.
(2) The Regional Bank of Corsica, 99.9% owned by Crédit Agricole S.A., is a shareholder of Sacam Mutualisation.

THE OBJECTIVES OF CRÉDIT AGRICOLE S.A. WITHIN THE CRÉDIT AGRICOLE GROUP

Central body: represents the Credit Agricole Group before the monetary and banking authorities

Application of laws or regulations pertaining to the Group
Approval of the executives of the Regional Banks and of merger plans
Bank supervision in collaboration with the regulatory authorities (Banque de France, AMF, ACPR, etc.)
Audit of the accounts (accounting approval)
Parent company of the business line subsidiaries

Central bank of the Crédit Agricole Group

Guarantor for the financial unity of the Group
Financial reconciling of resources
and uses by the Regional Banks
Group cash management

Head of the network: manages the domestic and international subsidiaries of the Group

Creation of new products, promotion and coordination of commercial policy
Managing the Crédit Agricole brand
IT planning
Monitoring of subsidiaries and of international developments

Refer to the glossary on page 681 for the definition of technical terms.

OUR UNIVERSAL CUSTOMER-FOCUSED BANKING MODEL – A GLOBAL RELATIONSHIP BANK FOR ALL

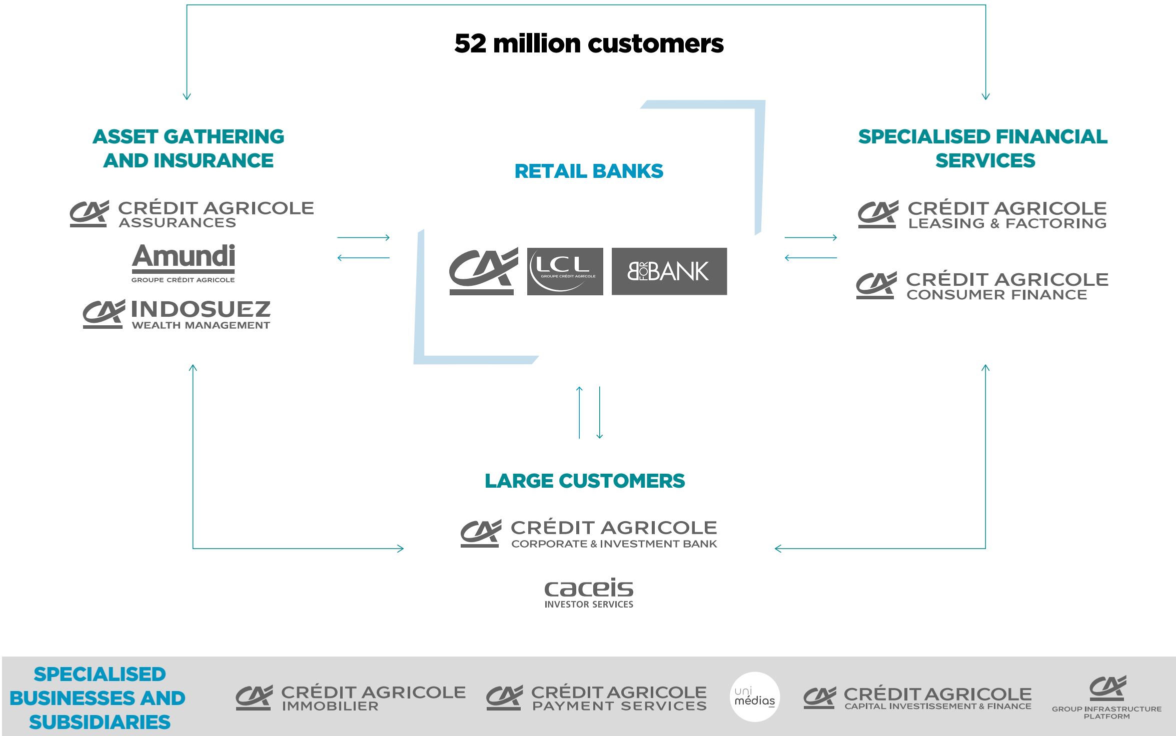
Crédit Agricole Group's universal customer-focused banking model is based on the close association of its retail banks with its specialised business lines. The Regional Banks are at the heart of this model, based on recognised know-how in the distribution of all the financial products and services developed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

This model underscores Crédit Agricole Group's commitment to be the trusted partner of all of its customers and to cover the full breadth of their financial and wealth management needs, namely: payment instruments, insurance, savings management, financing, real estate and international support.

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 (Crédit Agricole Italia, CA Bank Polska, Crédit du Maroc, CA Egypt, CA Ukraine, etc.). The contacts maintained by employees and elected representatives of Local and Regional Banks in the field ensure good knowledge of customers and their problems throughout their lives. This understanding of the expectations and needs of customers, together with the size of the Group's networks, enable Crédit Agricole S.A.'s specialised business lines to constantly improve their offerings and their competitiveness.

With its specialised subsidiaries (insurance, asset management, real estate, wealth management, corporate and investment banking, financial services for institutional investors and issuers, specialised financial services, payment instruments), the Group is able to offer comprehensive and customised solutions to all its customers, in good times and bad times, within the framework of an enduring relationship.

This universal and customer-focused model demonstrated its strength, resilience and usefulness to all stakeholders in 2020. The Group was able to support all its customers through these unparalleled times and accelerate on the three pillars of the "Group project" presented in 2019, namely Clients, Human and Societal.



ACTIVITIES AND ORGANISATION OF THE REGIONAL BANKS

The Crédit Agricole Regional Banks are co-operative entities and fully-fledged banks that have a leading position in all their retail banking markets in France. With 21 million individual customers, the Regional Banks account for 23.3% of the household bank deposit market and 23.5% of the household credit market (source: Banque de France, September 2020). They are leaders in the agricultural market (81% share; source: Adéquation 2018), professionals market (35% share; source: Pépites CSA 2019-2020) and corporate market (36% share, *tied* with Banques Populaires; source: Kantar TNS 2019).

The marketing of products and services covering the financial and wealth management needs of their customers is based on a network of nearly 6,600 branches, about 6,000 in-store servicing points installed at small retailers and a full range of remote banking services.

1 ABOUT CRÉDIT AGRICOLE S.A.

Refer to the glossary on page 681 for the definition of technical terms.

High capital level, exceptional mechanism for the payment of 2020 dividend

STOCK MARKET AND SHAREHOLDERS

€0.80

Net dividend per share in 2020(1)

8%

2020 dividend yield(2)

€30.1bn

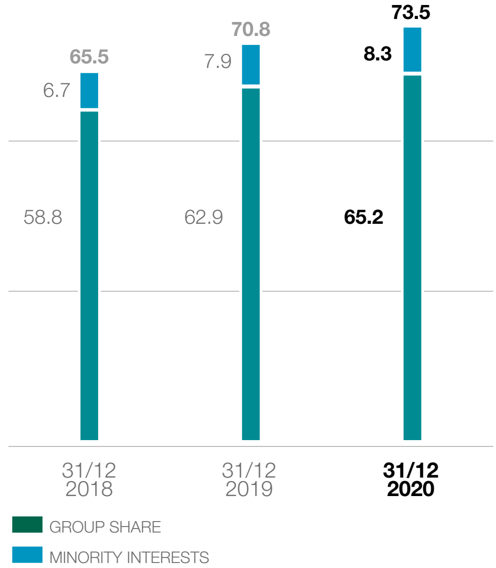
Market capitalisation at end-2020

€13.3

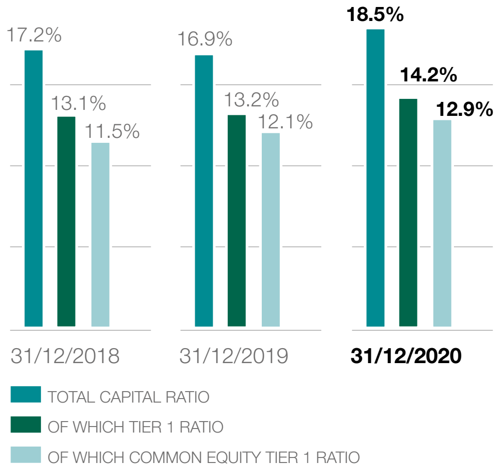
Tangible book-value per share at end-2020(3)

FINANCIAL STRUCTURE

Total equity
(in billions of euros)



Fully loaded solvency ratios
(as a percentage)



(1) With a scrip dividend option. The set-up will be submitted by the board of Crédit Agricole S.A. to the General Assembly of 12 May 2021.
(2) Yield calculated based of a 10€ share price. Impact on the 2020 EPS <-6% assuming zero public opting for the scrip dividend payment, taking into account the formal commitment of SAS Rue La Boétie to opt for a scrip dividend payment, and assuming that the employee mutual funds (FCPE's) also opt for the scrip dividend payment.
(3) See definition and calculation method on page 245 of this document.

Refer to the glossary on page 681 for the definition of technical terms.

RANKINGS AND KEY FIGURES

52 million customers

1st Retail Bank in the European Union based on the number of retail banking customers

10,000 branches including **8,200** in France (Regional Banks and LCL)

48 countries

10th largest global bank by balance sheet size(1)
(Source: The Banker, July 2020)

1st European Asset Manager based on assets under management at 31 December 2019(2)
(Source: IPE "Top 500 Asset Managers", June 2020)

1st provider of financing to the French economy(3)
(Internal source: Economic Research Department)

1st insurer in France based on 2020 premium income(4)
(Source: L'Argus de l'Assurance, December 2020)

(1) Crédit Agricole was already 10th largest bank based on balance sheet size of 2018 (source: The Banker July 2019).
(2) Amundi was already 1st European Asset Manager based on assets under management at 31 December 2018 (source: IPE "Top 400 asset managers" June 2019).
(3) Crédit Agricole was already 1st provider of financing to the French economy in 2019. Source: unchanged.
(4) CAA was already 1st insurer in France based on end of 2018 datas (source: *L'Argus de l'assurance*, December 2019).

Refer to the glossary on page 681 for the definition of technical terms.

BUSINESS AT 31 DECEMBER 2020

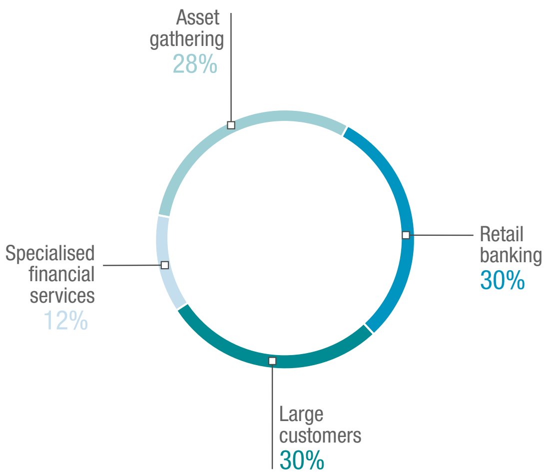
(in billions of euros)	31/12/2020
Total assets	1,961.1
Gross loans[(1)]	508.7
Customer deposits[(2)]	881.9

(1) Gross value of loans and receivables due from credit institutions and due from customers.

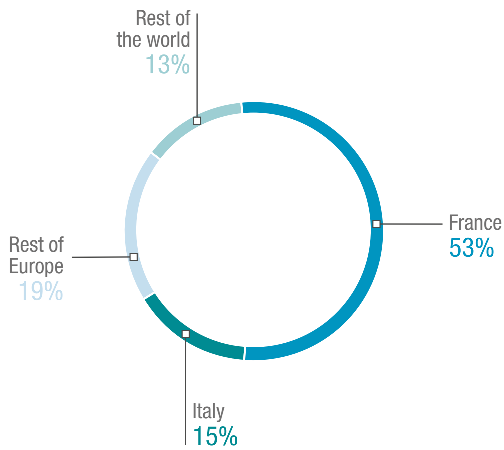
(2) Including debt instruments issued to customers.

BREAKDOWN OF REVENUES IN 2020

By business line[(1)]



By geographic area



TRENDS IN EARNINGS

Condensed income statement

(in millions of euros)	2018	2019	2020
Revenues	19,736	20,153	20,500
Gross Operating Income	7,147	7,392	7,609
Net income	5,027	5,458	3,238
Net income Group share	4,400	4,844	2,692

(1) Excluding the Corporate Centre division.

Net income Group share 2020 (before CA Italia goodwill impairment)

(in millions of euros)

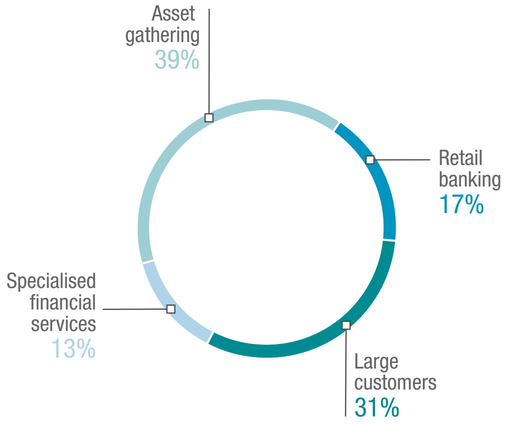
€3,470M(1)

Underlying return on tangible equity (underlying RoTE)

(as a percentage)

9.3%

Breakdown of net income Group share(2) by business line



(1) 2020 stated net income groupe share stands at €2,692 million.
(2) Excluding Corporate Centre.

Refer to the glossary on page 681 for the definition of technical terms.

RATINGS AT 14 DECEMBER 2020

Ratings	LT/ST counterparty	Issuer/LT senior preferred debt	Outlook/ Review	ST senior preferred debt	Date of last review	Rating action
S&P Global Ratings	AA-/A-1+ (RCR)	A+	Negative outlook	A-1	21/10/2020	■ LT/ST ratings affirmed; outlook unchanged
Moody's	Aa2/P-1 (CRR)	Aa3	Stable outlook	P-1	19/09/2019	■ LT ratings upgraded (1 notch); outlook changed from positive to stable; ST ratings confirmed
Fitch Ratings	AA- (DCR)	A+/AA-	Negative outlook	F1+	10/11/2020	■ LT/ST ratings affirmed; outlook unchanged
DBRS	AA (high)/ R-1 (high) (COR)	AA (low)	Stable outlook	R-1 (middle)	28/09/2020	■ LT/ST ratings affirmed; outlook unchanged

INDEX PRESENCE AND CSR RATINGS(1)

Crédit Agricole S.A. relies on its ESG strategy and the measures implemented by the entities to strengthen its non-financial performance. Its inclusion in the main global socially responsible investment indices was confirmed in 2020:

FTSE4Good EURONEXT vigeo CDP DRIVING SUSTAINABLE ECONOMIES MSCI ISS ESG

- Rated A- by CDP in 2020;
- Rated A by MSCI (Morgan Stanley Capital International) since 2017;
- Rated 63 by Vigeo Eiris since 2019 and included in the NYSE-Euronext indices since May 2013;
- Rated Prime by ISS-ESG since December 2015;
- Included in the UK's FTSE4Good index for several years, confirmed again in 2020;
- PRI(2): Highest rating A+for Amundi.

Signatory:

- United Nations Global Compact since 2003;
- Principles of Responsible Investment since 2006;
- Diversity Charter since 2008;
- Responsible Purchasing Charter since 2010;
- Charter for the energy efficiency of commercial buildings since 2013;
- Science Based Targets since 2016;
- RE100 since 2016;
- Principles for Responsible Banking and Collective Commitment to Climate Action since 2019;
- Business For Inclusive Growth (B4IG) since 2019;
- Poseidon Principles since 2019;
- One Planet Sovereign Wealth Fund Asset Manager Initiative since 2019;
- Tobacco-Free Finance Pledge since 2020.

Co-founding member:

- Equator Principles since 2003;
- Green Bonds Principles since 2014;
- Portfolio Decarbonization Coalition since 2014;
- Mainstreaming Climate Action Within Financial Institutions since 2015;
- Catalytic Finance Initiative since 2015;
- French Business Climate Pledge since 2015;
- Association BBCA (development of low-carbon buildings) since 2015;
- Finance for Tomorrow since 2017.

Participant:

- Call for carbon pricing initiated by the World Bank Group in 2014;
- Montreal Carbon Pledge since 2015;
- Paris Appeal on Climate Change since 2015;
- IIRC (International Integrated Reporting Council) since 2016;
- Task Force on Climate Disclosure since 2017;
- Climate Action 100+ since 2017;
- AIGCC (Asia Investor Group on Climate Change) since 2020.

Other positions:

- Statement on modern slavery since 2017;
- Contribution to the Human Resources Without Borders endowment fund since 2018.

(1) See other CSR ratings in Chapter 2 of this document.
(2) Principles for responsible investment.

Our business model serving sustainable value creation

OUR RESOURCES

OUR DNA
Mutualist and cooperative Group serving all.

OUR TALENTS
142,000
Crédit Agricole Group employees.

OUR GOVERNANCE
Solid majority shareholder ensuring long-term commitment.

OUR GEOGRAPHIC FOOTPRINT
In France:
- **39** Regional Banks, LCL and BforBank
- **8,200** retail banking branches

Abroad:
- **48** countries
- **52%** of Crédit Agricole S.A. employees

OUR CAPITAL
Shareholders' equity Group share:
- Group: **€119.6bn**
- Crédit Agricole S.A.: **€65.2bn**

OUR MULTI-PARTNERSHIP MODEL
An organic growth model reinforced by external expertise and distribution partnerships in France and abroad.

OUR TECHNOLOGICAL CAPITAL
Single centre of IT expertise serving all of the Group's business lines.

OUR ACTIVITIES

OUR FOUNDATION
THE REGIONAL BANKS

SOLID COMMITMENTS

Utility at the service of everyone	**Human responsibility** at the heart of our model
Sound and diverse range of expertise	**Supporting** the economy and social cohesion
Protecting our customers' interests and assets	**Supporting** the transition to other sources of energy

Refer to the glossary on page 681 for the definition of technical terms.

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

SUPPORTING AND ADVISING OUR CUSTOMERS DURING THEIR KEY LIFE MOMENTS

ELABORATING INVESTMENT SOLUTIONS

PROPOSING COMPLEMENTARY FINANCIAL SERVICES,
PAYMENT SERVICES, REAL ESTATE, ETC.

PROVIDING FINANCING, SAVINGS AND INSURANCE SOLUTIONS

OUR 3 STRATEGIC PILLARS

Excellence in customer relations
•
Empowered teams
•
Commitment to society

OUR VALUE CREATION

CUSTOMERS

- 1st provider of financing to the French economy (€707bn loans outstanding in retail banking)
- 1st European asset manager (€1,729bn assets under management)
- 1st insurer in France

SHAREHOLDERS AND INVESTORS

- Crédit Agricole Group revenues: **€34bn**(1)
- Crédit Agricole S.A. market capitalisation: **€30.1bn**
- Crédit Agricole S.A. net income: **€3.8bn**(2)
- **€0.80/share** distributed to shareholders, with a scrip dividend option (3)

EMPLOYEES

- **80%**(4) participation rate in the Engagement and Recommendation Index (ERI)
- **5,383**(4) hired on permanent contracts
- Capital increase reserved for employees with an exceptional 30% discount

PUBLIC AUTHORITIES AND PARTNERS

- Group procurement: **€7.6bn**(5)
- Group taxes and social security expenses: **€6.8bn**

CIVIL SOCIETY AND THE ENVIRONMENT

- **€355.9bn** of outstanding ESG multi-criteria solutions(6)
- **+57%** outstanding green loans portfolio for **€11.4bn**
- Patronage: almost **€34.4m** for local and regional initiatives
- Almost **192,000** subscriptions to EKO and LCL Essentiel (entry-level offers)(7)

2020 data.
(1) Underlying revenues. (2) Underlying net income Group share. (3) Subject to the approval of the General Meeting of 12 May 2021. (4) Crédit Agricole S.A. scope. (5) External expenses. (6) Assets under management invested by Amundi in funds with an "ESG integration" investment process. (7) Cumulative data at end-2020.

THE BUSINESS LINES OF CRÉDIT AGRICOLE S.A. AT 31 DECEMBER 2020

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.

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

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

KEY FIGURES:

Turnover	Life insurance outstandings	Number of property and casualty insurance contracts
€29.4bn	€308bn	14.6 million

ASSET MANAGEMENT

MISSION: Amundi is the leading European asset manager in terms of assets under management and ranks in the top 10 worldwide[2]. The Group manages €1,729 billion and has six main management platforms (Boston, Dublin, London, Milan, Paris and Tokyo).

OUR OFFERING: Amundi offers its customers in Europe, Asia Pacific, the Middle East and the Americas a full range of savings and investment solutions in active and passive management, in traditional or real assets. It constantly strives to have a positive impact on society and the environment. Amundi's customers can also access a full range of high added value services.

KEY FIGURES:

Assets under management	No. 1 European asset management company[2]	Present in more than 35 countries
€1,729bn		

WEALTH MANAGEMENT

MISSION: Indosuez Wealth Management comprises Crédit Agricole Group's wealth management activities[3] in Europe, the Middle East, Asia-Pacific and the Americas. Renowned for the breadth of its offering and its international reach on a human scale, it operates in 13 territories around the world.

OUR OFFERING: the tailored approach of Indosuez Wealth Management allows individual customers to create, manage, protect and pass on their wealth in a manner which best fits their aspirations. Embracing a global vision, its multidisciplinary teams draw on excellence, experience and expertise to provide customers with appropriate, sustainable solutions.

KEY FIGURES:

Assets under management[3]	3,060 employees	Present in 13 territories
€128bn		

RETAIL BANKING

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.

OUR OFFERING: a complete range of banking products and services covering finance, insurance, savings and wealth management, payments and flow management. With branches nationwide and an online banking service, the aim is to develop a close customer relationship (mobile app and website).

KEY FIGURES:

Loans outstanding	Total customer assets	≈ 6 million individual customers
€143bn (including €86bn in home loans)	€220bn	

INTERNATIONAL RETAIL BANKING

MISSION: Crédit Agricole's international retail banks are primarily located in Europe (Italy, Poland, Serbia, and Ukraine), and in selected countries of the Mediterranean basin (Morocco and Egypt), where they serve all types of customers (individuals, small businesses, corporates – from SMEs to multinationals), in collaboration with the Group's specialised business lines and activities.

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

KEY FIGURES:

Loans outstanding	On-balance sheet deposits	5.3 million customers
€57.2bn	€58.5bn	

(1) Source: *L'Argus de l'Assurance*, 18 December 2020 (data at end-2019).
(2) Source: IPE "Top 500 Asset Managers" published in June 2020 and based on assets under management at 31 December 2019.
(3) Excluding LCL Private Banking, wealth activities in Regional Banks and International Retail Banking.

Refer to the glossary on page 681 for the definition of technical terms.

SPECIALISED FINANCIAL SERVICES

CONSUMER FINANCE

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

OUR OFFERING: a complete multi-channel range of financing, insurance solutions and services available online, in branches of CA Consumer Finance subsidiaries and at its banking, institutional, distribution and automotive partners.

KEY FIGURES:

Assets under management €91 bn	Including €21 bn on behalf of the Crédit Agricole Group	Present in 19 countries

LEASING, FACTORING AND FINANCE FOR ENERGIES AND REGIONS

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

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

KEY FIGURES:

1 out of 3 mid-caps funded by CAL&F in France	Over 50 years' experience in leasing and factoring	No. 2 in the financing of renewable energy(1)

LARGE CUSTOMERS

CORPORATE AND INVESTMENT BANKING

MISSION: Crédit Agricole Corporate and Investment Bank is the corporate and investment bank of the Crédit Agricole Group and which has chosen to focus on more financing activities and corporate clients, and which is based on a powerful and well-coordinated in France and abroad in the major countries of Europe, Americas, Asia-Pacific and Middle East.

OUR OFFERING: products and services in investment banking, structured finance, international trade finance and commercial banking, capital market activities and syndication, and known worldwide "green" finance expertise.

KEY FIGURES:

2nd largest bookrunner worldwide for green, social and sustainability bonds (all currencies), both in volume and market share *(source: Bloomberg)*	3rd largest bookrunner in syndicated loans for the EMEA region *(source: Refinitiv)*	8,604 employees

ASSET SERVICING

MISSION: CACEIS, a specialist back-office banking group, supports management companies, insurance companies, pension funds, banks, private equity and real estate funds, brokers and companies in the execution of their orders, including custody and management of their financial assets.

OUR OFFERING: thanks to its presence in Europe, in North America, in South America following the combination with Santander Securities Services and in Asia, CACEIS offers asset servicing solutions throughout the full life cycle of investment products and for all asset classes: execution, clearing, forex, security lending and borrowing, custody, depositary bank, fund administration, middle-office solutions, fund distribution support and services to issuers.

KEY FIGURES:

Assets under custody €4,198bn	Assets under administration €2,175bn	Assets under depositary €1,585bn

SPECIALISED BUSINESSES AND SUBSIDIARIES

Crédit Agricole Immobilier
- €1bn in annual fees
- 3 million sq. m. under management at end-2020
- 1,553 homes sold

Crédit Agricole Capital Investissement & Finance (IDIA CI, SODICA CF)
- IDIA Capital Investissement: €1.8 billion in assets under management – Approximately 100 companies supported by the Group's equity capital
- SODICA CF: 26 M&A transactions (SME/mid-caps) in collaboration with the Group's networks in 2020

Crédit Agricole Payment Services
- France's leading payment solutions provider with a 30% market share
- More than 11 billion payment transactions processed in 2020
- 21.9 million managed bank cards

Crédit Agricole Group Infrastructure Platform
- 1,600 employees at 17 sites in France
- 6 data centres
- 60,000 open servers + 6 mainframe servers
- 194,000 workstations

Uni-médias
- 13 market-leading publications with nearly 2 million subscribers
- 10 million readers, 12 websites

(1) CAL&F is No. 2 on the Sofergie market (source: CAL&F at end-2019).

Refer to the glossary on page 681 for the definition of technical terms.

ASSET GATHERING

INSURANCE

Business and organisation

Crédit Agricole Assurances (CAA) is France's leading insurer[(1)] in terms of premium income and the leading bancassurer[(2)] in Europe.

Crédit Agricole Assurances's positions are supported by a full and competitive range of products, tailored to the specific requirements of each domestic market and each local partner, as well as by the power of Crédit Agricole Group distribution network.

Savings and retirement

In France, Crédit Agricole Assurances is strengthening its position as market leader in personal insurance[(1)], a position it has held since 2019.

It offers its customers a wide range of policies for saving, transmitting capital, financing projects or preparing for retirement.

In France, CAA primarily distributes its products to customers of Regional Banks and LCL: individual customers, high net worth customers, farmers, SMEs and small businesses and corporates.

Internationally, Crédit Agricole Assurances is present through the Crédit Agricole Group entities in Italy, Luxembourg and Poland, where it continues to export and adapt its bancassurer know-how and is continuing its development via distribution agreements with external partners in Italy, Portugal, Japan and Luxembourg.

In addition, it is expanding through alternative networks: independent wealth management advisers, BforBank online bank, network dedicated to health professionals.

Death & disability/creditor/group insurance

Crédit Agricole Assurances is the leading provider of individual death & disability insurance in France[(3)] and second-largest provider of creditor insurance[(4)]. After five years of operation, group insurance covered approximately 745,000 individuals at 1 January 2021.

Individual or group insurance solutions cater for customers wishing to:

- protect themselves and their families from the financial implications of a serious personal accident;
- repay a loan in the event of short-term disability, long-term disability, unemployment thanks to guarantees linked to consumer or home loans;
- provide employees with a supplementary group health and death & disability insurance contract.

The death & disability/health offering works through the banking networks of Crédit Agricole Group, in France and abroad, supplemented in metropolitan France by a network of general agents dedicated to health professionals. In group insurance, CAA and Amundi have joined forces to become a leading provider of social protection for companies. With expertise in creditor insurance, CAA offers its services through more than 50 partners, retail banks and specialised finance companies in seven countries.

Property & casualty insurance

Crédit Agricole Assurances is the leading car, home and healthcare bancassurer[(5)] and the fifth-largest insurer of property and liability in France[(1)].

It offers a full range of property & casualty insurance policies to individual customers and SMEs and small businesses: protection of personal property (car, home, etc.), protection of farming and business assets, protection of mobile electronic devices in the home, legal protection, supplementary health insurance, personal accident cover, specialist policies for the agricultural market, professional liability insurance, card theft protection (in case of fraudulent use of lost or stolen payment instruments).

It markets its products to customers of the Regional Banks, LCL and via a network of general agents for the health professionals sector.

Internationally, CAA is capitalising on the success of its bancassurance model by also deploying its expertise in property & casualty insurance, especially in Spain following the partnership formed in 2019 with the Abanca banking group.

2020 highlights

- Crédit Agricole Assurances helps its customers and the French economy get through the current crisis through a variety of support measures and a contribution to solidarity funds totalling close to €350 million for the Crédit Agricole Group.
- Signature of a strategic partnership agreement with Europ Assistance to provide assistance services in the French market.
- Launch of property & casualty insurance for corporates in the Regional Banks' network.
- Crédit Agricole Assurances continues to expand into international markets by increasing its stake in GNB Seguros to 100% after signing an agreement with Novo Banco.
- Introduction of a support system on the "Ma Santé" app to help policyholders during the crisis (COVID-related news, psychological support). The platform has enabled more than 3,000 medical consultations to be carried out online.
- Crédit Agricole Assurances continues its commitment to inclusion with the 10th edition of its call for "Caregiver" projects. Since 2010, it has financed 170 local projects for caregivers, with almost €2.5 million distributed.

(1) Source: *L'Argus de l'Assurance,* 18 December 2020 (data at end-2019).
(2) Internal source: data at end-2019.
(3) Source: *L'Argus de l'Assurance,* 10 April 2020 (data at end-2019).
(4) Source: *L'Argus de l'Assurance,* 04 September 2020 (data at end-2019).
(5) Source: *L'Argus de l'Assurance,* 23 October 2020 (data at end-2019).

Refer to the glossary on page 681 for the definition of technical terms.

ASSET MANAGEMENT

Business and organisation

A customer-centric model

Amundi's customer-centric organisation means that it can offer individual and institutional investors and corporate customers a broad range of savings and investment solutions to meet their needs. Present in the main global financial markets, Amundi disseminates its know-how through all investment universes: active management strategies, including so-called alpha management (bonds, equity or multi-asset), passive management (ETF, index management and Smart Beta), and real assets management (real estate, private equity, private debt, infrastructure), as well as services and consulting.

Amundi's know-how is further enhanced by its unique expertise in research and financial and non-financial analysis, allowing it to support its customers in their investment decisions without losing sight of its goal to have a positive impact on society and the environment.

For its retail customers, Amundi draws on its experience and close partnerships with distribution platforms and retail bank networks in Europe, Asia-Pacific and North America to offer tailored solutions, innovative services and added-value investment advice; these offers help meet the needs and risk profiles of its individual customers, taking the market environment into account.

For its institutional and corporate customer base, Amundi draws on its extensive international expertise and research-based investment culture to provide a comprehensive and objective approach.

Listed since November 2015, Amundi remains the leading market capitalisation (€13.5 billion as at 31 December 2020) among traditional listed asset managers in Europe. In bearish stock markets, Amundi's share price closed 2020 at €66.8, a slight drop of -4% from end-2019.

Strategic ambitions

In 2020, the COVID-19 crisis confirmed the soundness of Amundi's business model: the company operated normally, continued to provide a high level of customer service and adapted well to the circumstances. The impact of the crisis on results has been moderate, with business proving resilient, profitability remaining high and a robust financial position.

Amundi also pressed ahead with its strategic plan.

In China, the new joint venture with Bank of China was launched, in line with objectives, and the first wealth management products were marketed across the Bank of China networks at the end of 2020.

In Spain, the strategic partnership with Banco Sabadell (a 10-year distribution agreement) got off to a successful start, while the integration of Sabadell Asset Management (acquired on 1 July 2020) is now well under way.

With its unique business model, its industrial approach and its customer-centric organisation, boasting operational efficiency and combining a local presence with a global reach, the Group is well placed to continue its profitable growth.

Amundi's ambition is to become a leader in the worldwide asset management industry, recognised for its quality of expertise and services offered to customers, its momentum in terms of development and profitability, and its positioning as a committed financial player.

2020 highlights

- Amundi and Bank of China create the first wealth management company in China with a foreign shareholder holding a majority stake.
- In Spain, Amundi acquired Sabadell Asset Management and signed a 10-year partnership agreement to distribute Amundi products via the Banco Sabadell network.
- Société Générale and Amundi renewed their partnership agreement for five more years with the aim of further developing their relationship in the distribution of investment solutions.
- CPR AM launched the world's first "Social Impact" fund dedicated to tackling social inequality.
- In partnership with the AIIB[1], launch of a reference tool to assess the risks related to climate change in accordance with the objectives of the Paris Agreement.
- Launch of Mandat PEA Sélection, an innovative Group wealth management product (online marketing, digitised customer journey and adviser support).

(1) Asian Infrastructure Investment Bank.

WEALTH MANAGEMENT

Business and organisation

Shaped by 140 years of experience in supporting families and entrepreneurs worldwide, the Indosuez Wealth Management Group offers a tailored, international approach across 13 territories, allowing individual customers to manage, protect and pass on their wealth in a manner which best fits their aspirations.

Embracing a global vision, its 3,060 employees provide expert advice and first-class services in both private and professional wealth management.

2020 highlights

- Proactive and targeted support of customers throughout the world during the crisis.
- Continued expansion of the value proposition for high net worth individuals through easier access to all areas of Crédit Agricole Group expertise, from asset management to financing.
- Expansion of the offer in favor of a more sustainable development and more reponsible economy, to address customer expectations and creation of an international range dedicated to sustainable development and the Societal Project.
- Implementation of strategic digital projects: roll-out of a new investment proposal tool in Monaco and a new CRM system in Luxembourg with fully digital new business relationships, launch of new global internet and intranet sites, digitisation of the management mandate subscription process at the Regional Banks.
- Substantial increase in solidarity initiatives on top of the joint action of the Indosuez Foundations in Switzerland and France.
- Ramping up of the dissemination of a culture of innovation: opening of the Innovation Lab in Paris and the *Coeur Collaboratif* (collaborative hub) in Luxembourg, creation of a community of 150 Transformers to act as ambassadors and mouthpieces for the cultural transformation, and organisation of innovation-related Lunch & Learn events.
- Launch of an Equal Opportunity Charter within the Indosuez Group and continuation of the action plan to promote gender equality.

RETAIL BANKING

LCL

LCL is a domestic network bank, with a leadership position in cities, focused exclusively on retail banking and insurance.

As part of its "LCL Demain 2022" Medium-Term Plan, the ambition of LCL is to be the leading bank and insurance company in the city, which cultivates and develops its expertise thanks to the excellence of its customer relations, in a collective dynamic of development to strengthen its attractiveness and sustainable profitability.

Business and organisation

As a universal bank and insurer, LCL offers its customers solutions that are tailored to their needs, drawing on its expertise and the wealth of know-how of Crédit Agricole Group. LCL caters for all kinds of customers, from individuals and SMEs and small businesses to private banking and wealth management, corporates and institutional customers.

LCL's ambition is to offer customers a personalised relationship experience that is a combination of human contact and remote access. Its six million individual customers thus have the choice of using the bank how they want, where they want and when they want via their preferred channel.

Capitalising on its strategic urban presence, LCL has adapted its approach and services to cover the whole of mainland France, as well as the West Indies-French Guiana.

LCL now has a network of nearly 1,600 branches, plus remote "LCL Mon Contact" customer service centres and digital solutions such as the "LCL Mes Comptes" app and websites, giving its customers complete freedom in using its banking services. Whether in-branch or online, LCL is committed to fully understanding the needs of its customers. By rethinking and digitising certain processes such as opening an account or taking out a mortgage loan, a commercial loan or insurance, it seeks to facilitate subscription to its main products.

LCL Banque Privée has 214,000 private banking clients. Dedicated advisers work with regional centres of expertise to offer comprehensive, tailored advice on finance, day-to-day banking and management of real estate and financial assets. The 73 private banking centres offer peace and quiet and complete privacy for analysis, advice and decision-making.

The 364,000 SMEs and small businesses – skilled craft workers, retailers, professionals and other small businesses – also benefit from the support of 1,275 specialist advisers and the creation of 92 "Espace Pros" business areas. Advisers serve as a single contact point to help their customers manage their daily business and achieve their business and personal projects. LCL is a major player in the financing of professionals, granting loans of €2.7 billion through its subsidiary Interfimo.

LCL Banque des Entreprises relies on its national network of 62 geographic locations to provide its 29,900 customers with its full range of expertise in Paris and throughout the rest of France: corporate finance for SME takeovers and acquisitions, market activities, international trade and payments, employee savings. As a player of choice in the mid-cap sector, LCL is today the bank to nearly half of all mid-caps. LCL Banque des Entreprises also reaffirms its comprehensive approach and its desire to assist executives with their wealth management plans by expanding its Wealth Management teams in Paris and across France.

To assist the networks, the back-office, electronic payments and flow management and support functions serve all customers and make an active contribution to operational excellence.

Refer to the glossary on page 681 for the definition of technical terms.

2020 highlights

- LCL implemented a series of measures to help its customers during the public health crisis: **uninterrupted service** with specific arrangements for visiting branches, tailored offers (consumer loans, fee caps, etc.), greater operational agility to allow for loan repayment extensions, and the implementation of state-guaranteed loans (*prêts garantis par l'État — PGE*) with **38,000** applications totalling **€8 billion**.
- LCL adapts to the public health crisis by introducing a raft of new digital initiatives available for use by customers: **"LCL Mes Comptes"** app, enhanced with new features such as Apple Pay, new card section, and **"LCL Visio"**, which offers a new way to make appointments, and for better employee agility (ramping up of softphone systems and chatbot availability).
- LCL reaffirms the strong positioning of the **"LCL. Ma vie. Ma ville. Ma banque"** brand by continuing to sponsor the "Ma ville, notre idéal" short TV programmes on France 3 and creating new events (launch of the Ville Makers 2 book and a virtual real estate trade show).
- LCL supports local businesses by continuing to create a bond with its customers through **CityStore,** France's largest urban shopping network, and by forging new partnerships, particularly with Monoprix. LCL supports its customers in their energy transition efforts by launching a range of innovative investments called **"LCL Impact Climat"** and by continuing to pursue its **LCL Smart Business** programme through partnerships with Greenflex, Global Climate Initiatives and Voltalia.
- LCL continues to refurbish its network: at end-2020 810 branches had been modernised, or almost half the entire network.

INTERNATIONAL RETAIL BANKING

Business and organisation

Within Crédit Agricole S.A., the "International Retail Banking" (IRB) division is responsible for overseeing and developing IRB entities according to the Group's standards and guidelines. It has three main tasks:

- to act on behalf of Crédit Agricole S.A. as shareholder and integrator with the Group's operations;
- to draw up strategic guidelines in consultation with the international retail banks to optimise their market performance;
- to create added value for the international retail banks and deliver results through synergies with the Group's business lines, LCL and the Regional Banks, as well as within the different international retail banks themselves.

The IRB division is therefore operationally responsible for the smooth running and performance of these banks and controls and supports their development. It also ensures that IRB entities properly apply the Group's standards, particularly with regard to transaction management and regulatory aspects, and plays a key role in implementing new customer service and customer relationship models.

The main activities and characteristics of the international retail banks – located in Italy, Eastern Europe (Poland, Serbia and Ukraine), Morocco and Egypt – are as follows:

Crédit Agricole Italia

Retail Banking in Italy integrates the networks of Gruppo Bancario Crédit Agricole Italia ("CA Italia"), namely CA Cariparma, CA Friuladria and CA Carispezia (legal merger with CA Italia in July 2019) and the three banks (Cassa di Risparmio – CR) of Cesena, Rimini and San Miniato that merged into CA Italia in 2019. They all now operate under the brand name Crédit Agricole.

CA Italia is active in the Emilia Romagna and Tuscany regions, among the richest in Italy. It is the masthead for the Group's presence in Italy, Crédit Agricole's second domestic market after France, where all the Group's business lines are present (consumer finance, corporate and investment banking, asset management, insurance, custody and fund administration, and private banking services).

The close collaboration and synergies developed between the commercial network of the banks and the business lines enable Crédit Agricole to offer a wide and integrated product range in Italy, aimed at all economic players.

Through its distinctive customer-led positioning, Crédit Agricole Italia is a retail bank covering all market segments: individuals, small businesses, SMEs, large corporates, agricultural and food processing, and private banking.

CA Italia has 924 branches and 9,388 employees and serves over 2 million customers, with a balance sheet totalling €75.7 billion.

Refer to the glossary on page 681 for the definition of technical terms.

2020 highlights

- Programmes totalling €10 billion introduced to support all customers, comprising financing lines for all sizes of company, including VSEs with fewer than 10 employees, liquidity provisions so businesses can protect their cash flow, and moratoria for corporate and individual customers (six months renewable).
- Development of a omni-channel model with new remote sales processes such as Nowbanking, web collaboration, mortgage loans and electronic signature of contracts for businesses.
- Rating: Baa1 stable – Moody's, March 2020
- Announcement of the launch of a cash voluntary public tender offer for all shares of Credito Valtellinese.
- Opening of a second Italian Village by CA in Parma, where 18 start-ups, selected from all over Italy, are accommodated.

Prizes and awards

- Ranked second (among universal banks) on the strategic 2020 Net Promoter Score.
- Long-term commitment to Plastic Odyssée with the entities of the Crédit Agricole Group.
- Donations of €2 million made by Crédit Agricole entities in Italy to the Italian Red Cross and various hospitals, mainly to purchase ambulances and build a temporary hospital.
- Signature of the Italian Banking Association's Protocol, which provides for the deferral for up to 18 months of loan repayments for women who are victims of gender violence as part of its commitment to diversity and inclusion.

Crédit Agricole's six other international retail banks:

Entity	Number	Total assets *(in billions of euros)*	Highlights of 2020	Positioning/Rating
CA Bank Polska	321 branches[1] 1,394,000 customers 3,961 employees	5.9	■ Opening of the first cashless branch in Warsaw ■ Continued expansion of mobile payments (in-app feature, FitbitPay and Garmin Pay systems, etc.), online account opening and appointment booking. ■ Long-term commitment to Plastic Odyssée with the entities of the Crédit Agricole Group ■ Launch of an educational campaign on plastic waste #mniejplastiku ■ Purchase of intensive care equipment for the specialist hospital in Wroclaw	■ Rating A3- (May 2020) ■ Customer satisfaction: number 3 in the market in NPS ■ "Power of attraction" first prize awarded by Polish newspaper Puls Biznesu for initiatives aimed at strengthening employee engagement and loyalty in the past two years (most notably PowerOn, #ijatoszanuję, "New styles of work" and Power People) ■ Plain Polish Lab's "Plain language standard" certification for its account agreements and regulations
CA Egypt	83 branches 386,000 customers 2,499 employees	2.7	■ 10 new branches under the "Banki Store" innovative concept ■ Number of connections on digital channels up by 70% to more than 6 million in 2020 ■ Publication of the first integrated sustainability report for 2017-2019 ■ "Thank You" initiative in recognition of healthcare professionals ■ Management bodies 25% female ■ Inclusion initiatives spearheaded by the Crédit Agricole Egypt Foundation: initiatives to promote education and support for the healthcare sector as well as the entrepreneurship of young people and women (partnership with the Ministry of Social Solidarity)	■ One of only two banks in the flagship index of the Cairo Stock Exchange (EGX 30) ■ Fitch rating: BB- stable (June 2020) ■ Best Mobile Banking Adaptive Site and Best Digital Trade Finance Service[2]

(1) Excluding 97 specialist branches.

(2) Global Finance Award (September 2020).

 Refer to the glossary on page 681 for the definition of technical terms.

Entity	Number	Total assets *(in billions of euros)*	Highlights of 2020	Positioning/Rating
CA Ukraine	147 branches 397,000 customers 2,343 employees	1.4	■ Launch of the new mobile application, CA+ ■ Launch of a leasing business retailed by CAU and first local agreement with John Deere Bank ■ We Care programme singled out from the top 25 CSR programmes in Ukraine and most notably for its initiatives to help the medical sector ■ Signature of the Equality Charter to guarantee rights and opportunities equivalent to European standards (Take Care) ■ The "You can rely on Crédit Agricole" initiative in light of the pandemic (new offers and revised processes) ■ Donation for the purchase of medical equipment for Ukrainian hospitals	■ Fitch rating: "B" Local Currency LT Issuer Default Rating with positive outlook (April 2020) ■ No. 1 in car loans with 40% market share ■ "Best Leader Development Program" award for the in-house "Agro School" educational programme ■ 2nd place in the overall rating of Euromoney's Private Banking and Wealth Management Survey – 2020
Crédit du Maroc	323 branches 684,000 customers 2,488 employees	5.2	■ Inclusion in the United Nations Global Compact Index ■ Year of the 90th anniversary of Crédit du Maroc ■ Commitment to Moroccan microfinance with the Fondation Grameen Crédit Agricole ■ Laying of the foundation stone for the new Les Arènes head office, which is aiming for HQE certification ■ Contribution of 85 million dirhams (€8 million) to the special fund for managing the coronavirus pandemic ■ Support for the healthcare sector by subsidising a group of young entrepreneurs and providing medical equipment	■ Moody's rating: Ba2 stable outlook (March 2020) ■ Vigeo Eiris "Top Performers 2020" for CSR (November 2020)
CA Serbia	74 branches 341,000 customers 859 employees	1.3	■ Launch of the new MBank app which includes instant payment by QR code ■ Initiatives to help the medical sector and customers (dedicated offers, moratoria)	■ Fitch Rating "B+" (June 2020) ■ Customer satisfaction: number 1 in the market in NPS ■ No. 1 in agricultural financing: Approximately 23% market share ■ No. 1 in car financing
CA Romania	14 branches 13,000 customers 267 employees	0.5	■ Reorientation of corporate activity and agricultural and food processing activities ■ Sale operation announced in January 2021	■ Bank focused on companies and the agricultural and food processing markets

Crédit Agricole S.A. also has holdings in other European countries alongside the Regional Banks. It owns 5% of Bankoa(1) in the Spanish Basque region and 5% of Crédit Agricole Next Bank in Switzerland.

(1) Disposal in January 2021.

SPECIALISED FINANCIAL SERVICES

CONSUMER FINANCE

Business and organisation

A key player in consumer finance in Europe, Crédit Agricole Consumer Finance (CA Consumer Finance) offers its customers and partners a range of flexible, responsible financing solutions, tailored to their needs.

CA Consumer Finance is composed of the following entities: Agos[(1)] (Italy, 61% owned), Creditplus Bank (Germany), CA Consumer Finance Nederland (Netherlands)[(2)], CA Consumer Finance S.A. (activities in France and Group consolidation, head office services), Credibom (Portugal), Wafasalaf (Morocco, 49% owned), FCA Bank[(3)] (50/50 joint venture with Fiat Chrysler Automobiles, present in 19 countries in Europe and Morocco), GAC-Sofinco AFC[(3)] (50/50 joint venture with Guangzhou Automobile Group CO in China) and Soyou (Spain, 51% owned).

Present in 19 countries in Europe, as well as in China and Morocco, CA Consumer Finance draws on its know-how and expertise to improve its own customer satisfaction, its commercial success and the customer retention policies of its banking, institutional, distribution, and automotive partners. Committed to helping its customers balance their budgets, the Group supports its most vulnerable customers by teaching them how to manage their finances and avoid taking on too much debt.

CA Consumer Finance is a robust and socially cohesive company, with a strong customer base, solid and diversified partnerships and modern tools and processes. It knows how to anticipate new consumer trends as well as the expectations of its partners. It has been particularly resilient during the COVID-19 crisis, supporting its customers as well as its partners and protecting its employees:

- **A profitable leader in consumer finance in Europe, with employees fully committed to** customers, partners and society:
  - 15 million customers;
  - employee engagement and recommendation index at the record level of 81% in 2020;
  - €91 billion in gross managed loans at end-2020 with a comprehensive omni-channel and digital offering to meet new consumer uses, driver of the Crédit Agricole Group's development:
  - €42 billion in car loans end 2020 and a contribution to net income Group share from the automotive joint ventures that rose by 14% per year between 2014 and 2020.
- **A robust situation at end-2020, a springboard for major business-line ambitions** by 2022, supported by digital technology, with **four levers for development:**
  - strengthening of partnerships by digital technology and cross-selling, set to double in France by 2022 versus 2019;
  - expansion in the mobility sector thanks to expertise in car financing: an additional +€4.5 billion in loans managed by the automotive joint ventures by 2022 versus 2018, +€500 million in additional automotive production in 2022 versus 2019 excluding joint ventures;
  - roll-out in all countries of the servicing model: +1 percentage point in additional market share for the Group's banks in France in 2022 versus 2018 and 10 new international banking partners by 2022 versus 2019;
  - leader in green financing, with €1 billion in production per year in 2022.
- **Ambitious financial targets for 2023:**
  - managed loans up by €20 billion to €108 billion in 2023;
  - cost/income ratio excluding SRF of 46% achievable by 2022;
  - cost of risk assumption at a low level, below 160 basis points;
  - high profitability, with RoNE at 15% achievable by 2022.

2020 highlights

- Exemplary resilience during the crisis, with production level continuing to show strong momentum (2020 production more than 86% of that of 2019 and a very limited decline (-1%) in loans managed by CA Consumer Finance in 2020 compared with 2019).
- Strong customer support with 380,000 moratoria granted for more than €1.5 billion in extended maturities.
- Support recognised by customers: No. 1 or No. 2 in customer recommendations in its markets.
- A production digitised at 65%.
- More than 5,000 financially vulnerable customers supported in France.
- Signature in January 2020 with French government authorities of the "Engagé pour FAIRE" charter to facilitate the financing of private individuals' energy-related refurbishment projects.

(1) Consolidated entity.
(2) Entity held for sale.
(3) Equity-accounted entity.

Refer to the glossary on page 681 for the definition of technical terms.

LEASING & FACTORING

Business and organisation

With €22.5 billion in managed assets, 24% of which is international, Crédit Agricole Leasing & Factoring (CAL&F) is a major player in leasing, factoring and the financing of renewable energy in France and in Europe.

CAL&F supports companies of all sizes, both in their investment projects in equipment and real estate, and in the financing and management of their trade receivables.

CAL&F works closely with the Group's retail banks in France and internationally, as well as with non-banking partners. With its regional presence, it is close to economic actors and supports its customers outside France via nine entities in Europe and Morocco.

Lease financing

CAL&F offers lease financing solutions designed to meet the needs of businesses looking to invest in and replace equipment. These include equipment lease financing, finance leasing, IT operational leasing and property lease financing.

Factoring

CAL&F provides trade receivable financing and management solutions for corporates and small businesses, both for their day-to-day operations and for their expansion plans, in France and internationally: financing, dunning and collection of trade receivables, guarantee against insolvency risk and managed services.

Through its international network, CAL&F supports its customers and partners in the main European countries and overseas.

Financing for energies and regions

Through its subsidiary Unifergie, CAL&F assists corporates, local authorities and farmers, actors in the energy transition, with the financing of renewable energy projects (wind or solar farms, biomass projects, etc.) or energy efficiency schemes (cogeneration plants, etc.), as well as public infrastructure projects (funding for local authorities or their private-sector partners in the context of public/private partnerships or public service outsourcing).

2020 highlights

- Implementation of measures to support economic recovery, including the granting of moratoria for equipement and property leases and new offerings designed specifically to help businesses, such as order financing and an extended range of factoring products.
- Increased market share in France, despite the COVID-19 situation (+1.2 percentage point in market share), particularly in leasing.
- The 2020 customer recommendation index was up +12 points, a sharp increase.
- Signature of a strategic partnership between CAL&F's Polish entity, EFL, and the DBK group, the leading supplier of products and services in Poland's transport, shipping and logistics sector.
- Creation of Green Solutions, a new range to support the energy transition: offerings in green mobility, lighting renovations and solar-powered home consumption.

LARGE CUSTOMERS

CORPORATE AND INVESTMENT BANKING

Business and organisation

Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) offers the corporate and financial institution customers of the Crédit Agricole Group a wide range of products and services in the areas of investment banking, structured finance, international transaction and commercial banking, capital markets and syndication. Crédit Agricole CIB model is based on a predominantly Corporates client base (67% of the 2020 commercial revenues), on revenues driven by financing solutions (69% of revenues) and a powerful and well-coordinated international network (57% of the revenues generated outside of France).

Customer relations are the responsibility of Senior Bankers. In 2019, their regrouping into a single entity marks a new step in the implementation of a customer-centric organisation. The strengthening of links with the Investment Banking teams also enables the strategic dialogue with clients to be intensified.

The main tasks of the **Structured Finance** division include originating and structuring complex finance deals, mostly backed by collateral, advising on strategy and financing, and providing global coverage of the aviation and rail, infrastructure, oil and gas, maritime, utilities and power, and real estate sectors. In 2020, against a backdrop of a worsening economy that was having a major impact on certain structured finance sectors, the division retained its market positioning while actively managing risks.

The **debt optimisation & distribution** business line is responsible for originating, structuring and arranging medium and long-term bilateral and syndicated loans for customers, as well as the underwriting and primary and secondary distribution of syndicated loans with banks and non-banking institutional investors. Despite the impact of the public health crisis on the global syndication and M&A market (significant drop in volumes to their lowest level since 2012), the business line held on to its leadership by maintaining its positions while supporting its customers. At end-December, it was the largest bookrunner in France and the third largest bookrunner in the EMEA in the syndicated loan sector. It also rose in the league tables in other regions and sectors.

Transaction banking and international trade mainly assists customers with managing their international trade and guarantee needs, in their working capital financing needs, in particular through trade receivables repurchase solutions (receivable and supply chain finance), and in their cash management needs. In 2020, business in this sector continued to grow, thanks mainly to the efforts of all teams and to the roll-out of new offerings in different geographic regions, despite an environment severely disrupted by the effects of the public health crisis.

The main mission of the **Investment Bank** is to offer a full range of high value-added solutions to deal with the strategic issues of our major customers. A large number of equity capital market/equity-linked and M&A transactions took place in 2020, particularly in CACIB's main areas of expertise.

Market banking covers all sales, structuring and trading activities on the fixed income, foreign exchange, credit and equity derivatives markets, as well as securitisation and treasury activities. Capital market activities had a record year in 2020 first position in All French Corporate bonds, first position woldwide in All Financial bonds, and second position worldwide in Green, Social and Sustainability Bonds.

2020 highlights

- Support for customers by financing their cash flow requirements stemming from the public health crisis. All Bank teams were fully committed to awarding customers **state-guaranteed loans** *(prêts garantis par l'État; PGE)* set up by the French government.
- Combining of the expertise of Crédit Agricole CIB and Indosuez Wealth Management to create **Private Investment Banking**. This new division aims to help family holding companies and their shareholders implement long-term strategies.
- Continuation of the **Data Architecture Convergence** programme designed to review data architecture. The programme is central to the Bank's long-term digital strategy and enables it to better respond to the challenges of the 2022 Medium-Term Plan.
- Receipt of several **prestigious awards in the Asia-Pacific region,** where most of the growth in our 2022 Medium-Term Plan is concentrated. A total of 20 transactions receive awards from The Asset magazine, including a large number of flagship environmental and socially responsible transactions, demonstrating Crédit Agricole CIB's strong commitment to building a more sustainable economy and more sustainable bank in the region. CACIB was also named "RMB House of the Year" at the Asia Risk Awards for its commitment and leading role in the internationalisation and innovation of the RMB (renminbi).
- Crédit Agricole CIB remains one of the **global leaders in the structuring and distribution of green, social and sustainability bonds** (all currencies). Crédit Agricole CIB indeed arranged $28 billion of green, social and sustainable bonds in 2020 and accounted for €11 billion of green loans in portfolios at end-2020. Crédit Agricole CIB also supported the issue of the **first blue bonds** in Asia and joined the ***Hydrogen Council,*** a global hydrogen energy initiative bringing together more than 80 companies from the energy, transport, industry and finance sector. By supporting its customers, Crédit Agricole CIB is contributing to the energy transition and, by extension, to the achievement of the Crédit Agricole Group's climate objectives, in line with the Paris Agreement.

ASSET SERVICING

Business and organisation

For 69.5% owned by Crédit Agricole S.A. and 30.5% by Santander, CACEIS is an international banking group and a European market leader in custodian bank and fund administration services. CACEIS is a major partner in several Crédit Agricole S.A. Group entities.

With more than 4,500 employees (FTEs) in 15 countries, CACEIS offers a complete range of Asset Servicing solutions. The Group's competence centres in Europe provide uniform, reliable services to all customers, regardless of their geographical location. A local commercial team and local experts are present in each establishment to enhance local relations with customers.

CACEIS is taking part in a process of innovation and digital transformation for its customers and employees. It is at the forefront of technological developments such as artificial intelligence, robotics and big data to ensure greater security, reliability, efficiency and transparency for its customers.

2020 highlights

- Formalisation on 1 November of the merger of KAS Bank and the CACEIS branch in the Netherlands under the name CACEIS Bank Netherlands Branch.
- Creation of new features for the TEEPI Market Place platform providing investors with a fully digital solution for opening registered accounts and placing orders in funds administered by CACEIS.
- Award of Platinum category, given only to the top 1% of all companies assessed by EcoVadis, the assessment platform of corporates CSR performances.
- Completion of major asset migrations in an unprecedented context of teleworking by all teams (Candriam, Groupama, Popular Asset Management and Popular Pensiones).

Refer to the glossary on page 681 for the definition of technical terms.

CORPORATE CENTRE

CACIF – CRÉDIT AGRICOLE CAPITAL INVESTISSEMENT & FINANCE

CACIF holds the investments of Crédit Agricole S.A., the Regional Banks and LCL in unlisted companies through dedicated funds, most of which are managed by its subsidiary IDIA Capital Investissement (capital development supporting French mid-caps and SMEs in all business sectors, with recognised expertise in food processing, wine-making and the energy transition).

CACIF also provides services through SODICA Corporate Finance, which specialises in M&A advisory services and financial and stock market engineering for medium-sized companies in all business sectors, with teams based in Paris and regional France. It also has teams specialising in the food, wines and spirits, health, aeronautics, renewable energy and real estate sectors. SODICA is the Group's listing sponsor on Euronext Growth.

2020 highlights

IDIA Capital Investissement:

- Creation of the Développment Filière Bois fund: an investment fund dedicated to the development of the timber industry's entire value chain in France.

SODICA Corporate Finance:

- Establishment of the SODICA ETI department, dedicated exclusively to upper-mid-cap transactions.
- e-RIS: LCL joins the Regional Banks' intermediation network led by SODICA CF. e-RIS supports the handover of VSE/SMEs (valued between €1 million and €5 million).
- Launch of the SODICA AGRIMANAGERS business, dedicated to transactions by large companies and farm holdings.

CACIF:

- Participation in the Aéronautique de Place fund alongside other Group entities (total investment of €100 million). Subscription at end-2020.
- Digitisation of contracts and signatures, and wide-scale expansion of teleworking to maintain business despite the public health crisis.
- Establishment of sponsorship with "Espérance Banlieues" to support the inclusion and education of young people.

CRÉDIT AGRICOLE IMMOBILIER

As the Group's real estate specialist, Crédit Agricole Immobilier builds, sells and manages housing and offices for its territories and customers, incorporating new urban and environmental constraints.

As a trusted partner, it supports real estate projects of private individuals through its residential property development and property administration services (Crédit Agricole Immobilier and Square Habitat), while businesses, local authorities and institutions benefit from its office development, property management and commercial property services.

A major player in providing access to housing and regional economic development, Crédit Agricole Immobilier is shaping the city of tomorrow by offering innovative and sustainable solutions.

2020 highlights

- New procedures for holding co-ownership general meetings during the public health crisis: organisation of the first remote General Meeting at the Nouvel Angle residence in Cergy (95).
- Signature of the sale of the Campus de l'Aqueduc in Gentilly (94), a 40,000-sq. m. office complex with an ambitious environmental design, including features that promote wellbeing in the workplace.
- Deployment of electronic signatures for customers of its Square Habitat property agency network, making it easier for customers buying or leasing a property to complete administrative formalities.
- Initiation and support of the process by which Campus Evergreen obtained the BiodiverCity® Life label in recognition of the consideration given to biodiversity on this 8-hectare site located in central Montrouge (92).

CRÉDIT AGRICOLE PAYMENT SERVICES

Payments are central to the customer relationship and a key means of building loyalty and acquiring new customers. Crédit Agricole Payment Services (CAPS) designs payment solutions for Crédit Agricole customers, helps the Group's banks launch them on the market, and processes transactions. CAPS develops innovative service offerings that are both secure and easy to use and meet the highest market standards.

2020 highlights

- Management of new payment solutions tailored to the public health crisis situation (contactless up to €50, daily reporting, hotline for retailers on "CA Mon Commerce").
- Launch of Apple Pay.
- Acquisition of Linxo the French fintech leader for account aggregation services and payment initiation
- Remote POS offerings developed for retailers: Up2pay by link and Up2pay Mobile.
- Acquirer Authorisation Server (AAS) certified to Europe's Nexo standard.
- Acquisition of payment institution status enabling the Group to complete its payment services offer especially directed to marketplaces, as well as strengthening its distribution measures by building a service provider of central payments for the whole Crédit Agricole Group.
- Alongside the Group's banks, success in a number of tender bids for major accounts: Décathlon, Total, Thiriet.

CRÉDIT AGRICOLE GROUP INFRASTRUCTURE PLATFORM

Crédit Agricole Group Infrastructure Platform comprises 80% of the Group's IT production, infrastructure and technology platforms.

Its goal is to meet the challenges of the digital transformation by developing new platforms adapted to digital practices while at the same time guaranteeing a high degree of security and confidentiality for entities.

The CA-GIP operating model is divided into:

- clusters, which handle the production of business applications, ensuring quality of service and day-to-day operational maintenance. They also help IT departments and entities implement business projects and assist with transformations;
- shared service hubs, which support CA-GIP's technological activities, both operationally (RUN) and in their construction (BUILD). They also pool technological platforms that are shared throughout the Group.

2020 highlights

- Increase in teleworkers throughout the Group from 4,000 to 30,000 in March to ensure all essential activities continue uninterrupted in the unprecedented context of the lockdown. Increase in infrastructure capacity to 80,000 simultaneous connections.
- Roll-out of the "Webex" videoconferencing solution to 15,000 LCL bank advisers deployment in progress within the Regional Banks.
- Participation of CA-GIP in the development of the responsible digital technology MOOC offered by France's Institute for Responsible Digital Technology (INR).

UNI-MÉDIAS

Uni-médias, a press subsidiary of Crédit Agricole S.A., is one of the top eight magazine publishers in France (source: Plimsoll) and continues to be one of the most profitable in the industry, with revenues of €87 million.

Fully integrated with the Group's Customer Project, in 2020 Uni-médias accelerated its digital transformation to become the expert media group for key moments in customers' lives.

2020 highlights

- Sustained proactivity and editorial support to help its readers deal with the public health crisis.
- No. 1: *Santé Magazine, Parents, Maison créative, Détente Jardin, Régal, Détours en France* and *Secrets d'Histoire*.
- A digital transformation that is getting results:
  - websites outperforming, with 303 million visits in 2020, up +35% from 2019;
  - marketing of titles via the Uni-médias store, with sales doubling in one year.
- Promotion of brand content through new expertise in videos, podcasts, social media and webinars.

See the detail of operating segment information on page 498.

Refer to the glossary on page 681 for the definition of technical terms.

HIGHLIGHTS OF 2020

JANUARY

- Crédit Agricole S.A. unwinds 35% of the “Switch” guarantee mechanism.
- Banco Sabadell and Amundi announce their strategic partnership in Spain and Amundi’s acquisition of Sabadell Asset Management.

APRIL

- Proposal to allocate Crédit Agricole S.A.’s 2019 results to a reserves’ account.
- Crédit Agricole S.A. group senior executives contribute to Crédit Agricole’s solidarity initiative to help the elderly in the face of the coronavirus. Philippe Brassac, Chief Executive Officer of Crédit Agricole S.A. group, and Xavier Musca, Deputy Chief Executive Officer, decided to waive half of their variable compensation due for 2019, contributing it instead to Crédit Agricole’s solidarity initiative, which will pay the corresponding amount into the Group’s new solidarity fund for the elderly.

MAY

General Meeting of Crédit Agricole S.A.

SEPTEMBER

- Crédit Agricole S.A. demonstrates commitment to the Panda market with its second 3-year CNY 1 billion benchmark bond.
- Crédit Agricole CIB announces the disposal of its remaining 4.0% stake in Banque Saudi Fransi.
- Amundi and BOC Wealth Management launch the first wealth management venture in China with a foreign shareholder holding a majority stake.

OCTOBER

- Crédit Agricole S.A. successfully priced its offering of EUR 750m Undated Deeply Subordinated Additional Tier 1 (AT1) Fixed Rate Resettable Notes.
- Crédit Agricole Assurances and Europ Assistance sign a strategic partnership agreement for assistance in the French market.

NOVEMBER

Crédit Agricole Italia launches a cash voluntary public tender offer for all shares of Credito Valtellinese.

DECEMBER

- Capital: ECB Pillar 2 capital requirement unchanged for 2021; publication of updated Pillar 3 appendix table of main features of capital instruments.
- €1bn for local, sustainable and inclusive growth in the regions: the Crédit Agricole Group carries out its first social bond issuances.
- Presentation during a dedicated workshop of the mid term ambitions of the consumer finance business within Crédit Agricole: a modern, profitable and high-potential business.
- Goodwill impairment charge of about €900 million recognised against CA Italia in Crédit Agricole S.A.’s financial statements, without impact on solvency or liquidity.
- Crédit Agricole Consumer Finance and Banco BPM strengthen their partnership in consumer credit in Italy.

Refer to the glossary on page 681 for the definition of technical terms.

The following press releases are incorporated by reference in this Universal registration document.

Date of issuance	Press release title	Annex 1 2019/980 regulations
January 2020	Crédit Agricole S.A. unwinds 35% of the "Switch" guarantee mechanism. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/credit-agricole-s.a.-unwinds-35-of-the-switch-guarantee-mechanism*	20.1
	Banco Sabadell and Amundi announce their strategic partnership in Spain and Amundi's acquisition of Sabadell Asset Management. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/banco-sabadell-and-amundi-announce-their-strategic-partnership-in-spain-alongside-amundi-s-acquisition-of-sabadell-asset-management*	5.7
April 2020	Proposal to allocate Crédit Agricole S.A.'s 2019 results to a reserves' account. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/proposal-to-allocate-credit-agricole-s.a.-s-2019-results-to-reserves-account*	18.5
	Crédit Agricole S.A. Group senior executives contribute to Crédit Agricole's solidarity initiative to help the elderly in the face of the coronavirus. *https://www.credit-agricole.com/chaines-d-infos/toutes-les-chaines-d-info-du-groupe-credit-agricole/communiques-de-presse/Les-dirigeants-du-groupe-credit-agricole-s.a-apportent-leur-contribution-a-l-action-de-solidarite-du-credit-agricole-en-faveur-des-personnes*	13.1
May 2020	General Meeting of Crédit Agricole S.A. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/general-meeting-of-credit-agricole-s.a*	19
	Crédit Agricole Group: disclosure on global systemically important banks' (G-SIBs) indicators. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/credit-agricole-group-disclosure-on-global-systemically-important-banks-g-sibs-indicators7*	8.1
June 2020	Crédit Agricole S.A. Announces Pricing of its Tender Offers for USD Senior Preferred Notes. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/credit-agricole-s.a.-announces-pricing-of-its-tender-offers-for-usd-senior-preferred-notes*	8.1
	Crédit Agricole S.A. Announces Offer Prices and Final Results of its Tender Offers for EUR and GBP Senior Preferred Notes. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/credit-agricole-s.a.-announces-offer-prices-and-final-results-of-its-tender-offers-for-eur-and-gbp-senior-preferred-notes*	8.1
September 2020	Crédit Agricole S.A. demonstrates commitment to the Panda market with its second 3-year CNY 1 billion benchmark bond. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/credit-agricole-s.a.-demonstrates-commitment-to-the-panda-market-with-its-second-3-year-cny-1-billion-benchmark-bond*	8.1
	Crédit Agricole CIB announces the disposal of its remaining 4.0% stake in Banque Saudi Fransi. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/credit-agricole-cib-announces-the-disposal-of-its-remaining-4.0-stake-in-banque-saudi-fransi*	5.7
	Amundi and BOC Wealth Management launch the first wealth management venture in China with a foreign shareholder holding a majority stake. *https://www.credit-agricole.com/chaines-d-infos/toutes-les-chaines-d-info-du-groupe-credit-agricole/communiques-de-presse/amundi-et-boc-wealth-management-lancent-la-premiere-societe-de-gestion-de-produits-de-gestion-de-patrimoine-en-chine-detenue-majoritairement-pa*	
October 2020	Crédit Agricole S.A. successfully priced its offering of EUR 750m Undated Deeply Subordinated Additional Tier 1 (AT1) Fixed Rate Resettable Notes. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/credit-agricole-s.a.-successfully-priced-its-offering-of-eur-750m-undated-deeply-subordinated-additional-tier-1-at1-fixed-rate-resettable-notes*	8.1
	Crédit Agricole Assurances and Europ Assistance sign a strategic partnership agreement for assistance in the French market. *https://pressroom.credit-agricole.com/news/credit-agricole-assurances-and-europ-assistance-sign-a-strategic-partnership-agreement-for-assistance-in-the-french-market-f021-94727.html*	
November 2020	Crédit Agricole Italia launches a cash voluntary public tender offer for all shares of Credito Valtellinese. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/credit-agricole-italia-launches-a-cash-voluntary-public-tender-offer-for-all-shares-of-credito-valtellinese*	5.7

Refer to the glossary on page 681 for the definition of technical terms.

Date of issuance	Press release title	Annex 1 2019/980 regulations
December 2020	Capital: ECB Pillar 2 capital requirement unchanged for 2021; publication of updated Pillar 3 appendix table of main features of capital instruments. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/capital-ecb-pillar-2-capital-requirement-unchanged-for-2021-publication-of-updated-pillar-3-appendix-table-of-main-features-of-capital-instruments*	8.1
	€1bn for local, sustainable and inclusive growth in the regions: the Crédit Agricole Group carries out its first social bond issuances. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/1bn-for-local-sustainable-and-inclusive-growth-in-the-regions-the-credit-agricole-group-carries-out-its-first-social-bond-issuances*	8.1
	Consumer credit at Crédit Agricole: a modern, profitable and high-potential business. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/consumer-finance-at-credit-agricole-a-modern-profitable-and-high-potential-business*	5.4
	Goodwill impairment charge of about €900 million recognised against CA Italia in Crédit Agricole S.A.'s financial statements, no impact on solvency or liquidity. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/goodwill-impairment-charge-of-about-900-million-recognised-against-ca-italia-in-credit-agricole-s.a.-s-financial-statements-no-impact-on-solvency-or-liquidity*	7.1
	Crédit Agricole Consumer Finance and Banco BPM strengthen their partnership in consumer credit in Italy. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/credit-agricole-consumer-finance-and-banco-bpm-strengthen-their-partnership-in-consumer-credit-in-italy*	5.7
	2020 capital increase reserved for employees. *https://www.credit-agricole.com/en/finance/finance/financial-press-releases/2020-capital-increase-reserved-for-employees*	8.1

HISTORY

1885

Creation of the first Local Bank in Poligny (Jura).

1894

Law authorising the creation of the first "sociétés de crédit agricole", later named "Caisses locales de crédit agricole mutuel" (Local Banks of Crédit Agricole Mutuel).

1899

Law grouping the Local Banks into Crédit Agricole Regional Banks.

1920

Creation of Office National du Crédit Agricole, which became Caisse Nationale de Crédit Agricole (CNCA) in 1926.

1945

Creation of Fédération Nationale du Crédit Agricole (FNCA).

1959

Decree allowing Crédit Agricole to make home loans, in rural areas, to non-farm households.

1986

Creation of Predica, life insurance company of the Group.

1988

Law reorganising the CNCA as a mutual company, which became a public limited company owned by the Regional Banks and the Group's employees.

1990

Creation of Pacifica, property and casualty insurance company of the Group.

1996

Acquisition of Banque Indosuez.

Refer to the glossary on page 681 for the definition of technical terms.

1999

Acquisition of Sofinco and an initial stake in Crédit Lyonnais.

2001

Reincorporation of the CNCA as Crédit Agricole S.A. and listing on the stock market on 14 December 2001.

2003

Acquisition of Finaref and Crédit Lyonnais (now LCL).

2006

Acquisition of Cariparma, FriulAdria, 202 branches of Banca Intesa in Italy, and Emporiki Bank in Greece.

2009

Crédit Agricole Asset Management and Société Générale Asset Management combine to form Amundi.

2010

Creation of Crédit Agricole Consumer Finance (merger between Sofinco and Finaref) and Crédit Agricole Leasing & Factoring (merger between Crédit Agricole Leasing and Eurofactor).

2011

Acquisition in Italy of 172 branches from Intesa Sanpaolo S.p.A.

2013

Sale of Emporiki Group to Alpha Bank, disposal of the stockbrokers CLSA and Cheuvreux as well as Bankinter equity investments.

2014

- Sale of the 50% stake in Newedge to Société Générale and simultaneous acquisition of an additional 5% stake in Amundi's capital (from then on 80% owned).
- Refocusing with the disposal of Nordic subsidiaries of Crédit Agricole Consumer Finance, Crédit Agricole Bulgaria and BNI Madagascar.

2015

- IPO of Amundi, with a reduction of Crédit Agricole Group's stake to 75%.
- Sale of Crédit Agricole Albania to Corporate Commercial Bank AD.

2016

Announcement and completion of the transaction to simplify the Group's ownership structure (Eureka).

2017

- Finalisation of Amundi's acquisition of Pioneer Investments, with a reduction of the Crédit Agricole Group stake to 70%.
- Sale of a part of the stake (16.2% of 31.1%) in Banque Saudi Fransi to Kingdom Holding Company (KHC).
- Acquisition of a stake of more than 95% in the Cesena, Rimini and San Miniato Savings Banks.

2018

- Creation of a joint venture in Spain in consumer credit between Bankia and Crédit Agricole Consumer Finance.
- Creation of Azqore, a joint technological platform between Capgemini and Indosuez Wealth Management.
- Finalisation of the acquisition of Banca Leonardo in Italy by Indosuez Wealth Management.
- Entering into an exclusive partnership agreement in life insurance with Credito Valtellinese and acquisition of a 5% interest in life insurance.
- Announcement of the acquisition of a further 25% in GNB Seguros by Crédit Agricole Assurances.

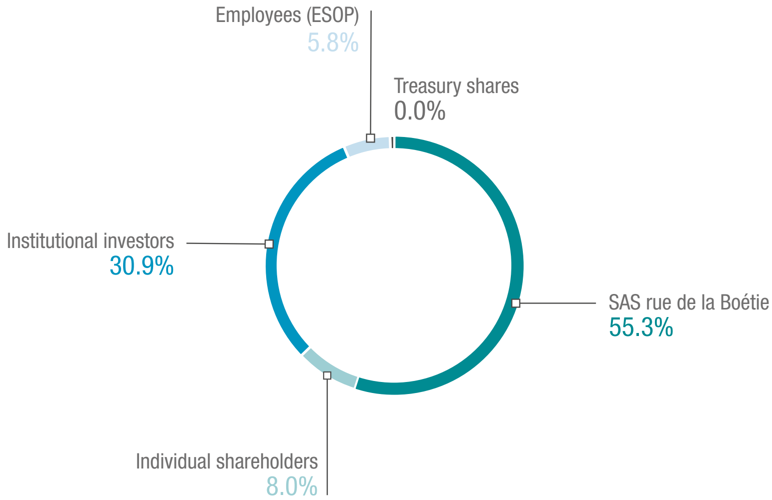
2019

- Presentation of the Group project and of the 2022 Medium-Term Plan.
- Announcement and signing of an agreement between CACEIS and KAS Bank for a friendly takeover bid by CACEIS for the entire share capital of KAS Bank.
- Signing of a partnership agreement between Abanca and Crédit Agricole Assurances for establishing a non-life company for the Spanish and Portuguese markets.
- Merger between CACEIS and Santander Securities Services to create a leading actor in institutional financial services.
- Strengthening and extending the partnership between Crédit Agricole Consumer Finance and Banco BPM for consumer credit in Italy for 15 years.
- Finalisation by Crédit Agricole CIB of the sale of 10.9% of Banque Saudi Fransi to a consortium led by Ripplewood.
- Signing of the extension of the joint venture of FCA Bank between Crédit Agricole Consumer Finance and Fiat Chrysler Automobiles until December 2024.

Refer to the glossary on page 681 for the definition of technical terms.

INFORMATION ON THE SHARE CAPITAL AND SHAREHOLDERS

OWNERSHIP STRUCTURE AT 31 DECEMBER 2020



CHANGE IN SHARE OWNERSHIP OVER THE PAST THREE YEARS

The table below shows changes in the ownership of Crédit Agricole S.A. over the past three years:

	Position at 31/12/2020			Position at 31/12/2019	Position at 31/12/2018
Shareholders	Number of shares	% of voting rights(3)	% of share capital(4)	% of share capital	% of share capital
SAS Rue La Boétie(1)	1,612,517,290	55.31	55.29	55.90	56.26
Treasury shares(2)	1,090,000		0.04	0.02	0.15
Employees (FCPE, PEE)	169,020,958	5.80	5.79	4.68	4.42
Institutional investors	900,713,859	30.89	30.88	32.43	31.90
Individual shareholders	233,346,533	8.00	8.00	6.99	7.27
TOTAL	**2,916,688,640**	**100**	**100**	**100**	**100**

(1) SAS Rue La Boétie is wholly owned by the Crédit Agricole Regional Banks.

(2) Treasury shares are directly held as part of share buyback programmes, recognised on Crédit Agricole S.A.'s balance sheet, designed to cover stock options and as part of a market-making agreement.

(3) % of voting rights corresponds to exercisable voting rights.

(4) % of share capital corresponds to theoric voting rights.

There is no significant difference between theoric voting rights (% of share capital) and exercisable voting rights (% of voting rights), presented in the above table.

The ownership structure changed slightly in 2020

The Regional Banks maintain their investment in Crédit Agricole S.A. through SAS Rue La Boétie.

Jointly and on a permanent basis, they own the majority of the share capital: 55.29% at end-2020 and 55.90% at end-2019 and 56.26% at end-2018.

Employee profit-sharing through company savings plans (PEEs) and employee share ownership plans (FCPEs) increased in 2020 following the December 2020 capital increase reserved for employees (32 million new shares). It increased from 4.68% of share capital at end-2019 to 5.79% at end-2020.

The share of institutional investors posted a sligth decrease to 30.88% compared to 32.43%, at end-2019.

The share of individual shareholders increased; it stood at 8.0% of share capital, compared with 6.99% at end-2019.

Overall, the free float was down slightly over the period, at 38.88% versus 39.42% at end-2019.

RECENT CHANGES IN SHARE CAPITAL

The table below shows changes in Crédit Agricole S.A.'s share capital over the past five years:

Date and type of transaction	Total of capital *(in euros)*	Number of shares
12/11/2015 Employee bonus shares *(CEO decision of 12/11/2015)*	1,749,240	583,080
Share capital at 31/12/2015	**7,917,980,871**	**2,639,326,957**
21/06/2016 Share-based payment of dividend and loyalty dividend bonus *(General Meeting of 19/05/2016)*	509,891,574	169,963,858
16/12/2016 Capital increase reserved for employees	110,441,133	36,813,711
Share capital at 31/12/2016	**8,538,313,578**	**2,846,104,526**
Share capital at 31/12/2017	**8,538,313,578**	**2,846,104,526**
22/05/2018 Capital increase by awarding free shares to eligible shareholders *(Removal of bonus dividend)*	19,590,132	+6,530,044
01/08/2018 Capital increase reserved for employees	41,407,758	13,802,586
Share capital at 31/12/2018	**8,599,311,468**	**2,866,437,156**
01/08/2019 Capital increase reserved for employees	54,754,668	18,251,556
Share capital at 31/12/2019	**8,654,066,136**	**2,884,688,712**
22/12/2020 Capital increase reserved for employees	95,999,784	31,999,928
Share capital at 31/12/2020	**8,750,065,920**	**2,916,688,640**

Since 31 December 2020, the share capital of Crédit Agricole S.A. has amounted to €8,750,065,920, divided into 2,916,688,640 shares with a par value of €3 each.

INFORMATION CONCERNING MAJOR SHAREHOLDERS

There are currently no shareholders' agreements.

Crédit Agricole S.A. has not issued any securities giving rights to share capital other than those indicated in the "Recent changes in share capital" table above. The Company has not issued any securities giving rights to the potential share capital or shares carrying double voting rights. Nor has it pledged any of its shares as collateral.

To Crédit Agricole S.A.'s knowledge, no shareholder other than SAS Rue La Boétie owns 5% or more of the share capital or voting rights.

Control over the issuer

The shareholder relationships between Crédit Agricole S.A. and the Regional Banks are described in the notes to the financial statements under "General framework" of this document.

Control over Crédit Agricole S.A. is described in Chapter 3, "Corporate governance", of this Universal Registration Document.

The rules governing the composition of the Board of Directors are set out in Article 11 of the Articles of Association.

Under the terms of the agreement entered into by the Regional Banks and Crédit Agricole S.A. at the time of the initial public offering, the Regional Banks, through SAS Rue La Boétie, own the majority of the share capital on a permanent basis (55.29% at end-2020) and of the voting rights (55.31% at end-2020) in Crédit Agricole S.A., making it immune to takeover bids. The composition of the Board of Directors results from the intention expressed in the listing agreement to ensure a majority representation of the Regional Banks.

In addition to the Director appointed by joint decree by the Minister of Finance and the Minister of Agriculture, six seats are allocated to Directors from outside the Crédit Agricole Group. On the proposal of the Appointments and Governance Committee, these six outside Directors are considered by the Board of Directors as independent in accordance with corporate governance guidelines (AFEP/MEDEF Corporate Governance Code for listed companies). The outside Directors play an extremely important role on the Board. Four of them chair the Board's Special Committees (Audit, Risk, Risk in the United States, Compensation, Appointments and Governance).

There are no agreements of which the implementation could, at a subsequent date, result in a change in the Group's control.

Refer to the glossary on page 681 for the definition of technical terms.

DIVIDEND POLICY

The dividend policy is defined by the Board of Directors of Crédit Agricole S.A. It may take into account, in particular, the Company's earnings and financial position, as well as the dividend policy practices of leading French and international companies in the sector. Crédit Agricole S.A. gives no guarantee as to the amount of the dividend which will be paid in any given financial year.

From 2013 to 2017, certain securities that met the conditions of eligibility on the payment date were also entitled to a loyalty dividend of 10%. To comply with a request of the European Central Bank, the General Meeting of 16 May 2018 voted to remove the statutory loyalty dividend clause as well as the terms and conditions of the compensation to be paid to beneficiaries.

For financial year 2018, the Board of Directors proposed a dividend of €0.69 per share to the General Meeting.

The intention to distribute dividends for financial year 2019 appeared incompatible with the European Central Bank's recommendations related to the public health crisis. Given these circumstances, the Crédit Agricole S.A. Board of Directors, which was consulted in writing on 1 April 2020 pursuant to the legal provisions on the functioning of deliberative bodies during the COVID-19 pandemic, moved to propose to the Annual General Meeting of 13 May 2020 that the entire profit for 2019 be allocated to a reserves' account.

For financial year 2020, the Board of Directors of Crédit Agricole S.A. will propose to the General Meeting on 12 May 2021 to distribute a dividend of Euro 80 cents per share, with a scrip dividend payment option.

For the last five financial years, Crédit Agricole S.A. distributed the following dividends, as indicated in the table below:

	2020	2019	2018	2017	2016
Net dividend per share *(in euros)*	0.80	-	0.69	0.63	0.60
Payout ratio[1]	66%	NA	50%	56%	55%

(1) Total dividends payable (ex. treasury shares) divided by attributable net income Group share (net of AT1 coupons).

TABLE SUMMARISING AUTHORISATIONS IN FORCE AND THE USE MADE THEREOF DURING 2020

Type of authorisation	Purpose of authorisation	Validity of authorisation	Ceiling	Use during 2020
Share buyback	**Buy** Crédit Agricole S.A. ordinary shares.	**General Meeting of 13/05/2020** 25th resolution Valid for a term of: 18 months Effective: 13/05/2020 Expiry: 13/11/2021	10% of the ordinary shares in the share capital.	See detailed information
Capital increase by means of the issue of ordinary shares	**Increase** share capital by issuing ordinary shares and/or securities conferring access to ordinary shares, with pre-emptive subscription rights.	**General Meeting of 13/05/2020** 28th resolution Valid for a term of: 26 months Expiry: 13/07/2022	€4.3 billion €8.6 billion in respect of debt securities Those of the 29th, 30th, 32nd and 34th resolutions are offset against these ceilings.	None
	Increase share capital by issuing ordinary shares and/or securities conferring access to ordinary shares, without pre-emptive subscription rights, through offers to the public referred to in Article L.411-2-1 of the French Monetary and Financial Code.	**General Meeting of 13/05/2020** 29th resolution Valid for a term of: 26 months Expiry: 13/07/2022	€870 million €5 billion in respect of debt securities That stipulated by the 28th and 30th resolutions is offset against these ceilings.	None
	Increase share capital by issuing ordinary shares and/or securities conferring access to ordinary shares, without pre-emptive subscription rights, through offers to the public other than those referred to in Article L.411-2 section II of the French Monetary and Financial Code.	**General Meeting of 13/05/2020** 30th resolution Valid for a term of: 26 months Expiry: 13/07/2022	€870 million €5 billion in respect of debt securities That stipulated by the 28th resolution is offset against these ceilings.	None

Type of authorisation	Purpose of authorisation	Validity of authorisation	Ceiling	Use during 2020
Capital increase by means of the issue of ordinary shares	**Increase** the amount of the initial issue in the case of issuing ordinary shares and/or securities conferring access to ordinary shares, with or without pre-emptive subscription rights, decided pursuant to the 28th, 29th, 30th, 32nd, 33rd, 36th and 37th resolutions.	**General Meeting of 13/05/2020** 31st resolution Valid for a term of: 26 months Expiry: 13/07/2022	Within the limits of the ceilings stipulated by the 28th, 29th, 30th, 32nd, 33rd, 36th and 37th resolutions.	None
	Issue ordinary shares and/or other securities conferring access to capital, without pre-emptive subscription rights, in consideration for asset transfers to the Company, consisting of equity securities or other securities conferring access to capital, other than through a public exchange offer.	**General Meeting of 13/05/2020** 32nd resolution Valid for a term of: 26 months Expiry: 13/07/2022	Within the limits of 10% of the share capital; this ceiling will be offset against that stipulated by the 28th and 30th resolutions.	None
	Set the price of issue of ordinary shares in the scope of repayment of contingent capital instruments ("CoCos") pursuant to the 29th and/or the 30th resolution, up to the annual limit of 10% of capital.	**General Meeting of 13/05/2020** 33rd resolution Valid for a term of: 26 months Expiry: 13/07/2022	€3 billion The total nominal amount cannot exceed 10% of the share capital in any 12-month period. This ceiling is offset against that stipulated by the 28th resolution.	None
	Limit authorisations of issue, with or without pre-emptive subscription rights, as a consequence of the adoption of the 28th to 32nd resolutions and of the 36th and 37th resolutions.	**General Meeting of 13/05/2020** 34th resolution	Nominal amount of capital increase under the 28th to 32nd resolutions and the 36th and 37th resolutions.	None
	Increase the share capital by capitalisation of reserves, earnings, share premiums or other items.	**General Meeting of 13/05/2020** 35th resolution Valid for a term of: 26 months Expiry: 13/07/2022	€1 billion, autonomous and distinct ceiling.	None
Transaction reserved for employees	**Increase** the share capital by issuing ordinary shares, without pre-emptive subscription rights, reserved for Crédit Agricole Group employees who subscribe to an employee savings scheme.	**General Meeting of 13/05/2020** 36th resolution Valid for a term of: 26 months Expiry: 13/07/2022	€300 million Autonomous and distinct from other ceilings on capital increases.	Issuance of 31,999,928 new shares with a par value of €3 each, carried out on 22/12/2020
	Increase the share capital by issuing ordinary shares, without pre-emptive subscription rights, reserved for a category of beneficiaries in the context of an employee shareholding transaction.	**General Meeting of 13/05/2020** 37th resolution Valid for a term of: 18 months Expiry: 13/11/2021	€50 million Autonomous and distinct from other ceilings on capital increases.	None
	Award performance shares, whether already issued or to be issued, to eligible employees or Corporate Officers.	**General Meeting of 13/05/2020** 39th resolution Valid for a term of: 38 months Expiry: 13/07/2023	0.75% of the share capital at the date of the Board of Director's decision to award the shares.	None
Cancellation of shares	**Cancel** shares acquired under the share buyback programme.	**General Meeting of 13/05/2020** 38th resolution Valid for a term of: 24 months Expiry: 13/05/2022	10% of the total number of shares in each 24-month period.	None

Refer to the glossary on page 681 for the definition of technical terms.

PURCHASE BY THE COMPANY OF ITS OWN SHARES IN 2020

The twenty-fifth resolution of the Ordinary General Meeting of Crédit Agricole S.A. of 13 May 2020 authorised the Board of Directors to trade in Crédit Agricole S.A. ordinary shares, in accordance with the General Regulation of the French Financial Market Authority (AMF) and with Articles L.225-209 *et seq.* of the French Commercial Code.

The key provisions of this resolution, which is still valid, are as follows:

- the authorisation was granted for a period of 18 months;
- the Company may not, under any circumstances, hold more than 10% of the share capital;
- the number of shares purchased may not exceed 10% of the total number of ordinary shares at the date on which the said purchases are carried out;
- the maximum purchase price is €20;
- in any event, the maximum amount the Company may allocate to the buyback of its ordinary shares is €4.3 billion.

Information on the use of the share buyback programme, given to the General Meeting, in accordance with Article L.225-211 of the French Commercial Code

The Board of Directors informs the General Meeting of the following activities undertaken in accordance with the share buyback programme for the period from 1 January to 31 December 2020.

Transactions were carried out as part of the programme in order to:

- cover commitments made to employees and Corporate Officers under stock option and deferred compensation plans;
- create an active market for the shares through market-making by an investment services provider under a market-making agreement that complies with the AMAFI (the French Association of Financial Markets Professionals) Code of Conduct.

Number of shares registered in the Company's name at 31/12/2019	435,000
To cover commitments to employees and Corporate Officers	*0*
To provide volume to the market in the context of the market-making agreement	*435,000*
Number of shares bought in financial year 2020	**10,682,913**
To cover commitments to employees and Corporate Officers	
To provide volume to the market in the context of the market-making agreement	*10,682,913*
Volume of shares used to achieve the purpose set(1)	
Coverage of commitments to employees and Corporate Officers	*0*
Market-making agreement (purchases + sales)	*20,710,826*
Number of shares reallocated for other purposes	0
Average purchase price of shares bought in 2020	€8.80
Value of shares bought in 2020 at purchase price	€94,039,159
Trading costs	€136,701
Number of shares sold in financial year 2020	**10,027,913**
To cover commitments to employees and Corporate Officers	*0*
To provide volume to the market in the context of the market-making agreement	*10,027,913*
Average price of shares sold in 2020	€8.87
Number of shares registered in the Company's name at 31/12/2020	**1,090,000**
To cover commitments to employees and Corporate Officers	*0*
To provide volume to the market in the context of the market-making agreement	*1,090,000*
Gross carrying amount per share(2)	
Shares bought to cover commitments to employees and Corporate Officers (historical cost)	*-*
Shares bought as part of the market-making agreement (market price at 31/12/2020)	*€10.32*
Total gross carrying amount of shares	€11,248,800
Par value	€3
Percentage of the share capital held by the Company at 31/12/2020	0.04%

(1) To cover commitments to employees and Corporate Officers, these are shares sold or transferred to beneficiaries after they exercise options on Crédit Agricole S.A. shares, or sold on the stock market for the surplus coverage recorded at the closing date of the plans, and shares purchased and delivered or sold under deferred compensation plans as performance shares; shares relating to the market-making agreement are shares bought and sold under the agreement during the period in question.

(2) Shares bought to cover commitments to employees and Corporate Officers are recognised as investment securities and valued at acquisition cost, less any impairment; shares purchased under the market-making agreement are recognised as trading securities and valued at market value at each reporting date.

DESCRIPTION OF CRÉDIT AGRICOLE S.A. SHARE BUYBACK PROGRAMME FOR 2020 AND SUBSEQUENT YEARS

Pursuant to Article 241-2 of the AMF General Regulation, this document constitutes the description of the share buyback programme to be approved by the Ordinary General Meeting of 12 May 2021.

I. Number of shares and percentage of share capital directly owned by Crédit Agricole S.A.

At 31 January 2021, Crédit Agricole S.A. directly owned 1,600,000 shares, representing 0.05% of the share capital.

II. Breakdown of targets by equity securities held

At 31 January 2021, the shares held by Crédit Agricole S.A. broke down as follows:

- No shares earmarked to cover commitments to employees and Corporate Officers;
- 1,600,000 shares held under a market-making agreement to create an active market for the shares.

III. Purposes of the share buyback programme

The authority to be granted by the shareholders at the Combined General Meeting of Shareholders of 12 May 2021 is designed to allow Crédit Agricole S.A. to trade in its own shares either on the Stock Market or over the counter for any purpose permitted or to be permitted by applicable laws or regulations.

In particular, Crédit Agricole S.A. may use this authorisation:

1. to implement stock option plans for some or all of the Company's employees and/or some or all of the eligible Corporate Officers of the Company or of the companies or groupings affiliated with it, now or in the future, under the conditions defined by Article L.225-180 of the French Commercial Code;
2. to allot or transfer shares to eligible Corporate Officers, employees and former employees of the Company or of the Group, or to certain categories thereof, as part of an employee profit-sharing or employee savings scheme, as provided for by law;
3. to award bonus shares under a bonus share plan as provided for by Articles L.225-197-1 *et seq.* and Articles L.22-10-59 *et seq.* of the French Commercial Code to some or all categories of eligible Corporate Officers and employees of the Company, and/or of companies and economic interest groupings affiliated to it pursuant to Article L.225-197-2 of the French Commercial Code; and, more generally, to honour obligations related to the allocation of Company shares to such employees and Corporate Officers, notably under variable compensation plans for employees who are financial market professionals and whose activities have a material impact on the Company's risk exposure, in which case such allocations are contingent upon such employees meeting performance conditions;
4. to ensure coverage of securities granting rights to Company shares;
5. to ensure an active secondary market or liquidity of shares is created by an investment services provider under a market-making agreement, in compliance with market practice permitted by the French Financial Market Authority;
6. to proceed with the full or partial cancellation of the shares bought back.

IV. Maximum percentage of share capital, maximum number and characteristics of shares that may be bought back and maximum purchase price

1. Maximum percentage of share capital to be bought back by Crédit Agricole S.A.

Crédit Agricole S.A. is authorised to acquire up to 10% of the total number of shares forming its share capital at the date of settlement of the purchases. However, the number of shares purchased by the Company and held with a view subsequently to exchanging them or using them to pay for a potential merger, spin-off or asset transfer shall not exceed 5% of the Company's share capital.

In addition, the maximum total amount that Crédit Agricole S.A. may allocate to the buyback of its shares during the term of the share buyback programme is €4.3 billion.

The Board of Directors shall ensure that these buybacks are carried out in accordance with regulatory requirements as set by law and the European Central Bank.

2. Characteristics of the shares covered

Class of shares purchased: shares listed on Euronext Paris (Compartment A).

Name: Crédit Agricole S.A.

ISIN Code: FR 0000045072.

3. Maximum purchase price

The purchase price for Crédit Agricole S.A. shares under the share buyback programme may not exceed €20 per share.

V. Duration of programme

In accordance with Article L.225-209 of the French Commercial Code and with the 29th resolution to be submitted to the Ordinary General Meeting of 12 May 2021, this share buyback programme replaces the unused portion of the programme approved by the Ordinary General Meeting of 13 May 2020, and may be implemented until it is renewed by a future General Meeting and, in any event, for a maximum term of 18 months as from the date of the Ordinary General Meeting, *i.e.* until 12 November 2022 at the latest.

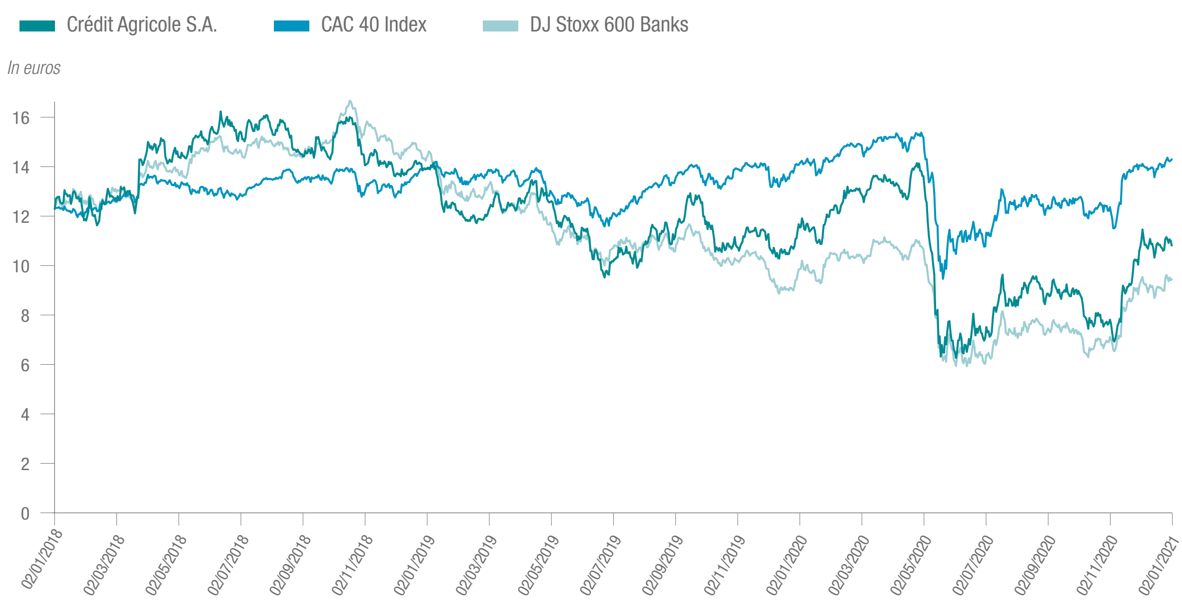
Refer to the glossary on page 681 for the definition of technical terms.

STOCK MARKET DATA

CRÉDIT AGRICOLE S.A. SHARE

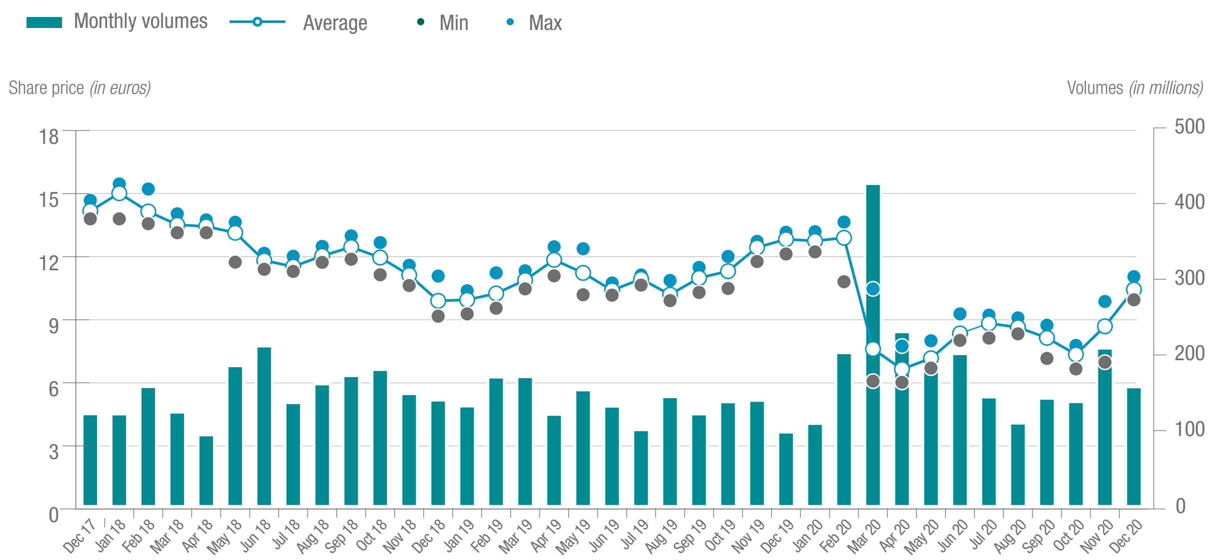
Stock market performance

Three-year share performance



All curves are rebased on Crédit Agricole S.A.'s stock price at 2 January 2018.

Monthly change in the share price and in the volume of shares traded



Between 29 December 2017 and 31 December 2020, the last trading day of the year, the Crédit Agricole S.A. share price went from €13.8 to €10.32, i.e. a decrease of -25% in three years, underperforming the CAC 40 index (+4.5%) but outperforming the DJ Stoxx 600 Banks index (-41% over the period).

In the course of 2020 (between 31 December 2019 and 31 December 2020), the share price decreased by -20.2%, compared with decreases of -7.1% for the CAC 40 and -24.3% for the DJ Stoxx 600 Banks Index.

The total number of Crédit Agricole S.A. shares traded between 1 January and 31 December 2020 on Euronext Paris was 2.15 billion (1.52 billion in 2019), with a daily average of 8.37 million (6.0 million in 2019). Over this period, the stock traded at a high of €13.80 and a low of €5.70.

Stock market indexes

Crédit Agricole S.A. shares are listed on Euronext Paris, Compartment A, ISIN Code: FR0000045072.

They are included in several indexes: the CAC 40 (featuring the 40 most representative listed companies on the Paris Stock Exchange), the Stoxx Europe 600 Banks Index (made up of 48 banking institutions in Europe), and the FTSEurofirst 80 Index (representative of the largest companies in the eurozone by market capitalisation).

Crédit Agricole S.A. strengthens its global CSR performance and maintains itself in the main international socially responsible indexes, which bring together the best performing companies according to strict ESG criteria. Since 2004, it has also been in the FTSE4Good, and in the NYSE Euronext Vigeo Eiris, Eurozone 120 and Europe 120 indexes since 2013. Since 2014, it has included the STOXX Global ESG Leaders index, and it rated Prime since 2015 by ISS-ESG. Crédit Agricole S.A. was also one of the best-rated French banks by the CDP (Carbon Disclosure Project) for its climate policy, with a rating of A-, and by MSCI (Morgan Stanley Capital International) with the rating of A for its overall CSR performance.

Stock market data

	31/12/2020	31/12/2019	31/12/2018	31/12/2017	31/12/2016
Number of shares in issue	2,916,688,640	2,884,688,712	2,866,437,156	2,846,104,526	2,846,104,526
Stock market capitalisation *(in billions of euros)*	30.1	37.2	27.0	39.3	33.5
Net earnings per share (NEPS) *(in euros)*	1.20	1.39	1.39	1.12	1.12
Net book value per share (NBVPS) *(in euros)*	19.0	19.0	18.2	17.5	16.8
Price/NBVPS	0.54	0.68	0.52	0.79	0.70
Net Tangible Book Value Per Share (NTBVPS) *(in euros)*	13.0	12.8	11.3	10.6	11.4
Price by NTBVPS	0.79	1.01	0.83	1.30	1.03
PER (price/NEPS)	8.6	9.30	6.80	12.28	10.51
The stock's high and low during the year *(in euros)*					
High (during trading day)	13.80	13.40	15.54	15.68	12.07
Low (during trading day)	5.70	9.10	9.10	11.06	6.79
Close (closing price at 31 December)	10.32	12.93	9.43	13.80	11.78

Shareholder return

The table below shows the total shareholder return for retail investors in Crédit Agricole S.A. shares.

The calculation, which is based on the share price at the time of the investment (initial public offering on 14 December 2001, or the beginning of the year in other cases), takes into account the reinvestment of dividends received (until 2005, this included a tax credit for 2004, which accounted for 50% of the amount distributed), but does not include the loyalty dividend of €0.035 per share paid for 2014 and 2015. The valuations are based on the closing share price on the day of the investment.

The calculation also assumes that investors sold their pre-emptive subscription rights and used the proceeds to take up the rights issued at the end of October 2003, January 2007 and July 2008. All results are presented before tax impact.

Holding period	Average annualised return	Cumulative gross return
1 financial year (2020)	-20.2%	-20.2%
2 financial years (2019 and 2020)	+8.0%	16.8%
3 financial years (2018 to 2020)	-5.7%	-16.3%
4 financial years (2017 to 2020)	0.6%	2.3%
5 financial years (2016 to 2020)	3.5%	18.6%
10 financial years (2011 to 2020)	4.1%	50.1%
Since the stock market listing (14/12/2001)	1.7%	39.1%

Refer to the glossary on page 681 for the definition of technical terms.

DIVIDEND CALENDAR

18 May 2021	Ex-dividend date, the amount of the dividend is offset against the opening share price on this date
19 May 2021	Record date, shares must be in bearer's account on this date to receive the dividend
From 20 May to 3rd June 2021	Period in which shareholders can opt to receive dividend in cash or shares
9 June 2021	Dividend paid and shares delivered

2021 FINANCIAL COMMUNICATIONS CALENDAR

11 February	Publication of 2020 full-year results
7 May	Publication of 2021 first-quarter results
12 May	General Meeting of Shareholders
5 August	Publication of 2021 first-half results
10 November	Publication of 2021 nine-month results

CONTACTS

www.credit-agricole.com/en/Investor-and-shareholder

Financial Communication department
Clotilde L'Angevin
Tel.: +33 (0)1 43 23 32 45

Institutional investor relations
Tel.: +33 (0)1 43 23 04 31
investor.relations@credit-agricole-sa.fr

Retail investor relations
Toll-free number: 0 800 000 777 (from France only)
relation@actionnaires.credit-agricole.com

Refer to the glossary on page 681 for the definition of technical terms.

2 NON-FINANCIAL PERFORMANCE

Refer to the glossary on page 681 for the definition of technical terms.

Methodology

The purpose of this chapter is to present the policies and actions undertaken by the Crédit Agricole S.A. entities and the way in which corporate social responsibility has been placed at the heart of the value creation model. It presents the expectations of the stakeholders included in the materiality analysis. The main Crédit Agricole S.A. non-financial risks in accordance with its business model (detailed in Chapter 1), its business relationships and the services that it provides are detailed in Part 2. The Group has identified these risks using methods developed by Crédit Agricole S.A.

Risks related to climate issues are analysed and described in Part 3.3 "TCFD Chapter: climate risk management".

Crédit Agricole's environmental, social and governance strategies are also presented. For each of these, the policies and actions that respond to the main risks identified, together with the corresponding performance indicators, are detailed. In addition, and pursuant to the law of 27 March 2017, Crédit Agricole S.A. has established and is implementing a vigilance plan to identify risks and prevent serious violations of human rights and fundamental freedoms, harm to personal health and safety, and damage to the environment that could potentially result from the Group's activities. This vigilance plan is described in Chapter 3.

The Statement of Non-Financial Performance *(DPEF)* allows Crédit Agricole S.A. to present specific social, societal and environmental information according to how consistent it is with the principle risks or the policies carried out. It helps provide better information to stakeholders about the management of social and environmental risks.

The DPEF covers the scope of Crédit Agricole S.A. (holding company) and its subsidiaries[1]. Where useful, however, we have also chosen to mention information relating to the policies and action plans of the Regional Banks to inform our stakeholders about the highly integrated dimension of our operations and present the social, environmental and societal impacts of the Group as a whole.

The DPEF is structured according to a specific plan:

Business model	The business model is the systematic and synthetic representation of the origin of value added by a company as well as its partition between the various stakeholders in a clearly identified field of business and period. *The Business Model is available in Chapter 1 of this Universal Registration Document.*
Key Risks	In order to identify the key non-financial risks for our activities, our business model and the geographical areas where we operate, we used a methodology based on a three-step approach. *The methodology and key risks are presented on pages 45 to 50 of the Universal Registration Document.*
Policies and Action Plans	Building on its ambitious ESG strategy, the Group has put in place policies and action plans that reduce identified risks while helping to promote socially acceptable and sustained decarbonised growth. *The Policies and Action Plans are presented throughout pages 56 to 89 of the Universal Registration Document.*
Results and performance indicators	To illustrate the ambitious policies put in place, the DPEF presents the key indicators that are monitored rigorously by the Group. *The performance indicators are presented on pages 96 and 97 of the Universal Registration Document.*

(1) Data related to the direct environmental footprint correspond to Crédit Agricole S.A. entities with more than 100 FTEs, excluding Crédit Agricole Vita S.p.A., Sabadell Asset Management S.A., S.G.I.I.C., CA Indosuez Wealth Italy S.P.A, EFL Finance S.A., Europejski Fundusz Leasingowy (E.F.L), Crédit Agricole CIB AO, and Crédit Agricole Securities Asia BV (Tokyo).

INTRODUCTION

The fight against large-scale climate change, environmental degradation and loss of biodiversity has become an urgent one. We are faced with a totally new equation, which we are scrambling to solve. In the space of a few years, we must successfully **disconnect economic growth, the agent of progress and social integration, from the production of greenhouse gases, which bring climate chaos and social upheaval**.

In this worldwide race, in which everyone is more or less in agreement on the solutions to long-term challenges, short-term pressure is an obstacle. This pressure is nothing new. But the current pandemic has plunged us into an economic environment of unprecedented harshness. If a return to growth must be sought out as a prerequisite for a return to social peace, the scale of climate challenge and our common destiny must encourage us to start adopting coherent trajectories, with a goal of bringing global warming under control by the end of the century. To avoid the "tragedy of the horizons", the disharmony between the short and the long term, **we need to fundamentally rethink the nature of growth and perceptions of progress: we must succeed in building a sustainable future under duress**. Climate transition requires first and foremost that we take into account our constraints and interdependencies and the limits of our planet's resources.

Faced with this challenge, we are neither pessimistic nor optimistic, but bearers of our responsibility to support the metamorphosis of our economic model while avoiding any brutal disruptions. To be successful, this metamorphosis must be accepted and supported by society. The issue of social justice and the climate issue are intimately linked. In the face of the measures increasingly required by the climate emergency, we must be very vigilant in maintaining the principles of justice and, more generally, the values that underpin our social cohesion. We want to **be the committed player in a just climate transition**.

This is the whole meaning of **our *Raison d'Être*[(1)], which places usefulness to our customers on the same level as our usefulness to society**. Our ambition is to integrate corporate social responsibility into our value creation model. We know that this ambition is a complex one to realise, and that supporting the transition of the economy also involves the gradual but necessary transformation of our own business lines. We must include the issue of climate and social cohesion at the heart of our value-creating activities.

It is **this ambition that is the foundation of our climate strategy, and scientific knowledge is its backbone**. The Crédit Agricole Group and, by extension, Crédit Agricole S.A., is committed to gradually aligning all of its financing and investment portfolios on a trajectory compatible with the target adopted by the Paris Agreement in 2015. This target is based on the rigour of the IPCC's scientific work, which recommends rapidly reducing our GHG emissions so that we can hope to limit global warming and its terrible consequences for life to less than 2°C by the end of the century.

It is a challenge for any financial institution to succeed in following this decarbonisation trajectory based on day-to-day financing and investment decisions, especially for a customer-focused universal bank with multiple business lines and an extensive local presence such as Crédit Agricole. This is why we have chosen to use the International Energy Agency's sustainable development scenario, which seems to us to be both the most ambitious and the most realistic to date, to determine the reallocation trajectory of our assets in the energy sector in particular. We have also created a scientific Committee comprised of independent academic climate experts. This committee assists us in the choice of our guidelines and major objectives and in the regular revision of our sector policies, based on the evolution of scientific knowledge.

The Crédit Agricole Group and, by extension, Crédit Agricole S.A., wants to fully play its role in supporting the climate transition and influencing a more sustainable economy. However, it is only through coherent action on a global scale that we can hope to respond collectively tomorrow to the climate and social challenges we face today.

(1) Please refer to the glossary for the definition of Raison d'Être.

Refer to the glossary on page 681 for the definition of technical terms.

1. NON-FINANCIAL RISKS

1.1 CONSULTATION OF STAKEHOLDERS

The needs of stakeholders are constantly changing. Crédit Agricole S.A. listens to them in various ways:

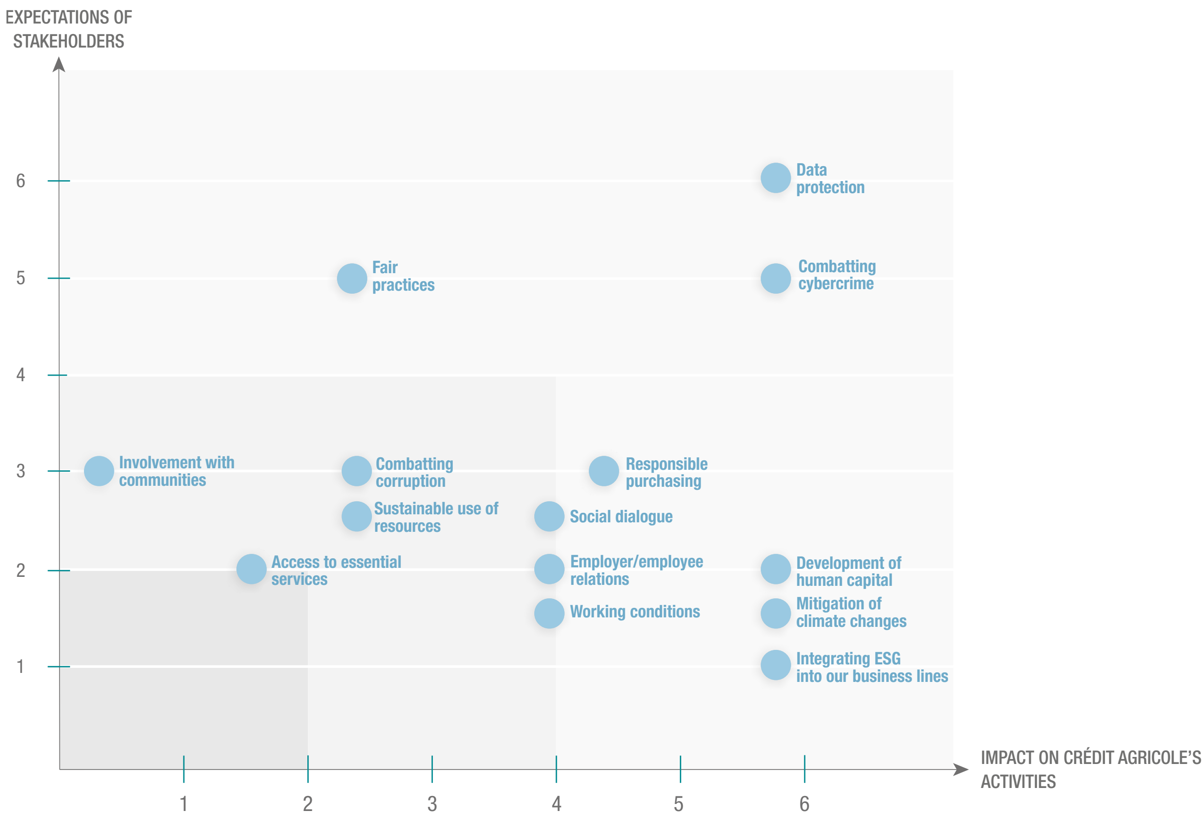
- regular meetings with civil society actors (professional unions, associations, NGOs);
- customer consultation (including through special questionnaires that allow us to monitor Net Promoter Score (NPS)) and economic players (through our participation in national or international working groups);
- regular consultation of employees through an annual questionnaire (Engagement and Recommendation Index - ERI);
- the thorough handling of controversies by Crédit Agricole S.A.;
- relations with shareholders/investors;
- dialogue with the ECB and supervisory authorities;
- relations with our commercial partners and suppliers as part of sustainable partnerships.

Assessment of stakeholder expectations identified through a national survey. Launched at the end of 2014, this consultation process is carried out every two years to identify changes in stakeholder expectations and the possible appearance of new challenges.

Even though Crédit Agricole's reputation and familiarity remain stable, **its positive image is growing strongly and it ranks first in the banking sector[(1)].** Crédit Agricole's bonding social capital increased on almost all of the dimensions tested. Crédit Agricole is identified first and foremost as a retail bank, accessible to everyone and economically useful. To exit from the public health crisis and aid economic recovery, French people expect banks to take action: 92% consider their role to be important, and 57% even consider it essential. **The fight against climate change emerges in this context as a real challenge** that French people would like to see taken on by companies as part of economic recovery (90% of them consider it to be an important issue).

1.2 MATERIALITY MATRIX

The results of the stakeholder consultation and the analysis of the main non-financial risks enabled us to represent them in a materiality matrix structured along two axes: the intensity of stakeholder expectations and the impact of the risk determined by Crédit Agricole S.A.



(1) Source: CSA Research.

1.3 ANALYSIS OF NON-FINANCIAL RISKS

Methodology

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

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

In 2019, the Crédit Agricole Group formalised its Raison d'Être(1), and on that basis, the Group Project was developed around three pillars defining a unique relationship model:

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

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

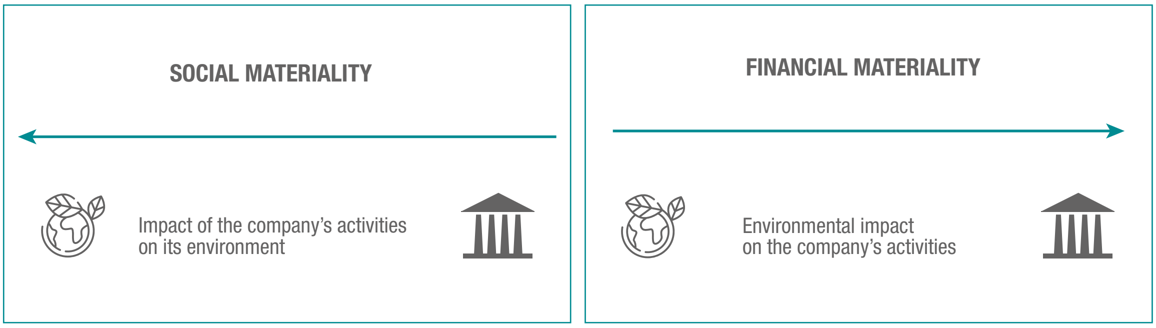
The issues defined in ISO 26000 and the subjects listed in section II, Article R. 225-105 were combined with the three pillars of our Group Project, which allowed us to identify some thirty non-financial risks.

Step 3: Identification of non-financial risks that may affect the Group's activities

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

Step 4: Integration of stakeholder expectations into the analysis

The results of the stakeholder consultation conducted in 2020 enabled us to add stakeholder expectations to the analysis described in the previous three steps. **Following this analysis, each of the non-financial themes was assessed on an intensity scale with six levels and represented in the materiality matrix here above.**



The non-financial themes identified at the end of Step 4 were analysed using the **principle of double materiality**. **Social materiality** presents the impact of Crédit Agricole S.A. activities on its ecosystem. **Financial materiality** formalises the impact of the ecosystem on Crédit Agricole S.A. business lines. This work was carried out as part of a participatory process involving the Group's CSR, Risk, Compliance and HR departments[2]. It is also used to assess the material risks directly related to our activities, as part of updating our vigilance plan (see Chapter 3 "Corporate governance", part 1.4 "Vigilance Plan".

(1) Please refer to the glossary for the definition of Raison d'Être.

(2) As the risk of tax evasion is a requirement in the regulation pertaining to the Statement of Non-Financial Performance, we have published a "2.4.4 Taxation and responsible lobbying policy" and a related performance indicator.

Refer to the glossary on page 681 for the definition of technical terms.

Key ESG issues	Description of the key ESG risks	Risk characterisation	Risk management policy	Contribution to SDGs
Integrating ESG risks and opportunities into our business lines	**SOCIAL MATERIALITY** Financing and investment activities generate environmental and social externalities that have to be identified and estimated. The financial sector also has an ability to exert influence through the integration of ESG criteria in financing and investment decisions, which gradually orients the economy towards a more sustainable development model. **FINANCIAL MATERIALITY** Climate change and the occurrence of natural events may affect the financial statements. The integration of ESG criteria helps to provide a better understanding of the exposure of assets to non-financial risks. Responsible investment is an opportunity for positive value creation because it responds to a growing demand from investors and customers, especially individual customers, who want to direct their savings to support sustainable economic activities. In addition, supporting corporate customers in the development of sustainable business models helps to prevent the deterioration of counterparty risks.	Major risk with short-, medium- and long-term impact	2.5. Integration of ESG criteria in investment and asset management policies	13 CLIMATE ACTION 7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES
Mitigation of climate changes and adaptation	**SOCIAL MATERIALITY** The activities of Crédit Agricole S.A. may have an impact on the climate, either directly (direct carbon footprint) or indirectly (indirect carbon footprint related to the financing and investment portfolios). Failure to take these negative externalities into account may generate an image risk for Crédit Agricole S.A. in the short, medium and long term. **FINANCIAL MATERIALITY** Climate change is likely to affect Crédit Agricole S.A.'s financial statements in the long term. Climate risks are mapped as major risks. Understood as risk factors that influence existing risks (counterparty, market, operational, etc.), they cover physical and transition risks. These risks are considered material in the short term for acute physical risks, in the long term for chronic physical risks, and in the potentially short/medium or long term for transition risk.	Major risk with short-, medium- and long-term impact	2.3.1 The Group's climate strategy 3.2 The integration of ESG issues into the analysis of SME and MID-CAP counterparty risk	13 CLIMATE ACTION 7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES
Access to essential services	**SOCIAL MATERIALITY** Access to financial services and products (current accounts, payment instruments, credit, insurance) is one of the essential levers in the fight against exclusion. Opening a savings account, for example, is part of setting up personal or professional projects and makes one more aware of life's ups and downs. Because it compensates for the consequences of damage or loss, insurance contributes to a more resilient society. **FINANCIAL MATERIALITY** In addition to the impact on Crédit Agricole S.A.'s reputation and loss of attractiveness, the exclusion of the most modest customer groups would result in a significant loss of customers and, by excluding people from economic and social life, heighten the fragility of the regions in which the Group operates.	Major risk with short-, medium- and long-term impact	2.4.1. A universal approach to our businesses: being there for everyone	10 REDUCED INEQUALITIES 3 GOOD HEALTH AND WELL-BEING 1 NO POVERTY
Employment and employer/ employee relations	**SOCIAL MATERIALITY** Crédit Agricole S.A. strives to maintain a working relationship with all of its employees based on trust, respect, involvement and recognition. Without these elements, our impact on the labour market in France would be negative as a leading recruiter in the private corporate market, particularly among young people. **FINANCIAL MATERIALITY** Against a backdrop of profound change, losing employee engagement is a risk that can impact the Group's results. This engagement is essential to the success of Crédit Agricole S.A.'s organisational and managerial transformation.	Major risk with short-, medium- and long-term impact	2.4.3. The Human Resources ambition: to strengthen autonomy and the assumption of responsibility An organisational transformation to be closer to customers	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH

Refer to the glossary on page 681 for the definition of technical terms.

Key ESG issues	Description of the key ESG risks	Risk characterisation	Risk management policy	Contribution to SDGs
Working conditions and social protection	**SOCIAL MATERIALITY** Safeguarding the health and safety of its employees is one of Crédit Agricole S.A.'s priorities. In addition to health and safety, Crédit Agricole S.A. attaches great importance to the quality of working life and working conditions, which are major drivers of team performance and commitment. There are several kinds of risks associated with this: a decline in team commitment and individual and collective performance; economic risks related to loss of productivity and the imbalance of existing insurance schemes; and legal risks related to Crédit Agricole S.A.'s obligation to provide security for its employees. **FINANCIAL MATERIALITY** The role of private companies in social protection is increasingly important. Because of the number of our employees, our insurance system has to be an effective complement to public schemes.	Highly significant risk with short-, medium- and long-term impact	2.4.3. The Human Resources ambition: to strengthen autonomy and the assumption of responsibility Strengthening the framework of trust between employees and the company	8 DECENT WORK AND ECONOMIC GROWTH 3 GOOD HEALTH AND WELL-BEING 10 REDUCED INEQUALITIES
Social dialogue	**SOCIAL MATERIALITY** The quality of social dialogue depends on the smooth functioning of relations (negotiation, consultation or simple exchange of information) between Crédit Agricole S.A. and all employee representatives. Failure to comply with the rules in this area presents legal and reputational risks for Crédit Agricole S.A. and impacts the labour climate and Crédit Agricole S.A.'s ability to generate employee support and cohesion around its strategic projects. Strengthening the social compact is one of the ambitions of the Group's Human Project, which illustrates the importance the Group attaches to developing and maintaining a rich social dialogue. **FINANCIAL MATERIALITY** Quality social dialogue can prevent and mitigate the impact of conflicts that originate outside Crédit Agricole S.A.'s entities.	Highly significant risk with short-, medium- and long-term impact	2.4.3. The Human Resources ambition: to strengthen autonomy and the assumption of responsibility Strengthening the framework of trust between employees and the company	8 DECENT WORK AND ECONOMIC GROWTH 3 GOOD HEALTH AND WELL-BEING
Development of human capital	**SOCIAL MATERIALITY** Crédit Agricole S.A.'s human capital is one of the key sources for its business model and its value creation. Inadequate career and skills management (integration, mobility and career paths, skills management, etc.) and the loss of key talent and resources could impact Crédit Agricole S.A.'s business continuity, its performance, and its ability to attract and retain employees. This dysfunction in HR management would be detrimental to the labour market in France. **FINANCIAL MATERIALITY** Changing work patterns and digital transformation are reconfiguring the talent market with increased competition, which can lead to risks for our company if we do not have an appropriate human capital development policy.	Highly significant risk with short-, medium- and long-term impact	2.4.3. The Human Resources ambition: to strengthen autonomy and the assumption of responsibility Encouraging responsibility	8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
Promotion of corporate social responsibility in the value chain (responsible purchasing)	**SOCIAL MATERIALITY** An increase in trade and production leads to strong pressures on the environment and resources. It also creates risks for people in terms of working conditions and safety, especially in areas where local regulations do not guarantee respect for human rights. **FINANCIAL MATERIALITY** The supply and subcontracting chains are becoming increasingly long and complex, which inevitably brings with it a multiplication of risks for Crédit Agricole S.A. The identification and control of risks in our value chain with respect to human rights, health, safety, security, fundamental freedoms and environmental protection are essential in order to create value for our company and ensure the sustainability of our supplies.	Highly significant risk with short-, medium- and long-term impact	2.4.5. Responsible purchasing	8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION

Refer to the glossary on page 681 for the definition of technical terms.

Key ESG issues	Description of the key ESG risks	Risk characterisation	Risk management policy	Contribution to SDGs
Combatting corruption	**SOCIAL MATERIALITY** Exposure to the risk of corruption is all the more important as there is a multiplicity of trades and countries. It must therefore be given particular attention to control its effects on fair trade practices (violation of competition rules) or fraud. Commitments in the fight against corruption strengthen the confidence of customers, employees and institutions. **FINANCIAL MATERIALITY** A presence in some countries where the risks of corruption are high encourages increased rules of vigilance. The application of the so-called Sapin II Law therefore requires the strengthening of mechanisms and tools for the prevention and detection of corruption. Reputational and financial risk is considerable. Obtaining ISO 37001 certification is a sign of confidence for stakeholders.	Highly significant risk with short-, medium- and long-term impact	2.4.2. A strong ethical culture	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Fair practices in marketing, information and contracts	**SOCIAL MATERIALITY** Customers have high expectations of the bank and insurer as a trusted partner in climate transition financing and elsewhere. Compliance with the duty to advise is of paramount importance in banking and insurance activities, including the consideration of ESG preferences. This advice must be fair, lest a risk of loss of confidence on the part of customers be created that impacts approvals for the distribution of financial instruments, which may result in penalties by regulators. **FINANCIAL MATERIALITY** The training of employees is essential with respect to marketing practices and advisory duties. The same is true for the need to adapt tools. Regulations are strict and image and financial damage can be high.	Highly significant risk with short-, medium- and long-term impact	2.4.2. A strong ethical culture	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Protection of consumer data and privacy	**SOCIAL MATERIALITY** The alteration of customers' personal data (destruction, loss, theft, misuse, etc.) is likely to infringe on their rights and privacy. They therefore have a right to control the use of their personal data with respect to such areas as information on collection and its purposes; right of access, rectification and right to erasure. **FINANCIAL MATERIALITY** The image and financial damage resulting from a loss of integrity of personal data held by an institution can be considerable. Provisions such as the GDPR and IT security rules are indispensable.	Highly significant risk with short-, medium- and long-term impact	2.4.2. A strong ethical culture	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Exposure to cybercrime	**SOCIAL MATERIALITY** The protection of their data and banking transactions is a major concern for our customers who, as users of digital tools, are exposed to various forms of cyber malevolence (phishing, fake sites, fake investments, fake loans, etc.) used for the purposes of fraud, swindling or identity theft, which may cause them financial and moral damage. **FINANCIAL MATERIALITY** Any intrusion or attack against Crédit Agricole S.A.'s information systems and communication networks and/or any resulting disclosure of confidential information of customers, counterparties or employees could cause significant losses and could have an adverse effect on Crédit Agricole S.A.'s reputation, operating results and financial position.	Highly significant risk with short-, medium- and long-term impact	2.4.6. Combatting cybercrime	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Refer to the glossary on page 681 for the definition of technical terms.

Key ESG issues	Description of the key ESG risks	Risk characterisation	Risk management policy	Contribution to SDGs
Sustainable use of resources	**SOCIAL MATERIALITY** Our planet faces many challenges related to human activities (overexploitation of natural resources, rising costs of access to drinking water, air, water and land pollution, soil sealing, loss of biodiversity, etc.), directly impacting not only the economic activities of companies but also our food and health security. Through the ecosystem services rendered to our society (food, wood, pollination, soil formation, water and air quality, photosynthesis, etc.), the protection and restoration of natural resources is essential to maintain sustainable economic activities, prevent the emergence and spread of diseases and fight against global warming. **FINANCIAL MATERIALITY** As an investor, financier and insurer in all sectors of the economy and agriculture, maintaining biodiversity and natural resources is essential to Crédit Agricole S.A.'s activities. Their deterioration would impact the financial results of companies and farmers and foresters, which are Crédit Agricole S.A.'s customers. The integration of the concept of resource sustainability in sector policies and ESG criteria, as well as raising awareness of these subjects among our customers, are essential acts.	Significant risk with medium- and long-term impact	2.3.7. Measures and targets related to our direct environmental footprint	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 14 LIFE BELOW WATER 15 LIFE ON LAND 6 CLEAN WATER AND SANITATION
Involvement with communities	**SOCIAL MATERIALITY** A balanced economic development model based on a region's assets is a source of social cohesion, prevents fragility and promotes sustainable development. **FINANCIAL MATERIALITY** Involvement by Crédit Agricole S.A. with communities is a strong expectation of its stakeholders, whose absence would have a negative impact on its attractiveness and reputation and would generate a rejection of its economic activities by local stakeholders.	Significant risk with short-, medium- and long-term impact	2.4.1. A universal approach to our businesses: being there for everyone ▪ Economic development for all ▪ Developing preventive actions ▪ Promoting social cohesion and living well together	11 SUSTAINABLE CITIES AND COMMUNITIES 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES

Crédit Agricole S.A.'s support for SDGs (Sustainable Development Goals) is in line with these priority issues. Launched by the United Nations in 2015, it consists of 17 goals, broken down into 169 targets, to create a fairer and more prosperous world by 2030. To strengthen its actions, the Group has mapped these links between the SDGs, the main non-financial risks identified and the policies implemented. The Group contributes directly to the SDGs through concrete actions that appear in each of the parts of this document and are presented in the table above.

The risk linked to tax evasion being a regulatory obligation Non Financial Performance Report, we publish a policy 2.4.4 "Taxation and responsible lobbying policy" and an associated performance indicator.

Refer to the glossary on page 681 for the definition of technical terms.

2. ESG STRATEGY: BEING A COMMITTED PLAYER IN A SOCIALLY ACCEPTABLE CLIMATE TRANSITION

2.1 AN ESG STRATEGY DRIVEN BY THE GROUP PROJECT

To combat climate change, the social, environmental and governance components of an economic model must evolve. In this context of transition, Crédit Agricole's ESG strategy is to support climate transition while promoting social cohesion, which is a factor in the resilience of our society. The Group is implementing this strategy by:

- **giving support** to all of its individual customers and corporates in France and abroad;
- **contributing its expertise and proactive approach** to the various ecosystems in which it participates, its involvement in the definition of European standards and its cooperation and transparency in the dialogue with its stakeholders;
- **influencing and promoting** the transformation process by integrating ESG criteria into all of its business lines and developing innovative tools.

This strategy revolves around three axes:

1. **Governance committed to building a solid and sustainable business model**

   Conducted at the highest level by the Group's senior executives, the deployment of the ESG strategy is driven by a dedicated governance structure that guarantees long-term commitments.

2. **Consideration of scientific analyses**

   In 2020, the Crédit Agricole Group established a Scientific Committee made up of independent experts to support and guide decision-making and the implementation of its climate strategy. The work of that Committee contributes to the corporate governance of Crédit Agricole S.A.

3. **An inclusive approach that promotes social cohesion**

   Faithful to its mutualist values of solidarity and in line with its *Raison d'Être*[1] , Crédit Agricole adopts a universal approach and caters to all customers, from the most modest to the most affluent.

2.2 GOVERNANCE

2.2.1 Governance that is representative of the Group's identity and guarantees long-term commitments

The governance of Crédit Agricole S.A., which is the central body of the Crédit Agricole Group, a listed company that is a member of the CAC 40 index and the holding company for the business line subsidiaries, 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's identity.

It is based on a clear separation between executive and non-executive control and supervisory responsibilities. The Chairman of the Board of Directors is Chairman of the Regional Bank and also Chairman of FNCA[2]. In addition, 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. The Chairmen of a Regional Banks who are Directors of Crédit Agricole S.A. – although they are not considered independent Directors – contribute to Crédit Agricole S.A.'s Board of Directors the visions of entrepreneurs with strong ties to their regions in sectors other than banking.

The Board also benefits from the technical expertise and managerial skills provided by the six independent Directors who hold or have held senior positions in major international groups. Added to this is operational knowledge of the business lines and corporate bodies of the three employee Directors. Moreover, the Board has incorporated ESG/sustainable development expertise into the range of skills required for its proper functioning.

The Board has balanced representation of women (47% of members) and men. With the exception of the Strategy and CSR Committee, which is chaired by the Chairman of the Board, the five other Specialised Committees of the Board are chaired by independent Directors. Detailed information on corporate governance and the composition of the Board can be found in Chapter 3 "Corporate Governance". The Board has integrated ESG/sustainable development expertise into its grid of skills permanently necessary for its proper functioning.

2.2.2 Governance of non-financial performance

At the Company's highest levels, **the Board of Directors** ensures that the Group's strategy and business take its environmental and social concerns and risks into account. The Board ensures the consistency of the Company's commitments and project as part of the monitoring of the implementation of the Societal Project, which is a major component of the Group Project set forth in the "Ambitions 2022" Medium-Term Plan. It 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 strategies 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.

(1) Please refer to the glossary for the definition of Raison d'Être.

(2) Fédération Nationale du Crédit Agricole - Federative organisation of Crédit Agricole Group.

In order to facilitate the inclusion of social and environmental concerns and risks in its decisions, the Board has chosen to entrust the review of its ESG strategy to a dedicated committee, the Strategy and CSR Committee, while maintaining a cross-functional approach that involves, depending on the topic, most of **its Specialised Committees**, in particular the Appointments and Governance Committee, the Risk Committee and the Compensation Committee.

- The **Strategy and CSR Committee**, chaired by the Chairman of the Board of Directors, reviews the Group's ESG strategy and analyses the results of all policies implemented and actions taken with regard to the Group's non-financial performance. It monitors the preparation of non-financial reporting as well as changes in non-financial ratings.
- The **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 Strategies of the entities and business lines, in particular the Climate Strategy, before proposing their adoption to the Board.
- 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 performance criteria are taken into account in the compensation policy.

The Group's non-financial performance is supervised by **the Executive Committee** and **the Management Committee**, which monitor the definition of the ESG strategy and its operational implementation as part of the oversight of the Group Project and more specifically the Societal Project, which is presented quarterly.

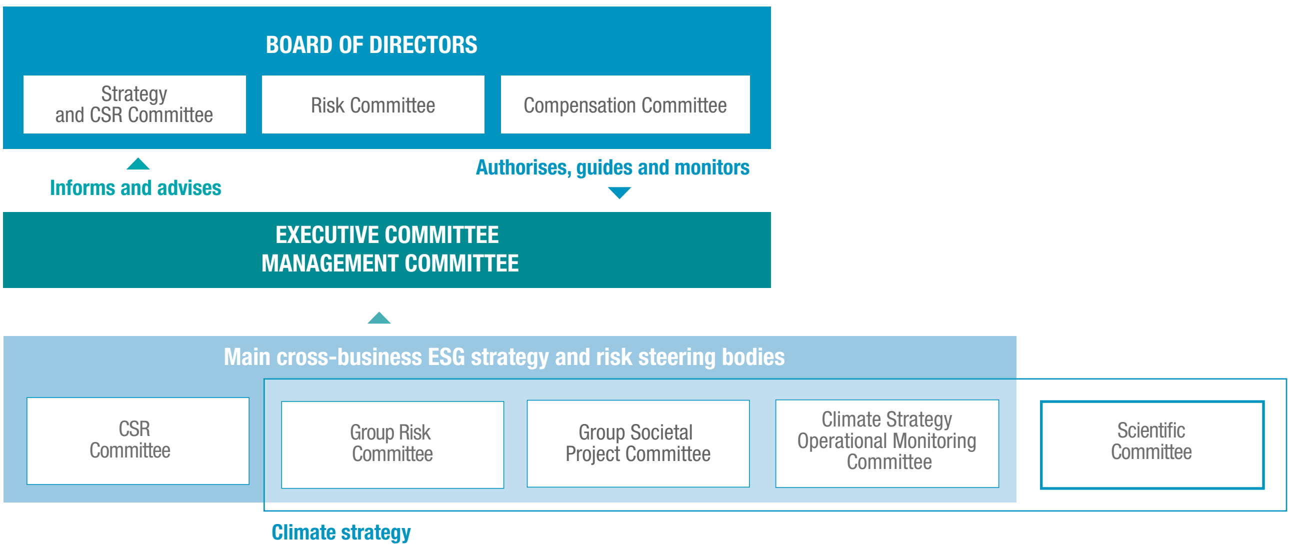
The implementation and deployment of the ESG strategy in the business lines is coordinated within **cross-functional committees**, which are under the authority of senior executives at the highest levels of the Group.

- **The Group Societal Project Committee**, which is chaired by a Regional Bank Chairman, is made up of 12 members, half are Chief Executive Officers of Crédit Agricole S.A. and the other half of whom are Regional Bank senior managers. It monitors the implementation of the Group's employment-related commitments and the consistency of its ESG strategy. It meets quarterly and monitors the implementation of the Group's climate strategy, relying on the work performed by two specialised committees: the Scientific Committee and the Climate Strategy Monitoring Committee.
- **The Group Risk Committee**, chaired by Crédit Agricole S.A.'s Chief Executive Officer, approves the risk strategies presented by the entities and business lines. These strategies require the prior approval of the Risk department and, in the case of strategies that apply to business sectors in which the social and environmental impacts are potentially high, the approval of the CSR department. It approves the Climate Risk Strategy prepared jointly and reviewed each year by the Risk department and the CSR department (see Part 3 "ESG risk management").
- **The CSR Committee**, which is chaired by the Crédit Agricole S.A. Corporate Secretary and made up of representatives of the Executive Management of the subsidiaries and business lines, proposes the Group's ESG strategy, coordinates its deployment and monitors its progress within Group entities. It is based on the work carried out by the CSR department, which is made up of ten employees who report to the Head of CSR, who is a member of the Group Management Committee. This Committee, with the support of the managers and a network of 150 CSR contributors (20 CSR officers and reference persons), is responsible for disseminating the Group's ESG strategy to all employees, who all contribute to its implementation.

The human resources devoted to the development of CSR in the Crédit Agricole S.A. have increased considerably. Accordingly, to actively contribute to the transformation of a less carbon-intensive economy, the Group is strengthening the expertise within its teams: Crédit Agricole CIB, for example, has set up an internal network of 80 experts in Sustainable Banking who represent all of the bank's business lines to expand the knowledge of ESG culture and increase creation of innovative product solutions.

To support the 150 CSR experts across the various Group entities, Crédit Agricole S.A.'s CSR department, which ensures the consistent implementation of the Crédit Agricole S.A. ESG strategy and is in charge of the implementation of the societal pillar of the 2022 MTP, has increased its staff from four to nine experts.

Main ESG strategy and risk bodies



Refer to the glossary on page 681 for the definition of technical terms.

Governance and oversight of non-financial performance

(1) Fédération Nationale du Crédit Agricole - Federative organisation of Crédit Agricole Group.

Climate strategy governance

The governance of ESG strategy, with a special focus on climate strategy

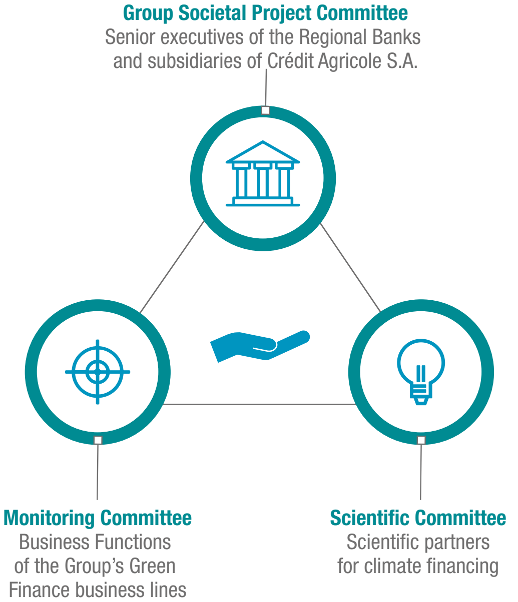
The Group has established a dedicated governance structure with the specific mission of overseeing the implementation of its climate strategy. The work of the two Committees created within this framework informs the discussions of the **Group Societal Project Committee,** which is its umbrella committee.

- **The Group Societal Project Committee** is comprised of 12 Chief Executive Officers and Chairmen from the Regional Banks (six) and Crédit Agricole S.A. Group entities (six). It coordinates the societal pillar of the Group Project and oversees its implementation.
- **The Climate Strategy Operational Monitoring Committee** brings together the entities' expertise related to the various business areas. Held *at least* every two months, it ensures the consistent operational implementation of the Crédit Agricole S.A. entities' climate commitments.
  - *In 2020, the Committee considered the operational consequences of the decisions arising from the climate commitments made in June 2019. Most of the sessions were devoted to the implementation of the coal policy in the relevant entities and to the verification of the construction stages of the climate transition rating.*
- **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.

Philippe Drobinski	Professor at the *École Polytechnique* Director of the Dynamic Meteorology Laboratory of the Pierre Simon Laplace Institute (PSLI)
Jean-Charles Hourcade	Researcher at the International Center for Research on Environment and Development (ICRED)
Philippe Ithurbide	Senior Economic Advisor Amundi
Pierre Jacquet	Professor at the *École des Ponts* ParisTech President of the Global Development Network
Sylvie Lemmet	Senior Advisor to the Court of Auditors
Hervé Le Treut	Member of the Academy of Sciences Professor at the *École Polytechnique* and at the University of Paris Sorbonne
Emmanuelle Porcher	Deputy Director and Professor, National Museum of Natural History/Center of Ecology and Conservation Sciences
Valérie Quiniou-Ramus	Foresight and Research Executive Director of ADEME (French Environment and Energy Management Agency)
Stéphane Siebert	Director of technological research at the French Atomic Energy and Alternative Energies Commission (CEA)
André Sobczak	Academic and Research Director Holder of the CSR Chair of Audencia Business School, Nantes
Stéphane Voisin	Head of the interdisciplinary program on green and sustainable finance at LBI (Louis Bachelier Institute)

Its mission is to shed light, through the specific expertise of each of its members, on issues related to the implementation of the climate strategy and to draft recommendations on its objectives for the Group Societal Project Committee.

- *In 2020, the main tools deployed following the June 2019 climate commitments (the coal policy and the climate transition rating) were presented to the Scientific Committee. The experts approved the rigour and relevance of the objectives adopted for the implementation of those tools. The Scientific Committee was also asked to review in the context of the COVID pandemic the doctrinal document drafted by the Group Societal Project Committee and to analyse the consequences of the crisis for the Group and its climate strategy.*



In addition to the oversight provided through dedicated governance, the Group's climate strategy is monitored by the **CSR Committee** and the Group's Board of Directors through its **Strategy and CSR Committee**.

Presentations on the Group's climate strategy are also given to the Executive Committee and the Management Committee on at least a quarterly basis. The definition of the strategy as well as its operational implementation are discussed during these presentations.

Finally, the governance of climate risks, which could have a negative impact on the Group's activities, is treated in a chapter dedicated to ESG risk management (see Part 3 "ESG risk management").

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. It integrates non-financial criteria including criteria related to ESG performance, in particular the criteria for the implementation of the Societal Project. Moreover, a portion representing 60% of the variable compensation awarded for one year is deferred over three years to strengthen the alignment with the Group's long-term performance. The acquisition of this deferred portion is subject to the achievement of three complementary performance targets, which include a target linked to Crédit Agricole S.A.'s societal performance. This is measured by a target index to be achieved, which is calculated as part of the internal ESG performance reporting system (FReD). Detailed information on rewards for corporate officers is available in Chapter 3 "Corporate governance", part 4 "Rewards policy".

Annual variable compensation criteria for 2020

			CEO	Deputy CEO
FINANCIAL CRITERIA 60%	**Financial performance**	Underlying net income Group share	20%	20%
		RoTE	20%	20%
		Cost/income ratio, excl. SRF	20%	20%
NON-FINANCIAL CRITERIA 40%	**3 pillars of the Medium-Term Plan**	Customer Project, excellence in customer relations	9%	7%
		Human Project, empowered teams for customers	9%	7%
		Societal Project, our commitment to society	9%	7%
	Technological transformation		3%	9%
	Risk and compliance management		5%	10%
	Employee engagement with the Group		5%	0%

Refer to the glossary on page 681 for the definition of technical terms.

2.2.3 Monitoring non-financial performance with the new ESG platform

In 2020, the Group established a **new ESG performance monitoring system** to ensure that the commitments made in the context of the Societal Project are solid in two respects:

- by establishing quantified, transparent and auditable communication of non-financial performance;
- by providing a decision-making support tool for entities to monitor strategy, trajectories and non-financial performance.

This system is based on the creation of an ESG Performance Monitoring platform that centralises the collection, intake and processing of data from internal and external sources. This innovative tool offers a comprehensive vision of the Group's non-financial performance, calculating and reporting key indicators to meet the needs of various types of users. It also hosts and calculates a climate transition rating, which is a dialogue and support tool for customers in the energy transition process, and provides it to users who need it, especially as part of business relationships (see Part 2.3.3 "Supporting economic sectors on the way to climate transition").

This platform is a valuable asset for the Group, as it enables us to meet regulatory requirements, measure our societal impact and identify growth opportunities, strengthen non-financial knowledge of our customers, improve the efficiency and agility of our reporting processes and give meaning to the daily actions of our employees. Like the financial information production platforms, this non-financial information production platform is designed to be enhanced with new functionalities as strategic and operational necessities or regulatory requirements arise.

2.2.4 ESG performance tool for employee contribution

Implemented in 2012, FReD is the Crédit Agricole S.A. internal system for disseminating ESG culture and its measurement. **Since 2019**, with the definition of the Group's *Raison d'Être*[1] and the integration of societal and environmental challenges in the Group's "Ambitions 2022" MTP, FReD has been positioned as a tool for the appropriation and operational application of the Group's ESG issues. For those entities that choose to participate, the approach allows each one to define a set of projects consistent with the Group Project that are then assigned to one of three types of respect: for the customer, for the employee and for the planet.

A comprehensive approach…	FReD		
	FIDES Strengthening confidence	**RESPECT** Developing people and the societal ecosystem	**DEMETER** Protecting the environment
…based on 3 frames of reference…	Fraud Customer interest Ethics Market balance Financial security	Acknowledgement Equality Security and Safety Profit-sharing Equity Coherence Territory	Dialogue Externalities Markets Ecosystems Transport Energy Natural resources
In relation to the 3 ESG pillar	Economic pillar	Social pillar	Environmental pillar

Starting in 2020, the number of actions to be carried out has been reduced from twelve to six per entity (two for each type of respect) to improve the clarity of the tool by focusing it around strategic actions that are more easily identifiable by the stakeholders:

- three of these six actions (one for each type of respect) are "Group" actions: they are defined by Crédit Agricole S.A. with the contribution of the entities and validated by the tool's Steering Committee. They are then assigned to categories by each entity;
- the other three of these six actions (one for each type of respect) are actions unique to each entity.

The progress of each project is measured by an index: projects start with a rating of 1 and achieve a rating of 4 when completed. Every year, the FReD index measures the progress made, project by project, by calculating the change in rating between years Y and Y-1 for each entity. The indices achieved are then consolidated to arrive at the Group index. In order to ensure constant and sustained progress each year, the system provides for a target index to be achieved through the implementation of an action plan balanced between short-term (one year), medium-term (two years) and long-term (three years) actions. Each year, an audit is carried out by an independent firm to ensure the robustness of the action plans and the reliability of the assessment. The results are then presented to the Compensation Committee of the Board of Directors and determine the payment of one-third of the deferred variable compensation of Crédit Agricole S.A.'s executive managers.

FReD is also used by several entities to calculate incentives and therefore affects the variable compensation of more than 23,000 employees. In 2020, 16 entities participated in this system and, for the seventh consecutive year, Crédit Agricole S.A. is publishing its FReD index, which was 1.26 in 2020 *i.e.* 97% of the 1.3 target.

(1) Please refer to the glossary for the definition of Raison d'Être.

Actions taken in 2020

The actions taken in the FReD mechanism feed into the Group's ESG strategy

E in ESG
Environment – Direct and indirect footprint

Group actions to raise customer awareness of environmental issues

Launch of green offers (LCL, CACF, CALF, Crédit du Maroc, Amundi)

Development of a transition rating for corporate customers (Crédit Agricole S.A.)

Introduction of an ESG questionnaire for corporates (LCL and Crédit du Maroc)

Development of a calculation methodology to measure carbon exposure (CACIB)

Promotion of the circular economy (AVEM, CA Italia) **and reuse of building materials** (CA Immobilier)

S in ESG
Societal– Direct footprint

Group actions in support of youth integration

Including work-study hires (AVEM, CA Italia, CAPS)

Promotion of teleworking (Crédit Agricole S.A., LCL)

Gender equality action plan (LCL et CAL&F, CACF)

Disabilities policy (Crédit du Maroc, CA Bank Polska, CAA, CACF)

Strengthening and digitisation of HR information (Amundi, CA Immobilier)

S in ESG
Societal – Indirect footprint

Group actions in support of reducing "customer irritants"

Improvement of postal communication and customer documentation (Amundi, CACIB, Crédit du Maroc)

Introduction of an excellence in customer relations programme (AVEM, Indosuez)

Customer commitment charter on data processing (CAL&F)

Integration of a CSR framework in the offer creation process (CAA)

2.3 ENVIRONMENTAL STRATEGY

2.3.1 The Group's climate strategy

Policy

In 2019, the **Crédit Agricole Group** adopted a **climate strategy** that is fully integrated into the Group's "Ambitions 2022" strategic plan. This strategy aims to make green finance one of its growth levers and gradually align its financing and investment portfolios with the Paris Agreement through the gradual transformation of its business lines.

Its main purpose is to understand the impacts of the Group's activities on the climate ("environmental materiality" component as defined by the Non-Financial Reporting Directive (NFRD)) to reduce negative impacts and increase positive impacts, and to identify opportunities related to climate risks as defined by the TCFD (Task-Force on Climate-related Disclosure).

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

It is structured around several major themes:

1. Innovative governance and transparent implementation

To ensure that it meets its commitments, the Group has set up adequate monitoring tools, such as its ESG platform, and a **governance structure dedicated** to the implementation of its climate strategy. This governance structure is described in detail in Chapter 2.2.

At the same time, the Group has also adopted a **transparency policy** that involves the annual publication of its coal and thermal coal exposure, and the annual audit and certification of the implementation of its climate strategy.

Refer to the glossary on page 681 for the definition of technical terms.

2. The gradual reallocation of the Group's loan and investment portfolios and assets based on a scenario in line with the Paris Agreement

Crédit Agricole S.A. has commited to gradually reallocate the Group's portfolios and put them on a track aligned with Paris' Agreement goal. To keep up with this track, this reallocation will follow the evolution of the global energy mix as projected in the external scenarios selected by the Group with the advice of the Scientific Committee (namely the IEA Sustainable Development Scenario and the Climate Analytics report on coal phase-out (see part 2.3.6 "Measures and targets related to our indirect carbon footprint"). To achieve this goal, the Group commits to reduce its loans and investments related to fossil energy (coal mining and power stations, unconventional oil and gas, including shale oil and gas) by favoring the most virtuous players in these sectors, as stipulated in our sector policies and will be expressed in the form of:

The strengthening of the Group's commitments to climate transition financing

- Objective: finance one in three renewable energy projects in France by 2022, in order to consolidate the Group's leading position on the French market and become a major player in the sector in Europe.
- Double the size of the *green loan portfolio* to €13 billion by 2022.

The promotion of sustainable investment policies

- Application of ESG criteria to 100% of the open funds actively managed by Amundi[1] and to all voting decisions in 2021. Universal application of ESG criteria for new investments by Crédit Agricole Assurances.
- Increase in the amounts invested, via Amundi, in initiatives relating to the environment or with a strong social impact: doubling the amounts to €22 billion.
- Investment of €6 billion of the Group's liquidity portfolio in socially responsible investment (SRI) products.

Planning for a total divestment of thermal coal in accordance with a timetable aligned with the Paris Agreement

- The coal exposure of the Group's financing and investment portfolios under management will be part of an exit scenario from the coal industry: by 2030 for EU and OECD countries, by 2040 for the rest of the world.
- We ask corporate customers to provide us with a plan by 2021 detailing the phasing out of their coal-sector mining and production assets, in accordance with the 2030/2040 timetable (depending on where these assets are located).
- The Group undertakes to stop working with companies anywhere in the value chain currently developing or planning to develop new ways to use thermal coal (mining, production, utilities, and transport infrastructure).
- The Group undertakes to no longer work with companies whose thermal coal activity (extraction and production of energy from coal) represents more than 25% of their turnover and whose transition path is considered incompatible with the Paris Agreement.
- The companies affected are placed in a portfolio of companies "under transition vigilance", resulting in a reduction of or even freeze on our financial support.

(1) When an ESG methodology is applicable.

3. Integration of climate transition challenges into customer relationships

In light of the climate emergency, business preparedness to mitigate the effects of climate change is essential. As a major player in the economy, the Group believes that it is its role to provide support to companies on this path. To fulfil this role, the Group is putting in place:

- ***a climate transition rating:*** *a tool for both dialogue and customer support, it is meant to measure how committed businesses are and their ability to adapt their business models to the challenges of the climate transition and the fight against climate change;*
- ***support for innovative environmental start-ups and SMEs,*** such as the proprietary €160 million investment fund dedicated to energy, agricultural and agri-food transitions;
- ***a range of green financing solutions*** *for corporate and retail customers.*

The deployment, in 2020, of the Crédit Agricole Group's climate strategy is materialized through the following actions:

1. **Innovative governance and transparent implementation:** the Crédit Agricole Group has set up a governance stucture dedicated to the implementation of its climate strategy and has deployed an ESG Platform to define and manage quantitative objectives (energy mix and coal exposure in particular).
2. **The gradual reallocation of the Group's loan and investment portfolios and assets based on a scenario in line with the Paris Agreement:** the Crédit Agricole Group has strenghthened its commitments in favor of the energy transition, as well as the promotion of sustainable investment policies.
3. **Integration of climate transition challenges into customer relationships:** the Crédit Agricole Group has deployed a climate transition rating, a tool for dialogue and support for customers in the energy transition. This tool was co-constructed by the Crédit Agricole CIB and Amundi teams to first cover their listed corporate clients.

These action plans and results are audited by PwC, one of our Statutory Auditors, in accordance with the standards set up by Crédit Agricole S.A. The conclusions of this audit are presented at the end of this chapter within the report entitled "Independent Limited assurance report on the indicators relating to the implementation of the climate strategy presented in Crédit Agricole's 2020 Management Report".

2.3.2 Integration of climate transition challenges into customer dialogue

Policy

In 2020, Crédit Agricole S.A. developed and implemented tools designed to give operational expression to the conviction that underpins its climate strategy. Crédit Agricole believes that, as a major player in the economy, it has a responsibility to provide support to its corporate customers in their efforts to adapt to the challenges posed by climate change.

Climate transition rating

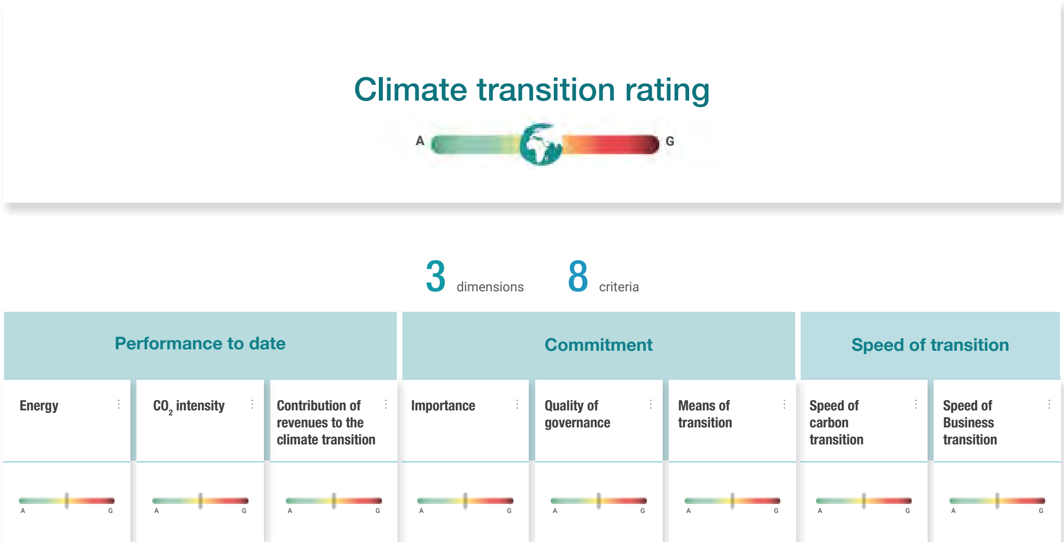
Inspired by this conviction, Crédit Agricole is building a new tool that places climate issues at the heart of customer relations: the "climate transition rating".

The transition rating is designed to be both a **measurement tool** (to determine whether or not a company is engaged in a process of adapting its business model to the changes required by climate transition) and a **dialogue tool** (to encourage our clients to engage in such a process, regardless of their starting point). It is designed to **support our clients** in the transformations they have to undertake in order to face the challenges of climate transition as well as to **facilitate the implementation of the Group's sectoral policies.**

Powered by public data that can be shared between the Group's various business lines, the Crédit Agricole Group transition rating is, regardless of the entity using it, a single rating for the same corporate customer.

The tool, was initially jointly built by **Crédit Agricole CIB** and **Amundi** teams for their listed corporate clients. Since the end of 2020, the methodology of the finalised climate transition rating is tested on the Crédit Agricole CIB and Amundi large customer portfolios. In the second phase, during 2021, work will begin on building a version that will allow users to rate all of the Group's counterparties, including the unlisted clients (mid-caps/SMEs) of the Regional Banks and LCL. Whereas the V1 transion rating was focused on energy challenges, its second version will include all climate issues.

This rating, ranging from "A" for the most advanced companies in their climate transition trajectory to "G" for the least advanced, is based on three main dimensions: energy performance to date, commitment to transition and speed of transformation.



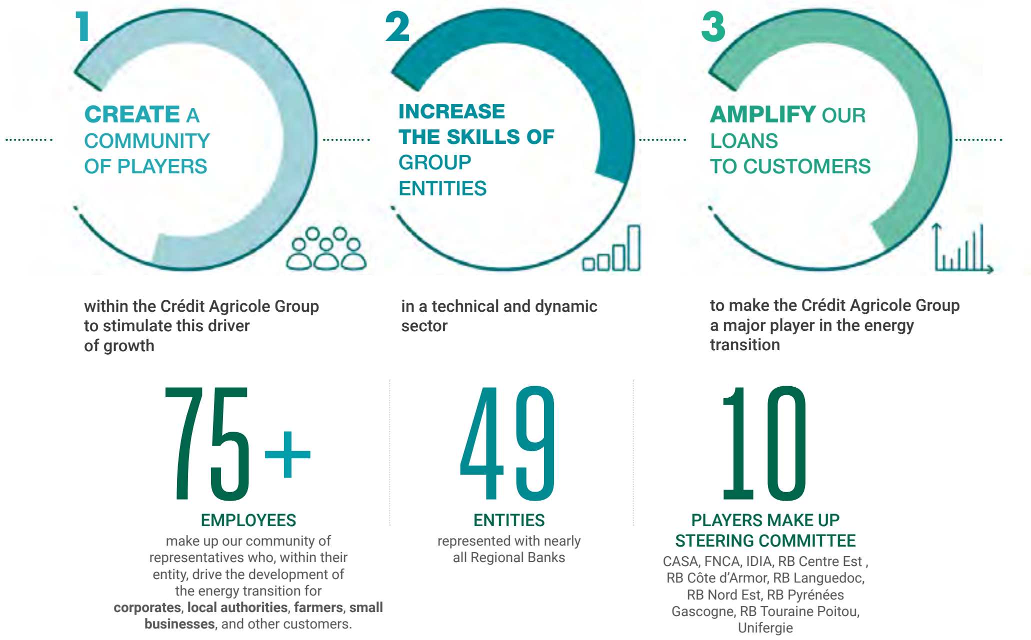
2.3.3 Supporting economic sectors on the way to climate transition

Policy

To support its customers and economic sectors in climate transition, the Crédit Agricole Group plans to help its business lines and subsidiaries move forward through the integration of climate transition issues. Accordingly, in June 2018, the Group created an "Energy Network" that cuts across the Corporate, Agriculture, Small Business and Public Sector markets. The three missions of the Energy Network are to create a community of players involved in this dynamic, increase the skills of the entities and amplify the financing allocated to climate transition.

By bringing together almost all of the Group's players in climate transition, the Energy Network line fully plays its role as a driver of growth and a means of increasing the expertise of Group entities in climate and environmental transition. Its network of contacts allows it to work on these matters as closely as possible with its customers. It is run by Unifergie, Crédit Agricole's expert subsidiary and leader in renewable energy financing. Crédit Agricole S.A. encourages the deployment of renewable energy, offers investment solutions that promote climate transition and a range of green offers for the climate transition of corporate and individual customers.

Refer to the glossary on page 681 for the definition of technical terms.



Action plans and results

Encourage the deployment of renewable energies

Crédit Agricole Leasing & Factoring (CAL&F), through its subsidiary **Unifergie,** has project finance expertise in the fields of energy and the environment. Unifergie finances projects for farmers, corporates and local authorities and climate transition players in the fields of renewable energies, energy performance, the environment and land use planning. At 31 December 2020, Unifergie, together with the Group's banks (mainly the Regional Banks, LCL and Crédit Agricole CIB), provided €768 million in funding to the energy sector (renewable energies and energy performance). These investments were equivalent to 1,058 megawatts (MW). The cumulative power financed by CAL&F at end-November 2020 stood at 8,442 MW.

In 2019, Highlight was the leading institutional investor in the climate transition in France. At end-2020, its investments in renewable energies amounted to €1.4 billion.

LCL is also involved in the financing of renewable energy projects. At end-December 2020, this financing amounted to €313 million (for a target of €300 million).

Propose investment solutions for climate transition

To enable its customers to take action against global warming through their savings, LCL has designed the **innovative "Climate Impact with LCL" programme**. The first pillar of this programme, the **LCL Placements Impact Climat** range of products, is built around investment vehicles designed to combine performance and the active fight against global warming. This first complete range of asset-based investments provides each major asset class (listed and unlisted equities, structured products, real estate) with asset active in the fight against global warming, that encourage the reduction, neutralisation or offsetting of CO_2 emissions.

Following the launches of the thematic funds **Indosuez Objectif Terre**, which invest in securities of companies involved in the fight against global warming and the preservation of natural resources, and **CFM Indosuez Environnement Développement Durable**, Indosuez now offers **management mandates for environmental and societal themes**. Indosuez's range of structured products was also enhanced in 2020 with the addition of a number of "green" products issued mainly by Crédit Agricole CIB and a green structured products mandate. Lastly, ESG criteria have been integrated into the selection of private equity fund managers, and they are now used in management processes and customer portfolio statements.

In 2020, **Amundi** continued its commitment to climate transition and a low-carbon economy. Fund holdings supporting the climate transition and green growth thus amounted to €22 billion at 31 December 2020, up 87% As part of its climate solutions package, Amundi offers a range of thematic funds dedicated to financing climate transition in the main classes of assets, thus making the fight against climate change accessible to all investors.

- The **Amundi Valeurs Durables** and **Amundi Equity Green Impact** funds (targeted to international customers): these funds take into account Amundi's ESG criteria and exclude companies that produce fossil and nuclear energy; they are invested in the shares of European companies that generate at least 20% of their turnover from the development of green technologies.
- **Amundi Énergies Vertes:** launched in June 2020, this fund, which was created in partnership with Crédit Agricole Assurances, is the first climate transition fund eligible for life insurance policies that invest directly in green infrastructure. Amundi Energies Vertes came in third place in the AGEFI Coupoles de la Distribution innovation prize.

- **Funds invested in *green bonds***: with capitalisations of €3.5 billion at 31 December 2020, these funds provide investors with access to bond solutions that contribute to climate transition financing.

In addition to its project financing activities, **Crédit Agricole CIB** contributes to financing the fight against climate change and the ecological transition through its **green bond arrangement business,** directing capital from bond markets (green bonds) towards environmental projects. Crédit Agricole CIB has been working in this market since 2010. In 2020, it acted as bookrunner for more than €28.4 billion in green, social, and sustainability bonds for its major customers (source: Bloomberg). Global Capital recognised the bank for the sixth consecutive year (2014 to 2019) for its green, social, and sustainability bonds origination activities.

In addition, Crédit Agricole CIB is an issuer since 2013 of Green Notes dedicated to financing environmental projects.

At 31 December 2020, green bond assets were as follows:

Issuer	Amount outstanding *(in millions of euros)*	Number of issuances
Crédit Agricole S.A. Green Bond	2,000	2
Crédit Agricole S.A. Social Bond	1,000	1
Crédit Agricole Home Loan SFH Green Covered Bond	1,250	1
Crédit Agricole CIB Green Notes	3,014	400
TOTAL	**7,264**	**404**

At 31 December 2020, the green portfolio of Crédit Agricole (excluding Crédit Agricole Home Loan SFH) focused on Crédit Agricole CIB (72%), followed by Regional Banks (25%), LCL (2%) and CAL&F (1%). Almost half the green portfolio is located in France (47%), and the other half is divided over the rest of Europe (28%), the American continent (14%), and Asia (11%). Renewable energy is the qualifying category that is most represented in the green portfolio (50%), followed by green real estate (33%), environmental friendly transportation (11%), water and waste management (3%) and by energy performance (3%).

The Crédit Agricole Green Bond Framework

Crédit Agricole S.A. green bonds are presented according to four core components, as defined by the Green Bond Principles:

- use of the funds;
- review procedure and project selection;
- monitoring the use of funds;
- reporting.

The Green Bond Framework of Crédit Agricole consists of six different eligible categories of green loans:

1. renewable energy;
2. green real estate;
3. energy performance;
4. environmental friendly transportation;
5. water and waste management;
6. sustainable agriculture and forest management.

The Green Bond Framework of Crédit Agricole is available on the Crédit Agricole S.A. website at https://www.credit-agricole.com/en/finance/finance/debt. It has received a second opinion from the non-financial rating agency Vigeo Eiris which was updated in 2019. The experts of Vigeo Eiris approved the methodology for identifying and selecting green assets included in the green portfolio, as well as the relevance of the eligible categories selected in the fight against climate change.

Since 2019, Crédit Agricole S.A. publishes a green bond report covering all green bond issues by entities (Crédit Agricole S.A., Crédit Agricole Home Loan SFH and Crédit Agricole CIB). The report, which is available on the Crédit Agricole S.A. website at https://www.credit-agricole.com/en/finance/finance/debt, describes how the proceeds from the green bond issues by Group entities have been allocated to Crédit Agricole's green portfolio and provides an estimate on the carbon impact of the green projects financed in this way. For example, the Crédit Agricole S.A. green bond has financed green projects that will reduce greenhouse gas emissions by around 359 tonnes of CO_2eq per million euros per year, while Crédit Agricole CIB Green Notes have financed green projects that will reduce emissions by 516 tonnes of CO_2eq per million euros per year.

Propose a range of green offers for the climate transition of Corporate and individual customers

LCL's climate transition offers:

- **"Sustainable City – Energy Saving Works" loans** have low interest rates to finance the cost of insulating or outfitting homes to make them more energy efficient. Such works could involve heating equipment, thermal insulation or the installation of equipment that uses a renewable energy source. Loan amounts range from €3,000 to €20,000.

Refer to the glossary on page 681 for the definition of technical terms.

- **"Sustainable City – Green Mobility" consumer loans** are designed to finance the purchase of new or used vehicles (including pre-financing of the environmentally friendly car grant) that produce few or no polluting emissions. Loan amounts vary between €3,000 and €75,000, which makes it possible to purchase to a wide range of vehicles.
- **Impact financing:** for its SME and mid-cap customers, **LCL** structures and arranges "Impact Financing" ("Green Loans" and "Sustainability-Linked Loans"), which are loans or credits whose margin is indexed to ESG performance criteria specific to the company being financed. This offer allows our customers to align their CSR strategy with their financing and, if they achieve their targets, to benefit from a subsidised rate.

The **LCL SmartBusiness** programme is designed to support business customers (SMEs, mid-caps, key accounts) with major changes, in particular by promoting the energy transition with Greenflex, providing advice on energy transition, environmental and societal issues, joining forces with Voltalia through electricity contracts (CPPA), which bring added value to the heart of our customers' business, and with Global Climate Initiatives to measure and reduce the environmental footprint.

Crédit Agricole Consumer Finance's green credit offers:

- **credit offers at preferential rates**: a green "auto" offer for the financing of clean vehicles or the conversion premium and a green "construction" offer, which focuses on the financing of housing renovation eligible for the energy transition tax credit (CITE);
- **a financing offer for photovoltaic panels** designed by Voltalia for IKEA customers;
- **a preferential financing offer for soft mobility** (purchase of electric or non-electric bicycles and scooters) for Décathlon customers.

In 2020, more than €800 million in new green car loans were thus granted, working towards a production target of €1 billion in 2022.

The foreign subsidiaries of **Crédit Agricole Consumer Finance** are also involved in developing green offers: Agos, in Italy, has signed partnerships with players in the photovoltaic sector, such as Enel X and SolarPlay. In Germany, CreditPlus supports soft mobility companies like Fahrrad.de and ONO, which market electric bicycles.

The Regional Banks' offers

The Regional Bank network markets various loans that help finance work intended to improve home energy performance, such as:

- the interest-free eco-loan (Eco-PTZ); since 1 January 2020 and until the end of September 2020, more than 9,350 loans have been processed by Crédit Agricole, totalling more than €117 million;
- energy savings loans offered by the Group since 2007; for the first 10 months of 2020, the total amount of loans granted by all Regional Banks reached 900 files and €13.5 million granted to customers of the 39 Regional Banks.

2.3.4 Supporting the agri-food sector on the way to ecological transition

Policy

Agriculture and agri-food are currently at the nexus of various environmental, climate, economic and social issues. Even though food and health safety remains the priority, the sector is adapting to societal expectations regarding issues such as the preservation of natural environments and biodiversity, the reduction in the use of plant protection products and antibiotics, the fight against climate change and animal welfare. This commitment is all the more essential as **agriculture is one of the first sectors to be affected by climate change**, which impacts agricultural and food production. It is also one of the solutions because of its carbon storage capacity (soils, agroforestry, forests, meadows, etc.).

Supporting the agricultural and agri-food sectors in the ecological transition goes hand in hand with the **transition to sustainable food** based on diets that are themselves sustainable, which, according to the FAO, "help protect and respect biodiversity and ecosystems, are culturally acceptable, economically equitable and accessible, affordable, nutritionally safe and healthy, and optimise natural and human resources". Their regional anchoring makes it possible to address the issues of relocating the economy, building a food supply with a low environmental impact based primarily on local natural resources, and reconnecting citizens with all of the issues involved in the way they feed themselves, far beyond the simple act of buying food.

Action plans and results

As Bankers nearly 85% of farmers in France, the Crédit Agricole Group supports all farmers and all forms of agriculture as well as players in the agri-food sector to **make the ecological transition a source of economic performance.** In recent years, the various agricultural and food sectors (milk, meat, field crops, wines and spirits, fruit and vegetables, etc.) have embarked on development and transformation policies to meet societal, environmental and animal welfare expectations, while ensuring the economic and social performance of farms and businesses. Written policies are in line with plans drawn up following the French National Food Conference (*États généraux de l'alimentation*; EGalim), which took place from 20 July to 21 December 2017. The Crédit Agricole Group entities support the implementation of these commitments and numerous projects related to ecological transition (sustainable agriculture, organic farming, short circuits, development of the protein industry, etc.); climate transition (photovoltaic, methanisation, etc.) and changes in farming and slaughtering methods to improve animal welfare.

An **organic farming** initiative was launched in 2019 to support farms in their conversion to organic farming, as part of a more general support for agricultural transitions. The initiative consists of offering a range of basic organic farming services that are consistent with the needs of these customers, and it includes a loan to support farmers during the conversion phase, as well as training for agricultural advisers to enable them to better understand the economic models of these farms. **27 Regional Banks** deployed the offer by the end of 2020; 1,320 advisers (more than 50%) were registered for training in 2020 and 712 completed it. **Crédit Agricole S.A.** is also a partner of *Trophées de l'excellence bio*, organised with Agence Bio and of *Trophées de l'agroécologie*, with the French Ministry of Agriculture and Food.

The Crédit Agricole S.A. subsidiary **Pleinchamp.com**, an information website for farmers, was redesigned in 2020 to provide farmers with the information and support they need to meet the new challenges of everyday life and the major changes in their business line. In addition to the editorial content, guides have been put online to support farmers as they reflect on changes in their business and their transition, installation or diversification projects. 1.6 million visits per month, 3.3 million page views.

To support the efforts to upscale, the creation of added value and the transformation of production systems, the Crédit Agricole Group is participating in the **National Initiative for French Agriculture** (*Initiative nationale pour l'agriculture française;* **INAF**), which was officially launched in April 2020 following the signature of the partnership with the French Ministry of Agriculture and Food and the European Investment Fund (EIF). This programme has a budget of €625 m and supports projects to renew agricultural generation by increasing added value, strengthen high-quality sectors by encouraging links to local communities and the use of local distribution networks, support the transformation of agricultural models to improve their performance and innovation, diversify farm operations and revenues and upgrade assets to promote the efficient use of resources such as energy, heat and water. In 2020, the **39 Crédit Agricole Regional Banks** carried out 1,400 projects for €187 million in funding.

In 2019, **IDIA Capital Investissement**, with its strong position in agriculture and agri-food, launched CA Transitions, the first own-account investment fund dedicated to energy, agriculture and agri-food transitions. This fund, some of whose investments have been awarded the "Greenfin Label - France Finance Verte", is dedicated to supporting companies in climate transition; cooperatives and agricultural or agri-food businesses in transition towards more sustainable modes of production and businesses offering innovative solutions to accelerate the transition of the agricultural and agri-food sectors.

With the aim of helping consumers and players in the food industry to "consume better and produce better", **Crédit Agricole S.A.** became one of the founding partners of **La Note Globale** in 2020. The ambition of La Note Globale (a non-profit association) is to construct a benchmark for the overall performance of food products. The rating is based on six criteria or issues (animal welfare; environment; human nutrition and health; origin, equity & contribution to the French economy, traceability and transparency, and corporate social responsibility). Each of the issues is broken down into targets to be achieved (40 in total) and 91 action levers or ways of acting to meet the targets. La Note Globale seeks to be a support tool for industries for the good of all links in the production and consumption chain. It aims to improve the societal performance of products derived from living organisms by helping consumers and economic players in their choices. 63 products were rated and presented at the International Agricultural Show 2020. 4,000 products are currently being rated.

To promote links to local communities in the food sector, Crédit Agricole supports farmers who are moving towards new marketing methods such as **short-distance distribution**. This affects 27% of the farmers who are Crédit Agricole customers (Crédit Agricole 2018 penetration barometer). This trend resonates perfectly with the expectations of a section of consumers who want to eat better, healthy, local and responsible food. The public health crisis of 2020 has highlighted the resilience of short-distance distribution and supply. In 2020, the Crédit Agricole Group strengthened its partnership with Bienvenue à la Ferme, a brand of the Chamber of Commerce of Agriculture, which brings together nearly 8,000 farms in France. It supports these farmers in the development of their agritourism and short-distance sales activities through a range of tools, such as an electronic payment system adapted to direct sales, strengthened cooperation between the territorial networks **and the Regional Banks,** and multiplication of visibility channels and their online attractiveness. This initiative was rolled out in July 2020 and will be supplemented by a short-distance distribution training kit for advisers.

2.3.5 Protecting biodiversity and improving animal welfare

2.3.5.1 Biodiversity

Policy

Biodiversity is defined as all natural or semi-natural environments and the living beings that make them up. As successive IPCC reports have pointed out, the protection of biodiversity plays an essential role in the fight against climate change and the objective of carbon neutrality. Because of the links between our health and the health of ecosystems, the recent COVID-19 pandemic stresses **the urgency of protecting and restoring natural environments**. The protection and restoration of biodiversity, as well as the proper functioning of ecosystems, is essential to strengthening our resilience and preventing the emergence and spread of diseases in the future.

Aware of the major role played by biodiversity, **Crédit Agricole S.A. is committed to working with stakeholders who fight on a daily basis to maintain biodiversity**, and it is involved in research programmes to gain a better understanding of the risks and impacts of its degradation and of how to participate in its restoration. Biodiversity issues have been integrated into a few sector funding policies.

Farmers also play an essential role in preserving biodiversity. Birds and insects in agricultural environments, especially pollinators, are key indicators of agro-ecosystem health and are essential for agricultural production and food security. As the leading banker to farmers and foresters, the Crédit Agricole Group supports farmers in these initiatives and works to preserve and develop forest areas in France and abroad, since 80% of the earth's biodiversity is found in forests.

Action plans and results

For the third year of the framework agreement signed with the Muséum national d'Histoire naturelle, Crédit Agricole S.A. confirms its commitment alongside the **Crédit Agricole Regional Banks** and the **Crédit Agricole Pays de France Foundation** in support of this leading scientific institution in terms of biodiversity research and the transmission of knowledge. Among the 13 sites of the Muséum national d'Histoire naturelle, the Val Rahmeh-Menton Botanical Garden (Alpes-Maritimes), the Haute-Touche Zoological Reserve (Indre) and the Harmas de Jean-Henri Fabre (Vaucluse) received support from Crédit Agricole S.A. in 2020, as did the Plages Vivantes participatory science programme. Crédit Agricole S.A. is also continuing to support the research programme for biodiversity in agriculture. This programme studies the interactions between agriculture and biodiversity in its two dimensions: the impact of different types of agriculture on fauna and flora, and the impact of farmers' participation in the observatory on changes in agricultural practices.

The Montrouge and Saint-Quentin sites have been awarded the "Refuges LPO" label, proof of Crédit Agricole's commitment to preserving and providing a home for local biodiversity. In February 2020, the International Biodiversity & Property Council IBPC (CIBI) awarded the BiodiverCity Life label to Evergreen, the Montrouge campus of **Crédit Agricole S.A. and its subsidiaries**. Managed by Crédit Agricole Immobilier, Evergreen is the first French corporate site to be given the BiodiverCity Life distinction. The Regional Banks and Crédit Agricole S.A. entities are also putting in place numerous initiatives to support beekeeping. 124 beehives are being installed on the Group's various sites for production of more than 2 tonnes of honey per year.

With its "Nature in the City" initiative, **Crédit Agricole Immobilier** brings nature and its benefits back to the heart of our living and working spaces. In residential developments, nearly 30% of the programmes delivered this year incorporate a Nature in the City initiative, and this will be expanded to more than 50% of programmes by 2022. Fruit trees, shared plots, rooftop gardens and biodiversity refuges will become standard. One example of this is the Agriville project at the Château de Paléficat site on the edge of Toulouse: there, Crédit Agricole Immobilier developed 140 open-market homes and 70 social housing units built around preserved farmland. As part of its property management business, Crédit Agricole Immobilier also carried out its first eco-grazing experiment in a co-owned property in Toulouse. Between March and October, three sheep occupied an enclosure spanning 3,000 sq. m. An experience to be repeated and expanded.

Crédit Agricole CIB has integrated biodiversity issues into several sector policies and requires from its customers in sensitive sectors (forestry and palm oil, pulp and paper, mining, transport infrastructure) a commitment to strict protection of areas with High Conservation Values, such as Alliance for Zero Extinction sites, wetlands covered under the Ramsar Convention; IUCN categories I-IV and UNESCO World Heritage sites. Starting in 2016, Crédit Agricole CIB mapped the sectors and regions most exposed to the challenges related to water access and water pollution. Since 2018, customers operating in these sectors have been subject to special analyses in this regard.

Refer to the glossary on page 681 for the definition of technical terms.

The protection of ecosystems is one of **Amundi's** ESG analysis theme, assessed in the Biodiversity and Pollution criterion. In 2020, the fundamental principles were reviewed to better integrate biodiversity into internal analysis and investment processes. Due to the lack of concrete data on the subject, the first step is to encourage the publication of information on biodiversity impacts by companies. This year, discussions have been conducted with mining companies and consumer goods companies to this end. As part of the same desire to establish relevant criteria for assessing the biodiversity footprint of the Group's activities, in 2020 **Crédit Agricole S.A.** joined Club B4B+ (Business for Positive Biodiversity), whose purpose is to act as an incubator for the Global Biodiversity Score indicator (GBS™) and the associated biodiversity footprint method.

Crédit Agricole is a long-standing partner of participants in the forest-wood sector and is the leading bank for upstream forestry and processing industries. Crédit Agricole Assurances has a range of property and casualty insurance solutions dedicated to the forest, which provide coverage against the effects of fire and/or storms to ensure the long-term survival of French forests and support the timber industry. **Crédit Agricole** is also involved in the distribution of the forest investment and insurance account (CIFA), which enables forest owners to build up precautionary savings to cope with climate disasters and forestry work.

In 2020, **IDIA Capital Investissement** launched a fund dedicated to the timber industry to support French production, which currently lacks capital to develop. The purpose of this fund is to participate in supporting the sector by optimising the processing and value added in France of wood from sustainably managed French forests, while favouring short-distance, carbon-saving distribution.

Forests are the second largest carbon sink after the ocean and are an essential component of biodiversity. That is why Crédit Agricole Assurances is committed to reforestation and sustainable forest management in France. The leading forest insurer in France, Crédit Agricole Assurances has since 2019 been conducting a programme that links savings or insurance policy subscriptions to tree planting, in partnership with Reforest'Action, and since 2018 it has been offsetting its carbon emissions through a partnership with the *Plantons pour l'Avenir* endowment fund. To date, more than 1.2 million trees have been replanted through these two partnerships.

2.3.5.2 Animal welfare

Policy

Societal expectations to think of animals as living beings are constantly increasing. The World Organisation for Animal Health (OIE) gives a definition of animal welfare that is currently the standard. It is based on five fundamental freedoms: freedom from hunger and thirst; freedom from physical restraint; freedom from pain, injury and disease; freedom to express normal behaviour; freedom from fear and distress. This awareness is now reflected in the regulations and action strategies of French animal production networks. At the national level, in the industry chain plans drawn up by interprofessional agricultural organisations, commitments to improve farming conditions and audits are being rolled out. The egg-laying poultry industry has thus committed itself to increasing the quantity of eggs produced in alternative conditions to cages to 50% by 2022. For its part, the beef sector has developed a tool to help diagnose rearing conditions for breeders, which it integrated into the best agricultural practices charter in 2019. Several research projects are currently underway to determine how to assess the welfare of farm animals more accurately, especially in the European Union. This scientific research will be used to change French and European animal protection legislation by making it results-driven rather than means-driven.

As the leading banker to farmers in France, **Crédit Agricole S.A. finances animal welfare development projects**, in particular the modernisation of livestock buildings and slaughtering tools. Current discussions focused on raising awareness of this issue internally and among our customers and on the search for reliable technical and economic criteria to assess the cost of animal welfare improvements, their feasibility and financial support for them, as well as integration of these issues into the analysis criteria for the financing of agri-food companies.

Action plans and results

Amundi is already including animal welfare in its non-financial rating criteria for issuers in the food sector. In 2020, Amundi continued its work in cooperation with FAIRR, a coalition of investors whose aim is to engage in dialogue with food sector companies to raise awareness of (i) the environmental, social and governance risks associated with intensive livestock farming to change their practices, and (ii) the business opportunities that new modes of agriculture can represent. Amundi has joined three engagement campaigns led by FAIRR:

- *building Sustainable Protein Supply Chains: supported by 88 institutional investors representing close to US$13.1 trillion in assets under management, the campaign is asking 25 food sector companies to diversify their protein sources to stimulate growth, increase profitability, reduce their exposure to animal proteins and improve their competitiveness in a world of limited resources;*
- *Meatsourcing: supported by 90 investors representing close to $11.4 trillion, this campaign is asking six companies in the fast food sector to reduce the risks due to meat and dairy products in their supply chain;*
- *Antimicrobial Resistance: supported by 12 investors representing close to $7 trillion, in collaboration with the Access to Medicine Foundation, this campaign was launched in 2020 and will be completed in 2021. The engagement campaign will be targeted at pharmaceutical companies to encourage them to implement best market practices in the development of new antibiotics.*

2.3.6 Measures and targets related to our indirect carbon footprint

Policy

Since 2011, the Group has used a methodology to quantify financial institution-funded greenhouse gas emissions. The methodology was developed at its request by the Finance and Sustainable Development Chair of Paris Dauphine University and École Polytechnique. Dubbed **P9XCA,** this innovative methodology has been recommended for the corporate and investment banking sector since 2014 by the financial sector guide, "Quantifying Greenhouse Gas Emissions", published by Agence de l'environnement et de la maîtrise de l'énergie (ADEME), Observatoire sur la responsabilité sociétale des entreprises (ORSE) and Association Bilan Carbone.

It allows the Group to calculate, with no double-counting, the order of magnitude of financed emissions and to map those emissions by sector and geographical area. Greenhouse gas emissions are allocated to economic players according to their capacity (and economic interest) to reduce them using a qualified allocation "by issue" as opposed to the usual allocation "by scope". Some methodological adjustments were made in 2018, in parallel with the revision of emission factors.

The sectoral and geographical mapping produced using this methodology has informed which sectors the bank chooses for the development of sector-based CSR policies and has been used in methodologies and calculations related to **climate transition risk.**

Additionally, issues related to **physical climate risk** are now starting to be mapped by combining sectoral and geographic vulnerability indexes.

Action plans and results

Indirect energy footprint: indicators and targets

According to the P9XCA method, the estimate of greenhouse gas emissions from all of the Crédit Agricole Group's investments and financing (scope 3) is as follows (in thousands of tonnes of CO_2 equivalent):

	Industries							
Geographic areas	Agriculture	Real estate	Energy	Manufacturing	Transport	Waste management	Public services	TOTAL
France	20,269	9,338	3,624	4,189	21,311	3,200	1	**61,932**
Germany	133	212	2,106	458	3,046	1	0	**5,956**
Spain	8	102	694	129	1,333	28	4	**2,298**
Italy	274	456	2,298	844	3,711	133	0	**7,717**
United Kingdom	204	87	582	254	1,477	108	1	**2,714**
Other Western Europe	332	426	3,997	1,147	4,891	164	131	**11,088**
Others Europe	24	362	2,058	1,633	2,873	69	0	**7,019**
Africa and Middle-East	497	107	1,202	760	2,481	1,762	0	**6,809**
United States	-129	946	2,827	3,148	5,827	14	64	**12,697**
Others North America	15	58	262	209	4,537	0	0	**5,081**
South America	364	40	564	910	2,018	202	0	**4,098**
China	4	283	936	1,945	2,046	0	0	**5,215**
India	3	13	1,680	266	264	50	0	**2,277**
Japan	0	107	0	103	800	0	0	**1,010**
Others Asia	110	426	2,834	1,247	2,731	0	0	**7,348**
TOTAL	**22,109**	**12,964**	**25,666**	**17,241**	**59,343**	**5,734**	**201**	**143,258**

To calculate its carbon footprint, the Crédit Agricole Group follows the recommendations in the sectoral guide for the financial sector Quantifying Greenhouse Gas Emissions, published by ADEME, ABC and ORSE. Produced in 2014 with the participation of some twenty financial institutions, NGOs and experts, the guide recommends that corporate and investment banks and universal banks use a macroeconomic approach (so-called top-down methodologies), which is the only way to guarantee all results are added together and therefore the accuracy of the resulting order of magnitude.

The methodology used by Crédit Agricole S.A. correlates, by design, the sum of the carbon footprints of all global financial institutions with total global emissions, unlike other methodologies on the market, such as the one used by the Oxfam study, which arrives at a sum equal to several times that level (or four to five times global emissions).

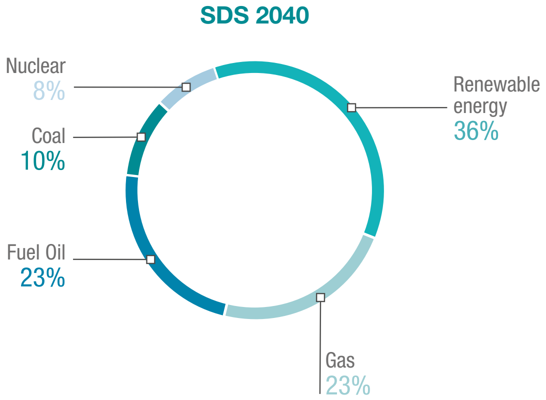
The calculated emissions linked to the Group's investments and financing (scope 3) have increased since 2019. The main reason for this increase is the sustained growth in the Group's investment and financing outstandings.

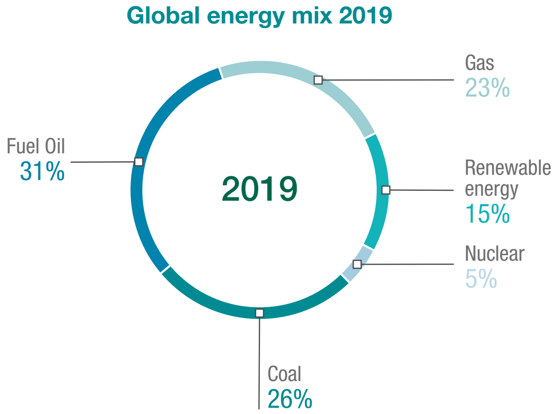
As part of its climate strategy, **the Group is committed to aligning itself with the Paris Agreement** and gradually orienting its portfolios in favour of climate transition. To identify the steps to be taken and define quantified targets, the Group set up a Crédit Agricole Group platform in 2020. On the basis of the indicators created, the Group wants to set goals that are compatible with climate science, in particular on the basis of external scenarios (International Energy Agency Sustainable Development Scenario) and the recommendations of the Scientific Committee. To that end, it has signed the Science-Based Targets initiative, committing itself to defining such targets by September 2022.

The Group's new ESG platform allows us, for the first time this year, to publish the energy mix of the portfolios of four Group business lines for 2019 and 2020.

Refer to the glossary on page 681 for the definition of technical terms.

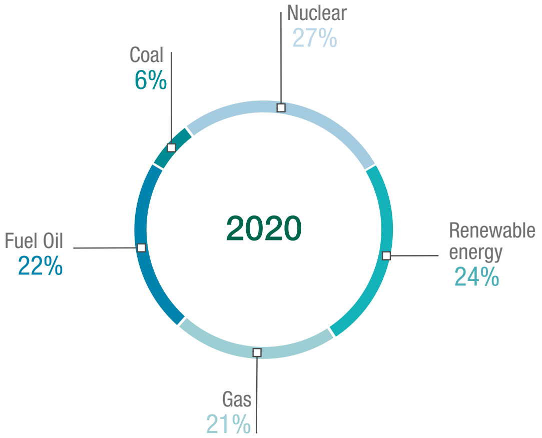
Global energy mix 2019 and IEA SDS 2040 scenario (primary energy demand)

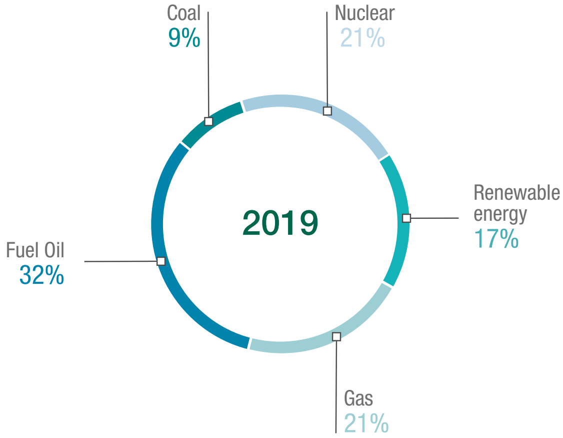




Asset management activity

(in million of euros)	2020	2019
TOTAL	**10,811**	**12,597**
Gas	2,242	2,675
Fuel oil	2,366	4,114
Coal	719	1,093
Nuclear	2,900	2,613
Energy renewable	2,584	2,102

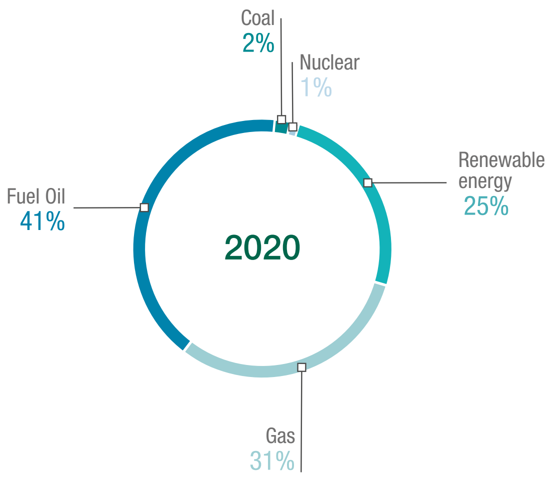


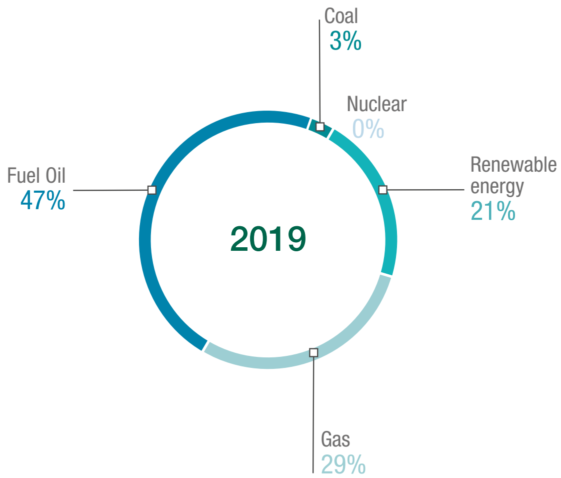


The 2020 energy mix in this business outperforms the 2019 global energy mix. It also outperforms the energy mix of the International Energy Agency's (IEA) 2020 Sustainable Development Scenario (SDS) projected for fossil fuels in 2040.

Financing activity of corporations

(in million of euros)	2020	2019
TOTAL	**17,994**	**17,969**
Gas	5,644	5,210
Fuel oil	7,428	8,520
Coal	326	450
Nuclear	80	72
Renewable energy	4,516	3,717

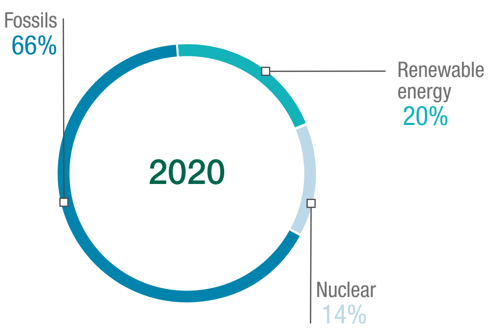


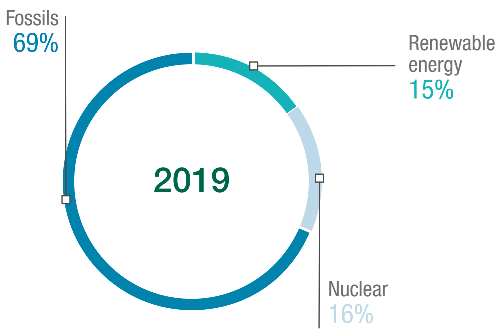


The 2020 energy mix for this activity outperforms the 2019 global energy mix for coal and renewables. It also outperforms the energy mix of the International Energy Agency's (IEA) 2020 Sustainable Development Scenario (SDS) projected in 2040 on the share of coal.

Investments related to life insurance contracts

(in million of euros)	2020	2019
TOTAL	**13,225**	**12,472**
Fossils	8,760	8,655
Nuclear	1,870	1,962
Renewable energy	2,595	1,855



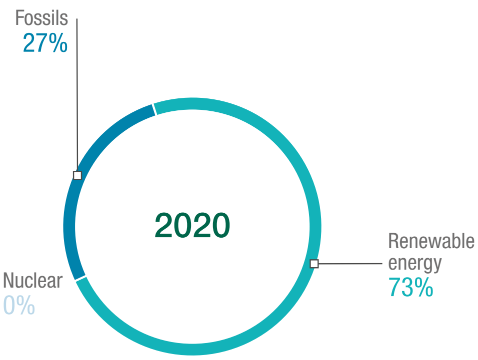


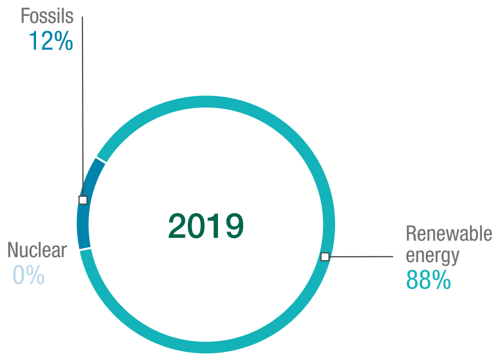
The 2020 energy mix for this activity outperforms the 2019 global energy mix of the International Energy Agency (IEA).

Refer to the glossary on page 681 for the definition of technical terms.

Financing activity for small and mid-sized companies

(in million of euros)	2020	2019
TOTAL	**428**	**283**
Fossils	116	33
Nuclear	-	-
Renewable energy	312	250





The 2020 energy mix outperforms the 2019 global energy mix and the International Energy Agency (IEA) 2020 Sustainable Development Scenario (SDS) energy mix projected in 2040.

Financing and investments in renewable energies are up for 3 out of 4 businesses (for example, +59% between 2019 and 2020 for investments related to life insurance contracts). For the fourth business line, financing of mid-sized companies, the share of renewable energies is already very high, since it almost represents the ¾ of the energy mix.

In addition, the coal exposure of the Crédit Agricole CIB and Amundi financing portfolios changed as follows:

Exposure of large customers portfolios

	2020		2019		Change	
	In millions of euros	% of outstandings	In millions of euros	% of outstandings	In millions of euros	% of outstandings
Coal exposure - financing portfolio Crédit Agricole CIB	326	0.33	450	0.46	-28%	-28%
Of which thermal coal exposure - financing portfolio Crédit Agricole CIB	187	0.19	Not available	Not available	-	-
Coal exposure - investment portfolio Amundi	719	0.07	1,094	0.1	-34%	-30%
Of which thermal coal exposure - investment portfolio Amundi	670	0.07	Not available	Not available	-	-

The 2019 data for Crédit Agricole CIB and Amundi were updated following efforts to improve data reliability.

Methodological framework

2019 and 2020 data related to coal exposure and energy mix were calculated using the Group's ESG Platform.

For Amundi: these data were calculated by taking into account indirect exposure (percentage of invested companies revenue generated in the energy sector). To achieve this, we used publicly available data at the end of 2020. The data relates to passively and actively managed assets with the exception of delegated management (within the framework of joint ventures or management under private management mandates) and Amundi Immobilier, representing 73% of total assets. On this perimeter, the Trucost data cover €410 billion of assets under management.

For Crédit Agricole CIB: these data were calculated by considering both direct financing of dedicated assets and indirect exposures in energy calculated on the basis of client revenues. To do so, we used publicly available data at the end of 2020, as well as all financing on Crédit Agricole CIB's balance sheet. On this perimeter, the Trucost data cover €147.3 billion of financing.

For Crédit Agricole Assurances: these data were calculated by taking into account non-unit-linked funds (percentage of customer revenues generated in the energy sector). To achieve this, we used public data available at the end of 2020. The data covers listed investments managed directly, listed investments managed under mandate and unlisted investments managed directly.

For LCL: these data were calculated by considering both direct financing of dedicated assets and indirect exposures in the energies of small and mid-sized companies. To achieve this, we used NAF coding and data from LCL's management tools.

2.3.7 Measures and targets related to our direct footprint

Policy

In line with its ambition to support the transformation of the economy and its customers to encourage climate transition, Crédit Agricole S.A. intends to adopt an exemplary attitude in terms of direct footprint. Therefore, following the adoption of several measures, including **the use of 100% renewable electricity** across its French sites, Crédit Agricole S.A. has committed to **carbon neutrality**(1) since 2016 by reducing its direct footprint by 15%, encompassing energy (in terms of square metres) and transportation (in terms of FTEs) for the period from 2016 to 2020.

In addition, Crédit Agricole S.A. strives to limit the use of resources and the production of waste and to recycle and recover waste at all of its locations through innovative infrastructure and investment in property and equipment. In 2013, it set up a system to monitor its energy, water and paper consumption and it also runs internal eco-friendly action campaigns aimed at all its employees.

Action plans and results

Measure and reduce our direct energy footprint

Since 2007, **energy consumption** has been monitored at all Crédit Agricole S.A. entities in France and abroad. Action plans are put in place within the Group for permanent energy optimisation.

	Consumption *(in MWh)*			Tonnes CO_2 eq./year)			Estimated coverage rate		
	2020	**2019**	**2018**	**2020**	**2019**	**2018**	**2020**	**2019**	**2018**
Gas	64,531	72,890	79,037	13,263	14,981	16,244	96%	93%	94%
Fuel oil	3,821	4,777	4,511	1,212	1,514	1,430	96%	100%	100%
SCOPE 1	**68,352**	**77,667**	**83,548**	**14,475**	**16,495**	**17,674**			
Electricity	284,356	309,699	328,238	59,229	66,032	69,046	96%	93%	93%
District heating	23,725	17,035	20,581	5,305	3,809	4,602	93%	100%	100%
Cooling network	5,180	4,996	5,062	226	218	221	93%	100%	100%
Data centre electricity(1)	77,126	77,515	79,876	5,292	2,831	2,917			
SCOPE 2	**390,387**	**409,245**	**433,757**	**70,052**	**72,890**	**76,786**			

(1) Only the consumption of data centres that could be isolated from their corresponding office buildings is taken into account. It is therefore confined to the following entities: Greenfield, the Group data centre managed by Crédit Agricole Immobilier, Crédit Agricole CIB France, Amundi France, Agos, Credibom, CA Indosuez Switzerland S.A., CA Indosuez Wealth (Europe), CFM Indosuez Wealth and Crédit du Maroc.

The Group also measures emissions from **business travel** annually to monitor trends on this front. The indicators cover business travel by rail and air.

	Rail			Air			TOTAL		
	2020	**2019**	**2018**	**2020**	**2019**	**2018**	**2020**	**2019**	**2018**
Distances travelled *(in thousands of kilometres)*	14,586	57,040	52,262	25,276	160,264	184,576	**39,862**	**217,304**	**236,838**
CO_2 emissions *(in tonnes CO_2 eq.)*	657	2,570	2,355	6,638	43,859	54,360	**7,295**	**46,429**	**56,714**

Scope covered: 90% of Crédit Agricole S.A. FTEs.

(in tonnes CO_2 eq.)	**2020**	**2019**	**2018**
Rail	657	2,570	2,355
Air	6,638	43,859	54,360

(1) Perimeter: Crédit Agricole holding company, Crédit Agricole CIB, Amundi and Crédit Agricole Italia.

Refer to the glossary on page 681 for the definition of technical terms.

Actions taken

In early 2020, **Crédit Agricole S.A.** launched its carpooling service in partnership with Klaxit for the employees of the Evergreen site in Montrouge. This car-pooling application, which was already available since 2019 for Saint Quentin employees, makes it possible to share commutes to and from work. This offer is an addition to the mobility services for employees (fleet of electric bicycles and fleet of shared vehicles).

In addition, a Group Mobility Steering Committee was set up in September 2020 to address the most cross-functional aspects of business travel (purchasing, HR, CSR, etc.) and to ensure that the Group's mobility ambitions are properly implemented. As regards vehicle policy, a call for tenders was approved for the implementation of a new catalogue of low-emission vehicles. A new travel policy will also be put in place: air travel will only be authorised for journeys exceeding 3.5 hours by rail (except for return trips during the day), with less use of business class.

In addition, outside the two lockdown periods, the use of teleworking has been strongly encouraged, thus reducing **emissions from commuting to and from work.**

Crédit Agricole Group Infrastructure Platform (CA-GIP) initiated Phase 2 of the Voltaire Project launched in 2019, which consists of immersing servers in oil to cool them down. The benefits are numerous, as oil conducts heat 1,500 times better than air, thus naturally capturing the heat emitted while maintaining a homogeneous temperature. Furthermore, the machines are protected against thermal shock, pollutants and oxidants in the air. This technique therefore makes it possible to considerably reduce overall infrastructure and operating costs; on air conditioning alone, there has been a 34 % savings on the energy bill. In 2020, extensive adaptation work was carried out at the Greenfield data centre in Chartres to deploy this technical solution more widely and put more than 400 virtual servers into production at the beginning of 2021.

Landing of the 2016-2020 target of a 15% reduction in the footprint

The action plans taken at the various entities have been successful as the greenhouse gas emissions of scope 1 and scope 2 have decreased by 3% and 8% between 2016 and 2019.

In 2020, operating emissions fell drastically due to the health crisis, by 12% (scope 1) and 4% (scope 2) respectively compared to 2019, or by 12% (scope 1) and 15% (scope 2) compared to 2016.

Also compared to 2016, emissions on the energy and transport items having decreased by 16% and 87% respectively, we recorded a drop of 37% in our total direct emissions.

Following an assessment and identification of additional measures that can be implemented, the Group will define new targets for reducing its direct footprint, in line with its commitment to the Science-Based Targets initiative.

Offset our residual direct footprint

To offset its residual emissions, **Crédit Agricole S.A.** has invested, since its launch in 2011, in the **Fonds Carbone Livelihoods**, which support large-scale projects to sustainably improve the living conditions of rural communities, restore and protect natural ecosystems with high agricultural potential, transform corporate value chains through sustainable agricultural practices, and contribute to climate change mitigation through CO_2 capture and emissions avoidance. The funds finance projects for reforestation and restoration of degraded ecosystems, agroforestry and small-scale rural energy (improved stoves) in Africa, Asia and Latin America.

Our carbon offsetting scheme: the Livelihoods carbon funds

The methodology used by the Livelihoods Carbon Funds is based on six main principles:

1. REDUCING CO_2 FIRST AND FOREMOST

All investors and Livelihoods partner companies must have an ambitious policy to reduce CO_2 emissions. Carbon offsetting only occurs after this reduction.

2. IMPACT

All Livelihoods projects have a positive environmental or social impact on the countries or regions where they are implemented, and they contribute to the fight against global warming.

3. LARGE-SCALE PROJECTS

Livelihoods funds provide seed funding to NGOs seeking to implement large-scale projects.

4. RISK MANAGEMENT

Livelihoods is not a commercial organisation and does not buy carbon credits to resell directly to businesses. It is a mutual fund created by companies that invest in high-risk stocks and earn carbon credits.

5. LONG-TERM PROJECTS

Livelihoods funds are a long-term investment vehicle. Contracts are drawn up based on projects that will be spread over 10 or 20 years.

6. DIRECT BENEFICIARIES

The value created by Livelihoods Funds stays in the regions where it works. Livelihoods does not own any land, trees or crops.

Funding provided by investors pre-finances the projects. Crédit Agricole S.A. has invested €12 million in two funds (LCF 1 and LCF 2). In 2020, three projects were verified (Mangrove Senegal Océanium, Rural Energy Kenya Hifadhi 1, Rural Energy Tiipaalga Burkina Faso).

Crédit Agricole S.A. thus offset 51,643[(1)] tonnes of CO_2 (emissions related to energy and transport within the scope of Crédit Agricole S.A. holding company, Amundi, CA Italia and Crédit Agricole CIB.

Crédit Agricole S.A. only offsets its direct footprint (energy and transportation) for some entities. We have chosen not to offset the financed emissions but to support the decarbonisation of the economy.

(1) Estimate, pending certification of the credits issued for the Mangrove Senegal project (Oceanium).

Refer to the glossary on page 681 for the definition of technical terms.

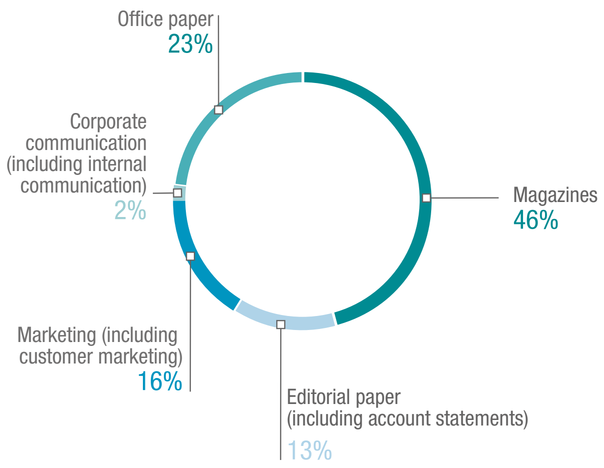
Measure and reduce our paper, waste and water footprint

In 2020, **the paper consumption of Crédit Agricole S.A.** was 21,836 tonnes, with 68% of the paper being PEFC/FSC-certified or made from recycled fibres.

	2020	2019	2018
Total consumption *(in tonnes)*	21,836	14,701	15,581

Scope covered: 93% of full-time equivalent employees (FTEs).

Breakdown of paper consumption *(as a %)*



The waste categories covered by reporting include paper and cardboard, electrical and electronic equipment (WEEE and non-IT waste), and ordinary industrial waste (OIW – excluding paper and cardboard). Multiple efforts have been made by the entities to recycle waste. In 2020, 59% of the waste collected by the Group was recycled.

	2020	2019	2018
WEEE – Waste electric and electronic equipment *(in tonnes)*	182	163	87
Paper/cardboard *(in tonnes)*	1,331	2,006	2,142
OIW – Ordinary industrial waste *(in tonnes)*	1,324	1,848	2,286

Scope covered: 96% of FTEs.

With regard to **computer equipment,** a partner from the sheltered and disability-friendly sector, ATF Gaia, has been collecting **WEEE** for some Group entities since 2014. It erases hard drive content using a software application approved by the Group's Security division and assesses the operating status of equipment that is subsequently sent for sorting. Equipment in working order is reused by the partner for charity purposes, while equipment that is no longer serviceable is destroyed in an environmentally-friendly manner.

Along with cheques, **bank cards** remain one of the few banking services to use a physical medium. Its ecological footprint linked to its plastic and metal components is therefore very real throughout its life cycle. In order to reduce this impact and in keeping with a circular economy, in 2013 **Crédit Agricole, in conjunction with Crédit Agricole Payment Services,** began rolling out the "Environmental Card" service at 35 Regional Banks. The "Collection and recycling of used bank cards at the branches" component enjoyed uninterrupted successes every year. In 2020, over 2.4 million cards, equivalent to 12.2 tonnes, were collected. Since 2014, more than 18 million bank cards, weighing approximately 101 tonnes, have been recovered. Moreover, since January 2016, all new chequebooks proposed by the Regional Banks have been printed on PEFC certified paper. This certification guarantees sustainable management of forests for paper production, *i.e.* ensuring that forests are managed according to the highest environmental and social standards.

Crédit Agricole S.A. **water consumption** over the last three years has changed as follows:

	2020	2019	2018
Water consumption *(in m^3)*	686,578	749,322	813,147

Scope covered: 97% of full-time equivalent employees (FTEs).

2.4 SOCIAL STRATEGY

2.4.1 A universal approach to our businesses: being there for everyone

Our environment is changing. Climate change, technological innovation, new economic actors and models, increasing use of digital technology and data and new forms of work are some of the changes affecting society, **accentuating social, generational or regional disparities** and leading to real **societal crises.**

The coronavirus pandemic and its economic impacts are accentuating inequalities, exacerbating regional and digital isolation and fracture, and creating increased expectations of commitment on the part of businesses. In this unique environment, banks have a major role to play, and the Crédit Agricole Group is strongly committed to supporting its customers and providing them with personalised solutions, while at the same time encouraging externalities that are useful to society. In this area, it is the **Group's ambition to be able to respond to all the concerns of all of its customers, from the most modest to the most affluent.**

2.4.1.1 Economic development for all

Policy

Crédit Agricole S.A. has a long-standing commitment to regional development and draws on its regional roots **to promote more shared economic development.** In this way, Crédit Agricole S.A. supports the economic development of regions by financing economic activities, promoting access to health services by supporting the development and strengthening of that sector, which is so vital for social cohesion, and promoting access to digital services, which rely on the infrastructure related to the communication technologies that the Group entities finance. Crédit Agricole S.A. also promotes entrepreneurship and access for everyone to financial services, including in emerging countries through the actions of the Grameen Crédit Agricole Foundation.

Refer to the glossary on page 681 for the definition of technical terms.

Action plans and examples

Regional development

Crédit Agricole's commitment to regional economic development is based on its local roots, namely its 8,200 branches in France and 2,100 abroad.

In addition, Crédit Agricole CIB assisted Crédit Agricole S.A. with the initial issue of its social bonds. Crédit Agricole S.A. issued an initial €1 billion **social bond** on 1 December 2020 to support local, sustainable and inclusive regional growth. It aims to revitalise regions and reduce social inequalities by promoting employment through financing in the regions hardest hit by the crisis.

A leading issuer on the green bond market, the Group is today naturally expanding the scope of its efforts in sustainable finance by operating in the social bond market. These theme-based issues will feed into the Group's ambition, rooted in a Societal Project, to further its mutual-interest commitment to inclusive development.

Its cooperative and mutual-interest identity gives it the responsibility to act locally to support economic development that is beneficial to all. These social bond issues will be geared towards the financing of our professional customers and small and medium-sized companies (SMEs) in economically disadvantaged regions. The Regional Banks and LCL are the Group's spearhead when it comes to boosting regional economic development.

With this initial issue, the Group aims to support:

1. Regional economic development, in particular by financing SMEs to promote job creation in disadvantaged areas.
2. Social inclusion and empowerment by financing associations working to promote sport, access to culture and the development of solidarity initiatives, and by financing social housing.
3. Access to health services by financing public hospitals and elderly support structures, as well as SMEs playing an active role in the health sector.

Crédit Agricole S.A. has mapped the regions and defined as a priority those with an unemployment rate higher than the national average.

Crédit Agricole S.A. has made a commitment to report annually on the social and societal impact of the refinanced asset portfolio.

Supporting our customers during the public health crisis

From the beginning of March 2020, the Crédit Agricole Group has been working to help its small business, corporate and agricultural customers get through this unprecedented crisis. The Group has played a major role in the distribution of state guaranteed loans, with €31.5 billion requested by 210,000 companies. The Group's customers accounted for 28.1% of the number of requests granted, and 23.9% of the amount granted. In addition, it has granted over 550,000 moratoriums and extensions. In April 2020, the Group put in place a mutual support system for small businesses during the spring lockdown period. With a budget of €239 million, this extra-contractual gesture of solidarity is aimed at all policyholders who have taken out professional multi-risk insurance with business interruption.

Access to healthcare

With a 21% market share in 2019 for healthcare professionals, **Crédit Agricole's Regional Banks** are structuring their development in the healthcare sector around three guidelines: e-health, medical desertification and expert appraisal support. As part of their action plan, the Crédit Agricole Regional Banks, in partnership with the EIB (European Investment Bank), are the first banks in Europe to set up a financing package for self-employed healthcare professionals. This €250 million package became available in December 2020 and will be used to support the development of self-employed healthcare professionals, the installation of new practitioners in areas under stress and throughout the country, and their placement in nursing homes. Special attention is being paid to regions and territories affected by medical desertification, with a minimum of 20% of the total package dedicated to this priority.

LCL supports the **health sector** with the introduction of funding representing €6 billion in outstanding loans at end-2020. Every day, LCL and Interfimo – its subsidiary serving independent professionals – support a large number of independent healthcare professionals throughout France, facilitating citizens' access to quality care.

Access to digital technology

In 2020, Crédit Agricole S.A. financed a number of major projects, including:

- With financing of €1.1 billion, **Crédit Agricole CIB** supported the Vauban Group and Bouygues Telecom through their joint venture (Development Company for Access to Fibre Infrastructure - SDAIF), whose aim is to accelerate the deployment of fibre optic cable (FTTH) in medium-density areas in France. More specifically, the purpose of this company will be to acquire long-term access rights from Orange, thereby contributing to the co-financing of optical fibre alongside the main French operators.
- **Crédit Agricole CIB** structured €2.35 billion in financing in a joint venture (Violin) co-owned by Iliad and the French infrastructure fund Infravia to accelerate the deployment of fibre optic cable (FTTH) in medium- and low-density areas in France. This dedicated company will co-finance the construction of the new power points deployed and subscribe to new tranches of co-financing.

In addition, Crédit Agricole is the first bank through the **Regional Banks** to offer the France Num guarantee distributed by Bpifrance. This guarantee makes it possible to cover up to 80% of a loan taken out by a small businesses-SME with under 50 employees to finance a project to digitise its activity. In this way, it promotes support for our customers' business recovery.

Promoting entrepreneurship

"Village by CA" is a network of start-up accelerators. Since 2014, it has been bringing together start-ups and partner companies to accelerate innovation and business via a unique network present throughout France and internationally. The 200 start-ups currently hosted are focused on making an impact and contributing positively to the economy. At end-2020, 37 villages had been opened and 1,073 start-ups supported with the help of over 630 partners (SMEs, mid-caps, major groups, public and institutional players). Lastly, since the opening of the first Village, the start-ups have raised €1,035 million.

Working with major business-creation support networks since 2003, LCL as well as the Regional Banks have once again contributed to strengthening the network of small businesses throughout France:

- **Initiative France** offers all entrepreneurs financing via an interest-free, unsecured loan and upstream and post-creation support. Crédit Agricole is the leading banking partner for companies supported by the **Initiative France association** with a 33% market share. The people assisted include 11,800 jobseekers, 8,000 women, 3,600 rural revitalisation areas and 758 priority neighbourhoods.
- **Réseau Entreprendre** is a network made up of business leaders who volunteer to support and finance entrepreneurs with job creation potential to help them successfully create, take over or grow their business via collateral-free loans. Crédit Agricole has a market share of around 30%.
- The purpose of **France Active** is to develop a more inclusive and sustainable economy and promote access to bank credit for project leaders and entrepreneurs. Together with Crédit Agricole, 1,712 companies are involved in guarantee activities. Its profile consists of 88% jobseekers, 26% of whom are long-term jobseekers/5% on minimum social benefits.

LCL is also a **partner of France Active Garantie**, in which it has a 5% stake. In 2020, it financed 82 start-up projects, most of them from people looking for jobs, providing financing of more than €4.3 million.

The Crédit Agricole Group has become a leader in **providing capital support to young innovative companies** through a strategic fund, FIRECA, a CAIT technological disruption fund operated by Supernova Investissement, a joint venture between Amundi and the CEA, a Fintech FI Venture fund in partnership with Breega Capital and 18 regional Innovation funds. With more than €400 million of funding and due to its strong regional presence, the Group has become one of the most active French investors in Innovation Capital (third-largest player in terms of number of deals in the Avolta VC/M&A Tech Multiples – France November 2020 ranking).

Access for everyone to our offers and services

Crédit Agricole S.A. wants to serve all of its customers, from the most modest to the wealthiest, and to support its customers in situations of vulnerability. In this context, its purpose is to facilitate the accessibility of financial products and services (readability of the offer; adapted pricing, conditions of sale).

EKO is the entry-level banking offer of the **Regional Banks** launched at the end of 2017. It is open to all adults who want to have a bank account that offers the essentials of banking with services that allow them to manage their budget for €2 a month. At end-December 2020, close to 155,000 customers had signed up for EKO.

LCL launched LCL Essentiel to meet the needs of young, budget-conscious urbanites. For €2/month, customers get an international payment and withdrawal card, a mobile app, a dedicated in-branch adviser and a deposit account with no account maintenance fees. At end-2020, LCL Essentiel had 37,000 subscriptions registered since its launch in April 2019.

In healthcare, Crédit Agricole offers services that are accessible to everyone. The **Crédit Agricole Assurances** individual healthcare offer integrates the changes from the "100% Santé" reform, which makes it possible to offer optical, dental, and audiology services that are reimbursed in full. This upgraded offer, accessible to everyone and with cover that is easier to understand, is enhanced with new innovative services and useful benefits in order to advise and protect our customers better. Moreover, to improve access to healthcare for the most vulnerable and offer a local service to the customers concerned, Pacifica, a subsidiary of Crédit Agricole Assurances, decided to continue to manage the *Complémentaire Santé Solidaire* policy, which offers a single, regulated and free or subsidised level of coverage.

In the area of home ownership, the **Regional Banks** are leaders in the granting of interest-free loans (PTZ). PTZs finance a portion of a primary residence for first-time homebuyers with moderate incomes. As at November 2020, 16,895 applications had been financed for €792 million by the Crédit Agricole Regional Banks and 2,750 applications for €198 million by LCL. The Crédit Agricole Group has financed more than 38% of all PTZs.

Refer to the glossary on page 681 for the definition of technical terms.

The Grameen Crédit Agricole Foundation: a tool tailored to emerging countries

2020 was marked by the COVID-19 public health and economic crisis. The **Grameen Crédit Agricole Foundation** had to quickly adapt its activity and tools to meet the needs of the organisations supported during that period. It closely monitored the impact of the crisis on these organisations and supported them by granting moratoriums on its funding where relevant. New financing granted to microfinance institutions for populations without banking access was lower than in previous years due to the slowdown in the activity of the institutions as a result of the crisis. The Foundation ended the year with a solid balance sheet: assets totalling €81.2 million were provided to 75 microfinance institutions (68 institutions financed and seven supported through technical assistance alone) and 12 social enterprises in 39 countries. Women's entrepreneurship and rural economic development are still a key part of what the Foundation does: 87% of customers of financed institutions are women and 83% live in rural areas[1].

The Foundation has adopted several measures to address the COVID-19 crisis. Since March, the Foundation has kept in regular contact with the organisations financed to understand the effects of the crisis and their needs. The findings of surveys carried out and other analytical articles are published in the COVID-19 Observatory, a platform listing all articles related to the COVID-19 pandemic. The Foundation has also spearheaded an international coalition of 30 donors and other key players in inclusive finance to take concerted action in the face of the economic crisis. The coalition agreed on a set of principles to protect microfinance institutions and their customers in the COVID-19 crisis. The pooling of information and analyses, as well as the coordinated implementation of decisions, were vital to supporting the sector. Lastly, the Foundation responded favourably to its partners' requests for maturity extensions by granting 37 loans worth €7.1 million to 29 beneficiary organisations.

The Foundation worked in close collaboration with its donors. It received new loans from Agence Française de Développement (AFD) a €10 million loan, a €900,000 subsidy to launch a multi-insurance technical assistance programme[2] and a €5 million COVID-19 financing package together with another portfolio guarantee – the sixth one since 2011. These new loans will consolidate the Foundation's action in support of microfinance. Alongside the European Investment Bank and the Luxembourg Government, the Foundation is stepping up its support for institutions in West Africa as part of a new technical assistance programme with a €332,000 subsidy[3].

The Foundation also strengthened its ties with the Crédit Agricole Group. It signed a cooperation agreement with Crédit Agricole Romania, which will finance local microfinance institutions with the support of the Foundation, which will provide microfinance expertise and back the loans granted by CA Romania[4]. The Foundation also established, with Dai-ichi Life Insurance Company Limited and Crédit Agricole CIB's Tokyo branch, an innovative 10-year JPY 2 billion loan scheme to promote the development of microfinance for women in rural economies in developing countries[5]. Banquiers Solidaires, the skills volunteering programme launched with Crédit Agricole S.A. for the organisations financed, celebrated another year of existence, with 20 missions initiated since its launch in 2018.

In addition, the Foundation has been selected to participate in the SSNUP (Smallholder Safety Net Upscaling Programme), a new programme launched by ADA, a long-standing Luxembourg partner organisation of the Foundation, which aims to support small farmers in Africa, Latin America and Asia over a 10-year period with a budget of €55 million. As part of this programme, the Foundation will coordinate technical assistance missions as part of a €1 million package for the organisations it finances[6].

In 2021, the Foundation will consolidate its action around the 2019-2022 Strategic Plan, which aims in particular to grant €200 million to 100 organisations by the end of 2022. Three themes remain central to the Foundation's action in the next few years: strengthening support for microfinance institutions, in particular small- and medium-sized institutions (2022 target: 90% of the institutions financed), developing the resilience of rural economies through social impact companies and promoting social impact in the financial sector, especially through partnerships with the Crédit Agricole Group.

(1) See the Foundation's impact report at https://rapport-impact.gca-foundation.org/

(2) Read the press release published with the AFD: https://www.gca-foundation.org/espace-medias/#le-groupe-agence-francaise-de-developpement-accorde-un-pret-de-10-me-a-la-fondation-grameen-credit-agricole-pour-favoriser-lacces-des-populations-fragiles-aux-services-financiers

(3) More information on the EIB financing: https://www.gca-foundation.org/espace-medias/#un-programme-dat-pour-renforcer-la-microfinance-en-afrique-de-louest

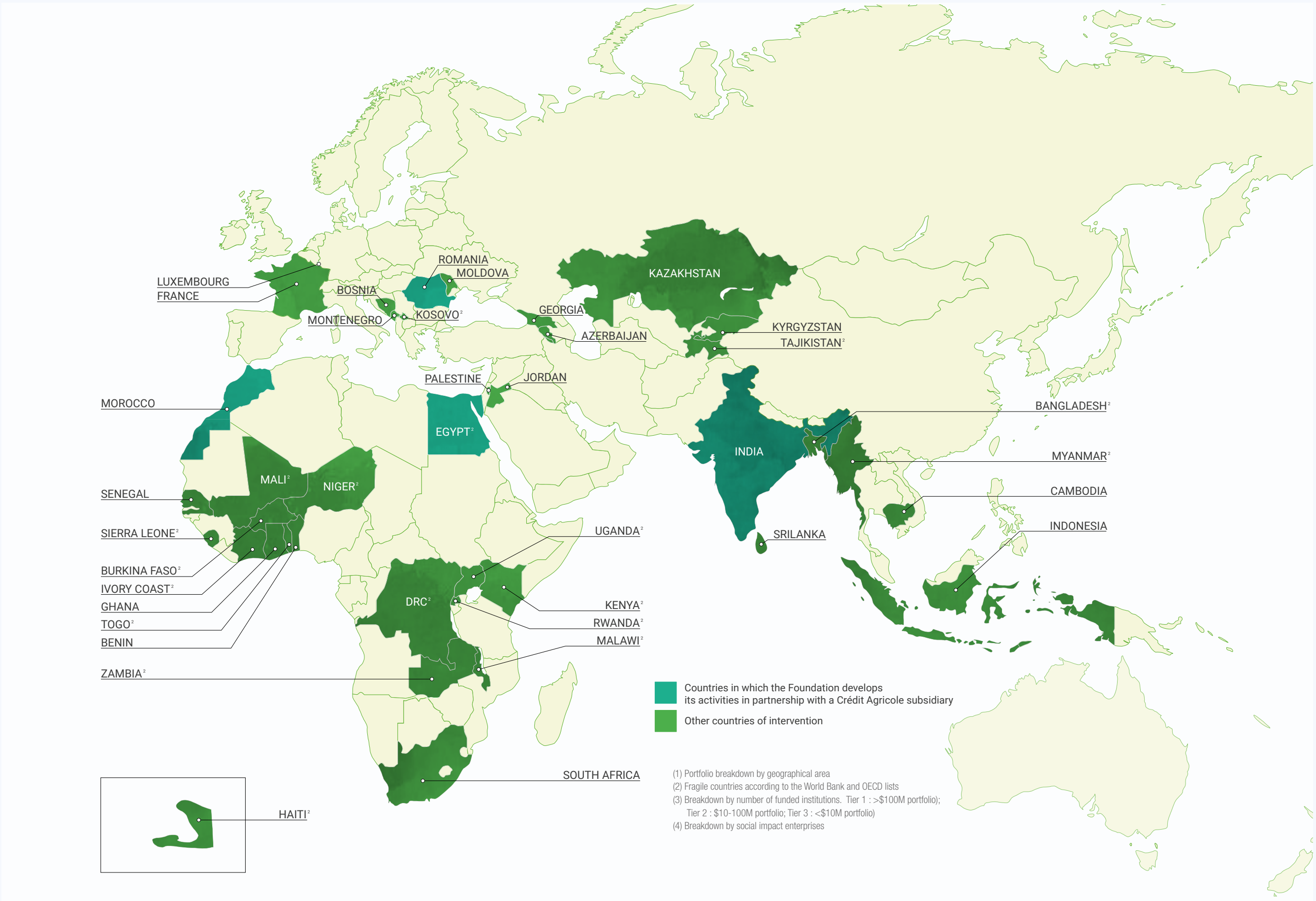
(4) Read more about the partnership with CA Romania: https://www.gca-foundation.org/espace-medias/#un-partenariat-fondation-grameen-credit-agricole-et-credit-agricole-roumanie-pour-la-microfinance

(5) Read the press release published with Crédit Agricole CIB here: https://www.gca-foundation.org/espace-medias/#credit-agricole-et-dai-ichi-life-sassocient-pour-soutenir-la-microfinance-en-faveur-des-femmes

(6) More information about the SSNUP here: https://www.gca-foundation.org/espace-medias/#lancement-du-programme-ssnup-soutenir-durablement-les-petits-exploitants-agricoles-dans-le-monde

Key figures of the Foundation

FONDATION GRAMEEN CRÉDIT AGRICOLE
Microfinance & Social Business



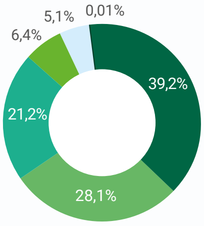
(1) Portfolio breakdown by geographical area
(2) Fragile countries according to the World Bank and OECD lists
(3) Breakdown by number of funded institutions. Tier 1 : >$100M portfolio); Tier 2 : $10-100M portfolio; Tier 3 : <$10M portfolio)
(4) Breakdown by social impact enterprises

ACTIVITY

39 countries

€81.2M
PORTFOLIO
followed by the Foundation

(1)



100%
FINANCING WITH
covenants limiting exposure to foreign exchange risk

83%
Financing in
LOCAL CURRENCY

44%
PORTFOLIO
in fragile countries (2)

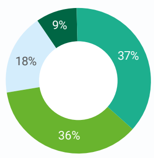
SUPPORTED ORGANISATIONS

75 microfinance **INSTITUTIONS**
- **68** Institutions funded
- **7** supported solely with technical assistance

Types of institutions (3)

TIER 1	9%
TIER 2	51%
TIER 3	40%

12 social impact **ENTREPRISES**



TECHNICAL ASSISTANCE

38 **ORGANISATIONS** beneficiaries

MISSIONS IN 2020
53 launched
68 on going or finalised

BENEFICIARIES

of organisations funded
as of september 2020

FEMALE	87%
CLIENTS IN RURAL AREAS	83%

7.3M
BENEFICIARIES

December 2020

Refer to the glossary on page 681 for the definition of technical terms.

2.4.1.2 Developing preventive actions

Policy

Prevention is the implementation of a set of measures designed to avoid a foreseeable event that is believed to result in harm to the individual or the community. Its intrinsic vocation is to prevent a risk, misfortune or situation from spreading or getting worse.

In addition to prevention for its insureds, Crédit Agricole conducts initiatives to detect financial vulnerability and combat overindebtedness and promote digital inclusion and in-home care for older adults.

Action plans and results

Detecting financially vulnerable customers and combatting overindebtedness

In order to meet the specific needs of its customers and detect various situations of financial vulnerability as quickly as possible, the Crédit Agricole Group redesigned and broadened its criteria for detecting situations of financial vulnerability when Article R. 312-4-3 of the French Monetary and Financial Code (Decree no. 2020-889 of 20 July 2020) was amended. For the monthly credit flow, the sole regulatory criterion of automatic detection left to the discretion of the banks, the Crédit Agricole Group has chosen to use a high threshold, which it defines as the average monthly net minimum wage in 2020 and the median income per household (Eurostat), *i.e.* €1,535, to allow a much larger portion of its customers to benefit from the cap on bank charges.

In addition to this mechanism for automatically detecting situations of proven financial vulnerability, 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 situation and a proposal for support tailored to their situation.

In 2020, Crédit Agricole's **Regional Banks** created a platform to help customers manage their budgets. The purpose of this platform, which is open to customers and non-customers alike, is to contribute to financial information by providing useful information such as day-to-day advice on budget management, support in the event of hard times, moderately priced banking solutions (see above) and links to our partners' inclusive offers, such as the Orange Group's "Coup de pouce" offer, "Programme Malin" for infant nutrition, the Veolia Group's water vouchers and the CRIT Group's job and support offers.

At **LCL,** if a situation of proven or potential financial vulnerability is detected, the customer in question will receive a letter describing the advantages of the "LCL Initial" offer, which gives them access to a range of banking services that will help them manage their account. The national **"LCL Parenthèse"** unit also provides support in certain situations that are either complex or require coordination with organisations involved in the fight against over-indebtedness, such as "Points Conseils Budget".

Crédit Agricole Consumer Finance, as a major player in consumer credit in Europe, is committed to preventing and dealing with over-indebtedness. From 2013 in France, the company created the Customer Support Agency, which is tasked with:

- *identifying customers showing signs of budgetary vulnerability;*
- *analysing and assessing their personal and financial situations and how those situations may change;*
- *looking for and offering customers solutions tailored to their situations, involving partners like Crédit Agricole's Points Passerelle, Crésus or Crédit Municipal de Paris where appropriate;*
- *monitoring the support solution.*

In 2020, 5,022 customers in a vulnerable financial situation received personalised support. In addition, **Crédit Agricole Consumer Finance** continuously supports vulnerable groups through budget education initiatives rolled out in France, Italy, Germany and Portugal.

The **Points Passerelle** scheme relies on **36 Regional Banks** to help and support people affected by a life crisis (unemployment, death of a loved one, divorce, etc.) so they can regain stability. More than 11,000 vulnerable people have been supported by 120 advisers and 800 volunteers (elected representatives and retired Crédit Agricole employees) spread over 80 reception centres and a network of 400 local partners. Les Points Passerelles have also supported a number of socio-economic projects through the granting of more than 2,300 personal micro-loans in 2020. Aware of the importance of maintaining car insurance, particularly for such vulnerable people, Crédit Agricole Assurances (through its subsidiary Pacifica) helps Points Passerelle applicants take a "break" from paying car insurance premiums.

Digital inclusion

Digital inclusion is vital to the accessibility of financial services. Currently, 13 million French people say they are excluded from the digital world. The COVID-19 crisis is a further illustration of its essential nature. Digital technology has been a key element in maintaining ties to one's environment, whether it be one's family and friends, work, school or even one's bank.

Actions are being carried out by the ***Points Passerelle***, especially in the **Atlantique Vendée and Nord de France Regional Banks**, such as digital cafés for young people in the second-chance schools network or the donation of tablets. They were already underway in 2019 and have sometimes accelerated with the public health crisis. In addition, since 2019, the Nord de France Regional Bank, through its Foundation, has been supporting a pilot scheme with Emmaüs Connect and Pôle Emploi in Roubaix and Béthune to train jobseekers in digital skills. The association is now in contact with Points Passerelle and is a success with 400 beneficiaries in Roubaix.

Older seniors and carers

The "Bien Vivre à Domicile" (BVAD) initiative aims to support older senior and carers (11 million French carers who support at least one relative, including 4 million on a daily and regular basis). This initiative is based on a free assessment carried out by a bank adviser using a tablet application and has several objectives:

- ***recreating links with senior customers*** *and providing them with relevant advice on important issues related to ageing well;*
- ***better understanding their life projects and their needs****, to help them plan ahead with a tool based on 4 main themes: housing comfort and security of daily life, well-being and social ties, finance, insurance and inheritance;*
- ***Introducing them and their carers to banking, insurance and service solutions*** *(including VIAVITA's personal services, the ViaREN works management service – both subsidiaries of Crédit Agricole Assurances – and the Nexecur remote assistance and remote surveillance).*

BVAD was created jointly by **Crédit Agricole Assurances and Crédit Agricole S.A. with seven Regional Banks.** Delivered at the end of 2019, the results are very encouraging in terms of both customer and adviser satisfaction. Currently, six Regional Banks have launched the initiative, ten will conduct a pilot during the first quarter of 2021, seven during H2 2021, and ten are currently considering the matter. After the delivery at the end of 2020 of "BVAD by telephone", which makes an entirely remote assessment given the situation (lockdown and seniors unable/unwilling to travel to the branch), new services will be added to the initiative, especially for carers.

Prevention for our insureds

Prevention is an integral part of our comprehensive approach to understanding risks and supporting customers to better protect people and preserve their personal and business assets. 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.

In order to limit accidents and claims, **Crédit Agricole Assurances** shows customers how to take preventive action. This is rounded out by an offer of protective equipment and specific training solutions. Prevention advice is provided through several channels (contracts, text messages, workshops, local networks or among members at general meetings of the Local Banks, etc.). Increased support for customers is provided on certain issues: free post-driving licence instruction courses for young drivers, special prices for protective equipment, verification of electrical installations, remote monitoring systems against theft or helplines for older adults, support for customers who have experienced repeated incidents of the same nature, insurance offers including the provision of useful assistance services to protect them and their families in the event of death, dependence, disability, or for funerals.

2.4.1.3 Social cohesion and living well together

Policy

Crédit Agricole continues to be committed to promoting social cohesion. We consider housing to be one of the foundations for living fully as a citizen. By supporting social housing, assisting economic players seeking to create positive social externalities, especially ones connected to the social and solidarity economy, and pursuing an active policy of volunteering and employee engagement, Crédit Agricole S.A. is committed to social cohesion and living well together.

Action plans and results

Social housing

Crédit Agricole is the leading provider of housing financing in France. It makes major contributions to the development of home ownership for everyone.

In November 2020, **LCL** signed a partnership with ***Action Logement***, a leading player in social and intermediate housing in France, which aims to facilitate access to housing to promote employment. With this partnership, LCL is strengthening its role as an adviser on all aspects of real estate projects and the promotion of sustainable cities. *Action Logement* offers a wide range of solutions in the form of grants or loans for home ownership, the financing of energy renovation, support for professional and residential mobility (especially for young working people and people on work-study schemes) and the improvement of housing for seniors. The aim of this partnership is to provide LCL's customers with personalised advice on a wider range of products whatever their project.

Crédit Agricole's **Regional Banks** are rolling out the social home ownership offer and programme for low-income households. This "OFS/BRS" (*organisme foncier solidaire/bail réel solidaire*) programme is based on a principle of separating the purchase of land from that of the building to deal with soaring land prices in competitive real estate markets. By offering purchase prices 15% to 40% lower than market rates, it helps low-income families access homeownership. This programme was opened up to social housing bodies under the Elan Law and 44 OFS are now accredited. More generally, Crédit Agricole's Regional Banks are among the banks that distribute regulated social housing loans (PLS, PLI, PSLA). Apart from Caisse des Dépôts, only three other commercial bank networks distribute these loans to housing providers who build housing for a lower-income customer base.

Support for high-impact players

For businesses in the **social and solidarity economy (SSE) sector,** the goal is to address social challenges such as social integration, housing and health. Faced with the budgetary constraints of governments or local authorities, these businesses also need private funds in order to expand. Under the "Ambitions 2022" strategic plan, the Group entities strive to support high-impact players: asset management, insurance (life insurance products, in particular) and investment funds:

- for **Amundi**: double SSE investment to €500 million;
- for **Crédit Agricole Assurances**: increase the promotion of its "*Contrat solidaire*" life insurance policy;
- for **Crédit Agricole CIB**: strengthen its leadership in arranging social bonds;
- for **Regional Banks**: create a support system for social impact start-ups in Villages by CA.

In 2020, the **Amundi** Finance and Solidarity fund was a leading social impact fund in France, with assets under management of nearly €331 million. In 2020, which was characterised by the global public health crisis, Amundi focused its efforts on supporting, assisting and monitoring the companies in its portfolio. As a result, nearly €40 million have been reinvested to strengthen and develop the economic model of these companies. The dedicated website (https://amundi.oneheart.fr/) has also been expanded with a section called "The Solidarity Village". Following the creation in 2018 of a fund focused on access to education, CPR AM – an Amundi subsidiary – launched CPR Invest Social Impact in early 2020. It is the first global equity fund to place inequality reduction at the heart of its investment process. It combines the equity of companies that best contribute to inequality reduction. This fund provides investors with a unique solution to measure and incorporate financial risks related to inequality, while also contributing (through their investments) to reducing such inequality.

Crédit Agricole Assurances, through its subsidiary Predica, offers a "contrat solidaire", the first Finansol-certified social multi-vehicle life insurance policy which combines savings and social good. The year 2020 was marked by increased support for advisers, with a new e-learning system being one sign of this. For customers, the Essentiel pre-sales document and a redesigned Facebook feature have been made available. Each year Predica reports to the policyholders about the social impact generated by the policy funds (number of jobs created, number of people re-housed, number of healthcare beneficiaries, number of microcredit beneficiaries abroad, tonnes of waste recycled, etc.).

LCL offers ethical, targeted and socials funds in the "Investir Autrement" (Invest Differently) range. The range includes its Hymnos ethical fund, which excludes companies that harm people or society and its community development and sharing fund which it pioneered in the early 1990s called Solidarité Habitat et Humanisme and Solidarité CCFD Terres Solidaires.

Crédit Agricole CIB has been a global leader in **arranging social bonds.** Accordingly, Crédit Agricole CIB acted as bookrunner for more than €12.2 billion in social bonds in 2020, representing a market share of more than 10% (source: Dealogic). Crédit Agricole CIB is very proud to have helped with the initial issue of social bonds by issuers such as MunifFin (€500 million issued in September 2020), NRW Bank (€1 billion in June 2020), and UNEDIC (two issues in May and June 2020 of €4 billion each, as part of the response to the COVID-19 crisis). Crédit Agricole CIB also assisted Crédit Agricole S.A. with the initial €1 billion issue of its social bond on 1 December 2020.

Refer to the glossary on page 681 for the definition of technical terms.

Volunteering and employee engagement

In addition to being a major **partner, sponsor and patron,** Crédit Agricole is also France's leading bank for non-profit associations. In 2020, Crédit Agricole S.A. allocated almost **€34.4 million to thousands of local and national projects.**

In addition to financial support in the form of grants, gifts, scholarships, bursaries, etc., the Crédit Agricole Group entities make donations in kind, volunteer their skills, and make their facilities and human resources available to communities throughout the country as well as abroad, especially in Italy. The projects supported are chosen to optimise their impact.

Supporting inclusion

In 2020, Crédit Agricole S.A. provided financial support of €3.1 million to inclusion-related associations in France and abroad. In particular, Crédit Agricole S.A. supports:

- The associations ***Viens voir mon Taf*** and ***Un stage et après***, which have been supported since 2019, have the mission of finding company internships for year 10 students in priority education networks (REP and REP+). They support Crédit Agricole S.A. in organising the hosting of year 10 internships.
- The ***Un Avenir Ensemble*** Foundation organises the tutoring of deserving young people from their studies to their professional life. In 2020, Crédit Agricole S.A. supported it to create a benchmark and a traceability system for the acquisition of so-called soft skills by these young people.
- ***Entourage*** helps homeless people by developing a support network between neighbours and local associations. Through the development of the Linked Out project, its purpose is also professional reintegration.
- ***Dons Solidaires*** is an association that assists companies in the redistribution of their unsold new non-food products by distributing them to the French network of associations. In 2020, Crédit Agricole S.A. supported several projects on its behalf, such as the consolidation and extension of regional branches and the completion of its first impact study.
- ***Stop Illettrisme*** fights against illiteracy in the workplace. Over the past three years, Crédit Agricole S.A. has rolled out a programme across its campuses in the Paris region to support the employees of maintenance service providers who take a diploma level course in French.
- **Entrepreneurs du Monde** supports the economic integration of families in very precarious situations and facilitates their access to essential goods and services.

Funds raised to address the COVID-19 public health crisis

An emergency fund called "**Tous mobilisés pour nos aînés**" was created to fund basic necessities for older people, protect them and enable them to keep in touch with their loved ones during the public health crisis. Created by the Crédit Agricole Solidarité et Développement Foundation, this fund was financed by the Crédit Agricole Regional Banks and the Crédit Agricole S.A. Group. With its €20 million in resources, it enabled older adults as well as carers in care homes and in-home carers to be supplied with personal protective equipment. In total, over 810,000 beneficiaries and nearly 6,000 supported facilities (4,400 residential care homes (EHPAD) and 1,600 in-home care companies) have benefited from these funds.

In addition to this "emergency fund", Crédit Agricole S.A. has undertaken to contribute €13.5 million to hospital facilities and non-profit associations in support of social assistance and medical and sanitary equipment projects in France and abroad. In this context, the Red Cross received more than €3 million in support from Crédit Agricole entities in Italy and Amundi in France and abroad. Crédit Agricole CIB provided €300,000 in support to the APHP and the Simplon Foundation as part of the #Gardonslelien Avec Nos Aînés initiative. These support actions were crowdfunded by employees. LCL also donated 1.7 million masks to the Normandy regional health agency.

Employee engagement

Created in 2012, the CA Solidaires programme supports **the engagement of Group employees** in support of charitable causes of general interest. Various forms of engagement through skills volunteering or volunteer work are offered: missions carried out at non-profits, one-day collective or consultancy missions together with other Group employees, or support provided to recipients of tutoring services.

The Crédit Agricole S.A. "**Coups de Pouce**" (Helping Hand) programme supports employees involved in charity work. In 2020, seven entities (Amundi, CACEIS, CA Immobilier, Crédit Agricole Assurances, Crédit Agricole CIB, Crédit Agricole S.A. and LCL) took part in this programme. The principle is that each employee can submit his or her charitable project to a jury to obtain a grant. In 2020, a total of 98 charities received €322,000 in financial support.

A **humanitarian banking** programme was set up in conjunction with the **Grameen Crédit Agricole Foundation** whereby Group employees were offered the opportunity to take on technical assistance assignments on behalf of the Foundation's partners. A total of 128 mission days have taken place since the creation of this programme.

Cultural sponsorship

Crédit Agricole S.A. is a partner of the European Heritage Days with the French Ministry of Culture. Crédit Agricole S.A. realises that heritage is a regional challenge and uses this sponsorship to echo the role played by the Regional Banks and the Crédit Agricole Pays de France Foundation in the regions.

In total in 2020, Crédit Agricole S.A. supported cultural sponsorship projects in the amount of €3.2 million.

Protection of the environment

Crédit Agricole S.A. has been an official partner of the Plastic Odyssey **expedition** since 2019, along with 16 other Group entities, whose aim is to curb plastic pollution of the oceans and promote recycling channels. This worldwide awareness and action programme is conducted from an ambassador ship for the reduction and recycling of plastic waste. It will set sail in the spring of 2021, first in France and then in the Mediterranean. The issues for these ports of call: by sharing open source recycling technologies, encourage the creation of plastic recycling micro-companies. Crédit Agricole's financial commitment will last for five years and total €1.2 million.

Since 2018, Crédit Agricole Assurances has been a partner of the Plantons pour l'Avenir endowment fund. The fund aims to support the development of innovative forest management practices tailored to climate change and to accelerate reforestation in France by providing the necessary funding for planting projects (in the form of an advance repayable at 0% interest over 30 years), supported by owners committed to the sustainable management of their forests. Since 2018, more than 666,000 trees have been planted through this partnership.

Under its three-year framework agreement with France's **Muséum national d'Histoire naturelle (MNHN)**, Crédit Agricole S.A. will continue to support the MNHN's research programme on biodiversity in agriculture and natural site preservation as part of joint volunteering actions with other Regional Banks and the CA Pays de France Foundation. In 2020, the natural sites of Le Harmas de Fabre (Vaucluse) and Parc de la Haute Touche (Indre) were supported. Crédit Agricole S.A. has also entered into a partnership with some of the Regional Banks along the coast for the Plages Vivantes participatory science programme. Since the signature of the sponsorship framework agreement in 2018, the Crédit Agricole Group has supported the Muséum national d'Histoire naturelle with €545,000 in funding.

In total in 2020, Crédit Agricole S.A. supported environmental volunteer projects in the amount of €835,000 million.

2.4.2 A strong ethical culture

In line with stakeholder expectations, **a culture of ethics is one of the foundations of the Crédit Agricole Group's value creation model**. The interaction of the Group's systems, standards and values are all powerful levers to reinforce, every day, this powerful distinguishing mark of our Group.

2.4.2.1 A group committed to protecting the interests of its customers and the trust of its stakeholders

Policy

The Group Compliance department defines and implements a Group-wide non-compliance risk prevention policy. These risks include money laundering, terrorist financing, international sanctions, fraud, corruption and failure to follow the rules for protecting customers and personal data. This system relies in particular on organisations, procedures, training and awareness programmes, and information systems or tools used to identify, assess, monitor, control these risks and determine the necessary action plans.

Action plans and results

Launched in 2019 within the Compliance department for the next three years, the *Smart Compliance* project is organised around two lines:

- *the first is defensive, organised around adhering to regulations and protecting its corporate image;*
- *the second is offensive and targets operational efficiency and fairness to customers.*

Its implementation in 2020 will result in various projects to improve customer relations, deploy high-performance Group tools, increase efficiency and productivity and develop the innovation ecosystem, in particular with the innovation laboratory for compliance: Compliance Valley. *Smart Compliance, including the* **customer protection** system, is being used for the 2022 Group Project. As a result, in 2020, the Crédit Agricole Group continued to deploy this system, which is a strong distinguishing mark of the Customer Project, Societal Project and Human Project, as part of a continuous improvement approach.

Four pillars of excellence were defined to achieve the objectives set for **customer protection**:

- *a high level of quality of offerings and approaches marketed (product governance monitored over time, standardised NAP process);*
- ***a permanent transparency requirement**, through improvement of clarity of information provided to customers (documentation and pricing);*
- ***the implementation of fairness in advising:** delivering fair advice to all of our customers, including the most vulnerable and disadvantaged. This challenge takes on its full meaning in the context of the public health crisis, where the Crédit Agricole Group is putting all the necessary resources in place, both for its individual and small business customers, to support them through this exceptional period;*
- ***listening to customers** as a tool for the continuous improvement of the offerings and services marketed by the Group. To that end, the claims system is at the heart of our actions.*

Given the strengthening of legal obligations relating to the **fight against corruption**, since 2018 Crédit Agricole has taken the necessary steps to deepen its systems and implement the recommendations of the French Anti-Corruption Agency. These include updating procedures and operating methods by defining appropriate governance, preparation of a dedicated Anti-Corruption Code, renovation of its training and awareness-raising programme for employees to highlight the behaviours to be adopted to avoid any breach of probity. Crédit Agricole is the first French bank to receive ISO 37001 certification for its anti-corruption management system, which was renewed in 2019[(1)].

98% of Crédit Agricole S.A. employees had received anti-corruption training by the end of 2020.

Fraud prevention is designed to protect the Bank's interests and to safeguard customers. The fraud prevention system has been deployed in all Crédit Agricole Group entities since 2018. A Compliance/Prevention of Fraud and Corruption business line structure has made it possible to strengthen tools, detection and control procedures and employee training programmes.

At end-2020, 96% of Crédit Agricole S.A. employees had been trained in fraud prevention.

The Crédit Agricole Group regularly strengthens its measures to **prevent money laundering and combat the financing of terrorism**. Our system, which is managed by the Financial Security business line throughout the Group, is based on the implementation of constant vigilance measures throughout the business relationship, for both customers and transactions, in a manner that is adapted and proportionate to the risks. To this end, IT tools for customer profiling and the detection of unusual operations assist the Group's employees. The **fight against terrorist financing** and **compliance with international sanctions** also require constant cross-referencing of customer files with sanctions lists and the monitoring of international operations. In addition, general training is provided to all employees, as well as specialised training for the most exposed functions. Moreover, as a follow-up to the agreements signed with the US authorities in October 2015 for actions that date back to a period between 2003 and 2008, the Group has implemented a staggered remediation plan that will continue until 2021 and is designed to significantly strengthen its system for managing the risks of non-compliance with international sanctions. This plan is regularly monitored by the Board of Directors.

These preventive measures have been supplemented by the implementation of a **whistleblower mechanism** whereby employees are able to alert the entity's Compliance Officer if they observe an irregularity in the usual process of reporting non-compliance or if they feel pressured to do something that would constitute non-compliance, without going through their direct supervisor. The deployment of a **new IT platform** throughout the Crédit Agricole Group's scope to enable all employees to exercise their whistleblowers' right in complete safety and confidentiality was finalised in 2020. It covers over 300 entities with around 500 employees authorised to use the tool to process alerts. At this stage, over 100 alerts have been raised and processed via this new system, which also covers reports of incidents that fall within the scope of the duty of vigilance.

The Crédit Agricole Group adopted a **Personal Data Code** in 2017. The Code consists of five core principles (data security, integrity and reliability, ethics, transparency and education, customer control) designed to inform customers and to share best practice with employees of Group entities[(2)].

2.4.2.2 The promotion of ethical culture among Directors and employees

Policy

Beyond compliance with the regulations and ethics applicable to banking and financial activities, Compliance:

- is an opportunity to convey a positive image of responsible entities acting in the interests of their customers;

(1) Achievement rate based on e-management, within the Group's scope (excluding LCL and BPI Romania), calculated based on the workforce present at the time and paid at 31 December 2020 for the reference period (three years).

(2) https://www.credit-agricole.com/content/download/122698/2442388/version/2/file/Charte_Utilisation_Donnee.pdf

Refer to the glossary on page 681 for the definition of technical terms.

- helps to maintain trust in the bank among all stakeholders (customers, employees, investors, regulators, suppliers and companies).

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

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

Action plans and results

A programme for instilling a **culture of ethics** was defined in 2019 and implemented in 2020 to acculturate employees to ethics in an innovative way and to measure, using common indicators, their level of acculturation. This ethical culture is also shared through a comprehensive programme of **mandatory training** sessions for all employees in France and abroad.

An ethics acculturation programme continued in 2020 with the designing of an ethical communication kit (visual identity, newsletter template) and the sending of an "Ethics and you" quiz to the employees of the entities registered in the FReD initiative. Some entities also have their own programme to instil an ethical culture, such as Crédit Agricole Consumer Finance France, which in 2020 launched the distribution of four podcasts presenting issues and measures to combat corruption and implemented "Agora Compliance", an acculturation programme for 12 Compliance coaches.

In 2020, the **training programme** for all of the Group's employees was maintained with the obligation to take the five e-learning modules that make it up: day-to-day compliance, anti-money laundering and combating the financing of terrorism (AML-CFT), international sanctions, the prevention of external fraud and the fight against corruption.

The granularisation of "Everyday Compliance" e-learning continues, enabling employees to be directed, if necessary, only to the content they need. Its content has also been strengthened. This new version will be made available to entities starting in January 2021. The anti-corruption certificate required by the AFA[(1)] has been natively integrated into the "Combatting corruption" e-learning module. The signature is collected at the time of training. We took advantage of this opportunity to update the e-learning content to raise employee awareness of the right to alert and the whistleblower mechanism set up within the Group.

In 2020, 95% of Crédit Agricole S.A. Group employees had received training in day-to-day compliance (data confidentiality, irregularities, right to alert, reputational risk, inside information, etc.)[(2)].

As part of efforts to professionalise the Compliance business line, among the 11 in-person training courses offered, the 3.5-day "Fides Academy Orientation Workshop" in 2020 professionalised nearly 60 new Compliance hires (France and abroad).

In accordance with European Banking Authority guidelines and the provisions of the French Monetary and Financial Code, **the Compliance Officers train Directors and members of the Board of Directors** on current regulatory issues. For new members of the Boards of Directors of the entities, material on "Compliance Issues" was made available to the Group entities to train them in-person. The objectives are to provide summary information on current regulatory issues relating to compliance, financial security and international sanctions, as well as to discuss the practical consequences of this environment on the role of the Director. Once a year, the Board of Directors is also informed of regulatory changes during the year.

2.4.3 The Human Resources ambition: to strengthen autonomy and the assumption of responsibility

The women and men of Crédit Agricole are central to the success of the Group. In an increasingly digital society, the direct responsibility that a company's empowered employees can offer their customers is key. The Group places this responsibility at the centre of its Human Project. We have a strong commitment to our employees as a responsible employer:

- to ensure equity and promote diversity with a view to inclusion;
- to improve the quality of work life and guarantee the health and safety of employees;
- to maintain an active dialogue with employee representatives.

Our ambition: **To be the preferred employer in France in financial services and in the Top 5 in Europe.** To that end, the key success factors are cultivated by the Human Resources Department:

- a variety of career paths with opportunities for advancement fostering employee accountability, with a view to sustainable employability;
- an innovative and fulfilling working environment and practices, which drive performance;
- a responsible, high-performance company which fosters customer, regional and economic development in France and abroad.

2.4.3.1 Encouraging responsibility

Our **Human Project** is focused on **local accountability to offer customers ongoing access** to a trained, autonomous person with the authority to take action. This empowerment of all customer-facing employees will go hand in hand with a change in our managerial culture. To guarantee progress, we have defined support for everyone from our managers to our field employees as follows:

- *leaders who embody the managerial transformation;*
- *entrepreneurial managers who distribute the new codes of behaviour to all teams;*
- *employees who take an active role in their careers and who get training on digital, behavioural and cross-disciplinary skills to continue to develop and adapt to changing business lines.*

(1) AFA: French Anti-Corruption Agency.

(2) Achievement rate based on e-management, within the Group's scope (excluding LCL and BPI Romania), calculated based on the workforce present at the time and paid at 31 December 2020 for the reference period (three years).

In addition to this variation and to drive this transformation among all employees, Crédit Agricole S.A. has partnered with **Philonomist, a digital platform that uses a philosophical approach to provide content on major societal and economic challenges** for the Group. One year after its launch, there are 5,472 registered employees, more than 23,500 connections to the site, 47 personalised newsletters published, and users from 23 countries.

Listening to our employees and encouraging engagement

Policy

In a changing environment, **employee engagement is a more important driver than ever for performance**. Launched in 2016, the ERI (Engagement and Recommendation Index), an annual anonymous internal survey was rolled-out simultaneously in the various Group entities in France and abroad.

Action plans and results

This year, the scope included 19 Crédit Agricole S.A. entities in France and abroad, as well as 30 Regional Banks and affiliated entities. A total of 126,015 employees were invited to participate in the survey in 52 countries.

A record participation rate of 80% was achieved, up 3 points since 2019 (and 21 points since 2016). The results highlight areas of strength, which are on the rise and should be capitalised on, in particular increased commitment to the initiative (+3 points compared to 2019), pride in belonging to the Group (+4 points), understanding and adherence to the Group's and the company's strategy (+7 points) and the employer recommendations (+5 points). The tools and resources made available to facilitate the work of employees, and the strengthening of support for managers under heavy pressure in the current public health crisis, are sources of dissatisfaction where Crédit Agricole S.A. is continuing its efforts. **Crédit Agricole S.A.** launched an initiative to listen to employees after the first lockdown. The *Legend* questionnaire was sent in June 2020 to all employees of Crédit Agricole S.A. entities in France and abroad. Over 50,000 people responded to questions based on five themes: the experience of the lockdown, work organisation, managerial models, social ties and corporate culture, and the design of workspaces.

Boost employee skill development in a changing environment

Policy

The evolution and development of our employees' skills pose a major challenge in this time of dramatic and accelerating change. To support them, the Group focuses on three key areas:

- creating an environment that encourages learning new things to ensure sustainable employability;
- promoting continuous skills development and continuous adjustment to how business lines are changing;
- supporting the acquisition of new skills and anticipating change.

Action plans and results

Develop employee skills and adapt HR initiatives to the challenges of transformation

With the support of **IFCAM**, the training offer is regularly expanded with a willingness to make this offer even more accessible. In 2020, 76,279 Crédit Agricole S.A. employees completed at least one training session and 1,825,353 training hours were provided despite the public health situation. Against the backdrop of the public health crisis, the Training business line has adapted its offering and training methods by prioritising the deployment of distance learning and investing in distance learning solutions and tools.

Adapt business lines and IT skills to technological changes

HR initiatives to develop skills and support integration and mobility for the 8,000 employees of the **IT Business Line** (LMSI) of Crédit Agricole S.A. have been set up. **Crédit Agricole S.A.** has set up a course that certifies Data Scientists in partnership with Ecole Polytechnique, as well as certificate-level training in Data Science with Python certificate, in partnership with La Sorbonne, for LMSI employees.

Raise awareness of digital and innovation

After making a digital acculturation platform known as Digitall available to employees in June 2017, an online platform for evaluating and documenting digital skills called **PIX**, developed at the initiative of the Ministries of Higher Education and National Education, was launched by IFCAM in 2019.

Continuously develop our skills in key areas of expertise

Since September 2020, a page dedicated to **Risk Culture** has been accessible on the intranet, enabling all CACEIS employees to better understand the various risks to which CACEIS is exposed.

Amundi has strengthened the compliance aspect of management skills by encouraging every portfolio manager with a grandfathering clause to train and obtain AMF certification. Amundi has also expanded its ESG-themed training offer.

Crédit Agricole CIB has strengthened the development of compliance culture in line with a new approach to mandatory training, the My Mandatory Learning Camp. Since 2019, Crédit Agricole CIB has also deployed a skills sponsorship initiative that offers volunteer employees the opportunity to enjoy an immersive experience of one to three months within Village by CA start-ups.

Crédit Agricole Payment Services has set up a development centre for its payment experts to structure the payments business line and increase its influence and attractiveness.

Crédit Agricole Payment Services has set up a development centre for its payment experts to structure the payments business line and increase its influence and attractiveness.

Develop cross-functional behavioural and managerial skills

The increase in the number of training courses relating to these cross-functional skills continued in 2020 with IFCAM's rollout of the "Cross-functional skills course".

To support the managerial transformation and the evolution of the managerial culture, the Group has deployed the **"Leadership, Direction and Empowerment" programme** for managers designed in partnership with the "Purposeful Leadership" Chair at HEC Paris.

Amundi coordinates its young talents through the NOVAMUNDI development programme, in which participants work in sub-groups on projects that transform the company, with the sponsorship of a member of the Management Committee.

Promoting employee mobility

Career Pass, the Group's mobility service, enhances and creates a link between all tools available to employees. It makes it possible to find, activate and promote the various mobility schemes. Thanks to dedicated tools and a network of dedicated HR representatives, the Career Pass makes it possible to gain employability throughout one's career within the Group.

Crédit Agricole S.A.'s internal job exchange, **Myjobs** is an essential tool for discovering the Group's employment landscape. **MobiliJobs**, the day dedicated to mobility employees, is organised once a year. This event combines business conferences, professional development sessions and LinkedIn workshops. For the first time, the MobiliJobs was held in 100% digital format to offer flexible and simple access to mobility and to all of the Group entities in France and abroad. **MobiliMeetings** are informative, participative and interactive workshops held every two months that are open in person or via webinar to all Group employees who are considering mobility. **Jobmaker** is a digital support tool at all stages of a mobility programme that makes employees active participants in their career paths that has been available to all Group entities since September 2020.

Refer to the glossary on page 681 for the definition of technical terms.

Attracting talent, developing our employees and preparing for the future

Policy

Crédit Agricole S.A. is a major player in employment in France, with 5,383 new hires in 2020, and hosting 1,861 work-study contracts. Crédit Agricole S.A. has developed an approach **to identify and develop its talents and managers** based on managerial guidelines and a unique selection process shared across the Group that gives each person the same chances of achieving their ambitions and moving forward. Three priority challenges have also been established: continue to constitute pools with the aim of providing appropriate people for the Group's succession plans and occupations, and develop gender equality in managerial functions and the internationalisation of our talent pools.

Action plans and results

Promote the employer brand and develop our talents

Crédit Agricole S.A. has continued to develop its 100% digital employer brand strategy. In particular, the Group was recognised in by Potential Park in 2020, when it was ranked second (out of the 100 largest companies in France) for its presence on social networks and third for its global digital strategy that positions the Group as first in the banking sector.

Crédit Agricole SA has spoken to as many people as possible by intensively pre-empting social media on a network of entities, Group, regional, national and international level. Through the social networks LinkedIn, Facebook, Twitter and Instagram, and under the employer signature **"For you, everything starts here",** Crédit Agricole S.A. has organised its communications around four themes identified as levers of attractiveness for our targets: career opportunities, our values and commitments, sharing experience with our employees and participation in events.

In 2020, the Group's employer brand published nearly 600 posts on social media, representing over 4.8 million impressions. The alternance employer brand and Finance business line videos received over 2.3 million views on YouTube in 2020. The Group's work-study recruitment campaign led to the receipt of over 14,600 CVs (twice as many as in 2019) and a cost per CV acquired of 30% less than in 2019. A structuring project was conducted in 2020: **the total overhaul of the candidate's career path** on the Crédit Agricole S.A. Group's recruitment site, which is becoming a multi-brand, multi-business platform with an international dimension that incorporates the best practices and functionalities of e-commerce.

2.4.3.2 An organisation to be closer to customers

Policy

The Group stands out by offering its customers **direct access to a local customer relations manager.** This manager demonstrates good judgement and has more responsibility to satisfy customer needs quickly. Internally, this is achieved through greater cross-functionality and collective agility while adapting to the digital change that is impacting how we work.

Action plans and results

Greater responsibility and cross-functionality

At the end of 2020, in response to the lessons learned from the public health crisis and the new expectations and practices of its customers and employees, **LCL** is deploying a major structuring project in its development strategy called "LCL Nouvelle Proximité". The purpose of this project is to instil more autonomy and more confidence within employees to take the initiative locally, to offer its customers better reactivity and support with a contact person capable of making decisions. This project is also an opportunity to strengthen solidarity and cooperation between the teams at headquarters and in the network, between the support and sales functions.

Crédit Agricole Immobilier has, through co-construction workshops involving a hundred or so employees, established a new customer relationship posture to work as closely as possible with customers. The goal was to make in-depth changes to customer relationship practices for all employees and all business lines.

More agile and innovative ways of working

In November 2020, to better meet the expectations of its customers, **LCL** launched LCL Visio, a new communication channel accessible to all Advisers in all of the Bank's markets, including AngleNeuf and Interfimo.

LCL has also deployed a conversational assistant for its employees: the Eureka chatbot, based on an artificial intelligence solution, which already answers more than 1,000 different types of questions every day.

2.4.3.3 Strengthening the framework of trust between employees and the company

Social dialogue, which is one of the fundamentals of the social pact of Crédit Agricole SA, is one of the Human Pillar aspects of the Group's "Ambitions 2022" project. This is illustrated in particular by the vigorous dialogue within three representative bodies at Group level. The year 2020 was marked by **the deployment of the Group agreements signed in 2019**, the International Framework Agreement and the agreements relating to trade union careers, and by **the strengthening and intensification of social dialogue to support the management of the COVID pandemic public health crisis.** Furthermore, to **develop leadership, accelerate our managerial transformation,** meet tomorrow's challenges and attract talent, the Group has made diversity a priority in its Human Project.

Guaranteeing constructive social dialogue within the Group

Policy

Social dialogue is embodied by two cross-functional organisations within Crédit Agricole S.A. and the Regional Banks: the European Works Council and the Group Works Council, and a specific body within Crédit Agricole S.A. called the Consultative Committee. In 2020, social dialogue at both Group and entity level was largely devoted to the deployment of agreements and the management of the public health crisis.

Action plans and results

The European Works Council met as a Select Committee four times during 2020 to discuss the Group's results, the measures taken to deal with the COVID-19 pandemic and issues specific to the entities. Furthermore, in October 2020, the study mission to the Netherlands by the members of the Select Committee, accompanied by an expert, took place remotely.

In 2020, **the Group Works Council** met once in plenary session (the one in the first half of the year was cancelled due to the public health situation) the Economic and CSR Committee met twice. In addition to the presentation of the 2019 results and the Group's general progress, these meetings provided an opportunity to present various Group news items.

The Consultative Committee met twice in 2020 to examine various topical issues facing the Group, in particular the measures taken by the Group to deal with the COVID-19 pandemic, and the return of the above-mentioned "*Legend*: lockdown and changes in working methods" survey. The Crédit Agricole S.A. Group **trade union correspondents** are supposed to strengthen social dialogue by sharing information of a social nature in an informal and constructive manner. They met 11 times during the year. Between March and July, weekly meetings were set up as a result of the COVID crisis and this pace was resumed during September.

Created by the job and skills forecast management ("GPEC") agreement of 6 July 2012, two complementary bodies are specifically dedicated to the issue of employment and skills: **the GPEC Committee** is charged with monitoring the strategy and its foreseeable consequences on employment; it met twice during 2020, and the mission of the **job trends watch unit** is to conduct prospective analyses on changes in business lines and job trends; it met three times during 2020 to follow up on the agreement and take stock of the first achievements.

Crédit Agricole S.A.'s open-ended agreement on the **career path of employee representatives** signed in 2019 provides for several types of action to promote employee representation, a Group-wide harmonised system for career management and interviews, and special monitoring of compensation. Actions undertaken in 2020 include:

- the drafting of a skills toolkit, 13 mandate sheets, interview materials for beginning a mandate and ending a mandate, together with a user guide prepared in consultation with the TU representatives;
- an initial webinar on CSR;
- a space dedicated to group social dialogue within the Me&CA HR portal.

The Crédit Agricole S.A. Group fixed-term agreement on professional support for employees who leave their positions as employee representatives provides that each entity will appoint one HR representative in charge of repositioning employee representatives and will set up a support mechanism for employee representatives who have lost their positions as representatives. By the end of 2020, all of its provisions were implemented.

Entities in France

The quality of social dialogue within Crédit Agricole S.A. is illustrated by the implementation through collective agreements of the provisions resulting from the order of 25 March 2020 on paid leave, working hours and rest days, which allow companies to impose or organise the taking of leave, RTT (shorter work week) and CET (time savings account) days to handle changes in activity.

A Group doctrine has been defined. In essence, it provides for the possibility of requiring the taking of 10 days of leave or rest by 31 May 2020, with five rest days that may be required if necessary between 1 June and 31 December 2020.

On the basis of this position, the Group's 12 main subsidiaries opened negotiations which led to the signing of 12 collective agreements, nine of them unanimously.

In preparation for the release from lockdown announced for 11 May, the CSEs were informed and consulted on the end of lockdown process and the associated public health protocol. They were also consulted during phase 2 of the end of lockdown.

The entities in Italy, Poland and Romania

At CA Italia, an agreement allocates five days of online training to sales network employees. There are ongoing discussions with trade union organisations on all aspects of the crisis.

At CA Polska, meetings have been held with trade union organisations since the start of the public health crisis to share information on the new working conditions and the measures put in place to ensure employee safety.

At EFL, the trade union organisations were regularly informed whenever actions were launched and they were involved in them. Regular telephone updates are being organised. One of these updates was organised with the members of the Board of Directors to provide answers to their questions, in particular on the employment situation, strategy and results.

At CA Romania, an employee representative was appointed and is involved in the measures taken.

At Group level

A meeting with *UNI Global Union*, signatory of the international framework agreement, was held on 9 April to hear the latest updates on the situation. Crédit Agricole S.A. was the first French bank that was signatory to an agreement with UNI to have organised such an exchange.

Building on our diversity for a stronger workplace community

Policy

Defined by a decentralised and entrepreneurial culture where humanity is what brings us together and share with each other, our Group embodies diversity. Four priorities for action with concrete commitments have been set: continue to increase the number of women in our decision-making bodies, step up the international presence in our talent pools, develop social diversity, integrate young people and promote the transfer of our most experienced employees, and amplify our disability commitments (through the development of recruitment efforts and the implementation of conditions conducive to encouraging the recognition of employees with disabilities).

Gender equality at work

Action plans and results

For the past several years, Crédit Agricole S.A. has been committed to efforts to **promote gender equality at work,** notably through signing agreements on topics such as equality in recruitment, training, promotion, compensation and work-life balance. In 2020, 53% of the Group's worldwide workforce was women.

Crédit Agricole S.A. has put in place a number of measures to support work-life balance, such as "reducing the impact of **maternity leave** on women's careers — retaining their commitment and developing their talents", "responding to the new expectations of employees who are parents", "adapting work organisation to allow greater flexibility", and "promoting a better balance for the proper management of parenthood".

With regard to **equal pay for women and men**, the Group and all its entities carry out regular analysis to monitor the appearance of any pay differences, and if appropriate, plan remedial measures. The publication of the gender equality index, established by the French government, helps demonstrate the effectiveness of the actions taken at the Group with positive grades of between 75 and 98/100 for the Crédit Agricole S.A. Group entities. The Group's proactive diversity policy has been translated into concrete action through:

- the significant increase in the number of women on the Crédit Agricole S.A. Executive Committee (from 6.5% in 2016 to 25% currently);
- the number of women at the highest decision-making bodies of the Group entities (24% at 31 December 2020);
- the Group has made steady progress in the SBF 120 ranking of women in decision-making bodies over the past four years. With 46 places gained between 2015 and 2019, the Group entered the Top 50 in this ranking.

In order to continue to make progress and accelerate the increase in the number of women in the decision-making bodies of Crédit Agricole S.A. entities and among our senior executives, the Group has set up a number of quantified action levers with:

- the integration of a success criterion in the compensation of the members of the Crédit Agricole S.A. Group Executive Committee as part of our Strategic Ambition 2022: 30 % women presence on decision-making bodies by 2022;
- the integration of this criterion among the steering indicators of our Human Project.

Refer to the glossary on page 681 for the definition of technical terms.

In addition, a specific review of the management teams and succession plans takes place every year with a point dedicated to the identification of female talent. Particular attention is always paid to the promotion of talented women when filling managerial position and appointing executives and at least one female candidate is included on the list of candidates. **Various complementary initiatives** translated into specific development programmes are also being orchestrated to support this ambition such as:

- *training in the role of a Director;*
- *a mentoring programme by members of the Group Executive Committee for our future executives;*
- *a new managerial programme called "Leading@Crédit Agricole" with a special focus on women.*

Paying special attention to the internationalisation of our talent pools

With more than half of our employees working abroad, the internationalisation of our talent pools is a major challenge for the Group. A target of 20% for the "international" presence in succession plans by 2022 has been set and this criterion has been integrated into the steering indicators of our Human Project.

Improving employee awareness of gender equality issues

Tolerance and openness to others contribute to the sense of belonging of our Group's employees. In order to combat all forms of discrimination and make diversity a catalyst for corporate transformation and managerial performance, regular actions to raise awareness about **stereotypes** have been taken within the Group. **Gender Equality Week,** organised each year since 2011, represents an important opportunity for communication, discussion and raising awareness for all employees in the form of conferences, information materials and events. In 2020, the Group transformed Gender Equality Week into **Diversity Month** to capitalise on our diversity and offer a multiplicity of perspectives with words from members of the Executive Committee and employees around the world and from outside the Group.

Inclusion of young workers and access to employment (work-study and internships)

Discovering the diversity of the company's activities through a work-study contract or an internship is one of the best ways to acquire skills and refine one's career path to be integrated into working life.

- **Young people from priority education zones:** in 2020, to maintain the Group's commitment to 14-15 year old students from priority education network (REP and REP+) schools, the planned internship required for year 10 students (*stagiaires de 3e*) was adapted to COVID-19 public health constraints.
- **Apprenticeships:** there are currently 1,861 work-study students at Crédit Agricole S.A. In 2020, the Group decided to maintain the 2020 work-study recruitment campaign and to generalise remote recruitment during the lockdown phase.

The "Point de rencontre" programme initiated in 2015 by **LCL** and the association Apels (Agency for Education through Sport), offers young adults with few qualifications who are involved in sport the opportunity to join a training scheme to become Individual Customer Advisers. In addition, from 21 September to 2 October 2020, LCL organised a recruitment forum with the association "Nos Quartiers ont du Talent" (NQT) to enable the integration of young graduates who do not have a job. Fifteen candidates were selected for the positions of Individual Customer Adviser and Hospitality Adviser.

Disabilities policy

A sixth agreement for the employment of people with disabilities, signed with all trade unions representing Crédit Agricole S.A. for the period 2020-2022, renews the Group's ambitions in terms of inclusion by adapting our commitments to regulatory changes that encourage companies to expand the direct employment of people with disabilities.

The 2020-2022 agreement continues the Group's ambitious policy, with a commitment to recruit 145 disabled employees, including 55 on permanent contracts. It also highlights our desire to monitor the transformation of temporary contracts into permanent contracts, with a 25% transformation commitment at the end of the agreement. The year 2020 will have been a special year, impacted by the public health crisis, which largely imposed a slowdown on all projects and projects identified in the Group's disabilities policy roadmap. Crédit Agricole S.A. recruited 71 employees with disabilities, including 24 on permanent contracts, in 2020. As every year, Crédit Agricole S.A. was involved in communication and awareness-raising activities, particularly during the week for the employment of people with disabilities, which took place from 16 to 20 November.

Health, safety and quality of work life

Policy

Faced with the new requirements of an environment that is changing dramatically and changes in the way people work, the Group is convinced that QWL is a major contributor to economic performance and employee engagement. The Group's push through its teleworking charter, which was renewed in 2018, continues to be defined by the entities themselves, primarily through the implementation of agreements on these topics negotiated at each entity and the implementation of actions to promote and anchor QWL in their company policies.

Action plans and results

As part of the actions provided for in the International Framework Agreement, a study on maternity leave and insurance arrangements was conducted by Mercer in 2020 among all the Group entities, which are present in 50 countries. In December, the monitoring committee was presented with the results of the maternity study and the 16-week leave, as well as the audit methodology for the insurance scheme.

The year 2020 was largely devoted to managing the public health crisis linked to the COVID-19 pandemic, with the setting up of Group coordination, the deployment of measures to protect employees and actions to support them throughout this period. From the start of the crisis, the Group implemented a transformation of work organisation through the massive use of teleworking during periods of lockdown, which affected the vast majority of employees, excluding sales networks. Strict public health measures have been taken in the workplace to protect the health of employees working on site or in branches. **In addition, the Group has maintained the compensation of all of its employees, regardless of their status, and has not made use of the partial employment scheme.**

All Group entities have also worked to update their single occupational risk assessment document (DUERP) to take into account the risk of a pandemic as well as the risks associate with work organisation implemented during periods of lockdown. **Several actions were implemented to support employees during this period,** such as medical teleconsultation, psychological units, additional insurance coverage, teleworking charters or support measures for employees' children with a tutoring offer.

Refer to the glossary on page 681 for the definition of technical terms.

2.4.4 Taxation and responsible lobbying policy

The tax policy of Crédit Agricole S.A. complies with transparency and accountability rules that require it to follow the tax laws and regulations in force in the countries and regions in which it operates.

2.4.4.1 Tax policy

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.

Action plans and results

In France and abroad, the Group complies with the mechanism in force to fight tax evasion. Crédit Agricole S.A. has no entity in countries on the list of non-cooperative tax countries and territories established by France and the European Union (Law no. 2018-898 of 23 October 2018 on the fight against fraud).

Crédit Agricole S.A. is also transparent about its organisation, the location of its entities, its structure and its operations. Accordingly, it maintains a professional and cooperative relationship with tax authorities in all countries in which it operates, and fully, frankly and transparently discloses all relevant information in compliance with its legal disclosure requirements whenever disputes arise. Crédit Agricole S.A. publishes a country by country breakdown of its full-time equivalent employees, revenues generated locally, its pre-tax income, taxes and profit in each country (distinguishing between current tax and deferred tax), plus all public subsidies it received (see pages 660 and 661). Crédit Agricole S.A. also annually publishes a list of all its subsidiaries and entities, with their name, business type and geographic location. When the Group operates in countries where income tax is considerably lower than French income tax, it can prove that it operates a bona fide banking and finance activity in these countries and has real economic substance in these locations. It also communicates transparently on tax audits performed within the Group, any adjustments notified by the tax authorities and the resulting provisions.

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. Furthermore, in accordance with the standard on the automatic exchange of information developed by the OECD to combat tax evasion, adopted by about one hundred countries and transposed by the European Union, the Crédit Agricole Group entities identify account holders who are tax residents of the countries with which an exchange agreement has been signed and sends information about these customers each year to their local tax authority, which then forwards it to the tax authority in the relevant country of residence.

In order to demonstrate precisely how Crédit Agricole S.A. applies a policy of transparency to its organisational structure and locations, it is useful to note that wherever Crédit Agricole S.A. is present worldwide with subsidiaries and branches and where it generates significant revenues, it has strong local teams and is subject to local corporate income tax. **Crédit Agricole S.A.** also applies a transfer pricing policy in accordance with OECD principles: it declares its income and pays the corresponding taxes in the States in which it carries out its banking or financial activity. Crédit Agricole S.A.'s effective tax rate in 2020 was 22.23%. The Crédit Agricole Group's effective tax rate is 26.51% in 2020.

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.

2.4.4.2 Responsible lobbying

Policy

Crédit Agricole S.A. is **transparent about its lobbying efforts with legislators and fiscal policymakers**, and its taxes are determined by the legal tax regime applicable to all other similar taxpayers. It conducts its lobbying activities in full transparency with all stakeholders and complies with prevailing best practices. Actions are carried out to enhance the value of our customer-focused universal banking business model and to promote our *Raison d'Être*[1], "Working every day in the interests of our customers and society". In 2020, the major areas concerned the financing and support of the economy in the unprecedented context of the COVID-19 pandemic, support for energy transition as well as the preservation of the special mutually shared values.

Action plans and results

The Group Public Affairs department is responsible for lobbying on behalf of the Crédit Agricole Group. With a staff of ten, including three full-time employees in Brussels, it is supported by contact persons in the Group's departments and subsidiaries. Also subject to the **Internal Code of Business Conduct** and the monitoring of its budget by the Finance department, the Group Public Affairs department regularly communicates key messages and positions advocated to internal bodies, including the Executive Committee, the Management Committee and the Specialised Committees of the Board of Directors.

Since 1 January 2016, the duties of the Head of Group Public Affairs have been extended to cover the entire Crédit Agricole Group, including the Regional Banks, Fédération Nationale du Crédit Agricole and Crédit Agricole S.A. Many of the issues it deals with involve working closely with the French Banking Federation (FBF), or the French Insurance Federation (FIF), as well as the European Banking Federation (EBF), or Insurance Europe, the Association for Financial Markets in Europe (AFME) and/or the European Association of Cooperative Banks (EACB) at the request of Fédération Nationale du Crédit Agricole, of which it is a member. In addition, the Group contributes to consultations with French and European authorities on such topics as banking inclusion, the digital transformation of the banking sector and sustainable finance.

To ensure that its lobbying activities comply with best practices, Crédit Agricole S.A. adopted a **Lobbying Charter** in 2013. The charter applies to Crédit Agricole S.A. and all of its entities. Registered since 2009 on the European Union Transparency Register, Crédit Agricole S.A. has undertaken to adopt the Code of Conduct for interest representatives. In France, Crédit Agricole S.A. is registered with the digital register for interest representatives pursuant to the Sapin II Law of 9 December 2016.

(1) Please refer to the glossary for the definition of Raison d'Être.

 Refer to the glossary on page 681 for the definition of technical terms.

2.4.5 Responsible purchasing

Policy

The Crédit Agricole Group has adopted a **Responsible purchasing policy** to address the major challenges of tomorrow in the regions where it operates and contribute to the Company's overall performance. This policy is included in the **Group Code of Ethics.** This policy was created together with Group entities and the Regional Banks. The Chief Executive Officers of Group entities are each committed for their entities and have signed this policy. The Responsible purchasing policy applies to all employees, anyone involved in the purchasing process and our suppliers.

Action plans and results

The Responsible purchasing policy is expressed through an **action plan called "ACTE 2022**", which is directly linked to the three Ambitions 2022 projects:

- Customer/Supplier Project: ensuring responsible conduct in supplier relations;
- Human Project: a changing purchasing business line that develops the skills of its teams;
- Societal Project: integrating environmental and societal aspects into purchasing.

Crédit Agricole S.A. signed the **Responsible Supplier Relations Charter** in 2011. Furthermore, the **"Supplier relations and responsible purchasing" label** granted by the French Ombudsman and the French National Purchasing Board (CNA), was renewed in April 2018 across a broadened scope to include Crédit Agricole S.A. and its subsidiaries. The organisation and actions of Crédit Agricole S.A. and its subsidiaries were certified to be at a "convincing" level compared to the **ISO 20400** normative framework. In terms of **organisation,** a **sixth CSR purchasing and training division** has been created within the Group Purchasing department that is tasked with coordinating Responsible Purchasing and the "Supplier relations and Responsible purchasing" label for purchasing division directors and purchasing managers within the entities. The Purchasing Management Committee, which oversees the CSR performance of suppliers, reviews CSR issues related to the label and the duty of vigilance on a quarterly basis. The Group Purchasing department has enriched its approach based on a 360° vision of supplier risk and compliance with a **KYS (Know Your Supplier) mechanism.** After the analysis of at-risk suppliers, a decision-making committee was set up at the beginning of 2020 — the "**Group Supplier Risk Committee**", whose purpose is to rule on the continuation or termination of relationships with suppliers. A **dashboard for the main CSR purchasing indicators** common to all Group entities (including the Regional Banks) is deployed in the main Crédit Agricole Group entities.

2.4.5.1 Ensuring responsible, sustainable conduct in supplier relations

Policy

Responsible and sustainable relationships with our suppliers are a key part of our Responsible purchasing policy and are based on the following principles:

- *strengthen mutual understanding between companies and suppliers and develop a culture of listening;*
- *ensure financial fairness with our suppliers;*
- *contribute to the development of the local community.*

Action plans and results

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

A system of **dialogue with our stakeholders** includes **satisfaction surveys** to gather the views of both suppliers and internal decision makers with three objectives: measure supplier satisfaction with the relationship with the Group, measure decision-maker satisfaction with the pool of supplier by purchasing category, and the purchasing service and support.

With the COVID-19 public health crisis, exchanges with our suppliers have been frequent and intense:

- a **fourth edition of the** 100% digital Supplier Meetings with more than 300 connected suppliers;
- **Communications from each of the Crédit Agricole S.A. entities** to their suppliers renewing all of our support and reassuring them of our desire to maintain the economic fabric, with particular attention paid to SMEs and VSEs;
- **daily discussions of buyers** with their suppliers to continue certain services remotely when possible and to answer their questions individually.

We have pointed out the role of the **Internal Mediator** for Crédit Agricole S.A. which can be referred to by suppliers and/or the relevant internal department, and its scope was extended in 2020 to all Crédit Agricole Group entities in France and abroad.

Crédit Agricole S.A. actively **monitors its supplier payment deadlines**. The Crédit Agricole S.A. purchasing business line set itself a target in 2022 to reduce the number of invoices paid late by each entity by 25%, with only documented disputes being accepted. Numerous actions have been implemented, including a Group action monitored by the FReD system. Indicators for reducing lead times by entity and the monitoring of action plans are presented every six months to the **Group Internal Control Committee (CCIG).** The average time it took Crédit Agricole S.A. to pay an invoice in 2020 was 45 days, for 12 consolidated entities[1]. Special attention is also paid to the **economic dependence of suppliers** on the Crédit Agricole Group. Know Your Supplier (KYS) is an important element when it comes to the application of the requirements under the Sapin II Law and the Law on the Duty of Vigilance.

2.4.5.2 A Purchasing business line that is changing

Policy

The **Purchasing business line (PBL)** has more than 250 employees, including buyers in charge of purchasing categories on behalf of the Group, and business buyers at the subsidiaries who are on hand to respond to the needs expressed by the business line. It is tasked with making responsible purchases, contributing to performance, and playing an active role in the transformation of the Group and its environment. The Purchasing business line has three goals:

- *amplify performance through value creation proposals;*
- *safeguard decisions while turning challenges into opportunities;*
- *promote responsible purchasing to enhance the economic development of local communities in accordance with our values and our environment.*

(1) Crédit Agricole S.A., CAPS, LCL, CA Immobilier, Crédit Agricole CIB, CACF, CALF, CAA, CA-GIP, Amundi, CACEIS, CA Indosuez.

Action plans and results

The Group Purchasing department has initiated **seven key projects** to be carried out by 2022 to benefit all Group entities. These projects are designed to address the challenges facing the Purchasing business line and enhance its role. After the **"purchasing influence", "purchase attractiveness"** and **"Know Your Decision-Maker"** projects, four projects were continued in 2020:

- *a **cooperation with the Regional Banks** project, which aims to better distribute roles within the Regional Banks and their subsidiaries;*
- *a **DP4You** project, which aims to get more users to adopt the computerised purchasing system;*
- *a **KYS** ("Know Your Suppliers") project, designed to learn more about suppliers;*
- *a **Being and Becoming** project, which has produced a skills toolbox that has been reviewed and shared by the entire business line.*

At the same time, the **internal professionalisation programme** for new arrivals has been completely revised to ensure continuity of training during the COVID period with targeted content proposals (e-learning, interactive videos) and remote group time (virtual classes, web conferences).

2.4.5.3 Integrating environmental and societal aspects into our purchasing

Policy

By 2022, the Purchasing business line will be universally rolling out the integration of the CSR dimension in all of its purchasing accounts to evaluate the CSR performance of suppliers and their offers (15% of the overall score since 1 January 2020). The CSR assessment of suppliers is regularly requested during calls for tenders, with a call for an independent and specialised third party, EcoVadis (contract renewed in 2018). Inclusive procurement will be integrated during the purchasing process and will apply both to purchases aimed at developing jobs in local communities (including small businesses) and to purchases intended to boost jobs among vulnerable groups (sheltered and disability-friendly sector (STPA), independent workers with disabilities and workforce re-entry associations). The goal is to double the inclusive procurement volume by 2022. Purchasing has a part to play in raising awareness among customers and internal users.

Action plans and results

In 2020, we worked to develop a **common methodology that was jointly constructed** with buyers, representatives of internal decision-makers, and a few suppliers to help buyers systematically integrate CSR issues into the act of purchasing. 2,179 of Crédit Agricole S.A.'s suppliers already had an EcoVadis rating at 31 December 2020 and 461 were in the process of being assessed.

The integration of **inclusive procurement** in calls for tender is considered an opportunity. When drawing up specifications, buyers automatically offer decision-makers criteria related to the inclusion of vulnerable groups. These criteria are reflected, for example, in the use of the sheltered and disability-friendly sector either directly or via a standard clause under a joint contract. In 2020, purchases assigned to the sheltered and disability-friendly sector in France by Crédit Agricole S.A., its subsidiaries and Crédit Agricole Technologies et Services stabilised at **€4.3 million**.

2.4.6 Cybersecurity and combatting cybercrime

Introduction

The digital transformation underway in all sectors of society is bringing innovation and development to everyone. Nevertheless, this development, however inevitable it may be, naturally generates new vulnerabilities and poses threats to individuals, businesses and government.

In recent years, like all major banking groups, Crédit Agricole has noted an increase in the threat from cybercrime against the integrity of its information system (IS) in the form of attacks, which are often coordinated and targeted. Aware of the challenges related to digital security, Crédit Agricole S.A. deploys a proactive cybersecurity strategy for the prevention of cyberrisk, which is at the heart of its operational risk management priorities (see Chapter 5 "Risks and Pillar 3" – 5.1 "Risk factors"; 5.1.3 "Operational risks and related risks").

Our commitment to protecting the data of our customers and employees

Both the Crédit Agricole Group Code of Ethics and the Crédit Agricole S.A. Code of Conduct commit us to protecting the data of our customers and employees. The Compliance department ensures respect for the protection of personal data and supervises the business line of personal data protection officers (see Chapter 2 "Non-financial performance" – 2.4.2 "An ethical culture"). The Information Systems business line (LMSI) puts in place a range of measures, including the application of security rules to protect personal data during the design and development phases of information system projects, the implementation of advanced protection measures, the regular verification of the effectiveness of security measures (intrusion tests, security audits) and the continuous monitoring of information systems.

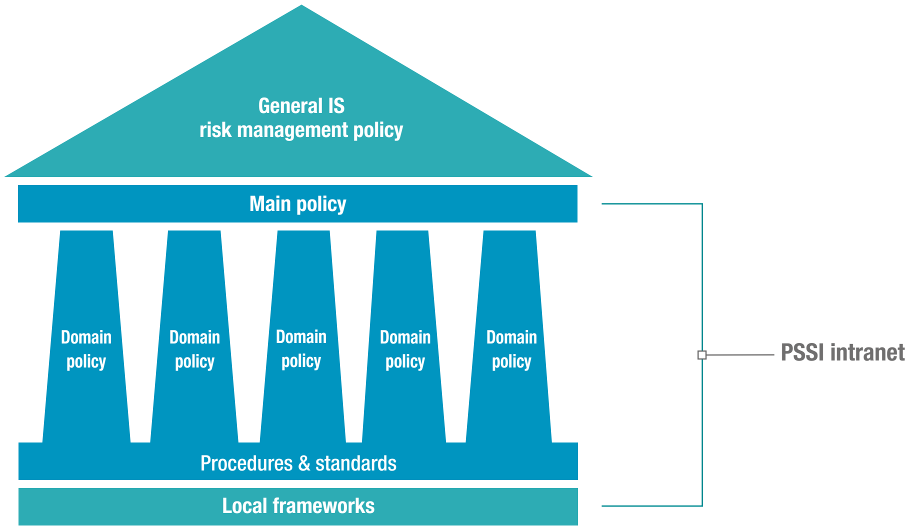
Policy

The cybersecurity policy is part of the information systems security policy framework (PSSI framework) overseen by **Crédit Agricole S.A.** and implemented within the Crédit Agricole Group, which is made up of:

- General policies such as the Crédit Agricole Group's General Information System Risk Management Policy (PGMRSI) and the Crédit Agricole Group's Business Continuity Plan Policy, which are drawn up within the Group Risk department by the Security and Business Continuity division;
- a Main IS Security Policy (PSSI), which formalises the basic concepts of cybersecurity, the challenges and objectives, essential principles, risk control system, methods of application of the PSSI and management of the dedicated document repository. It is prepared by the Security and IT Risks unit within the Security, Risks and Cross-Functional Projects department, which submits it for validation to the Group Security Committee (CSG). It is reviewed at the request of the CSG whenever there is a major change in governance (such as changes in major risk scenarios) and at least every three years;
- Domain Policies, each dealing with specific ISS themes and similar to the result of a risk analysis on a generic system (detection and treatment of cyber security incidents, vulnerability scans and security audit, bank card data security, etc.). They are prepared by the IT Security and Risks unit and then submitted for validation to the Information Systems Security Operating Committee (COMOP SSI);
- procedures and standards that give operational expression to domain policies. They contain concrete security recommendations to be implemented within the Crédit Agricole Group.

All of these policies, procedures and standards are published on the Crédit Agricole S.A.

Refer to the glossary on page 681 for the definition of technical terms.



Action plans and results

Our cybersecurity strategy is based on operational governance, a decentralised organisation based on players present within each entity, the implementation of security standards and norms to integrate cybersecurity at all levels of the IS. Cyber risk analysis is systematically integrated from the design phase of projects, impacting IS in a "Security by design" approach. Crédit Agricole S.A. is actively developing an awareness and culture of "cyber risk" among its employees, customers and suppliers to change practices and promote the acquisition of reflexive behaviours, which are essential in terms of cybersecurity.

Risk management system and structure

Controlling the security of information systems and implementing the cybersecurity policy are part of existing risk management systems (see Chapter 5 "Risks and Pillar 3" – 5.2 "Risk management"). For example, the Risk Appetite Statement, which is submitted each year to the Crédit Agricole S.A. Board of Directors for approval, includes key indicators relating to IT risk. Control of cyber risks is organised according to the respective responsibilities of the three lines of defence within the internal control system (business line, permanent control, Audit-Inspection). The ISS business line is the first element of this risk management system.

The Group risk department continuously exercises second-level control over operational risk, in particular the risk of attacks on information systems, including threats related to cybercrime. A dedicated IT Permanent Control Supervision team within the Security, Operational Risks and Permanent Control department leads the network of Information System Risk Managers (PRSI), who report to the Permanent Control and Risk Management officers (RCPR), who consolidate the information.

The Compliance department also intervenes at the second level with regard to non-compliance risks, which include, in particular, the risks of non-compliance with personal data protection rules (see Chapter 2 "Non-financial performance" – 2.4.2 "A strong ethical culture").

As a third line of defence, the mission of the Group Control and Audit department is to assess the processes in place, as well as the associated controls and governance, to verify compliance with laws and regulations and, if necessary, to propose areas for improvement in order to strengthen the systems.

Governance

Cyber risk and cybersecurity strategy are regularly reviewed by the Crédit Agricole S.A. Board of Directors and closely monitored by the Risk Committee and the US Risk Committee (see Chapter 3 "Corporate Governance" – 3.1 "Report of the Board of Directors").

Crédit Agricole S.A. has set up operational governance to manage the security of information systems and achieve and maintain the target level of security. This governance is based on committees whose interactions reflect the organisation of safety within the Group. The Group Security Committee (CSG), which reports to the Executive Committee and is chaired by the Deputy General Manager of the Innovation, Digital Transformation and IT Group, is the umbrella body for security governance within the Group. This decision-making executive committee defines the security strategy and assesses the Group's level of control in the four areas within its jurisdiction: business continuity planning, security of people and property, data protection and information systems security.

Measures for prevention, detection of cyberthreats and protection of critical information systems and data

Various types of complementary measures (technical, organisational, behavioural, contractual) make it possible to reduce the probability of occurrence of cyber risks or to limit their effects. The overall management of this system is carried out within the Innovation, Digital Transformation and IT Group (ITD) division. On an operational level, two major initiatives launched in recent years have led to significant progress in cybersecurity:

- **IT radar** to assess the situation of information systems with regard to all essential IT risks, especially in terms of cybersecurity;
- **the Crédit Agricole Strengthening of Security (CARS) programme** led by Crédit Agricole S.A. is a cyber security programme to improve the level of IS security throughout the Crédit Agricole Group.

Cyber risk awareness and culture

All of these actions are also supplemented by an awareness-raising system that reminds everyone of the best security practices to be adopted in a concrete and accessible way. The ITD division disseminates cybersecurity awareness tools. It is also available to Group entities to help them organise awareness-raising actions. The cybersecurity awareness system is based on a set of convergent and complementary actions carried out by each Group entity, including raising awareness among managers, employee training, internal communications (in 2020, for example, distribution of IT security recommendations for teleworking in crisis situations, Surfclean videos "Business travel", "USB keys", "Public networks", etc.), distribution of themed campaigns (e.g. fake phishing), publication of a security passport as part of the onboarding of new hires, and publication of a special security passport for IT support teams. Awareness-raising activities aimed at customers are also carried out regularly.

2.5 INTEGRATION OF ESG CRITERIA IN INVESTMENT AND ASSET MANAGEMENT POLICIES

Policy

A pioneer in responsible investment and a European leader in asset management, a signatory to the Principles for Responsible Investment (PRI) since 2006 and the UNEP FI since 2014, **Amundi** has placed ESG (Environment, Social and Governance) analysis at the heart of its development strategy. Its primary objective 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 open funds. Amundi pays particular attention to two major contemporary issues: climate transition and the protection of ecosystems, and the issue of social and societal cohesion. In its three-year strategic plan launched at the end of 2018, Amundi confirmed its positioning as a responsible player.

Amundi's commitments in its 2018 strategic plan

- Objective to achieve an ESG score higher than their benchmark index or investment universe on all actively managed open-ended funds as soon as technically possible.
- Systematic integration of issuers' ESG performance in Amundi's voting policy.
- Continued development of ESG and Climate innovations in passive index funds.
- Doubling of specific initiatives promoting investment in projects with an environmental or social impact.
- Development of specific advisory activities aimed at Amundi's institutional customers and distributors to support them in their ESG development.

Action plans and results

Promote ESG investments by large customers and institutions

Amundi has put in place a triple governance system dedicated to ESG: the ESG Strategy Committee defines and validates the ESG policy and strategic orientations of the Amundi Group; the ESG Rating Committee defines and validates the ESG rating; the ESG Voting Committee reviews and validates Amundi's commitments and the exercise of voting rights and ensures that they are consistent with the key ESG commitment themes; the Social Impact Committee covers investment strategies on social and solidarity themes in unlisted companies.

Amundi has also equipped itself with significant resources to deploy its ESG policy: a department dedicated to responsible investment with 25 ESG analysis specialists, voting at General Meetings, engaging in shareholder dialogue with companies, and using 14 external providers of non-financial data. More than 10,000 issuers can thus be rated on ESG criteria.

The principles of **Amundi's** ESG policy are as follows:

- *an ESG analysis of firms based on documents such as the United Nations Global Compact, the OECD Guidelines on Corporate Governance, and International Labour Organization (ILO) policies;*
- *a strict, targeted screening policy; it includes the exclusion of G-rated issuers (not conforming with Amundi's ESG principles or international conventions), and the exclusion of certain activities:*
  - *coal: Since 2016,* ***Amundi*** *has been implementing a specific sector policy for thermal coal, which is strengthened each year. In 2020, this excludes companies developing or planning to develop new thermal coal capacity along the entire value chain; companies earning more than 25% of their revenues from thermal coal extraction, or extraction of 100 Mt or more with no intention of reduction; companies whose revenue from thermal coal extraction and thermal coal-fired power generation is more than 50% of total revenues without analysis, or with a threshold between 25% and 50% and a deteriorated climate transition score,*
  - *tobacco: In 2018,* ***Amundi*** *limited the ESG ratings of companies in the tobacco sector to E, on a scale of A to G, thereby penalising investment in this type of companies. In May 2020, Amundi became a signatory to the Tobacco-Free Finance Pledge and extended its exclusion policy to tobacco to exclude companies manufacturing complete tobacco products (application threshold: revenues above 5%), and to continue the limitation to an ESG rating of E for companies involved in the manufacture, supply and distribution of tobacco (application threshold: revenues above 10%);*
- *a proprietary ESG rating;*
- *a Best-in-Class approach as the foundation of its ESG rating methodology consisting of comparing the players in the same sector to identify best practices and encourage all issuers to make progress;*
- *attributing ESG ratings to all fund managers in the same way as financial ratings;*

Refer to the glossary on page 681 for the definition of technical terms.

- *an engagement policy aimed at getting companies to implement best practices;*
- *a voting policy that integrates ESG issues.*

As proof of the robustness of its ESG policy, **33 Amundi funds have been awarded the SRI label** by the French Ministry of Finance and Public Accounts.

Amundi ranked among the top 10 institutions in the report published by ShareAction, "Voting Matters 2020", dedicated to the use of proxy voting rights to promote climate change and social issues for sixty of the largest asset managers.

Voting campaign at General Meetings (GMs)	2020	2019	2018
Number of GMs concerned	4,241	3,492	2,960
Number of resolutions considered	49,968	41,429	35,285

In 2020, the theme of ESG and responsible investment was addressed as soon as possible in all the events organised by **Amundi** or in which **Amundi** participated and spoke. In 2020, educational and skills development initiatives brought together over 3,000 employees (individuals, wealth management and Private Banking markets) and over 18,000 high-net-worth customers have been made directly aware of responsible investment. Furthermore, to support its institutional customers in their efforts to promote climate transition, Amundi has launched, in partnership with AIIB, a reference tool to assess the risks associated with climate change in line with the objectives of the Paris Agreement.

Organising the channelling of individual savings

In order to encourage responsible investment, **Crédit Agricole Assurances** offers SRI (socially responsible investment) unit-linked policies via its subsidiary **Predica** for most of the multi-vehicle life insurance policies distributed by its networks. These SRI unit-linked policies offer either a theme-based or best-in-class approach.

The international subsidiaries of Crédit Agricole Assurances are also gradually adopting this approach. Since the launch of the SRI (socially responsible investment) unit-linked products, several initiatives have been carried out to promote this type of investment to distribution networks and customers. These include the creation of an information packet for distribution networks, network activities during key periods (e.g., Sustainable Development Week, SRI Week, Social Finance Week, etc.), and customer communication on SRI. At end-2020, a total of 35 unit-linked policies offered to investors by Predica had been awarded the SRI certification developed by the French Ministry of Finance, five with the GreenFin label and 11 with the Finansol label.

Integrating ESG criteria into the Group's investment policy

For several years, the Group has been integrating ESG criteria into investment decisions and encouraging its customers to invest responsibly.

As part of its climate strategy, Crédit Agricole S.A. has undertaken to invest €6 billion of its liquidity portfolio in green, social and sustainability bonds by 2022.

As a leading institutional investor and a signatory to the Principles for Responsible Investment (PRI), the **Crédit Agricole Assurances** Group is mindful of its responsibilities towards the sectors and issuers in which it invests. It integrates ESG criteria into all its asset classes by relying on Amundi's expertise and its ESG analysis and filter system. Crédit Agricole Assurances also developed shareholder engagement in our strategic holdings, with the active participation of our Investment department on the Boards of Directors of companies in which the insurer is a shareholder. Since 2017, Crédit Agricole Assurances has applied a policy of excluding tobacco industry purchases and no longer directly holds any tobacco assets in its portfolios.

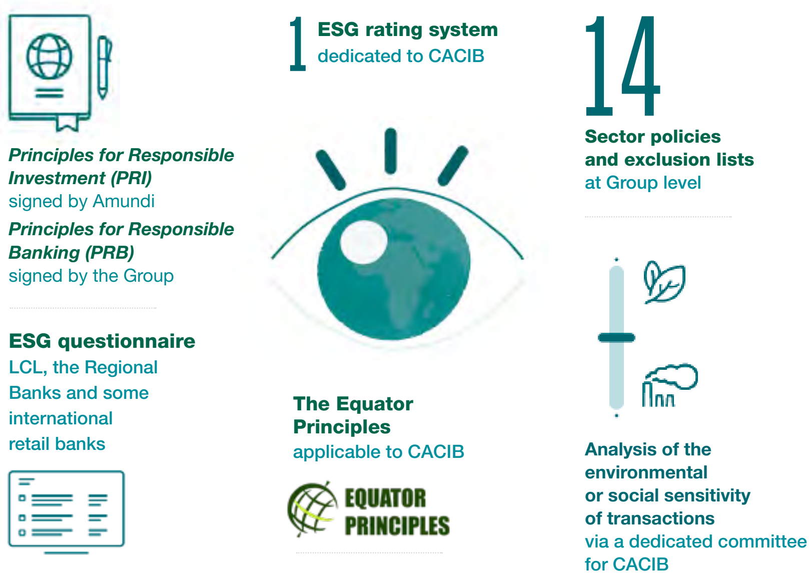
3. ESG RISK MANAGEMENT

3.1 THE ESG RISK APPROACH

Aware of the potential impacts of ESG risks on its activities, the Group has integrated their consideration into its business strategies and processes and into its internal governance systems, especially its Vigilance Plan, which is covered in a report published each year for the year ended 31 December (see Chapter 3 "Corporate Governance", part 1.4 "Vigilance Plan").

ESG risk management in the financing and investment business lines is taken into account by all of the Group's employees and is also based on a set of international commitments.

Policy



The consideration of possible negative environmental and/or social impacts from financing and investments is based on four pillars

- **Application of the Equator Principles:** the Equator Principles were developed in response to limitations and triggers related to project financing, as defined by the Basel Committee on Banking Supervision. They 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.
- **Sector policies and exclusion lists:** the purpose of sector policies is to specify the rules of intervention and ESG principles introduced into the Group's financing and investment policies. They reflect the challenges facing citizens with regard to respect for human rights, corruption, the fight against climate change and the preservation of biodiversity. They are applicable to all customers and transactions of the Group's subsidiaries. Fourteen sector policies are currently applied, for which the main sectors affected are armaments, coal-fired power stations, oil and gas, hydraulics, nuclear, shale oil and gas, mines and metals.

  Sector policies are reviewed one by one on a regular basis based on the Group's strategy, changes in regulations and market practices, and taking into account the research and recommendations of the Scientific Committee. In 2020, three sector policies were revised (mining, coal-fired power plants and transport infrastructure) to translate the Group's coal exit commitments into operating standards by 2030/2040.

  Moreover, following the signature by Crédit Agricole S.A., Amundi, Crédit Agricole CIB and Crédit Agricole Assurances of the Tobacco-Free Finance Pledge, which encourages financial players to withdraw completely from the coal industry, a dedicated sector policy is being created. I
- **Integration of ESG advice into sector risk strategies:** to integrate climate risk into the Group's ESG risk management, the CSR department and the Group climate risk manager jointly issue an opinion and recommendations on relevant sector risk strategies (Oil & Gas, Agri-Agro, Commodity Financing, automotive, real estate, aeronautics, shipping, etc.). These sector risk strategies are reviewed by the Group Risk Committee in accordance with a schedule prepared annually.
- **An analysis of the environmental or social sensitivity of the transactions:** the environmental or social sensitivity of transactions has been assessed since 2009. This process makes it possible to ensure compliance with the exclusion criteria defined within the various sector policies or to analyse or even anticipate potential controversies with customers or a transaction.

Crédit Agricole CIB financing files for transactions or customers presenting a high reputational risk or non-alignment with sector policies are reviewed by an ad hoc committee ("CERES"), which is responsible for issuing an opinion on the transactions. It is chaired by the head of the Compliance function, with the Crédit Agricole CIB CSR department as secretary. The other permanent members are the Risk department and the heads of the relevant business lines within Crédit Agricole CIB. The invited members are the Crédit Agricole CIB Legal and Communication

Refer to the glossary on page 681 for the definition of technical terms.

departments, as well as the CSR department and Group Economic Research. In addition, since 2013, **Crédit Agricole CIB** has been using an ESG rating system, which it applies to all of 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.

ESG risk governance

ESG risks are dealt with in the same governance bodies as other types of risk.

The Group Risk Committee, made up of Crédit Agricole S.A. executives, examines and validates subsidiary strategies, country strategies, sector policies and thematic reviews. In particular, the climate risk strategy prepared by the CSR department and the Risk department in collaboration with the Group entities is presented annually. This risk strategy and the associated risk opinion determine the climate risk roadmap for the coming year.

The Risk Committee of the Board of Directors reviews the overall strategy, including climate risk aspects, and risk appetite. A dedicated presentation of the climate strategy is organised annually, following its presentation and approval by the Group Risk Committee. This presentation covers the four chapters proposed by TCFD (Governance, Strategy, Risk Management, Indicators and Targets), with the double axis of environmental and financial materiality.

The work performed within this Committee is submitted to the Board of Directors after examination.

At its plenary meetings, **the Board of Directors** ensures the consistency of the Company's commitments and project with regard to social and environmental issues:

- when reviewing strategic projects, especially in the context of the Group Project, which makes Climate Strategy one of the pillars;
- on the occasion of presentations of each entity's version of the Group Project;
- when reviewing the Risk Strategies submitted for adoption, if the scope of those strategies justifies it.

Other committees also examine ESG risks:

- **the Strategy and CSR Committee of the Board of Directors** examines the Group's strategic thinking in greater depth in its various business lines, ensures that CSR issues are taken into account when examining strategic projects and takes stock of the CSR actions performed;
- **the Finance & Risk Committee and the Legal & Compliance Committee of the FNCA** examine at the federal level the risk & CSR issues handled by the corporate centre.

For the most sensitive cases, governance is supplemented by the **Group-level Individual Risk Committee ("CRIG").** This committee meets weekly and is chaired by Crédit Agricole S.A. Executive Management. Its purpose is to take decisions on matters relating to Crédit Agricole S.A. entities that fall within the authority of the Chief Executive Officer of Crédit Agricole S.A. and also to analyse individual alerts of all types based on their materiality for the Group. The CRIG is composed, in addition to its Chairman, of the Executive Management of the entity in question, the Group Risk department (DRG) and the CSR department on ESG issues. The DRG functions as secretary, and decisions are formalised at the meeting by the signing of a decision statement.

The **Crédit Agricole Assurances** Group's Board of Directors defines and approves all of the company's strategic decisions, especially those related to ESG and climate that may affect company performance.

3.2 THE INTEGRATION OF ESG ISSUES INTO THE ANALYSIS OF SME AND MID-CAP COUNTERPARTY RISK

Even though ESG is part of the analysis criteria for listed companies, this is not the case for unlisted companies that do not, or rarely, make non-financial data available to analysts. It is therefore difficult to include non-financial parameters when analysing financing or even investment.

In 2020, ESG issues were included for the first time in commercial relationships with mid-cap and SME customers through the deployment of an **ESG questionnaire distributed to all investment managers.** Officially launched in March 2020, this pioneering project in the banking world is currently being rolled out to the Regional Banks, certain international retail banks and LCL. It is composed of 12 questions relating to the environment, social/societal matters and governance (plus four questions specific to the agri-food industry market).

The purpose of this ESG analysis process is to:

- **raise awareness** of ESG issues on the part of relationship managers: it is accompanied by training on key ESG issues, the CSR policy of the relevant entity, the actions of regional players and customers, etc.;
- **initiate** discussions between investment officers and SMEs/mid-caps on their ESG procedures: it positions itself as a tool for dialogue between Crédit Agricole and economic players;
- **assess** the ESG risk of loan books: the questionnaire generates a score, which is made known to the delegated manager of the loan application. This has no impact on the granting of the loan, but may lead to additional information being sought if the score reveals vulnerability of the company.

An initial assessment of these procedures is scheduled to be made in 2021.

3.3 TCFD CHAPTER: CLIMATE RISK MANAGEMENT

The climate risk management policy in this chapter is presented primarily for the purposes of understanding the potential financial impacts of climate risks on the Group's activities ("financial materiality" section of the Non-Financial Reporting Directive (NFRD)), as defined by the Task-Force on Climate-related Disclosure (TCFD). The impacts of the Group's activities on the climate ("environmental materiality" section of the NFRD) and the identification of opportunities related to climate risks as defined by the TCFD (Task-Force on Climate-related Disclosure) are addressed in Chapter 2.3 - "Environmental strategy" of the DPEF.

Definition of climate risks

Climate risks are **classified as major risks** by the Group in its risk mapping. They are seen as risk factors that influence existing risks (counterparty, market, operational, etc.) and cover **physical and transition risks.** They are defined as follows, in line with the approach of the Task Force on Climate-related Financial Disclosure (TCFD):

- ***Physical risks*** *resulting from damage directly caused by meteorological and climate phenomena:*
  - *acute risks triggered by events such as natural disasters, whose frequency and severity could increase (storms, hurricanes, floods, etc.) are a major concern;*
  - *chronic risks related to longer-term changes in climate patterns and rising temperatures over the long term (sea level rises, chronic heat waves, changes in precipitation patterns and increased variability, disappearance of certain resources, etc.).*

  Considering the scientific work to date, the Group believes that the physical risks related to climate change are potentially incurred in the short term for acute risks, and in the medium/long term for chronic risks.
- ***Transition risks*** *resulting from the effects of the introduction of a low-carbon economic model. Transition risks cover various sub-categories of risk:*
  - *regulatory and legal risks: partially related to a change in policies, such as the introduction of a carbon price or more stringent product regulations. These may relate either to mitigation policies that regulate activities that contribute to global warming or to prevention policies aimed at fostering adaptation; also related to an increase in claims and litigation as the losses and damages resulting from climate change increase;*
  - *technological risks linked to innovations and technological breakthroughs favourable to the fight against climate change (new renewable energy technologies, energy storage, carbon capture, etc.);*
  - *market risks: changes in supply and demand linked to the increasing consideration of climate risks: variation in the price of commodities, etc.;*
  - *reputational risks: changing customer and stakeholder perceptions of an organisation's contribution to the transition to a low-carbon economy.*

  Considering the scientific and economic work to date, the Group believes that transition risks related to climate change are incurred in the short , medium and long term.

Climate scenarios used by the Group

Climate scenarios are supplementary analysis tools that provide a better understanding of the impacts of climate risk in the long term, based on central hypotheses and stressed versions according to defined trajectories. This is a usual risk approach, which however in this case uses long-term assumptions, contrary to the usual scenarios, which generally consider short projections (about 3 to 5 years). The materialisation of these risks is indeed more distant, so regulators and supervisors support these approaches, which enable governance bodies to become more aware of these risks and better understand their quantitative impacts. The TCFD also recommends this approach to assess the sensitivity of assets to climate risks.

The scenario IEA SDS

Scenario used at **Group level** to define the major themes of our strategy of alignment with the Paris Agreement.

Target

Understanding the challenges of a 2°C trajectory and comparing the energy mixes of our portfolios.

Type of scenario

Abrupt scenario targeting the achievement of carbon neutrality in 2070 and **limiting the rise in temperature to 1.65°C** with 50% probability.

The scenarios ACPR

Scenarios used over a **large scope of the Group** to perform the first climate risk resistance tests.

Target

Performing the first tests to determine our portfolios' climate risk resistance and testing the portfolios' resistance to several types of scenarios.

Types of scenarios

- A benchmark scenario (orderly transition corresponding to the National Low-Carbon Strategy)
- An adverse scenario of accelerated transition
- A single physical risk scenario (IPCC's "RCP 8.5")

The scenarios ENTITIES

Scenarios created and used at entity level to explore the materiality of climate risks quantitatively.

Target

Conducting specific analyses on certain Group entity portfolios in order to better understand climate issues, and offering our customers long-term support to manage these transformations.

Example:
CACIB with 4 types of scenarios

- *Business as usual*
- Gradual transition
- Accelerated transition
- Medium-term abrupt scenario

Refer to the glossary on page 681 for the definition of technical terms.

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

For **transition risk**, the Group has developed an internal method, known as P9XCA, which makes it possible to establish projections based on the emissions attributed to economic players in major sectors and defined countries in relation to the value added. Valued at the carbon price used in four scenarios, these emissions provide an initial economic assessment of the carbon challenge by macro-sectors and countries, and of the potential vulnerability of companies. On the basis of several studies concluding that a controlled climate transition would not be growth-destroying (2017 OECD study "Investing in Climate, Investing in Growth", 2016 ADEME study, "*Un mix électrique 100% renouvelables ? Synthèse technique et synthèse de l'évaluation macro-économique")*, it was considered that the carbon issue impacted companies differently depending on their ability to anticipate and therefore the progressive nature of the implementation of measures to adapt to this risk. The calculations make it possible to understand the orders of magnitude and compare potential impacts on sectors and countries depending on the scenarios and time scales used. The calculations show the transition risk in the abrupt climate change scenario as the main medium-term risk, while emphasising the strong increase in the physical climate risk over time, particularly in the scenario involving no new mitigation measures. These calculations thus provide a first macroeconomic framework for climate risks by highlighting the main risk areas (sectors and countries) according to the scenarios and time horizons considered.

For **physical risk**, the Group considers an average physical risk index, which is then related to the outstandings of each entity. This global index is presented on an increasing risk scale from 1 to 15 and combines indices of sector sensitivity (vulnerability on a three-level scale for 20 major sectors identified, source KPMG) and geographical sensitivity (S&P approach based on three variables: share of the population living below an altitude 5 m, share of agriculture in GDP, vulnerability index established by the Notre Dame Global Adaptation Initiative).

Analysis on a large scope of the Group entities: the ACPR climate pilot exercise

In 2020, the Crédit Agricole Group took part in a pilot exercise on climate risk resistance led by the ACPR. The portfolios on which the simulations are carried out represent more than 80 % of the Group's risk-weighted assets in terms of credit risk. This exercise was also conducted within the insurance scope, while asset management is excluded from the scope of analysis. Its purpose is to test the resilience of French credit institutions and insurers to the effects of the climate transition by 2050, with no impact, for the time being, on capital planning. It will also make it possible to prepare for similar exercises conducted by the supervisor, including the one announced by the ECB in 2022. The three scenarios developed by the ACPR are based on the Network for Greening Financial Systems (NGFS) approach, using the work of the IPCC. A central scenario of orderly transition is proposed, with two opposing variants and a single physical risk scenario.

This inaugural exercise made it possible to test the Group's operational capacity to perform sector-level analyses over long horizons, over a broad scope, and to initiate a reflection on changes in the usual methods of credit stress. The absence of a benchmark was one of the difficulties encountered during this inaugural exercise. However, the governance mechanism put in place for this exercise made it possible to confirm the orders of magnitude of the impacts. The lessons learnt mainly involve the lending activities of the banks as well as the insurance and non-life insurance activities. Major climate levers were identified as well as related management decisions that would allow the cost impact of these climate risks to be mitigated. Their impacts remain contained within the three scenarios and manageable for the Group over the horizons in question. Finally, this exercise will feed into internal reflections on the future sector policies in question.

Analysis at entity level

A medium-term transition risk index has therefore been calculated since 2017 for **Crédit Agricole CIB's** corporate customer groups using a combination of three factors:

- *the extent to which the issues will impact financing in the sector, as calculated by the P9XCA methodology in the "by issue" version;*
- *the importance the country places on reducing greenhouse gas emissions within the framework of international negotiations, such as the Intended Nationally Determined Contributions (INDC);*
- *the maturity of the customer when faced with climate challenges and its ability to adapt, as evaluated by a non-financial agency or estimated by geographic average.*

For each customer group, **the transition risk index** is calculated by adding these three factors together. The index is positive when the counterpart demonstrates above-average preparedness and is negative if it does not. The more the customer stands out from its peers, the more the sector is considered to be at risk, and the more the country has committed to a rapid climate transition, the higher the absolute value of the index. Thus, an agent in the Energy or Transport sector in a country committed to significantly lowering emissions will have more to gain or lose than a player in a sector that is less at risk and in a country with lower greenhouse gas reduction demands. The extent to which this agent will be affected will depend on its ability to adapt its strategy and business model to its new situation. The transition risk index complements sector-focused policies by making it possible to identify customers for which additional analyses appear necessary in view of their exposure to transition risk and management of this risk. This approach applies to all sectors and all countries.

In 2020, a total of 13 Crédit Agricole CIB financing projects were granted and classified according to categories A, B and C of the Equator Principles. As at 31 December 2020, there were 394 projects in the portfolio. The classification of projects breaks down as follows:

- 39 projects were classified as A, of which one in 2020;
- 306 were classified as B, of which 12 in 2020;
- 49 were classified as C, of which none in 2020.

Crédit Agricole Assurances is mainly subject to transition risks for its investment activities. Consequently, Crédit Agricole Assurances continues to invest in green assets, and at end-September 2020 invested €6 billion in green bonds.

Through its property and casualty insurance subsidiaries, Crédit Agricole Assurances is exposed to physical risks related to climate change. In its main property and casualty insurance group, Pacifica, the risks on the portfolio and new business must be assessed in such a way that, in year Y, the claims to be paid directly to policyholders can be met. Premiums are reassessed annually for year Y+1 based on expected changes in claim frequency and average cost. For climate-related claims, these models are produced by looking at the frequency and average cost of claims in previous years adjusted for an acceleration of anticipated events. Crédit Agricole Assurances, through its subsidiary Pacifica, must be able to compensate a large number of insureds following a climate event, and consequently follows the most pessimistic business-as-usual scenario.

Refer to the glossary on page 681 for the definition of technical terms.

These climate risks may impact buildings (residential, commercial or farm), vehicles or crops. The weight of these climate events in the total claims cost varies from one policy to another. While it is 100% for crop, forage or forest storm insurance policies, it nevertheless represents more than a third of the claim cost for policies such as home, car, or agricultural or professional multi-risk insurance. Conversely, third-party liability policies are only slightly impacted. In 2020, Pacifica estimated the weight of climate-related claims at €343.3 million, representing 11.6% of premiums.

In addition, since 2019, **Crédit Agricole S.A.** and several pilot **Regional Banks** have conducted studies of the impact of physical risks on their Housing and Agriculture portfolios. Similarly, in 2020, **LCL** conducted a study of the impact of natural disasters on credit risk, focusing on its most significant portfolios.

Presentation of the climate risk strategy according to the recommendations of the TCFD

The Group is committed to adopting a transparent approach and following best market practices and has undertaken to follow the **recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).** Our responses to these recommendations are summarised in the table below and detailed in the various chapters of our statement of non-financial performance.

TCFD Sections	Recommendation	Main elements of the Group's response
Governance	1 – Describe the monitoring of climate risks and opportunities by the board	The work performed within the Specialised Committees of the Board of Directors (Strategy and CSR Committee and Risk Committee of the Board of Directors) is submitted to the Board of Directors after examination. At its plenary meetings, the Board ensures the consistency of the Company's commitments and project with regard to social and environmental issues: ■ when reviewing strategic projects, especially in the context of the Group Project, which makes Climate Strategy one of the pillars; ■ on the occasion of presentations of each entity's version of the Group Project; ■ when reviewing the Risk Strategies submitted for adoption, if the scope of those strategies justifies it. *See Chapters 2.2.2 and 3.2*
	2 - Describe the role of Management in assessing and managing climate risks and opportunities	The climate risk strategy prepared by the CSR department and the Group Risk department with the collaboration of Group entities is presented annually to the Group Risk Committee, which consists of Group executives, and then to the Risk Committee of the Board of Directors. This risk strategy and the associated risk opinion determine the climate risk roadmap for the coming year. *See Chapters 2.2.2 and 3.2*
Strategy	3 - Describe the climate risks and opportunities identified by the Company in the short, medium and long term.	Climate risks are mapped as major risks by the Group. Understood as risk factors that influence existing risks (counterparty, market, operational, etc.), they cover physical and transition risks. These risks are considered material in the short term for acute physical risks, in the long term for chronic physical risks, and in the potentially short/medium or long term for transition risk. The opportunities linked to the climate challenge are described in the section "Supporting economic sectors on the way to climate transition". *See Chapters 1.3, 2.3 and 3.2*
	4 - Describe the impact of climate risks and opportunities on the Company's business, strategy and financial planning	Given the stakes involved, the Group has decided to make green finance a key growth driver for the Group. To that end, it has defined a climate strategy aimed at the progressive alignment of financing and investment portfolios according to a scenario compatible with the Paris Agreement and the integration of climate transition issues into the customer dialogue. The Group has also put procedures in place to integrate climate risks into its financial risk management. *See Chapters 2.3 and 3.2*
	5 - Describe the resilience of the Company's strategy, taking into account various climate scenarios, including the scenario of a temperature increase of 2° or less.	Internal issue assessment tools confirm that: ■ the Group's vulnerability to physical risks remains stable and low. Short-term impacts are integrated and covered by Crédit Agricole Assurances, whose internal modelling supplements the standard formula valuations; ■ the impacts of transition risk according to the stress scenarios conducted in the ACPR pilot exercise are contained at Group level. It demonstrates the Group's resilience to adverse scenarios involving an accelerated or delayed climate transition, resulting in a sharp rise in the price of CO_2. *See Chapter 3.2*

Refer to the glossary on page 681 for the definition of technical terms.

TCFD Sections	Recommendation	Main elements of the Group's response
Risk management	6 - Describe the Company's procedures for identifying and assessing climate risks	Crédit Agricole S.A. has put the following procedures in place: ■ central objective of aligning financing and investment portfolios according to the Paris Agreement; ■ stress scenarios conducted over a large scope of the Group (ACPR pilot exercise); ■ scenarios at entity or portfolio level that allow a mapping of issues through internal methods that assess physical and transition risks. *See Chapter 3.2*
	7 - Describe the Company's procedures for climate risk management	Sector policies govern the Group's activities and define the scope of exclusion. The Risk department issues an opinion on these policies, as well as on the climate strategy and sector strategies. Moreover: ■ physical risks are covered by Crédit Agricole Assurances through an annual forecast of the climate load and the structure of the reinsurance programme; ■ transition risks are understood through the climate transition rating, which makes it possible to assess the stakes for large customers. *See Chapter 3*
	8 - Describe how the procedures for identifying, assessing and managing climate risks are incorporated into the overall risk management of the company	Climate Governance provides for clear information to the decision-making bodies on the status and management of climate risks, namely through the Group Risk Committees and the Risk Committee of the Board of Directors. Ad hoc risk appetite indicators are communicated to governance according to the Risk Appetite policy it validates. *See Chapter 3*
Metrics and targets	9 - Indicate the measurement system used by the Company to assess climate risks and opportunities in accordance with its risk management strategy and procedure	The Group implements a methodology for quantifying greenhouse gas (GHG) emissions said to be financed by a financial institution. Dubbed P9XCA, this methodology has been recommended since 2014 by the financial sector guide, "Quantifying Greenhouse Gas Emissions", published by Agence de l'environnement et de la maîtrise de l'énergie (ADEME), Observatoire sur la responsabilité sociétale des entreprises (ORSE) and Association Bilan Carbone. It allows the Group to calculate, with no double-counting, the order of magnitude of financed emissions and to map those emissions by sector and geographical area. Greenhouse gas emissions are allocated to economic players according to their capacity (and economic interest) to reduce them using a qualified allocation "by issue" as opposed to the usual allocation "by scope". Physical risks are assessed on a scale of 1 to 15 using a method combining indices of sectoral sensitivity (vulnerability on a three-level scale of 20 major sectors identified) and geographical sensitivity (based on three variables: share of the population living below an altitude of 5 m, share of agriculture in GDP, vulnerability index). *See Chapters 2.3.6, 2.3.7 and 3.2*
	10 - Reporting of Type 1, Type 2 and, where applicable, Type 3 greenhouse gas (GHG) emissions and associated risks	Emissions related to the Group's scopes 1, 2 and 3 can be viewed in Chapters 2.3.6 and 2.3.7
	11 - Describe the objectives used by the Company to manage climate risks and opportunities and the performance achieved against the objectives	Concerning Scope 3 (financing and investment portfolio): the Crédit Agricole Group is committed to aligning itself with a scenario compatible with the Paris Agreement (IEA SDS). For scopes 1 and 2: Crédit Agricole S.A. is committed to reducing its direct footprint, including energy (in terms of square metres) and transport (in terms of FTEs), by 15% over the period 2016-2020. *See Chapters 2.3.6 and 2.3.7*

4. RESULTS

4.1 NON-FINANCIAL PERFORMANCE INDICATORS

ESG strategy	Policy	Performance indicator	Definition	Unit	2019	2020	Entities concerned
Environmental Performance	The Group's climate strategy TCFD Chapter: climate risk management	Investments in coal	Among the entire Amundi portfolio, investments in thermal and metallurgical coal	%	0.1	0.07	Amundi
		Financing of coal	Among the entire Crédit Agricole CIB portfolio, financing of thermal and metallurgical coal	%	0.46	0.33	Crédit Agricole CIB
		Progress on specific initiatives relating to the environment	Investments in the energy transition sector	€bn	11.7	21.9	Amundi
		Financing of green activities	Financing of green activities as defined in the Green Bond Framework	€bn	7.1	11.14	Crédit Agricole CIB
		Investments in renewable energies	Investments in renewable energies	€bn	1.86	2.6	CAA
		Financing of REn	Financing of renewable energies	€m	249.8	311.7	LCL
		Financing of REn projects in France	Financing of renewable energies in France	%	28	28.1	Unifergie
		GHG emissions financing and investments	GHG emissions related to all investments and financing (Scope 3)	$MtCO_2$ eq	139	143	Crédit Agricole Group
	Measures and targets related to our direct environmental footprint	Energy-related GHG emissions/sq.m.	GHG emissions related to the energy consumption of buildings (direct footprint)	TCO_2 eq/sq.m.	0.03492	0.03046	Crédit Agricole S.A.
		GHG emissions related to business travel/FTE	GHG emissions related to employee travel by air and rail (direct footprint)	TCO_2 eq/FTE	0.636	0.101	Crédit Agricole S.A.
Social Performance	A universal approach for our businesses: being there for everyone	Assets in the fund with social and solidarity impact	Investments in the Social and Solidarity Economy sector	€m	256	331	Amundi
		Health-related financing	Financing of the health sector (hospitals, medico-social accommodation, health-related services and care)	€bn	5.89	6.9	LCL
		Number of vulnerable customers supported	Monitoring and providing personalised support to customers in vulnerable situations, whether due to circumstances or the need for structural support	Number	18,514	21,544	LCL, CACF and regional Banks
		Assets from Financing granted to microfinance institutions	Financing granted to microfinance institutions	€m	54	74	Grameen Crédit Agricole Foundation
	A strong ethical culture	Raising employee awareness of ethics	Percentage of employees made aware of ethics	%	16.93	20.3	Crédit Agricole S.A.
	HR strategy: managerial transformation for empowerment	Increase in ERI Survey participation rate	% of women in the highest decision-making body of each entity (Executive Committee when there is one or, failing that, the Management Committee)	%	24	24	Crédit Agricole S.A.
		Executives trained in the new leadership model	Percentage of executives trained in the new leadership model	%	42	54.5	Crédit Agricole S.A.

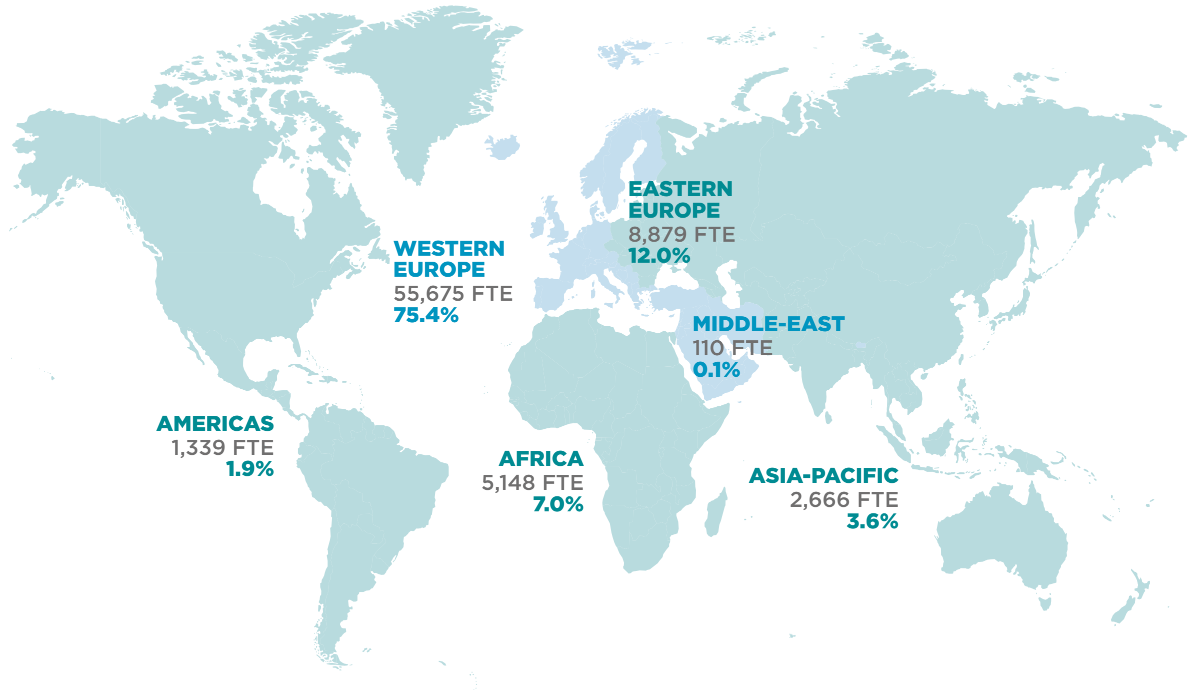
Refer to the glossary on page 681 for the definition of technical terms.

ESG strategy	Policy	Performance indicator	Definition	Unit	2019	2020	Entities concerned
Social Performance	HR strategy: an atmosphere of trust between employees and the company	Women in decision-making bodies	Change (in points) in employee participation in the Engagement and Recommendation Index	In points	7	3	Crédit Agricole S.A.
	HR strategy: an organisational transformation to be closer to customers	Training courses given	Number of hours of training received by employees (regardless of the training theme)	Millions of hours	2.31	1.83	Crédit Agricole S.A.
	Taxation and responsible lobbying policy	Effective tax rate	Tax rate paid by Crédit Agricole S.A.	%	7.37	22.23	Crédit Agricole S.A.
	Responsible purchasing	Suppliers with a CSR assessment (EcoVadis)	Share of suppliers that received an assessment in a call for tenders	%	46.7	67.75	Crédit Agricole S.A.
	Combatting cybercrime	Cyber risk training for employees	Percentage of employees trained in cyber risks	% over 3 sliding years 2018-2020	N/A	88.5	Crédit Agricole S.A.
	Governance representative of the Group's identity and guarantor of long-term commitments	Non-financial criteria in the variable compensation of managers	Share of non-financial criteria in the variable compensation of executives	%	40	40	Crédit Agricole S.A.
		Network of CSR players	Number of CSR Managers within the Group (full-time or part-time)	Number	150	175	Crédit Agricole Group
	ESG Performance Management Platform	Number of social and environmental impact indicators piloted	Number of indicators of impact of financing or investments calculated and piloted	Number	N/A	65	Crédit Agricole Group
	FReD mechanism	Number of employees whose compensation is linked to the FReD mechanism	Number of employees for whom at least part of the variable portion or profit-sharing is linked to the FReD mechanism	Number	10,000	23,408	Crédit Agricole S.A.
ESG performance	ESG development	Outstanding ESG multi-criteria investment solutions	Assets under management invested in funds with an "ESG Integration" investment process	€bn	310.9	355.9	Amundi

4.2 HUMAN RESOURCES INDICATORS

Workforce

At end-2020, Crédit Agricole S.A. had 73,817 employees (full-time equivalent or FTE) and was operating in 45 countries.

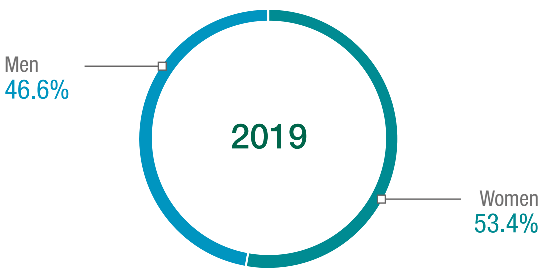


Headcount by type of contract (full-time equivalent)

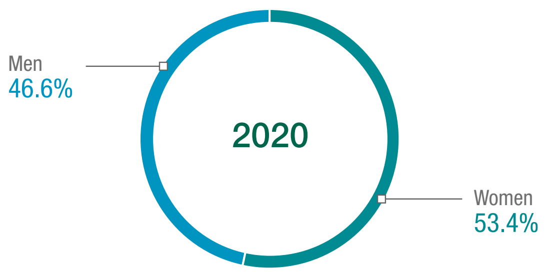
			2020			2019
	France	International	TOTAL	France	International	TOTAL
Active permanent contracts (CDI)	34,815	35,553	70,368	34,367	35,011	**69,378**
Fixed-term contracts (CDD)	632	2,817	3,449	606	3,053	**3,659**
Total employees	**35,447**	**38,370**	**73,817**	**34,973**	**38,064**	**73,037**
Non active permanent contract (CDI) employees	1,066	908	1,974	1,104	1,282	**2,386**
TOTAL	**36,513**	**39,278**	**75,791**	**36,077**	**39,346**	**75,423**

Beneficiary View.

Breakdown of workforce by gender



Scope covered: 99%



Scope covered: 99%

Refer to the glossary on page 681 for the definition of technical terms.

Breakdown of workforce by level/gender

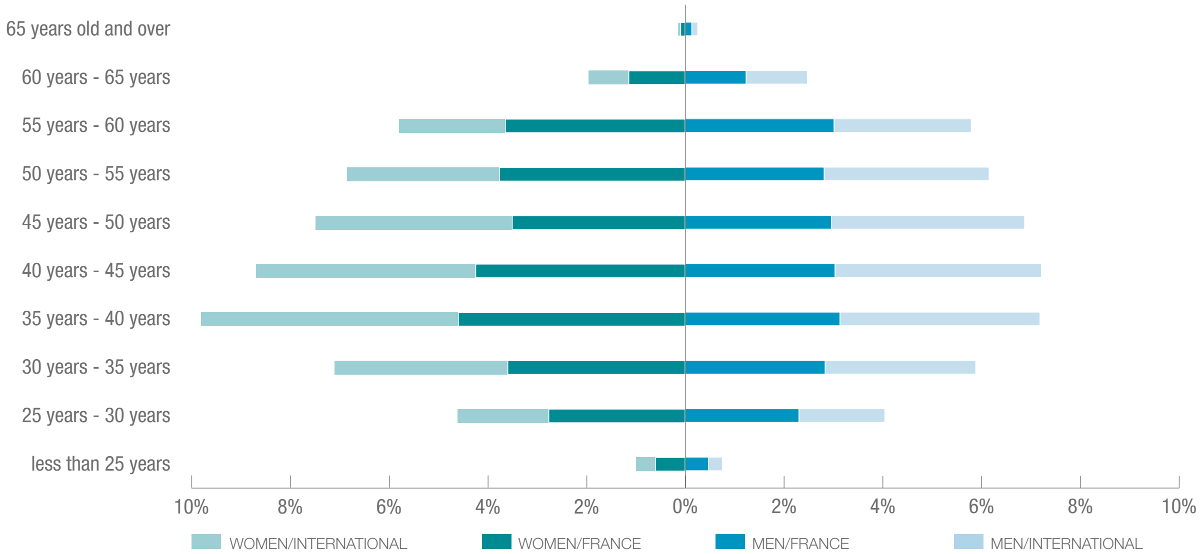
France

(as a %)	2020 Managers	2020 Non-managers	2019 Managers	2019 Non-managers
Workforce in France	**69.9**	**30.1**	**68.7**	**31.3**
Women	61.4	38.6	60.1	39.9
Men	80.7	19.3	79.9	20.1
Scope covered - France		*99%*		*99%*

International

(as a %)	2020 Senior managers	2020 Managers	2020 Other employees	2019 Senior managers	2019 Managers	2019 Other employees
International workforce	**3.1**	**25.9**	**71.0**	**3.0**	**25.6**	**71.4**
Women	1.6	20.0	78.4	1.6	19.6	78.8
Men	4.6	32.0	63.4	4.4	31.8	63.8
Scope covered - International			*99%*			*99%*

Age structure



Scope covered: 99%

Average age and length of service

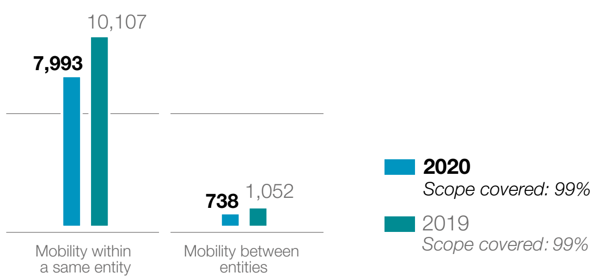
	2020 France	2020 International	2020 TOTAL	2019 France	2019 International	2019 TOTAL
Average age	43 years and 6 months	43 years and 4 months	**43 years and 5 months**	43 years and 4 months	43 years	**43 years and 2 months**
Average length of service	15 years and 10 months	13 years and 4 months	**14 years and 7 months**	15 years and 11 months	13 years	**14 years and 6 months**
Scope covered			***99%***			***99%***

Departures of permanent contract employees by reason

	2020				2019			
	France	International	TOTAL	%	France	International	TOTAL	%
Resignation	841	1,276	**2,117**	46.5	1,194	1,705	**2,899**	50.1
Retirement and early retirement	520	352	**872**	19.1	455	478	**933**	16.2
Lay-off	187	343	**530**	11.6	223	329	**552**	9.5
Death	19	30	**49**	1.1	20	22	**42**	0.7
Other	489	500	**989**	21.7	626	734	**1,360**	23.5
TOTAL PERMANENT CONTRACT DEPARTURES	**2,056**	**2,501**	**4,557**	**100.0**	**2,518**	**3,268**	**5,786**	**100.0**
Scope covered				*99%*				*99%*

Mobility/career management

Internal mobility



Promotions in France

	2020			2019		
	Women	Men	TOTAL	Women	Men	TOTAL
Promotion in the non-manager category	603	302	**905**	837	311	**1,148**
Promotion from non-manager to manager	325	198	**523**	353	178	**531**
Promotion in the manager category	503	566	**1,069**	446	520	**966**
TOTAL	**1,431**	**1,066**	**2,497**	**1,636**	**1,009**	**2,645**
%	57.3	42.7	**100.0**	61.9	38.1	**100.0**
Scope covered France			***99%***			***99%***

Equal treatment

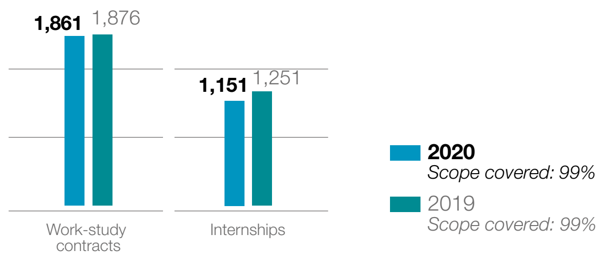
Proportion of women *(%)*

	2020		2019	
	%	Scope covered	%	Scope covered
Among all employees	53.5	100%	53.6	100%
Among permanent contract employees	50.9	100%	53.1	100%
Among management levels 1 and 2	21.7	100%	22.9	100%
Among the Group Executive Committee	4 out of 16	100%	2 out of 16	100%
Among the top 10% of highest-earning employees in each subsidiary (fixed compensation)	29.9	99%	30.0	99%

Refer to the glossary on page 681 for the definition of technical terms.

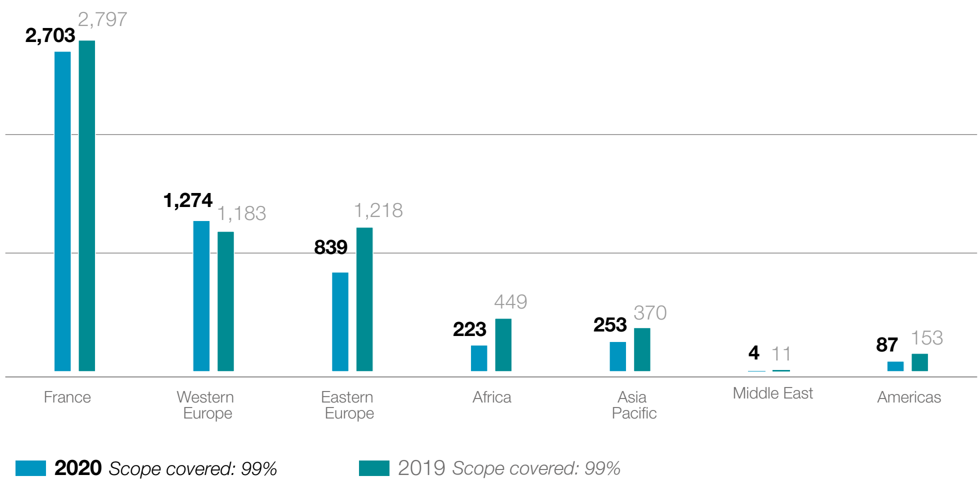
Internships/Work-study contracts

Internships and work-study contracts (average monthly FTE)



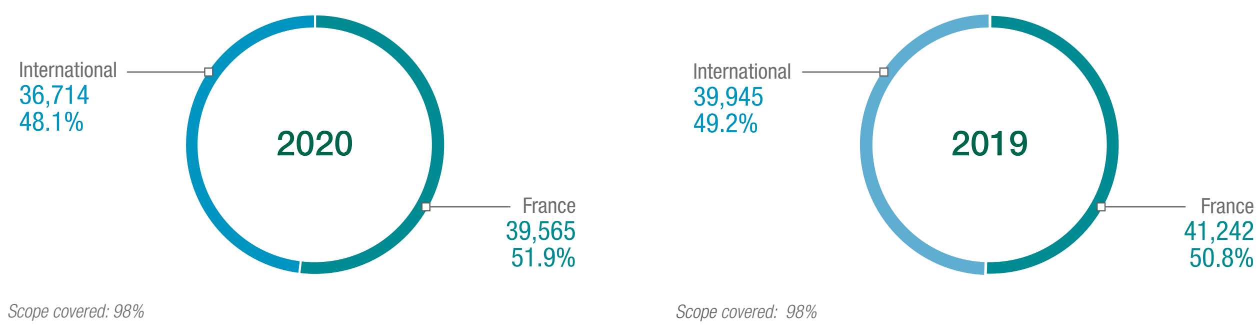
Recruitment

Recruitment by geographic area



Training

Number of employees trained

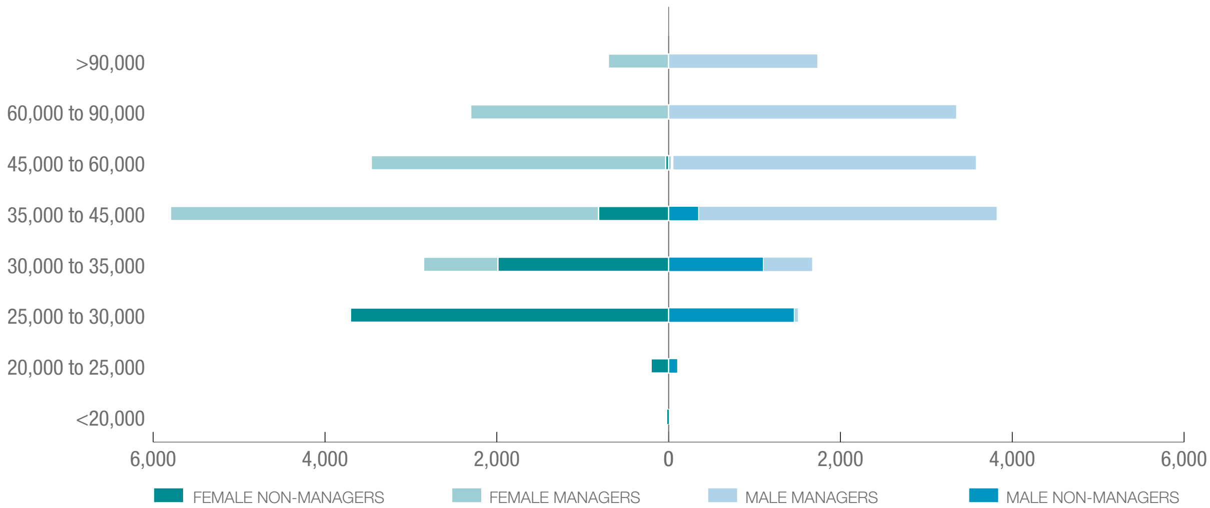


Training topics

	2020 (12 months)				2019 (12 months)	
	TOTAL	%	o/w France	o/w International	TOTAL	%
Knowledge of Crédit Agricole S.A.	**10,471**	0.6	1,386	9,085	**26,809**	1.2
Personnel and business management	**62,712**	3.4	32,408	30,304	**90,483**	3.9
Banking, law and economics	**267,144**	14.6	169,629	97,515	**471,488**	20.4
Insurance	**525,161**	28.8	231,435	293,726	**367,415**	15.9
Financial management (accountancy, tax, etc.)	**18,873**	1.0	6,084	12,789	**32,666**	1.4
Risks	**72,698**	4.0	35,049	37,649	**81,579**	3.5
Compliance	**424,303**	23.2	108,248	316,055	**472,426**	20.4
Methods, organisation, quality	**63,461**	3.5	10,590	52,871	**111,089**	4.8
Purchasing, marketing, distribution	**51,244**	2.8	13,536	37,708	**117,048**	5.1
IT systems, networks, telecommunications	**30,498**	1.7	14,687	15,811	**56,640**	2.4
Languages	**88,237**	4.8	28,685	59,552	**144,251**	6.2
Office systems, software, new ICT	**23,100**	1.3	10,565	12,535	**36,357**	1.6
Personal development, communication	**98,030**	5.4	28,200	69,830	**202,529**	8.8
Health and safety	**66,578**	3.6	16,475	50,103	**72,799**	3.1
Human rights and the environment	**10,477**	0.6	1,553	8,924	**13,870**	0.6
Human Resources	**12,366**	0.7	4,008	8,358	**16,480**	0.7
TOTAL	**1,825,353**	**100.0**	**712,538**	**1,112,815**	**2,313,929**	**100.0**
Scope covered		*98%*				*98%*

Compensation

Annual fixed salary scale



Scope covered France: 99%

Average monthly salary of active permanent contract (CDI) employees in France (gross basic salary)

	2020			2019		
	Women	Men	OVERALL	Women	Men	OVERALL
Managers	4,405	5,377	**4,898**	4,352	5,294	**4,830**
Non-managers	2,530	2,526	**2,529**	2,518	2,515	**2,517**
TOTAL	**3,680**	**4,827**	**4,185**	**3,620**	**4,735**	**4,107**
Scope covered France			***99%***			***99%***

Refer to the glossary on page 681 for the definition of technical terms.

Collective variable compensation paid during the year on the basis of the previous year's results in France

	2020			2019		
	Total amount *(in thousands of euros)*	Number of beneficiaries	Average amount *(in euros)*	Total amount *(in thousands of euros)*	Number of beneficiaries	Average amount *(in euros)*
Profit-sharing	42,435	31,276	1,357	57,075	32,241	1,770
Incentive plans	203,009	42,693	4,755	181,081	43,865	4,128
Employer's additional contribution	50,912	33,493	1,520	50,559	33,629	1,503
TOTAL	**296,356**			**288,715**		
Scope covered France			*99%*			*99%*

Health & safety

Absenteeism in calendar days

	2020					2019		
			TOTAL			TOTAL		
	Women	Men	Number of days	%	Average number of days' absence per employee	Number of days	%	Average number of days' absence per employee
Sickness	511,988	221,149	733,137	51.0	10.1	697,218	52.3	9.4
Accident	12,423	6,513	18,936	1.3	0.3	26,375	2.0	0.4
Maternity, paternity, breast feeding	370,459	15,197	385,656	26.8	5.3	427,244	32.1	5.8
Authorised leave	81,410	54,201	135,611	9.4	1.9	158,790	11.9	2.1
Other	91,753	72,761	164,514	11.4	2.3	23,310	1.7	0.3
TOTAL	**1,068,033**	**369,821**	**1,437,854**	**100.0**	**19.8**	**1,332,937**	**100.0**	**18.0**
Absenteeism rate					*5.4%*			*5%*
Scope covered					*97%*			*98%*

The number of work or commuting accidents recorded over the year was 800 in 2020. It was 1,311 in 2019.

Work organisation

Proportion of part-time employees

	2020			2019		
	Women	Men	TOTAL	Women	Men	TOTAL
Part-time employees	6,368	789	**7,157**	6,599	754	**7,353**
Part-time employees as % of total	16.6	2.4	**9.9**	17.4	2.3	**10.3**
Women as % of part-time employees			**89.0**			**89.7**
Scope covered			***99%***			***99%***

Labour relations

Number of company agreements signed during the year by subject

			2020			2019
	France	International	TOTAL	France	International	TOTAL
Compensation and benefits	54	44	**98**	60	27	**87**
Training	0	18	**18**	0	19	**19**
Employee representative bodies	10	2	**12**	32	1	**33**
Jobs	3	5	**8**	2	9	**11**
Working hours	15	14	**29**	6	8	**14**
Diversity and gender equality at work	2	3	**5**	3	1	**4**
Health & Safety	0	0	**0**	3	0	**3**
Other	24	23	**47**	19	15	**34**
TOTAL	**108**	**109**	**217**	**125**	**80**	**205**
Scope covered			*96%*			*92%*

4.3 RECOGNITION OF NON-FINANCIAL PERFORMANCE BY STAKEHOLDERS

By relying on its ESG strategy and of all the actions implemented by the entities, Crédit Agricole S.A. is consolidating its non-financial performance. In 2020, it reaffirmed its place on the leading socially responsible investment indexes:

FTSE4Good EURONEXT vigeo CDP DRIVING SUSTAINABLE ECONOMIES MSCI ISS ESG

- *Rated A- by CDP in 2020;*
- *rated A by Morgan Stanley Capital International (MSCI) since 2017;*
- *rating of 63 by VigeoEiris since 2019 and included in NYSE-Euronext indices since May 2013;*
- *rated Prime by ISS ESG since December 2015;*
- *included for several years in the British FTSE4Good index, re-confirmed in September 2020.*

Signatory of the

- United Nations Global Compact since 2003;
- Principles for Responsible Investment since 2006;
- Diversity Charter since 2008;
- Sustainable Purchasing Charter since 2010;
- Charter for the energy efficiency of commercial buildings since 2013;
- Science-Based Targets since 2016;
- RE100 since 2016;
- Principles for Responsible Banking and Collective Commitment to Climate Action since 2019;
- Business for Inclusive Growth (B4IG) since 2019;
- Poseidon Principles since 2019;
- One Planet Sovereign Wealth Fund Asset Manager Initiative since 2019;
- Tobacco Free Finance Pledge since 2020.

Refer to the glossary on page 681 for the definition of technical terms.

Co-founding member of the

- Equator Principles since 2003;
- Green Bonds Principles since 2014;
- Portfolio Decarbonization Coalition since 2014;
- Mainstreaming Climate Action Within Financial Institutions since 2015;
- Catalytic Finance Initiative since 2015;
- French Business Climate Pledge since 2015;
- BBCA association (low-carbon building design) since 2015;
- Finance for Tomorrow since 2017.

Participant in the

- Call for carbon pricing at the initiative of the World Bank Group in 2014;
- Montreal Carbon Pledge since 2015;
- Paris Appeal on Climate Change since 2015;
- IIRC (International Integrated Reporting Council) since 2016;
- Task Force on Climate Disclosure since 2017;
- Climate Action 100+ since 2017;
- AIGCC (Asia Investor Group on Climate Change) since 2020.

Other positions

- Statement on modern slavery since 2017;
- Contributor to the RH Sans Frontières endowment fund since 2018.

IMPLEMENTATION OF THE PRINCIPLES FOR RESPONSIBLE BANKING

The complete report on the implementation of the “Principles for Rersponsible Banking” is available on credit-agricole.com website.

Reporting and self-assessment point	Relevant reference(s)/Illustrative link(s) to the answer
PRINCIPLE 1: ALIGNMENT	
1.1 Crédit Agricole S.A. business model.	See Universal Registration Document, chapter “Presentation of Crédit Agricole S.A.”
1.2 Alignment of the strategy with the Sustainable Development Goals (SDGs), the Paris Climate Agreement and successful national and regional frameworks.	See https://www.credit-agricole.com/notre-groupe/notre-projet-de-groupe/notre-vision and Universal Registration Document, chapter “Extra-financial performance”, paragraphs 1.3 and 2.3.1
PRINCIPLE 2: DEFINITION OF IMPACT AND TARGET	
2.1 Group impact analysis	See Universal Registration Document, “Non-Financial Performance” chapter, paragraphs 1.2 and 1.3
Conclusion on impact analysis: this entire analysis of non-financial risks/issues and their materiality has enabled Crédit Agricole S.A. to define the corresponding impact and risk management policies.	
2.2 Definition of Group target	See Universal Registration Document, “Non-Financial Performance” chapter, paragraphs 2.3.1 and 1.3
Conclusion on the definition of the target: as part of its Ambitions 2022 medium-term plan, Crédit Agricole S.A. has set itself ambitious objectives in line with its *Raison d’Être*[1].	
2.3 Plans for implementation and monitoring of objectives	See Universal Registration Document, “Non-Financial Performance” chapter, paragraph 2.2.3
Conclusion on the monitoring of objectives: the deployment of the non-financial reporting platform throughout the Group will make it possible to transparently monitor the implementation of our social and environmental commitments.	
2.4 Progress in implementing objectives	See Universal Registration Document, “Non-Financial Performance” chapter, paragraphs 2.3.6, 2.3.2 and 4
Conclusion on progress made: In a particularly difficult environment in which the bank was mobilised to support its customers, employees and stakeholders in the face of the pandemic, significant progress was made in 2020 in implementing our environmental and societal strategy.	
PRINCIPLE 3: CLIENTS AND CUSTOMERS	
3.1 Overview of the policies and practices currently implemented or to be implemented by the Group to promote responsible relationships with its customers.	See Universal Registration Document, “Non-Financial Performance” chapter, paragraph 2.4.2
3.2 Description of the work performed or planned by the Group with its customers to encourage sustainable practices and enable sustainable economic activities.	See Universal Registration Document, “Non-Financial Performance” chapter, paragraphs 1.2., 1.3 and 2.2.4
PRINCIPLE 4: STAKEHOLDERS	
4.1 Description of the stakeholders (or groups/types of stakeholders) with whom the Group has consulted, engaged, collaborated or partnered to implement these principles and enhance its impact.	https://www.b4ig.org/ https://www.at-entreprise-pauvrete.org/toutes-nos-publications/lancement-du-collectif-dentreprises-pour-une-economie-plus-inclusive/ https://lanoteglobale.org/
PRINCIPLE 5: GOVERNANCE AND CULTURE	
5.1 Description of the governance structures, policies and procedures put in place or expected to be put in place by the Group to manage significant positive and negative (potential) impacts and to support the effective implementation of the Principles.	See Universal Registration Document, “Non-Financial Performance” chapter, paragraph 2.2.2
5.2 Description of the initiatives and measures implemented or expected to be implemented by the Group to foster a responsible banking culture among its employees.	See Universal Registration Document, “Non-Financial Performance” chapter, paragraph 2.2.4 and paragraph 2.2.2
5.3 Governance structure for the implementation of the principles.	
Conclusion: Oversight of the implementation of the PRB is an integral part of Crédit Agricole S.A. ESG governance.	
PRINCIPLE 6: TRANSPARENCY AND ACCOUNTABILITY	
Progress in the implementation of the principles of banking responsibility.	Universal Registration Document, “Non-Financial Performance” chapter
Conclusion: Crédit Agricole S.A. has made significant progress in the implementation of the PRB, an integral part of its ESG strategy, during financial year 2020.	

(1) Please refer to the glossary for the definition of Raison d’Être.

Refer to the glossary on page 681 for the definition of technical terms.

CROSS-REFERENCE TABLE

Statement of Non-Financial Performance	Pages
Business model	14
Non-financial risks	46-50
Policies, due diligence procedures and outcomes	56-89
KPIs	96-97
Duty of vigilance	139-147

DPEF 2020	Pages	Global Compact	SDGs	PRB	ISO 26000	GRI G4
1. NON-FINANCIAL RISKS						
1.1. Consultation of stakeholders				3; 4	6.4.5.	
1.2. Materiality matrix		All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15;16	All principles	6.4.3; 6.4.4; 6.4.5; 6.4.7; 6.5.4; 6.5.5; 6.6.3; 6.6.6; 6.7.3; 6.7.7; 6.8.3	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN27; G4-LA1; G4-LA2; G4-LA9; G4-LA10; G4-LA11; GA-LA13; G4-LA15; G4-S04; GR-PR8
1.3. Analysis of non-financial risks		All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15;16	All principles	6.4.3; 6.4.4; 6.4.5; 6.4.7; 6.5.4; 6.5.5; 6.6.3; 6.6.6; 6.7.3; 6.7.7; 6.8.3	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN27; G4-LA1; G4-LA2; G4-LA9; G4-LA10; G4-LA11; GA-LA13; G4-LA15; G4-S04; GR-PR8
2. ESG STRATEGY: TO BE A PLAYER COMMITTED TO LOW-CARBON AND SOCIALLY ACCEPTABLE GROWTH						
2.1. An ESG strategy driven by the Group Project		All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15;16	All principles	6.2; 6.3.4; 6.3.7; 6.4; 6.5; 6.6.3; 6.6.4; 6.6.5; 6.6.6; 6.7.4; 6.7.5; 6.7.6; 6.7.7; 6.7.8; 6.8.3; 6.8.4; 6.8.5; 6.8.7; 6.8.9	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN23; G4-EN27; G4-LA1; G4-LA2; G4-LA8; G4-LA9; G4-LA10; G4-LA11; G4-LA12; GA-LA13; G4-LA15; G4-S04; G4-PR5: G4-PR8
2.2. Governance		All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15;16	5	6.2	G4-LA12
2.3. Environmental strategy		7; 8; 9	6; 7; 11; 12; 13; 14; 15	All principles	6.5	G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN23; G4-EN27; G4-EC2
2.4. Social strategy		All principles	1; 3; 5; 8; 10; 11; 12; 16	All principles	6.3.4; 6.3.7; 6.4; 6.5.4; 6.6.3; 6.6.4; 6.6.5; 6.6.6; 6.7.4; 6.7.5; 6.7.6; 6.7.7; 6.7.8; 6.7.9; 6.8.3; 6.8.4; 6.8.5; 6.8.7; 6.8.9;	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN10; G4-EN23; G4-EN27; G4-LA1; G4-LA2; G4-LA8; G4-LA9; G4-LA10; G4-LA11; G4-LA12; GA-LA13; G4-LA15; G4-S04
2.5. Integration of ESG criteria in investment and asset management policies		All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15;16	1; 2; 3; 5; 6	6.5; 6.8.9	G4-EN23; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN27; G4-EC1; G4-EC1; G4-EC2; G4-EC7; G4-EC8

DPEF 2020	Pages	Global Compact	SDGs	PRB	ISO 26000	GRI G4
3. ESG RISK MANAGEMENT						
3.1. ESG risk approach		All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15;16	1; 2; 5	6.2; 6.3.4; 6.3.7; 6.4; 6.5; 6.6.3; 6.6.4; 6.6.5; 6.6.6; 6.7.4; 6.7.5; 6.7.6; 6.7.7; 6.7.8; 6.8.3; 6.8.4; 6.8.5; 6.8.7; 6.8.9	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN23; G4-EN27; G4-LA1; G4-LA2; G4-LA8; G4-LA9; G4-LA10; G4-LA11; G4-LA12; GA-LA13; G4-LA15; G4-S04
3.2. Focus on climate risk management		7; 8; 9	7; 11; 13	1; 2; 5	6.5.5.	G4-EC2; G4-EN17; G4-EN19
4. RESULTS AND IMPACT						
4.1. Non-financial performance indicator		All principles	1; 3; 5; 6; 7; 8; 10; 11; 12; 13; 14; 15;16	All principles	6.2; 6.3.3; 6.3.7; 6.4.3; 6.4.4; 6.4.5; 6.4.6; 6.4.7; 6.5; 6.6.3; 6.6.4; 6.6.5; 6.6.6; 6.7.4; 6.7.7; 6.8.7; 6.8.8; 6.8.9	G4-EC1; G4-EC2; G4-EC7; G4-EC8; G4-EN2; G4-EN3; G4-EN6; G4-EN10; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN23; G4-EN27; G4-LA1; G4-LA2; G4-LA8; G4-LA9; G4-LA10; G4-LA11 G4-LA12; G4-LA13; G4-LA15; G4-S04; GR-PR8
4.2. Human resources indicators		All principles	1; 3; 5; 8; 10; 11; 12; 16	1; 2; 5; 6	6.3.4; 6.3.7; 6.4; 6.8.8	G4-EC3; G4-LA1; G4-LA2; G4-LA3; G4-LA5; G4-LA6; G4-LA8; G4-LA9; G4-LA10; G4-LA12; G4-LA13

The Global Compact is a UN initiative that encourages companies to adopt socially responsible behaviour based on 10 principles.

The UN's Sustainable Development Goals are a list of 17 targets to be achieved by 2030.

The Principles for Responsible Banking are a UN framework for a more sustainable and inclusive banking system.

ISO 26000 is an international standard which defines how organisations can contribute to sustainable development.

The GRI G4 is the fourth edition of the Global Reporting Initiative that aims to provide indicators for measuring the development of sustainable development programmes.

Refer to the glossary on page 681 for the definition of technical terms.

REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE NON-FINANCIAL INFORMATION STATEMENT INCLUDED IN THE MANAGEMENT REPORT

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended December 31, 2020

To the shareholders of Crédit Agricole S.A.,

In our capacity as Statutory Auditor of Crédit Agricole S.A. (hereinafter the "entity), appointed as an independent third party and accredited by Cofrac (accreditation Cofrac Inspection n°3-1060 whose scope is available at www.cofrac.fr), we hereby report to you on the non-financial information statement for the year ended 31 December 2020 (hereinafter the "Statement"), included in the management report pursuant to the legal and regulatory provisions of articles L. 225102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code *(Code de commerce).*

THE ENTITY'S RESPONSIBILITY

Pursuant to legal and regulatory requirements, the Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal nonfinancial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement (or which are available on request from the entity's Corporate Social and Environmental Responsibility Department).

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics *(Code de déontologie)* of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional guidance and applicable legal and regulatory requirements.

RESPONSIBILITY OF THE STATUTORY AUDITOR, APPOINTED AS AN INDEPENDENT THIRD PARTY

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225105 I, 3 and II of the French Commercial Code, *i.e.*, the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions, in particular the French duty of care law and anti-corruption and tax evasion legislation;
- the compliance of products and services with the applicable regulations.

NATURE AND SCOPE OF OUR WORK

The work described below was performed in accordance with the provisions of articles A. 225-1 *et seq.* of the French Commercial Code determining the conditions in which the independent third party performs its engagement and with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements, as well as with ISAE 3000 – *Assurance engagements other than audits or reviews of historical financial information.*

Our procedures allowed us to assess the compliance of the Statement with regulatory provisions and the fairness of the Information:

- we obtained an understanding of all the consolidated entities' activities, the description of the social and environmental risks associated with their activities and, where applicable, the impact of these activities on compliance with human rights and anticorruption and tax evasion legislation, as well as the resulting policies and their outcomes;
- we assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, objectivity and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 2251021 III, as well as information set out in the second paragraph of article L. 22-10-36 regarding compliance with human rights and anticorruption and tax evasion legislation;
- we verified that the Statement includes an explanation for the absence of the information required under article L. 225-102-1 III, 2;

- we verified that the Statement presents the business model and the principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships and products or services, as well as its their policies, measures and the outcomes thereof, including key performance indicators;
- we verified, where relevant with respect to the principal risks or the policies presented, that the Statement provides the information required under article R. 225-105 II;
- we assessed the process used to identify and confirm the principal risks;
- we asked what internal control and risk management procedures the entity has put in place;
- we assessed the consistency of the outcomes and the key performance indicators used with respect to the principal risks and the policies presented;
- we verified that the Statement covers the scope of consolidation, *i.e.*, all the companies included in the scope of consolidation in accordance with article L. 233-16 within the limitations set out in the Statement;
- we assessed the data collection process implemented by the entity to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - substantive tests, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities (Amundi Asset Management, Pacifica, Crédit Agricole Bank Polska S.A., Crédit Agricole Italia, Crédit Agricole Egypt S.A.E. et Crédit Agricole CIB - UK) and covers between 22% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we referred to documentary sources and conducted interviews to corroborate the qualitative information (measures and outcomes) that we considered to be the most important;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

MEANS AND RESSOURCES

Our work was carried out by a team of 7 people between October 2020 and March 2021 and took a total of 8 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted forty interviews with sixty people responsible for preparing the Statement.

CONCLUSION

Based on our work nothing has come to our attention that causes us to believe that the non-financial information statement is not in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly and in accordance with the Guidelines.

Neuilly-sur-Seine, 23th of March 2021

One of the Statutory Auditors
PricewaterhouseCoopers Audit
French original signed
Anik Chaumartin
Partner

French original signed
Sylvain Lambert
Sustainable Development Partner

Refer to the glossary on page 681 for the definition of technical terms.

APPENDIX: LIST OF THE INFORMATION WE CONSIDERED MOST IMPORTANT

Selection of qualitative and quantitative information, associated with the policies, measures and outcomes related to the fifteen principal issues identified for the activity of Crédit Agricole S.A., disclosed in the following sections of the management report:

Main issues ESG (challenges Crédit Agricole S.A.)	Policies, measures and outcomes reviewed within the framework of our work	Sections of the management report
Climate change mitigation and adaptation	**Climate Strategy** **Climate risk management: response to the 11 TCFD recommendations** Indicators reviewed: Investments in the coal sector in the energy mix (%), Financing in the coal sector in the energy mix (%), Outstanding amounts of specific environmental initiatives (€bn), Financing of green activities (€bn), Investments in renewable energies (€bn), Financing of renewable energies (€m), Financing of renewable energies projects in France (%), GHG emissions from financing and investments (Mteq CO_2) Actions and associated results reviewed: Pilot exercise on climate risk resilience conducted by ACPR; Physical risks; study on the impact of natural disasters on credit risk (LCL)	2.3.1 3.2
Sustainable use of resources	**Measures and targets related to our direct environmental footprint** Indicators reviewed: GHG emissions related to energy/m2 and GHG emissions related to business travel/FTEs; scope 1 GHG emissions indicators (related to gas and fuel consumption, scope 2 GHG emissions (related to electricity consumption in buildings/data centres, heating network and cooling network); scope 3 GHG emissions (related to financing, investments and business travel by plane and train) Actions and associated results reviewed: carpooling service in partnership with Klaxit; re-use of construction materials (CA Immo)	2.3.7
Access to essential services	**Access for all to our offers and services** Revised indicator: Social and solidarity impact fund outstanding (€M) Actions and associated results reviewed : Sponsorship programme; Solidarity Bankers programme; Emergency fund "Tous mobilisés pour nos aînés"; Signature of a partnership with Action Logement	2.4.1.
Community involvement	**Economic development for all - Developing preventive actions - Promoting social cohesion and good living together** Indicators reviewed : Financing granted for the benefit of unbanked populations (M€) and Health-related financing (M€) Actions and associated results reviewed: Sponsorship budget; Number of LCL Essentiel subscriptions	
Fight against corruption Consumer data and privacy protection Fair marketing, information and contracting practices	**A strong ethical culture** Indicator revised: Rate of employees aware of ethics (%) Actions and associated results reviewed : Development of the innovation ecosystem; deployment of alert tools	2.4.2
Employment and employer/employee relations	**HR strategy: fostering autonomy and responsibility - Framework of trust between employees and the company** Indicator reviewed: Progression of the participation rate in the IER Actions and associated results reviewed: Recruitment; Work-study; Social network impressions	2.4.3.
Human capital development	**HR strategy: fostering autonomy and responsibility - Managerial transformation to empower** Indicator revised: Percentage of women in the highest management bodies (%) Actions and associated results reviewed: Data Scientist certification *course*; Provision of the Jobmaker support tool; 100% digital employer brand strategy	
Working conditions and social protection Social dialogue	**HR strategy: fostering autonomy and responsibility - Organisational transformation to be closer to the customer** Revised indicator: Training provided (in millions of hours) Actions and associated results reviewed : Signature of collective agreements; Creation of a booklet on the theme of disability; Implementation of a medical teleconsultation system; Implementation of a psychological unit to deal with the health crisis	
Promotion of social responsibility in the value chain (Responsible Purchasing)	**Responsible Purchasing** Indicator revised: Percentage of suppliers with a CSR assessment (Ecovadis) during tenders (%) Actions and associated results reviewed: Group Supplier Risk Committee; Development of the purchasing IS; Systematic integration of CSR issues in the purchasing act	2.4.5
Combating tax evasion	**Tax policy and responsible lobbying** Revised indicator: Effective tax rate (%)	2.4.4
Exposure to Cybercrime	**Fight against cybercrime** Indicator revised: Staff training on cyber risks (% over 3 years 2018-2020) Actions and associated results reviewed: Role and responsibilities of the specialised Security and IT Risks unit; Operational Committee for Information Systems Security; Plenary Committee for Technology Security; IS Security Watch Unit	2.4.6

Main issues ESG (challenges Crédit Agricole S.A.)	Policies, measures and outcomes reviewed within the framework of our work	Sections of the management report
Integrating ESG risks and opportunities into our business Integrating ESG risks and opportunities into our business	**Governance representative of the Group's identity and guaranteeing long-term commitments** Indicators reviewed : Women on the Board of Directors (%), Non-financial criteria in the variable remuneration of executives (%) and CSR network (number) Actions and associated results reviewed: ESG Strategy Committee; Sustainable *Banking experts*	2.5
	ESG performance monitoring platform Indicator reviewed: Number of social and environmental impact indicators monitored Actions and associated results reviewed : ESG performance management system	
	FReD scheme Indicator reviewed: Number of staff whose remuneration is linked to the FReD scheme Actions and associated results reviewed: Promotion of the circular economy; External assurance report	
	ESG Development Revised indicator: Outstanding ESG multi-criteria solutions (€bn) Actions and associated results reviewed: Transition Risk Index	

INDEPENDENT LIMITED ASSURANCE REPORT ON THE INDICATORS RELATING TO THE IMPLEMENTATION OF THE CLIMATE STRATEGY PRESENTED IN CRÉDIT AGRICOLE'S 2020 MANAGEMENT REPORT

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended December 31, 2020

To the shareholders of Crédit Agricole S.A.,

At the request of Crédit Agricole S.A. and in our capacity as statutory auditors of the company, we have undertaken a limited assurance engagement in respect of the indicators relating to the implementation of the climate strategy listed below and reported in the Company's Management Report for the year ended 31 December 2020.

The indicators relating to the implementation of the climate strategy selected by Crédit Agricole S.A. are the following:

- Creation of a "Group Societal Project Committee" (CASA)
- Creation of a "Scientific Committee" (CASA)
- Setting up an information system (CASA)
- Creation of an "Operational Monitoring Committee" (CASA)
- Regular review of sectoral policies (CASA)
- Publication of climate reporting according to TCFD recommendations (CASA)
- Implementation of a transition note (CASA)
- Deployment of a range of green offerings (LCL)
- Financing renewable energy in France (UNIFERGIE)
- Establishment of an envelope to develop environmental transition projects (LCL)
- Financing of green activities (CACIB)
- Outstanding ESG multi-criteria solutions (AMUNDI)
- Outstanding specific environmental initiatives (AMUNDI)
- Amount of cash invested in SRI products (CASA)
- GHG emissions financing and investments (CASA)
- Investments in renewable energy (CAA)
- Renewable energy financing (LCL)
- Investments in the coal sector Energy mix (AMUNDI)
- Coal Financing Energy Mix (CACIB)
- Process for the treatment and phasing out of coal developers (CASA AMUNDI CACIB)
- Coal industry exit scenario (CASA)

Refer to the glossary on page 681 for the definition of technical terms.

These indicators have been prepared under the responsibility of Crédit Agricole S.A.'s Corporate Social Responsibility (CSR) Department in accordance with the "Indicator sheets - 2020 extra-financial reporting platform" standard, which is available on request from the Corporate Social Responsibility (CSR) Department.

Our responsibility is to express a limited assurance conclusion on these selected indicators; a higher level of assurance would have required more extensive verification work. The conclusions expressed below relate to the selected indicators and not to all the CSR information contained in the management report.

NATURE AND SCOPE OF OUR WORK

We conducted the work described below in accordance with the professional standards of the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this type of engagement, as well as with International Standard on ISAE 3000 *(Assurance Engagements other than Audits or Reviews of Historical Financial Information)*.

We have performed the following procedures to obtain a limited assurance on that nothing has come to our attention that causes us to believe that the indicators selected by Crédit Agricole S.A. have not, in all material respects, been prepared in accordance with the "Indicator Sheets - Non-Financial Reporting Platform 2020" standard.

- We examined the appropriateness of the reporting procedures drawn up by Crédit Agricole S.A. at Group level with regard to their relevance, completeness, reliability, neutrality and understandability.
- We verified the implementation of a collection, compilation, processing and control process aimed at ensuring the completeness and consistency of the indicators and understand the internal control and risk management procedures relating to the preparation of these indicators.
- We performed analytical procedures and verified, on a test basis, the calculations and consolidation of the data. This work was based on interviews with the people in Crédit Agricole S.A.'s Corporate Social Responsibility (CSR) Department, who are responsible for preparing and applying the procedures and consolidating the data.
- The non-financial reporting platform includes the carbon intensities of companies, which are taken from a private database prepared by the supplier Trucost; our procedures did not include a review of the preparation of this database.
- We have selected a sample of entities:
  - AMUNDI ASSET MANAGEMENT (AMUNDI)
  - Crédit Agricole S.A. (CASA)
  - LCL
  - Crédit Agricole Assurance (CAA)
  - Unifergie
  - Crédit Agricole CIB (CACIB)
- At the level of the selected entities:
  - We verified, based on interviews with the persons in charge of preparing the data, the proper understanding and application of the procedures;
  - We carried out tests of detail, based on samples, consisting of verifying the calculations made and reconciling the data with supporting documents.

These Crédit Agricole S.A. entities represent between 20.4% and 100% of the selected indicators relating to the implementation of the climate strategy.

Our CSR experts assisted us in carrying out this work.

CONCLUSION

Based on our work, nothing has come to our attention that causes us to believe that the indicators relating to the implementation of the climate strategy selected by Crédit Agricole S.A. and listed above, published in its 2020 management report, taken as a whole, are not presented fairly and in accordance with the standard used by Crédit Agricole S.A. and applicable in 2020.

Neuilly-sur-Seine, France

23th of March 2021

One of the Statutory Auditors

PricewaterhouseCoopers Audit

French original signed Anik Chaumartin Partner	*French original signed* Sylvain Lambert Sustainable Development Partner

3 CORPORATE GOVERNANCE

Refer to the glossary on page 681 for the definition of technical terms.

Overview of the Board of Directors

Composition of the Board of Directors at 31 December 2020

21 DIRECTORS
of which

18 members were elected by the General Assembly

1 Non-voting Director

1 Representative of the Social and Economic Committee

47% WOMEN ON THE BOARD

Dominique LEFEBVRE — Raphaël APPERT — Pascale BERGER — Pierre CAMBEFORT — Daniel ÉPRON — Jean-Pierre GAILLARD
Nicole GOURMELON — Jean-Paul KERRIEN — Christiane LAMBERT — Pascal LHEUREUX — Gérard OUVRIER-BUFFET
Louis TERCINIER — Philippe DE WAAL — Simone VÉDIE — Agnès AUDIER
Caroline CATOIRE — Marie-Claire DAVEU — Laurence DORS — Françoise GRI — Monica MONDARDINI — Catherine POURRE
François HEYMAN — Bernard DE DRÉE

96%
ATTENDANCE RATE OF MEETINGS IN 2020

12
PLENARY MEETINGS OF THE BOARD IN 2020 INCLUDING 2 SEMINARS

38 COMMITTEE MEETINGS
6 SPECIALISED COMMITTEES

JOINT COMMITTEE
100% ATTENDANCE RATE
8 meetings
9 members

RISK COMMITTEE
100% ATTENDANCE RATE
6 meetings
5 members

AUDIT COMMITTEE
100% ATTENDANCE RATE
5 meetings
6 members

COMPENSATION COMMITTEE
93% ATTENDANCE RATE
7 meetings
6 members
& 1 permanent guest

APPOINTMENTS AND GOVERNANCE COMMITTEE
100% ATTENDANCE RATE
4 meetings
6 members

US RISK COMMITTEE
100% ATTENDANCE RATE
4 meetings
3 members

STRATEGY AND CSR COMMITTEE
96% ATTENDANCE RATE
4 meetings
7 members

Committees chaired by an independent Director — Committee chaired by the Chairman of the Board of Directors

Refer to the glossary on page 681 for the definition of technical terms.

1. REPORT OF THE BOARD OF DIRECTORS

ON CORPORATE GOVERNANCE TO THE GENERAL MEETING OF SHAREHOLDERS OF 12 MAY 2021 PURSUANT TO ARTICLES L. 225-37, L. 225-37-4 AND L. 22-10-10 OF THE FRENCH COMMERCIAL CODE

Report on Corporate Governance for financial year 2020

In addition to the management report, this Board of Directors' Report on Corporate Governance presented pursuant to Article L. 225-37 of the French Commercial Code, provides shareholders with the required information on the Board's activities in 2020, its composition, and the conditions under which the Board prepared and organised its work. It also presents the situation of Crédit Agricole S.A. in respect of the regulated information required under Articles L. 225-37-4 and L. 22-10-10 within the Board's remit, including:

- the list of offices held by each Corporate Officer in any company during the financial year;
- the choice of separating executive and non-executive functions between the Chairman and the Chief Executive Officer;
- any agreements which took place either directly or via an intermediary between, on the one hand, one of the Corporate Officers or a shareholder holding more than 10% of a company's voting rights and, on the other hand, another company controlled by the former within the meaning of Article L. 233-3, excluding any agreements concerning ordinary operations signed under normal conditions;
- a description of the procedure established by the Board to assess whether agreements relating to current operations and entered into under normal conditions do indeed meet these conditions, in accordance with Article L. 22-10-12 of the French Commercial Code;
- a description of the diversity policy applicable to the members of the Board of Directors with regard to criteria such as age, gender, qualifications and professional experience, as well as a description of this policy's objectives, its implementation procedures, and the results obtained during the financial year ended; this description is complemented by information on how the Company pursues a balanced representation of women and men in the Committee, where applicable, by Executive Management in order to regularly assist them in the performance of their general tasks and on the results in terms of gender balance in the 10% of positions with higher responsibility;
- any restrictions imposed by the Board of Directors on the Chief Executive Officer's powers;
- any areas of non-compliance with the AFEP/MEDEF Code applicable within Crédit Agricole S.A.

Pursuant to Articles 22-10-8 and L. 22-10-9 of the French Commercial Code, this Governance Report also includes the draft resolutions on the compensation policy for each Executive Corporate Officer and Directors, and the components of the total compensation and the benefits in kind allocated during the year or awarded in the same financial year to the Chairman, Chief Executive Officer and Deputy Chief Executive Officer. The report details the above-mentioned elements of compensation and specifies that the payment of the variable and exceptional compensation is subject to approval of these elements of compensation by the Ordinary General Meeting.

Lastly, excluding the Board of Directors' powers, in particular concerning the issuing or buyback of shares presented in this section, certain information required under Articles L. 225-37-4, L. 22-10-10 and L. 22-10-11 is presented in other sections of this document:

- the table summarising the authorisations in force granted by the General Meeting of Shareholders concerning capital increases, pursuant to Articles L. 225-129-1 and L. 225-129-2, mentioning the use made of such authorisations during the financial year ("Information on the share capital and shareholders", page 33);
- the terms governing shareholders participation in the General Meeting as provided for in Articles 21 to 29 of the Articles of Association (General information pages 655-656), are also available for consultation at the registered office of Crédit Agricole S.A. and on its website www.credit-agricole.com.

1.1. INFORMATION CONCERNING THE BOARD OF DIRECTORS' COMPOSITION AND FUNCTIONING

1.1.1. General presentation of the Board of Directors

The Chairman

In accordance with the governance model of Crédit Agricole, the office of Chairman of the Board and that of Chief Executive Officer of Crédit Agricole S.A. are historically separate. Thus, the Company has a long record of compliance with Article L. 511-58 of the French Monetary and Financial Code, which since 2015, has made this separation a legal principle in the banking sector.

Under Article **L. 512-49** of the French Monetary and Financial Code, the Chairman is elected by the Board of Directors from among its members who are Directors of a Crédit Agricole Mutuel Regional Bank. The Articles of Association state that this Director must also be Chair of a Regional Bank, in this case for Dominique Lefebvre, the Val de France Regional Bank. The Chairman's term of office is set to align with his term of office as Director, which is three years. The statutory age limit is set at 67 years for the Chairman and the maximum number of successive terms of office he may seek is five.

Since November 2015, for the purpose of simplifying the organisation of Crédit Agricole Group, the Chairman of Crédit Agricole S.A. is also the Chairman of *Fédération nationale du Crédit Agricole*. In this respect, he plays an essential coordination role between Crédit Agricole S.A. and the 39 Crédit Agricole Regional Banks, its majority shareholder via SAS Rue La Boétie, of which he is also the Chairman.

Refer to the glossary on page 681 for the definition of technical terms.

As part of his statutory duties, the Chairman of the Board of Directors of Credit Agricole S.A.:

- approves the agendas for the Board Meetings and ensures that the information provided to the Directors is adequate to make reasoned decisions; to this effect, he contributes to the smooth flow of information between the Board and the Executive Management, and between the Board and its Committees;
- encourages and promotes open, critical discussions and ensures that all viewpoints can be expressed within the Board;
- ensures that the responsibilities held within the Board are clear for all Directors.

On the Board of Directors, the Chairman is also the Chairman of the Strategy and CSR Committee, and member of the Appointments and Governance Committee.

As a part of his relations with employee representative bodies, he chairs the European Works Council of Crédit Agricole S.A. Group which met twice in 2020. Each year in January he convenes the Directors representing employees and the representative of the Social and Economic Committee on the Board of Directors, to discuss the functioning of the Board of Directors and, more broadly, any current topic.

In 2020, the Chairman's schedule was marked by the unprecedented health crisis caused by the coronavirus pandemic. It was accompanied by additional Board meetings; in fact, four of these meetings were called by the Chairman in connection with written deliberations authorised by the Ordinance of 25 March 2020 relating to the functioning of decision-making bodies during the COVID-19 pandemic. Furthermore, the permanent, direct and close regular dialogue maintained with the Chief Executive Officer of Crédit Agricole S.A. grew stronger during the crisis, with closer coordination of its management between the Board and Executive Management. The Group's crisis management guidelines were debated at the Coordination Committee (CoCor) made up of the Chairman, the executives of Crédit Agricole S.A. and the FNCA. The Chairman also held individual meetings during the year with the Group Chief Risk Officer, the Group Compliance Officer, the Head of Group Control and Audit and the Head of Human Resources.

As the sponsor of the Crédit Agricole Group Societal Project, the Chairman focused on accelerating the implementation in the light of the consequences of the crisis on the national and local economic and social fabric. Internally, he headed the Circle of Senior Executives meeting, dedicated to the Societal Project, and participated in the Crédit Agricole Science Committee, responsible for working on the climate strategy. Outside the Group, the Chairman helped to prepare Finance Climate Day, an annual forum, where major international finance players have been meeting since 2015 to share views and find financial solutions to global warming issues. On this occasion, he published a piece on LinkedIn entitled "*Nous avons impérativement besoin d'une gouvernance mondiale du climat*" ("We absolutely need a global climate governance"). During the year, he also met with several heads of non-profit organisations or businesses active in corporate social responsibility. The Chairman gave several interviews in the written press to explain not just the commitment and the role of Crédit Agricole during the crisis but also the content of its Societal Project (mainly *La Croix* and *Les Échos* newspapers).

As in previous years, the Chairman also represented the Group at major public events such as the Paris International Agricultural Fair, which was held just before the first lockdown, and at projects supported by Crédit Agricole S.A. Group, such as the foundation *Un Avenir Ensemble* (a non-profit foundation that helps disadvantaged young people), the *Crédit Agricole Pays de France* foundation, the *Crédit Agricole Solidarité et Développement* foundation, and CICA, an organisation bringing together banks from 24 countries for the financing of agriculture.

The Board of Directors

The Board of Directors of Crédit Agricole S.A. comprises **21** Directors, including its Chairman, as follows:

- **eighteen Directors elected by the General Meeting of Shareholders, including:**
  - ten Directors who are Chairmen or Chief Executive Officers of a Crédit Agricole Regional Banks,
  - one Director that is a legal entity, SAS Rue La Boétie, represented by a Chief Executive Officer of a Regional Bank who is also Deputy Chairman of SAS Rue La Boétie and first Deputy Chairman of the FNCA,
  - six Directors from outside Crédit Agricole Group,
  - one Director who is an employee of a Regional Bank;
- **one Director representing professional farming associations,** appointed by joint decree of the Ministers of Economy and Finance and of Agriculture and Food, pursuant to the Act of 18 January 1988 on the mutualisation of Caisse nationale de Crédit Agricole, which became Crédit Agricole S.A. on 29 November 2001;
- **two Directors elected by the employees** of Crédit Agricole S.A. Group.

The majority representation of Crédit Agricole's Regional Banks on the Board of Directors of Crédit Agricole S.A. was affirmed in the Crédit Agricole S.A. Listing Memorandum, drawn up between the Regional Banks and what was then CNCA (Caisse nationale de Crédit Agricole), published in the Crédit Agricole S.A. Registration Document for financial year 2001.

Upon recommendation from the Chairman, the Board of Directors may appoint one or more non-voting Directors. Their appointment follows the review of their candidacy by the Appointments and Governance Committee. They attend Board Meetings in an advisory capacity. Their appointment takes place in the context of the staggered management of terms of office, thereby allowing the Board to create a pool of directors who are immediately operational as soon as they take up their positions on the decision-making body.

Non-voting Directors are subject to the same rules as Directors and are remunerated under the same conditions. They are listed as permanent insiders and the provisions of the Board's Rules of Procedure, in particular as regards the prevention of conflicts of interest, apply to them.

As part of the planning for the succession of Laurence Dors, whose term of office expires at the next General Meeting, Agnès Audier joined the Board as a non-voting Director on 1 January 2020. The plan is to propose her appointment as a Director to the 12 May 2021 General Meeting, and at the end of the meeting, to offer her the chair the Compensation Committee, of which she has been a member for more than one year.

Lastly, a representative of the Social and Economic Committee attends the meetings of the Board of Directors in an advisory capacity.

With regard to Directors representing employees, their participation in the Board is ensured by:

- two Directors (one manager and one non-manager) elected by the employees of the Economic and Social Unit of Crédit Agricole S.A. in accordance with the provisions of Articles L. 225-27 and L. 22-10-6 of the French Commercial Code;
- one representative of employees of the Regional Banks, selected under the collective agreement, under the auspices of *Fédération nationale du Crédit Agricole*, from within the labour union best representing the Regional Banks and whose appointment has been submitted to vote in the General Meeting under the conditions of ordinary law. This representation, initially recorded in the 2001 Listing Memorandum is expected to change (see below).

Following the change made by the law of 22 May 2019, known as the PACTE Act, regarding the composition of the Board of Directors, notably by introducing the mandatory requirement for listed companies, to have a Director representing employee shareholders (*Administrateur représentant les salariés actionnaires* - ARSA), the Articles of Association of Crédit Agricole S.A. were accordingly amended at the General Meeting of 13 May 2020. The defined statutory electoral process led to the single candidacy of a main appointee and his or her deputy which will be submitted to the General Meeting of 12 May 2021 for approval. In order to limit the size of the Board to 21 Directors and maintain the majority representation of the Regional Banks, the position of Director representing Regional Bank employees will not be renewed as from the General Meeting of May 2021. In order to preserve this historic and legitimate representation on the Board of Directors, Regional Bank employees will be represented on the Board of Directors by a non-voting Director.

Without taking into account the three Directors representing employees, 33% of the Directors on the Board are independent, in line with the recommendation of the aforementioned AFEP/MEDEF Code for companies controlled by a majority shareholder.

In addition to the above-mentioned provisions of the Articles of Association, it is specified, pursuant to Article L. 22-10-11 of the French Commercial Code, that the rules applicable to the appointment and replacement of members of the Board of Directors of Crédit Agricole S.A. are the ordinary-law rules laid down in the French Commercial Code and the French Monetary and Financial Code (in particular Article L. 511-51). As Crédit Agricole S.A. is an institution under the direct supervision of the European Central Bank, its Board of Directors is also covered by the Single Supervisory Mechanism (SSM Framework Regulation of 16 April 2014). To this effect, after the appointment (or re-appointment) of Directors by the General Meeting, the European Central Bank issues a notice after a review of each appointee's repute, expertise and availability. To date, no opposition notice has ever been issued by the European Central Bank in respect of a Director of Crédit Agricole S.A.

Changes within the Board and Committees in 2020

There was a significant change in the composition of the Board of Directors in 2020.

Four new directors were elected at the General Meeting of 13 May 2020:

- **Marie-Claire Daveu,** independent Director to replace Christian Streiff, who has reached the statutory age limit;
- **Pierre Cambefort,** Chief Executive Officer of the Regional Bank of Nord Midi-Pyrénées, who was already on the Board of Directors as non-voting Director, to replace Véronique Flachaire, who has claimed her pension rights;
- **Pascal Lheureux,** Chairman of the Regional Bank of Normandie Seine to replace François Thibault, who has reached the statutory age limit;
- **Philippe de Waal,** Chairman of the Regional Bank of Brie Picardie, already on the Board of Directors as non-voting Director, to replace Philippe Boujut who has reached the statutory age limit.

At the General Meeting, the terms of office of six Directors were renewed for a period of three years:

- **Caroline Catoire,** independent Director;
- **Laurence Dors,** independent Director;
- **Françoise Gri,** independent Director;
- **Catherine Pourre,** independent Director;
- **Daniel Épron,** Chairman of the Regional Bank of Normandie;
- **Gérard Ouvrier Buffet,** Chief Executive Officer of the Regional Bank of Loire Haute-Loire.

Furthermore, **Renée Talamona,** Chief Executive Officer of the Regional Bank of Lorraine, Director at Crédit Agricole S.A. since March 2016, **claimed her pension rights** on 1 October 2020. The Board, after receiving the opinion of the Appointments and Governance Committee, **co-opted Nicole Gourmelon,** Chief Executive Officer of the Regional Bank of Atlantique-Vendée as of 1 October 2020, to the position vacated by Renée Talamona, for the remaining period of her term of office, *i.e.*, until the General Meeting of May 2021 convened to approve the 2020 financial statements. This co-optation will be submitted to the General Meeting of Shareholders of 12 May 2021 for ratification. Anticipating this succession, Nicole Gourmelon was appointed non-voting Director by the Board of Directors' meeting of 25 May 2020, with effect from 1 June 2020.

As a result, the composition of Specialised Committees changed as follows:

- **Marie-Claire Daveu** joined the Risk Committee and the Compensation Committee to replace Christian Streiff;
- **Catherine Pourre** joined the Strategy and CSR Committee, also to replace Christian Streiff;
- **Louis Tercinier** also joined this Committee to replace François Thibault;
- **Pierre Cambefort** joined the Risk Committee and the US Risks Committee to replace Véronique Flachaire;
- **Jean-Paul Kerrien** joined the Risk Committee to replace François Thibault, as Mr Kerrien left his position on the **Compensation Committee to Pascal Lheureux.**

Refer to the glossary on page 681 for the definition of technical terms.

Shareholder dialogue

Since 2017, conference calls with principal institutional investors in Crédit Agricole S.A.'s capital and with proxy advisors are organised prior to General Meetings, *i.e.* 15 to 20 individual contacts. These communication moments, dedicated to governance and the explanation of the main resolutions that will be proposed to the General Meeting, are perceived by investors as a very distinct moment of financial roadshows. They are led by the Head of Financial Communication, the Head of Compensation and Benefits and the Head of the Board Secretariat. The presentation used as material for discussions is published on the website of Crédit Agricole S.A. The main questions and comments made on these occasions by investors and proxy advisors are communicated to the relevant Specialised Committees, which analyse them in the light of market practices, taking into account the Group's corporate governance principles. The Committees report to the Board of Directors.

In 2020, telephone interviews held with proxy advisors and investors provided the opportunity for transparent and constructive dialogue. The conversations focused on the size of the Board and the number of independent Directors and more particularly boards that do not comply with the AFEP/MEDEF code and which apply voting policies that include employee representative Directors in calculating the third of independent Directors required in controlled companies. The performance criteria taken into account in the compensation of Executive Corporate Officers are a traditionally recurring theme for these interviews during which the Company is increasingly questioned about its CSR policy and the Board's involvement in these areas.

With respect to individual shareholders, dialogue is maintained through daily phone calls, monthly emailing to provide information and the organisation of meetings together with the Regional Banks, in the presence of members of Crédit Agricole S.A. Management. In 2020, face-to-face meetings were replaced by six videoconferences. Discussions mainly focused on the financial news of Crédit Agricole S.A., with time dedicated to answering questions from individual shareholders.

In 2020, the traditional time for discussion offered by the Crédit Agricole S.A. General Meeting of Shareholders was organised in closed session in application of government-mandated measures against the coronavirus pandemic. Despite this exceptional format, Crédit Agricole S.A. ensured that shareholders were able to submit their queries in writing. The answers to queries were read out at the General Meeting and placed online two days prior to the meeting. In the event that the General Meeting of May 2021 must be held in closed session again, Crédit Agricole S.A. will strive to find ways of ensuring interactive dialogue with shareholders.

Conflict of Interest Policy

Board members are subject to the applicable legal and regulatory obligations regarding conflicts of interest. Each of the Directors of Crédit Agricole S.A., as well as the non-voting Directors, adhere to the Group's values and commitments described in its Code of Ethics and Code of Conduct, which illustrates these commitments through numerous case studies. The Code of Conduct can be accessed through the website of Crédit Agricole Group and is the standard of ethical and professional conduct for the Group's Directors, Executives and employees.

In addition, the functioning of the Board is governed by its Rules of Procedure as well as by the Crédit Agricole S.A. Directors' Code of Conduct, which state that "*Directors must inform the Board of any conflict of interest, including potential conflicts of interest, in which they could be directly or indirectly involved. Accordingly, they must refrain from taking part in the discussions and voting in respect of such matters.*"

1.1.2. Operating Principles of the Board of Directors and Specialised Committees

Functioning

The functioning of the Board of Directors is governed by the legal provisions in force, the Board's Rules of Procedure and the Articles of Association. In carrying out its duties, the Board is supported by six Board Committees.

The Board's Specialised Committees are the following:

- Risk Committee;
- US Risks Committee;
- Audit Committee;
- Compensation Committee;
- Appointments and Governance Committee;
- Strategy and CSR Committee.

The Board's Rules of Procedure, to which are appended the Directors' Code of Conduct and, since December 2016, the Code of Ethics, are appended to this report in the latest version of these documents updated in August 2020. They are accessible online on the Crédit Agricole S.A. website, together with the Committees' Rules of Procedure: **https://www.credit-agricole.com**.

The Board of Directors of Crédit Agricole S.A. is entirely composed of non-executive Directors, and no severance benefit is payable to Board members upon termination of their office, irrespective of the reason.

Directors' compensation

The members of the Board of Directors receive compensation for their attendance. The conditions for allocating Directors' fees, as described below, are determined by the Board on the recommendation of the Compensation Committee.

Compensation of Board members is based entirely on their attendance at Board Meetings. Directors receive the same compensation for attending strategic seminars and special meetings, *i.e.* those not on the annual calendar, and scheduled meetings, up to a maximum of the total amount approved.

Members of the Specialised Committees are entitled to additional compensation: the Chairmen of the Board's Specialised Committees receive an annual flat-rate fee, with a differentiation according to Committee. Committee members receive a fee per meeting based on their actual attendance at Committee meetings.

Non-voting Directors receive the same compensation for attending Board Meetings and, when they are members, Specialised Committee Meetings.

The compensation package for Directors **totalled €1,650 million in 2020.** This is a maximum expenditure ceiling and the unused portion is returned to the budget of Crédit Agricole S.A.

The Board, on the recommendation of the Compensation Committee, decided on its distribution as follows:

- €4,000 per Board meeting;
- €2,700 per Committee meeting;
- an annual fixed amount of €20,000, allocated to the Chairs of the Compensation Committee, Appointments and Governance Committee, and United States Risk Committee, respectively;
- €35,000 flat fee for the Risk Committee Chairwoman;
- €35,000 flat fee for the Audit Committee Chairwoman.

The Chairman of the Board of Directors, Dominique Lefebvre, waived all compensation other than compensation for his role as Chairman, despite sitting on the Strategy and CSR Committee and the Appointments and Governance Committee.

Renée Talamona waived her compensation both for attending Board meetings and meetings of the Strategy and CSR Committee, on which she has sat since 1 October 2020.

The three Directors representing employees on the Board do not receive their compensation. Instead, these are paid to their unions.

The Board has also set up a system for reimbursing Board members for travel expenses, based on costs incurred by each member for attending Board and Committee Meetings. This mechanism, adopted pursuant to Article R. 225-33 of the French Commercial Code, is renewed annually by the Board.

Directors	2019 Net amount received from Crédit Agricole S.A. in 2019[1]	Net amount received in 2020[1] Crédit Agricole S.A.[1]	Crédit Agricole CIB	LCL	Amundi	Total + other Group subsidiaries	Grand total 2020
DIRECTORS ELECTED BY THE GENERAL MEETING							
Dominique Lefebvre[2]	0	0	-	-		0	0
Raphaël Appert	43,121	48,720				0	48,720
Pascale Berger[3][4]	29,808	39,744	-	-		0	39,744
Pierre Cambefort*	28,000	48,720				0	48,720
Caroline Catoire	56,350	60,060	-	-		0	60,060
Marie-Claire Daveu	-	38,500				0	38,500
Laurence Dors	72,241	74,060	-	-		0	74,060
Daniel Épron	45,011	54,390	-	-		20,255	74,645
Jean-Pierre Gaillard	58,241	60,060	-	15,400		15,400	75,460
Nicole Gourmelon*	-	20,580		8,400		8,400	28,980
Françoise Gri	94,850	102,340	28,770	-		28,770	131,110
Jean-Paul Kerrien	39,341	50,610	-			24,200	74,810
Pascal Lheureux	-	27,160				0	27,160
Monica Mondardini[5]	45,344	52,320	-	-		0	52,320
Gérard Ouvrier-Buffet	46,900	52,500	-	-		38,338	90,838
Catherine Pourre[5]	76,038	91,211	55,968			55,968	147,179
Louis Tercinier	37,450	46,830				0	46,830
Philippe de Waal*	28,000	33,600	-	-		0	33,600
Philippe Boujut**	28,000	14,000	-	-		0	14,000
Véronique Flachaire**	53,550	25,340	-	-		0	25,340
Christian Streiff**	57,331	27,230	-	-		0	27,230
Renée Talamona[6]**	0	0			0	0	0
François Thibault**	54,461	23,450	28,770	-		28,770	52,220
DIRECTORS ELECTED BY THE EMPLOYEES							
François Heyman[3][4]	43,222	55,393	-	-	-	0	55,393
Simone Védie[3][4]	33,120	36,432				0	36,432
DIRECTOR REPRESENTING PROFESSIONAL FARMING ASSOCIATIONS							
Christiane Lambert	8,400	16,800				0	16,800
NON-VOTING DIRECTOR							
Agnès Audier[7]	-	44,940				0	44,940
	978,779	**1,144,990**	**113,508**	**23,800**	**0**	**220,101**	**1,365,091**

TOTAL GROSS AMOUNT CONSUMED: €1,566,200 out of €1.65 million allocated.

* *Became Directors in May and October 2020.*

** *Outgoing Directors in May and August 2020.*

(1) *After the following deductions from the sums payable to individual beneficiaries resident in France: income tax prepayment (12.8%) and social contributions (17.2%).*

(2) *See Board of Directors' compensation policy page 203.*

(3) *The three Directors representing employees on the Board do not receive their compensation; instead these are paid to their unions.*

(4) *After deductions of social contributions (17.2%).*

(5) *12.8% withholding tax (non-resident in France).*

(6) *Did not receive compensation.*

(7) *Appointed in capacity of non-voting Director in January 2020.*

1.1.3. Governance and diversity policy

Given the size of Crédit Agricole S.A., the Board of Directors is required to comply with the provisions of the French Commercial Code governing the diversity policy it pursues within the Company, as well as to ensure that a similar policy exists within the management bodies.

Board's diversity policy

Gender balance

Crédit Agricole S.A. is subject to the provisions of Article L. 22-10-3 of the French Commercial Code, under which *"the proportion of Directors of each gender may not be less than 40% in companies whose shares are admitted to trading on a regulated market"*.

The only exclusion provided by law concerns *"Directors elected by employees"*, *i.e.* two Directors out of twenty-one. Pascale Berger – representing the employees of the Regional Banks under the collective agreement but having been elected directly by the shareholders at a General Meeting – is taken into account in the calculation of the 40% threshold. The same applies to Christiane Lambert – representative of the professional farming associations – who was appointed by the French Ministers of Economy and Finance and of Agriculture and Food, and is thus not covered by the legal exclusions.

At 31 December 2020, nine out of the 19 members of the Board of Directors of Crédit Agricole S.A. included in the count by law were women, in other words a ratio of 47%. This concerns Pascale Berger, Caroline Catoire, Marie-Claire Daveu, Laurence Dors, Nicole Gourmelon, Françoise Gri, Christiane Lambert, Monica Mondardini and Catherine Pourre.

Irrespective of the legal provisions, with the presence of Simone Védie the ratio remains the same, taking into account the Directors elected by employees, *i.e.* 10 women out of 21 Directors.

With the exception of the Strategy and CSR Committee – chaired by Dominique Lefebvre who is also Chairman of the Board of Directors – the five other Specialised Committees are chaired by women:

Specialised Board Committees	Chair
Risk Committee	Françoise Gri
US Risks Committee	Françoise Gri
Audit Committee	Catherine Pourre
Compensation committee	Laurence Dors
Appointments and Governance Committee	Monica Mondardini
Strategy and CSR Committee	Dominique Lefebvre

Age and term renewal

As at 31 December 2020 the average age of Directors was 60 years. The age limit to carry out the duties of a Director is set by law at 65 years, the age being measured at the date of the nearest General Meeting after a Director's 65th birthday. The age limit for the Chairman is 67 years.

The Board of Directors does not have a policy in terms of minimum age or age balance, although regulatory requirements in terms of the profiles and expertise of Directors in the banking sector do lead to the choice of candidates with proven professional experience. In its May 2017 Guide on the assessment of the good repute and competence of managers and Directors of banking institutions, the European Central Bank considers, for example, that the presumption of competence is acquired for persons with *"three years of recent practical experience in high-level management positions and theoretical experience in the banking sector"*. By adopting senior management experience as a criterion for approving appointments of Directors, the supervisor guides the choice towards Directors with a mature profile.

For its part the Board of Directors, under the guidance of the Appointments and Governance Committee, ensures that the renewal of Directors elected by the General Meeting is carried out such as to promote, in as far as possible, a balanced scheduling of the expiry dates of their terms of office. Given the average age of the members of the Board of Directors, the main reason for leaving is reaching the age limit.

The term of office of Crédit Agricole S.A. Directors as natural persons is fixed at three years by the Articles of Association. Directors may not serve for more than four consecutive terms. The table below shows the expiry dates of the terms of office of Directors elected by the General Meeting of Shareholders for the next three years.

The expiry of the terms of office of the two Directors elected by the employees of Crédit Agricole S.A. is governed by an electoral protocol. Their renewable three-year term of office expires in June 2021.

The term of office of the representative of the Professional Farming Associations on the Board of Directors, Christiane Lambert, appointed by order of the Minister of Economy and Finance and the Minister of Agriculture and Food on 28 August 2017 was renewed by order on 2 November 2020 for three years.

Refer to the glossary on page 681 for the definition of technical terms.

Expiry of the terms of office of Company Directors elected by the General Meeting

(General Meeting of Shareholders to approve the annual financial statements)

Name	GM 2021	GM 2022	GM 2023
Dominique Lefebvre		√	
SAS Rue La Boétie represented by Raphaël Appert	√		
Pascale Berger	o		
Pierre Cambefort		√	
Caroline Catoire	X		
Marie-Claire Daveu			√
Laurence Dors	X		
Daniel Épron			√
Nicole Gourmelon	√		
Jean-Pierre Gaillard		√	
Françoise Gri			X
Pascal Lheureux			√
Jean-Paul Kerrien		√	
Monica Mondardini	X		
Gérard Ouvrier-Buffet			X
Catherine Pourre		X	
Louis Tercinier	√		
Philippe de Waal	X		

√: renewable term of office.

o: non renewable.

X: end of term of office, age limit.

Knowledge and expertise

To better meet its legal obligation to assess the expertise required for its proper functioning, the Board of Directors of Crédit Agricole S.A. has defined its desired diversity policy with regard to the experience and profiles of its members in a procedural memorandum, adopted on 7 November 2017. The Board considers that the addition of individual professional experience of the Directors forms the basis of the collective competence of the Board of Directors, which French law recognises as a collegial body. This diversity contributes to the richness of discussions within the Board in key areas of the Group's banking and insurance activities, as well as in their environment, and is a guarantee of its proper functioning.

The definition of the required profiles and experiences was adopted by the Board of Directors on the proposal of the Appointments and Governance Committee, to which the French Monetary and Financial Code (Article L. 511-98) has entrusted the task of "*assessing the balance and diversity of knowledge, expertise and experience of the members of the Board of Directors individually and collectively*".

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.

In terms of knowledge, the following were adopted:

- an overall vision of the Company's activities and the risks associated with them;
- a precise vision of each of the Company's key activities and their environment;
- a sectoral vision of certain activities (financial markets, capital markets, insurance, solvency, and models);
- financial accounting and auditing;
- risk management, compliance and internal audit;
- IT and security;
- local, regional or global economic dimensions;
- applicable laws and regulations;
- Corporate Social Responsibility.

The experience aspect encompasses:

- company management, including experience in human resource management, marketing and distribution;
- the management of international groups;
- strategic planning.

By combining this approach of knowledge and experience, the Appointments and Governance Committee was able to rank each item in order of importance for the proper functioning of the Board, defining for each item the required permanent percentage of Directors with the necessary expertise to ensure the Board functions correctly, by adding individual expertise the Board's collective expertise. The indicative grid resulting from this work is shown below.

Indicative grid concerning the desired balance of individual expertise required for the Board of Directors' collective expertise

	> 50%(1)	Between 30% and 50%(1)	10% to 30%(1)
1) Knowledge of the Company's activities and associated risks	√		
2) Knowledge of each of the Company's key activities	√		
3) Sectoral knowledge of certain activities	√		
■ Retail banking	√		
■ Asset management and insurances		√	
■ Corporate and investment banking		√	
■ Specialised financial services		√	
4) Knowledge of financial accounting		√	
5) Knowledge in the fields of risk management, compliance and internal audit	√		
6) Knowledge in the field of IT and security			√
7) Knowledge of local, regional or global economic environments	√		
8) Knowledge of laws and regulations		√	
9) Experience in company management	√		
10) Experience in the management of international groups		√	
11) Experience in strategic planning	√		
12) Knowledge in the field of Corporate Social Responsibility		√	

(1) Permanent percentage of Directors within the Board required having good or very good knowledge in the fields mentioned.

The criteria for knowledge and experience used in this grid are included in the individual evaluation questionnaire for members of the Board of Directors each year.

This annual procedure allows the Appointments and Governance Committee to ensure that the required expertise is always represented in the Board of Directors in the proportions defined in its procedural memorandum.

It is also an opportunity for the Committee to assess, based on the responses of the Directors, whether or not it is useful to change the indicative grid in terms of expertise and/or the proportion of this expertise within the Board.

Based on the review of results of the individual and collective expertise of the Board of Directors by the Appointments and Governance Committee held in 2020, the collective expertise of the Board of Directors of Crédit Agricole S.A. remain similar to the profile identified in the previous financial year and are characterised by:

- the predominance of banking, finance and insurance expertise, with a high level of expertise in audit and risk;
- expert knowledge of local economies, the bedrock of the Group's business, more often combined with strong commitments to local, or even, national communities;
- experience as Directors of large corporates, mainly multinationals, in the service, technology and industrial sectors;
- recognised players in the fields of governance and CSR.

Based on the results of the expertise assessment campaign conducted in 2020, the Board of Directors of Crédit Agricole S.A. concluded that, in each of the areas examined, the Board permanently has several members with adequate knowledge of the subjects, and that all essential aspects of its collective expertise, as defined in its procedural memorandum, were covered.

Diversity policy within the management bodies

The issue of gender balance in Executive bodies is discussed every year by the Appointments and Governance Committee, and subsequently by the Board of Directors, during the review of the policy on gender equality at work. This policy is the subject of an annual review by the Board, as provided for in Article L. 225-37-1 of the French Commercial Code. It covers both the general gender policy of Crédit Agricole S.A. Group as well as any information on how the Company seeks a balanced representation of women and men in its management bodies, including its feminisation rate. The results of the gender equality index within the Crédit Agricole S.A. Group, introduced by the Government in 2019, helped to underline the effectiveness of actions implemented. The scores obtained in 2020 were highly positive overall and ranged from 77/100 for the lowest to 93/100 for the highest. UES Crédit Agricole S.A. obtained a score of 84/100. Action plans are initiated in those entities with the lowest scores.

With regard to increasing the number of women on management bodies, the figures for 2020 show significant progress at the level of the Crédit Agricole S.A. Executive Committee and on the Executive Committees and Management Committees of entities. **The proportion of women on the Crédit Agricole S.A. Executive Committee rose from 12.5% in 2019 to 23.5% in 2020, which now has four women out of the 17 members: the Group Chief Risk Officer, the Group Head of Compliance, the Corporate Secretary and the Group Head of Human Resources are all women.** Within "Circle 1", which represents around 150 executives in charge of major Divisions of Crédit Agricole S.A. or its main subsidiaries, *i.e.* 10% of the Group's most senior positions, the proportion of women increased year-on-year from 16.5% to 17%. Over a consecutive 12-month period, 27% of women joined "Circle 1". **Looking ahead to 2024, the Executive Management of Crédit Agricole S.A. has set quantified targets that are shared with the Board, to increase the proportion of women in Circle 1 up to 30%.**

Refer to the glossary on page 681 for the definition of technical terms.

This increase in the number of women in decision-making bodies is accompanied upstream by specific action plans to strengthen women's talent pools. For the entire Crédit Agricole S.A. Group, a Diversity Action Plan has been in place since 2016. It integrates four levels of action.

The first level includes awareness-raising actions for all employees, with both the distribution of a "Diversity Guide" to all employees of Crédit Agricole Group as well as activities to promote and support women's networks (more than 2,600 members in the Group), currently consisting of 18 networks, including 8 in France and 10 abroad. The second level of action concerns the identification of talent and the implementation of the "Female Talent" programme, the objectives of which are to prepare young female talent to find the keys to their career development and support them in their development. In this context, 150 women were trained in 2018, assisted by an external firm.

The third level, launched in September 2017, is the deployment of mentoring by members of the Executive Committee and the Chief Executive Officers of the Regional Banks for women with potential to reach the levels of either Circle 1 or Deputy General Managers of the Regional Banks. The program is carried out in a formalised framework with the objective, in particular, of assisting beneficiaries in their career choices, and also to assist them to assert their leadership and build a network. In spite of the health constraints, the third class was launched in mid-November, with a distance learning format. A total of 87 cross-mentoring pairs have been created since the beginning of the Mentoring Programme.

Finally, among the executives and members of Circle 1, in 2020 14 women and five men attended the corporate Director IFA/Sciences-Po certification training set up in 2017, with the target of creating a pool of directors capable of serving on the Group's boards, as well as representing it on external boards.

The normal procedure for identifying female talent and assisting in their development and promotion when management positions are to be filled also includes the rule of systematically including a female candidate for management positions and as a member of Circle 1. Pursuant to Article L. 225-53 of the French Commercial Code as amended by the Law of 22 May 2019, the Board of Directors has adopted a procedural note relating to the process for appointing Deputy Chief Executive Officers stating, notably, that this rule applies to them.

The transition from a Gender equality policy to a Diversity policy now entails broadening the scope of talent pools to include international candidates with the target of including 20% of international profiles into succession plans by 2022. A first symbolic stage was crossed with a first executive hired from abroad, specifically from Italy, who has completed his Chief Executive Officer onboarding programme.

Lastly, in accordance with the provisions of the French law of 5 September 2018 on professional prospects, the Group and all its entities strive to conduct routine diagnostics to monitor the appearance of any compensation gaps and, if necessary, plan measures and budget packages to eliminate such gaps.

Lastly, in 2020 a new impetus was given to the Youth Plan by doubling the number of students accepted on work-study programmes within the Group, with the aim of reaching 6,000 by 2022.

Directors' independence

Crédit Agricole S.A. refers to the AFEP/MEDEF Corporate Governance Code for listed companies, in its latest revised version as published in January 2020 (the "AFEP/MEDEF Code"). Crédit Agricole S.A. does not comply – or does not fully comply – with certain recommendations of the Code as set out in a table appended to this section (see below).

The process for assessing the independence of Crédit Agricole S.A. Directors is implemented under the auspices of the Appointments and Governance Committee. This principle is assessed both in terms of the criteria of the AFEP/MEDEF Code and in terms of the specific texts as applicable to the banking sector, such as the European Banking Authority's Guidelines for the assessment of members of the Board of Directors, which came into effect in June of 2018. These two standards overlap to a very wide extent.

In anticipation of the General Meeting of 12 May 2021, the Appointments and Governance Committee individually reviewed the situation of each Director, and more particularly the independent Directors, whom it had previously requested to present any significant change in their situation that could affect their independence and to confirm compliance with each criterion of the AFEP/MEDEF Code. The Committee also reviewed the situations of Agnès Audier, Senior Advisor at Boston Consulting Group, Mariane Laigneau, Chairwoman of the Enedis Management Board, and Alessia Mosca, International Trade professor at the Paris Institute of Political Studies (*Institut d'Études Politiques*), whose appointments as independent Directors will be proposed to the General Meeting of 12 May 2021.

On 10 February 2021, at the Committee's recommendation and subject to changes which must be communicated to the Board, the Board of Directors recognised them as independent Directors.

The six criteria of independence as defined by the AFEP/MEDEF Code are:

1. not being, or not having been, in the last five years:
   - an employee or Executive Corporate Officer of the Company,
   - an employee, Executive Corporate Officer or Director of a company consolidated by the Company,
   - an employee, Executive Corporate Officer or Director of the parent company or of a company consolidated by this parent company;
2. not being an Executive Corporate Officer of a company in which the Company, directly or indirectly, acts as a Director or in which an employee designated as such or an Executive Corporate Officer of the Company (currently or in the last five years) is a Director;
3. not being a customer, supplier, corporate banker, investment banker, consultant (or be related to persons in this capacity):
   - who plays a significant role in the Company or its Group,
   - for whom the Company or its Group represents a significant proportion of business;
4. not having any close family ties with a Corporate Officer;
5. not having been a Statutory Auditor of the company in the last five years;
6. not being a director of the company for more than 12 years; as the status of independent director expires after 12 years.

The Board, upon the advice of the Appointments and Governance Committee, noted that the representatives of the Regional Banks on the Board of Directors of Crédit Agricole S.A. (Chairpersons, Chief Executive Officers) cannot be considered as independent with respect to the principle stated and the above criteria, to the extent where the Directors representing the Regional Banks hold positions in the Company's parent company or in a company consolidated by such parent company. Furthermore, the Director representing Regional Bank employees, who is an employee of an entity with a controlling interest in Crédit Agricole S.A. cannot be considered as independent. Irrespective of the fact that, due to their employment contract, they would not meet criterion 1, the two Directors representing Crédit Agricole S.A. employees on the Board come under a specific regulatory framework, and cannot, under the AFEP/MEDEF Code, be included in the calculation of the percentage of independent Directors.

Lastly, with regard to the representative of the professional farming associations, Crédit Agricole's position as the leading financier of agriculture in France excludes said Director de facto from compliance with criterion 3, even if said Director's appointment by the Minister of the Economy and Finance and the Minister of Agriculture and Food is part of a regulatory process in which Crédit Agricole S.A. is not involved.

With respect to the Chairpersons of the Regional Banks who sit on the Crédit Agricole S.A. Board, the Board has reiterated, as it does every year, that they are not employees of the Regional Banks and that they legitimately hold this office by election, in accordance with the Regional Banks' cooperative status. The Board recalled that Chairpersons of Regional Banks, with a background in mutual insurance and banking, have the dual qualities of being extremely knowledgeable about the bank and its functioning and, for most of them, being heads of non-financial companies.

Upon the advice of the Appointments and Governance Committee, the Board of Directors at its meeting of 10 February 2021 found that six Directors meet the independence criteria of the AFEP/MEDEF Code:

- Caroline Catoire;
- Marie-Claire Daveu;
- Laurence Dors;
- Françoise Gri;
- Monica Mondardini;
- Catherine Pourre.

The Board's composition, with one-third independent Directors, not including employee Directors, fulfils the recommendations of the AFEP/MEDEF Code on controlled companies.

In addition to a formal review of their individual situation, updated by each interested party for each criterion, the assessment was also based, after the recommendation of the Appointments and Governance Committee, on the findings of an analysis concerning existing business relations between Crédit Agricole Group and the companies in which the independent Directors hold positions (in accordance with Chapter 2.2 "Positions held by Corporate Officers"). The analysis of these business relations is carried out with the support of experts from the Group Risk department, which is based on the consolidated data available to it on the Group's relationship with its counterparties. It excludes the assets structures of the persons concerned as well as those through which they may carry out advisory activities, none of them carrying out assignments for the Group in this capacity pursuant to the rules relating to conflicts of interest.

As banking is, by definition, at the heart of the financing of the economy and in view of the characteristics of the French banking market, whenever the companies concerned are based in France, the probability that these companies are customers of a Crédit Agricole Group entity is obviously high, often increasing with the size of the company.

Consequently, in order to assess the "significant" nature of the business relationship, the following are taken into account:

- the amount and nature of the commitments, their maturity, their significance within the company's debt, and the refinancing capacity of the company in question;
- the quality of the relationship with the company in question, in particular its financial position as demonstrated by its results and ratings (Banque de France and internal rating), in order to check whether it depends on Crédit Agricole for financing or whether it would be able to obtain financing from other banks or through other means – including via the market – in the event of Crédit Agricole's withdrawal.

By making sure that the business relationship is balanced, *i.e.* that neither of the parties is in a position of power over the other, this last phase adds a determining qualitative dimension to the overall assessment.

In anticipation of the General Meeting of 12 May 2021, analyses were performed for each of the independent Directors of Crédit Agricole S.A. concerning business relations with companies in which they hold positions or have ties. These were:

Caroline Catoire	■ Latécoère Group ■ Maurel & Prom ■ Roquette Group ■ Macquarie France
Marie-Claire Daveu	■ Kering Group ■ Albioma ■ Ponant
Laurence Dors	■ Capgemini ■ Latécoère Group ■ EGIS Group
Françoise Gri	■ Edenred S.A. ■ WNS Services ■ INSEEC-U (business school)
Monica Mondardini	■ CIR Group
Catherine Pourre	■ SEB ■ Bénéteau ■ CPO Services ■ Unibail Rodamco NV

Based on the results of this analysis, on the recommendation of the Appointments and Governance Committee, the Board has deemed that the Group's commitments vis-à-vis these companies:

- were either not significant enough to qualify as situations of dependence on Crédit Agricole;
- or, after further analysis of these companies' financial position, revealed a balanced business relationship with these counterparties, with neither of the parties having the ability to exert influence over the other.

The Appointments and Governance Committee reiterated that, under all circumstances, should the Directors concerned be called upon to give an opinion on a matter in which there is a potential conflict of interests, said Directors must abstain from attending the debate and

Refer to the glossary on page 681 for the definition of technical terms.

taking part in the vote, as required by the rules of good governance of Crédit Agricole S.A. and the Directors' Code of Conduct.

Assessment of the Board of Directors

Each year, the Board of Directors assesses its composition and functioning on the basis of responses to two questionnaires:

- one on its composition, organisation and functioning, recommended by the AFEP/MEDEF Code and for the banking sector meeting a legal obligation as defined in Article L. 511-100 of the French Monetary and Financial Code;
- the other on the knowledge, expertise and experience of the members of the Board of Directors, both individually and collectively, still in accordance with the aforementioned article of the French Monetary and Financial Code (see "Diversity policy" above).

Under the AFEP/MEDEF Code, the Board of Directors delegates these tasks to an external firm once every three years. In 2020, the meetings were conducted by the Spencer Stuart firm in April and May 2020, by teleconference, given the mandatory lockdown measures required by the public health crisis.

With regard to the functioning of the Board, financial year 2020 confirmed the generally positive assessment already made by its members in 2019. The assessment highlighted the Board's strengths in the light of current affairs, such the capability, maturity and commitment it demonstrated in its response to the COVID-19 crisis, by proposing constructive support to Executive Management which was on the front line.

All members stressed the Chairman's role as moderator at meetings, encouraging debate and the expression of different viewpoints, with open, lively discussions and free speech as well as the Chief Executive Officer's open-minded and transparent attitude towards the Board.

The assessment also emphasised the commitment of all Directors and their strong bond, gradually forged between the different components of the Board of Directors, built on mutual trust and appreciation of each member's valuable contribution.

The Board appreciates the greater place given to strategy, in particular regarding the two half-days of strategic session and the quality and diversity of training programmes proposed to Directors, considered as useful and suitable to their needs.

While stressing that the Board received a very positive assessment for its functioning, there were areas where respondents felt the Board could do even better, such as:

- the organisation of Board proceedings to devote more time to strategy, considering the already significant time given to regulations in the Board's agendas;
- striking the right balance between detailed reporting and putting important elements in perspective, in the Board's files.

Concerning the assessment of expertise, at the individual level, 84% of Directors consider that they adequately understand the business lines and issues at stake at Crédit Agricole S.A., compared to 16% who consider that they could improve their understanding. Collectively, expertise in the aforementioned 12 areas are still fulfilled. (See below "Knowledge and expertise") with a strong point being knowledge of the Group's activities and the associated risks, knowledge of the main key activities: regulation and CSR issues. Although proportions are respected with regard to the reference grid concerning the desired expertise balance on the Board, the two sectors in which Directors recognise their weaker expertise include IT and management of international groups.

Training of the Board of Directors

Article L. 511-53 of the French Monetary and Financial Code provides that credit institutions and finance companies must set aside the necessary human and financial resources for Director training. For collective training sessions, the programme is set after consultation of Directors on their wishes. Individual training sessions answer to requests or needs of Directors at the moment of annual self-assessment campaign.

In 2020, all Board members took at least one of the trainings below on:

- new monetary theories and strengths and weaknesses of global banking models in the face of new global paradigms;
- cryptocurrencies, blockchain and central bank digital currencies followed by the annual review of regulatory updates, with particular focus on international sanctions and green finance;
- cyber security.

The Board training programme for 2021 includes, in addition to personalised courses and Committees, group sessions on:

- GAFA/BATX/FINTECHs: competitors or partners?;
- two sequences: the positioning of banks' CSR policies, followed by a review of regulatory updates and Compliance;
- two sequences: first review of public stimulus plans in France and in Europe; Global Markets business lines.

1.1.4. Other information required under Articles L. 225-37-4 and L. 22-10-10 of the French Commercial Code

Restrictions imposed by the Board of Directors on the Chief Executive Officer's powers

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of Crédit Agricole S.A. and to represent the Bank toward third parties. He exercises his authority within the limits of the Company's object and subject to that authority expressly assigned by law to Meetings of Shareholders and to the Board of Directors.

The only limitation that the Board of Directors places on the powers of the Chief Executive Officer, as set out in its Rules of Procedure of the Board, is that the Chief Executive Officer must obtain its prior approval for the following transactions:

- the creation, acquisition or disposal of any subsidiaries and equity investments in France or abroad for total amounts exceeding €150 million;
- any other investment of any kind for amounts exceeding €150 million.

Agreements between Corporate Officers and subsidiaries

No agreements other than those entered into under normal conditions or relating to ordinary transactions and related-party agreements covered by Articles L. 225-38 *et seq.* of the French Commercial Code (see below), have been entered into, directly or through an intermediary, between, on the one hand, one of the Corporate Officers or one of the shareholders holding more than 10% of the voting rights of a company and, on the other hand, another corporation controlled by the former within the meaning of Article L. 233-3.

Procedure for auditing related-party agreements and agreements relating to current operations and concluded under normal conditions

In accordance with Article L. 225-39 of the French Commercial Code, the Board has established an internal procedure for qualifying the agreements entered into between the Company and the individuals or legal entities referred to in Article L. 225-38 of the French Commercial Code. It is available on the Crédit Agricole S.A. website (section on Governance).

This procedure defines the criteria used by Crédit Agricole S.A. to determine which agreements are subject to the legal regime of prior authorisation of related-party agreements in accordance with the provisions of Article L. 225-38 of the French Commercial Code and those subject to the unregulated agreement regime. The criteria were adopted by the Board at its meeting of 13 February 2020. In the absence of any commercial activity, they take into account both its legal duties as the corporate centre of Crédit Agricole, as defined in Articles L. 511-30 *et seq.* and L. 512-47 *et seq.* of the French Monetary and Financial Code, and its role as the holding company for the business line subsidiaries of Crédit Agricole S.A. Group.

The procedure provides for an annual review of unregulated agreements entered into during the year by the Audit Committee, which reports to the Board of Directors on the implementation of the procedure for regularly assessing whether agreements relating to current operations and entered into under normal conditions meet these conditions.

Principles and rules laid down by the Board of Directors to determine the compensation and benefits in kind awarded to Corporate Officers

This information can be found in the section on "the reward policy" of this Universal Registration Document.

Areas of non-compliance with the AFEP/MEDEF Code

The areas of non-compliance with the AFEP/MEDEF Code are shown in the summary table below. Such areas of non-compliance are not mentioned when they stem from the implementation of banking laws or regulations.

Recommendation of the Code	Comment by the Company
ASSESSMENT OF THE BOARD OF DIRECTORS 11.3 It is recommended that a meeting be held each year without the presence of Executive Corporate Officers.	The Board of Directors of Crédit Agricole S.A. does not hold any plenary meetings without the presence of Executive Corporate Officers but reserves the right to do so if Directors express the need for such a meeting. As a reminder, the Board of Crédit Agricole S.A. is exclusively composed of non-executive Directors. However, the Risk Committee and the Audit Committee each hold an annual meeting without the presence of Executive Corporate Officers and Statutory Auditors. In 2020, the two committees held a joint meeting. It should be recalled that the individual and collective performance of Executive Corporate Officers is evaluated in detail on an annual basis by the Compensation Committee as part of the system governing Corporate Officer compensation approved by the Board. The presentation to the Board by the Committee Chairwoman of the findings of this assessment, along with the Board's discussion on the elements of the Executive Corporate Officers' compensation, take place in the absence of the Executive Corporate Officers, in accordance with Article 18.3 of the AFEP/MEDEF Code.
THE COMMITTEE IN CHARGE OF SELECTION OR APPOINTMENTS **17.1 Composition:** "(It) should have a majority of independent Directors."	The Appointments and Governance Committee is chaired by an independent Director. It comprises six members, including the non-executive Chairman of the Board of Directors, the Deputy Chairman, two Regional Bank Chairpersons and two independent Directors, *i.e.* a proportion of one-third independent members. The shareholding structure (existence of a majority shareholder) is reflected in the composition of this Committee. Every year, the composition of the Committee is included in the Board assessment questionnaire and does not raise any reservations about its proper functioning.
SHARE OWNERSHIP BY DIRECTORS AND EXECUTIVE CORPORATE OFFICERS **20. Ethical standards applicable to Directors** "… the Director should personally be a Company shareholder and, in accordance with the provisions of the Articles of Association or Rules of Procedure, hold a minimum number of shares that is material in relation to the allocated compensation." **23. Obligation to hold shares** "The Board of Directors sets the minimum number of shares that Executive Corporate Officers are required to hold as registered shares until the end of their term of office. This decision is reviewed at least every time they are reappointed. (…) So long as the shareholding target has not been reached, Executive Corporate Officers allocate that portion of their option exercises or performance share awards as determined by the Board for this purpose. This information is included in the Company's annual report."	The Company's Articles of Association set the minimum holding of Crédit Agricole S.A. shares by a Director at one share. No provision is made in this regard for Executive Corporate Officers. The number of shares held by each Director is disclosed in this report, in the section "Positions and offices held by Directors and Corporate Officers". The average number of shares held is around 1,138. At an annual average share price of €9.90, this amounts to a value close to the net amount paid for 10 annual Board meetings. As regards Executive Corporate Officers more specifically, it should be borne in mind that: ■ since 2020, the Executive Corporate Officers of Crédit Agricole S.A. are eligible for performance share awards. As applicable, the Chief Executive Officer and the Deputy Chief Executive Officer are required to retain, until the end of their functions, 30% of the shares vested each year; ■ under current regulations, a significant portion of their variable compensation is deferred and paid in the form of instruments linked to the Crédit Agricole S.A. share price.

Refer to the glossary on page 681 for the definition of technical terms.

22. TERMINATION OF EMPLOYMENT CONTRACT IN THE CASE OF A CORPORATE POSITION "It is recommended, when an employee becomes a Company Executive Corporate Officer, to terminate their employment contract with the Company or a Group company, either by means of contractual termination or resignation[1]. This recommendation applies to the Chairman, Chairman and Chief Executive Officer, and Chief Executive Officer in companies with Boards of Directors [...]."	Upon the appointment of Philippe Brassac as Chief Executive Officer of Crédit Agricole S.A. from 20 May 2015, the Board of Directors authorised, at its meeting of 19 May 2015, the maintenance of his employment contract and its subsequent suspension during his term of office. The termination of his employment contract would have deprived him of the rights arising from the performance of his employment contract that were progressively built up over the course of his 33-year career with the Group and, in particular, benefits obtained by virtue of seniority and length of service, notably in terms of long-term benefits – such as membership in group schemes – and the right to termination payments. The overall amount of such payments would not, in any event, exceed two years of gross compensation in accordance with the recommendations of the AFEP/MEDEF Code. The Board considered that this is an appropriate approach to give Group employees who have made a major contribution to its development the opportunity to access high-standing offices, thereby fostering the sustainable management of the Group's human resources.
25. COMPENSATION OF EXECUTIVE CORPORATE OFFICERS **25.5.1 Departure of Executive Corporate Officers – General Provisions** **Termination payments:** "The law gives a major role to shareholders since the predefined termination payments granted to Executive Corporate Officers are subject to the procedure applicable to related-party agreements. The law imposes total transparency and makes termination payments conditional upon performance conditions. The performance conditions set by Boards for these payments must be assessed over at least two financial years. They must be stringent and solely allow the award of termination payments in the event of the forced departure of an executive, irrespective of its form."	■ **For the Deputy Chief Executive Officer:** his term of office contract, also approved by the General Meeting in respect of related-party agreements, does not provide for performance conditions, insofar as the termination payments for which he would be eligible in the event of his contract being terminated would not be due under his term of office contract, but under his employment contract, which is suspended during the exercise of his term and would be reactivated in the event of termination of his term of office contract. The introduction of performance conditions would, in this case, be contrary to labour law.

(1) *"Where the employment contract is upheld, it is suspended in accordance with case law".*

1.2. BOARD ACTIVITY IN 2020

1.2.1. Board activity

The Board was very active in 2020, with 12 plenary meetings, including two strategic seminars, the first on 22 January 2020, dedicated to the Group's strategic approach and the second on 16 June on the impacts of and lessons learned from the public health crisis. Starting from March 2020, most meetings were held through audio and video conference pursuant to the exceptional legislation passed to fight the coronavirus pandemic.

Directors' attendance rate remained high, averaging 96% (see attendance table below) reflecting the strong commitment of all Directors, which has not waned from one year to the next.

Bodies	Attendance rate	Number of meetings in 2020
Board of Directors	96%	12 (of which 2 seminars)
Risk Committee	100%	6
Audit Committee	100%	5
Joint Risk/Audit Committees	100%	8
US Risks Committee	100%	4
Compensation Committee	93%	7
Strategy and CSR Committee	96%	4
Appointments and Governance Committee	100%	4

The Board's relations with management bodies and succession planning for key functions

Under the authority of the Chief Executive Officer, the organisation of Crédit Agricole S.A.'s management is structured around an Executive Committee and a Management Committee (see pages 175-176). The relationship between the Board of Directors and Executive Management is expressed foremost in the regular and numerous contacts between the Chairman and the Chief Executive Officer. In addition, the latter, as well as the Deputy Chief Executive Officer, the Deputy General Manager, Chief Financial Officer and the Corporate Secretary, attend all Board meetings. In addition, members of Management have frequent discussions with the Board, which stresses the ease of access to information and management, during the annual assessment of its functioning, both for the Board itself and for its Specialised Committees. In 2020, all members of the Executive Committee had the opportunity to access the Board of Directors or its Specialised Committees. Depending on the topic, the heads of technical Divisions may also have access to Directors.

In accordance with banking regulations and pursuant to its Rules of Procedure, the Board interacts on a very regular basis with the three Heads of control functions who are also members of the Executive Committee. The latter have regulatory and, if necessary, direct access to the management body in its oversight functions. All three are appointed after consulting the Board and may not be removed without its agreement. In 2020, as in previous years, the Heads of control functions reported very regularly on their activities and the results related to their responsibilities to the Board and its Specialised Committees. Within this framework, and in addition to systematic attendance at Risk Committee Meetings, the Group Chief Risk Officer attended nine out of 12 Board meetings, the Group Compliance Officer attended two Board meetings, while the Head of Group Control and Audit, in charge of periodic control, attended three Board meetings. The Head of Group Control and Audit notably presented the work of the Control and Audit department in April 2020, the implementation plan for the Control and Audit department's IT recommendations in October 2020 following the SREP letter, and in December, the department's Audit Plan for 2021, previously reviewed by the Risk Committee and, for financial projects, by the Audit Committee.

The organisation of Executive Management and changes in its composition meet the Group's strategic needs. To date, the Executive Committee is composed of 16 members, including the Chief Executive Officer, the Deputy Chief Executive Officer, the three Deputy General Managers in charge of the three Central Support Functions, the four Deputy General Managers of the business lines, as well as the Directors in charge of digital transformation and IT, of Italy and Human Resources, the three Heads of Control Functions and the Corporate Secretary.

The main modifications within the Executive Committee were:

- **Jean Paul Mazoyer** was appointed with effect from 1 May 2020 as Deputy General Manager for Group Innovation, Digital Transformation and IT to replace Serge Magdeleine who has moved on to Executive Management duties at a Regional Bank;
- **Bertrand Corbeau** claimed his pension rights on 1 January 2021;
- lastly, **Véronique Faujour** was appointed Corporate Secretary of Crédit Agricole S.A. on 1 January 2020, replacing Jérôme Brunel, who claimed his pension rights.

The Board of Directors remains attentive to the existence of succession plans for all functions identified as **"key functions"** of Crédit Agricole S.A. Group, namely the functions present within the Executive Committee but also within the Management Committee. The identification process is carried out by the Human Resources department with the support of Career Committees. In 2020, the review of succession plans focused on members of the Executive Committee relying on the internal pool of Chief Executive Officers of the Regional Banks and the managers of subsidiaries or business lines, as well as through possible external recruitments.

The Board meeting of 3 November 2020 formalised in a Procedural note, which will be appended to its Rules of Procedure but not published, the succession process of the Chairman and Chief Executive Officer. The note also stated the role of the Board and the Appointments and Governance Committee with respect to the key functions represented on the Executive Committee.

Topical debates

In 2020, debates and exchanges between the Board and Executive Management, which was on the front line in dealing with the crisis, revolved around the unprecedented environment marked by a global health crisis that required shutting down the economy followed by recovery phases dependent on contamination statistics.

For this reason, the Board focused particular attention on the following:

- the impacts of the health crisis and the massive support measures rolled out by public authorities to cope with the crisis, with a concern for optimising the role of Crédit Agricole Group in relaying these measures to its customers as well as adopting the individual arrangements necessary for these customers, and for society as a whole;
- the capacity of banks to absorb the shock of the pandemic on the economy and changes to prudential regulations;
- implementing the European Central Bank recommendation to banks against dividend payments in 2020 for financial year 2019 then, for 2021, implementing the framework, made more flexible by the ECB's 15 December recommendation;
- provisioning efforts conducted internally, the update of economic scenarios and lessons learned from the crisis, particularly in terms of changes to processes and adapting to new requirements;
- banking consolidation in Europe and its potential effects on its partnerships.

Strategic orientations

As part of its responsibilities related to the strategic orientations of the Company's activities, the Board organised its work around adapting to the effects of the health crisis and the consequences of the resulting changes and accelerations, particularly in digital habits. The Board also discussed the start of new banking consolidations in Europe, mainly in Spain and in Italy, coupled with a change in ECB doctrine, now willing to recognise negative goodwill on acquisitions.

With regard to external growth, Crédit Agricole focused on strengthening its competitive positioning in Italy, its second domestic market. This was achieved through a takeover bid by Crédit Agricole Italia, a subsidiary of Crédit Agricole S.A. (CASA), on Credito Valtellinese, approved by the Board on 20 November 2020. The Board considered that the acquisition of Credito Valtellinese by Crédit Agricole Italia, with which an insurance partnership already exists, will result in the creation a stronger Italian banking group, thanks to its financial strength, support, expertise and extensive product range of one of the largest and most renowned banking groups in Europe, and will have substantial positive impacts on the territories concerned, in the interest of all stakeholders.

Results and risk monitoring

The rapid unfolding of the impacts of the pandemic and the unprecedented measures taken to deal with it, especially the serious economic consequences and the situational review of the coronavirus-related crisis and its effects on the Group, have been closely monitored by the Board of Directors and have influenced the Board's perspective in handling its legal missions.

The quarterly review of the consolidated financial statements of Crédit Agricole Group and Crédit Agricole S.A. Group provided the Board of Directors with an opportunity to assess the Group's resilience and its prudent management. In spite of the crisis, the results reported for each quarter have highlighted the Group's ability to further enhance its financial strength. The results demonstrate the ability of Crédit Agricole Group to absorb the impacts of the crisis as a committed player having recorded cost of risk and kept its expenses under control.

In accordance with Article L. 228-40 of the French Commercial Code, the Board gave its consent for the 2020 bond issue programme, approving the related authorisations and receiving regular progress reports.

During each quarterly review, but also at each meeting of the Risk and Audit Committees, the Board closely monitored the Group's regulatory prudential ratios, both in terms of solvency and liquidity. The Crédit Agricole Group remains one of the best capitalised systemic institutions in Europe, with a prudent risk profile.

The quarterly review of the risk position has been enhanced with interim status reports with the introduction of new reporting on going concern or again changes in loan book, provisions and RWAs *(Risk-Weighted Assets)*.

Upon the recommendation of the Risk Committee, it regularly reviewed and approved the strategies and policies governing risk-taking, as well the management, monitoring and reduction of the risks to which the Group is, or could be, exposed.

On this basis, it reviewed and/or approved risk management and control tools and systems as well as their consistency, in particular consistency between instruments such as the Annual Internal Control Report (RACI), the Risk Appetite Statement examined each year in parallel to the budget,

Refer to the glossary on page 681 for the definition of technical terms.

the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP) statements. The Board also examined the Resolution Plan and the Recovery Plan, of which it approved the update.

Given the rapidly changing environment, the budget trajectory in 2020 was closely monitored, notably with regard to economic scenarios revised during the year. The budget for 2021 was adopted on 15 December 2020 and regular updates on its trajectory will be provided. The Board requested a review of the Risk Appetite Statement (RAF) in the light of the new priorities generated by the crisis.

The Board was kept informed – either directly or through the Chairwomen of the Risk and Audit Committees of the results of the various oversight tasks conducted by the ECB within the Group and/or the requests sent by the supervisory authority to the Executive Management of Crédit Agricole S.A.

In the context of relations with the supervisor, the Board held a specific meeting with the microprudential II surveillance Executive Management and its joint supervisory team. Representatives of the joint supervision team also summoned the Chairwomen of the Risk and Audit Committees to two hearings during the year.

In the field of Corporate Social Responsibility, the Board was informed by the Chairman of the Strategy and CSR Committee of the 2020 highlights in this area, as well as the main changes envisaged in the commitment of Crédit Agricole S.A. to Climate Financing.

Lastly, based on the Compensation Committee's report, the Board approved the principles of changes in the 2021 variable compensation policy for Executive Corporate Officers, as well as their overall compensation conditions. In their absence, and following the report from the Chairwoman of the Compensation Committee, the Executive Corporate Officers' individual variable compensation and its elements, as well as the 2020 compensation and total variable compensation available to identified employees, were approved by the Board on 10 February 2021 in light of the General Meeting of 12 May 2021.

Regulated agreements

Pursuant to Articles L. 225-38 *et seq.* of the French Commercial Code, the Board authorised a new regulated agreement, amendments to three former agreements and the renewal of four tax consolidation agreements.

The first agreement is a loan agreement between Crédit Agricole S.A. and its subsidiary Crédit du Maroc, in response to the Moroccan supervisory authority's request for the institutions under its supervision to retain the 2019 dividend. As this request was made after the Crédit du Maroc General Meeting which gave Crédit Agricole S.A. an irrevocable right to the dividend, the response was this loan agreement for an amount corresponding to the dividend amount received.

The second agreement comprised an amendment to the Shareholders' Agreement, signed on 8 June 2018 and authorised by the Board on 14 May 2018, stating the governance rules for Crédit Agricole Group Infrastructure Platform.

The amendment to the agreement to transfer the Banking Services department of Crédit Agricole S.A. to Crédit Agricole CIB, authorised by the Board on 19 March 2017, amends the scope of the goodwill disposal made between Crédit Agricole S.A. and Crédit Agricole CIB on 1 January 2018.

Lastly, an amendment to the Eureka loan agreement authorizing the exercise of the option of partial early repayment of the loan granted in 2016 to the Normandy Regional Bank.

With regard to the renewed tax agreements, that they concern:

- the tax consolidation agreement signed on 21 January 2010 between Crédit Agricole S.A. and the Regional Banks;
- the tax consolidation agreement signed by Crédit Agricole S.A. and SACAM Mutualisation, stipulating that the tax savings generated within the Group by intragroup dividends received by this entity are to be fully allocated to that entity;
- the tax consolidation agreements between Crédit Agricole S.A. and SAS Rue La Boétie, SAS Ségur and Miromesnil and lastly, several SACAMs under the same conditions as those signed in 2016 for a period of five years;
- the tax consolidation agreement signed in 1996 between the CNCA and Indosuez, now Crédit Agricole S.A. and Crédit Agricole CIB respectively, renewed for the 2020 to 2024 period.

Moreover, in accordance with the provisions of Article L. 225-40-1 of the French Commercial Code, in its meeting of 15 December 2020, the Board conducted an annual review of all the agreements signed and authorised in previous financial years and which remained in effect in 2020:

1. the Shareholders' Agreement, signed on 8 June 2018 and authorised by the Board on 14 May 2018 stating the governance rules for Crédit Agricole GIP;
2. the Liability Guarantee Agreement granted to SILCA on 21 November 2018, authorised by the Board of Directors on 6 November 2018, for a period of 36 months;
3. the amendment signed on 10 October 2017 authorised by the Board of Directors on 2 August 2017 to the senior loan agreements underwritten by the Regional Banks with Crédit Agricole S.A. in the context of Operation Eureka;
4. the framework agreement guaranteeing equity-accounted values, signed on 16 December 2011 by Crédit Agricole S.A. and the Regional Banks (the so-called "Switch Guarantee", including CCA/CCI and Insurance), which was the object of a first supplemental agreement authorised by the Board on 10 December 2013, revisited by the Board when authorising its second amendment on 17 February 2016 and its third amendment on 19 May 2016;
5. the agreement to transfer Crédit Agricole S.A.'s MSI business to Crédit Agricole CIB, authorised by the Board on 19 March 2017 within the disposal of part of its IT business, which continues to take effect during the transitional period and the guarantee clause;
6. the tax consolidation agreement signed by Crédit Agricole S.A. and SACAM Mutualisation, authorised by the Board on 19 May 2016, stipulating that the tax savings generated within the Group by intragroup dividends received by this entity are to be fully allocated to that entity;
7. the tax consolidation agreements authorised by the Board on 21 January 2010 and renewed by the Board on 17 December 2015 between Crédit Agricole S.A. and SAS Rue La Boétie, SAS Ségur, SAS Miromesnil and, lastly, several SACAMs, which were also the object of amendments authorised by the Board of Directors at its meeting on 19 December 2016;
8. the tax consolidation agreement signed in 1996 between the CNCA and Indosuez, now Crédit Agricole S.A. and Crédit Agricole CIB respectively, renewed on 22 December 2015, which was the object of an amendment authorised by the Board of Directors at its meeting on 7 November 2016;
9. the agreement on the increase in the capital of Crédit Agricole CIB, authorised by the Board on 9 March 2004, under which Crédit Agricole S.A. subscribed to an issue of deeply subordinated notes (TSS) that were partially redeemed in 2014;
10. the temporary distribution agreement between Crédit Agricole S.A. and Crédit Agricole CIB for payment of the Euribor fine of €114,654,000, authorised by the Board of Directors in its Meeting of 20 January 2017 and signed on 27 February 2017 between Crédit Agricole S.A. and Crédit Agricole CIB, pursuant to which Crédit Agricole S.A., pending the appeal decision, will pay the full amount of the fine that the two companies were jointly and severally ordered to pay;

11. the Billing and Collection Agreement ("Billing Mandate") entered into between Crédit Agricole S.A. and Crédit Agricole CIB in connection with the transfer of Crédit Agricole S.A.'s IT activities (MSI) to the Global IT (GIT) activity of Crédit Agricole CIB under the terms of which Crédit Agricole S.A. will invoice and collect payments for Services performed by GIT on behalf of certain entities.

1.2.2. Summary of the main subjects reviewed by the Board in 2020 after review by, advice from and/or on the recommendation of the Specialised Committees

1. **After analysis by the Audit Committee:**
   - approval of the annual financial statements and review of the half-yearly and quarterly financial statements of Crédit Agricole S.A., Crédit Agricole S.A. Group, and Crédit Agricole Group; at each reporting date, the Board heard from the Company's Statutory Auditors who, having presented the findings of their work to the Audit Committee, then presented them to the Board, together with their reports for each interim reporting date; the Board also looks at and, where necessary, approves the draft press releases published by the Company;
   - particular attention has been paid to the effects of regulatory changes;
   - the Group's goodwill position, notably on CA Italia;
   - the budget for Crédit Agricole S.A. Group and the additional unwinding of 15% of the "Switch" insurance.
2. **After analysis by the Risk Committee:**
   - the support measures implemented by the authorities to address the impacts of the COVID-19 pandemic and the payment continuity mechanism;
   - developments in the situation of Crédit Agricole S.A. and Crédit Agricole Group with regard to own funds and solvency, with the approval of the internal capital adequacy assessment process (ICAAP) and that of internal liquidity adequacy assessment process (ILAAP);
   - the results and effects of the annual SREP (Supervisory Review and Evaluation Process) adapted to the pandemic situation;
   - the Crédit Agricole Group Risk Appetite Statement;
   - developments in the Group's liquidity situation, the Group Liquidity Emergency Plan and the US Liquidity Emergency Plan, the short-term half-yearly limits, as well as the monitoring of the implementation of the financing programme of Crédit Agricole Group;
   - Group limits in respect of GIRR, foreign exchange, VaR (Value at Risk) limits and limits for capital market activities and their update against the backdrop of the health crisis;
   - management of the Crédit Agricole S.A. Group securities portfolio;
   - the Annual Internal Control Report and half-year interim information on internal control, coordinated by the Group Risk Management department;
   - letters sent to the Company by regulators mentioning the obligation to inform the Board and measures taken to respond to their observations;
   - developments in terms of credit risk, market risk, and operational and security risks, as well as the risk dashboard;
   - the update of the Group's recovery plan;
   - the monitoring of the OFAC Remediation Plan and its timetable;
   - the update of the audit plan for health constraints;
   - approval of risk strategies;
   - in compliance/legal matters, semi-annual and annual compliance reports, the guidelines of the Sapin II anti-corruption mechanism, the status of ongoing litigation and administrative investigations.
3. **After analysis by the US Risk Committee:**
   - the Emergency Liquidity Plan for Group businesses in the United States, as well as the framework for liquidity and credit risk appetite;
   - the update of the organisation and management framework for the consolidated risk management of the entities in the United States;
   - the results of ROCA (Risk, Operations, Compliance and Asset Quality) supervision exercises of the U.S. entities subject to it updated in 2020 to the pandemic context.
4. **After analysis by the Strategy and CSR Committee:**
   - proposed acquisitions and disposals;
   - the establishment of a Board procedural note on recognising the corporate social and environmental challenges of its activities, jointly analysed with the Appointments and Governance Committee;
   - monitoring the work started on the social and environmental aspect of the medium-term strategic plan;
   - the integrated report, Company's 2020 CSR performance, as well as the update of the Vigilance Plan and the annual statement to the UK authorities under the "Modern Slavery Act".
5. **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;
   - the update of the compensation policy of Crédit Agricole S.A. Group;
   - 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.
6. **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;
   - the procedure for electing a Director representing employee shareholders;
   - independence of Directors under the AFEP/MEDEF Code and areas of non-compliance with this Code;
   - the statement of works carried out on the succession plans of key Crédit Agricole S.A. functions;
   - the Board training programme for 2021;
   - the policy on gender equality at work and equal pay within Crédit Agricole S.A. and initiatives undertaken at Crédit Agricole S.A. Group level to promote gender equality, diversity, and equal representation in the management bodies.
7. **Other issues reviewed by the Board include:**
   - in the context of the legal work of Crédit Agricole Group corporate centre, the approval of the Chief Executive Officers of Regional Banks and Deputy General Managers;
   - the authorisation of regulated party agreements (see below).

Refer to the glossary on page 681 for the definition of technical terms.

1.3. ACTIVITIES OF SPECIALISED COMMITTEES OF THE BOARD

1.3.1. Operating principles of the Committees

Six Committees are in place within the Board of Directors: **the Risks Committee, the US Risks Committee[1] established in 2016, the Audit Committee, the Compensation Committee, the Appointments and Governance Committee and the Strategy and CSR Committee.**

Committee members are appointed by the Board, on the Chairman's recommendation. The Board may terminate the appointment of a Committee member at any time. A Committee member may resign from office at any time. All Committee members, and all other persons who attend Committee Meetings, are bound by confidentiality and professional secrecy.

The functioning of each Committee is governed by Rules of Procedure. In the course of their work, Board Committees may interview any executive or employee of Crédit Agricole S.A. Group or experts from outside the Company in areas that fall within the Committees' remit.

In accordance with the provisions of the French Monetary and Financial Code and the recommendations of the European banking authorities, the Committee members have the knowledge, skills and expertise necessary for their role. These competences are assessed annually after review by the Appointments and Governance Committee at the same time with respect to:

- the results of the annual evaluation provided for in Article L. 511-100 of the French Monetary and Financial Code;
- the qualities necessary to chair and serve on Committees, as described in the Board's procedural memorandum adopted on 7 November 2017;
- the guidelines of 27 September 2017 on the assessment of the skills of members of management bodies established by the European Banking Authority.

Members of the Specialised Committees receive a brief on the different items on the agenda, generally three to five days prior to each meeting, depending on the Committee.

Just as Board members are paid for attending Board Meetings, members of Committees are paid for their presence based on a scale set by the Board on the recommendation of the Compensation Committee.

The four Committee Chairwomen and the Chairman of the Strategy and CSR Committee play a key role in the organisation and functioning of the Committees and in the coordination of their work. The Chairwomen hold regular meetings with the Directors in charge of activities within the scope of their area of expertise, in particular the heads of the three control functions, the Deputy General Manager, Chief Financial Officer and the heads of the departments in charge of accounting and consolidation, subsidiaries and equity investments, Group human resources and the Corporate Secretary. The Chairs of the Risk Committee and the Audit Committee also hold regular bilateral meetings with the Statutory Auditors. They also attended several meetings with the ECB Joint Supervisory Team (JST), notably in the framework of the SREP process but also through interviews conducted by the JST, alone or with members of these two Committees.

1.3.2. Risk Committee

At 31 December 2020, the Risk Committee had five members, including three independent Directors. One of the members chairs the Committee.

Members	Attendance rate
Françoise Gri, Committee Chairwoman and independent Director	100%
Marie-Claire Daveu, independent Director	100%
Catherine Pourre, independent Director	100%
Pierre Cambefort, Chief Executive Officer of a Crédit Agricole Regional Bank	100%
Jean-Paul Kerrien, Chairman of a Crédit Agricole Regional Bank	100%

The Group Chief Risk Officer, the Head of Group Control and Audit, the Group Compliance Officer, the Deputy General Manager, Chief Financial Officer, the Head of Accounting and Consolidation, and the Head of Group Financial Steering attend meetings of the Risk Committee.

The functioning and duties of the Committee are set out in Rules of Procedure as approved by the Board of Directors. The Committee performs its duties under the responsibility of the Board of Directors, in the areas defined by provisions of the French Monetary and Financial Code, in particular, as arising from the CRD 4 directive of 20 February 2014 and the Decree of 3 November 2014 on the internal control of banks.

Minutes are prepared for each Committee Meeting and, after approval by its Chair, are distributed first to all members of the Committee and then to all members of the Board.

The work of the Committee is subject to annual programming, adapted according to needs and current events. In the autumn of each year, the Risk Committee organises a work meeting, excluding executives, to decide on its general agenda for the following year and the individual and collective training requested by its members. It also examines any areas where it might improve. Against the backdrop of the pandemic, the Audit and Risks Committees held joint meetings to assess their common needs and carry out the necessary coordination.

(1) The US Risks Committee was set up in response to a US regulatory requirement applicable, as from 1 July 2016, to foreign banks operating in the United States and meeting certain asset threshold criteria.

Refer to the glossary on page 681 for the definition of technical terms.

The Risk Committee met six times in 2020, in addition to the eight sessions held jointly with the Audit Committee (see above).

The Risk Committee's fixed schedule is mainly structured around the regulatory issues provided for in the French Decree of 3 November 2014 on internal review, those arising from the requirements of supervisors, the review of Risk Strategies and subjects involving risk issues, in particular IT and cyber security which the Committee reviews at least twice a year. The Committee is attentive to the growing importance of CSR risks, particularly reputation risk but also climate risk for which the regulatory environment is being organised, including prudential aspects.

In 2020, the agenda of the Risks Committee; was adapted to the public health context with special monitoring of impacts on credit, market and operational risks as well as solvency and liquidity situations.

The Committee reviewed the following:

- the adaptations implemented in the light of the public health crisis (new developments in committee procedures, reporting, etc.) and the thorough review of scheduling;
- the risk appetite statement, which constitutes a decisive framework for the Committee's control and monitoring of risks, and, more generally, governance;
- the Group's liquidity position, emergency liquidity plan, semi-annual short-term limits and ILAAP, solvency position and monitoring of the solvency trend;
- the update of limits in the light of COVID-19;
- the organisation, functioning and resources allocated to each of the three control functions (risk, compliance, internal audit);
- the situation regarding key outsourced services and the status of the Business Continuity Plan (BCP);
- the update of the audit plan due to health constraints;
- quarterly risk position reports;
- limits on the securities and sovereign portfolio, VaR limits, GIRR limits, foreign exchange limits;
- monitoring the Group's preparation for Brexit;
- internal models and internal model risks;
- the Supervisory Review and Evaluation Process (SREP), the recommendations of the supervisor, notably on the Group's operational capacity to manage struggling debtors in the context of the COVID-19 pandemic;
- the measures implemented by the Group to identify capital requirements under Pillar 2 as part of the Internal Capital Adequacy Assessment Process (ICAAP);
- the follow-up letters given to the ECB and ACPR missions or recommendations, particularly for IT;
- regular periodic monitoring of the implementation of the OFAC Remediation Plan;
- Control and Audit function audits, including audits conducted in Regional Banks, and the Control and Audit function audit plan, ECB audits and follow-up of recommendations;
- periodic information on administrative procedures and ongoing proceedings;
- all Risk Strategies previously discussed by the Risk Committee, which it then proposes for adoption by the Board of Directors.

1.3.3. Audit Committee

At 31 December 2020, the Audit Committee had six members, including four independent Directors.

Members	Attendance rate
Catherine Pourre, Committee Chairwoman and independent Director	100%
Caroline Catoire, independent Director	100%
Laurence Dors, independent Director	100%
Françoise Gri, independent Director	100%
Gérard Ouvrier-Buffet, Chief Executive Officer of a Crédit Agricole Regional Bank	100%
Jean-Pierre Gaillard, Chairman of a Crédit Agricole Regional Bank	100%

The Deputy General Manager, Chief Financial Officer, the Head of Accounting and Consolidation, the Group Chief Risk Officer and the Group Head of Control and Audit attend meetings of the Audit Committee, as do, on an as-needed basis, the Head of Financial Communications, the Head of Subsidiaries and Equity Investments and the Head of Group Financial Steering.

The functioning and duties of the Committee are set out in Rules of Procedure approved by the Board of Directors (see above). Once a year, the Audit Committee organises a work meeting without management presence in order to decide on its general agenda for the following year and to examine any areas where it might improve. Against the backdrop of the pandemic, the Audit and Risks Committees held joint meetings to assess their common needs and carry out the necessary coordination.

It also reserves a part of one of its meetings during the year for a discussion with the Statutory Auditors without senior management being present.

During the last financial year, the Audit Committee held five meetings. The attendance rate was 100%.

A substantial part of the Committee's work involved an in-depth review, in view of their presentation to the Board, of the annual, half-yearly and quarterly financial statements and an examination of the consolidated results and the results of each Group business line, their regulatory position and the lines and integrity of financial communication.

At each reporting date, the Committee pays particular attention to the accounting options (provisioning for liabilities, treatment of CVA/DVA/FVA, issuer spread on securities issued, employment-related commitments, ALM, etc.). On this occasion, it hears from the Statutory Auditors on the conditions under which the financial statements were prepared and the points to which the latter would like to draw the Committee's attention. At each half-yearly reporting date, in addition to their reports including the specific annual report to the Audit Committee, the Statutory Auditors submit their programme of work for the coming months to the Committee.

Changes in regulations and standards are systematically reviewed on a quarterly basis.

In addition, each year, the Committee reviews the goodwill situation, which, in 2020 resulted in advising the Board of Directors to record an impairment for the value of CA Italia.

In accordance with the Rules of Procedure of the Audit Committee, the Head of Group Control and Audit presented to the Committee the elements of the Control and Audit department's Audit Plan within its area of expertise, *i.e.* essentially the missions of the Internal Audit business line relating to financial risks for 2021.

Following the European audit reform transposed into French law by the Order of 17 March 2016, the Committee also continued to monitor Services other than the certification of financial statements performed by the Statutory Auditors of Crédit Agricole S.A. and subject to its authorisation under the conditions as renewed each year.

Refer to the glossary on page 681 for the definition of technical terms.

1.3.4. The Joint Risk and Audit Committee

The Rules of Procedure of the Risk Committee and the Audit Committee provide for the possibility of uniting these two Committees. When the Audit and Risk Committee was split into two Committees in 2015, in order to meet the new requirements of banking regulations, it seemed useful for members of the Audit and Risk Committee to have, in certain fields, and a fortiori in areas where financial and prudential information are interrelated, the same level of information and the opportunity to discuss with one another. The context of the 2020 crisis strengthened this requirement. When regulations expressly require the Risk Committee to issue an opinion to the Board of Directors on the information reviewed, this opinion is given by the Committee Chair. This practice of a Joint Committee is fully satisfactory to the members of both Committees and can now be regarded as a permanent arrangement.

The Joint Risk and Audit Committee was composed of nine members as at 31 December 2020:

Members	Attendance rate
Françoise Gri, co-chair of the Committee and independent Director	100%
Catherine Pourre, co-chair of the Committee and independent Director	100%
Caroline Catoire, independent Director	100%
Marie-Claire Daveu, independent Director	100%
Laurence Dors, independent Director	100%
Pierre Cambefort, Chief Executive Officer of a Crédit Agricole Regional Bank	100%
Jean-Pierre Gaillard, Chairman of a Crédit Agricole Regional Bank	100%
Jean-Paul Kerrien, Chairman of a Crédit Agricole Regional Bank	100%
Gérard Ouvrier-Buffet, Chief Executive Officer of a Crédit Agricole Regional Bank	100%

In 2020, the Risk Committee and the Audit Committee met eight times in a joint meeting.

This large number of meetings takes into account the growing number of areas in which accounting and prudential approaches are interconnected. The entry into force on 1 January 2018 of IFRS 9, which, by substituting the notion of "incurred loss" for that of "expected credit loss", combines an accounting and prudential approach to the assessment of risk and its provisioning method. At the same time, reporting requirements aggregating risk and accounting data are multiplying and led to the creation in 2019 within the Accounting Department of a "Group Data and Risk Finance Reporting" department made up of a mixed team. As far as possible, legal risk, which has hitherto been dealt with in the Risk Committee, is now dealt with in the Joint Committee so that the members of the Audit Committee who examine the related provisions for risks and charges have the same information.

As in previous years, the review of the budget for Crédit Agricole Group, the results of the stressed budget and the risk appetite statement, which are essential guidance for members of the two Committees, were covered at a joint meeting.

In 2020, the Committee reviewed the crisis governance put in place on 4 March 2020. The Committee was very attentive to simulations of the impacts of the health crisis and in particular changes to the profile, cost of risk and their translation in the provisions. For the committee, the performed stress tests represented a first exercise on the basis of the assumptions to be updated.

The following were also discussed in the Joint Committee meetings:

- the Annual Internal Control Report and half-year interim information on internal control;
- structural IT projects such as the PALMA project (an ALM Group Architecture project);
- the findings of financial roadshows which, through the feedback of questions and points of attention from investors, provide useful information to both Committees to guide their work;
- depending on the date of the meetings, shared information on the Group's solvency and liquidity positions, with a review of various related ratios.

1.3.5. United States Risk Committee

At 31 December 2020, the US Risk Committee had three members, including two independent Directors.

Members	Attendance rate
Françoise Gri, Committee Chairwoman and independent Director	100%
Pierre Cambefort, Chief Executive Officer of a Crédit Agricole Regional Bank	100%
Caroline Catoire, independent Director	100%

With a presence in the United States through Crédit Agricole CIB, Amundi (the scope of which has increased with the acquisition of Pioneer) and the activities of Wealth management, Crédit Agricole Group is subject to Section 165 of the Dodd-Frank Act. This regulation requires foreign banks operating in the US, and whose total consolidated assets do not justify the creation of a holding company to head up its businesses, to have a Board of Directors' Committee dedicated to monitoring US risks. It was within this framework that the United States Risk Committee was established at the end of the first half of 2016.

US regulations recommend that this Committee should have at least three Directors, one of whom is independent. Crédit Agricole S.A. has opted for mostly independent members, including its Chairwoman, who is also Chairwoman of the Risks Committee.

It holds four meetings a year, one of which is in the United States, in accordance with a US Federal Reserve recommendation. **In 2020, the health context was not conducive to organising the annual meeting in the United States.**

The Committee organises its work on the basis of an operational note, which became a Group procedural note in 2017. This defines the organisation and framework for consolidated risk management of Group entities in the United States. This document, on which the Rules of Procedure of the United States Risk Committee is based, is updated on a regular basis in order to take into account the requirements of the American supervisor and must be formally approved by the Board of Directors.

Each United States Risk Committee Meeting is an opportunity for a detailed review of credit risks, market risks and operational risks from the Group's activities in the United States. **Cyber risk,** which is the subject of a specific regulation of the FED of New York, is closely monitored. In addition, there are systematic reviews of ongoing audits by the US supervisor(s) and the Control and Audit department, and an update on legal and compliance risks.

The liquidity position, which is a major focus area for the US authorities, is discussed at each meeting. Once a year, following a review by the

Committee, this leads to the approval by the Board of Directors of the Liquidity Emergency Plan for the Group's activities in the United States and the Liquidity Risk Appetite Framework, includes credit risks. Similarly, the Committee paid particular attention to the implementation of the recommendations made by the American supervisor as part of its annual "ROCA" (Risk, Operations, Compliance and Asset Quality) review. The US Risks Committee Chairwoman is summoned to a hearing by the FED supervisory team every year.

Along with recurring topics, at the Committee's request an in-depth report is presented on Group entities in the United States and on the activities and/or business lines in that country.

In 2020, electoral year in the US, the Committee remained very attentive to the health and social context in which it operates in the country and reviewed:

- the impacts of the COVID-19 pandemic;
- the situation of Crédit Agricole CIB New York, CAIWM Miami and Amundi Pioneer entities;
- activities in Central and Latin America;
- cyber security risks;
- the situation of non-compliance risks in CUSO;
- new products and activities.

1.3.6. Compensation Committee

At 31 December 2020, the Compensation Committee had six Directors, including three independent Directors and one Director representing employees and a permanent guest (Agnès Audier, non-voting Director).

Members	Attendance rate
Laurence Dors, Committee Chairwoman and independent Director	100%
Marie-Claire Daveu, independent Director	100%
Daniel Épron, Chairman of a Crédit Agricole Regional Bank	100%
Françoise Gri, independent Director	100%
François Heyman, Director representing employees	100%
François Lheureux, Chairman of a Crédit Agricole Regional Bank	100%

The composition of the Committee complies with legal provisions and the recommendations of the AFEP/MEDEF Code, with a majority of independent Directors, one of whom is the Committee Chair, and the presence of an employee representative.

The Crédit Agricole Group Head of Human Resources attends Compensation Committee Meetings accompanied by the Head of Compensation and Employee Benefits.

The functioning and duties of the Committee are set out in Rules of Procedure as approved by the Board of Directors. The Committee performs the duties conferred upon it by the AFEP/MEDEF Code and the French Monetary and Financial Code (particularly Article L. 511-102), as well as preparing compensation-related tasks for which the Board of Directors is responsible under the French Commercial Code (particularly Article L. 22-10-8).

In addition, in accordance with the provisions of Article L. 511-91 of the French Monetary and Financial Code and the decision of the Board of Directors of 17 December 2013, the functions assigned to the Compensation Committee under the aforementioned article are performed by the Compensation Committee of Crédit Agricole S.A. for the following subsidiaries: LCL, Crédit Agricole Assurances, Crédit Agricole Consumer Finance, Crédit Agricole Leasing & Factoring and CACEIS.

The Compensation Committee met seven times in 2020. Its Chairwoman reported to the Board on the work accomplished by the Committee at each of its meetings and submitted the Committee's recommendations on matters subject to approval by the Board.

Although the Committee's agenda is mainly in line with the regulatory calendar, the debates within the Committee are guided by the concern for reconciling transparency requirements and the alignment of market place best practices with the general philosophy of the compensation policy of Crédit Agricole which strives to find a balance between attractiveness and moderation.

Its work is in line with the roadmap which was first confirmed in 2019 by the adoption of structuring measures with:

- the introduction of a combined mechanism of insurance policy known as Article 82 and AGA to replace the defined-benefit pension scheme and which strengthens the alignment of the long-term interests of executives and shareholders;
- the modifications made to financial and non-economic criteria of the variable compensation of Executive Corporate Officers.

The work continued in 2020 with in particular, two major ongoing projects pertaining to:

- the integration into the deferred variable compensation structure for Executive Corporate Officers of the consequences of the Capital Requirements Directive V which changes the minimum vesting period from three to five years;
- the revised CSR performance criteria of deferred compensation plans, currently based on the FReD indicator, innovative when launched but whose construction and legibility are no longer considered by the Committee as suitable to market expectations.

The project resulted in proposals approved by the Board of Directors of 15 December 2020, integrating both compliance with the new regulatory measures and adaptations to the deferred variable compensation structure, bringing it closer to that of its peers.

In addition to its annual programming, the Committee dedicated three special meetings to the project on revising the CSR performance criteria for deferred compensation plans, thus making much progress and expecting to complete it in 2021. The project still needs to be adjusted with respect to the orientations to be taken by the Strategy and CSR Committee on the priorities that Crédit Agricole intends to assign itself under the CSR Pillar of its Group Project. The projects seek to arrive at proposals that can be presented to the General Meeting of 2022.

Since the entry into force of the "say on pay" reform, the Committee was particularly aware that the transparency of information pertaining to the compensation of Executive Corporate Officers and identified employees was aligned with the highest standards. As every year, after the General Meeting, the Committee examined, in the presence of the Head of Financial Communication, the results of the vote on resolutions relating to the compensation of Executive Corporate Officers in order to draw conclusions for the next General Meeting and for the governance roadshows held prior to the meeting.

In anticipation of the General Meeting on 12 May 2021, the Committee in its meetings reviewed all resolutions on the compensation of the Executive Corporate Officers approved by the Board at its meeting on 10 February 2021.

As part of the Board's regulatory obligations, the Committee also examined the compensation of individuals with supervisory responsibilities (Risk, Control & Audit, Compliance), the budget for the variable compensation of identified employees and individual variable compensation over €1 million.

It also considered the "compensation" section of this Board report on Corporate Governance prior to the Board's approval of the entire current Corporate Governance Report on 10 February 2021.

Refer to the glossary on page 681 for the definition of technical terms.

In addition to the work described, other matters examined by the Committee in 2020 included:

- the update of Crédit Agricole S.A. Group's Compensation policy, submitted for the Board's approval, and the results of the annual audit on the Compensation policy;
- the overall budget for variable compensation within the Group, by entity and according to the appropriate schemes (bonus pool or individual variable compensation);
- the report in respect of 2020 on the compensation policy and practices of members of the executive body, as well as individuals whose professional activities have a significant impact on the Company's risk profile.

1.3.7. Appointments and Governance Committee

Pursuant to the provisions of the AFEP/MEDEF Code, the Committee is chaired by an independent Director. However, the proportion of independent Directors on the Appointments and Governance Committee is below AFEP/MEDEF recommendations but reflects the capital structure of Crédit Agricole S.A., which is controlled by a majority shareholder and where the Chief Executive Officer is from one of the 39 Crédit Agricole Regional Banks that control it. This situation is reported in the table of non-compliance with the AFEP/MEDEF Code.

At 31 December 2020, the Appointments and Governance Committee comprised six members.

Members	Attendance rate
Monica Mondardini, Committee Chairwoman, independent Director	100%
Raphaël Appert, Deputy Chairman of the Board of Directors, Chief Executive Officer of a Crédit Agricole Regional Bank	100%
Laurence Dors, independent Director	100%
Jean-Pierre Gaillard, Chairman of a Crédit Agricole Regional Bank	100%
Dominique Lefebvre, Chairman of the Board of Directors, Chairman of a Crédit Agricole Regional Bank	100%
Louis Tercinier, Chairman of a Crédit Agricole Regional Bank	100%

The functioning and duties of the Committee are set out in Rules of Procedure as approved by the Board of Directors.

The Corporate Secretary of Crédit Agricole S.A. and Secretary of the Board of Directors take part in meetings of the Appointments and Governance Committee. The Chairwoman of the Appointments and Governance Committee reports to the Board on its work and on the Committee's opinion on matters referred to it for approval.

The Committee met four times in 2020.

Prior to the General Meeting, the Appointments and Governance Committee examined the situation of Directors whose terms of office were up for renewal with regard to the criteria of availability, competence and good repute.

it defined the selection process for future independent Directors and its schedule, taking into account the fact that at the General Meeting of 12 May 2021, four directors, three of whom are independent Directors, will leave the Board of Directors of Crédit Agricole S.A., either because they have reached the age limit or because they have required the maximum number of four terms of office legally allowed over a period of 11 years.

In this respect, the Committee proposed to the Board the candidacy of **Agnès Audier**, former Associate Director at the Paris office of Boston Consulting Group to replace Laurence Dors affected by the age limit at the 12 May 2021 General Meeting and the candidacy of **Marianne Laigneau**, Chairwoman of Enedis to replace Monica Mondardini who will leave the Board at the 12 May 2021 General Meeting, as she has reached the maximum number of four terms of office legally allowed over a period of 11 years. It also proposed the candidacy of **Alessia Mosca**, Professor at the Paris Institute of Political Studies to replace Caroline Catoire, who has reached the statutory age limit. The Committee reviewed their situation with respect to the independence criteria of the AFEP/MEDEF code and noted that the relations between Crédit Agricole Group and Boston Consulting Group and Enedis cannot be considered as situations of dependence. The Committee, subject to a review of their situation after the General Meeting of 12 May 2021, recognised them as independent Directors. The same applies to Alessia Mosca who does not hold a term of office in any business corporation.

The Committee also recommended to the Board the co-optation of **Nicole Gourmelon**, Chief Executive Officer of the Regional Bank of Atlantique-Vendée as of 1 October 2020, to the position vacated by Renée Talamona, for the remaining period of her term of office, *i.e.*, until the General Meeting of May 2021. This co-optation will be submitted to the General Meeting of Shareholders of 12 May 2021 for ratification, at the end of which a proposal will also be made for its renewal for three years.

The Committee also reviewed the candidacy of Olivier Auffray, Chairman of the Regional Bank Ille-et-Vilaine, proposed as a replacement for Philippe de Waal who has reached the age limit.

It organised the self-assessment campaign on the functioning and competences of the Board of Directors and, in the light of the results and suggestions, proposed concrete measures to address them (see below).

In 2020, the Committee heard the Chief Executive Officer regarding the succession process for key functions and the Group Human Resources Director on the measures to promote gender equality at work, including in decision-making bodies. Upon the proposal of the Chief Executive Officer, the Committee played an advisory role in the succession process of the Chief Executive Officer of Amundi, Deputy General Manager of Crédit Agricole S.A., Head of Savings Management and Property.

It was kept informed of governance-related regulatory changes.

The Committee monitored the process for electing a Director representing employee shareholders, for which it defined the regulation in accordance with the law of 22 May 2019.

It also defined two procedural notes of the Board as required by the law of 22 May 2019, including on the recognition of the CSR issues of its activity and another on current agreements. The Committee formalised the succession process of the Chairman and Chief Executive Officer in a Board procedural note which will be appended to its Rules of Procedure but not published. This note addresses a marketplace best practice as well as the requests expressed by some Directors during the 2020 Board review.

Lastly, it reviewed the scores as well as the opposition rate of the resolutions submitted to the 2020 General Meeting, in particular those with the highest opposition rate. When it approved this Report on corporate governance submitted to the Board on 10 February 2021, the Committee reviewed all resolutions on governance in view of the 12 May 2021 General Meeting.

At the end of the Governance roadshows conducted in January 2021, the Committee began thinking about a potential report on the statutory age limit of 65 years that several investors now consider as too low.

While aware of its inherent drawbacks, the Committee suggested to the Board to maintain it considering that it continues to be leverage for generational review.

1.3.8. Strategy and Corporate Social Responsibility (CSR) Committee

At 31 December 2020, the Committee comprised seven members.

Members	Attendance rate
Dominique Lefebvre, Chairman of the Board of Directors, Chairman of a Crédit Agricole Regional Bank	100%
Raphaël Appert, Deputy Chairman of the Board of Directors, Chief Executive Officer of a Crédit Agricole Regional Bank	100%
Daniel Épron, Chairman of a Crédit Agricole Regional Bank	100%
Nicole Gourmelon, Chief Executive Officer of a Crédit Agricole Regional Bank	100%
Françoise Gri, independent Director	100%
Catherine Pourre, independent Director	67%
Louis Tercinier, Chairman of a Crédit Agricole Regional Bank	100%

The establishing of this Committee was decided by the Board of Directors in 2003, first as the Strategy Committee and then, from 2015 on, as the Strategy and CSR Committee, with an extension of its area of expertise.

While the AFEP/MEDEF Code for a long time provided that strategic guidelines could be examined by an *ad hoc* Committee, without issuing a recommendation on how this Committee should operate, the inclusion of Corporate Social Responsibility into the Board's area of expertise was incorporated in the revised version of the Code in 2018. In respect of the information provided in this field, Crédit Agricole S.A. meets the recommendations of the French Financial Market Authority (AMF), which, in its November 2016 report on Corporate Social Responsibility, recommends that detailed guidelines be given regarding the frequency at which sustainable development and corporate social responsibility matters should be included on the Committee's agenda, while also specifying its duties and results and its interaction with other Board Committees.

The functioning and duties of the Strategy and CSR Committee is described in its Rules of Procedure, amended in 2016 to allow it to meet whenever the need arises, rather than according to an annual schedule. This method of operation was in response to a request from its members, made as part of the annual evaluation of the Board and to the wishes of the Chairman and the Chief Executive Officer. This flexibility renders it possible to involve the Board as early as possible in the process of considering disposals and acquisition transactions.

In its January 2020 revised version, the AFEP/MEDEF Code adds monitoring of non-financial information drafting to the area of expertise of the Audit Committee. As this task is already carried out within the Board of Directors of Crédit Agricole S.A. by the Strategy and CSR Committee, in coordination with the Appointments and Governance Committee, it was decided that non-financial information and non-financial ratings would remain within the area of expertise of this Committee. Similarly, the non-financial risks that the AFEP/MEDEF Code assigns to the Audit Committee, remain within the area of expertise of the Risk Committee, a mandatory committee in the banking sector and not listed in the committees recommended by the AFEP/MEDEF Code.

While the review of Crédit Agricole S.A. Group's CSR policy is primarily the responsibility of the Strategy and CSR Committee, the Board of Directors has also adopted a cross-functional approach involving, depending on the subject, most of the Specialised Committees.

The Committee held four meetings in 2020, including two that mainly focused on actions carried out in the areas of CSR and strengthening social cohesion.

The Committee monitored the tangible progress made in the structuring and the achievements of the Societal Project, enshrined in the Group's purpose *(Raison d'Être*[1]*)* "Working every day in the interest of our customers and society".

Finally, under employment-related commitments, Crédit Agricole has taken measures to promote the integration of young people and access to employment. A new impetus was given to the Youth Plan in 2020, by doubling the annual number of students accepted on work-study programmes within the Group, with the aim of reaching 6,000 by 2022. In 2020, across Crédit Agricole Group as a whole, 750 Year 10 pupils from disadvantaged areas were offered work experience placements; including 300 in Crédit Agricole S.A.

Other actions included in the assessment reviewed by the Committee are, e.g. the partnership with the National Museum of Natural History to support actions to protect and conserve sites and support scientific research on biodiversity.

For 2021, the objectives set by Executive Management and the Strategy and CSR Committee are to expand the various initiatives and commitments, in particular the need to:

- strengthen the societal dimension of the Medium-Term Plan through an ambitious Group governance already in place and find the right balance to drive momentums at Crédit Agricole S.A.;
- provide the CSR department with the capacity to monitor, steer or coordinate initiatives inherent in its remit through the reference memorandum on Group employment-related commitments;
- set up a non-financial reporting Platform capable of addressing the challenge of implementing the Group's societal targets and in particular the recognition by the Board of the environmental and societal issues of its activity;
- improve communication on the Group's actions on energy transition issues.

The Committee also monitored the drafting and application of a Board procedural note on recognising the social and environmental challenges of its activities, analysed together with the Appointments and Governance Committee.

For the record, the Strategy and CSR Committee is also monitoring the preparation of the Integrated Report, which will be the fourth such report in 2020, providing a strategic and forward-looking vision of the Company, integrating financial and CSR data.

(For strategic files and disposals and acquisitions that are publicly available and were presented to the Board in 2020, see sub-section 1.2.2.: "Summary of matters examined by the Board in 2020 further to review by, advice from and/or on the recommendation of the Specialised Committees".)

(1) Please refer to the glossary for the definition of Raison d'Être.

Refer to the glossary on page 681 for the definition of technical terms.

1.4. DUTY OF VIGILANCE

Legal framework

Law No. 2017-399 of 27 March 2017 on the duty of vigilance of parent companies and contracting companies applies to Crédit Agricole S.A.

As a parent company, Crédit Agricole S.A. corporate entity has opted for preparing a vigilance plan and reporting on its effective implementation for Crédit Agricole S.A. corporate entity and the companies it directly or indirectly controls. These are together being referred to as "Crédit Agricole S.A.".

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 the environment, which could potentially result from the activities of Crédit Agricole S.A. corporate entity and of the consolidated companies over which Crédit Agricole S.A. corporate entity exercises control, as well as from the activities of sub-contractors or suppliers with whom an established commercial relationship is maintained, when such activities are related to that relationship.

Our commitments

Our vigilance measures are in line with the fundamental principles to which we adhere and the applicable international rules and regulations, in particular with regard to respect for human rights, the fight against modern slavery, the prevention of attacks on human health and safety, the protection of the environment and, in particular, the development of "climate finance" (see Chapter 2, part 4.3 "Recognition of Non-Financial Performance by Stakeholders").

Beyond the applicable regulatory base, our commitments are based on our purpose: "Acting every day in the interest of our customers and society". Thus, environmental, social and societal issues are at the heart of the Group 2022 strategic project, which will guide our actions in the coming years through three flagship projects: the customer project, the human project and the societal project (https://www.credit-agricole.com/notre-groupe/notre-projet-de-groupe/notre-vision).

To carry out these projects while exercising its banking-insurance business in a responsible manner, Crédit Agricole Group has chosen to promote a strong culture of compliance and ethics. Particular attention is paid to the impact of our activities on people and the environment in order to achieve our goals and meet our commitments to customers, employees, partners and society.

Our ethical principles

Our commitments are reflected in policies that formalise the principles of compliance and ethics as applicable within our Group and in our relationships with our customers, suppliers, service providers and employees (see Chapter 2, part 2.4.2 "A Strong Culture of Ethics").

- **The Code of Ethics** shared by Crédit Agricole Group since 2017, sets the framework for the Group's principles regarding business action and conduct. The principles described in this charter also include measures to prevent corruption and are intended to be integrated into the internal control procedures of the entities.
- **Codes of Conduct** implemented by the entities of Crédit Agricole S.A. operationally describe the principles of the Code of Ethics. These Codes of Conduct have been presented to the Boards of Directors of each entity for consideration. Their implementation is part of the process of controlling the risks of non-compliance.

The Board of Directors of Crédit Agricole S.A. is strongly involved in promoting an ethical culture within the Group. It approved and monitored the deployment of the Code of Ethics and its implementation in the form of Codes of Conduct. The Board integrates the examination of CSR issues and policies within the remit of its Strategy and CSR Committee, which, in conjunction with the Appointments and Governance Committee, monitors ethical issues within the Group.

In 2020, a programme to foster a culture of ethics was implemented with the aim of educating the employees of Crédit Agricole S.A. on ethics and assessing their level of ethical culture using common indicators.

Managing and monitoring the vigilance plan

The vigilance plan is managed and monitored at the highest level of Crédit Agricole S.A. The Board of Directors has been informed of the procedures for implementing the vigilance plan in its meeting of 13 May 2020. With regard to social and environmental issues and risks, the Board has adopted a cross-functional approach involving, depending on the subject, most of its Specialised Committees, primarily the Strategy and CSR Committee, but also the Appointments and Governance Committee, the Risk Committee and the Compensation Committee, which enables the Board to be fully informed and facilitates the inclusion of these matters in its deliberations (see Chapter 3, part 1.2 "Activity of the Board in 2020" and 1.3 "Activities of the Board's Specialised Committees").

The CSR Committee of Crédit Agricole S.A., chaired by the Corporate Secretary, member of the Executive Committee, approves the guidelines and monitors the implementation of the vigilance plan and the associated action plans. Twice per year it is responsible in the capacity of "Committee on the duty of vigilance" and keeps the Executive Committee updated.

The management of the vigilance plan is entrusted to the CSR department, under the responsibility of the Corporate Secretariat, in collaboration with the Group departments overseeing Purchasing, Legal, Risk, Compliance, Human Resources, Safety and Security, as well as with the Crédit Agricole S.A. subsidiaries.

Our approach

For financial year 2020, the Crédit Agricole S.A. vigilance plan consisted of:

- the process of risk mapping for the identification, analysis and prioritisation of risks of serious violations that its activities could potentially cause to fundamental human rights and freedoms, the health and safety of persons, and the environment. This approach is reflected in the description of the methodology used as well as a summary of the risks identified and the associated areas of vigilance;
- prevention or mitigation measures and assessment procedures implemented within Crédit Agricole S.A. to prevent these risks;
- a mechanism for alerting and receiving alerts relating to the existence or realisation of such risks;
- a system for monitoring the actions implemented and evaluating their performance. This mechanism, which includes monitoring indicators, is presented in the report on the implementation of the vigilance plan. More detailed information on policies and action plans is given in the non-financial performance statement (see Chapter 2, "Non-Financial Performance").

Pursuant to the regulations, the report on the effective implementation of the vigilance plan is published each year for the financial year ending 31 December.

The approach of the Vigilance plan is based on the principle of continuous improvement. As a result, the tools used to identify and manage risks and the measures implemented to prevent these may change in the light of the results of risk mapping approaches, changes in the activities financed and those induced by the operations of Crédit Agricole S.A., as well as priority CSR issues. In this light, the indicators for monitoring the implementation of the vigilance plan, which were defined in 2020, may change or be supplemented with new indicators for subsequent financial years.

Methodology for identifying and managing the risks referred to in the current vigilance system

Identification of risks

In line with the law, the scope of the vigilance plan of Crédit Agricole S.A. includes employees, suppliers and sub-contractors with whom it has an established relationship, and covers the main activities of Crédit Agricole S.A. in the exercise of its business as banker and insurer, *i.e.* its financing and investment activities as well as the distribution of financial and insurance products and services to its customers.

The risk identification process is based on two steps:

- a first step to identify generic risks with regard to the areas of vigilance covered by the law and the commitments of the Group;
- a second step to identify the risks of major impacts specific to our activities that require particular vigilance.

With regard to the areas of vigilance covered by the law and the commitments of Crédit Agricole S.A. with regard to CSR, the generic risks of serious violations of human rights, fundamental freedoms and the health and safety of individuals that we have identified are:

- the use of forced labour, slavery and child labour;
- the violation of the rights of indigenous peoples, including their right to property;
- discrimination and harassment in the workplace;
- failure to respect freedom of association and the principle of collective bargaining;
- violations of the health and safety of persons;
- the lack of decent working conditions, compensation and social protection;
- violating the right to privacy.

In terms of environmental protection, the identified serious risks of damage are:

- the worsening of climate change and associated climate risks;
- excessive consumption of natural resources;
- pollution and degradation of soil, air and water quality;
- the loss of biodiversity;
- the proliferation and non-treatment of waste.

In order to identify and assess the significant risks directly related to our activities, in the areas covered by the law on the duty of vigilance, our approach is based on priority CSR issues (deemed to have major impacts for stakeholders and the Group) which contain both opportunities and risks.

In 2020, the risks thus identified were also assessed in light of the methodological framework for identifying social and environmental risks presented in the non-financial performance statement, which covers a broader scope than the scope of application defined by the law on the duty of vigilance. This approach is structured in four stages: the formalisation of four non-financial areas corresponding to the Group's purpose, the cross-referencing with the areas of action defined in ISO 26000, which made it possible to identify some 30 non-financial challenges and then, with regard to these challenges, the identification of some fifteen significant potential non-financial risks and the inclusion of the perception of the stakeholders on the challenges deemed to be the most significant. The consultation of our stakeholders, carried out every two years, enables us to analyse the significant risks that we identify with regard to their expectations and the non-financial issues that they perceive to be the most significant (nearly 1,800 individuals representing customers and the general public were consulted as part of a CSR barometer in 2020). See Chapter 2, part 1 "Non-financial risks".

In this context, Crédit Agricole S.A. has identified the main areas in which its activities have a major socio-economic impact and could therefore carry significant direct risks to respect for human rights and fundamental freedoms, human health and safety and environmental impact.

This approach made it possible to identify the following areas of vigilance:

- **Relationships with the customers of Crédit Agricole S.A.:**
  - preventing risks related to cybercrime and ensuring the security of customers' personal data and transparency of their use;
  - preventing discrimination in access to financial services offered by entities of Crédit Agricole S.A.
- **Relationships with employees of Crédit Agricole S.A.:**
  - maintaining occupational health and ensuring equity in social protection;
  - ensuring the safety and security of employees;
  - combating discrimination;
  - maintaining a social dialogue within the Group.
- **Relationships with suppliers and sub-contractors of Crédit Agricole S.A.:**
  - ensuring that suppliers and sub-contractors with whom we have an established relationship accept commitments related to the vigilance system of Crédit Agricole S.A.;
  - assessing and managing significant environmental, societal and governance (ESG) risks in our purchasing.
- **Financing and investment activities of Crédit Agricole S.A.:**
  - assessing and managing major direct environmental, social and governance (ESG) risks in financing and investments;
  - paying particular attention to climate risk management in financing and investing.

Risk management systems

The Group exercises vigilance within the framework of existing risk management systems (see Chapter 5, "Risk management" and Chapter 2, part 3 "ESG risk management").

In order to achieve its strategic orientations while managing and mitigating its risks appropriately, the Group has established a risk appetite framework, consisting of two main elements: the Risk Appetite Statement and all the instruments declaring and ensuring compliance with the risk appetite statement. These include key indicators for each type of risk. The Risk Appetite Statement, submitted annually to the Board of Directors of Crédit Agricole S.A. for approval, is a decisive element for the control and monitoring of governance risks. This statement includes a key indicator relating to climate risk. In addition to quantitative indicators, the Group's risk appetite is also expressed through qualitative indicators based on the Group's CSR strategy and policies with the aim of controlling all risks, including non-financial risks.

 Refer to the glossary on page 681 for the definition of technical terms.

The overall strategy and risk appetite of Crédit Agricole S.A. and the Crédit Agricole Group is reviewed by the Board of Directors, which relies on the work carried out by its Specialised Committees, in particular the Risk Committee. It analyses the Risk Strategies of the entities and business lines before proposing their approval to the Board.

Prior to review by the Board, the Group Risk Committee chaired by the Chief Executive Officer of Crédit Agricole S.A. approves the Risk Strategies presented by the entities and business lines. These strategies require the prior opinion of the Risk Department and, an opinion of the CSR Department for strategies applying to business sectors in which the social and environmental impacts are potentially high. In particular, it approves the Climate Strategy developed jointly and reviewed each year by the Risk Department and the CSR Department (cf. Chapter 2, part 2.2.2 "Governance of non-financial performance" and part 3 "ESG risk management").

In accordance with the Decree of 3 November 2014, a dedicated procedure is in place to control the risks related to the Group's activities, describing in particular the respective responsibilities of its three lines of defence within the internal control system (business lines in the first place, permanent control exercised by the Risk Management and Compliance business lines in the second place, Audit-Inspection in the third).

Moreover, the prevention of ESG risks as part of the operational risk management system, which includes the risk of non-compliance, legal risk, the risk of internal and external fraud and the risks generated by the use of key outsourced services (PSEE), is formalised in a set of common standards and procedures.

The identification and qualitative assessment of risks is carried out through risk mapping, carried out annually by the business lines and entities in accordance with the specific characteristics of their business sector. Risk indicators are set up for processes with major impact risks and, if necessary, improvement action plans are defined.

Compliance standards and the system for monitoring non-compliance risks are described in an *ad hoc* body of rules *(Corpus Fides).* Finally, a dedicated control system, incorporating a procedure for managing irregularities and reporting alerts, ensures that non-compliance risks are managed, particularly with regard to non-compliance with rules relating to financial and banking activities, professional and ethical standards, instructions, ethics in professional conduct, as well as in the fight against money laundering, corruption or terrorist financing, and respect for the integrity and transparency of the markets. Within the Compliance business line, each Compliance Manager updates a mapping of non-compliance risks, consolidated by the Group Compliance department.

Report of the implementation of measures to prevent or mitigate these risks

Relationships with the customers of Crédit Agricole S.A.

In its business of distributing financial and insurance products and services to its customers, Crédit Agricole S.A. has identified two areas requiring particular attention.

Preventing the risks associated with cybercrime and ensuring the protection of personal data and transparency in their use

Crédit Agricole S.A. is particularly attentive to strengthening the Group's resilience in the light of the magnitude of IT risks, particularly cyber-threats, in terms of governance, organisation and IT projects. Our cyber security strategy is based on operational governance, dedicated policies and a decentralised organisation that relies on stakeholders present within each entity, the implementation of security standards and regulations to integrate cyber security at all levels of the information system (IS). The analysis of cyber risks is carried out systematically from the design phase of projects impacting IS with a "Security by design" approach. Crédit Agricole S.A. is actively raising awareness and developing a "cyber risk" culture among its employees, customers and suppliers in order to change practices and promote the acquisition of habitual behaviours, which are essential in terms of cyber security. These provisions of various and complementary natures (technical, organisational, behavioural) make it possible to reduce the probability of occurrence of cyber risks or limit their effects. They are described in detail in Chapter 2, part 2.4.6 "Cyber security and combating cyber-crime".

The Group has adopted a normative framework for the protection of personal data by implementing, in 2017, a personal data Charter, co-created with customers. It is based on five key principles (data security, utility and loyalty, ethics, transparency and pedagogy, customer control).

The commitments made in that charter ensure that customers have control over their data and their use and are fully consistent with the implementation of the European regulation on the protection of personal data.

In 2018, a set of standards and procedures relating to the management and protection of personal data, including employee data, was distributed to all Crédit Agricole S.A. A comprehensive programme of mandatory compliance training is deployed for all employees in France and abroad (see Chapter 2, part 2.4.2 "A Strong Ethical Culture").

Avoiding discrimination in the access to financial and insurance products and services by supporting the most financially vulnerable customers

In order to be useful to all its customers and to prevent the risk of discrimination in access to financial and insurance services, Crédit Agricole has been committed for several years to a process of financial inclusion and support for the most financially vulnerable customers. The Group shows its commitment to this approach by committing to preventing over-indebtedness and improving access to credit and insurance for those customers. To illustrate, the Group offers products that are accessible to all, such as LCL Essentiel.

To prevent and manage situations of over-indebtedness, specific support measures (personalised support agency, national unit and adapted offer) have been set up by Crédit Agricole Consumer Finance and LCL; these can be offered to customers when a situation of financial vulnerability is found.

Within Crédit Agricole Assurances, in the area of health insurance Pacifica offers a Complementary Solidarity Health offer (resulting from the merger in 2019 of the ACS and CMU-C schemes) with a regulated and free or subsidised single level of cover. Crédit Agricole Assurances also abides by the AERAS agreement, which facilitates access to insurance and loans for persons who currently have or have had serious health problems, and offers adapted policies through its subsidiary, CACI, a loan insurer.

As France's leading provider of housing finance, the Crédit Agricole Group contributes more specifically to social housing. In November 2020, LCL signed a partnership with Action Logement, a leading player in social housing, which will give its customers access to personalised advice and a wider range of services.

In 2020, the Crédit Agricole Group is specifically committed to supporting its SMEs and small businesses, corporates and farmers at a time of health crisis, notably by ensuring the distribution of State-guaranteed loans, with a total amount of €26.9 billion granted to more than 178,000 customers. In addition, it has awarded up to more than 550,000 moratoriums and extensions. From April 2020, at the time of the first lockdown, the Group also set up a €200 million mutual support scheme for professionals, aimed at all policyholders who have taken out professional multi-risk insurance with a cover for business interruption (Chapter 2, part 2.4.1 "A universal approach to our businesses: being there for everyone").

Relationships with employees of Crédit Agricole S.A.

On 31 July 2019 Crédit Agricole S.A. has signed an International Framework Agreement with the global union federation for the private services industry, UNI Global Union. This global agreement covers human rights, fundamental labour rights and the development of social dialogue. It reinforces the commitments of Crédit Agricole S.A. by offering the same social basis to all its employees, regardless of where they work, and by helping to improve working conditions. This agreement provides a frame of reference for Crédit Agricole S.A.'s 75,000 employees in the 47 countries where it operates.

Maintaining occupational health and ensuring equity in social protection

Crédit Agricole S.A. ensures that its facilities provide a working environment that protects the health of its employees and provides prevention, information and support services for employees (free screening campaigns and vaccination, ergonomic advice, nutrition and stress management, personalised support for employee carers, etc.).

Measures to prevent psycho-social risks (toll-free numbers, listening units) are deployed throughout Crédit Agricole S.A. In addition, specific attention is paid to the situation of employees in light of organisational transformations and, if necessary, accompanying measures are put in place (training, awareness-raising, collective agreements).

Crédit Agricole S.A. is also actively involved in the social protection of all its employees, particularly in matters related to health, retirement, death, short and long-term disability. Accordingly, in 2017, a supplementary hospitalisation scheme was implemented at the Crédit Agricole S.A. level in France. In 2020, the implementation of the Take Care programme was completed for all the entities concerned. It made it possible to strengthen health and provident schemes (death, short and long-term disability coverage) in four countries of the International Retail banking business line (Egypt, Morocco, Serbia and Ukraine).

The International Framework Agreement of 31 July 2019 includes a strong commitment to parenthood as it sets out the principle of 16 weeks paid maternity leave for all employees of Crédit Agricole S.A. as of 1 January 2021. It also recommends that entities introduce adoption or paternity leave in order to take into account the different situations of parenthood.

Lastly, the Agreement includes a major commitment to employee benefits (short and long-term disability, death and health); it calls for an inventory of all employee benefits systems in effect in the entities, in order to map current practices in relation to their national and professional context. This mapping was carried out in 2020 and showed the absence of any failure to comply with the legal obligations required locally in terms of health and welfare. It will be updated in 2021 (see Chapter 2, part 2.4.3.3 "Strengthening the framework of trust between employees and the company").

Ensuring the safety and security of employees

Crédit Agricole S.A. ensures the safety and security of its employees and persons on its premises.

In 2020, following the health crisis caused by the COVID-19 outbreak, the Group's attention was particularly focused on the measures to be taken to protect the health and safety of the Company's employees and their working conditions. The Group has taken numerous measures in this regard, working in conjunction with occupational health services and employee representatives, in line with the decisions and recommendations of the public authorities (see Chapter 2, part 2.4.3.3 "Strengthening the framework of trust between employees and the company").

In addition, specific measures are also deployed to ensure the safety of employees during business travel as well as for expatriate employees. Risk prevention actions specific to employees in contact with customers or who travel frequently by road are implemented.

A procedure describing the general framework, organisation and operation of the Physical Security and Safety Business Line and recalling the tasks entrusted to the Physical Security and Safety Department (*Direction sécurité-sûreté*—DSS) was published in 2018 and distributed within the Crédit Agricole Group. It will be updated in 2021 and supplemented by incorporating operational policies (security of non-commercial buildings, business travellers and expatriates, events organised by the Group, protection of executives, crisis monitoring and management, physical security and safety controls), in line with the ongoing review of the Group's operational policies and security standards.

In 2018 and 2019, as part of the implementation of Crédit Agricole S.A.'s Individual Security Plan, e-learning training on what to do in the event of a terrorist attack was offered to all employees. In addition, "first response team members" have been trained in the containment strategy The reasons and practical details of this approach were presented to the Consultation Committee, which includes all the representative trade unions within Crédit Agricole S.A.

The Safety and Security Department ensures compliance with regulatory obligations and the implementation of the Group's security policy at all Crédit Agricole S.A. sites, in particular by ensuring that employees are trained in fire safety. In this context, with the support of IFCAM and other Crédit Agricole S.A. entities, it has designed an e-learning training course on what to do in the event of security incidents such as fire or rescue. This training, which has been approved by the Group Safety Committee, has been mandatory since the end of 2020 for all Crédit Agricole S.A. entities and is offered to the Regional Banks.

Combating discrimination

Crédit Agricole S.A. is a signatory of the Diversity Charter and it has already been committed to an approach aimed at promoting diversity and gender balance for several years. This diversity policy, which is based on the principles of non-discrimination and the integration of career and age diversity, takes the form of agreements on topics such as non-discrimination in recruitment, training, promotion, compensation and the life-work balance. Training and awareness-raising activities are regularly implemented within Crédit Agricole S.A. and annual indicators make it possible to monitor the results of the measures implemented.

Refer to the glossary on page 681 for the definition of technical terms.

Furthermore, in order to help reduce unjustified wage gaps between women and men, a gender equality index has been created pursuant to the Law of 5 September 2018 on the freedom to choose one's professional future. This index allows companies to measure their progress in this area and, if necessary, to implement corrective actions. After several years of commitment and initiatives in the area of gender equality at work, at 31 December 2019, Crédit Agricole S.A. once again scored well above regulatory requirements:

- 83/100 for Crédit Agricole S.A. corporate entity;
- between 75 and 98/100 for the other entities of Crédit Agricole S.A.

The International Framework Agreement of 31 July 2019 also provided for concrete measures applicable at each career path stage designed to ensure gender equality.

Lastly, employment and integration of people with disabilities have been the subject of a proactive policy since 2005 under three-year Disability agreements. The number of newly-hired people with disabilities and the volume of purchase contracts signed with the sheltered and disability-friendly sector are among the indicators measured annually. On 23 December 2019, Crédit Agricole S.A. and employee representatives signed a sixth three-year agreement (2020-2022) on the employment of people with disabilities. With this agreement, Crédit Agricole S.A. undertakes, in particular, to employ new people with disabilities at its entities by 2022. Since the first agreement was signed in 2005, the employment rate of disabled people within Crédit Agricole S.A. has doubled, reaching 3.88% at the end of 2019, and the volume of purchases from inclusive companies has increased sixfold. For the period 2017-2019, the recruitment target has been achieved with 51 individuals recruited on permanent contracts. The International Framework Agreement also confirms the importance of this commitment to disabilities (see Chapter 2, part 2.4.3.3 "Strengthening the framework of trust between employees and the company").

Maintaining a social dialogue within the Group

Crédit Agricole S.A., through its Group Human Resources Department and representatives of the Human Resources function within each entity, maintains a dynamic dialogue with all stakeholders in the social dialogue.

This dialogue is organised at several levels to take into account the multiplicity of Crédit Agricole Group's locations in Europe. Fourteen countries (representing more than 90% of Crédit Agricole's employees) are represented on the European Works Council, which meets annually; similarly, in France twice a year, employee representatives and management discuss the Group's strategy and social and economic situation.

Moreover, two other bodies within Crédit Agricole S.A. also facilitate maintaining the social dialogue: a Consultation Committee in which executives can present their projects and engage in discussions with employee representatives; meetings of union representatives are also organised on a monthly basis to foster exchanges, maintain a local dialogue and explain strategic developments in the Group's business lines.

The importance of the trade unions, whose role is an integral part of the Group's life, has been reinforced. On 8 March 2019 Crédit Agricole S.A. signed an Agreement on the career path of staff representatives which aims to promote engagement in staff representation and to enhance the mandate of staff representatives in their career development. Through this agreement, Crédit Agricole S.A. is committed to promoting the attractiveness of trade union and elected positions among employees wishing to become involved in social dialogue within its entities. Crédit Agricole S.A. also undertakes to promote and respect equal access for women and men to trade union and elective office and to combat all forms of discrimination based on the exercise of such office (see Chapter 2, part 2.4.3.3 "Strengthening the framework of trust between employees and the company").

Relationships with suppliers and sub-contractors

Ensuring that suppliers and sub-contractors with whom we have an established relationship accept commitments related to the vigilance system of Crédit Agricole S.A.

Crédit Agricole S.A. has a "Responsible Purchasing" policy that applies to the entire Crédit Agricole Group. Shared by all employees and suppliers, it aims to promote, in case of a purchase, the consideration of the right need and of economic, societal and environmental aspects. This policy is accompanied by a "Responsible Purchasing Charter" that formalises the reciprocal commitments between Crédit Agricole S.A. and its suppliers, based on the fundamental principles of the United Nations Global Compact. In particular, it specifies the level of vigilance expected in terms of respect for human rights and labour law, environmental impact, business ethics and transparency. The Charter is systematically attached to all supplier contracts.

Moreover, a specific clause titled "Respect for human rights, protection of the environment and fight against corruption" was included in all the standard supplier contract models of Crédit Agricole S.A., under which suppliers declare and guarantee that they will respect and enforce in their supply chains all their obligations to identify risks and prevent serious violations of human rights and fundamental freedoms, the health and safety of individuals and the environment resulting from their activities, in accordance with laws and/or regulations relating to respect for human, social and environmental rights. At the end of 2019, a permanent control indicator was set up at Crédit Agricole S.A. corporate entity to ensure that this clause was included in all supplier contracts. This control system is gradually being extended to the different entities of Crédit Agricole S.A.

In 2018, the "Supplier Relations and Responsible Purchasing" label awarded by France's Mediator of the Republic has been renewed and extended to all Crédit Agricole S.A. subsidiaries, including the requirements of ISO 20400 standard. In 2020, a CSR purchasing and training division was created within the Group Purchasing Department tasked with monitoring actions related to this label and coordinating Responsible Purchasing within the entities. The Purchasing Management Committee, which monitors the CSR performance of suppliers, reviews CSR issues related to the label and the duty of vigilance on a quarterly basis.

In order to strengthen mutual knowledge between Crédit Agricole S.A. companies and their suppliers and to involve suppliers in our responsible purchasing approach, meetings are organised on a regular basis. Thus, the fourth edition of the Supplier Meetings, held in 2020 for the first time in 100% digital format, brought together more than 300 suppliers.

Assessing and managing significant Environmental, Social and Governance (ESG) risks in our Purchasing

The requirements of the law on the duty of vigilance are included in the Purchasing procedural memorandum that applies to all employees. In addition, a free e-learning module entitled "Responsible Purchasing" is available to all employees of the Group via the common platform of the Crédit Agricole training institute.

In 2018, the Group Purchasing Department finalised the introduction of its risk mapping by identifying, analysing and prioritising the categories of purchases presenting risks based on ethical, social and environmental criteria.

This approach has made it possible to prioritise purchasing categories according to four levels of CSR risk based on the intrinsic gravity of a risk and its probability of occurrence. For categories with the highest levels of risk (real estate projects, promotional items, IT hardware and servers), the Group Purchasing department has decided to strengthen its CSR assessment system and apply specific risk prevention measures (diagnosis, recommendations and CSR issues specific to the offer) in addition to the general measures taken as part of the "Responsible Purchasing" policy.

The three categories identified are the subject of a progress plan drawn up with our suppliers and specifiers and then broken down into specific actions to address different issues related to the level of maturity of suppliers with regard to CSR:

- **For the "Real estate projects" category,** in which the players are numerous and complex to grasp, the Group Purchasing Department, in collaboration with the buyers of the two main entities most active in this category, Crédit Agricole Immobilier and LCL, have undertaken actions focused on two areas for improvement:
  - continued the project initiated in 2019 to identify the key players in the sector and then to engage in a dialogue with these suppliers to raise their awareness of the risks involved and together identify avenues for improvement;
  - to improve the relevance of the analysis grids in our calls for tender on the environmental and social impacts in the responses from suppliers. To this end, the Group Purchasing department was able to benefit from a tool developed by a sector-based approach with the support of experts and of the real estate trade federation, to support real estate players in implementing CSR criteria in the course of their projects.
- **For the "Promotional items" category,** a listing of Crédit Agricole Group suppliers that includes numerous questions on social, environmental and ethical issues is a first step towards mitigating CSR risks. Three of the four distributors listed have a very good EcoVadis (gold) rating, while the fourth has embarked on an improvement plan and is expected to improve its rating at the next evaluation. Suppliers outside the panel who can meet the specific needs of certain Group entities on an occasional basis for local purchases will also submit a CSR assessment. At the same time, actions have been carried out with specifiers and users to raise their awareness of CSR issues related to purchasing and to invite them to systematically go through the panel's suppliers.
- **For the "IT hardware and servers" category,** the Group Purchasing department organises meetings dedicated to CSR with the main suppliers. As this sector is fairly mature on societal issues, the approach makes it possible to exchange views on each party's responsible purchasing policies and on the actions implemented within the companies. In addition, within Crédit Agricole S.A., the Group's Innovation, Digital Transformation and IT division has drawn up an "IT White Paper" in 2020, including a section devoted to the Green IT and CSR strategy and roadmap. The conclusions of this work will be shared and implemented from 2021. The Group Purchasing department is fully involved in the process and has provided an initial deliverable by formalising three CSR rating grids covering the IT Purchasing category: P2i, Hardware, Software that can be used with the Tier 1 suppliers of the Group, and which can also be employed throughout the supply chain.

The CSR performance of the suppliers and that of the offer are evaluated during the tender phase. The evaluation covers the CSR performance of the supplier as well as that of the offer and is based on a documentary audit. The evaluation of the supplier's CSR performance has been entrusted since 2012 to an independent and specialised third party, EcoVadis. The score obtained on the CSR criteria is an integral part of the selection of a product or service in the allocation of the contract to the supplier. It represents 15% of the overall rating since 1 January 2020. This year, a guide was also co-created by buyers as well as representatives of internal specifiers and suppliers) to help buyers incorporate CSR criteria into their calls for tenders.

In 2020, the Group Purchasing department also completed this system by working with three other banks and a third-party evaluator to launch an on-site CSR audit process for common purchasing categories.

The Group Purchasing department has also broadened its approach to evaluating risk and compliance of suppliers. The KYS (Know Your Supplier) system was described in an umbrella procedure note and broken down into three technical notes covering scoring, screening and identification of suppliers. Scoring makes it possible to prioritise risk levels and, for suppliers that present the highest level of risk, results in a closer frequency of adverse news screening (negative information relating particularly to the environment, respect for human rights, employee health and safety) (weekly frequency). The results of these analyses are presented to the Group Supplier Risk Committee formed at the beginning of 2020, which is responsible for determining whether to continue – or terminate – the relationship with the supplier.

Additional elements relating to the approach taken by the Group Purchasing department are presented in the non-financial performance statement (see Chapter 2, part 2.4.5 "Responsible purchasing").

Financing and investment activities of Crédit Agricole S.A.

Assessing and managing major direct climate, environmental, social and governance (ESG) risks in our financing and investments

For several years, Crédit Agricole S.A. has been committed to an approach that integrates environmental, societal and governance (ESG) risks into its decision-making criteria.

Investments

As a signatory to the Principles for Responsible Investment (PRI) since their launch in 2006, Amundi includes environmental, social and governance (ESG) criteria in its analysis process and investment decisions, in addition to financial criteria. Accordingly, Amundi's ESG policy is as follows:

- a strict exclusion policy for issuers (companies and States) that do not meet the ESG criteria adopted by the Group;
- a systematic ESG analysis of companies, summarised by a proprietary ESG rating, consisting of several criteria based on both international standards and the assessments of recognised rating agencies, which takes into account major environmental, social and governance issues such as climate change, child labour and transparency in business conduct;
- distribution of ESG ratings to all managers;
- a commitment policy aimed at developing companies towards best practices;
- a voting policy that integrates ESG issues.

 Refer to the glossary on page 681 for the definition of technical terms.

Amundi has set itself the objective of systematically taking ESG considerations into account in its voting policy, based on a three-year action plan (https://www.amundi.fr/fr_instit/Local-content/Responsible-Investment/Un-plan-d-actions-ESG-a-3-ans) and a department dedicated to responsible investment.

The Crédit Agricole Assurances Group has also been a signatory to the Principles for Responsible Investment (PRI) since 2010. In 2017, it developed and published a CSR policy, based on a mapping of the CSR risks associated with its activities, which defines its framework for action and is divided into its three business lines: insurer, investor and employer. This policy describes its approach to integrating non-financial criteria into its investment processes.

Crédit Agricole Assurances applies the same exclusion policy for issuers that do not meet the Group's ESG criteria, based on the list of excluded issuers maintained by Amundi. Government debt securities issued by the countries on that list are therefore excluded from investments. Except in justified cases, private issuers domiciled in those countries are also excluded (see Chapter 2, part 2.5 "Incorporating ESG criteria into the investment and asset management policies.

Financing

In the area of project financing, Crédit Agricole CIB has developed a system for assessing and managing risks resulting from the environmental and social impacts of transactions and customers, which is described in its CSR Policy published in 2017 and codified in a governance rule.

Since 2003, Crédit Agricole CIB has been guided by the Equator Principles, to which it adhered from the onset. These principles are a voluntary commitment to carry out a detailed analysis of the environmental and social aspects of each new project financing and to require that projects be developed and operated in accordance with the environmental and social standards of the International Finance Corporation (IFC).

This ESG risk management system is based on three pillars:

- the application of the Equator Principles provides an appropriate methodological framework for assessing ESG risks for operations directly related to a project;
- the CSR sectoral policies published by the Group, which specify the criteria for analysis and exclusion in all transactions for sectors where social and environmental issues have been identified as the most important: arms, energy, mining, transportation, transport infrastructure, construction, agriculture and forestry (https://www.credit-agricole.com/responsable-et-engage/notre-strategie-rse-etre-acteur-d-une-societe-durable/nos-politiques-sectorielles);
- an analysis of the environmental or social sensitivity of transactions or customers regarding the management of the environmental and social impacts related to the projects financed or the customers' CSR approach, which is assessed in accordance with the principles of the sectoral policies of the Bank.

This system for assessing and managing environmental and social risks is supervised by an umbrella committee, the Committee for the Evaluation of Transactions presenting an Environmental or Social Risk (CERES), chaired by the Head of Crédit Agricole CIB's Compliance function (see Chapter 2, part 3 a "ESG Risk Management").

Paying particular attention to climate risk management in financing and investing

Aware of the increase in global warming caused by greenhouse gas (GHG) emissions, Crédit Agricole aims at strengthening its action and commitments in favour of energy transition and the integration of climate risks by adopting a Group climate strategy in 2019. All Crédit Agricole S.A. entities shall apply this strategy, in line with the 2015 Paris Agreement, which obliges signatory States to limit global warming to +2°C by 2100, based on the recommendations of the Intergovernmental Panel on Climate Change (IPCC). It will enable a gradual reallocation of its financing and investment portfolios and assets under management to support our customers in the energy transition (see Chapter 2, part 2.3.1 "Group's climate strategy").

In 2019, the Group set up a dedicated governance structure to steer its climate strategy, with the mission of reconciling the economic development of territories and the climate trajectory (see Chapter 2, part 2.2.2 "Governance of non-financial performance").

For a number of years, the Group has undertaken work designed to better understand and manage climate risks and aims to continue to do so:

- quantifying the carbon footprint of its financing and investment portfolio;
- drawing up sector policies for the sectors covering over 80% of this footprint;
- gradually introducing an analysis linked to the consideration of global warming issues and a carbon price in the analysis of credit files. The goal is to determine the most relevant climate risk or risks for the Bank and to develop a methodology to assess them.

Particular attention paid to climate risk management has also resulted in the revision of the Group's sectoral policy on energy in the oil and gas sector, excluding the financing of the least efficient hydrocarbons. This development is in addition to the general policy of withdrawing funding from coal-related activities, which has been in place since 2015. In 2019 the Group decided to strengthen its commitments in financing the energy transition: to exit from thermal coal in 2030 in the EU and the OECD (no development of relationships with companies whose coal activity represents more than 25% of their business except with those that have announced plans to phase out their thermal coal activities or which intend to announce such plans by 2021. No commercial relationship with companies developing or planning to develop new thermal coal capacity).

A detailed description of approaches to integrating ESG and climate risks into financing and investment activities is presented in the non-financial performance statement (see Chapter 2, part 2.5 "Integration of ESG criteria in investment and asset management policies").

Alert and notification system

The Group's body of procedures in the area of Compliance includes a procedure on the right to alert. In order to strengthen risk prevention, the centralised system for reporting alerts and collecting notifications made available to all Group employees as part of the fight against fraud and corruption was extended in 2018 to allow facts falling within the scope of the Group's duty of vigilance and ethical commitments, as defined in its Code of Ethics and in the Codes of Good Conduct adopted by each entity.

This system, the development of which has been shared with Crédit Agricole S.A.'s representative trade unions, is now open not only to employees but also to third parties. An awareness-raising message on the right to alert was sent by the Chief Executive Officer of Crédit Agricole S.A. to all employees of the Group. In order to facilitate alerts relating to, among other things, human rights, health and safety or the environment, these can now be made via a digital reporting and the alert processing tool that is accessible through a link on our website: https://www.credit-agricole.com/le-groupe/ethique-et-conformite/lanceur-d-alerte, or at the convenience of the person wishing to issue an alert, by any written means. Confidentiality about the identity of persons filing a report is standard rule for alerts in accordance with European regulations.

This alert processing tool was implemented within Crédit Agricole S.A. corporate entity in September 2018 and its deployment was finalised in Crédit Agricole S.A.'s entities in 2020. It is available in 11 languages (French, English, German, Spanish, Italian, Dutch, Portuguese, Polish, Ukrainian, Serbian and Romanian). It facilitates the quantitative and qualitative analysis of alerts (number and type of alerts) which contributes to the assessment of the risks of non-compliance and the evolution of the prevention measures implemented. As part of this deployment, support measures have been made available to the entities: creation of a MOCCA documentation area, distribution of guides for employees responsible for alerts, training of users of the BKMS alert processing tool (see Chapter 2, part 2.4.2 "A strong ethical culture").

An Alert Management Committee was also set up in October 2019, which intervenes as necessary depending on the sensitivity of an alert and will meet at least once a year to analyse the Alert Launcher system (statistical elements, analysis of the reason for the alerts as well as their geographic area of emission).

System for monitoring the actions implemented and evaluating their performance

Crédit Agricole S.A.'s vigilance plan is the sum of complementary risk prevention policies, each with its own governance, processes and associated action plans, which respond to the areas of vigilance determined by Crédit Agricole S.A. and are monitored by global coordination at the highest level of the company. The monitoring of the actions implemented is based on indicators of means or results to ensure that they effectively meet the objectives of the law. A summary of these indicators is presented at the end of the report on the 2020 vigilance plan.

In addition, environmental, social and governance issues are at the heart of "Ambitions 2022", the strategic project of the Group. Each of the three major projects make up this strategic plan includes policies and action plans to address the main risks identified, with corresponding performance indicators that are detailed in the non-financial performance statement (see Chapter 2, part 1.3 "Analysis of non-financial risks"). The management of non-financial risks in the Group covers a broader scope than Crédit Agricole S.A.'s due diligence plan, notably due to our voluntary commitments, which go beyond the legal framework and extend throughout Crédit Agricole Group. Consequently, the indicators mentioned in the non-financial performance statement may supplement the vigilance plan monitoring indicators mentioned in this report.

Finally, FReD is the internal system for promoting and assessing the ESG culture of Crédit Agricole S.A. The average of each entity's progress evaluation provides an index: the "Group FReD index" which has an impact on the variable compensation of executives throughout the Group (see Chapter 2, part 2.2.4 "System for employee contribution to ESG performance").

Refer to the glossary on page 681 for the definition of technical terms.

Area of vigilance	Means/results indicator	2020	Scope	2019	Scope
Preventing the risks associated with cybercrime and ensuring the security of customers' personal data and the transparency of their use	Percentage of Crédit Agricole S.A. entities participating in the FReD approach that have communicated the Group Code of Ethics to their employees	100	Crédit Agricole S.A.	100	Crédit Agricole S.A.
	Number of Crédit Agricole S.A. entities participating in the FReD approach that have circulated a Code of Conduct	16	Crédit Agricole S.A.	15	Crédit Agricole S.A.
	Percentage of employees trained in cyber risks (over a three-year rolling period)	88.5	Crédit Agricole S.A.	N/A	
Preventing discrimination in access to financial services and insurances	Number of financially vulnerable customers supported	11,290	LCL, CA Consumer Finance France	6,336	LCL, CA Consumer Finance France
Maintaining occupational health and ensuring equity in social protection	Average number of days of absence per employee	19.8		18	
	■ *Including average number of days of absence per employee as a result of an industrial accident*	*0.3*		*0.4*	
	■ *Including average number of days of absence per employee related to parenthood*	*5.3*		*5.8*	
	■ *Including average number of days of absence per employee for other reasons*	*14.3*	Crédit Agricole S.A.	*11.8*	Crédit Agricole S.A.
	Number of countries qualifying for the "Take Care" programme	4		4	
	Number of employees qualifying for the "Take Care" programme	8,326	Crédit Agricole S.A.	8,326	Crédit Agricole S.A.
Ensuring the safety and security of employees	Percentage of entities having trained their employees in safety habits (practice)	100	Crédit Agricole S.A.	100	Crédit Agricole S.A.
	Percentage of employees trained in safety habits *(e-learning)*	50.67	Crédit Agricole S.A. (France)	50.67	Crédit Agricole S.A. (France)
	Percentage of expatriate employees in countries identified as "high risk" registered in the PLANIS monitoring tool	85.71	Crédit Agricole S.A.	100	Crédit Agricole S.A.
Combating discrimination	Percentage of women in the highest decision-making bodies (*i.e.* the highest decision-making body of each entity, namely the Executive Committee when there is one or, failing that, the Management Committee)	24	Crédit Agricole S.A.	23.9	Crédit Agricole S.A.
	Employment rate of people with disabilities in France *(as a %)*	4.99	Crédit Agricole S.A. (France)	3.58	Crédit Agricole S.A. (France)
Maintaining a social dialogue within the Group	Number of collective agreements entered into by the entities of Crédit Agricole S.A. Group: ■ in France	108	Crédit Agricole S.A.	125	Crédit Agricole S.A.
	■ outside France	109		80	
Ensuring that suppliers and sub-contractors with whom we have an established relationship accept commitments related to the Group's vigilance system	Percentage of contracts of the types made available by Crédit Agricole S.A. to its subsidiaries that include the "Duty of vigilance" clause	100	Crédit Agricole S.A.	100	Crédit Agricole S.A.
	Percentage of contracts with active suppliers (>€50K) that include the "Duty of Vigilance" clause *Methodology: sampling* Number of entities carrying out this control	79	Crédit Agricole S.A. Corporate entity	72	Crédit Agricole S.A. Corporate entity
Assessing and managing significant environmental, social and governance (ESG) risks in our purchasing	Percentage of buyers of the Crédit Agricole S.A. Group who have completed the "Responsible Purchasing" training	85	Crédit Agricole S.A.	77	Crédit Agricole S.A.
	Percentage of suppliers with a CSR assessment by EcoVadis in calls for tenders	67.7	Crédit Agricole Group	46.7(1)	Crédit Agricole Group
ESG strategy (Financing)	Percentage of corporate customers evaluated on CSR criteria	100	Crédit Agricole CIB	100	Crédit Agricole CIB
ESG strategy (Investments)	Outstandings incorporating an ESG filter *(in billions of euros)*	355.9	Amundi	310.9	Amundi
Climate strategy	Scope 3 GHG emissions *(in MMtCO$_2$e)*	143	Crédit Agricole Group	139	Crédit Agricole Group
Alert follow-up	Number of alerts per year in the BKMS tool	83 (of which 7 concerning the lack of respect for human and environmental rights)	Crédit Agricole S.A.	24	Crédit Agricole S.A. (entities in which the tool was deployed in 2019)

(1) The percentage published in 2019 (cumulatively since 2014) was 59%. The percentage for 2019 alone is 46.7%.

2. ADDITIONAL INFORMATION ON CORPORATE OFFICERS

2.1. COMPOSITION OF THE BOARD OF DIRECTORS

At 31 December 2020:

Dominique Lefebvre	Chairman of the Board of Directors Chairman of the Regional Bank of Val de France Chairman of Fédération nationale du Crédit Agricole Chairman of SAS Rue La Boétie
Raphaël Appert representing SAS Rue La Boétie	Deputy Chairman of the Board of Directors Chief Executive Officer of the Regional Bank Centre-est First Deputy Chairman of Fédération nationale du Crédit Agricole Deputy Chairman of SAS Rue La Boétie
Pascale Berger	Crédit Agricole Regional Banks Employee Representative
Pierre Cambefort	Chief Executive Officer of the Regional Bank Nord Midi-Pyrénées
Caroline Catoire(1)	Independent Director
Marie-Claire Daveu	Independent director Executive Officer of Sustainable Development and International Institutional Affairs of Kering
Laurence Dors(1)	Independent Director
Daniel Épron	Chairman of the Regional Bank of Normandie
Nicole Gourmelon	Chief Executive Officer of the Regional Bank of Atlantique-Vendée
Jean-Pierre Gaillard	Chairman of the Regional Bank Sud Rhône-Alpes
Françoise Gri	Independent Director
Jean-Paul Kerrien	Chairman of the Regional Bank Finistère
Pascal Lheureux	Chairman of the Regional Bank Normandie-Seine
Christiane Lambert	Chairwoman of the National Federation of Agricultural Holders' Unions (*Fédération nationale des syndicats d'exploitants agricoles*; FNSEA), representing professional farming associations
Monica Mondardini	Independent Director Chief Executive Officer of CIR S.p.A.
Gérard Ouvrier-Buffet	Chief Executive Officer of the Regional Bank Loire Haute-Loire
Catherine Pourre	Independent Director Manager of CPO Services (Luxembourg)
Louis Tercinier	Chairman of the Regional Bank Charente-Maritime Deux-Sèvres
Philippe de Waal(1)	Chairman of the Regional Bank Brie Picardie
François Heyman	Representing the employees (UES Crédit Agricole S.A.)
Simone Védie	Representing the employees (UES Crédit Agricole S.A.)
Agnès Audier	Non-voting Director
Bernard de Drée	Representative of the Social and Economic Committee

(1) Age limit, term of office ends May 2021.

Refer to the glossary on page 681 for the definition of technical terms.

Risk Committee:	Risks 5 members	Compensation Committee	COREM 6 members & 1 permanent guest
US Risk Committee:	US 3 members	Appointments and Governance Committee	CNG 6 members
Audit Committee:	Audit 6 members	Strategy and CSR Committee:	Strat/CSR 7 members

Presentation of the Board of Directors as at 31 December 2020	Origin	Age	1st term of office / Term of office ends	Attendance	Areas of expertise	Committees Chairman: green Member: black
DOMINIQUE LEFEBVRE *Chairman of the Board of Directors* *Chairman of the Regional Bank Val de France, FNCA, and SAS Rue La Boétie*		59	2015[1]/2022	100%		Strat/CSR; CNG
RAPHAËL APPERT *Representing SAS Rue La Boétie* *Deputy Chairman of the Board of Directors* *Chief Executive Officer of the Regional Bank Centre-est* *First Deputy Chairman of FNCA* *Deputy Chairman of SAS Rue La Boétie*		59	2017/2021	100%		CNG; Strat/CSR
PASCALE BERGER Crédit Agricole Regional Banks Employee Representative		59	2013/2021	100%		
PIERRE CAMBEFORT *Chief Executive Officer of the Regional Bank Nord Midi-Pyrénées*		56	2020*/2022	100%		Risks; US
CAROLINE CATOIRE *Independent Director*		65	2011/2023[2]	100%		US; audit
MARIE-CLAIRE DAVEU *Independent director* *Executive Officer of Sustainable Development and International Institutional Affairs of Kering*		49	2020/2023	100%		Risks; COREM
LAURENCE DORS *Independent Director*		64	2009/2023[2]	100%		COREM; Audit; CNG
DANIEL ÉPRON *Chairman of the Regional Bank of Normandie*		64	2014/2023	100%		COREM; Strat/CSR
JEAN-PIERRE GAILLARD *Chairman of the Regional Bank Sud Rhône-Alpes*		60	2014/2022	100%		Audit; CNG
NICOLE GOURMELON *Chief Executive Officer of the Regional Bank of Atlantique-Vendée*		57	2020*/2021	100%		Strat/CSR
FRANÇOISE GRI *Independent Director*		63	2012/2023	100%		Risk; US; Audit; COREM; Strat/CSR
JEAN-PAUL KERRIEN *Chairman of the Regional Bank Finistère*		59	2015/2022	100%		Risks
CHRISTIANE LAMBERT *Chairwoman of the FNSEA (Fédération nationale des syndicats d'exploitants agricoles)*		59	2017/2023	50%		
PASCAL LHEUREUX *Chairman of the Regional Bank Normandie-Seine*		58	2020/2023	100%		COREM
MONICA MONDARDINI *Independent Director* *Chief Executive Officer of CIR S.p.A.*		60	2010/2021[2]	83%		CNG
GÉRARD OUVRIER-BUFFET *Chief Executive Officer of the Regional Bank Loire Haute-Loire*		63	2013/2023	100%		Audit

(1) Chairman since 2015 (2007-2009: Director as natural person; 2009-2015: representing SAS Rue La Boétie).

Presentation of the Board of Directors as at 31 December 2020	Origin	Age	1st term of office / Term of office ends	Attendance	Areas of expertise	Committees Chairman: green Member: black
CATHERINE POURRE *Independent Director* *Manager of CPO Services (Luxembourg)*		63	2017/2023	100%		Audit; Risk; Strat/CSR
LOUIS TERCINIER *Chairman of the Regional Bank Charente-Maritime Deux-Sèvres*		60	2017/2021	100%		CNG; Strat/CSR
PHILIPPE DE WAAL *Chairman of the Regional Bank Brie Picardie*		65	2020*/2021(2)	100%		
FRANÇOIS HEYMAN *Employees representative*		61	2012/2021	100%		COREM
SIMONE VÉDIE *Employees representative*		60	2018/2021	92%		
AGNÈS AUDIER *Non-voting Director*		56	2020/2021	100%		COREM
BERNARD DE DRÉE *Representative of the Social and Economic Committee*	ESC	66	2012/2022	100%		
KEY INDICATORS *AVERAGE*		**60**		**96%**		

(2) Age limit – term of office ends May 2021.

** Appointment as Director.*

Legend for the above table

Director, Chief Executive Officer of Crédit Agricole Regional Bank, representing SAS Rue La Boétie.
Directors who are the Chairmen or Chief Executive Officers of a Crédit Agricole Regional Bank.
Director who is an employee of a Regional Bank.

Independent Directors.

Non-voting Director.

Representing farming organisations, appointed by joint order of the Ministers of Agriculture and Finance.

Directors elected by the staff of Unité Économique et Sociale (UES) of Crédit Agricole S.A.

ESC Representative of the Social and Economic Committee.

Bank, Finance.

Elected mutualist.

Management of major organisations.

International.

CSR.

Expertise related to the exercise of a mandate as employee representative.

Refer to the glossary on page 681 for the definition of technical terms.

2.2. POSITIONS AND FUNCTIONS HELD BY CORPORATE OFFICERS

Crédit Agricole S.A. Board of Directors at 31 December 2020

DOMINIQUE LEFEBVRE

Main office within the Company: **Chairman of the Board of Directors**
Chairman of the Strategy and CSR Committee
Member of the Appointments and Governance Committee

Business address: Regional Bank Val de France – 1, rue Daniel-Boutet – 28002 Chartres

BIOGRAPHY

Dominique Lefebvre has held numerous positions within professional farming associations. He got involved in Crédit Agricole's working bodies very early on and, in 1995, was elected Chairman of Crédit Agricole de la Beauce et du Perche, now Crédit Agricole Val de France (1997). He also holds several national positions. Initially elected member of the Bureau of the Fédération nationale du Crédit Agricole – FNCA – in 2004, he became Deputy Chairman thereof in 2008, then Chairman in 2010. In this capacity he also was Chairman of SAS Rue La Boétie, Crédit Agricole S.A.'s majority shareholder, before being elected Chairman of Crédit Agricole S.A. in November 2015.

AREAS OF EXPERTISE

- Banking, finance;
- Elected mutualist;
- Management of major organisations;
- CSR.

Age: 59
French nationality

Date first appointed: November 2015[1]

Term of office: 2022

Number of Crédit Agricole S.A. shares held at 31/12/2020: 4,273

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chairman: Regional Bank Val de France, Fédération nationale du Crédit Agricole – FNCA, SAS Rue La Boétie, Sacam Participations, Sacam International, Fondation Crédit Agricole Solidarité et Développement (CASD)
- Chairman of the Management Committee: GIE Gecam
- Deputy Chairman: Sacam Développement
- Manager: Sacam Mutualisation
- Director: Crédit Agricole Foundation – Pays de France, SCI CAM

In other listed companies

–

In other non-listed companies

–

Other positions

- Chairman: Finance Commission of the Chamber of Agriculture *(Chambre d'agriculture)* of Eure-et-Loir
- Deputy Chairman: CNMCCA
- Director: Un Avenir Ensemble Foundation
- Member: French Agricultural Council *(Conseil de l'agriculture française)*

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

–

Other positions

- Manager: EARL de Villiers-le-Bois (2018)

(1) Chairman since 2015 (2007-2009: Director as natural person; 2009-2015: representing SAS Rue La Boétie).

Representative of SAS Rue La Boétie:

RAPHAËL APPERT

Main office within the Company: **Deputy Chairman of the Board of Directors**
Member of the Strategy and CSR Committee –
Member of the Appointments and Governance Committee

Business address: Regional Bank of Centre-est – 1, rue Pierre-de-Truchis-de-Lays – 69410 Champagne-au-Mont-d'Or

BIOGRAPHY

Aged 59 and a graduate of EDHEC (Lille 1983), Raphaël Appert has spent his entire career at Crédit Agricole. Having joined the network of branches of Crédit Agricole du Nord-Est in 1983, he subsequently became Manager of the Commercial Network of Crédit Agricole de la Sarthe in 1995, then Finance and Marketing Manager of Crédit Agricole de l'Anjou et du Maine in 1998. He has been Deputy General Manager of Crédit Agricole Centre-est since 2002. In 2005, the Board of Directors of Crédit Agricole Val de France chose him as Chief Executive Officer. He has been the Chief Executive Officer of Crédit Agricole Centre-est since 2010. Elected as an Officer of the Bureau of the Fédération nationale du Crédit Agricole in 2012, he became Deputy Corporate Secretary in 2015, then First Deputy Chairman in May 2017. Within the Crédit Agricole Group, Raphaël Appert's positions notably include those of Chairman of Sacam Développement and member of the Management Committee of Fondation Grameen Crédit Agricole.

AREAS OF EXPERTISE

- Banking, finance;
- Management of major organisations;
- CSR.

Age: 59
French nationality

Date first appointed: May 2017 (SAS Rue La Boétie)

Term of office: 2021

FCPE (employee share ownership plan) units held invested in Crédit Agricole S.A. shares at 31/12/2020: 7,337 (personally owned)

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chief Executive Officer: Regional Bank Centre-est; Sacam International
- Deputy Chairman: SAS Rue La Boétie
- First Deputy Chairman: Fédération nationale du Crédit Agricole – FNCA
- Chairman: Sacam Développement,
- Chief Executive Officer of SACAM INTERNATIONAL
- Director: Crédit Agricole Next Bank (Suisse), Fondation du Crédit Agricole – Pays de France, Sacam Participations, SAS Carvest
- Management Committee member: GIE Gecam, Fondation Grameen Crédit Agricole
- Manager: Sacam Mutualisation

In other listed companies

–

In other non-listed companies

- Director: Siparex Associés
- In Extenso Supervisory Board member

Other positions

- Association of the Founders and Protectors of the Catholic Institute of Lyon (*Association des fondateurs et protecteurs de l'Institut catholique de Lyon*; AFPCIL)
- Chairman of the Club of Fine Art Museums *(Club des musées des Beaux-Arts)*

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

- Chairman: Pacifica (2017), Crédit Agricole Assurances (2017)
- Director: Predica (2017)
- Supervisory Board member: Crédit Agricole Bank Polska (2017)
- Deputy Corporate Secretary: Fédération nationale du Crédit Agricole – FNCA (2017)

In other listed companies

–

In other non-listed companies

–

Other positions

–

Refer to the glossary on page 681 for the definition of technical terms.

PASCALE BERGER

Main office within the Company: **Director representing Crédit Agricole Regional Banks employees**

Business address: Regional Bank of Franche-Comté – 11, avenue Élisée-Cusenier – 25000 Besançon

BIOGRAPHY

Pascale Berger holds a DEA *(diplôme d'études approfondies)* in business law and a DESS *(diplôme d'études spécialisées)* in rural law. She spent most of her career at the Regional Bank of Franche-Comté, first as Portfolio Manager in the Litigation department (1988-1992), then Business Manager in the Training department (1992-2005). She subsequently joined the Permanent Control department, then became an Internal Auditor. In 2014, she joined the Innovation and Transformation division, with responsibility for the documentary database. In April 2017, she became Communications Officer. (2012-2019) She was elected Assistant Secretary and became Chairwoman of the Mutuelle (Health insurance) Commission of the Regional Bank of Franche-Comté Works Council.

AREAS OF EXPERTISE

- Banking, finance;
- CSR;
- Expertise related to the exercise of a mandate as employee representative.

Age: 59
French nationality

Date first appointed: May 2013

Term of office: 2021

Number of Crédit Agricole S.A. shares held at 31/12/2020: 10

FCPE (employee share ownership plan) units held invested in Crédit Agricole S.A. shares at 31/12/2020: 1,811

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Communications Officer: Regional Bank of Franche-Comté
- Treasurer, Social and Economic Committee of Franche-Comté

In other listed companies

–

In other non-listed companies

–

Other positions

- Member of the Board of Directors at the MSA of Franche-Comté
- Delegate to the Statutory General Meeting of the Mutualité Sociale Agricole central bank

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

- Deputy Secretary: Social and Economic Committee of Franche-Comté (2019)
- Chairwoman of the Mutuelle Commission: Franche-Comté Works Council (2019)
- Advisor: Chorale Doc (Regional Bank of Franche-Comté documentary database, 2017)
- Activity Manager in the Innovation Department (2017)

In other listed companies

–

In other non-listed companies

–

Other positions

–

PIERRE CAMBEFORT

Main office within the Company: **Director**
Member of the Risk Committee – Member of the US Risk Committee

Business address: Regional Bank Nord Midi-Pyrénées – 219, avenue François-Verdier – 81000 Albi

BIOGRAPHY

Pierre Cambefort graduated from Stanford University and holds an Engineering degree from *École supérieure de physique et de chimie* of Paris. He began his career as a research and development engineer in the chemicals industry (1989). He was a volunteer under the National Service for Companies (*service national en entreprise*) programme in Frankfurt (1990-1991). In 1991 he joined Caisse Nationale de Crédit Agricole as Inspector. In 1995 he started his career within the Crédit Agricole Regional Bank of Île-de-France, where he held various positions, first as Head of the Risk Management Unit and later in the Credit Development business, of which he became Head in 2000. From 2002 he headed the Marketing and Communications department. In 2004 he joined Crédit Agricole S.A. as Head of Private Individual Markets department. He became Deputy General Manager of the Regional Bank Centre-est in 2006. Pierre Cambefort was appointed Deputy Chief Executive Officer of Crédit Agricole CIB (2010-2013). He has been Chief Executive Officer of the Regional Bank Nord Midi-Pyrénées since September 2013.

AREAS OF EXPERTISE

- Banking, finance;
- Management of major organisations;
- International;
- CSR.

Age: 56
French nationality

Date first appointed: May 2020 (Director)

Term of office: 2022

Number of Crédit Agricole S.A. shares held at 31/12/2020: 62

FCPE (employee share ownership plan) units held invested in Crédit Agricole S.A. shares at 31/12/2020: 448

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chief Executive Officer: Regional Bank Nord Midi-Pyrénées
- Chairman of the Board of Directors: SA INFORSUD Gestion
- Director: SAS EDOKIAL
- Supervisory Board member: SNC CA Technologies et Services (CATS)

In other listed companies

–

In other non-listed companies

–

Other positions

- Director: Youth Action *(Fond'actions jeunes)* Endowment Fund of Crédit Agricole Nord Midi-Pyrénées
- Director (physical representative of the Regional Bank Nord Midi-Pyrénées): SA Grand Sud-Ouest Capital, GSO Innovation, GSO Financement
- Chairman (physical representative of the Regional Bank Nord Midi-Pyrénées): SAS NMP Immo

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

- Chairman of the Board of Directors: SAS Crédit Agricole Payment Services (2020)
- Director: GIE Coopernic (2019); FIA-NET Europe (2019); SAS CA Chèques (2018); GIE CA Technologies et Services (2018); SA COPARTIS (2017); SAS CA Paiement (2016); IFCAM (2016)
- Supervisory Board member: SNC CA TITRES (2018)

In other listed companies

–

In other non-listed companies

–

Other positions

–

Refer to the glossary on page 681 for the definition of technical terms.

CAROLINE CATOIRE

Main office within the Company: **Director**
Member of the Audit Committee – Member of the US Risks Committee

Business address: Crédit Agricole S.A. – 12, place des États-Unis – 92120 Montrouge

BIOGRAPHY

Former student of *École Polytechnique*, Caroline Catoire held various positions in the Total group from 1980 to 1998: within the Economic Research department, the Oil Trading department, and then the Finance department as Head of Management Control and Head of Corporate Finance. She then joined Société Générale and served as the Head of Management Audit of its investment bank (1999-2002). She broadened her experience in the financial sector, serving as CFO in various companies: Sita France, then Saur Group and Metalor Group. Since December 2015, she has been a consultant in the financial sector.

AREAS OF EXPERTISE

- Banking, finance;
- Management of major organisations;
- International.

Age: 65
French nationality

Date first appointed: May 2011

Term of office: 2023[(1)]

Number of Crédit Agricole S.A. shares held at 31/12/2020: 1,139

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

–

In other listed companies

- Director: Latécoère
- Independent Director of Maurel & Prom: Chairwoman of the Investment and Risk Committee, Member of the Audit Committee

In other non-listed companies

- Independent Director, Chairwoman of the Ethics and Sustainable Development Committee, Member of the Audit Committee: Roquette Group

Other positions

- Chairwoman: C2A Conseil

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

- Non-voting Director: Roquette Group (2018)

Other positions

–

(1) *Age limit, term of office ends: 2021.*

MARIE-CLAIRE DAVEU

Main office within the Company: **Director**
Member of the Risk Committee – Member of the Compensation Committee

Business address: Kering – 40 rue de Sèvres – Paris 75007

BIOGRAPHY

Marie-Claire Daveu began her career as a technical advisor in the Office of Prime Minister Jean-Pierre Raffarin and subsequently was Chief of Staff to Serge Lepeltier, Minister of Ecology and Sustainable Development. In 2005 she became Director of Sustainable Development of the Sanofi-Aventis group. Between 2007 and 2012 she served as Chief of Staff of Nathalie Kosciusko-Morizet, in various Offices of Secretaries of State, and then at the Ministry of Ecology, Sustainable Development, Transport and Housing.

In 2012 she was appointed Director of Sustainable Development and International Institutional Relations at Kering. She defined an ambitious strategy and targets and implemented a set of best practices within the Group andits Maisons. Today, Kering is a recognised pioneer and leader in the field of sustainable development.

Marie-Claire Daveu is a graduate of *École nationale du génie rural, des eaux et des forêts* (ENGREF, part of IPEF). She also holds a DESS (*diplôme d'études supérieures spécialisées*) in public management from Université Paris Dauphine.

AREAS OF EXPERTISE

- Banking, finance;
- Management of major organisations;
- International;
- CSR.

Age: 49
French nationality

Date first appointed: May 2020

Term of office: 2023

Number of Crédit Agricole S.A. shares held at 31/12/2020: 1

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

–

In other listed companies

- Executive Officer of Sustainable Development and International Institutional Affairs; member of the Kering Executive Committee.

In other non-listed companies

–

Other positions

- Supervisory Board member of Ponant
- Member of the Board of Directors of Albioma and Chairwoman of the Corporate Social Responsibility Committee

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

- Director and Compensation Committee member: Crédit Agricole CIB (2020)

In other listed companies

–

In other non-listed companies

–

Other positions

–

Refer to the glossary on page 681 for the definition of technical terms.

LAURENCE DORS

Main office within the Company: **Director**
Chairwoman of the Compensation Committee
Member of the Audit Committee – Member of the Appointments and Governance Committee

Business address: Crédit Agricole S.A. – 12, place des États-Unis – 92120 Montrouge

BIOGRAPHY

A former senior civil servant in the French Ministry of Finance and the Ministry of the Economy's Staff (1994-1995), and later the Prime Minister's Staff (1995-1997), Laurence Dors has spent much of her professional career in executive management positions of international groups (Lagardère, EADS, Dassault Systèmes, Renault), then as Cofounder and Senior Partner of the consulting firm Theano Advisors (2012-2018), she is a specialist in governance issues and an independent Director. She sits on the Board of Directors of the French Institute of Directors (*Institut français des administrateurs*; IFA), where she chairs the Foresight and Research Commission.

AREAS OF EXPERTISE

- Banking, finance;
- Management of major organisations;
- International;
- CSR.

Age: 64
French nationality

Date first appointed: May 2009

Term of office: 2023(1)

Number of Crédit Agricole S.A. shares held at 31/12/2020: 1,126

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

–

In other listed companies

- Independent Director; Capgemini: Chairwoman of the Compensation Committee; member of the Ethics and Governance Committee; member of the Audit and Risk Committee;
- Chairwoman of the Audit and Risk Committee: Latécoère

In other non-listed companies

- Independent Director; Chairwoman of the Appointments and Compensation Committee; Member of the Commitments Committee: EGIS SA

Other positions

- Director: *Institut français des administrateurs* (IFA); Chairwoman of the Foresight and Research Commission
- Member: Advisory Committee of the Institute of Higher Studies of Latin America (*Institut des hautes études de l'Amérique latine*; IHEAL); Franco-German Economic Club (*Club économique franco-allemand*; CEFA)

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

- Senior Partner: Theano Advisors (2018)

Other positions

- Director: National Institute of Higher Studies of Security and Justice (*Institut national des hautes études de la sécurité et de la justice*; INHESJ) (2016)

(1) Age limit, term of office ends: 2021.

DANIEL ÉPRON

Main office within the Company: **Director**
Member of the Strategy and CSR Committee – Member of the Compensation Committee

Business address: Regional Bank of Normandie – 15, esplanade Brillaud-de-Laujardière – CS 25014 – 14050 Caen Cedex 4

BIOGRAPHY

Daniel Épron is a retired farmer in the Orne region. He has held a number of elected positions, especially in the agricultural sector: He was Deputy Corporate Secretary of the Young Farmers' Centre *(Centre national des jeunes agriculteurs)* (1989-1992), a member of the Economic, Social and Environmental Council of Basse-Normandie *(Conseil économique, social et environnemental régional de Basse-Normandie)* (1989-2013), Chairman of the Regional Chamber of Agriculture of Normandy *(Chambre régionale d'agriculture de Normandie)* (1995-2007), and a Regional Councillor for Basse-Normandie (2001-2004). Chairman of the local bank of Crédit Agricole de l'Aigle (1990-2005), he chaired the Regional Bank of l'Orne from 1995 to 1997, and has chaired the Regional Bank of Normandie (post merger) since 2006. He is Deputy Chairman of Fédération nationale du Crédit Agricole – FNCA and has been a member of the Economic, Social and Environmental Council *(Conseil économique, social et environnemental)* since the end of 2015.

AREAS OF EXPERTISE

- Banking, finance;
- Elected mutualist;
- CSR.

Age: 64
French nationality

Date first appointed: May 2014

Term of office: 2023

Number of Crédit Agricole S.A. shares held at 31/12/2020: 874

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chairman: Regional Bank Normandie, Sofinormandie
- Deputy Chairman: Fédération nationale du Crédit Agricole – FNCA
- Director: SAS Rue La Boétie, Cariparma, SCI CAM
- Management Committee member: GIE Gecam; SACAM Participations

In other listed companies

–

In other non-listed companies

–

Other positions

- Partner: SCI Samaro
- Director: Normandy Development Agency (*Agence pour le développement de la Normandie*; ADN)
- Member: Economic, Social and Environmental Council (*Conseil économique, social et environnemental*; CESE)

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

- Chairman CA'INNOV (2019)
- Director: Crédit Agricole Technologies et Services (2019)

In other listed companies

–

In other non-listed companies

–

Other positions

- Manager: GFA de Belzaise (2018)

Refer to the glossary on page 681 for the definition of technical terms.

JEAN-PIERRE GAILLARD

Main office within the Company: **Director**
Member of the Audit Committee – Member of the Appointments and Governance Committee

Business address: Regional Bank Sud Rhône-Alpes – 12, place de la Résistance – 38000 Grenoble

BIOGRAPHY

A winegrower, manager of a tourist attraction and town councillor of Saint-Jean-le-Centenier, Jean-Pierre Gaillard has been Chairman of the Crédit Agricole Local Bank of Villeneuve-de-Berg since 1993. After having sat on the Board of the Regional Bank of Ardèche, then of the Regional Bank Sud Rhône-Alpes, he was elected Chairman of the latter in 2006. Being particularly committed to local development and environmental economics, he chairs Crédit Agricole Group's Energy and Environment Committee. He holds a number of offices within national bodies, including in the Bureau fédéral of the Fédération nationale du Crédit Agricole – FNCA.

AREAS OF EXPERTISE

Banking, finance;
Elected mutualist;
CSR.

Age: 60
French nationality

Date first appointed: May 2014

Term of office: 2022

Number of Crédit Agricole S.A. shares held at 28/11/2020: 2,246

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chairman: Regional Bank Sud Rhône Alpes, Adicam; Energy and Environment Committee (FNCA)
- Deputy Chairman: Management Committee of Fomugei; Association of CR Chairs (FNCA)
- Director: SAS Rue La Boétie
- Director and Audit Committee member: LCL

In other listed companies

–

In other non-listed companies

–

Other positions

- Municipal Councillor: Saint-Jean-le-Centenier (Ardèche)
- Director: Banque de France de l'Ardèche

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

- Supervisory Board member: CA Titres (2020)
- Fédération nationale du Crédit Agricole – FNCA (2018)
- Chairman: Amicale Sud (2017)

In other listed companies

–

In other non-listed companies

–

Other positions

–

NICOLE GOURMELON

Main office within the Company: **Director**
Member of the Strategy and CSR Committee

Business address: Regional Bank Atlantique-Vendée – Route de Paris – 44949 Nantes

BIOGRAPHY

A graduate of HEC and ITB, Nicole Gourmelon has spent her entire career with the Crédit Agricole group, where she joined the Regional Bank of the Finistère in 1982. Appointed as the Commercial, Corporate, Marketing and Communication Director of the Regional Bank Charente-Périgord in 1999, she joined the Regional Bank of Aquitaine in 2002 as Financial, Strategic Marketing and Communications Director. Promoted in 2004 to Deputy General Manager at the end of the internal career path for executive managers, she became Deputy General Manager at the Regional Bank of Normandie, before joining PREDICA in 2009 as Deputy General Manager. In 2010, she was appointed Chief Executive Officer of the Regional Bank of Normandie, which she left in 2018 to take over as Chief Executive Officer of the Regional Bank Atlantique Vendée, a position she currently holds.

Former Chairwoman of CA Assurances (2019-2020) and Pacifica (2017-2020), Nicole Gourmelon has been Chairwoman of the Regional Committee of the Pays de la Loire French Banking Federation (*Fédération Bancaire Française*) since September 2020.

AREAS OF EXPERTISE

- Banking, finance;
- Management of major organisations;
- CSR.

Age: 57
French nationality

Date first appointed: October 2020 (Director)

Term of office: 2021

Number of Crédit Agricole S.A. shares held at 31/12/2020: 186

FCPE (employee share ownership plan) units held invested in Crédit Agricole S.A. shares at 31/12/2020: 2,529

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chief Executive Officer of the Regional Bank Atlantique-Vendée
- Director: LCL; CATS
- Director for the Regional Bank Atlantique-Vendée at UNEXO – ACTICAM – CAPS

In other listed companies

–

In other non-listed companies

–

Other positions

- Chairwoman of the Pays de la Loire FBF Regional Banking Committee (September 2020)

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

- Chief Executive Officer of the Regional Bank Normandie (2018)
- Chairwoman: Pacifica Assurances (2020); CA Assurances (2020)
- Director: CA Egypt (2016); CA Protection Sécurité (2019); Predica (2020); Pacifica (2020); CA Assurances (2020)
- Director and member of the Risk Committee: Crédit Agricole CIB (2019)

In other listed companies

–

In other non-listed companies

–

Other positions

–

Refer to the glossary on page 681 for the definition of technical terms.

FRANÇOISE GRI

Main office within the Company: **Director**
Chairwoman of the Risk Committee and Chairwoman of the US Risk Committee
Member of the Audit Committee – Member of the Compensation Committee – Member of the Strategy and CSR Committee

Business address: Crédit Agricole S.A. – 12, place des États-Unis – 92120 Montrouge

BIOGRAPHY

Françoise Gri is a graduate of *École nationale supérieure d'informatique et de mathématiques appliqués* in Grenoble. She began her career in the IBM Group and was appointed Chairwoman and CEO of IBM France in 2001. 2007 saw her move to Manpower as Chairwoman and CEO of its French subsidiary, before going on to become Manpower Group Executive Vice President for Southern Europe (2011). An accomplished senior manager with extensive international experience, she then took up the position of Chief Executive Officer of the Pierre & Vacances-Center Parcs Group (2012-2014). She is a specialist in IT and Corporate Social Responsibility. Françoise Gri has published two books: *Women Power, Femme et patron* (2012); *Plaidoyer pour un emploi responsable* (2010).

AREAS OF EXPERTISE

- Management of major organisations;
- International;
- CSR.

Age: 63
French nationality

Date first appointed: May 2012

Term of office: 2023

Number of Crédit Agricole S.A. shares held at 31/12/2020: 5,089

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Independent Director, Member of the Risks Committee: Crédit Agricole CIB

In other listed companies

- Independent Director: Edenred S.A.
- Director and Audit Committee member: WNS Services

In other non-listed companies

- Manager: F. Gri Conseil

Other positions

- Chairwoman of the Supervisory Board: INSEEC-U (business school)

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

- Chairwoman: Viadeo (2016)

In other non-listed companies

–

Other positions

- Independent Director: 21 Centrale Partners (2019)
- Director: Audencia Business School (2019)

JEAN-PAUL KERRIEN

Main office within the Company: **Director**
Member of the Risk Committee

Business address: Regional Bank of Finistère – 7, route du Loch – 29555 Quimper

BIOGRAPHY

A farmer specialising in organic vegetable production, Jean-Paul Kerrien has been Chairman of the local bank Taulé since 1996. He has been Director of the Regional Bank of Finistère since 2006, where he became Deputy Chairman in 2009 then Chairman in 2012. Reflecting his strong investment in the Group's agriculture, he has developed several cooperative production and distribution structures. He was a member of the Finistère Chamber of Agriculture *(Chambre d'agriculture du Finistère)* (2006-2012), for which he chaired the Agronomy Commission. Jean-Paul Kerrien also has responsibilities in the area of innovation. Chairman of Investing in Finistère (*Investir en Finistère*) from 2014 to 2017 and again in 2020, he is committed to developing the economic attractiveness of the Finistère region. He is also involved in setting up an organisation that aims to raise awareness of CSR among companies: Managers responsible for the West of France (*Dirigeants Responsables de l'Ouest*, DRO)

AREAS OF EXPERTISE

- Banking, finance;
- Elected mutualist;
- CSR.

Age: 59
French nationality

Date first appointed: November 2015 (Director)

Term of office: 2022

Number of Crédit Agricole S.A. shares held at 31/12/2020: 1,411

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chairman: Regional Bank of Finistère, Fireca
- Director: Cofilmo, BforBank, Crédit Agricole en Bretagne, Crédit Agricole Egypt

In other listed companies

–

In other non-listed companies

- Partner: Earl de Kererec, Sarl photovoltaïque de Kererec
- Director: SCIC Finistère mer vent

Other positions

- Chairman: Investir en Finistère
- Board member: DRO Finistère *(Dirigeants Responsables de l'Ouest)*
- Director: YNCREA Ouest

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

–

Other positions

- Chairman: Investing in Finistère *(Investir en Finistère)* (2017)

Refer to the glossary on page 681 for the definition of technical terms.

CHRISTIANE LAMBERT

Main office within the Company: **Director**

Business address: FNSEA – 11, rue de la Baume – 75008 Paris

BIOGRAPHY

Born to a family of farmers, Christiane Lambert has been managing her own farm since 1980. She started in Massiac, in her native Cantal region, with a herd of dairy cows and some 40 sows. At the same time, she joined the union of young farmers (*Jeunes Agriculteurs*; JA), making her way up the various regional ranks: Chairwoman of the Young Farmers' Cantonal Centre (*Centre cantonal des jeunes agriculteurs*; CCJA) of Massiac (1981-1984), then Deputy Chairwoman of the Young Farmers' Departmental Centre (*Centre départemental des jeunes agriculteurs*; CDJA) of Cantal (1982-1988), she was also the first woman to chair the Young Farmers' Regional Centre (*Centre régional des jeunes agriculteurs*; CRJA) of Auvergne in 1986. In 1989, she moved to Maine-et-Loire to take over her parents-in-law's pig farm with her husband. She continued her trade union activities and became the first Chairwoman of the Young Farmers' National Centre (CNJA) (1994-1998). She has been a Director of the National Federation of Agricultural Holders' Unions (*Fédération nationale des syndicats d'exploitants agricoles*; FNSEA) since March 2002, and then a Board member since 2005, becoming the First Deputy Chairwoman in 2010. She is also Deputy Chairwoman of several organisations such as the Environment Commission *(Commission environnement)* and the Institute of Training for Agricultural Settings (*Institut de formation des cadres paysans*; IFOCAP) and also chaired the Forum of Farmers that Respect the Environment (*Forum des agriculteurs responsables respectueux de l'environnement*; FARRE) from 1999 to 2004 and VIVEA, the Fund for Ongoing Training of Living Products Entrepreneurs *(Fonds de formation continue des entrepreneurs du vivant)* from 2005 to 2017. In April 2017, she became the first woman to chair the National Federation of Agricultural Holders' Unions (*Fédération nationale des syndicats d'exploitants agricoles*; FNSEA).

AREAS OF EXPERTISE

- Management of major organisations;
- CSR.

Age: 59
French nationality

Date first appointed: September 2017

Term of office: 2023

Number of Crédit Agricole S.A. shares held at 31/12/2020: 295

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

–

Other positions

- Chairwoman: National Federation of Agricultural Holders' Unions (*Fédération nationale des syndicats d'exploitants agricoles*; FNSEA)
- Chairwoman: Committee of Professional Farming Organisations (*Comité des organisations professionnelles agricoles*; COPA)

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

–

Other positions

–

PASCAL LHEUREUX

Main office within the Company: **Director**
Member of the Compensation Committee

Business address: Regional Bank of Normandie-Seine – Cité de l'Agriculture CS 70800 - 76238 Bois-Guillaume Cedex France

BIOGRAPHY

Holder of a BTS (*Brevet de technicien supérieur*) in farm management, Pascal Lheureux began more than 35 years ago with his brother in the expansion of the family farm, which today supports 14 families. He initiated its diversification, including into export-oriented activities. Very early on, he incorporated the environmental impact of the activity of the farm in an ISO 14001 certification (an international environmental management standard) and, for its fruit and vegetable sector, the international Global Gap certification, obtained in 2008. As a member of the "Demain La Terre" collective, he works on a commitment to zero waste in fruit and vegetables. He is also a Director of Crédit Agricole's association Handicap et Emploi. He has more than 30 years of experience at Crédit Agricole, where he has been Chairman of the Regional Bank of Normandie-Seine since 2014, and is a Director of Unigrains, a leading private equity player in the agri-food sector.

AREAS OF EXPERTISE

- Banking, finance;
- Elected mutualist;
- CSR.

Age: 58
French nationality

Date first appointed: May 2020

Term of office: 2023

Number of Crédit Agricole S.A. shares held at 31/12/2020: 378

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chairman: Regional Bank of Normandie-Seine;
- Member of the Board of Directors and Officer of the Board of Directors: SAS Rue La Boétie
- Member of the Board of Directors HECA, Unigrains and all subsidiaries on behalf of Foncaris

In other listed companies

–

In other non-listed companies

–

Other positions

- Managing Partner of S.C.E.A. de Beaulieu (farming); SNC Prestasol; Agrirecolte (agricultural company); SARL Agri Holding (financial holding company owning shares in agricultural companies)

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

–

Other positions

–

Refer to the glossary on page 681 for the definition of technical terms.

MONICA MONDARDINI

Main office within the Company: **Director**
Chairwoman of the Appointments and Governance Committee

Business address: CIR S.p.A. – Via Ciovassino, 1 – 20121 Milano – Italy

BIOGRAPHY

Graduate in economics and statistics from the University of Bologna (Italy), Monica Mondardini has held several executive positions within the publishing (Hachette) and then the insurance (Generali) sectors in Italy, Spain and France. In 2009 she joined one of the biggest Italian publishing groups, the Gruppo Editoriale L'Espresso, currently named GEDI Gruppo Editoriale, as Deputy Director. Since 2013 she has been the Managing Director of CIR S.p.A., a major industrial holding company listed on the Milan Stock Exchange, which controls GEDI Gruppo Editoriale in particular, Sogefi, a company operating in the automotive sector, and KOS, in the healthcare sector.

AREAS OF EXPERTISE

Banking, finance;

International;

Management of major organisations.

Age: 60
Italian nationality

Date first appointed: May 2010

Term of office: 2021

Number of Crédit Agricole S.A. shares held at 31/12/2020: 519

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

–

In other listed companies

- Deputy Director: CIR S.p.A.
- Chairwoman: Sogefi S.p.A. (CIR Group)
- Director HERA S.p.A.

In other non-listed companies

- Director: Kos (CIR Group)
- Director: HERA.COMM S.p.A. (HERA Group)

Other positions

–

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

- Deputy Director: GEDI Gruppo Editoriale (CIR Group) (2018)
- Deputy Chairwoman GEDI Gruppo Editoriale (2020)
- Independent Director Trevi Finanziaria Industriale S.p.A. (2018)
- Independent Director Atlantia S.p.A. (2019)

In other non-listed companies

- Chairwoman: Aeroporti di Roma S.p.A (Atlantia Group) (2017)

Other positions

–

GÉRARD OUVRIER-BUFFET

Main office within the Company: **Director**
Member of the Audit Committee

Business address: Regional Bank Loire Haute-Loire – 94, rue Bergson – BP 524 – 42007 Saint-Étienne Cedex 1

BIOGRAPHY

Gérard Ouvrier-Buffet has spent almost his whole career at the Crédit Agricole Group. He acquired comprehensive expertise in all aspects of retail banking working in the Regional Bank of Haute-Savoie (1982-1992), and Regional Bank of Midi (1992-1998). Appointed Deputy General Manager of Crédit Agricole Sud Rhône-Alpes in 1998, he has served as Chief Executive Officer of the Regional Bank Loire Haute-Loire since 2002. At the same time, he was Chairman of Predica and Crédit Agricole Assurances until 2013. He then spearheaded the launch and development of the real estate business line. Today, he is Chairman of Crédit Agricole Immobilier. He is Deputy Chairman of the Fédération nationale du Crédit Agricole – FNCA.

AREAS OF EXPERTISE

- Banking, finance;
- Management of major organisations;
- CSR.

Age: 63
French nationality

Date first appointed: August 2013

Term of office: 2023

Number of Crédit Agricole S.A. shares held at 31/12/2020: 2,694

FCPE (employee share ownership plan) units held invested in Crédit Agricole S.A. shares at 31/12/2020: 4,811

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chief Executive Officer: Regional Bank Loire Haute-Loire
- Chairman of the Board of Directors: SA Crédit Agricole Immobilier, SA Cofam, SAS Sircam, SAS Locam
- Chairman of the Audit and Risks Committee and Supervisory Board member: SA Crédit du Maroc
- Deputy Chairman: Fédération nationale du Crédit Agricole – FNCA
- Director: SAS Rue La Boétie, SAS Square Habitat Crédit Agricole Loire Haute-Loire, SAS Edokial, SA Défitech, SA Chêne Vert, SCI CAM; SACAM Participations
- Management Board member: SAS Uni-Médias
- Management Committee member: GIE Gecam

In other listed companies

–

In other non-listed companies

- Director: Sacicap Forez-Velay
- Board Chairman: SAS Le Village by CA Loire Haute-Loire
- Founding Director: Corporate foundation Crédit Agricole Loire Haute-Loire pour l'innovation; Solidarity Gateway space

Other positions

- Treasurer: University Jean-Monnet in Saint-Étienne Foundation

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

–

Other positions

–

Refer to the glossary on page 681 for the definition of technical terms.

CATHERINE POURRE

Main office within the Company: **Director**
Chairwoman of the Audit Committee
Member of the Risk Committee – Member of the Strategy and CSR Committee

Business address: CPO Services – 13, rue d'Amsterdam – 1126 Luxembourg

BIOGRAPHY

Graduate of ESSEC, Certified Accountant, with a degree in business law from the Catholic University of Paris, Catherine Pourre has extensive experience in audit and organisation consulting, particularly as a partner at PricewaterhouseCoopers (1989-1999) then at Capgemini Ernst & Young France, where she became Executive Director in 2000. She joined Unibail-Rodamco in 2002 as Deputy Chief Executive Officer. She carried out various executive management functions as member of the Executive Committee, then member of the Management Committee. She has been the Manager and Director of CPO Services (Luxembourg) since June 2013. Catherine Pourre is also an experienced navigator. She is a *chevalier de la Légion d'honneur* and a *chevalier de l'Ordre national du mérite*.

AREAS OF EXPERTISE

- Banking, finance;
- International;
- Management of major organisations;
- CSR.

Age: 63
French nationality

Date first appointed: May 2017 (Director)

Term of office: 2023

Number of Crédit Agricole S.A. shares held at 31/12/2020: 50

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Independent Director; Member of the Audit and Risk Committee: Crédit Agricole CIB

In other listed companies

- Chairwoman of the Audit Committee, representing the Strategic Investment Fund in the Board of Directors: Seb
- Independent Director, Chairwoman of the Audit Committee and member of the Compensation Committee: Bénéteau

In other non-listed companies

- Manager: CPO Services

Other positions

- Director and Treasurer: Association Class 40
- Member: Royal Ocean Racing Club (RORC)

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

- Non-voting Director: Crédit Agricole S.A., Crédit Agricole CIB (2017)

In other listed companies

- Director, member of the Audit Committee and Chairwoman of the Compensation Committee: Neopost (2018)

In other non-listed companies

–

Other positions

- Member: Board Women Partners (2019)

LOUIS TERCINIER

Main office within the Company: **Director**
Member of the Appointments and Governance Committee –
Member of the Strategy and CSR Committee

Business address: Regional Bank of Charente-Maritime Deux-Sèvres – 14, rue Louis-Tardy – 17140 Lagord

BIOGRAPHY

After technical studies in agronomy and management, Louis Tercinier pursued a number of professional training courses, primarily in the fields of economics and auditing. A farmer specialising in both grains and vineyards, he is part of a family of producers and traders (cognac and pineau des Charentes) going back five generations. Louis Tercinier is Chairman of SICA Atlantique, France's second-largest grain and oilseed export site with six units built around the original grain terminal activity. Chairman of local bank of Saintes since 2005, he was elected Director of the Regional Bank of Charente-Maritime Deux-Sèvres in 2006, of which he became Deputy Chairman in 2010, and then Chairman in 2015.

AREAS OF EXPERTISE

- Banking, finance;
- Elected mutualist;
- CSR.

Age: 60
French nationality

Date first appointed: May 2017

Term of office: 2021

Number of Crédit Agricole S.A. shares held at 31/12/2020: 3,375

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chairman: Regional Bank Charente-Maritime Deux-Sèvres
- Director: Local Bank of Crédit Agricole Mutuel de Saintes, Cofisa, CA Home Loan SFH
- Member: Executive Managers Commission of Fédération nationale du Crédit Agricole – FNCA
- Chairman: Finance and Risk Committee – FNCA

In other listed companies

–

In other non-listed companies

- Member of the Executive Committee: John Deere Financial SAS

Other positions

- Chairman: SICA Atlantique; Crédit Agricole CMDS patronage endowment fund
- Director: Océalia
- Director: Société Développement Atlantique (Sodevat)
- Manager: GFA des Forges
- Partner: EARL Tercinier

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

- Chairman: Local bank of Crédit Agricole Mutuel de Saintes (2018)

In other listed companies

–

In other non-listed companies

–

Other positions

- EARL Tercinier (2017)
- Deputy Chairman: Océalia (2018)
- Director: Unicognac S.A. (2018)

Refer to the glossary on page 681 for the definition of technical terms.

PHILIPPE DE WAAL

Main office within the Company: **Director**

Business address: Regional Bank of Brie Picardie – 500, rue Saint-Fuscien – 80095 Amiens

BIOGRAPHY

Philippe de Waal holds a degree from the University of Technology *(Université de technologie)* of Compiègne and is a farmer specialising in cereals (with the exception of rice). He is Manager of the Civil Society of the Castle of Poix *(Société civile du château de Poix)* in Bouillancy (1981-2016) and held several municipal offices such as Municipal councillor (1983-2008) and Mayor of Bouillancy (2008-2014). In 1995 he was appointed Director within the Local Bank of Nanteuil-le-Haudouin (1995-2000) of which he became Chairman (2000-2017). He sat on the Board of the Regional Bank of Oise (2005-2007), which became the Regional Bank of Brie Picardie as the result of a merger, where he remained Director (2007-2014). He was then appointed Deputy Chairman (2014) and Chairman (since 2015).

AREAS OF EXPERTISE

- Banking, finance;
- Management of major organisations;
- CSR.

Age: 65
French nationality

Date first appointed: May 2020 (Director)

Term of office: 2021[(1)]

Number of Crédit Agricole S.A. shares held at 31/12/2020: 50

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chairman: Regional Bank Brie Picardie
- Deputy Chairman of the local bank of Nanteuil-le-Haudoin
- Director: SAS Rue La Boétie
- Member of the Federal Bureau of FNCA
- Manager of SCI de l'Oise
- Treasurer: VIVEA Confédération nationale de la mutualité, de la coopération et du Crédit Agricole – CNMCCA
- Director: representing CNMCCA: National Centre of Agricultural Exhibitions and Competitions (*Centre national des expositions et concours agricoles*; CENECA)

In other listed companies

–

In other non-listed companies

- Manager: EARL des Buttes

Other positions

- Director: Beauvais Technova; Capital Investissement LaSalle Beauvais

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

–

Other positions

- Member: Agricultural Chamber (Chambre d'agriculture) of Oise (2018)

(1) *Age limit, term of office ends: 2021.*

FRANÇOIS HEYMAN

Main office within the Company: **Director representing the employees of UES Crédit Agricole S.A.**
Member of the Compensation Committee

Business address: Crédit Agricole S.A. – SGL/DCG/DI – 12, place des États-Unis – 92120 Montrouge

BIOGRAPHY

François Heyman has been a research and communication campaigns officer in the Group Communication division of Crédit Agricole S.A. since 2009. Alongside his banking career, he has served a number of national trade union mandates as representative of the Agribusiness General Foundation *(Fédération générale agroalimentaire)* of the French Democratic Confederation of Labour (CFDT), a member of the Economic, Social and Environmental Council *(Conseil économique, social et environnemental)*, Co-Chairman of Agrica (a supplementary retirement and social security body), Director of Arrco, and a member of the Upper Council of Farming Social Security and member of Higher Council of the Social protection in agriculture.

AREAS OF EXPERTISE

- Banking, finance;
- CSR;
- Expertise related to the exercise of a mandate as employee representative.

Age: 61
French nationality

Date first appointed: June 2012

Term of office: 2021

Number of Crédit Agricole S.A. shares held at 31/12/2020: 66

FCPE (employee share ownership plan) units held invested in Crédit Agricole S.A. shares at 31/12/2020: 2,890

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Research and Communication Campaigns Officer in the Group Communication department: Crédit Agricole S.A.

In other listed companies

–

In other non-listed companies

–

Other positions

–

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

–

Other positions

–

Refer to the glossary on page 681 for the definition of technical terms.

SIMONE VÉDIE

Main office within the Company: **Director representing the employees of UES Crédit Agricole S.A.**

Business address: Crédit Agricole S.A. – DCI/RCI 12, place des États-Unis – 92120 Montrouge

BIOGRAPHY

Simone Védie began her career as a Secretary at TPE specialising in import-export, then in advertising, publishing and creative design. In 1984, she joined Caisse nationale de Crédit Agricole, which later became Crédit Agricole S.A., where she held various positions, first as text processing operator at the General Inspectorate (1984-1989), then Secretary at the Private and Business Markets Department, which became the Marketing and Communications department. In May 2018 she became Secretary to the Board within the Customer Relations and Innovation Division.

In June 2018 she was elected Director representing the employees of UES Crédit Agricole S.A. (technical employees).

AREAS OF EXPERTISE

- CSR;
- Expertise related to the exercise of a mandate as employee representative.

Age: 60
French nationality

Date first appointed: June 2018

Term of office: 2021

Number of Crédit Agricole S.A. shares held at 31/12/2020: 65

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Executive Secretary: Crédit Agricole S.A.

In other listed companies

–

In other non-listed companies

–

Other positions

–

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

–

Other positions

–

Refer to the glossary on page 681 for the definition of technical terms.

AGNÈS AUDIER

Main office within the Company: **Non-voting Director**
Permanent guest of the Compensation Committee

Business address: Crédit Agricole S.A. – 12, place des États-Unis – 92120 Montrouge

BIOGRAPHY

Agnès Audier is an alumna (*ingénieure en chef*) of France's Corps des Mines, holds a degree in Physics and Chemistry and a DEA (*Diplôme d'Études Approfondies*) in Materials Science and is a graduate of IEP Paris. She began her career at the Prefecture of the Île-de-France region. She previously worked with Simone Veil at the Ministry of Social Affairs and Health, then of with Jean-Pierre Raffarin at the Ministry of SMEs, Trade and Crafts, where she was Head of Office. She joined the Vivendi Universal group in 1997.

There, she held the positions of Director of Strategy and Development and of Director of the VUnet division, which brought together all the group's Internet activities, before joining the Havas Group as Executive Vice President, Chief Performance Officer in 2003.

After one year at the Inspectorate General of Finance in 2006, she joined the Boston Consulting Group where she was a Managing Director and Partner in the Paris office for 11 years. There she specialised in digital transformation in particular.

Agnès Audier, who has been heavily involved in the social field for 30 years, is Chairwoman of SOS Seniors, a social economy company with 75 EHPADs (care and nursing homes).

AREAS OF EXPERTISE

- Banking, finance;
- Management of major organisations;
- International;
- CSR.

Age: 56
French nationality

Date first appointed: January 2020

Term of office: 2021

Number of Crédit Agricole S.A. shares held at 31/12/2020: 5,000

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

–

In other listed companies

- Independent Director and member of the CSR Committee; Worldline
- Director representing the Strategic Participation Fund; member of the Audit Committee and the Compensation Committee: Eutelsat

In other non-listed companies

- Senior Advisor: Boston Consulting Group
- Independent Director: HIME (Holding company of SAUR)

Other positions

- Chairwoman of the Board of Directors: SOS Seniors (not-for-profit charitable company)
- President of the Impact Tank, a new think tank dedicated to social impact (not-for-profit association)

PREVIOUS POSITIONS AND FUNCTIONS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

- Independent Director; Chairwoman of the Audit and Risk Committee: Ingenico Group (2020)

In other non-listed companies

- Associate Director: Boston Consulting Group (2018)

Other positions

–

Refer to the glossary on page 681 for the definition of technical terms.

3. INFORMATION ON EXECUTIVES AND MANAGEMENT BODIES

3.1. INFORMATION ON EXECUTIVES

PHILIPPE BRASSAC

Main office within the Company: **Chief Executive Officer**
Member of the Executive Committee

Business address: Crédit Agricole S.A. – 12, place des États-Unis – 92120 Montrouge

BRIEF BIOGRAPHY

Graduate of the Paris School of Economics, Statistics and Finance (ENSAE), Philippe Brassac joined Crédit Agricole du Gard in 1982. He held several executive offices there before being appointed, in 1994, Deputy General Manager of Crédit Agricole Alpes-Maritimes, now Crédit Agricole Provence Côte d'Azur. In 1999, he joined National Bank of Crédit Agricole as Director of Relations with Regional Banks. In 2001, he was appointed Chief Executive Officer of Crédit Agricole Provence Côte d'Azur. In 2010, he also became Corporate Secretary of the Fédération nationale du Crédit Agricole – FNCA and Deputy Chairman of the Board of Directors of Crédit Agricole S.A. In May 2015, he was appointed Chief Executive Officer of Crédit Agricole S.A.

AREAS OF EXPERTISE

Banking, finance;

International;

Management of major organisations;

CSR.

Age: 61
French nationality

Date first appointed:
May 2015

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chief Executive Officer: Crédit Agricole S.A.
- Chairman and Member of the Compensation Committee: Crédit Agricole CIB
- Chairman: LCL
- Director: Crédit Agricole Foundation – Pays de France

In other listed companies

–

In other non-listed companies

–

Other positions

- Chairman of the Executive Committee: French Banking Federation *(Fédération bancaire française)*

OTHER OFFICES HELD IN PREVIOUS YEARS (2016-2020)

In Crédit Agricole Group companies

–

In other listed companies

–

In other non-listed companies

–

Other positions

–

XAVIER MUSCA

Main office within the Company: **Deputy Chief Executive Officer**
Member of the Executive Committee

Business address: Crédit Agricole S.A. – 12, place des États-Unis – 92120 Montrouge

BRIEF BIOGRAPHY

Graduate of the Institute of Political Studies *(Institut d'études politiques)* in Paris and the National School of Administration *(École nationale d'administration)*, Xavier Musca began his career at the General Finance Inspectorate *(Inspection générale des finances)* in 1985. In 1989, he joined the Treasury Directorate, where he became Head of the European Affairs in 1990. In 1993, he was called to the Prime Minister's Cabinet, then returned to the Treasury Directorate in 1995. Between 2002 and 2004, he was Principal Private Secretary to Francis Mer, Minister for the Economy, Finance and Industry, then appointed Treasury Director in 2004. He became Deputy Secretary General to the French President in 2009, in charge of economic affairs, then Secretary General to the French President in 2011. In 2012, Xavier Musca was appointed Deputy Chief Executive Officer of Crédit Agricole S.A., responsible for International retail banking, Asset management and Insurance. Since May 2015, he has been Deputy Chief Executive Officer of Crédit Agricole S.A., as second Executive Director of Crédit Agricole S.A.

AREAS OF EXPERTISE

- Banking, finance;
- International;
- Management of major organisations;
- CSR.

Age: 60
French nationality

Date first appointed:
July 2012

Number of Crédit Agricole S.A. shares held at 31/12/2020:
18,192

OTHER CURRENT POSITIONS AND FUNCTIONS

In Crédit Agricole Group companies

- Chairman: CA Consumer Finance, Amundi
- Deputy Chairman: Predica; CA Italia
- Director: Crédit Agricole Assurances, Cariparma
- Director, permanent representative of Crédit Agricole S.A.: Pacifica

In other listed companies

- Director and Chairman of the Audit Committee: Capgemini

In other non-listed companies

–

Other positions

–

OTHER OFFICES HELD IN PREVIOUS YEARS (2016-2020)

In Crédit Agricole Group companies

- Director: Amundi (2016); Crédit Agricole Creditor Insurance (2017)
- Member of the Compensation Committee: Cariparma (2017)

In other listed companies

–

In other non-listed companies

–

Other positions

–

Refer to the glossary on page 681 for the definition of technical terms.

3.2. CHANGES TO THE GOVERNANCE BODIES

Composition of the Executive Committee as of 31 December 2020

Chief Executive Officer	**Philippe Brassac**
Deputy Chief Executive Officer	**Xavier Musca**
Deputy General Manager, Head of Insurance	**Philippe Dumont**
Deputy General Manager, Head of Development, Client and Human	**Michel Ganzin**
Deputy General Manager, Chief Financial Officer	**Jérôme Grivet**
Deputy General Manager, Head of Retail Banking Subsidiaries	**Michel Mathieu**
Deputy General Manager, Group Head of Innovation, Digital Transformation and IT	**Jean-Paul Mazoyer**
Deputy General Manager, Head of Savings Management and Property	**Yves Perrier**
Deputy General Manager, Head of Specialised Financial Services	**Stéphane Priami**
Deputy General Manager, Head of Major Clients	**Jacques Ripoll**
Group Chief Risk Officer	**Alexandra Boleslawski**
Group Head of Compliance	**Martine Boutinet**
Group Head of Human Resources	**Bénédicte Chrétien**
Corporate Secretary	**Véronique Faujour**
Group Head of Internal Audit	**Michel Le Masson**
Head of Crédit Agricole S.A. Group for Italy	**Giampiero Maioli**

Refer to the glossary on page 681 for the definition of technical terms.

Composition of the Management Committee as of 1st March 2021

The Management Committee consists of the Executive Committee and the following:

Chief Executive Officer of CACEIS	**Jean-François Abadie**
Head of Group Public Affairs	**Alban Aucoin**
Deputy General Manager of Crédit Agricole CIB	**Jean-François Balaÿ**
Global Head of Institutional division & Chief Investment Officer of Amundi	**Pascal Blanqué**
Head of CSR and Deputy Chief Executive Officer of Grameen Crédit Agricole Foundation	**Eric Campos**
Head of the Institutional and Corporate Clients Division of Amundi	**Dominique Carrel-Billiard**
Head of Payment Systems	**Bertrand Chevallier**
Head of International Retail and Commercial Banking	**François-Édouard Drion**
Head of Strategy	**Meriem Echcherfi**
Head of Group Financial Monitoring	**Paul Foubert**
Chief Operating Officer of LCL – Retail Banking Development	**Laurent Fromageau**
Head of Global Coverage and Investment Banking and Deputy General Manager of Crédit Agricole CIB	**Didier Gaffinel**
Head of Regional Banks Relations	**Catherine Galvez**
Head of Global Markets Division and Deputy Chief Executive Officer of Crédit Agricole CIB	**Pierre Gay**
Global Head of Retail Division of Amundi	**Fathi Jerfel**
Chief Economist	**Isabelle Job-Bazille**
Chief Executive Officer of Pacifica	**Thierry Langreney**
Chief Executive Officer of Caci	**Henri Le Bihan**
Chief Operating Officer of Amundi	**Guillaume Lesage**
Deputy Chief Executive Officer of Crédit Agricole CIB	**François Marion**
Head of Crédit Agricole S.A. Group Communications	**Denis Marquet**
Group Senior Country Officer, Poland	**Jean-Bernard Mas**
Group Marketing Director	**Pierre Metge**
Head of Legal Affairs	**Pierre Minor**
Chairman Investment Banking of Crédit Agricole CIB in Dubai	**Régis Monfront**
Group Senior Country Officer, Morocco	**Bernard Muselet**
Head of Corporate, Institutional, Wealth Management and Private Banking Division of LCL	**Olivier Nicolas**
Chief Executive Officer of Crédit Agricole Immobilier	**Marc Oppenheim**
Chief Executive Officer of AgosDucato	**Dominique Pasquier**
Senior Regional Officer Americas of Crédit Agricole CIB	**Marc-André Poirier**
Head of Private Banking	**Jacques Prost**
Senior Regional Officer Asia-Pacific of Crédit Agricole CIB	**Michel Roy**
Senior Country Officer Group, Egypt	**Jean-Pierre Trinelle**
Chief Executive Officer of Crédit Agricole Leasing & Factoring	**Hervé Varillon**
Head of the Steering and Control of Amundi	**Bernard de Wit**

Refer to the glossary on page 681 for the definition of technical terms.

3.3. TRANSACTIONS CARRIED OUT ON COMPANY SECURITIES

Summary of securities transactions in the Company's shares by members of the Board of Directors, the Chief Executive Officer, the Deputy Chief Executive Officer and any person having the authority to make decisions concerning the development and strategy of Crédit Agricole S.A. and any person mentioned in Article L. 621-18-2 of the French Monetary and Financial Code, during financial year 2020, for transactions exceeding an aggregate ceiling of €20,000 (pursuant to Article L. 621-18-2 of the French Monetary and Financial Code and Article 223-23 of the General Regulations of the French Financial Market Authority (AMF)).

Pursuant to Article L. 621-18-2 of the French Monetary and Financial Code and Article 223-23 of the General Regulation of the AMF, transactions in financial instruments issued by Crédit Agricole S.A. of a cumulative amount exceeding €20,000 are the subject of specific statements to the AMF.

Name and title	Transactions carried out by executives in a personal capacity and by related persons
Stéphane Priami Chief Executive Officer of Crédit Agricole Consumer Finance	Subscription of 3,080 shares at a price of €6.4940 per unit
Jacques Ripoll Deputy General Manager, Head of Large customers	Subscription of 25,445 FCPE units at a price of €7.8202 per unit Subscription of 807,2495 FCPE units at a price of €5.0900 per unit
Jérôme Grivet Deputy General Manager, Chief Financial Officer	Subscription of 4,500 FCPE units at a price of €13.5000 per unit
Françoise Gri Independent Director	Subscription of 3,013 shares at a price of €7.5780 per unit

Specific provisions relating to the restrictions and interventions of the Directors on transactions on Company securities

Each of them being, by definition, a "permanent insider", apply the rules relating to the subscription/prohibition "windows" that apply to the Directors to carry out the transaction on the Crédit Agricole S.A. security. The dates corresponding to these windows will be communicated to the Directors at year-end for the following financial year.

There is no **service contract** linking the members of the administrative or management bodies to Crédit Agricole S.A. or to any of its subsidiaries and providing for the granting of benefits under the terms of this contract.

To the knowledge of the Company, there is no family connection between the Corporate Officers, Directors, Chief Executive Officer and Deputy Chief Executive Officers of Crédit Agricole S.A.

Crédit Agricole S.A. complies with the **corporate governance system** in force in France, as indicated in the Board of Directors' report on corporate governance at the General Meeting of Shareholders of 12 May 2021, featuring in this Reference Document. The AFEP/MEDEF code revised in January 2020 is that to which the Company refers in preparing the report set out in Article L. 225-37, L. 225-37-4 and L. 22-10-10 of the French Commercial Code *(Code de Commerce)*.

To the knowledge of the Company, no conviction for fraud has been delivered in the past five years, up to the present time, against a member of the administrative or management bodies of Crédit Agricole S.A.

To the knowledge of the Company, no notice of bankruptcy, due to sequestration or liquidation, has been served in the past five years, up until the present time, against a member of the administrative or management bodies of Crédit Agricole S.A.

4. REWARD POLICY

ABOUT THE PART

This part has been prepared with the assistance of the Compensation Committee. The Committee was particularly involved in the definition of the report's guidelines and the presentation of the changes to the compensation policy.

Targets

The elements below are intended to explain the compensation policy of Crédit Agricole S.A. and outline the changes to this policy as of 2021 – subject to approval at the General Meeting with regard to Corporate Officers. They highlight the Group's particular approach, based on a common framework and specific rules adapted to the positions and responsibilities held. This part thus highlights the alignment of executive compensation with the Group's employee compensation policy on the one hand, its purpose and the 2022 Medium-Term Plan on the other hand. Lastly, it complies with Crédit Agricole S.A.'s regulatory obligations in terms of publication of the compensation policy and elements of compensation of its Corporate Officers. To that extent, it was revised in 2020 to meet the new CRDV requirements.

Main changes to reporting in 2020

This year the main changes include:

- changes that require shareholder approval relate to the 2021 compensation policy, in line with regulations (CRDV);
- the extended use of infographics and a more streamlined plan, in accordance with the Compensation Committee's aim to enhance the readability and understanding of Crédit Agricole S.A.'s reward policy.

Coordination with other media

Annual report relating to the policy and to the compensation practices for identified employees	Integrated report	Notice of meeting	Video and presentation to the General Meeting	Investor roadshows
Detailed information of the compensation policy for identified employees	Summary of the Group's compensation policy	Detailed presentation of the resolutions on say on pay	Summary of the resolutions on say on pay	Presentation of the changes to the compensation policy for Executive Corporate Officers

Main content

Refer to the glossary on page 681 for the definition of technical terms.

Compensation policy

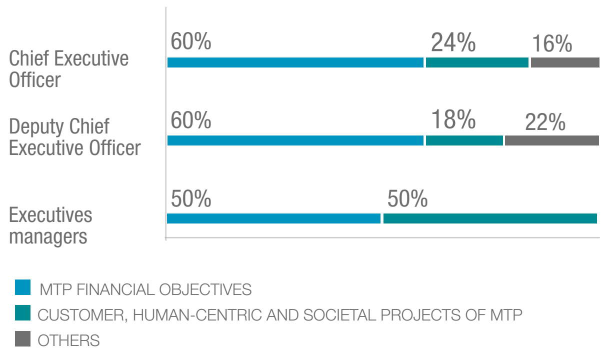
Integration of CSR criteria
in the variable compensation of executive managers, annual and long term

1
Capital increase
reserved for employees every year

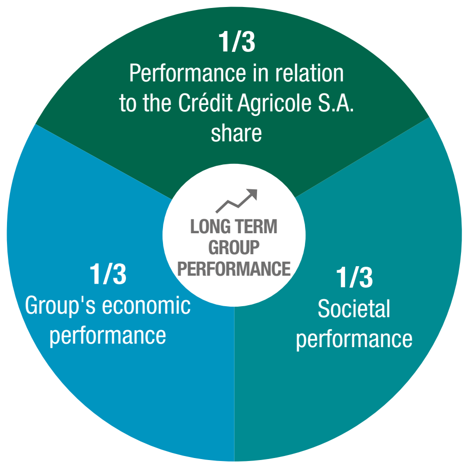
5.8%
of share capital
held by Group employees or former employees

7
meetings
of the Compensation Committee in 2020

Alignment of annual variable compensation with the Medium-Term Plan



Common long-term compensation structure for all employees



The structure of the compensation for executive managers is fully in line with that of the Executive Corporate Officers, in respect of annual and long-term components.

INTERVIEW – BÉNÉDICTE CHRÉTIEN, HEAD OF HUMAN RESOURCES

As part of the Medium-Term Plan for 2022, Crédit Agricole S.A. launched its Human Project in June 2019. What impact did the health crisis have on the implementation of this project?

The crisis revealed, as if it were necessary, the Bank's usefulness and our employees' engagement to support private individual, business, VSEs and SMEs and large corporate clients. This usefulness is in line with our purpose, "Acting every day in the interest of our customers and society", which guides our day-to-day activities.

The crisis also demonstrated the relevance of our Medium-Term Plan and Human Project: step up, secure and augment digital through increased human accountability to provide more value to clients, accessible throughout the relationship. A project which particularly resonates with the health crisis and is strongly adhered to by our employees. The record ERI Survey participation rate of 80%, up by 21 percentage points compared to 2016 clearly demonstrates this.

We also confirmed our trajectory and all our commitments for 2022. This is concretely reflected in the reward plan through our variable compensation targets which remained unchanged. Despite the crisis, we have kept the same level of requirement and ambition for the implementation of our Human Project.

What action was taken to support employees during the crisis?

First, let me recall an important decision made by the Group, which reflects its socially responsible doctrine: maintain 100% of our employees compensation without using partial activity.

While facing the crisis, our priority was to provide on-site safety and protection for our employees. Accordingly, we set up a code of conduct and rolled out, together with the Group's university, a mandatory *e-learning* course on protective behaviours.

We also sought to intensify social dialogue in relationships, in particular through the establishment of a crisis unit with trade unions once a week, which enabled – in an unprecedented time frame – to conclude collective bargaining agreements on leave for all entities.

A new organisation for work was set up in less that two weeks, under which 70% of Group employees were able to work from home. This organisation was based on a group of supporting measures for our employees: telemedecine consultations, 24/7 psychological help centre, learning resources platform, tutoring for our employees' children, "well-being" offer to raise awareness on the harm caused by screens and inactivity.

Refer to the glossary on page 681 for the definition of technical terms.

What were the main developments of the Human Project and more specifically regarding rewards in 2020?

Concerning gender equality and diversity, this year our commitment resulted in a greater number of women within our decision-making bodies: +18.5 points since 2016, bringing the proportion of women on the Executive Committee of Crédit Agricole S.A. to 25%, and also +5 points since 2016, bringing the percentage of women on the Executive Committees and the Management Committees of the 11 Group entities to 24%. To support this policy, we carried out a review of the decision-making teams and succession plans, placing a particular focus on identifying female talents. A genuine transformation of the Executive Career Path was also conducted to make the onboarding of international executives central to this system which is key to the Group's culture.

Regarding rewards, despite the health crisis and to thank our employees for their exceptional commitment towards our clients, we decided to maintain the capital increase reserved for employees. Above all, we offered an exceptional 30% rebate on the share price, thereby making Crédit Agricole S.A. one of the first CAC 40 companies to allow employees to benefit from this new provision of the PACTE law. Overall, more than 47,000 employees took part in the subscription, increasing employee ownership in the capital from 4.7% to 5.8% at end-2020.

The first stage of our People Project placed the cornerstones for a more entrepreneurial management model by extending the scope of responsibilities of the teams thereby giving them more autonomy. The second stage started and has three targets: testing new organisation and management methods based on new codes of conduct for managers, streamlining our organisations and lastly, strengthening relations with the Customer Project.

Because it works together with the Customer Project, our Human project is strategic. It is aimed at helping our employees make informed decisions while best meeting the needs of our clients. Being the bank for everyone, but above all the bank for every individual person, also hinges on our reward policy.

Key figures

- **+21 pp:** increase in ERI Survey participation rate compared to 2016;
- **No. 1** French financial services in the *"Diversity Leaders 2020" (Financial Times)* ranking;
- **47,000:** number of participants in the capital increase reserved for employees.

4.1. TARGETS AND REGULATORY FRAMEWORK OF THE REWARD POLICY

Important to know

- Reward combines elements of compensation in the strict sense of the word, that have been submitted to the vote of shareholders, as well as social benefits and peripheral compensation.
- Bearer of the values of the Group, the reward policy is based on **fairness** and common rules for all employees, in compliance with the **regulatory** corpus specific to the financial sector.

4.1.1. Approach and targets of the reward policy

Faithful to its mutualist values and founding cooperative principles, Crédit Agricole S.A. has defined a responsible reward policy, serving its purpose: "Working every day in the interest of our customers and society" and its 2022 Medium-Term Plan. It strives to reconcile the expectations of all its stakeholders – customers, employees, service providers, associations, public authorities, shareholders – with the demands of a competitive market in order to position us as the leader in the customer-focused universal banking model.

The Group bases the compensation of employees and executive managers on objective foundations, which reflect the performance and long-term responsibility of the organisation.

Its policy participates in the three founding principles of the Human-centric Project: empowering employees, strengthening our customer focus and developing a framework of trust; and meets targets that are shared by all employees, supplemented by specific objectives for executive managers and Executive Corporate Officers.

Targets of Crédit Agricole S.A.'s reward policy

ALL EMPLOYEES

- Attracting, motivating and retaining **the talent** that the Group needs
- Recognising **individual and collective performance** over time
- Aligning the **interests of employees** with those of Crédit Agricole S.A. and its **shareholders**
- Promoting sound and efficient risk **management**

EXECUTIVE MANAGERS

- Correlating their compensation levels with **actual long-term performance**
- Aligning the interests of management with the success of the Group's Project and **Medium-Term Plan 2022**

EXECUTIVE CORPORATE OFFICERS

- Recognizing the **long-term performance** and successful implementation of the **strategic plan**

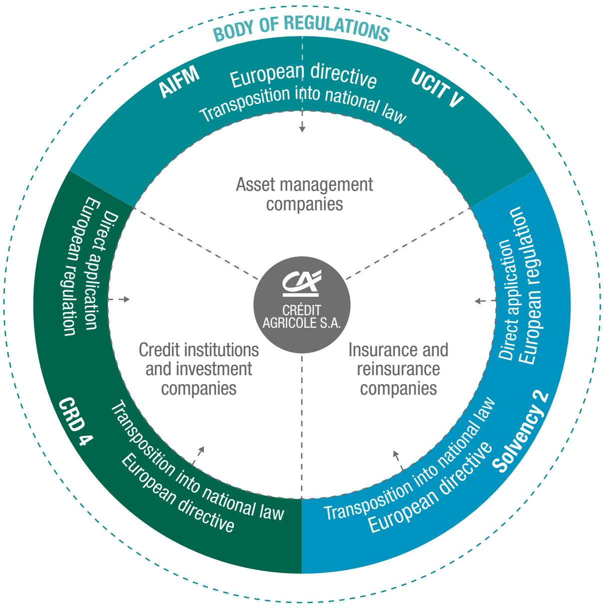
Refer to the glossary on page 681 for the definition of technical terms.

4.1.2. Regulatory corpus shaping compensation policies

Crédit Agricole S.A.'s compensation policy must be seen within a closely regulated environment specific to its sector.

Through its universal customer-focused banking model, the Group is responsible for three different regulatory corpora corresponding to its three activities. It ensures that its compensation policy complies with the applicable national, European and international legal and regulatory frameworks. It also includes the provisions of the Volcker Rule, France's law on the separation of banking and finance activities, the MIF Directive and the Insurance Distribution Directive.

Regulations governing the compensation policies of Crédit Agricole S.A. entities



CRD 4: Capital Requirement Directive 4
AIFM: Alternative Investment Fund Managers
UCITS: Undertakings for collective Investment in Transferable Securities

The compensation policies of Crédit Agricole S.A. entities are governed by three distinct sets of regulations:

- those applicable to credit institutions and investment companies (the "CRD 4" package);
- those applicable to asset management companies and alternative investment funds (hedge funds and private equity funds) under the European Alternative Investment Fund Managers directive (Directive 2011/6 of 8 June 2011, or "AIFMD") and to UCITS management companies under the European UCITS V directive (Directive 2014/91/EU of 23 July 2014);
- those applicable to insurance and reinsurance companies that come under the Solvency framework.

This regulatory framework clarifies the definition of "identified employees" who are subject to more stringent compensation rules.

Identified employees

These regulations involve in particular the identification of employees who have an impact on the risk profile of the Group or of their entity through their function, their level of delegation or their level of compensation, hereinafter "identified employees".

The scope is defined by a joint decision-making process between Group and entity Human Resources functions and Risk Management and Permanent Controls and Compliance functions. The criteria applied are summarised on page 217. The compensation of identified employees is part of a reinforced regulatory context that imposes rules in the structuring of their compensation. The general principles are described in 4.2.2.

Executive Corporate Officers

In addition to the regulatory corpus specific to the banking sector, the compensation of Executive Corporate Officers of Crédit Agricole S.A. complies with:

- the recommendations and principles of the Corporate Governance Code for listed companies, as revised in January 2020 (the AFEP/MEDEF Code) with the exception of certain recommendations listed in the areas of non-compliance with the AFEP/MEDEF code page 128;
- The provisions of the French Commercial Code (Code de Commerce).

In 2021, the compensation policy for all identified employees, including Executive Corporate Officers, will be brought into compliance with the CRDV European Directive, which provides for a vesting period of five years for deferred compensation.

Find out more

- Definition of identified employees: detailed on page 217.
- Definition and characteristics of the compensation of identified employees: Annual report relating to the compensation policy and practices of identified employees (in accordance with Articles 266 *et seq.* of the Decree of 3 November 2014 relating to internal controls of credit institutions and investment companies and with Article 450 of (EU) Regulation No. 575/2013 of 26 June 2013).

4.2. REWARDS FOR ALL EMPLOYEES

Important to know

- The reward policy is at the service of the **Group's Raison d'Être[1], of its Group Project and 2022 Medium-Term Plan** and, in particular, of its **Human-centric Project**, providing its customers direct access to a local customer relations manager. Through the implementation of **free share grants and the annualisation of capital increases reserved for employees**, the reward policy supports the three founding principles of the Human-centric Project: empowerment, outreach and initiative-taking.
- In 2020, Crédit Agricole S.A. decided to maintain **the capital increase reserved for employees**, despite the health crisis, by offering an exceptional discount of 30% on the share price.

4.2.1 Governance of the compensation policy

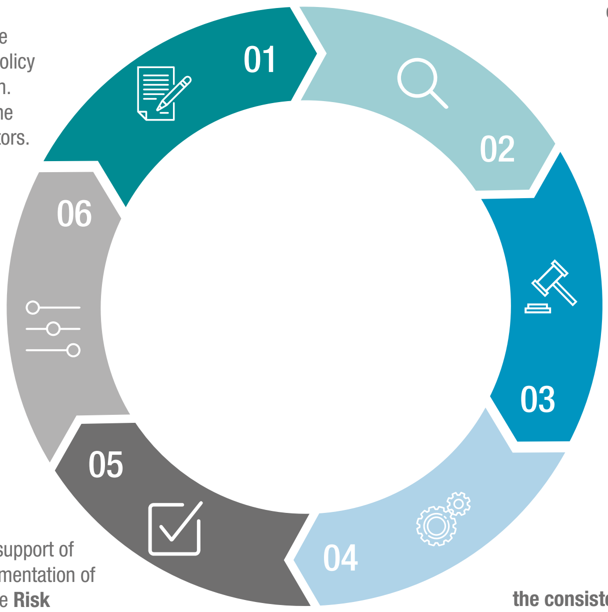
In order to guarantee compliance with the guiding principles of the reward policy and their rigorous application, the Group has implemented governance of compensation policies and procedures for all entities and employees. In 2020, this governance focused in particular on employee rewards amid the health crisis.

Process of defining the compensation policy

Governance of employee compensation policy of Crédit Agricole S.A.

1 POLICY CREATION
The **Group Human Resources Department draws up and adjusts the employee remuneration policy** and submits it to the operating divisions of the Remuneration Policy Control Committee (RPCC) for their opinion.
The Remuneration Committee proposes the remuneration policy to the Board of Directors.

2 REVIEW
The **Remuneration Committee formulates an opinion** on employee compensation policy.
It ensures its compliance and monitors the implementation of this policy, globally and by major sectors.



6 ADJUSTMENT
The Human Resources Department and the Remuneration Committee take into account the conclusions of the RPCC, the internal audit, the vote shareholders to **adjust, if necessary remuneration policy.**
The changes agreed upon will be applied from the following year.

3 APPROVAL
The **Board of Directors approves the policy.**
The **shareholders** at the General Meeting decide on certain elements(1) of the remuneration policy.

5 MONITORING
The **Remuneration Committee** with the support of internal management, monitors the implementation of policies and ensures their compliance. The **Risk Committee reviews the compliance** of compensation policies with risk strategies.
The Group Control and Audit Department conducts a **periodic audit** *subsequent* to the definition and application of the remuneration policy of the identified staff in accordance with the regulations.

4 IMPLEMENTATION
The **Group Finance Department ensures the consistency** of the methods used to determine the variable compensation budgets in relation to the Group's risks and financial capacity.
The **Human Resources Department oversees the implementation** of the compensation policy.

(1) The shareholders' vote relates in particular to the compensation policy and the elements of compensation for Executive Corporate Officers, as well as the proposed increases of capital reserved for Group employees.

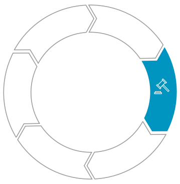
(1) Please refer to the glossary for the definition of Raison d'Être.

 Refer to the glossary on page 681 for the definition of technical terms.

Functions involved in the process of defining the compensation policy

Governance bodies and shareholders

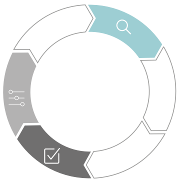
BOARD OF DIRECTORS



Considers and approves:

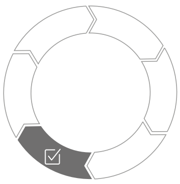
- the update to the compensation policy for employees and its application note;
- fixed compensations, as well as the terms and criteria for determining variable compensation for Executive Corporate Officers in accordance with the 2022 Group Project and Medium-Term Plan;
- the report on compensation practices for members of the executive body and identified employees;
- capital increases reserved for employees.

REMUNERATION COMMITTEE



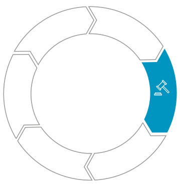
- Prepares the proposals and recommendations to be submitted to the Board of Directors, in particular regarding the general principles of the employee remuneration policy, compensation of Corporate Officers, planned capital increases reserved for employees and related resolutions to be submitted to the General Meeting;
- oversees the total variable compensation for all employees and the annual variable compensations exceeding a threshold agreed by the Board;
- reviews the entities' implementation of compensation policies;
- reviews the decisions of the Compensation Policy Control Committee;
- adjusts the compensation policy in line with the Group's performance and results;
- analyses French and international regulatory changes.

RISK COMMITTEE



Ensures that the Group's compensation policies and practices are in line with proper and effective risk management practices.

SHAREHOLDERS



Vote on resolutions that may concern planned capital increases reserved for employees, the compensation of identified employees, the compensation policy for Corporate Officers and the elements of compensation allocated in respect of the previous financial year.

Group operations departments

GROUP HUMAN RESOURCES DEPARTMENT

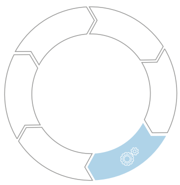
- Prepares the work of the Compensation Committee and drafts the compensation policy to be submitted to the Committee for review in connection with the 2022 Medium-Term Plan;
- manages the compensation policy and coordinates the various players involved;
- adjusts the compensation policy, largely based on the conclusions of the RPCC.

REMUNERATION POLICY CONTROL COMMITTEE (RPCC)

Three departments represented: Risk Management and Permanent Control, Compliance and Human Resources departments.

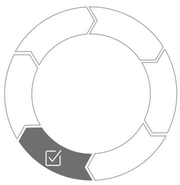
- Issues an opinion on the remuneration policy, focusing on the information relating to the general policies – fulfilment *sine qua non* of the duty to alert – and on the validity of the principles applied to implement the remuneration policy within the Group, in light of the regulatory requirements;
- appraises the implementation of the regulations within the entities, in particular for identified employees;
- coordinates the actions to be introduced in the entities by the Risk Management and Compliance functions.

GROUP FINANCES



- Approves the terms for determining the total variable compensation budget;
- confirms the adequacy of the total amount of compensation in view of the Group's ability to strengthen its own equity.

CONTROL AND AUDIT DEPARTMENT



Conducts an audit subsequent to the definition and implementation of the remuneration policy for identified staff within the meaning of regulations.

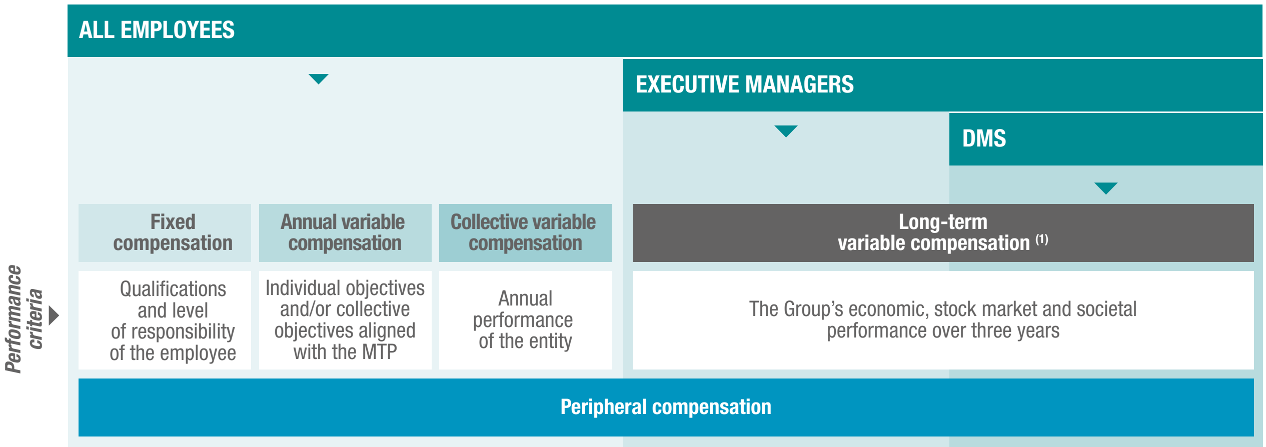
Find out more

- Governance of the reward policy for Corporate Officers: 4 "Reward policy", part 4.4.
- Involvement of shareholders in the compensation policy for Corporate Officers: Universal Registration Document, part 3.3 "Information on executives and management bodies".
- Involvement of shareholders in the compensation policy for identified employees: Annual report relating to the policy and to the compensation practices for identified employees.

4.2.2. Reward policy

The reward of Crédit Agricole S.A. employees is composed of fixed, variable and peripheral elements, corresponding to the various targets – notably in terms of compensation for short, medium and long-term performance, consistent with the 2022 Medium-Term Plan (MTP). All or part of these elements may be offered to each employee, according to their level of responsibility, skills and performance.

Remuneration structure of Crédit Agricole S.A. employees



(1) Also open to key employees (high potentials or rare expertises).

Rules for determining elements of reward

The Group has set common rules for all employees to guide the determination of compensation elements:

- within each of its various business lines, Crédit Agricole S.A. regularly compares its practices to those of other financial groups at the national, European and international level;
- performance is assessed by precise measurement of the results obtained relative to specific annual targets (how much), taking into account the conditions in which the objectives were achieved (how);
- it takes into account intrinsic financial performance, the Group's non-financial performance and its performance compared to that of other European banks;
- the compensation systems are differentiated according to level of responsibility within the organisation;
- peripheral compensation is governed by Group or entity agreements.

Refer to the glossary on page 681 for the definition of technical terms.

Procedures for determining elements of reward

Elements of compensation

	System	People eligible
FIXED COMPENSATION **Targets** Offering competitive and attractive compensation	**Base salary**	**All employees**
	Skills and responsibility level are rewarded by a base salary in line with the specific characteristics of each business line in its local market.	
ANNUAL VARIABLE COMPENSATION **Targets** Linking the interests of employees with those of the Group and shareholders, as part of the deployment of the 2022 Medium-Term Plan	**Variable compensation**	**All employees**
	Crédit Agricole S.A. has put in place **two annual** variable compensation systems – depending on the business lines and consistent with market practices: ■ an **individual variable compensation (RVP)** system based on the calculation of benefits that is the sum of target individual variable compensation adjusted by a performance rate; ■ a **"Bonus Pool"** system based on the calculation of benefits directly linked to the entity's financial results and defined according to a percentage of the "Contribution" to Group results. The contribution represents an entity's capacity to fund bonuses, taking into account the cost of risk, the cost of capital and the cost of liquidity. It is defined as: Revenues[1] – direct and indirect expenses before bonuses – cost of risk – cost of capital before tax ——————————— = Contribution The payout ratio represents the portion of the Contribution that the entity wants to pay out in bonuses. It is dependent on the entity's financial performance and the practices of competing companies operating in comparable businesses. **The individual award** of variable compensation is defined in compliance with regulatory principles. The amounts must not hamper the ability of Group entities to strengthen their equity as necessary. As well as economic and financial criteria, the performance assessment takes all risks into account, including liquidity risk, as well as the cost of capital. Variable compensation is related directly to annual performance. Unsatisfactory performance, failure to comply with rules and procedures or at-risk behaviour have a direct impact on variable compensation.	
	Individual variable compensation (RVP)	**Employees and executive managers:** ■ central support functions; ■ retail banking; ■ specialised financial services; ■ insurance; ■ real estate; ■ other.
	Individual variable compensation (RVP) reflects the employee's individual performance, assessed by line management on the basis of the attainment of individual and/or collective targets. The targets are described precisely and measurable over the year. They systematically take into account the customer, employee and societal aspects of activities. The degree of attainment or exceeding of targets is the principal criterion for the award of RVP. It is supplemented by a qualitative assessment of how these targets were achieved (assuming responsibility, discernment, autonomy, cooperation, commitment, management, etc.).	
	Bonus	**Employees and executive managers:** ■ corporate and investment banking; ■ wealth management; ■ asset management; ■ capital investment.
	The award of a bonus is decided upon by line management based on a formal annual individual performance appraisal, which looks at the achievement of both quantitative and qualitative targets. There is therefore no direct and automatic link between the level of financial results of an employee and their variable compensation level. Employees are evaluated on their results, those of their activity and the conditions under which such results have been achieved. Similarly to individual variable compensation, targets are clearly defined and measurable over the year. Qualitative targets are individualised, related to the professional activity and to the level of responsibility. They include the quality of risk management, resourced allocated, the behaviours (assuming responsibility, discernment, autonomy, cooperation, commitment, management, etc.) implemented to achieve results.	
	Guaranteed variable compensation restrictions	**Employees** **Executive managers**
	Guaranteed variable compensation is strictly limited to new hires, for a period that may not exceed one year. Guaranteed variable compensation is awarded subject to the deferred compensation plan applicable to the financial year. Accordingly, all rules on variable compensation for identified employees (deferred payment schedule, performance conditions and reporting) also apply to guaranteed bonuses.	

(1) It is understood that, by definition, revenues are calculated net of the cost of liquidity.

	System	People eligible
LONG-TERM VARIABLE COMPENSATION	**Long-term incentive plan**	**Executive managers** **Key Group executives**
Targets Rewarding the long-term collective performance of the Group and its entities	This aspect of variable compensation, which is unifying, motivating and encourages loyalty, completes the annual variable compensation mechanism. It is characterised by compensation in Crédit Agricole S.A. shares and/or cash, indexed to the Crédit Agricole S.A. share price, with long-term performance conditions based on economic, financial and societal criteria consistent with the long-term strategy of the Group and its entities.	
COLLECTIVE VARIABLE COMPENSATION	**Profit sharing and incentive plans**	**All employees in France**
	Profit sharing	**All employees of certain international entities**
Targets Linking all employees to the Group's results to enable the collective sharing of value created	Collective variable compensation plans are defined separately for each entity in order to reflect value creation as closely as possible. In France, Group companies therefore negotiate their own profit-sharing and incentive plan agreements, complemented by contribution matching systems through their Employee savings scheme (PEE) and Collective Retirement Savings Plan (PERCO).	
	Employee shareholding	**All employees with the exception of a few countries**
	Employee shareholding, rooted in the corporate culture of Crédit Agricole S.A., has grown over the years, in the context of capital increases reserved for employees and retirees, to be carried out annually in 2018. At end-2020, Group employees and former employees held 5.8% of share capital.	

Peripheral compensation

	System	People eligible
PERIPHERAL COMPENSATION	**Private healthcare insurance scheme**	**All employees**
Targets Covering/Supplementing health care reimbursements in the event of employee illness Protecting employees against all life's uncertainties	**Supplementary pension scheme**	**Executive managers**
	In addition to direct compensation, peripheral compensation in terms of retirement, healthcare and pensions are put in place within collective schemes specific to each entity.	

Support to employees in dealing with the health crisis

In 2020, Crédit Agricole S.A. chose to maintain the compensation of all its employees, without seeking State assistance in providing short-time work benefits for the reduced activity imposed in response to the health crisis.

The Group introduced a new work organisation in less than two weeks, where 70% of employees were able to work from home. All the necessary measures were taken to ensure safety on the site and to protect employees. The Group maintained local dialogue with trade union representatives and implemented measures to support employees through several HR offers all year long. These included telemedicine, psychological unit, a dedicated health and provident scheme, a remedial classes platform and tutoring for young employees.

Compensation of identified employees

In accordance with regulatory obligations, Crédit Agricole S.A. has defined strict rules surrounding the compensation policy for identified employees:

A remuneration policy that promotes sound and efficient risk management: the amounts and distribution of variable compensation must not impair the institutions' ability to strengthen their equity as required.

A balance between fixed and variable compensation: for any employee of a credit institution or investment firm, the variable component of their compensation cannot be greater than 100% of the fixed component; nevertheless, each year, the General Meeting of Shareholders can vote to apply a higher maximum ratio provided that the total variable component never exceeds 200% of the fixed component for any employee. In May 2020, the General Meeting approved the resolution raising this maximum ratio to 200% for compensation awarded for the 2020 financial year and then for subsequent financial years until a new decision by the General Meeting.

A variable compensation partly deferred and paid in the form of instruments:

- 40% to 60% of variable compensation is deferred over three years. The deferred portion vests no faster than pro rata in three instalments in Y+1, Y+2 and Y+3, subject to continued employment and performance conditions;
- each instalment is granted in Crédit Agricole S.A. shares or instruments linked to Crédit Agricole S.A. shares. (credit institution, investment companies, insurance and reinsurance company) or by a portfolio of funds representative of the activity (management company);
- for credit institutions and investment companies employees, there is a six-month lock-up period after each deferred variable compensation instalment has vested. A portion of the non-deferred variable compensation is also paid in Crédit Agricole S.A. share-linked instruments, at 10% of the total variable compensation, at the end of a six-month lock-up period.

Risk-adjusted variable compensation: a monitoring system for at-risk behaviour by identified employee is deployed at Crédit Agricole S.A. subsidiaries in cooperation with the Group Risk Management and Permanent Controls and Compliance business lines. This system specifically includes annual monitoring and assessment of the system by the governance body as well as an arbitration procedure at Executive Management level for observed cases of at-risk behaviour.

Crédit Agricole S.A. has also put in place two systems that enable adjustment or even restitution to the Group of variable compensation, in the event of at-risk behaviour:

- **a malus clause:** in the event of observing non-compliant behaviour, the variable compensation initially awarded may be reduced in full or in part in accordance with Article L. 511-84 of the French Monetary and Financial Code;

Refer to the glossary on page 681 for the definition of technical terms.

- **a clawback clause:** if it is discovered within a period of five years after payment that an employee is responsible for or has contributed to significant losses to the detriment of the Group or has demonstrated particularly serious at-risk behaviour, the Group reserves the right, subject to local laws in force, to demand the restitution in full or in part of amounts already paid.

Communication: compensation paid during the financial year to all identified employeess of credit institutions or investment companies is subject to a resolution submitted each year to the Crédit Agricole S.A. General Meeting.

Find out more

- The Human Resources ambition : Universal Registration Document, Chapter 2, part 2.4.3.
- Rules and specific procedures for determining the compensation of executive managers: Universal Registration Document, Chapter 3, part 4.3.
- Rules and specific procedures for determining the compensation of Executive Corporate Officers: Universal Registration Document, Chapter 3, part 4.4.

4.2.3. Amount of reward

In 2020, total employee expenses amounted to €7.2 billion for Crédit Agricole S.A. The overall total distributed, including profit-sharing and the employer contribution matching of employee savings plans, was €296 million.

Exceptional discount for the 2020 employee shareholding campaign

Since its initial public offering in 2001, Crédit Agricole S.A. has carried out seven capital increases reserved for employees and retirees. Since 2018, the Group has been committed to making this an annual arrangement.

In 2020, the Board of Directors of Crédit Agricole S.A. set the discount of the share price at 30% (compared with 20% previously), in recognition of the mobilisation of employees since the beginning of the health crisis. Crédit Agricole S.A. is thus one of the first CAC 40 companies to have allowed its employees to benefit from this new provision of the PACTE law, which makes it possible to offer an exceptional discount.

The capital increase reserved for employees involved nearly 32 million newly issued shares. The number of subscribers more than doubled: over 47,000 subscribers (compared with 20,500 in 2019) invested nearly €162.9 million in Crédit Agricole S.A. shares. At end-2020, Group employees and former employees held 5.8% of share capital.

By valuing the contribution of each individual to the success of the collective, the development of employee shareholding is part of the new confidence pact desired by the Group through its Human-centric Project.

Find out more

- Human resources indicators: Universal Registration Document, Chapter 2, part 4.2.
- Amount of compensation of executive managers: Universal Registration Document, Chapter 3, part 4.3.2.
- Amount of compensation of Executive Corporate Officers: Universal Registration Document, Chapter 3, part 4.4.3.
- Amount of average and median compensation of employees in France: Universal Registration Document, Chapter 3, part 4.4.3.

4.2.4. Comparative approach to compensation

Crédit Agricole S.A. is committed to respecting equality between women and men, particularly in terms of compensation, notably through regular diagnostics carried out by the Group and its entities. In 2021, Crédit Agricole S.A. published its Gender Equality Index, which shows very positive scores for the Group as a whole: 86/100 for the Crédit Agricole S.A. economic and social unit and between 80 and 99/100 for the other entities.

Find out more

- Gender equality at work: Universal Registration Document, Chapter 2, part 2.4.3.
- Rewards for Corporate Officers, comparative approach to compensation, Universal Registration Document, Chapter 3, part 4.4.3.

4.3. REWARDS FOR EXECUTIVE MANAGERS

Important to know

- Variable compensation for executive managers is based on **mutual targets and aligned with Group strategy** in order to unite them around shared challenges.
- **The alignment of the compensation structure of executive managers with that of Executive Corporate Officers** was reinforced in 2020 by adjusting targets and bringing them in line with those of the 2022 Medium-Term Plan, both in terms of financial and non-financial criteria.
- This group of employees also qualifies for the allocation of free shares under the **long-term incentive plan** in order to align the interests of executive managers with those of shareholders and the Group's long-term performance, with the same performance conditions as for Executive Corporate Officers. In 2020, owing to the health and economic context, the Group **decided not to grant free shares**, in line with the decision not to pay out dividends to shareholders.

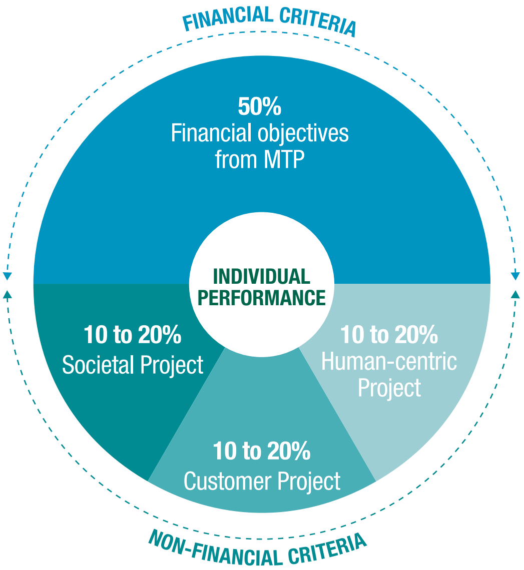
The Group's executive managers are members of the management teams and break down into two management circles:

- executives in the first circle prepare the definition of strategy for their business line or a Group cross-cutting function and steer implementation, in line with Group strategy;
- in the second circle, executives are responsible for defining functional or operational policies that have a strategic impact on their businesses.

4.3.1. Reward policy applicable to executive managers

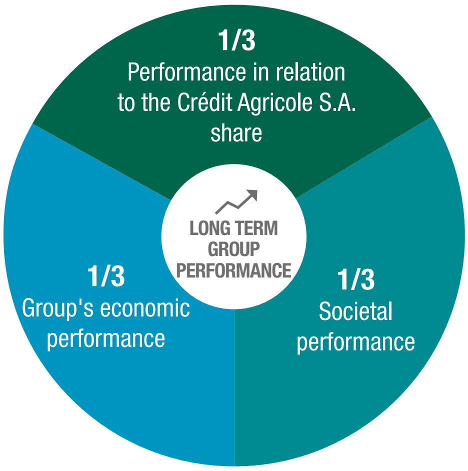
Executive managers receive elements of fixed, variable and peripheral compensation, adapted to their specific targets, in line with the Group's compensation policy.

Elements of compensation

<table>
<tr><th></th><th>System</th><th>People eligible</th></tr>
<tr><td rowspan="2">FIXED COMPENSATION</td><td>Base salary</td><td>All executive managers</td></tr>
<tr><td colspan="2">The fixed compensation of executive managers is determined using the same rules as those of all employees.</td></tr>
<tr><td rowspan="7">ANNUAL VARIABLE COMPENSATION</td><td colspan="2">All executive managers of Crédit Agricole S.A. are eligible for the Group's variable compensation schemes, for which the structure of targets is common regardless of the entity.
This means that their individual variable compensation comes either from the individual variable compensation plan (RVP) or from the bonus system. As for all employees, the system on which they are dependent is defined according to their home entities.</td></tr>
<tr><td>Individual variable compensation/bonus</td><td>All executive managers</td></tr>
<tr><td colspan="2">Annual variable compensation is calculated based on two sets of criteria:
■ 50% on the basis of financial criteria, in line with those of the 2022 Medium-Term Plan, with criteria based on Crédit Agricole S.A.'s scope of responsibility in terms of underlying Net income Group share, cost/income ratio excluding SRF and RoTE- and on the scope of responsibility of the executive manager;
■ 50% on non-financial criteria, in line with the Group's Customer, Human-centric, and Societal Projects and which measure value creation:
– customer: satisfaction with the services and advice provided, adaptation of offers to new uses, innovation engagement,
– human: ability to attract, develop and retain employees, and to initiate managerial transformation to create a framework of greater trust and confidence,
– social: mutualist and societal commitment, respect for values beyond legal obligations, development of green finance.</td></tr>
<tr><td colspan="2">Annual variable compensation criteria applicable to executive managers

</td></tr>
<tr><td colspan="2">2022 Medium-Term Plan: integration of gender diversity in the variable compensation of the Executive Committee</td></tr>
<tr><td colspan="2">Crédit Agricole S.A. has set itself the target of reaching 30% of women in the decision-making bodies of its entities by 2022. At end-2020, the percentage of women in the highest decision-making bodies of Crédit Agricole S.A. entities was 24%.
Since 2019, the progression of this target has had a direct impact on the annual variable compensation of members of the Executive Committee, for which it now is one of the non-financial criteria. The increase in the number of women in decision-making bodies and the development of female talent is one of the priorities of the Human-centric Project, and is included in the management indicators, to amplify the gender diversity policy applied by the Group for several years now.</td></tr>
</table>

 Refer to the glossary on page 681 for the definition of technical terms.

<table>
<tr><th></th><th>System</th><th>People eligible</th></tr>
<tr><td rowspan="2">LONG-TERM VARIABLE COMPENSATION</td><td>Long-term incentive plan</td><td>Executive Committee Members
Senior executives</td></tr>
<tr><td colspan="2">The Group established a long-term incentive plan in 2011 to reward long-term performance. Accordingly, taking an entity's societal impact into consideration strengthens the link between compensation and long-term performance.
The long-term variable compensation plan for executive managers takes the form of share-based or cash compensation indexed to the Crédit Agricole S.A. share price.
Amounts are deferred over three years and vest subject to performance conditions and according to the following criteria:
■ Crédit Agricole S.A.'s intrinsic economic performance;
■ Crédit Agricole S.A.'s stock performance;
■ Crédit Agricole S.A.'s societal performance.
The members of the Crédit Agricole S.A. Executive Committee and the Group's senior executives are eligible for this long-term incentive plan, whose grant is determined on an annual basis by the Group Chief Executive Officer.
In 2020, the Group did not allocate any free shares, in line with the non-payment of dividends to shareholders.

Vesting conditions of the long-term variable compensation of executive managers

</td></tr>
<tr><td rowspan="4">COLLECTIVE VARIABLE COMPENSATION</td><td>Profit sharing and incentive plans</td><td>All executive managers in France</td></tr>
<tr><td>Profit sharing</td><td>All executive managers of certain international entities</td></tr>
<tr><td>Employee shareholding</td><td>All executive managers with the exception of a few countries</td></tr>
<tr><td colspan="2">Executive managers are eligible for profit-sharing, incentive plans and employee share ownership plans under the same conditions defined by their entity.</td></tr>
</table>

Peripheral compensation

	System	People eligible
PERIPHERAL COMPENSATION	**Private healthcare insurance scheme**	**All executive managers**
	Executive managers benefit from the same private healthcare insurance schemes as other employees.	
	Supplementary pension scheme	**Executive managers**
	From 2010 to 2019, the supplementary pension scheme consisted of a combination of defined-contribution pension schemes and a defined-benefit scheme (the rights to the defined-benefit scheme are determined after the rights paid under the defined-contribution scheme). In any event, at retirement, the total retirement annuity of all schemes is capped at 70% of the reference compensation in accordance with the supplementary retirement regulations for executive managers of Crédit Agricole S.A. In accordance with the PACTE Act and the provisions of Order no. 2019-697 of 3 July 2019, the defined benefit top-up scheme was permanently closed as of 4 July 2019, and the conditional rights it provides have been consolidated at 31 December 2019. The rights established by the Group prior to the effective date of the applicable rules of 2010 are maintained in accordance with the rules and, if applicable, are added to the rights resulting from the application of those rules, particularly when calculating the maximum annuity that can be paid. Since 1 January 2020, Crédit Agricole S.A. has set up a new retirement savings scheme that will enable employees to progressively build up capital with the company's help. This plan is made up of an Article 82 defined-contribution scheme and free share allocations. Part of this capital will thus follow the Group's performance, thereby reinforcing the alignment with the strong and sustainable growth targets of our corporate strategy.	

4.3.2. Amount of reward of executive managers

At 31 December 2020, the reward of members of the Board of Directors and the Executive Committee paid by Crédit Agricole S.A. amounted to €27.5 million, of which €3.6 million in post-employment benefits.

Refer to the glossary on page 681 for the definition of technical terms.

4.4. REWARDS FOR CORPORATE OFFICERS

Important to know

A 2021 compensation policy revisited against a backdrop of regulatory changes

As part of its roadmap, the Board of Directors decided to review the annual variable compensation with the entry into force of the Capital Requirements Directive V (CRDV) on 1 January 2021.

Changes(1)	Targets
Weightings of the performance criteria for annual variable compensation	■ Assets, at fair value and in all circumstances the capacity for anticipation and adjustment in the management of the company in the face of a much greater degree of uncertainty in the years to come.
Terms of vesting of annual and long-term variable compensation	■ Bring the scheme in line with the new regulatory context (CRDV). ■ Continue the positioning of the annual variable compensation as a tool for implementing the Medium-Term Plan.

(1) Subject to the approval of shareholders at the General Meeting of 12 May 2021.

Achievement rates that reflect the Group's solidity

The performance of the various criteria used to assess variable compensation is in line with the Group's results and the progress of the MTP in 2020.

€3,849bn	59.6%	9.3%	+7 pts ↗	+6 pts
Underlying NIGS -16% ↘	C/I ratio excluding SRF -1,4 pp →	RoTE -2,6 pp →	Increase in Net Promoter Score (NPS) in Retail banking in France	Increase in employee engagement and recommendation index

	Chief Executive Officer		Deputy Chief Executive Officer	
	Weighting	Achievement rate	Weighting	Achievement rate
FINANCIAL CRITERIA	**60%**	**58.8%**	**60%**	**58.8%**
Underlying Net Income Group Share	20%	17.7%	20%	17.7%
Cost/income ratio excl. SRF	20%	22.8%	20%	22.8%
Return on tangible equity	20%	18.4%	20%	18.4%
NON-FINANCIAL CRITERIA	**40%**	**49.1%**	**40%**	**47.2%**
Customer Project, excellence in customer relations	9%	11.7%	7%	9.1%
Human-centric Project, empowered teams for customers	9%	11.7%	7%	9.1%
Societal Project, commitment to society	9%	10.4%	7%	8.1%
Technological change	3%	3.3%	9%	9.9%
Risk management and compliance	5%	5.5%	10%	11.0%
Collective momentum with the Group	5%	6.5%	na	na
TOTAL		**107.9%**		**106.0%**

Compensation consistent with the 2022 Medium-Term Plan and value creation

The annual and long-term components of variable compensation of Executive Corporate Officers is in line with the 2022 Medium-Term Plan and the interests of shareholders.

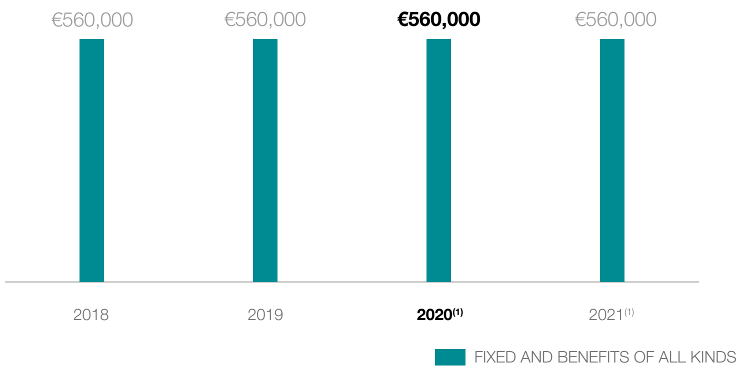
		Annual variable	Long-term variable
Medium-Term Plan	Financial targets	x	x
	Customer Project, excellence in customer relations	x	
	Human-centric Project, empowered teams for customers	x	
	Societal Project, commitment to society	x	x
Stock performance			x

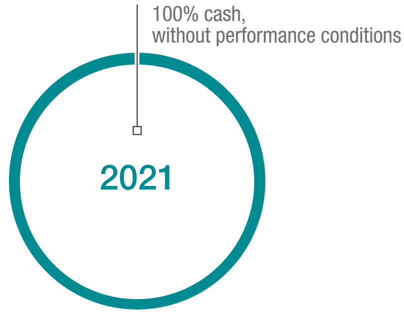
Balanced and moderate compensation over time

Thanks to the balance between performance conditions or non-performance conditions and exposure or non-exposure to the market, the compensation of Credit Agricole S.A. Executive Corporate Officers is in line with the principles of long-term moderation applied to the Group's compensation management.

Dominique Lefebvre*

Chairman of the Board of Directors

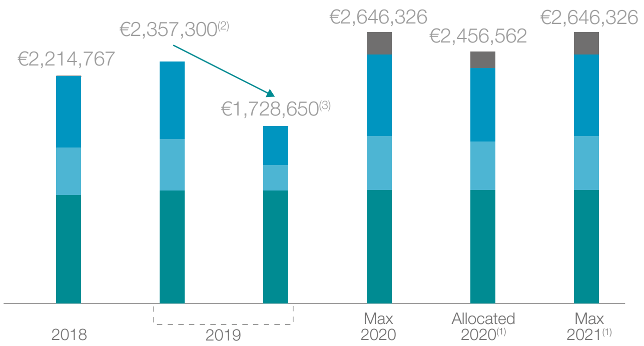


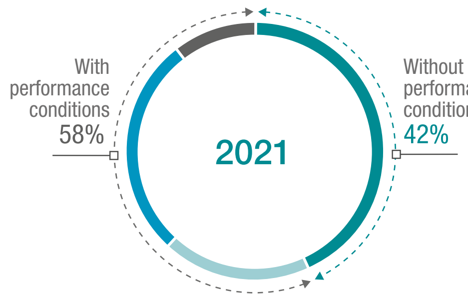


(1) Subject to the approval of shareholders at the General Meeting of 12 May 2021.

Philippe Brassac

Chief Executive Officer



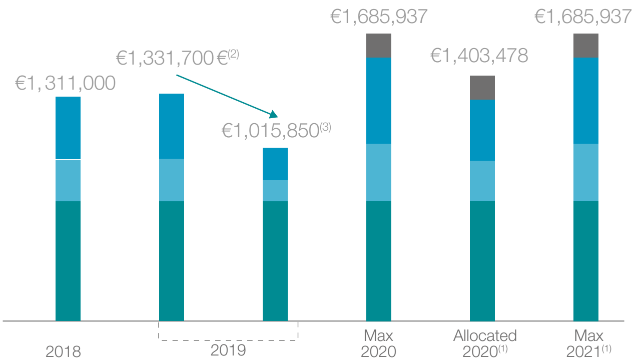


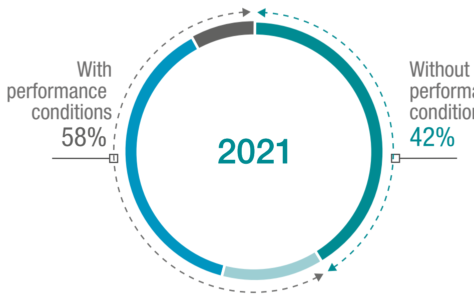
FIXED AND BENEFITS OF ALL KINDS
DEFERRED ANNUAL VARIABLE COMPENSATION
ANNUAL NON-DEFERRED VARIABLE COMPENSATION
LONG-TERM COMPENSATION

(1) Subject to the approval of shareholders at the General Meeting of 12 May 2021.
(2) Amounts before waiver by Executive Corporate Officers of 50% of their variable compensation in respect of 2019.
(3) Amounts after waiver by Executive Corporate Officers of 50% of their variable compensation in respect of 2019.

Xavier Musca

Deputy Chief Executive Officer





FIXED AND BENEFITS OF ALL KINDS
DEFERRED ANNUAL VARIABLE COMPENSATION
ANNUAL NON-DEFERRED VARIABLE COMPENSATION
LONG-TERM COMPENSATION

(1) Subject to the approval of shareholders at the General Meeting of 12 May 2021.
(2) Amounts before waiver by Executive Corporate Officers of 50% of their variable compensation in respect of 2019.
(3) Amounts after waiver by Executive Corporate Officers of 50% of their variable compensation in respect of 2019.

* In order to guarantee his independence, the Chairman of the Board of Directors does not receive any variable compensation.

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole S.A. has historically opted for the separation of the duties of direction and control in executive functions in accordance with Article L. 511-58 of the French Monetary and Financial Code.

Corporate Officers are the Group's directors, as well as the three Executive Corporate Officers:

- Dominique Lefebvre, as Chairman of the Board of Directors since 4 November 2015;
- Philippe Brassac, as Chief Executive Officer since 20 May 2015;
- Xavier Musca, as Deputy Chief Executive Officer and second in command since 20 May 2015.

The Chief Executive Officer and Deputy Chief Executive Officer, Executive Corporate Officers, have decided upon a shared responsibility, which is reflected in their solidarity regarding the performance criteria used.

4.4.1. Compensation policy for Executive Corporate Officers awarded for 2021 submitted for shareholder approval

Specific governance to Executive Corporate Officers

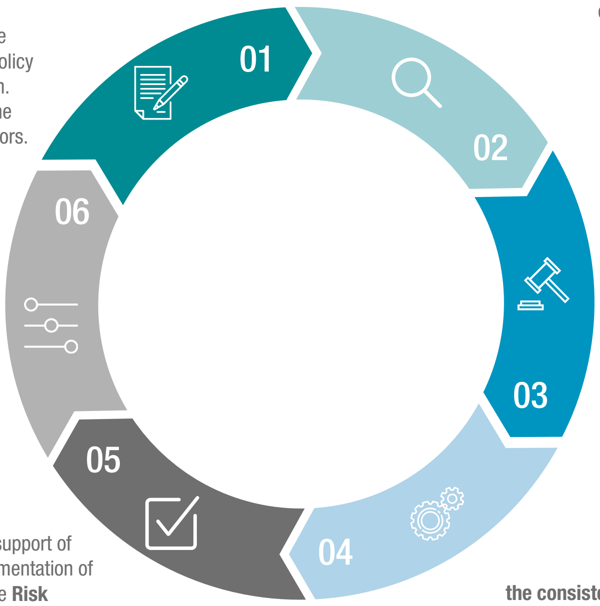
The Board of Directors and its Compensation Committee play a key role in the governance of the related policy. The same applies to shareholders who vote each year at the General Meeting on the policy and on the elements paid in or awarded for the financial year by a binding vote.

Process of defining the compensation policy

Governance of the compensation policy for Executive Corporate Officers of Crédit Agricole S.A.

1 POLICY CREATION
The **Group Human Resources Department draws up and adjusts the employee remuneration policy** and submits it to the operating divisions of the Remuneration Policy Control Committee (RPCC) for their opinion.
The Remuneration Committee proposes the remuneration policy to the Board of Directors.

2 REVIEW
The **Remuneration Committee formulates an opinion** on employee compensation policy.
It ensures its compliance and monitors the implementation of this policy, globally and by major sectors.



3 APPROVAL
The **Board of Directors approves the policy.**
The **shareholders** at the General Meeting decide on certain elements(1) of the remuneration policy.

4 IMPLEMENTATION
The **Group Finance Department ensures the consistency** of the methods used to determine the variable compensation budgets in relation to the Group's risks and financial capacity.
The **Human Resources Department oversees the implementation** of the compensation policy.

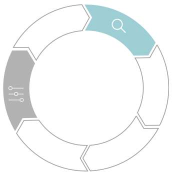
5 MONITORING
The **Remuneration Committee** with the support of internal management, monitors the implementation of policies and ensures their compliance. The **Risk Committee reviews the compliance** of compensation policies with risk strategies.
The Group Control and Audit Department conducts a **periodic audit** *subsequent* to the definition and application of the remuneration policy of the identified staff in accordance with the regulations.

6 ADJUSTMENT
The Human Resources Department and the Remuneration Committee take into account the conclusions of the RPCC, the internal audit, the vote shareholders to **adjust, if necessary remuneration policy.**
The changes agreed upon will be applied from the following year.

Functions involved in the process of defining the compensation policy

Governance bodies and shareholders

BOARD OF DIRECTORS

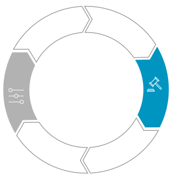


- Defines the remuneration policy for Executive Corporate Officers by taking into consideration the conditions for compensation and employment of employees.
- Determines their fixed and variable compensation.
- Sets the upper and lower limits, criteria and performance conditions for variable compensation for the upcoming financial year, consistent with the targets of the Medium-Term Plan.
- Determines the elements of compensation for the previous financial year.
- Decides the total compensation allocated to the position of Director.
- Reviews the policy on an annual basis to take account of changes in the general and competitive environment, as well as feedback from shareholders and investors.

REMUNERATION COMMITTEE

- Drafts proposals covering fixed and variable compensation for Corporate Officers, any other benefits offered and the decisions to be submitted to the General Meeting on these subjects.
- Measures the performance of Executive Corporate Officers in relation to the targets set.

SHAREHOLDERS



- Provide annual recommendations on the remuneration policy for Executive Corporate Officers and their elements of compensation for the previous financial year.
- Review the remuneration policy during discussions with the Human Resources and Investor Relations departments.

Group Operations department

GROUP HUMAN RESOURCES DEPARTMENT

- Prepares the work of the Compensation Committee.
- May, with the consent of the Compensation Committee, participate in its meetings.
- Oversees the implementation of the policy.

Work of the Board of Directors

In 2019, the Board of Directors focused in particular on aligning the remuneration policy for Executive Corporate Officers with the 2022 Medium-Term Plan and its Customer, Human-centric and Societal Projects, while rigorously deploying the new legal and regulatory framework. In 2020, it modified the annual variable compensation to take into account new regulatory requirements related to the coming into effect of the Capital Requirements Directive V (CRDV). The Board also launched a project for the revision of CSR performance criteria which would result in a proposal to the 2022 General Meeting.

All these projects are in line with the Reward Policy, which guides the work of the Board of Directors and its Remuneration Committee until the end of the 2022 Medium-Term Plan. This roadmap aims to align executive compensation with the interests of shareholders and with the overall performance of Crédit Agricole S.A.

Refer to the glossary on page 681 for the definition of technical terms.

2020-2022 roadmap of the Board of Directors and Remuneration Committee

	1 **Ensuring compliance with the reward policy and the regulatory requirements**	2 **Strengthening the alignment of long-term interests with shareholders**	3 **Enhancing the CSR approach**
Policy 2020	• Ensuring compliance of pension schemes with the PACTE Act	• Emphasis on the "Pay for performance" approach of the reward policy • Introduction of long-term share-based compensation (allocation of free shares)	• Strict alignment of Executive Corporate Officers targets with the 2022 Medium-Term Plan and in particular with the Human-centric and Societal projects
Policy 2021	• Aligning compensation systems with the Capital Requirements Directive V - CRDV • Strengthening the alignment between variable compensation, reward policy and market practice		
Policy 2022			• Revision of CSR performance criteria

Work of the Remuneration Committee in 2020

Work specific to 2020	Recurrent work	
• Review of the annual variable compensation system, as part of the compliance with **Capital Requirements Directive V - CRDV** on 1 January 2021 • Initiation of a review of **CSR** performance criteria for deferred compensation plans, up to 2022	• Consideration of the results of the vote on the resolutions relating to Executive Corporate Officers compensation at the **2020 GM** • Consideration of all the resolutions relating to Executive Corporate Officers compensation submitted to the **2021 GM** • Review of the compensation of the heads of **audit functions** • Study of the variable compensation budget for **identified employees** • Analysis of individual variable compensation in excess of €1 million	• Review of the **"Compensation" section** of this Board's Report on corporate governance • Update of the **Groups Compensation** Policy • Review of the **overall budget for variable compensation** within the Group • Preparation of the **report**, in respect of 2020, on the compensation policy and practices of **identified employees**

Find out more

■ Work of the Compensation Committee: Universal Registration Document, Chapter 3, part 1.3.6.

Shareholder dialogue

As part of the dialogue with its shareholders, Crédit Agricole S.A. organises meetings with investors prior to the General Meeting and throughout the year on topics related to corporate governance and executive compensation. Each year, the Group reviews its policy in the light of this feedback.

In 2020, these meetings provided an opportunity to present changes in the compensation policy for Executive Corporate Officers to approximately 10 investors and proxies of Crédit Agricole S.A., which will be submitted for shareholder approval at the General Meeting of 12 May 2021, and to take note of their voting policy. The meetings with investors were also the occasion to discuss the place of CSR in compensation (this has already been taken into account in the annual variable compensation criteria) as well as in the vesting conditions of long-term variable compensation. The Compensation Committee is currently considering how to increase the CSR dimension in performance conditions as from 2022.

The quality of the shareholder dialogue, reported to the Compensation Committee, has resulted in regular shareholder support for the compensation policy, which is proposed to the General Meeting for approval.

Rate of approval of resolutions on compensation policy at the General Meeting

	GM 2018	GM 2019	GM 2020
Compensation policy for the Chairman of the Board of Directors	99.9%	99.9%	99.9%
Compensation policy for members of the Board of Directors	na	na	99.9%
Compensation policy for the Chief Executive Officer	92.6%	91.9%	88.3%
Compensation policy for the Deputy Chief Executive Officer	94.4%	92%	88.3%

Reminder: in the event of a negative vote at the General Meeting on the compensation policy, the policy of the previous year will apply. The Board of Directors meets within a reasonable time period following the General Meeting to review the reasons for this vote in order to propose a new compensation policy in line with the expectations expressed by shareholders.

Principles

Executive Corporate Officers receive fixed, variable and peripheral elements of compensation, adapted to their specific targets, in line with the Group's reward policy.

They are decided by the Board of Directors, on the advice and/or recommendations of the Compensation Committee, in accordance with the principles defined by Crédit Agricole S.A. compensation policy reviewed and adopted by the Board of Directors on 10 February 2021 and the regulations and legislation in force.

The Board endeavours to strike a balance between the various components of compensation and to take market practices into account. Thus, each year studies are carried out with the assistance of an outside consultant, Willis Towers Watson for financial year 2020-2021, on the positioning of Executive Corporate Officers' compensation in relation to other CAC 40 companies and the financial sector. They rely on these companies' annual reports and press releases to ensure consistency in compensation principles and levels.

2021 remuneration policy for the Chairman of the Board of Directors

The annual fixed compensation of the Chairman of the Board of Directors has been €520,000 since 4 November 2015. There are no plans to change this in 2021.

In order to guarantee complete independence in the performance of his term of office, the Chairman of the Board of Directors is not eligible for any variable compensation, including long-term incentive plans, stock-options or performance share award plans, or any other long-term compensation schemes existing within Crédit Agricole S.A.

The Chairman of the Board of Directors also waived any compensation due in respect of his position as a Director in Crédit Agricole S.A. companies during and at the end of his term of office as Chairman of the Board of Directors.

He is entitled to a housing allowance of €40,000 granted on his appointment.

The Chairman of the Board of Directors does not benefit from any severance payment or non-competition compensation, nor any supplementary pension scheme or private healthcare insurance in force within the Crédit Agricole S.A.

2021 remuneration policy for Executive Corporate Officers

Fixed compensation

The amount of annual fixed compensation is decided by the Board of Directors acting on the recommendation of the Remuneration Committee, taking into account:

- the experience and scope of responsibilities of Executive Corporate Officers;
- market practices and compensation packages observed for the same or similar functions in other major listed companies.

Fixed compensation accounts for a significant proportion of total compensation.

The fixed annual compensation of the Chief Executive Officer has been €1,100,000 since May 2018.

The annual fixed compensation of the Deputy Chief Executive Officer has been €700,000 since 19 May 2015.

On the proposal of the Remuneration Committee, the Board of Directors' meeting of 10 February 2021 decided to maintain the fixed compensation of the Executive Corporate Officers unchanged.

Annual variable compensation

The variable compensation policy for the Chief Executive Officer and the Deputy Chief Executive Officer changed in 2020 to ensure its alignment with the 2022 Medium-Term Plan. Allocation principles remain unchanged in 2021. The Group has thus decided to maintain the targets assigned to its Executive Corporate Officers for their annual variable compensation, despite the continued health and economic crisis. However, the Board of Directors wished to take into account the much higher degree of contingency planning by adjusting the weighting of the performance criteria and by introducing the concept of agility in the face of unforeseen external events.

This policy is part of the framework established for the variable compensation of the Group's executive managers.

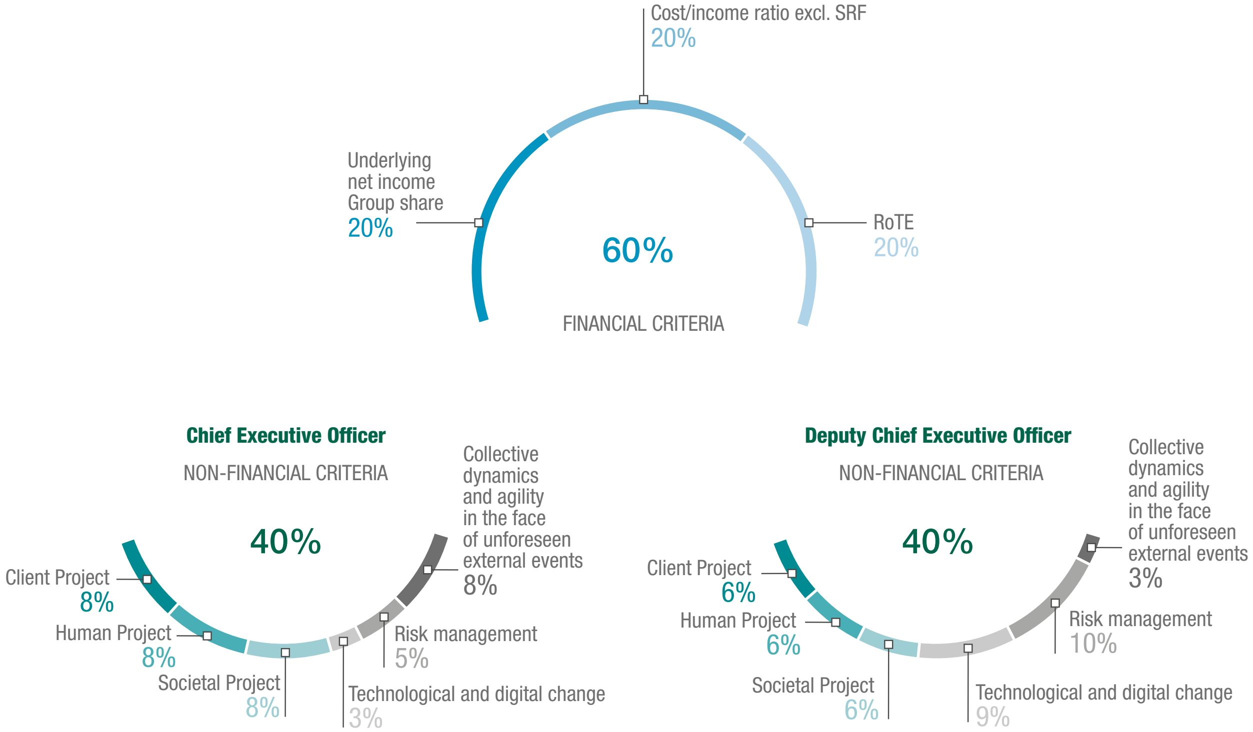
Refer to the glossary on page 681 for the definition of technical terms.

Variable compensation is expressed as a percentage of annual fixed compensation. In accordance with the AFEP/MEDEF Code, variable compensation is capped and may not exceed the maximum levels set out in the compensation policy:

- it can vary from **0% to 100%** (target level) of fixed compensation for the **Chief Executive Officer,** if all objectives are attained, and up to a maximum of **120% (maximum level)** of fixed compensation for exceptional performance;
- for the **Deputy Chief Executive Officer,** variable compensation can vary from **0% to 80%** (target level) of fixed compensation if all objectives are attained and up to a maximum of **120% (maximum level)** of fixed compensation for exceptional performance.

The overall performance of each Executive Corporate Officer is assessed on the basis of a balance between economic, financial and non-financial performance. Their annual variable compensation is **60% based on financial criteria** and **40% based on non-financial criteria,** defined each year by the Board of Directors, on the recommendation of the Remuneration Committee.

Breakdown of variable compensation criteria



The performance of the Chief Executive Officer and the Deputy Chief Executive Officer is evaluated for each indicator, by comparing results achieved with the annual targets defined by the Board of Directors (confidential information). The evaluation of the Deputy Chief Executive Officer's performance is proposed by the Compensation Committee to the Board of Directors, for decision, after consultation with the Chief Executive Officer.

The financial criteria relate to the scope of Crédit Agricole S.A. For each of these, the target is set on the basis of the budget approved by the Board of Directors with regard to the 2022 objectives announced. For the aggregate of these criteria, the maximum achievement rate cannot exceed 150%. For the financial criteria, reaching the trigger threshold leads to a realisation rate of 60%. Below this level, the achievement rate will be considered nil. The calculation of the performance between the different limits is linear.

Terms of vesting of annual variable compensation

Following the assessment of the annual performance, a portion of the variable compensation awarded by the Board of Directors for a year is deferred, subject to approval by the General Meeting of Shareholders, in the interests of aligning the compensation of Executive Corporate Officers with the Group's long-term performance and to comply with regulations of the branch.

The coming into effect of the Capital Requirements Directive V (CRDV) on 1 January 2021 has extended the vesting period of deferred variable compensation from three to five years. This regulatory change was an opportunity for Crédit Agricole S.A. to review the annual variable compensation system: the Board of Directors upon proposal of its Remuneration committee decided to review the structure of this compensation, in view of both the extension of the vesting period of the deferred compensation and the introduction of a long-term variable compensation scheme. Target: continue the positioning of annual variable compensation as a tool for implementing the Medium-Term Plan, by seeking the optimum balance between the share exposed to the market and the share paid immediately in cash.

Subject to approval by shareholders, as from financial year 2021, annual variable compensation will be paid half in cash and half in Crédit Agricole S.A. share-linked instruments. The vesting period of deferred compensation has been extended to five years and the instrument retention period has been extended to one year. The portion paid immediately in cash dropped from 30% to 20% of annual variable compensation.

The target variable compensation remains unchanged for 2021, as is the share of deferred compensation, at 60%.

Refer to the glossary on page 681 for the definition of technical terms.

These changes, which bring the Groups compensation policy in line with the new regulatory requirements, are included in the Board of Director's road map to align compensation with overall performance. The extension of the vesting period of the annual variable compensation and the lock-up period of instruments is a guarantee that the interests of executives are aligned with that of shareholders. With a right proportion of compensation exposed to markets, the changes proposed also promote sustainable governance, which contribute to long-term value creation. Lastly, they are in line with the principles of long-term moderation applied by the Group to its compensation management.

Changes in compensation policy: annual variable compensation conditions

	Main changes	Summary of the 2020 compensation policy	2021 compensation policy submitted to shareholders for approval
Terms of vesting of annual variable compensation	■ Rebalancing of the division between cash compensation and share-linked instruments ■ Extension of the vesting period of deferred compensation, in accordance with the CRDV ■ Reduction of the immediate cash portion ■ Extension of the retention period of instruments	■ 60% of variable compensation deferred over three years ■ Deferred share allocated in share-linked instruments, subject to the meeting of performance targets ■ Immediate share paid 30 points in cash and 10 points in share-linked instruments ■ Six-month retention period, with the first release in September of the current year	■ 60% of variable compensation deferred over five years ■ Deferred share allocated half in share-linked instruments and half in cash, subject to the meeting of performance targets ■ Immediate share paid 20 points in cash and 20 points in share-linked instruments ■ 12-month retention period, with the first release in March of the following year

Deferred portion of annual variable compensation, accounting for 60% of the total

The annual variable compensation is awarded half in Crédit Agricole S.A. share-linked instruments and half in cash.

Vesting is contingent on achieving three complementary performance targets, whose overall achievement rate cannot exceed 100%:

- the intrinsic financial performance of Crédit Agricole S.A. defined as growth of its operating income increased by the Group share of net income of equity-accounted entities;
- the relative performance of Crédit Agricole S.A. shares compared with the share price trend in relation to a composite index of European banks (Euro Stoxx Banks);
- annual societal performance of Crédit Agricole S.A. as measured by the FReD index. The assessment of the growth of this index is measured through progress points in the CSR projects. This assessment is audited by an independent firm, see description in Chapter 2.

If an Executive Corporate Officer leaves the Group before the vesting of a given instalment of deferred compensation, the payment of this instalment of deferred compensation is excluded, except in the event of retirement or exceptional circumstances, the grounds for which must be substantiated by the Board of Directors. In such cases, unaccrued instalment of deferred variable compensation are delivered at their planned vesting date depending on the level of achievement of performance conditions.

If it is found within a period of five years after payment that an Executive Corporate Officer: (i) is responsible for or has contributed to significant losses to the detriment of the Group or (ii) has demonstrated particularly serious risky behaviour, the Board of Directors reserves the right to demand the restitution in full or in part of amounts already paid subject to French law in force (clawback clause).

Non-deferred portion of total variable compensation, accounting for 40% of the total

Non-deferred variable compensation approved by the General Meeting is paid in part (50%) after it is approved by shareholders in May (*i.e.* 20% of annual variable compensation), and the other half in March the following year. The second payment is pegged to the change in the Crédit Agricole S.A. share price. (March of the current financial year to March the next financial year).

Long-term variable compensation

Since 2020, the Chief Executive Officer and the Deputy Chief Executive Officer qualify for the free allocation of performance shares, within the framework of a budget strictly limited to 0.1% of share capital, in order to strengthen their contribution to the creation of long-term value of Crédit Agricole S.A.

As from financial year 2021, with the coming into effect of the Capital Requirements Directive V (CRDV), the Board of Directors has decided to extend the vesting period of shares to five years. The disposal of shares may only take place after a one-year retention period, as from the date of acquisition. The number of shares granted each year by the Board of Directors, valued on the basis of the Crédit Agricole S.A. share weighted average price during the 20 business days prior to the Board meeting, is capped at 20% of the annual fixed compensation.

Changes in compensation policy: terms of vesting of long-term variable compensation

	Main changes	Summary of the 2020 compensation policy	2021 compensation policy submitted to shareholders for approval
Vesting conditions	Extension of the vesting period of shares, in compliance with the CRDV	100% of shares acquired at the end of a three-year period	100% of shares acquired at the end of a five-year period

Refer to the glossary on page 681 for the definition of technical terms.

Terms of vesting of long-term variable compensation

Vesting of long-term variable compensation is contingent on achieving three complementary performance targets, whose overall achievement rate cannot exceed 100%. As with the vesting of deferred annual variable compensation, these performance conditions take into account the Group's intrinsic performance, its relative and its societal performance, but with more demanding targets.

	Weighting	Trigger Achievement rate: 80%	Target Achievement rate: 100%	Ceiling Achievement rate: 120%
Crédit Agricole S.A.'s intrinsic economic performance; Crédit Agricole S.A.'s underlying Net income Group share accumulated over the reference period	33.3%	80% of budget	100% of budget	120% of budget
The relative performance of the Crédit Agricole S.A. share price compared with a composite index of European banks (Euro Stoxx Banks), on a cumulative basis over the reference period	33.3%	Median positioning	1st quartile positioning	Rank 5 of the positioning
Annual societal performance of Crédit Agricole S.A. as measured by the FReD index	33.3%	+0.65 FReD points	+1.3 FReD points	+1.95 FReD points

Each of these conditions accounts for one-third of the overall performance assessment. For each condition:

- the maximum achievement rate cannot exceed 120%;
- a trigger threshold is applied, below which the achievement rate will be considered zero.

For each year, the overall performance is equal to the average achievement rate for each performance criterion, which is capped at 100%. Performance between the trigger threshold and target as well as between the target and ceiling is calculated on a straight-line basis.

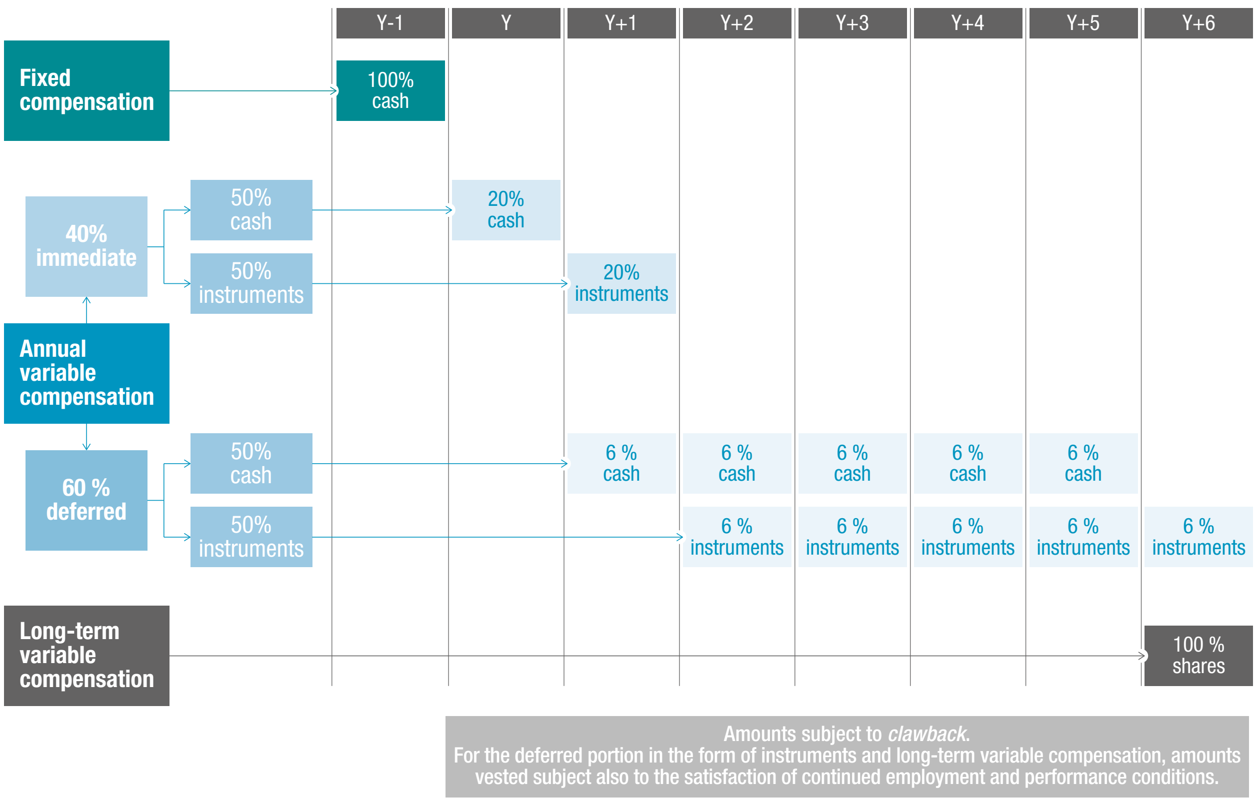
If an Executive Corporate Officer leaves the Group before the vesting of the long-term variable compensation, the vesting of Crédit Agricole S.A. shares is excluded, except in the event of retirement or exceptional circumstances, the grounds for which must be substantiated by the Board of Directors. In such cases, the shares not yet vested are delivered at their scheduled vesting date depending on the level of achievement of performance conditions.

If it is found within a period of five years after delivery of shares that an Executive Corporate Officer: (i) is responsible for or has contributed to significant losses to the detriment of the Group or (ii) has demonstrated particularly serious risky behaviour, the Board of Directors reserves the right to demand the restitution in full or in part of shares already delivered subject to French law in force (clawback clause).

The Chief Executive Officer and the Deputy Chief Executive Officer are required to retain, until the end of their functions, 30% of the shares vested each year.

They are also prohibited from implementing hedging or insurance strategies over the vesting and holding periods of performance shares.

Structure of compensation over time



Peripheral compensation

Private healthcare insurance

The Chief Executive Officer and Deputy Chief Executive Officer are covered by the same private healthcare insurance schemes as employees.

Post-employment benefits

Under the commitments authorised by the Board of Directors on 19 May 2015, the Chief Executive Officer and the Deputy Chief Executive Officer receive:

- severance payment if their term of office is terminated by Crédit Agricole S.A.;
- non-competition compensation if a non-competition clause is triggered, for a period of one year from the termination of his term of office, regardless of the cause;
- the supplementary pension scheme for executive managers of Crédit Agricole Group, which supplements the collective and mandatory pension and death & disability schemes.

The benefit represented by this supplementary pension scheme was taken into account by the Board of Directors in determining the total compensation of Executive Corporate Officers.

Retirement

From 2010 to 2019, the supplementary pension scheme, also applicable to the Chief Executive Officer and Deputy Chief Executive Officer, consisted of a combination of defined-contribution pension schemes and a defined-benefit top-up scheme, the rights of which are defined by 2010 rules.

In accordance with the provisions of the PACTE Act and Order No. 2019-697 of 3 July 2019, the defined-benefit scheme, which falls under the provisions of Article L. 137-11 of the French Social Security Code, was permanently closed as of 4 July 2019, and the conditional rights it provided were frozen on 31 December 2019. Consequently, no new additional rights were allocated under this scheme for periods of employment after 1 January 2020. The information given below about the defined-benefit scheme therefore only concerns rights accrued up until 31 December 2019.

These rights, equal to 1.20% of the reference compensation for every year of service (capped at 36%), are determined after the rights paid under the defined-contribution schemes.

Contributions to defined-contribution pension schemes (still in force) equal 8% of gross salary capped at eight times the French social security cap (of which 3% paid by the Executive Corporate Officer).

The reference compensation is determined as the average of the three highest gross annual compensations received over the last ten years of activity within the Crédit Agricole Group, including fixed and variable compensation, the latter being taken into account with a maximum of 60% of fixed compensation.

In any event, at retirement, the total pension annuity is capped, for all company pension schemes and mandatory basic and complementary schemes at 16 times the annual French social security cap for the Chief Executive Officer and the Deputy Chief Executive Officer, and at 70% of the reference compensation in application of the supplementary pension rules for Crédit Agricole S.A. executive managers.

The supplementary defined-benefit pension scheme complies with the recommendations of the AFEP/MEDEF Code as well as the former provisions of Article L. 225-42-1 of the French Commercial Code (Code de Commerce), which for the periods in question, restricted the vesting rate of defined-benefit schemes at 3% per year (text repealed by Order 2019-1234 of 27 November 2019):

- the group of potential beneficiaries was substantially broader than Executive Corporate Officers alone;
- minimum length of service: five years (the AFEP/MEDEF Code requires only two years' service);
- vesting rate of 1.2% of the reference compensation per year of service;
- estimated supplementary pension below the AFEP/MEDEF Code ceiling of 45% of fixed and variable compensation due for the reference period;
- obligation for the beneficiary to be a Corporate Officer or an employee when claiming their pension entitlements.

The Board of Directors Meeting on 19 May 2015 approved the membership of Philippe Brassac and Xavier Musca in the Crédit Agricole S.A. supplementary pension schemes prior to the date of publication of Law No. 2015-990 of 6 August 2015 for growth, activity and equal economic opportunities; therefore the provisions of this law, which makes the vesting of annual supplementary pension entitlements subject to performance conditions, do not apply.

The management of this defined-benefit scheme has been outsourced to an organisation governed by the French Insurance Code.

Funding of the outsourced assets is accomplished via annual premiums entirely paid for by the employer and subject to the 24% contribution required by Article L. 137-11 of the French Social Security Code.

The rights established by the Group prior to the effective date of the 2010 rules are maintained in accordance with these rules and, if applicable, are added to the rights resulting from these rules, particularly when calculating the maximum annuity that can be paid.

As from 1 January 2020 Crédit Agricole S.A. set up an Article 82 defined-contribution scheme enabling executive managers to build up savings for retirement with the help of the Company.

Having satisfied his entitlements under the scheme that falls under Article L. 137-11, Philippe Brassac will not be entitled to benefits from the Article 82 defined-contribution scheme.

Xavier Musca is entitled to benefits from the Article 82 defined-contribution scheme. This scheme provides for the payment of an annual company premium on the portion of his annual fixed compensation at a rate of 20%.

In accordance with the AFEP/MEDEF Code, annual contributions for any given year are subject to performance conditions. These are identical to the conditions for the vesting of deferred annual variable compensation, *i.e.* the achievement of three complementary performance targets related to the intrinsic economic performance of Crédit Agricole S.A., the stock market performance of Crédit Agricole S.A. share, and the Group's societal performance.

Termination payments for the Chief Executive Officer and the Deputy Chief Executive Officer of Crédit Agricole S.A.

Philippe Brassac and Xavier Musca qualify for the retirement termination payments scheme that applies to all employees under the terms of the Crédit Agricole S.A. collective agreement. This can amount to six months' fixed salary plus variable compensation capped at 4.5% of fixed salary.

Refer to the glossary on page 681 for the definition of technical terms.

Severance payment

Chief Executive Officer

In the event of termination of the Chief Executive Officer's term of office, his employment contract will be reinstated under compensation conditions equivalent to the average annual compensation paid to the members of the Management Committee of Crédit Agricole S.A., excluding Corporate Officers, during the 12 months preceding the date of termination of his term of office.

The Chief Executive Officer will receive severance payment if his term of office is terminated by Crédit Agricole S.A., under the following conditions and in accordance with the current recommendations of the AFEP/MEDEF Code.

If, on termination of the Chief Executive Officer's term of office, Crédit Agricole S.A. is unable, within three months, to offer an equivalent or comparable position to that currently held by the members of the Management Committee of Crédit Agricole S.A. in the form of an offer for at least two positions, he will be eligible, if termination of the office was initiated by Crédit Agricole S.A. and a result of a change in control or strategy, to severance payment as follows.

The severance payment will be calculated based on twice the total gross annual compensation received for the calendar year preceding the year of termination of Mr Brassac's term of office. Note that such severance payment includes all other compensation including, notably, the redundancy pay due for Mr Brassac's employment contract with Crédit Agricole S.A. under the collective agreement, the severance payment described in Article 10 of his suspended employment contract, any other severance pay of any type whatsoever due for any reason and, potentially, compensation in application of the non-competition clause.

The severance payment, excluding the compensation granted to him by his employment contract, will depend on budget targets set for each business line of the Crédit Agricole S.A. over the two financial years preceding the termination date. The goals are based on the following indicators that take into account the internal growth of these activities as well as the cost of risk:

- revenues of operational business lines (excluding Corporate Centre);
- operating income from operational business lines (excluding Corporate Centre).

In any event, it is agreed by Mr Brassac and the Company that, in the event that a severance payment is made and he is able to retire on his full pension, he may not claim his retirement rights before a period of 12 months as of the date the severance payment is made. Otherwise, Mr Brassac will be required to waive the severance payment.

Deputy Chief Executive Officer

In the event of termination of the Deputy Chief Executive Officer's term of office, his employment contract will be reinstated under compensation conditions equivalent to the average annual compensation paid to the members of the Management Committee of Crédit Agricole S.A., excluding Corporate Officers, during the 12 months preceding the date of termination of his term of office. The Company undertakes to offer him at least two positions corresponding to the duties of members of Crédit Agricole S.A.'s Management Committee.

If his employment contract is subsequently terminated, the Deputy Chief Executive Officer will receive severance payment, calculated on a base corresponding to twice the annual gross compensation (excluding benefits in kind) received during the 12 months preceding the termination of his office, including any other compensation and, in particular, traditional redundancy pay and any applicable non-competition compensation. If he becomes eligible for post-employment benefits, no severance payment will be made.

In accordance with the AFEP/MEDEF Code, the Chief Executive Officer and the Deputy Chief Executive Officer are not entitled to a specific increase in their compensation during the period preceding their departure.

Non-competition clause

The Chief Executive Officer and the Deputy Chief Executive Officer are subject to a non-competition clause forbidding them from accepting employment in France in a company with an activity which competes with that of Crédit Agricole S.A. This commitment applies for a term of one year from termination of the employment contract. In exchange, they will be paid monthly compensation equal to 50% of their last fixed salary for the duration of the obligation.

In accordance with the French AFEP/MEDEF Code, the aggregate compensation paid in respect of a severance payment and non-competition compensation may not exceed two years of annual compensation.

The Board of Directors reserves the right to partially or fully lift the non-compete obligation on the departure of the Chief Executive Officer or Deputy Chief Executive Officer. In any event, in accordance with the legal provisions and the AFEP/MEDEF Code, no non-competition compensation will be granted should the Chief Executive Officer or Deputy Chief Executive Officer claim retirement benefits, or should they leave after their 65th birthday.

Benefits of any kind

The Board of Directors, on the recommendation of the Remuneration Committee, has validated the use of company cars, also for private use, for the Chief Executive Officer and the Deputy Chief Executive Officer. This benefit will be reported in accordance with the applicable social and tax regulations.

Compensation for Director's term of office

The Chief Executive Officer and the Deputy Chief Executive Officer waived their right to receive any compensation for serving as Directors of Group companies for the duration of their terms of office.

Exceptional compensation

The Board of Directors does not provide for the granting of exceptional compensation to Executive Corporate Officers.

Arrival of a new Executive Corporate Officer

In the event that a new Executive Corporate Officer is appointed, their compensation will be determined by the Board of Directors:

- either in accordance with compensation policy as approved by the General Meeting;
- or in accordance with existing practices for the same role, adapted as appropriate when this person exercises new functions or holds a new position without equivalent in the previous financial year.

4.4.2. Director compensation policy submitted to shareholders for approval

	System
ALLOCATED COMPENSATION Acknowledging the involvement and attendance of Directors on the Board	**Compensation for Director's term of office** The compensation of Board members is based entirely on their attendance at Board meetings and their assumption of responsibility within its Committees. Directors receive the same compensation for attending strategic seminars and special meetings, *i.e.* those not on the annual calendar, and scheduled meetings, up to a maximum of the total amount approved. Training sessions, preparatory meetings of Committee Chairwomen with management and meetings of Chairwomen and/or Committees with the supervisor are not compensated. Board members receive additional compensation for attending meetings of the Specialised Committees: the Chairwomen of the Board's Specialised Committees receive an annual flat rate compensation, which differs according to the Committee. Committee members receive a set amount for each Committee Meeting they attend. Non-voting Directors receive the same compensation for attending Board Meetings and, when they are members, Specialised Committee Meetings. To deal with the increase in the number of meetings, the departure of a director who had waived her compensation and in view of the arrival of two non-voting directors who will replace current directors in 2022, it is proposed to the General Meeting of 12 May 2021 to increase the remuneration package for directors from €1.65 million to €1.75 million. The breakdown of the package will remain unchanged and will be carried under the same conditions as before, *i.e.*: ■ €4,000 per Board meeting; ■ €2,700 per Committee meeting; ■ an annual fixed amount of €20,000, allocated to the Chairs of the Compensation Committee, Appointments and Governance Committee, and United States Risk Committee, respectively; ■ €35,000 flat fee for the Chairmanship of the Risk Committee; ■ €35,000 flat fee for the Chairmanship of the Audit Committee. Board and Committee meetings are scheduled on an annual basis, in addition to exceptional meetings, depending on current events or specific matters. On average, the Board meets between 10 and 12 times a year and the Specialised Committees meet between 35 and 40 times a year. Year on year, Directors' compensation varies within a narrow range, depending on attendance and the number of meetings attended (by way of example, see table of compensation paid out in 2020). **SPECIAL CASES** The Chairman receives only a flat rate compensation. The three Directors representing employees on the Board do not receive any compensation for their position as Director. These compensations are paid to their unions. Irrespective of attendance and the situations mentioned above, the cases of non-payment of Directors' compensation are those provided for by law.
EXPENSES	**Reimbursement of expenses** The Board has also set up a system for reimbursing Board members for travel expenses, based on costs incurred by each member for attending Board and Committee Meetings. This system, which complies with the provisions of Article R. 225-33 of the French Commercial Code, is renewed annually by the Board.

Refer to the glossary on page 681 for the definition of technical terms.

4.4.3. Report on the compensation of Corporate Officers for 2020 submitted for shareholder approval

Taking into account the expectations of investors and shareholders

As part of the dialogue with its investors and shareholders, Crédit Agricole S.A. organised some ten of meetings in 2019, which provided an opportunity to discuss compensation policy and the elements allocated to its executives. These meetings provided an opportunity to review the changes made to the 2020 compensation policy, in response to growing expectations of transparency, alignment with performance and the company's contribution to society.

The high approval rates for the resolutions concerning the elements of compensation allocated to Executive Corporate Officers attest to the quality of this dialogue.

Rate of approval of resolutions on elements allocated at General Meetings

	GM 2018	GM 2019	GM 2020
Compensation for the Chairman of the Board of Directors	99.9%	99.9%	99.9%
Compensation for the Chief Executive Officer	96.2%	96.5%	96.6%
Compensation for the Deputy Chief Executive Officer	96.2%	96.6%	96.6%
Report on the compensation of Corporate Officers and Directors	na	na	97.3%

Reminder: in the event of a negative vote on individual elements of compensation at the General Meeting, the variable compensation awarded for the past financial year to the Corporate Officer concerned by the resolution will not be paid. It should be noted that since the 2020 General Meeting, a resolution on the elements allocated to all Corporate Officers will be proposed for shareholder approval. If this resolution is not approved, the payment of compensation to the Directors in respect of their term of office will then be suspended.

Furthermore, if a resolution is rejected, the Board of Directors meets within a reasonable time period following the General Meeting to look into the reasons for such vote, and the expectations expressed by shareholders.

Chairman of the Board of Directors

Elements of compensation paid in financial year 2020 or awarded for financial year 2020 to Dominique Lefebvre, Chairman of the Board of Directors, subject to approval by shareholders

	Amount	Presentation
Fixed compensation	€520,000	Dominique Lefebvre receives annual fixed compensation of €520,000. This compensation was set by the Board of Directors at its meeting on 4 November 2015; it has not changed since.
Annual variable compensation	No payment for 2020	Dominique Lefebvre is not entitled to any variable compensation.
Long-term variable compensation		
PERIPHERAL COMPENSATION		
Exceptional compensation	No payment for 2020	Dominique Lefebvre is not entitled to any exceptional compensation.
Compensation for Director's term of office	No payment for 2020	Dominique Lefebvre has waived the right to receive any compensation in respect of offices held in Crédit Agricole S.A. companies for the duration of his term of office or at the end of his term.
Benefits of any kind	€40,000	Dominique Lefebvre receives a housing allowance.
Supplementary pension scheme	No payment for 2020	Dominique Lefebvre is not entitled to the supplementary pension scheme in place within the Crédit Agricole S.A.

Commitments of any kind made by the Company and that were voted on by the General Meeting as part of the procedure governing related party agreements and commitments

	Amount	Presentation
PERIPHERAL COMPENSATION		
Severance payment	No payment made for 2020	Dominique Lefebvre is not entitled to any severance payment.
Non-competition compensation	No payment made for 2020	Dominique Lefebvre is not entitled to any non-competition compensation.

Executive Corporate Officers

Rate of achievement of variable compensation criteria awarded for 2020 for Executive Corporate Officers

At its meeting on 10 February 2020, the Board of Directors amended the criteria for assessing the annual variable compensation for the 2020 financial year for Executive Corporate Officers, in order to ensure their alignment with the 2022 Medium-Term Plan.

In accordance with compensation policy as approved by the General Meeting of 13 May 2020, they possess the following characteristics:

Financial criteria, accounting for 60% of variable compensation awarded

The Board of Directors of 10 February 2021 has noted the following performances:

Financial criteria	Weighting	Actual performance 2020
Financial performance		
Underlying net income Group share	20%	17.7%
Return on Tangible Equity (RoTE)	20%	18.4%
Cost/income ratio excl. SRF	20%	22.8%
TOTAL	**60%**	**58.8%**

In the context of a health crisis, Crédit Agricole S.A. attained an achievement level of 98.1% for its economic objectives:

- the increase in the cost of risk reflects prudent provisioning of the crisis's effects weighed against the results (88.4%) as well as against RoTE (92.0%);
- however, the good resilience of the NBI associated with enhanced control of expenses lead to a significant improvement in cost/income ratio (113.8%).

Non-financial criteria, accounting for 40% of variable compensation awarded

Non-financial criteria	Weighting-CEO	Actual performance 2020-CEO	Weighting Deputy-CEO	Actual performance 2020 Deputy-CEO
Three pillars of the Medium-Term Plan				
Customer Project, excellence in customer relations	9%	11.7%	7%	9.1%
Human-centric Project, empowered teams for customers	9%	11.7%	7%	9.1%
Societal Project, commitment to society	9%	10.4%	7%	8.1%
Technological change	3%	3.3%	9%	9.9%
Risk management and compliance	5%	5.5%	10%	11.0%
Collective momentum	5%	6.5%	na	na
TOTAL	**40%**	**49.1%**	**40%**	**47.2%**

The Board of Directors meeting of 10 February 2021, upon proposal by the Remuneration Committee, set the Chief Executive Officer's performance at 123% and the Deputy Chief Executive Officer's performance at 118% in relation to the achievement of the non-financial targets defined at the start of the financial year, which include a specific weighting applied to each of their duties. It thus notes specific successes for the Medium-Term Plan:

Client Project

+7 pts	+3.3 pts	+7.1 pts
Net Promoter Score (NPS) in Retail banking in France	utilisation rate of Group apps in Regional Banks	utilisation rate of Group apps in LCL

The crisis confirms the relevance of the Group project, and especially its Customer Project.

In 2020, the Group ramped up the digitalisation of its offerings in the interests of customer satisfaction. Thus, the utilisation rate of Group apps sharply increased, posting a rise in both bank networks – the Regional Banks and LCL (+3.3 percentage points compared to end-2019 to 68.2% and +7.1 percentage points to 53.4% respectively). Likewise, the Group rolled out new digital tools intended for its customers to make their activities easier during lockdown, such as the Up2Pay Range (enabling remote payment through a digital loyalty program) and Click & Collect to support retailers in the new methods of consumption. Innovative non-banking services were also set up for young people and small businesses (Youzful, Blank, Agilauto).

This digital transformation, accompanied by the full commitment of employees who closely supported customers throughout the year, translated into a sharp improvement in the Group's positioning in terms of customer satisfaction: the Group is thus the only bank among the 25 brands which have proven their utility during the lockdown, while the Net Promoter Score (NPS) was up in 2020 compared to 2019, both in the Regional Banks and at LCL (+7 points, to +8 and +2 respectively) and at CA Italia (+8 points compared to 2019), which this year became the second Italian bank in terms of customer satisfaction.

Refer to the glossary on page 681 for the definition of technical terms.

Human Project

+6 pts	55%	24%
Employee Engagement and Recommendation Index	Managers trained in the new leadership model	Share of women in the decision-making bodies

In an environment undergoing profound change, employee engagement is more than ever an essential driver of Crédit Agricole S.A.'s performance. In 2020, the fifth edition of the Engagement and Recommendation Index shows a record participation rate of 80% (+3 points) and an engagement rate up +6 points.

To support managerial transformation at the service of the Human Project, programmes aimed at transforming leadership to move towards greater individual and collective responsibility and sustainable performance, designed in partnership with the "Purposeful Leadership" chair at HEC Paris and the Crédit Agricole Group University, have been introduced. 55% of the executives of Crédit Agricole S.A. will have benefited from this programme by 2020.

Convinced that diversity is a key entry point for changing current leadership codes, accelerating managerial transformation and attracting the talent needed to achieve the Human Project, the Executive Corporate Officers have been pursuing a proactive policy for several years, which this year has resulted in a significant increase in the number of women on the Group's Executive Committee, from 6.5% in 2016 to 25% in 2020. In addition, all of the top decision-making bodies of the Group's 11 business lines have been women since 2019, with an average female representation rate of 24%, an increase of 5 points since 2016. The Group has thus made its entry into the Top 50 in the SBF 120 ranking of women executives.

The year 2020 was also marked by the roll-out of the Group agreements signed in 2019 (the International Framework Agreement, the disability agreement, agreements relating to trade union careers) and by the strengthening and intensification of social dialogue to support the management of the health crisis linked to the COVID-19 pandemic.

Societal Project

57%	87%
of outstanding Green Loans	Size of funds of Green Assets

In full transparency, the climate strategy is presented in Chapter 3.2 following TCFD's (Task force on Climate-related Financial Disclosure) recommendations and its first implementation is certified by PWC.

The Group's commitment to the energy transition continued with the launch of new offers between 2019 and 2020 (LCL Placements Impact Climat, the first complete range of asset investments in the fight against global warming, a green offer of zero-interest consumer credit, etc.). At the end of 2020, the Group had €11.14 billion in Green Loans, outstandings, an increase of +57% vs. 2019, and 21.9 billion in euros in Green Assets.

In addition, work has been carried out to introduce a Group transition note to measure the adaptation of client companies to the energy transition and to dialogue with them to support them in their transition.

The Group also continued its action in favour of inclusive finance, notably through the enhancement of its entry-level offers, the launch of the first international equity fund that places the reduction of inequalities at the heart of its investment process, and the response to more than 211,000 requests from small business and corporate clients for €31.5 billion euros in state-guaranteed loans.

Technological transformation

Key technological transformation projects were launched in 2020 to develop the "data centric" for the information systems of the Group entities. Technological innovation also continued in 2020, notably with the creation of the Knowledge Management Metabot, a real virtual assistant for customer representatives.

Risk and compliance managemen

The management of the Risk and Compliance departments has enabled the Group to monitor and make a strategic contribution to the various regulatory projects and to secure the Group's development and support for its clients. The implementation of the Smart Compliance has continued, developing a new way of approaching compliance, more fluid, closer to the ground, simpler, more innovative, positioning compliance as a real differentiating factor in customer relations.

Collective dynamics

The year 2020 marks the strongest increase in employee engagement scores, demonstrating the Group' strong support for its employees in coping with the health crisis experienced this year. The collective dynamic is also supported by the alignment of targets between the members of the Executive Committee and the Executive Corporate Officers, thus amplifying the balance and convergence of Group and Entity orientations.

As a result, the variable annual compensation of the Chief Executive Officer amounts to 1,186,900 euros, corresponding to an overall performance rate of 107.9% and the annual variable compensation of the Deputy Chief Executive Officer of 593,600 euros, corresponding to an overall performance rate of 106.0%.

Terms of vesting of annual variable compensation

Deferred portion of annual variable compensation, accounting for 60% of the total

In accordance with the remuneration policy approved at the General Meeting of 13 May 2020, up to 60% of annual variable compensation for 2020 is awarded in instruments linked to the Crédit Agricole S.A. share price. Vesting is contingent on achieving three complementary performance targets, whose overall achievement rate cannot exceed 100%:

Non-deferred portion of total variable compensation, accounting for 40% of the total

The non-deferred variable compensation for 2020 approved by the General Meeting and accounting for 40% of the total, is paid in part (30 points) on the approval by the shareholders in May, and with an amount equal to 10 points paid in September. The latter payment is indexed to the change in the Crédit Agricole S.A. share price between March and September.

Rate of achievement of the performance conditions determining the variable compensation paid in 2020 to Executive Corporate Officers

	Weighting	Trigger Achievement rate: 80%	Target Achievement rate: 100%	Ceiling Achievement rate: 120%	Actual performance 2017 plan	Actual performance 2018 plan	Actual performance 2019 plan
Intrinsic financial performance	33.3%	80% of budget	100% of budget	120% of budget	106%	106%	106%
Relative Crédit Agricole S.A. share performance	33.3%	3rd quartile positioning	Median positioning	1st quartile positioning	120%	120%	120%
Societal performance	33.3%	+0.75 FReD points	+1.5 FReD points	+2.25 FReD points	105%	105%	105%
TOTAL	**100%**				**100%**	**100%**	**100%**

In view of the performance recorded in respect of the three criteria, the final percentage vested is 100% for the variable compensation instalment awarded in 2017, 2018 and 2019.

Refer to the glossary on page 681 for the definition of technical terms.

Elements of compensation paid in financial year or awarded for financial year 2020 to Philippe Brassac, Chief Executive Officer, subject to approval by shareholders

Elements of compensation paid in or awarded for financial year 2020

	Amount	Presentation
Fixed compensation	€1,100,000	Since 16 May 2018, Philippe Brassac has received a fixed annual compensation of €1,100,000. This compensation was set by the Board of Directors on 13 February 2018 and approved by the General Meeting of 16 May 2018.
Annual variable compensation Non-deferred variable compensation	356,070 euros	At its meeting of 10 February 2021, the Board of Directors, on the recommendation of the Compensation Committee, set the amount of the variable compensation of Philippe Brassac for financial year 2020, subject to its approval by the General Meeting of 12 May 2021. In view of the achievement of financial and non-financial objectives decided by the Board at its meeting of 13 February 2020 and approved by the General Meeting of 13 May 2020, the amount of variable compensation has been determined on the following basis: ■ achievement level of financial objectives: 98.1; ■ achievement level of non-financial objectives: 123%. Details of the achievement of these objectives can be found on page 204 of the Universal Registration Document. Variable compensation earned by Xavier Musca for financial year 2020 was set at 1,186,900 euros, reflecting a target achievement rate of 107.9%. This is equivalent to 107.9% of his fixed reference compensation. As a reminder, the annual variable compensation is capped at 120% of the reference fixed compensation, with a target of 100%. 30% of the variable compensation, namely 356,070 euros, will be paid in May 2021, subject to approval by the General Meeting of 12 May 2021.
Variable compensation linked to the Crédit Agricole S.A. share price	118,690 euros	10% of the variable compensation, namely 118,690 euros, is linked to the Crédit Agricole S.A. share price and will be paid in September 2021 subject to approval by the General Meeting of 12 May 2021.
Deferred and conditional variable compensation	712,140 euros	60% of the variable compensation, or 712,140 euros at the grant date, subject to the approval of the General Meeting of 12 May 2021, are awarded in Crédit Agricole S.A. share-linked instruments. Their final vesting is deferred progressively over three years, subject to achieving three performance targets and to a clawback clause. Details of the vesting conditions of the deferred variable compensation are set out on page 206 of the Universal Registration Document.
Long-term variable compensation	163,336 euros (Valued in accordance with IFRS 2 as of 9 February 2021). This amount corresponds to an allocation of 22,110 shares	In accordance with the 2020 compensation policy that introduces a long-term compensation package for Executive Corporate Officers, the Board of Directors' meeting of 10 February 2021 decided to award 22,110 shares to Philippe Brassac. This long-term profit-sharing plan awarded for 2020 has the following characteristics: allocation capped at 20% of the fixed annual compensation; ■ allocation of 22,110 shares vested at the end of a period of 3 years followed by a lock-up period of 2 years after vesting, bringing the indexation period to 5 years; ■ the allocation is subject to the approval of the Annual General Meeting of 12 May 2021; ■ the final vesting is subject to the fulfilment of the continued employment and performance conditions described on page 199 of the Universal Registration Document; ■ the allocation is made pursuant to the 39th resolution of the Annual General Meeting of 13 May 2020. It represents less than 0.001% of the share capital.
PERIPHERAL COMPENSATION		
Exceptional compensation	No payment for 2020	Philippe Brassac has received no exceptional compensation for 2020.
Compensation for Director's term of office	No payment for 2020	Philippe Brassac has waived the right to receive compensation for his duties as a Director of Group companies for the entire duration of his term of office.
Benefits of any kind	€6,326	Philippe Brassac has a company car.

Refer to the glossary on page 681 for the definition of technical terms.

	Amount	Presentation
Supplementary pension scheme	No payment for 2020	No supplementary pension amount is payable to Philippe Brassac for financial year 2020. Philippe Brassac's annual and conditional individual supplementary pension entitlements as at 31 December 2020 include: ■ a life annuity under a defined-contribution supplementary pension scheme, for an estimated gross amount of €6,000; ■ a life annuity under a defined-benefit supplementary pension scheme, for an estimated gross amount of €532,000. The estimated total of these supplementary pension entitlements, taken together with estimated pensions from mandatory retirement schemes, corresponds to the application of the contractual cap of 16 times the annual social security cap as of the closing date, for all schemes. In accordance with the PACTE Act and the provisions of Order of 3 July 2019, the rights of this defined-benefit pension scheme were consolidated at 31 December 2019. No additional rights will be granted for periods of employment after 1 January 2020, and the benefit of these past rights remains uncertain and subject to continued employment at retirement. The uncertain entitlements under the defined-benefit supplementary pension scheme are estimated on the basis of 37 years' service recorded at 31 December 2019, after capping corresponding to 31% of the reference compensation at 31 December 2020. The published estimated amounts are the gross amounts before taxes and social security charges applicable at the reporting period end date, particularly income tax payable by individuals and supplementary contributions of 7% and 14%, payable by the beneficiary, which are deducted from the life annuities payable under the defined-benefit supplementary pension scheme. The reference compensation, vesting rate and other characteristics of these schemes can be found on page 200 of the Universal Registration Document.

Elements of compensation paid in 2020

In addition to his fixed compensation, Philippe Brassac received the following variable compensation:

Variable compensation paid in 2020 for 2019

In accordance with the amounts approved by the General Meeting of 13 May 2020, Philippe Brassac received €230,715 in non-deferred variable compensation in 2020 for 2019.

Deferred variable compensations vested and paid in 2020

In view of the performance recorded in respect of the three criteria set out on page 206, the final percentage vested in 2020 for deferred variable compensation was established at 100% for the variable compensation instalments awarded in 2017, 2018 and 2019.

Therefore, €467,454 was paid to Philippe Brassac in 2020. This amount represents:

- the first year of payment of the deferred variable compensation awarded in 2019 for 2018 in the amount of €196,486;
- the second year of payment of the deferred variable compensation awarded in 2018 for 2017 in the amount of €127,100;
- the third year of payment of the deferred variable compensation awarded in 2017 for 2016 in the amount of €143,868;

These payments result from the application of the compensation policies approved by the General Meetings of 2016, 2017 and 2018 and the amounts of variable compensation granted approved by the General Meetings of 2017, 2018 and 2019.

Commitments of any kind made by the Company and that were voted on by the General Meeting as part of the procedure governing related party agreements and commitments

	Amount	Presentation
PERIPHERAL COMPENSATION		
Severance payment	No payment made for 2020	Philippe Brassac will receive a severance payment if Crédit Agricole S.A. terminates his term of office under the conditions approved by the Board of Directors at its meeting on 19 May 2015 and ratified by the General Meeting of 19 May 2016. Details of these payments can be found on page 201 of the Universal Registration Document.
Non-competition compensation	No payment made for 2020	In the event of termination of his position as Chief Executive Officer, on any grounds whatsoever, Philippe Brassac may be bound by a non-competition clause for a period of one year from the date of termination of his term of office, as approved by the Board at its meeting on 19 May 2015 and ratified by the General Meeting of 19 May 2016. Details of these payments can be found on page 201 of the Universal Registration Document.

Refer to the glossary on page 681 for the definition of technical terms.

Elements of compensation paid in or awarded for financial year 2020 to Xavier Musca, Deputy Chief Executive Officer, subject to approval by shareholders

Elements of compensation paid in or awarded for financial year 2020

	Amount	Presentation
Fixed compensation	€700,000	Xavier Musca received annual fixed compensation of €700,000 in 2019. This compensation remains unchanged since May 2015.
Annual variable compensation Non-deferred variable compensation	178,080 euros	At its meeting of 10 February 2021, the Board of Directors, on the recommendation of the Compensation Committee, set the amount of the variable compensation of Xavier Musca for financial year 2020, subject to its approval by the General Meeting of 12 May 2021. In view of the achievement of financial and non-financial objectives decided by the Board at its meeting of 13 February 2020 and approved by the General Meeting of 13 May 2020, the amount of variable compensation has been determined on the following basis: ■ achievement level of financial objectives: 98.1%; ■ achievement level of non-financial objectives: 118%. Details of the achievement of these objectives can be found on page 204 of the Universal Registration Document. Variable compensation earned by Xavier Musca for financial year 2020 was set at 593,600 euros, reflecting a target achievement rate of 106%. This is equivalent to 84.8% of his fixed reference compensation. As a reminder, the annual variable compensation is capped at 120% of the reference fixed compensation, with a target of 80%. 30% of the variable compensation, namely 178,080 euros, will be paid in May 2021, subject to approval by the General Meeting of 12 May 2021.
Variable compensation linked to the Crédit Agricole S.A. share price	59,360 euros	10% of the variable compensation, namely 59,360 euros, is linked to the Crédit Agricole S.A. share price and will be paid in September 2021 subject to approval by the General Meeting of 12 May 2021.
Deferred and conditional variable compensation	356,160 euros	60% of the variable compensation, or 356,160 euros at the grant date, subject to the approval of the General Meeting of 12 May 2021, are awarded in Crédit Agricole S.A. share-linked instruments. Their final vesting is deferred progressively over three years, subject to achieving three performance targets and to a clawback clause. Details of the vesting conditions of the deferred variable compensation are set out on page 206 of the Universal Registration Document.
Long-term variable compensation	103,941 euros (Valued in accordance with IFRS 2 as of 9 February 2021). This amount corresponds to an allocation of 14,070 shares	In accordance with the 2020 compensation policy that introduces a long-term compensation package for Executive Corporate Officers, the Board of Directors' meeting of 10 February 2021 decided to award 14,070 Crédit Agricole S.A. shares to Xavier Musca. This long-term profit-sharing plan awarded for 2020 has the following characteristics: ■ allocation capped at 20% of the annual fixed compensation; ■ allocation 14,070 shares at the end of a period of 3 years followed by a lock-up period of 2 years after allocation, thus increasing the indexation period to 5 years; ■ the allocation is subject to the approval of the General Meeting of 12 May 2021; ■ final vesting is subject to the fulfilment of the continued employment and performance conditions described on page 199 of the Universal Registration Document; ■ the grant is made in accordance with the 39th resolution of the General Meeting of 13 May 2020. It represents less than 0.001% of the share capital.
PERIPHERAL COMPENSATION		
Exceptional compensation	No payment for 2020	Xavier Musca received no exceptional compensation for 2020.
Compensation for Director's term of office	No payment for 2020	Xavier Musca has waived the right to receive compensation for his duties as a Director of Group companies for the entire duration of his term of office.
Benefits of any kind	€5,937	Xavier Musca has a company car.

	Amount	Presentation
Supplementary pension scheme	Contribution to the supplementary pension scheme (Article 82): 134,053 euros	Xavier Musca's annual and conditional individual supplementary pension entitlements as at 31 December 2020 include: ■ a life annuity under a defined-contribution supplementary pension scheme, for an estimated gross amount of €5,000; ■ a life annuity under a defined-benefit supplementary pension scheme, for an estimated gross amount of €96,000. In accordance with the PACTE Act and the provisions of Order of 3 July 2019, the rights of this defined-benefit pension scheme were consolidated at 31 December 2019. No additional rights will be granted for periods of employment after 1 January 2020, and the benefit of these past rights remains uncertain and subject to continued employment. The uncertain entitlements under the defined-benefit supplementary pension scheme are estimated on the basis of 7.5 years of service recognised and consolidated on 31 December 2019, corresponding to 8.6% of the reference compensation. The published estimated amounts are the gross amounts before taxes and social security charges applicable at the reporting period end date, particularly income tax payable by individuals and supplementary contributions of 7% and 14%, payable by the beneficiary, which are deducted from the life annuities payable under the defined-benefit supplementary pension scheme. As of 1 January 2020, Crédit Agricole S.A. has set up an Article 82 defined contribution scheme enabling executive managers to build up savings for retirement with the help of the Company. For the Deputy Chief Executive Officer, annual contributions in respect of 2020 are subject to the satisfactory achievement of the performance conditions for the vesting of the deferred annual variable compensation. For the financial year 2020, the rate of achievement of these performance conditions being 95.8%, the contribution for 2020 amounts to 134,053 euros. The reference compensation, vesting rate and other characteristics of these schemes can be found on page 200 of the Universal Registration Document.

Elements of compensation paid in 2020

In addition to his fixed compensation, Xavier Musca received the following variable compensation:

Variable compensation paid in 2020 for 2019

In accordance with the amounts approved by the General Meeting of 13 May 2020, Xavier Musca received €115,917 in non-deferred variable compensation in 2020 for 2019.

Deferred variable compensations vested and paid in 2020

In view of the performance recorded in respect of the three criteria set out on page 206, the final percentage vested in 2020 for deferred variable compensation was established at 100% for the variable compensation instalments awarded in 2017, 2018 and 2019.

Therefore, €266,164 was paid to Xavier Musca in 2020. This amount represents:

- the first year of payment of the deferred variable compensation awarded in 2019 for 2018 in the amount of €103,870;
- the second year of payment of the deferred variable compensation awarded in 2018 for 2017 in the amount of €75,847;
- the third year of payment of the deferred variable compensation awarded in 2017 for 2016 in the amount of €86,447;

These payments result from the application of the compensation policies approved by the General Meetings of 2016, 2017 and 2018 and the amounts of variable compensation granted approved by the General Meetings of 2017, 2018 and 2019.

Payment of a Article 82 premium

From 1 January 2020, Xavier Musca is entitled to benefits from the Article 82 defined-contribution scheme. This scheme provides for the payment of an annual bonus by the company on the part of his annual fixed compensation at a rate of 20%. A share of the bonus was paid in 2020 for an amount of €105,000. The balance will be paid in 2021.

Commitments of any kind made by the Company and that were voted on by the General Meeting as part of the procedure governing related party agreements and commitments

	Amount	Presentation
PERIPHERAL COMPENSATION		
Severance payment	No payment for 2020	Xavier Musca will receive severance payment if Crédit Agricole S.A. terminates his employment contract under the conditions approved by the Board of Directors at its meeting on 19 May 2015 and ratified by the General Meeting of 19 May 2016. Details of these payments can be found on page 201 of the Universal Registration Document.
Non-competition compensation	No payment for 2020	In the event of termination of his office as Deputy Chief Executive Officer, on any grounds whatsoever, Xavier Musca may be bound by a non-competition clause for a period of one year from the date of termination of his term of office, as approved by the Board at its meeting on 19 May 2015 and ratified by the General Meeting 19 May 2016. Details of these payments can be found on page 201 of the Universal Registration Document.

Refer to the glossary on page 681 for the definition of technical terms.

Non-executive Corporate Officers or Directors

Elements of compensation paid or allocated for the financial year 2020 to each non-executive Corporate Officer of the Company

Under the principles detailed on page 202, non-executive Corporate Officers received the following amounts in 2020:

	2019	Net amounts received in 2020[1]					
Directors	Net amount received from Crédit Agricole S.A. in 2019[1]	Crédit Agricole S.A.[1]	Crédit Agricole CIB	LCL	Amundi	Total + other Group subsidiaries	Grand total 2020
DIRECTORS ELECTED BY THE GENERAL MEETING							
Dominique Lefebvre[2]	0	0	-	-		0	0
Raphaël Appert	43,121	48,720				0	48,720
Pascale Berger[3][4]	29,808	39,744	-	-		0	39,744
Pierre Cambefort*	28,000	48,720				0	48,720
Caroline Catoire	56,350	60,060	-	-		0	60,060
Marie-Claire Daveu	-	38,500				0	38,500
Laurence Dors	72,241	74,060	-	-		0	74,060
Daniel Épron	45,011	54,390	-	-		20,255	74,645
Jean-Pierre Gaillard	58,241	60,060	-	15,400		15,400	75,460
Nicole Gourmelon*	-	20,580		8,400		8,400	28,980
Françoise Gri	94,850	102,340	28,770	-		28,770	131,110
Jean-Paul Kerrien	39,341	50,610	-			24,200	74,810
Pascal Lheureux	-	27,160				0	27,160
Monica Mondardini[5]	45,344	52,320	-	-		0	52,320
Gérard Ouvrier-Buffet	46,900	52,500	-	-		38,338	90,838
Catherine Pourre[5]	76,038	91,211	55,968			55,968	147,179
Louis Tercinier	37,450	46,830				0	46,830
Philippe de Waal*	28,000	33,600	-	-		0	33,600
Philippe Boujut**	28,000	14,000	-	-		0	14,000
Véronique Flachaire**	53,550	25,340	-	-		0	25,340
Christian Streiff**	57,331	27,230	-	-		0	27,230
Renée Talamona[6]	0	0			0	0	0
François Thibault**	54,461	23,450	28,770	-		28,770	52,220
DIRECTORS ELECTED BY THE EMPLOYEES							
François Heyman[3][4]	43,222	55,393	-	-	-	0	55,393
Simone Védie[3][4]	33,120	36,432				0	36,432
DIRECTOR REPRESENTING PROFESSIONAL FARMING ASSOCIATIONS							
Christiane Lambert	8,400	16,800				0	16,800
NON-VOTING DIRECTORS							
Agnès Audier[7]	-	44,940				0	44,940
	978,779	**1,144,990**	**113,508**	**23,800**	**0**	**220,101**	**1,365,091**

TOTAL GROSS AMOUNT CONSUMED: €1,566,200 out of €1.65 million allocated.

* *Became Directors in May and October 2020.*

** *Outgoing Directors in May and August 2020.*

(1) *After the following deductions from the sums payable to individual beneficiaries resident in France: income tax prepayment (12.8%) and social contributions (17.2%).*

(2) *See 2020 Compensation of the Chairman of the Board of Directors on page 203.*

(3) *The three Directors representing employees on the Board do not receive their compensation; instead these are paid to their unions.*

(4) *After deductions of social contributions (17.2%).*

(5) *12.8% withholding tax (non-resident in France).*

(6) *Do not receive any compensation.*

(7) *Appointed in capacity of non-voting Director in January 2020.*

Comparative approach to compensation

In accordance with the provisions of Article L. 22-10-9.of the French Commercial Code, Crédit Agricole S.A. publishes the comparative change in total gross compensation due or awarded to Executive Corporate Officers with the average total gross compensation of employees from the holding company and the Group's performance (measured by the underlying Net income Group share), over five years.

Calculation method

In accordance with the AFEP/MEDEF guidelines on compensation multiples dated February 2021 and with a view to ensuring the representativeness of the data, the Group has chosen, beyond regulatory obligations, to calculate the ratios shown below also for France, which is considered more relevant (approximately 35,000 employees, *i.e.* almost half of the Group's workforce, compared with approximately 1,700 for the scope of the holding company). These ratios thus compare the total gross compensation due or awarded to each Executive Corporate Officer in respect of each financial year with that of the employees of Crédit Agricole S.A. in France.

The employees under consideration are those with permanent employment contracts as at 31 December of each financial year.

Employee compensation includes fixed annual compensation, bonuses and benefits for the year, variable annual and long-term compensation for the year, and profit-sharing and incentive bonuses for the year. For the calculations for the year 2020, the elements of variable compensation (annual and long-term variable compensation and profit-sharing and incentive bonuses) are estimated on the basis of the previous financial year's budgets and elements known at the time. The 2019 ratios have therefore been updated to take into account the actual budgets for the year. In the same way, the 2020 ratios will be updated next year.

The compensation of Executive Corporate Officers corresponds to their fixed compensation and valued benefits in kind, annual variable compensation for the year and the fair value of long-term variable compensation. This information corresponds to the elements already presented in this report, especially in tables 1 and 2 on pages 214 and following.

Comparative changes in the compensation of Executive Corporate Officers

Indicators	2016	2017	2018	2019	2020	Variations 2016-2020
Underlying net income Group share *(in millions of euros)*	3,190	3,925	4,405	4,582	3,849	+21%
Total compensation Chairman	€560,000	€560,000	€560,000	€560,000	€560,000	0%
Total compensation Chief Executive officer	€1,964,258	€2,020,744	€2,214,767	€2,357,300[1] €1,728,650[2]	€2,456,562	25%
Total compensation Deputy Chief Executive officer	€1,292,100	€1,321,700	€1,311,000	€1,331,700[1] €1,015,850[2]	€1,403,478	9%
Holding company perimeter						
Average Crédit Agricole S.A. employee compensation	€89,642	€92,282	€99,059	€100,531	€98,394	+10%
Median Crédit Agricole S.A. employee compensation	€70,377	€71,589	€74,123	€75,344	€73,407	+4%
France perimeter						
Average employee compensation France	€60,914	€63,064	€64,595	€66,714	€66,751	+10%
Median employee compensation France	€46,410	€47,943	€48,985	€50,605	€50,965	+10%

(1) Total remuneration before Philippe Brassac and Xavier Musca waived 50% of their variable compensation for 2019.

(2) Total remuneration after Philippe Brassac and Xavier Musca waived 50% of their variable compensation for 2019.

Equity ratio between the level of compensation of each Executive Corporate Officer and the average and median compensation of the employees of the Crédit Agricole S.A. corporate entity

	2016	2017	2018	2019	2020
Chairman of the Board of Directors					
Ratio to average employee compensation	6	6	6	6	6
Ratio to median employee compensation	8	8	8	7	8
Chief Executive Officer					
Ratio to average employee compensation	22	22	22	23[1] 17[2]	25
Ratio to median employee compensation	28	28	30	31[1] 23[2]	33
Deputy Chief Executive Officer					
Ratio to average employee compensation	14	14	13	13[1] 10[2]	14
Ratio to median employee compensation	18	18	18	18[1] 13[2]	19

(1) Ratios before Philippe Brassac and Xavier Musca waived 50% of their variable compensation for 2019.

(2) Ratios after Philippe Brassac and Xavier Musca waived 50% of their variable compensation for 2019.

Refer to the glossary on page 681 for the definition of technical terms.

Equity ratio between the level of compensation of each Executive Corporate Officer and the average and median compensation of the employees in France

	2016	2017	2018	2019	2020
Chairman of the Board of Directors					
Ratio to average employee compensation in France	9	9	9	8	8
Ratio to median employee compensation in France	12	12	11	11	11
Chief Executive Director					
Ratio to average employee compensation in France	32	32	34	35(1) 26(2)	37
Ratio to median employee compensation in France	42	42	45	47(1) 34(2)	48
Deputy Chief Executive Director					
Ratio to average employee compensation in France	21	21	20	20(1) 15(2)	21
Ratio to median employee compensation in France	28	28	27	26(1) 20(2)	28

(1) Ratios before Philippe Brassac and Xavier Musca waived 50% of their variable compensation for 2019.

(2) Ratios after Philippe Brassac and Xavier Musca waived 50% of their variable compensation for 2019.

4.4.4. Summary tables in line with AFEP/MEDEF recommendations

Dominique Lefebvre, Chairman of the Board of Directors

Table 1 – Compensation, shares and stock options awarded to Executive Corporate Officers of Crédit Agricole S.A.

Gross amount *(in euros)*	2019	2020
Compensation awarded for the financial year(1)	560,000	560,000
Value of options awarded for the financial year(2)	-	-
Value of performance shares awarded for the financial year(2)	-	-

(1) The compensation shown in this table represents amounts awarded for the year indicated. The itemised tables below show compensation awarded for a given year and compensation received during that year.

(2) No Crédit Agricole S.A. stock options were awarded to Corporate Officers in 2020.

Table 2 – Summary of gross compensation

	2019		2020	
(in euros)	Amount awarded for 2019	Amount paid in 2019	Amount awarded for 2020	Amount paid in 2020
Fixed compensation	520,000	520,000	520,000	520,000
Non-deferred variable compensation paid in cash	-	-	-	-
Non-deferred variable compensation linked to the Crédit Agricole S.A. share price	-	-	-	-
Deferred and conditional variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Compensation for Director's term of office(1)	-	-	-	-
Benefits of any kind	40,000	40,000	40,000	40,000
TOTAL	**560,000**	**560,000**	**560,000**	**560,000**

(1) Net amounts, after the following deductions from the sums payable to individual beneficiaries resident in France: income tax prepayment (12.8%) and social contributions (17.2%).

Philippe Brassac, Chief Executive Officer

Table 1 – Compensation, shares and stock options awarded to Executive Corporate Officers of Crédit Agricole S.A.

Gross amount *(in euros)*	2019	2020
Compensation awarded for the financial year[(1)]	1,728,650[(4)]	2,293,226
Value of options awarded for the financial year[(2)]	-	-
Value of performance shares awarded for the financial year[(3)]	-	163,336

(1) The compensation shown in this table represents amounts awarded for the year indicated. The itemised tables below show compensation awarded for a given year and compensation received during that year.

(2) No Crédit Agricole S.A. stock options were awarded to Corporate Officers in 2020.

(3) This scheme is detailed in the chapter devoted to the compensation of Corporate officers on pages 198 and following.

(4) Amounts recorded by the Board of Directors following Philippe Brassac's decision to waive half of his variable compensation in respect of 2019.

Table 2 – Summary of gross compensation

	2019		2020	
(in euros)	Amount awarded for 2019	Amount paid in 2019	Amount awarded for 2020	Amount paid in 2020
Fixed compensation	1,100,000	1,100,000	1,100,000	1,100,000
Non-deferred variable compensation paid in cash	188,595[(3)]	346,740	356,070	188,595
Non-deferred variable compensation linked to the Crédit Agricole S.A. share price	62,865[(3)]	115,580	118,690	42,120
Deferred and conditional variable compensation[(1)]	377,190[(3)]	442,468	712,140	467,454
Exceptional compensation	-	-	-	-
Compensation for Director's term of office[(2)]	-	-	-	-
Benefits of any kind	-	-	6,326	6,326
TOTAL	**1,728,650**	**2,004,788**	**2,293,226**	**1,804,495**

(1) The amounts paid correspond to the amounts vested, detailed in Table 2A and indexed to changes in the share price as stated in Notes 1, 2, 3 and 4 of the same table.

(2) Net amounts, after the following deductions from the sums payable to individual beneficiaries resident in France: income tax prepayment (12.8%) and social contributions (17.2%).

(3) Amounts recorded by the Board of Directors following Philippe Brassac's decision to waive half of his variable compensation in respect of 2019, subject to the approval of the General Meeting of 13 May 2020.

Table 2A – Details of deferred variable compensation

		2018		2019		2020	
	Total amount awarded[(1)]	Amount awarded[(1)]	Amount vested[(2)]	Amount awarded[(1)]	Amount vested[(3)]	Amount awarded[(1)]	Amount vested[(4)]
Plan awarded in 2017	591,240	197,080	197,080	197,080	197,080	197,080	197,080
Plan awarded in 2018	625,080	-	-	208,360	208,360	208,360	208,360
Plan awarded in 2019		-	-	-	-	231,160	231,160

(1) The share value at the grant date was €11.94 for the 2017 plan, €14.19 for the 2018 plan and €10.19 for the 2019 plan.

(2) The share value at the payment date was €11.97 for the 2017 plan.

(3) The share value at the payment date was €10.22 for the 2017 plan and €10.21 for the 2018 plan.

(4) The share value at the payment date was €8.67 for the 2017 plan and €8.63 for the 2087 and 2019 plans.

Deferred variable compensation vested in 2020 (Table 2A above)

Philippe Brassac received €636,600 in deferred variable compensation for previous years. At the payment date this was equivalent to €467,454 after indexation to the Crédit Agricole S.A. share price. This amount represents:

- the first year of payment of deferred variable compensation awarded in 2019 for 2018, instalment for which €231,160 were awarded, with a share price on the grant date of €10.19;
- the second year of payment of deferred variable compensation awarded in 2018 for 2017, instalment for which €208,360 were awarded, at a share price on the grant date of €14.19;
- the third year of payment of deferred variable compensation awarded in 2017 for 2016, instalment for which €197,080 were awarded, at a share price on the grant date of €11.94.

Refer to the glossary on page 681 for the definition of technical terms.

Xavier Musca, Deputy Chief Executive Officer

Table 1 – Compensation, shares and stock options awarded to Executive Corporate Officers of Crédit Agricole S.A.

Gross amount *(in euros)*	2019	2020
Compensation awarded for the financial year[(1)]	1,015,850[(4)]	1,299,537
Value of options awarded for the financial year[(2)]	-	-
Value of performance shares awarded for the financial year[(3)]	-	103,941

(1) The compensation shown in this table represents amounts awarded for the year indicated. The itemised tables below show compensation awarded for a given year and compensation received during that year.

(2) No Crédit Agricole S.A. stock options were awarded to Corporate Officers in 2020.

(3) This scheme is detailed in the chapter devoted to the compensation of Corporate officers on pages 198 and following.

(4) Amounts recorded by the Board of Directors following Xavier Musca's decision to waive half of his variable compensation in respect of 2019.

Table 2 – Summary of gross compensation

	2019		2020	
(in euros)	Amount awarded for 2019	Amount paid in 2019	Amount awarded for 2020	Amount paid in 2020
Fixed compensation	700,000	700,000	700,000	700,000
Non-deferred variable compensation paid in cash	94755[(3)]	183,300	178,080	94,755
Non-deferred variable compensation linked to the Crédit Agricole S.A. share price	31585[(3)]	61,100	59,360	21,162
Deferred and conditional variable compensation[(1)]	189510[(3)]	301,818	356,160	266,164
Exceptional compensation	-	-	-	-
Compensation for Director's term of office[(2)]	-	-	-	-
Benefits in kind	-	-	5,937	5,937
TOTAL	**1,015,850**	**1,246,218**	**1,299,537**	**1,088,018**

(1) The amounts paid correspond to the amounts vested, detailed in Table 2A and indexed to changes in the share price as stated in Notes 1, 2, 3 and 4 of the same table.

(2) Net amounts, after the following deductions from the sums payable to individual beneficiaries resident in France: income tax prepayment (12.8%) and social contributions (17.2%).

(3) Amounts recorded by the Board of Directors following Xavier Musca's decision to waive half of his variable compensation in respect of 2019.

Table 2A – Details of deferred variable compensation

		2018		2019		2020	
	Total amount awarded[(1)]	Amount awarded[(1)]	Amount vested[(2)]	Amount awarded[(1)]	Amount vested[(3)]	Amount awarded[(1)]	Amount vested[(4)]
Plan awarded in 2017	355,260	118,420	118,420	118,420	118,420	118,420	118,420
Plan awarded in 2018	373,020	-	-	124,340	124,340	124,340	124,340
Plan awarded in 2019		-	-	-	-	122,200	122,200

(1) The share value at the grant date was €11.94 for the 2017 plan, €14.19 for the 2018 plan and €10.19 for the 2019 plan.

(2) The share value at the payment date was €11.97 for the 2017 plan.

(3) The share value at the payment date was €10.22 for the 2017 plan and €10.21 for the 2018 plan.

(4) The share value at the payment date was €8.67 for the 2017 plan and €8.63 for the 2087 and 2019 plans.

Deferred variable compensation vested in 2020 (Table 2A above)

Xavier Musca received €346,960 in deferred variable compensation for previous years. At the payment date this was equivalent to €266,164 after indexation to the Crédit Agricole S.A. share price. This amount represents:

- the first year of payment of deferred variable compensation awarded in 2019 for 2018, instalment for which €122,200 were awarded, with a share price on the grant date of €10.19;
- the second year of payment of deferred variable compensation awarded in 2018 for 2017, instalment for which €124,340 were awarded, at a share price on the grant date of €14.19;
- the third year of payment of deferred variable compensation awarded in 2017 for 2016, instalment for which €118,420 were awarded, at a share price on the grant date of €11.94.

Table 3 – Compensation received by Directors for their position as Directors of Crédit Agricole S.A.

See page 211.

Table 4 – Stock options granted to Executive Corporate Officers in financial year 2020 by Crédit Agricole S.A. and other Group companies

No stock options were awarded to Executive Corporate Officers in 2020.

Table 5 – Stock options exercised by Executive Corporate Officers in financial year 2020

No Crédit Agricole S.A. stock options were exercised by Executive Corporate Officers in 2020.

Table 6 – Performance shares awarded to Executive Corporate Officers in financial year 2020

Crédit Agricole S.A. did not offer a performance share plan.

Table 7 – Performance shares made available over financial year 2020 to Executive Corporate Officers

Not applicable. Crédit Agricole S.A. did not offer a performance share plan in 2020.

Table 8 – History of stock option awards

Not applicable.

Table 9 – History of performance share awards

Not applicable.

Table 10 – Summary of multi-annual variable compensation of each Executive Corporate Officer

Not applicable.

Table 11 – Employment contract/Supplementary pension scheme/Severance payment/Non-competition clause

Executive Corporate Officers	Employment contract(1)	Supplementary pension scheme	Allowances and benefits due or likely due to termination or to change of functions	Allowances under a non-competition clause
Dominique Lefebvre Chairman Term of office commenced: 04/11/2015	No	No	No	No
Philippe Brassac Chief Executive Officer Term of office commenced: 20/05/2015	Yes	Yes	Yes	Yes
Xavier Musca Deputy Chief Executive Officer Term of office commenced: 19/07/2012	Yes	Yes	Yes	Yes

(1) The AFEP/MEDEF recommendation against holding a corporate office while being covered by an employment contract applies to the Chairman of the Board of Directors, the Chairman and Chief Executive Officer and the Chief Executive Officer. The employment contract of Xavier Musca, Deputy Chief Executive Officer, was, however, suspended by an amendment. It will take effect again at the end of his corporate office, at the updated compensation and role conditions applicable prior to his term of office.

4.5. APPENDIX

Definition and characteristics of the compensation of identified employees

	Credit institutions and investment companies[1]		Asset management companies	Insurance companies
Reference regulatory corpus	Decree of 3 November 2014 on internal control of credit institutions and investment companies. Delegated Act of the European Commission No. 604/2014.		AMF position 2013-11 under AIFM European Directive 2011/6 of 8 June 2011 and AMF Decree of 6 April 2016 under UCITS V Directive 2014/91/EU.	Delegated Act 2015/35 of 10 October 2014. Insurance and reinsurance companies are excluded from the scope of application of European Commission Delegated Regulation (EU) No. 604/2014.
Identified employees by virtue of their role	**Within Crédit Agricole S.A.**	**Within other entities**		
	■ Corporate Officers; ■ members of the Board of Directors; ■ members of the Executive Committee; ■ Heads of Central Support functions responsible for finance, legal affairs, taxation, human resources, compensation policy, information technology, Management Control and economic analysis; ■ Heads of the three control functions: Risk Management and Permanent Controls, Compliance and Audit; ■ employees reporting directly to the Head of Risk Management and Permanent Controls, Compliance and Audit; ■ employees heading a Committee responsible for managing operational risk for the Group.	■ Corporate Officers or Chief Executive Officers; ■ members of the Executive Committee or employees reporting directly to Chief Executive Officers; ■ Heads of the three control functions: Risk Management and Permanent Controls, Compliance and Audit; ■ employees who chair the "new activities/ new products" committees of these entities.	■ Executive managers; ■ investment managers; ■ decision-making managers; ■ Heads of the three control functions: Risk Management and Permanent Controls, Compliance and Audit; ■ Heads of the support functions: Legal, Finance, Administration and Human Resources.	■ Corporate Officers or executive managers; ■ members of the Executive Committee of CA Assurances; ■ employees performing the key functions referred to in Articles 269 to 272 of Delegated Act 2015-35: Risk management, Compliance audit, Internal audit, Actuarial function; ■ employees responsible for underwriting and business development; ■ investment managers.
Identified employees by virtue of their level of authority or compensation	■ Employees with authority or powers to take credit risk of more than 0.5% of Common Equity Tier 1 (CET1) capital in the subsidiary to which they belong and of at least €5 million, or with authority or powers to structure this type of product with a significant impact on the risk profile of the subsidiary to which they belong; ■ employees who can take market risks of more than 0.5% of the CET1 capital or 5% of the Value at Risk (VaR) of the subsidiary to which they belong; ■ the hierarchical managers of employees who are not individually identified but who are collectively authorised to take credit risks of more than 0.5% of CET1 capital in the subsidiary to which they belong and at least €5 million, or to take market risks of more than 0.5% of the CET1 capital or 5% of the Value at Risk (VaR) of the subsidiary to which they belong; ■ employees who have earned total gross compensation of more than €500,000 in the previous financial year; ■ employees who are not identified under any of the previous criteria but whose total compensation puts them in the 0.3% top earners in the entity in the previous financial year (for entities with a balance sheet of more than €10 billion or with equity of more than 2% of their parent company's equity).		**Additional condition:** Those who earn variable compensation of more than €100,000.	

<table>
<tr><th></th><th>Credit institutions and investment companies[(1)]</th><th>Asset management companies</th><th>Insurance companies</th></tr>
<tr><td>Characteristics of deferred compensation</td>
<td>In view of the proportionality principle, employees whose bonus or variable compensation is less than €120,000 are excluded from the scope of application of rules on deferred compensation in all Group entities, unless otherwise stipulated by the regulatory authorities in the countries in which the Group's subsidiaries are located.
The deferred portion is determined based on the overall variable compensation awarded for the financial year.
<table>
<tr><th>Total variable compensation for year Y</th><th>Deferred portion</th></tr>
<tr><td><€ 120,000</td><td>Not applicable</td></tr>
<tr><td>€120,000 – €400,000</td><td>40% from the first euro</td></tr>
<tr><td>€400,000 – €600,000</td><td>50% from the first euro with minimum non-deferred amount of €240,000</td></tr>
<tr><td>>€600,000</td><td>60% from the first euro with minimum non-deferred amount of €300,000</td></tr>
</table>
Payment in securities or equivalent instruments
The deferred variable compensation and a percentage of the non-deferred portion carried for six months are granted in the form of Crédit Agricole S.A. shares or share-linked instruments. As a result, at least 50% of variable compensation for identified employees is awarded in shares or equivalent instruments.
Any hedging or insurance strategies limiting the scope of alignment provisions on risks contained in the compensation scheme are prohibited.
Performance conditions
The deferred portion is vested in thirds: for an award in year Y, one third in year Y+1, one third in year Y+2 and one third in year Y+3, provided the vesting criteria are met. Each vesting date is followed by a six-month retention period.
The performance conditions for executive managers and identified employees are aligned with those for long-term variable compensation as indicated in the "Long-Term Variable Compensation" paragraph of Chapter 3, section 4.3.1, "Reward policy of executive managers".
The performance conditions for the other identified employees are calculated in relation to the net income Group share of the entity, determined during the year of allocation of the variable compensation in question.</td>
<td><table>
<tr><th>Total variable compensation for year Y</th><th>Deferred portion</th></tr>
<tr><td><€100,000</td><td>Not applicable</td></tr>
<tr><td>€100,000 – €600,000</td><td>50% from the first euro</td></tr>
<tr><td>>€600,000</td><td>60% from the first euro with minimum non-deferred amount of €300,000</td></tr>
</table></td>
<td>The characteristics of deferred compensation are the same as those of credit institutions and investment firms except for the vesting in the form of Crédit Agricole S.A. shares or equity-linked instruments of part of the non-deferred variable compensation, as well as the application of a retention period at the end of the vesting period, which is not required.</td></tr>
</table>

(1) *The credit institutions and investment firms concerned are those falling within the scope of the Decree of 3 November 2014 on the internal control of credit institutions and investment companies. For the Group, these are Crédit Agricole S.A. as well as all entities with a balance sheet of more than €10 billion or with equity of more than 2% of their parent company's equity.*

Refer to the glossary on page 681 for the definition of technical terms.

5. RULES OF PROCEDURE OF THE BOARD OF DIRECTORS

RULES OF PROCEDURE OF THE BOARD OF DIRECTORS (UPDATED 5 AUGUST 2020)

Preface

At its meeting of 5 August 2020, and on the recommendation of its Chairman and Appointments and Governance Committee, the Board of Directors of Crédit Agricole S.A. approved its updated Rules of Procedure including the revised Corporate Governance Code applicable to listed companies published by the AFEP/MEDEF in January 2020 as well as current laws and regulations.

Article 1: Organisation of the Board of Directors.

Article 2: Powers of the Board of Directors and of the Chief Executive Officer.

Article 3: How the Board of Directors operates.

Article 4: Board Committees.

Article 5: Crédit Agricole S.A. Directors' Code of Conduct.

Crédit Agricole S.A. is a company with a Board of Directors that separates the roles of Chairman and Chief Executive Officer, in accordance with Group practice and current regulations, namely the separation of planning, decision-making and control functions from executive functions.

Pursuant to the provisions of the AFEP/MEDEF Code, Corporate Officers include the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer of Crédit Agricole S.A. Pursuant to the provisions of the French Monetary and Financial Code, the Board of Directors must ensure that Crédit Agricole S.A. has a sound governance system, comprising in particular a clear organisation, resulting in responsibilities being shared in a well-defined, transparent and coherent manner; effective procedures for identifying, managing, monitoring and reporting risks to which the Company is or may be exposed; an adequate internal control system; sound administrative and accounting procedures; and compensation policies and practices enabling and facilitating sound and effective risk management.

It should also be recalled that the Chief Executive Officer and Deputy Chief Executive Officer of Crédit Agricole S.A. effectively run the Company's operations.

Article 1: Organisation of the Board of Directors

1.1. Chairman of the Board of Directors

The Chairman of the Board of Directors guides and organises the Board's work. He/she is responsible for ensuring that the Board as well as its Committees operate properly.

For this purpose, he/she ensures that the information provided to the Directors gives them sufficient insight for the decisions they make; he/she therefore makes sure that information flows properly between the Board and Executive Management and between the Board and its Committees.

He/she encourages and promotes open discussion and ensures that it is possible to express all points of view within the Board.

He/she calls Board Meetings and sets the agenda.

1.2. Officers of the Board of Directors

The Board of Directors may appoint the Chairman and Deputy Chairman as Officers of the Board. The Chief Executive Officer of Crédit Agricole S.A. takes part in the Board's work.

The Officers of the Board are responsible for preparing the Board's work. They meet when called by the Chairman, as and when needed.

The Chairman may invite any person whose opinion he/she would like to canvass to assist the Officers of the Board.

The Secretary to the Board of Directors fulfils the role of Secretary to the Officers of the Board.

1.3. Composition of the Board

1.3.1 Members of the Board of Directors

Directors are appointed or reappointed to their office by the Ordinary General Meeting of Shareholders.

In accordance with the Company's Articles of Association, the Board of Directors is made up of at least 3 and at most 18 members elected by the Ordinary General Meeting of Shareholders.

Directors have a term of office of three years; the term expires at the end of the Ordinary General Meeting of Shareholders called to vote on the financial statements for the previous year and held in the year in which the term expires.

1.3.2 Non-Voting Directors

The Board of Directors, on the Chairman's recommendation, may appoint one or more Non-Voting Directors who may attend Specialised Committee meetings in the same manner as Directors.

Non-Voting Directors are appointed for three years. They attend meetings of the Board of Directors in an advisory capacity.

They are subject to the same rules as Directors with respect to confidentiality and the prevention of conflicts of interests.

1.4 Specialised Committees of the Board

The Board of Directors has established six Specialised Committees tasked with preparing Board meetings and/or providing it with their opinions and recommendations. These include the:

- Risks Committee;
- Audit Committee;
- US Risks Committee;
- Compensation Committee;
- Strategy and CSR (Corporate Social Responsibility) Committee;
- Appointments and Governance Committee.

The Board of Directors draws up the Rules of Procedure for these Specialised Committees and determines their duties and composition in accordance with current laws and regulations.

The remit of these Committees is defined in Article 4 below.

The Chairman or the Board of Directors may canvass the opinion of any Committee on any matter within its remit.

The Rules of Procedure of each Committee are appended to these Rules of Procedure of the Board of Directors.

Article 2: Powers of the Board and of the Chief Executive Officer

2.1. Powers of the Board of Directors

The Board of Directors exercises the powers granted to it by law and by the Company's Articles of Association. It sets out the guidelines for the Company's business and ensures that they are applied, in accordance with its social purpose, while incorporating the social and environmental issues relating to its line of business. As such:

- the Board approves the annual individual financial statements (balance sheet, income statement, notes), the management report detailing the Company's position during the past financial year or current financial year, and its outlook, along with its forecasts. It approves the consolidated financial statements of the Crédit Agricole S.A. Group and takes note of its interim financial statements;
- the Board approves the consolidated financial statements of the Crédit Agricole Group;
- the Board decides to call the Company's General Meeting of Shareholders. It sets the agenda and prepares the draft resolutions;
- the Board:
  - elects and dismisses the Chairman of the Board of Directors,
  - appoints and dismisses the Chief Executive Officer, on the Chairman's recommendation,
  - temporarily fills one or more Director or Non-Voting Director positions in the event of a vacancy, death or resignation, in accordance with the provisions of Article 14 of the Articles of Association,
  - appoints and dismisses Deputy General Manager(s), on the Chief Executive Officer's recommendation;
- the Board decides on how to distribute the total compensation package allocated to Corporate Officers;
- the Board must first authorise any agreement that falls under articles L.225-38 *et seq.* of the French Commercial Code and, in particular, any agreement between the Company and any Corporate Officer;
- the Board presents the corporate governance report attached to the management report during the General Meeting. Besides including information on the compensation of Corporate Officers and on any agreements reached between Corporate Officers and the Company, the report presented by the Board also provides details about its composition, its organisation, how it operates, the work accomplished the previous financial year, and the diversity policies implemented both within the Board and within the Company's management bodies.

The Board also:

- determines the Group's strategic priorities, on the recommendation of the Chairman and Chief Executive Officer;
- gives prior approval to strategic investment plans and any transaction, specifically any acquisition or disposal, that is likely to have a material effect on the Group's earnings, the structure of its balance sheet or its risk profile;
- defines the general principles applicable to the Crédit Agricole Group's internal financial organisation;
- decides or authorises the issuance of Crédit Agricole S.A. bonds;
- grants the Chief Executive Officer the necessary powers to implement the decisions set out above;
- approves and regularly reviews the risk appetite profile along with the strategies and policies governing risk taking / management / monitoring / reduction for the risks to which Crédit Agricole S.A. and the Group are or may be exposed, including social and environmental risks;
- notably approves the various commitment and risk limits for the Crédit Agricole S.A. Group and, where applicable, for the Crédit Agricole Group;
- issues an opinion, after having canvassed those of the Risks Committee and Appointments and Governance Committee, on the appointment as recommended by the Chief Executive Officer of each Group Head of an internal control function, *i.e.* the Chief Risk Officer, Head of Internal Audit and Head of Compliance. Where necessary, the Board will follow the same process when making a decision to dismiss any of the managers referred to above, who cannot be removed from their position without the prior approval of the Board;
- determines and regularly reviews the general principles of the compensation policy in place at the Crédit Agricole S.A. Group, in particular that regarding employee categories whose activities have a material impact on the Group's risk profile;
- reviews the governance system, periodically evaluates its effectiveness and ensures that corrective steps have been taken to remedy any identified deficiencies;
- determines the guidelines and ensures that the *dirigeants effectifs* (persons effectively running the undertaking, *i.e.* the Chief Executive Officer and Deputy General Manager(s)) implement the monitoring systems in place to ensure effective and prudent management of the activities of Crédit Agricole S.A. and, in particular, the separation of functions within the organisation and the prevention of conflicts of interests;
- ensures that a code of conduct or similar and effective policies exist and are enforced to identify, manage and mitigate any potential or proven conflicts of interest and to prevent and identify any instances of corruption or influence peddling;
- ensures that Executive Corporate Officers enforce a non-discrimination and diversity policy, for instance with respect to gender representation within management bodies;
- defines the criteria used to assess the independence of Directors;
- is notified in advance by the *dirigeants effectifs* (persons effectively running the undertaking) of changes in the Group's organisation and management structures;
- conducts any inspections or audits it deems necessary.

With respect to the role of central body assigned to Crédit Agricole S.A. by the French Monetary and Financial Code:

- the Board authorises:
  - any foreign expansion of the Regional Banks,
  - any creation, by a Regional Bank, of a financial institution or insurance company, as well as the acquisition of any interest in any such company,
  - any financial support for any Regional Bank in difficulty,
  - the establishment of a Committee responsible for the interim management of a Regional Bank;
- the Board decides to:
  - give Crédit Agricole S.A.'s approval for the appointment of Chief Executive Officers of Crédit Agricole Mutuel Regional Banks.

The Chief Executive Officer also asks the Board for its opinion prior to any decision by the former to dismiss a Chief Executive Officer of a Regional Bank.

2.2. Powers of the Chief Executive Officer

The Chief Executive Officer has the fullest powers to act in the Company's name in all circumstances and to represent it with respect to third parties.

He/she must, however, secure the Board of Directors' approval prior to the following transactions:

- the creation, acquisition or disposal of any subsidiaries and equity investments in France or abroad for total amounts exceeding €150 million;

Refer to the glossary on page 681 for the definition of technical terms.

- any other investment of any kind for amounts exceeding €150 million.

If, due to the urgency of the situation, the Board cannot be called to deliberate on a transaction that exceeds this ceiling, the Chief Executive Officer will do everything in his/her power to canvass all Directors or, at the very least, the Officers of the Board and the members of the relevant Specialised Committee prior to making any decision. Where this is not possible, the Chief Executive Officer may, with the Chairman's approval, take any decisions that are in the Company's interest in the areas set forth above. He/she reports such decisions to the Board at its subsequent meeting.

Article 3: How the Board of Directors operates

3.1. Meetings of the Board of Directors

The Board is convened by its Chairman, or any person authorised for that purpose by the Board of Directors, and meets as often as required by the Company's interests and at least six times each year. Should the Chairman be unable to attend, the Board meeting is chaired by the Deputy Chairman or the eldest Director, who is thus authorised to convene it.

The Board of Directors may hold its meetings by video conference or audio conference, in accordance with the provisions of Article 3.3 below.

Directors with an interest in matters deliberated by the Board shall abstain from voting on such matters.

The Chief Executive Officer, Deputy General Manager(s) and Secretary General participate in Board meetings but do not have the right to vote.

The Chief Executive Officer designates representatives of Executive Management to participate in Board meetings.

Non-Voting Directors participate in meetings of the Board and of its Specialised Committees but do not have the right to vote.

3.2. Provision of information to Board members

The Chairman and the Chief Executive Officer are required to provide each Director with all the documents and information needed for the Director to fulfil his/her duties.

Pursuant to the provisions of the French Monetary and Financial Code, the Board of Directors is informed by the *dirigeants effectifs* (persons effectively running the undertaking) of all material risks, risk management policies and any changes made thereto.

The Group Chief Risk Officer, Head of Internal Audit and Head of Compliance may report directly to the Board and, where necessary, to the Risks Committee.

Prior to Board meetings, Directors will in good time receive a file including the agenda items that require particularly close analysis and consideration ahead of the meeting, provided that confidentiality guidelines allow such information to be communicated.

Board members receive all relevant information on the Company, in particular the press releases issued by the Company.

Board members may also seek information directly from the Chief Executive Officer, the Deputy General Manager(s) and the Secretary General of Crédit Agricole S.A., after having informed the Chairman that they intend to do so.

In the course of their work, Specialised Committees may consult Group employees or experts in areas that fall within the remit of said Committees.

3.3. Participating in Board meetings by means of video conference or audio conference

Except in circumstances in which the Board is convened to conduct any of the transactions referred to in articles L.232-1 and L.233-16 of the French Commercial Code (approval of the annual financial statements and management report for the previous financial year), the Board may at the Chairman's discretion hold its meeting by video conference or audio conference.

In this case, the video conference or audio conference system will be able to identify the Directors in attendance and ensure their full participation. For this purpose, the system used shall at least transmit participants' voices and meet the technical requirements to ensure that the Board's deliberations are transmitted continuously and simultaneously.

Directors attending a meeting by video conference or audio conference are deemed present with their full rights taken into consideration (for the purpose of calculating the quorum and majority, Directors' fees, etc.).

The attendance records and minutes must indicate the names of the Directors having participated in the meeting by video conference and audio conference. The minutes must also record any technical incident that may have affected the proceedings.

Consultation methods used by the Board

Besides taking decisions in the presence of the Directors attending the meeting, whether in person or by audio or video conference, the Board may also take the following decisions by consulting Directors in writing:

- to temporarily appoint Board members, including Non-Voting Directors;
- to enforce compliance of the Articles of Association with current laws and regulations;
- to convene a General Meeting;
- to transfer the registered office within a same *département*.

3.4. Procedural Notes of the Board of Directors

The Board's operations are governed by the present Rules of Procedure and by current laws and regulations.

The Board of Directors may also issue Procedural Notes describing the way in which it applies and organises its governance, in accordance with the aforementioned rules, particularly in response to orders received from its supervisory authorities to formalise its processes.

These Procedural Notes are established on the recommendation of the Appointments and Governance Committee; once approved by the Board of Directors, they apply to all its members. They may be amended or revoked by the Board of Directors at any time, after the aforementioned Committee has issued its opinion, on the grounds that they may no longer be meaningful or that regulations have changed.

Article 4: The Board's Specialised Committees

4.1. Strategy and CSR Committee

Under the responsibility of the Board of Directors, the Strategy and CSR Committee's key duty is to conduct in-depth reviews of the Group's strategic planning for its various business lines in France and abroad. In particular, the Committee examines M&A or strategic investment plans and issues opinions on them.

It carries out a review, at least every 12 months, of the corporate social and environmental responsibility actions taken by the Crédit Agricole S.A. Group and Crédit Agricole Group. As such, it supervises the preparation of the integrated report and, in general, of the non-financial information published by the Group, particularly that published by Crédit Agricole S.A.

The Board receives reports on the work and opinions of the Strategy and CSR Committee from the Committee Chairperson or a Committee member designated by him/her.

4.2. Risks Committee

Under the responsibility of the Board of Directors and in accordance with the provisions of the French Monetary and Financial Code and Decree of 3 November 2014, the Risks Committee is tasked with:

- reviewing the overall strategy and risk appetite of Crédit Agricole S.A. and of the Crédit Agricole Group, along with their risk strategies, including social and environmental risks, and advising the Board of Directors on such matters;
- helping the Board of Directors verify that this strategy is being implemented by the *dirigeants effectifs* (persons effectively running the undertaking) and by the Chief Risk Officer;
- examining, without prejudice to the role of the Compensation Committee, whether the incentives built into the compensation policy and practices of Crédit Agricole S.A. are consistent with the Group's position as regards the risks to which it is exposed, its capital, its liquidity and the probability and phasing of its expected profits.

The Board receives reports on the work and proposals of the Risks Committee from the Committee Chairperson or a Committee member designated by him/her.

4.3. US Risks Committee

Under the responsibility of the Board of Directors and in accordance with US regulations, the US Risks Committee is tasked with:

- reviewing the policies in place to manage the risks pertaining to the operations of Group entities in the United States;
- ensuring these risks are managed with appropriate oversight; and
- submitting all decisions on such matters to the Board for approval.

4.4. Audit Committee

Under the responsibility of the Board of Directors and in accordance with the provisions of article L.823-19 of the French Commercial Code, the Audit Committee is tasked with:

- reviewing the separate and consolidated financial statements of Crédit Agricole S.A. prior to their submission to the Board of Directors;
- reviewing documents or reports within its area of expertise that are intended for the Directors;
- monitoring the financial reporting process and, where appropriate, making recommendations to guarantee its integrity;
- monitoring the effectiveness of internal control, risk management and, where appropriate, internal audit systems concerning procedures for preparing and processing accounting and financial information, without undermining its independence;
- making a recommendation on the Statutory Auditors submitted to the General Meeting of Shareholders for approval. This recommendation, which is made to the Board of Directors, is prepared in accordance with the provisions of Article 16 of Regulation (EU) No. 537/2014; it also makes a recommendation to the Board when any Statutory Auditor is being considered for reappointment in the manner provided for in article L.823-3-1;
- monitoring the completion of the Statutory Auditors' inspection; it takes into account the observations and conclusions of the High Council of Auditors following checks made pursuant to articles L.821-9 *et seq.;*
- ensuring that the Statutory Auditors meet the independence criteria set out in the French Commercial Code. If necessary, it will liaise with the Statutory Auditors to draw up measures that would safeguard their independence, in accordance with the provisions of the aforementioned EU regulation;
- approving the provision of services mentioned in article L.822-11-2 of the French Commercial Code.

The Board receives reports on the work and proposals of the Audit Committee from the Committee Chairperson or a Committee member designated by him/her.

4.5. Compensation Committee

Under the responsibility of the Board of Directors and in accordance with the provisions of the French Monetary and Financial Code, the Compensation Committee is tasked with making proposals and offering opinions to be submitted to the Board concerning:

- **the general principles of the compensation policy applicable to all Crédit Agricole S.A. Group entities, and, in particular:**
  - the establishment of pay structures, distinguishing between fixed and variable compensation in particular,
  - the principles for determining total amounts of variable compensation, taking into account the impact of the risks and capital requirements inherent to the business activities concerned,
  - the application of regulatory provisions concerning identified staff within the meaning of European regulations.

  As such, the Committee in particular:
  - issues an opinion on the compensation policy of the Crédit Agricole S.A. Group, prior to any Board decision,
  - monitors implementation of this policy, at Group level and by each major business line, by means of an annual review, to ensure regulatory compliance;
- **the remuneration of corporate officers,** ensuring compliance with applicable laws and regulations;
- **the total compensation package and its distribution among Directors and Non-Voting Directors;**
- **plans for capital increases reserved for Group employees** and, where applicable, stock option or share buyback plans as well as free share allocation plans to be submitted to the General Meeting of Shareholders, along with the terms and conditions for carrying out these capital increases and plans.

The Board receives reports on the work and proposals of the Compensation Committee from the Committee Chairperson or a Committee member designated by him/her.

4.6. Appointments and Governance Committee

Under the responsibility of the Board of Directors and in accordance with the provisions of the French Monetary and Financial Code, the Appointments and Governance Committee is tasked with:

- identifying candidates suitable for the position of Director and Non-Voting Director and recommending them to the Board with a view to submitting their names to the General Meeting;
- periodically – at least annually – assessing the balance and diversity of knowledge, expertise and experience of Board members. This assessment is carried out individually and collectively;
- specifying the role and necessary qualifications of Board members and calculating the time they need to devote to their duties;

Refer to the glossary on page 681 for the definition of technical terms.

- reviewing the diversity policy applied to Board members based on criteria such as age, gender or qualifications and professional background, and setting out the targets of this policy, the methods implemented, and the results obtained over the previous financial year;
- periodically – at least annually – assessing the Board's structure, size, composition and effectiveness as regards its role, and making any helpful recommendations to the Board;
- periodically reviewing the Board's policies regarding the selection and appointment of *dirigeants effectifs* (persons effectively running the undertaking), Deputy General Managers and the Chief Risk Officer, and making recommendations in this regard.

The Committee's work and proposals are reported to the Board by the Committee Chairperson or a Committee member designated by him/her.

Article 5: Credit Agricole S.A. Directors' Code of Conduct

Each member of the Board of Directors of Crédit Agricole S.A., regardless of whether they have the right to vote, fully subscribes to the provisions of the Code appended to these Rules of Procedure, of which it forms an integral part and every Board member has received a copy.

Article 6: Group Code of ethics

Each member of the Board of Directors of Crédit Agricole S.A., regardless of whether they have the right to vote, fully subscribes to the provisions of the Crédit Agricole Group Code of ethics and undertakes to respect them.

CRÉDIT AGRICOLE S.A. DIRECTORS' CODE OF CONDUCT

The purpose of this Code of Conduct is to improve the quality of the work carried out by Directors by encouraging effective application of the principles and best practices in the area of corporate governance.

Each member of the Board of Directors of Crédit Agricole S.A., regardless of whether they have the right to vote, undertakes to observe the guidelines contained in the present Code of Conduct and to apply them.

Article 1 – Administration and social purpose

Each member of the Board of Directors of Crédit Agricole S.A., regardless of whether they have the right to vote, must consider themselves a representative of all shareholders and other stakeholders and must, in all circumstances, act in their best interests and those of the Company.

Article 2 – Compliance with laws and Articles of Association

On taking up their duties and throughout their term of office, each member of the Board of Directors of Crédit Agricole S.A., regardless of whether they have the right to vote, must acknowledge the full extent of their general and/or specific rights and obligations. They must familiarise themselves with and observe the laws and regulations applicable to the Company and to their own duties, all applicable governance codes and best practices, and the Company's own rules as per its Articles of Association and rules of procedure.

Article 3 – Availability and diligence

The Director must devote the time, attention and availability necessary to fulfil his/her duties.

The Director must observe the laws and regulations applicable to any Director of a credit institution.

As such, on taking up their duties, the Director must inform the Chairman of the Board of all offices and duties exercised in any company, along with the names and corporate forms of the entities in which they exercise these offices and duties.

The Director must, in good time, inform the Chairman of the Board of any changes (termination, resignation, non-reappointment, dismissal, new offices and duties) made to the list of offices and duties declared.

The Director undertakes to resign from their duties if they no longer consider themselves apt to fulfil their role within the Board and the Specialised Committees of which they are a member.

Barring exceptional circumstances, they must be diligent and active participants in all Board meetings and all meetings of the Committees of which they are a member, where applicable.

Article 4 – Information and training

The Chairman ensures that Directors receive, in good time, the information and documents they need to fulfil their duties in full. Similarly, the Chairperson of each of the Board's Specialised Committees ensures that the members of their Committee receive, in good time, the information they need to fulfil their duties.

The Director, however experienced, must continuously strive to remain informed and adequately trained. They are duty bound to stay informed so that they can usefully contribute to discussions on items on the Board's agenda.

For this purpose, Crédit Agricole S.A. devotes the necessary human and financial resources to provide training for its Directors, and Directors are duty bound to devote the necessary time to any training courses offered to them by Crédit Agricole S.A.

Directors are kept informed of any changes made to laws and regulations, including those pertaining to the regime applicable to inside information.

Article 5 – Exercising duties: guidelines

The Director will exercise his/her duties in a spirit of independence, integrity, fairness and professionalism.

Article 6 – Independence and duty to disclose

The Director ensures that their independence and freedom to make judgements and decisions and to take action are safeguarded in all circumstances. They must remain impartial and free from influence peddling from any source uninvolved with the social purpose they are duty bound to safeguard.

They inform the Board of anything they are aware of that might be detrimental to the Company's interests.

They are duty bound to express their doubts and opinions. In the event of a disagreement, they ensure that it is explicitly documented in the meeting's minutes.

Article 7 – Independence and conflicts of interest

Board members are subject to the legal and regulatory requirements applicable in matters relating to conflicts of interest. Each member of the Board of Directors of Crédit Agricole S.A., regardless of whether they have the right to vote, informs the Board of any actual or potential conflict of interest in which they may be involved either directly or indirectly. They will refrain from attending the debate and voting on the corresponding decision.

Refer to the glossary on page 681 for the definition of technical terms.

Article 8 – Integrity, fairness and good character

The Director acts in good faith in all circumstances and takes no initiative that might be detrimental to the interests of the Company or of other companies within the Crédit Agricole Group.

He/she personally undertakes to ensure that the information they receive, the debates in which they participate, and the decisions taken are kept fully confidential.

The Director shows the honesty, integrity and independence required to assess and, if necessary, question the decisions taken by Executive Management and to ensure that any management decisions taken are supervised and monitored effectively.

Article 9 – Inside information – Transactions in securities

The Director refrains from using the inside information to which they are privy for their own personal benefit or for the benefit of anyone else.

Crédit Agricole S.A. shares and related financial instruments

When a Director is privy to information that has not been made public on the company in which he/she exercises a term of office as Director, they refrain from using it to carry out themselves or by a third party any transactions in Crédit Agricole S.A. securities. Their name is accordingly on the list of "Permanent Insiders" with respect to Crédit Agricole S.A. securities, and the AMF (French Financial Markets Authority) has access to this list.

They undertake to observe the rules stipulating, for instance, that "Permanent Insiders" may trade in Crédit Agricole S.A. securities within intervals of six (6) weeks following publication of quarterly, half-yearly or annual results, provided they are not privy during this time to information on the company that has not been made public.

They are informed of these obligations in a letter from the Crédit Agricole S.A. Compliance Department; they will acknowledge receipt of this letter.

Crédit Agricole S.A. may find itself obliged to forbid trading in any Crédit Agricole S.A. financial instrument, including during these periods.

In accordance with legal and regulatory requirements, the Director must disclose any transactions carried out in shares in the Company and in any related financial instruments, either for their own account or on behalf of persons closely related to them.

Persons subject to the reporting requirement must send their disclosures to the AMF (French Financial Markets Authority), by electronic means only, within three (3) trading days following the transaction date. Each disclosure is published on the AMF's website.

The General Meeting of Shareholders is informed of all transactions carried out over the previous financial year; these transactions are presented in a summary statement included in the Company's management report.

In addition, the Director's name may also be on a list of "Deal/Event-Specific Insiders" due to the nature of their activities within Crédit Agricole S.A. They are duty bound to comply with the associated requirements and will be informed of them, particularly their duty to refrain from trading in Crédit Agricole S.A. securities during the course of a project.

Financial instruments other than those issued by or relating to Crédit Agricole S.A.

In addition, the Director is duty bound to inform Crédit Agricole S.A. of any transactions carried out in financial instruments other than those issued by or relating to Crédit Agricole S.A., whether for their own account or on behalf of persons closely related to them, if they consider that they may potentially create a conflict of interests or if they hold confidential information that may be deemed inside information which they became privy to during the course of their duties as a Director of Crédit Agricole S.A. Crédit Agricole S.A. may find itself obliged to forbid trading in any financial instrument (list of "Deal/Event-Specific Insiders") on which specific information, not made public, is discussed during the course of a meeting held by the Board of Directors of Crédit Agricole S.A. (a strategic transaction, acquisition, creation of a joint venture, etc.).

CRÉDIT AGRICOLE GROUP CODE OF ETHICS

This new Code of ethics expresses Crédit Agricole Group's commitment to behaviour that reflects all its values and working principles vis-à-vis its customers, mutual shareholders, shareholders, as well as its suppliers and all stakeholders with whom it engages. It acts as a responsible employer.

It is the responsibility of Directors and executives to respect the values set out in this Code and to set an example. Executives must ensure that these values are applied and shared by all Crédit Agricole Group employees, regardless of their level of responsibility, business line or place of work.

Besides applying all the legal, regulatory and industry rules governing our various businesses, our Code of ethics reflects our desire to do even more to better serve our customers who have been our *Raison d'Être*[1] since day one.

All Directors and employees are made aware of our Code of ethics.

It is applied by each entity in a form that reflects its specific characteristics and is incorporated into its internal control procedures.

The compliance principles are compiled into a set of rules *(Fides).*

Our working principles and behaviour comply with the fundamental principles found in the various international documents[2].

Our identity and values

Crédit Agricole Group is built around regional cooperative and mutual banks, with a European calling and open to the outside world.

Thanks to its universal customer-focused retail banking model – which is based on close cooperation between its retail banks and their related business lines –, Crédit Agricole Group aims to build multi-channel relationships with its customers, streamlining and facilitating their plans in France and worldwide, helping them make optimal decisions, and supporting them over time, in a spirit of determination, flexibility and innovation.

Crédit Agricole Group works to help its customers and meet their needs by providing them with a range of expertise and know-how: day-to-day banking, lending, savings, insurance, asset management, real estate, lease financing, factoring, corporate and investment banking, etc.

Our long-standing values, close customer relationships, responsibility and solidarity mean that people drive our actions and are central to our purpose.

Crédit Agricole promotes the cooperative values of democratic governance, relationships of trust, and respect for and between its members. It relies on each person's sense of responsibility and entrepreneurial

(1) Please refer to the glossary for the definition of Raison d'Être.

(2) These include the principles set out in the Universal Declaration of Human Rights published by the UN in 1948, the ten principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, the OECD anti-corruption guidelines and recommendations, and the International Labour Organization (ILO) conventions.

 Refer to the glossary on page 681 for the definition of technical terms.

spirit. Customer satisfaction, regional development and the search for long-term performance inform its actions.

Our identity and values require each person to act in an irreproachable and ethical manner. Each Group entity shares the belief that these values drive strength and growth.

Built on its sense of ethics and fairness and true to its cooperative culture, compliance helps enhance customer trust and the Group's image. It is central to our business lines and to the governance of Crédit Agricole Group.

Crédit Agricole Group undertakes to ensure that its working principles help it achieve its goal of being a bank that is fair, open to everyone and multi-channel, providing each person with support over time and with the ability to make fully informed decisions.

Our working principles apply

Vis-à-vis our customers

Respect and support for customers, and fairness towards them

Each employee brings his/her experience and expertise to bear in being attentive to and serving our customers and mutual shareholders, and in supporting them over time, all in a multi-channel environment. They listen to and provide customers with fair advice, and help them make decisions by offering solutions that are tailored to their profile and interests while informing them of the related risks.

Solidarity

Built on the Group's mutual background, the relationships we establish with our customers, mutual shareholders and all our stakeholders embody solidarity and adherence to the commitments we have made.

Usefulness and convenience

Our Group is committed to its universal customer-focused bank model, which is a fount of values and beneficial for our customers, who are able to access the expertise and know-how of all the Group's business lines. It remains true to its culture of local engagement by spurring regional development.

Personal data protection and transparency

The Group has established a standard framework by means of a personal data code to ensure our customers' data is protected.

Vis-à-vis society

Fundamental rights

The Group operates worldwide in compliance with human rights and basic social rights.

Corporate social responsibility (CSR)

The Group upholds its sense of corporate social and environmental responsibility across all its business lines and corporate operations. Its approach is built on a value-creating CSR strategy and is designed to support France's regions and strive for excellence in our dealings with our customers, partners, mutual shareholders and employees.

Vis-à-vis our employees

A responsible human resources policy

For the Group, being a responsible employer means ensuring non-discrimination and equal treatment, encouraging personal development in particular through training, promoting gender equality, diversity of backgrounds and profiles, helping people with disabilities, encouraging social dialogue and quality of life in the workplace, and creating a safe working environment in which all employees are treated with dignity and respect.

Through ethical behaviour

Professionalism and expertise

Directors, executives and employees, regardless of their entity or geographic area, must be aware of and apply the laws, regulations, rules and professional standards as well as the procedures applicable to their entity, in order to ensure they are observed and implemented in a responsible manner.

Responsible behaviour

Each Director, executive and employee reflects the Group's image. Responsible and ethical behaviour is required at all times and in all circumstances: no action is permitted that may harm the Group's reputation and integrity.

Confidentiality and integrity of information

Group Directors, executives and employees are subject to the same duty of secrecy and are forbidden from improperly disseminating or using any confidential information they may be privy to, for their own account or on behalf of third parties. Employees must endeavour to provide reliable and accurate information to our customers, shareholders, supervisory authorities, the financial community and stakeholders in general.

Prevention of conflicts of interests

Group Directors, executives and employees must be free of all conflicts of interest in order to ensure that the interests of our customers take precedence at all times.

Diligence

Everyone, whether a Director, executive or employee, must work to safeguard the interests of customers, combat money laundering and terrorist financing, comply with international sanctions, combat corruption, prevent fraud and safeguard market integrity. Each individual must exercise due diligence with respect to the Group's business lines and, if necessary, make use of the whistleblowing mechanism, in accordance with current regulations and procedures.

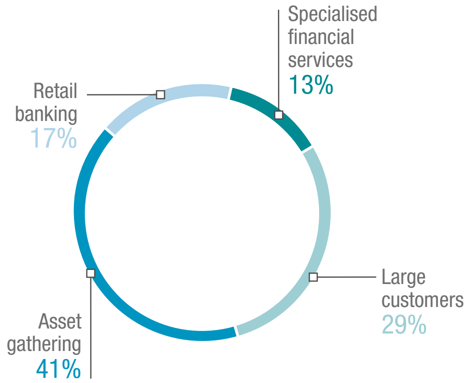
4

REVIEW OF THE 2020 FINANCIAL POSITION AND PERFORMANCE

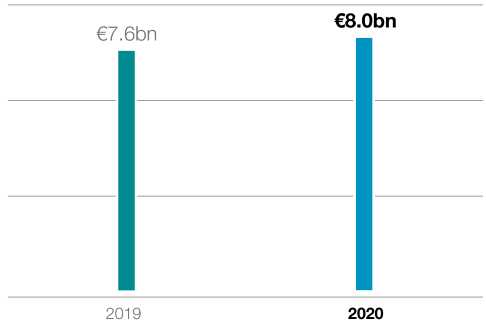
Refer to the glossary on page 681 for the definition of technical terms.

A balanced business mix

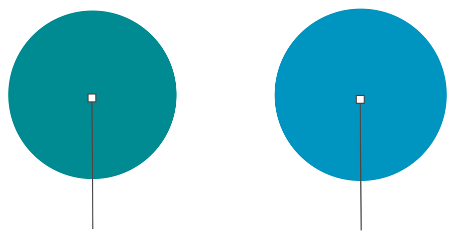
Breakdown of underlying net income Group share (excl. Corporate Center)



Increase in underlying gross operating income



Solid underlying net income Group share



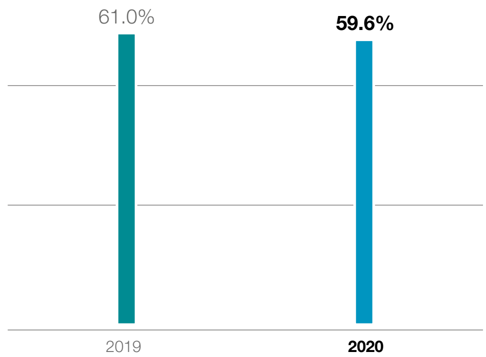
€6.1bn
Crédit Agricole Group

€3.8bn
Crédit Agricole S.A.

Underlying RoTE

9.3%

2022 MTP underlying cost/income ratio (excl. SRF) target achieved in 2020



OPERATING AND FINANCIAL INFORMATION

PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS OF CRÉDIT AGRICOLE S.A.

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 2020.

Changes in the scope of consolidation

Changes in the scope of consolidation are described in Notes 2 and 12 to the consolidated financial statements for the year ended 31 December 2020.

ECONOMIC AND FINANCIAL ENVIRONMENT

Overview of 2020

The year 2020, initially marked by an orderly slowdown in the global economy, financial markets made to feel optimistic by the reduction in uncertainties (including a China-US trade agreement) and lasting accommodative monetary policies, will obviously be marked by the effects of the COVID-19 epidemic. COVID-19 is a shock unprecedented in nature firstly due to its disruption of the real economy: an external event that has impacted the economy globally and affects both supply and demand by forcing entire business sectors into inactivity, while at the same time causing consumption to contract with the resulting unintentional accumulation of extensive savings. The magnitude of the shock is another point of difference, being much greater than the 2008-2009 crisis. As early as April, the IMF thus delivered a forecast of a contraction of world GDP of -3% in 2020 (compared to a -0.1% decline in 2009). In June, the IMF stated that it expected a recession of -4.9% in 2020 followed by a recovery of 5.4% in 2021. In October, the forecasts of a recession followed by global recovery were both slightly revised (-4.4% followed 5.2%) to finally be revised favourably in January 2021 (-3.5% and 5.5%).

To cushion the anticipated recession and prevent the public health and economic crisis from being coupled with a financial crisis, we have thus witnessed the rapid and generalised implementation of monetary and budgetary support policies unprecedented in terms of size and capacity to overcome constraints. In monetary matters, central banks have had recourse to diverse combinations of various tools, while pursuing similar targets: easing of financing conditions, efficient transmission of monetary policy, better functioning of the financial and credit markets and, in the case of the ECB, easing of tensions on the most vulnerable sovereign bond spreads in the Eurozone. Thanks to massive support plans (partial unemployment, aid to the most vulnerable populations, temporary reduction in social contributions, deferral of tax charges and social security costs, public guarantees on loans to companies, government equity investments), the budgetary policies have sought to soften the shock by limiting the destruction of jobs and production capacities in order to ensure the best possible restart, once the pandemic has passed. While monetary and budgetary policies have made it possible to avoid a financial crisis and attenuate the recessionary effect of the pandemic, its effect has nonetheless been considerable but of varying magnitude by country depending, notably, on the countries' structural features (structure of GDP, employment, weight of different sectors), how robust they were pre-crisis, their public health strategies and how much leeway they had.

In the United States, in mid-March, the Federal Reserve took a series of radical easing measures(1), some of which were then extended and supplemented in order to ensure a supply of liquidity to banks and markets (unlimited asset buying, expansion of the universe of purchasable securities). This accommodative stance was also reinforced by the adoption of average inflation targeting which explicitly allows the inflation target to be exceeded after periods in which inflation has been consistently below 2%. After its December meeting, the Federal Reserve made it clear that it would maintain an accommodative stance and its key rates at zero for an extended period as evidenced by the "dot plot", in which the median projection of members of the FOMC shows unchanged rates until at least 2023. While feeling comfortable with the current set up, the Fed has said it was ready to do more (more bond purchases and/or maturity extensions) if necessary.

The US budgetary response was also rapid (March) and massive, in the form of a support plan known as the Coronavirus Aid, Relief, and Economic Security (CARES) Act (totalling nearly $2,200 billion (*i.e.*10% of GDP) aimed at providing financial assistance or relief to households and businesses, but also to hospitals and states. The flagship measures included the direct stimulus payment to low and moderate income households, an unemployment insurance assistance plan (authorising the extension of unemployment benefits which normally fall under the competence of the states), financial support to SMEs ($350 billion), loans to large corporates, to states and local governments ($500 billion), the release of loans to hospitals ($150 billion). An additional budget plan ($484 billion *i.e.* just over 2% of GDP), aimed at strengthening the CARES Act of March and "lengthening" the loan program for SMEs, was adopted in April.

In 2020(2), the US budget deficit therefore widened by nearly 10 points to 14.9% of GDP, while the debt grew by +20 percentage points to reach 100% of GDP. Activity nonetheless fluctuated throughout the year. After a decline of -1.3% in the first quarter (non-annualised quarterly change), the decline in GDP in the second quarter was violent (-9%) but followed by a more sustained rebound than expected (+7.5 % in the third quarter). Owing to the resurgence of the pandemic, the improvement in the labour market came to a halt in December (after peaking at 14.8% in May, the unemployment rate reached 6.7% against 3.5% before the crisis). In the fourth quarter, economic activity grew only +1%. **Despite massive monetary and budgetary support, the recession in the end stood at -3.5% (-2.5% in 2009); GDP was 2.5% below its pre-crisis level (end of 2019) and inflation reached 1.4% at end December.**

In the Eurozone, from March onwards, the ECB deployed aggressive accommodative measures which it then adapted to prevent any undesirable tightening of financial conditions: increase in Quantitative Easing (additional envelope of €120 billion), launch of a new temporary purchasing program (Pandemic Emergency Purchase Program or PEPP of €750 billion, initially until the end of 2020, purchases not constrained by the limit of holding no more than 33% of any one bond or issuer, which makes for easier compliance with the capital distribution key), introduction of transitional Long Term Refinancing Operations (LTRO) until

(1) Rate cut of 100 basis points (Fed funds range at [0; 0.25%]) of the marginal lending facility rate (discount window of 1.5% to 0.25%), lower reserve requirement rate, asset purchase program ($500 billion in Treasuries and $200 billion in mort-gage-backed securities, MBS), liquidity for specific segments (Commercial Paper Funding Facility, Money Market Mutual Fund Liquidity Facility), forward guidance (no interest rate hike until the public health crisis is overcome and the economy evolves in line with its inflation and employment targets).

(2) 2020 fiscal year ended in September.

Refer to the glossary on page 681 for the definition of technical terms.

June 2020 (with more favourable conditions as well as less stringent rules for collateral), easing of the TLTRO III conditions, new long-term refinancing operations Pandemic Emergency Longer-Term Operations (PELTRO) and, lastly, measures to alleviate the solvency and liquidity constraints on the banking sector. At the end of December, faced with the more severe impact of the second wave of the pandemic on the short-term scenario and the high uncertainties about growth (for which it revised the 2021 forecast downwards from 5% to 3.9%), the ECB sent a very clear signal of substantial and, above all, lasting presence; it renewed its incentive to lend to banks and its commitment to limit pressure on the risk premiums of vulnerable sovereigns: recalibration of the third series of targeted longer-term refinancing operations (TLTRO III, extension until June 2022 of the period during which very favourable conditions adopted in terms of interest rates[1] and easing of collateral apply), three additional operations planned for 2021 (June, September, December), increase in the total amount that the counterparties will be authorised to borrow during TLTRO III, four additional refinancing operations (PELTRO, from March to December 2021 for a period of one year), additional budget of €500 billion dedicated to the PEPP (a total of €1,850 billion), extension of the horizon for net purchases to the end of March 2022, reinvestment of principal repayment of maturing securities extended at least until the end of 2023.

The Eurozone's fiscal policy also quickly took an expansionary turn with national measures (support for the healthcare system, businesses and employment, public guarantees on new business loans). By easing constraints on national policies through the suspension of budgetary rules, the European Commission enabled the countries to respond immediately to the crisis. Faced with such diverse national latitudes that posed the risk of a detrimental fragmentation to the market and to the single currency, the pooling of resources was essential. The existing funds were first mobilized[2]. **As the scale of the crisis became clear, new pooled resources financed by debt emerged:** the SURE fund (support to mitigate unemployment risks, €100 billion), investment guarantees by the EIB (€200 billion), **a proposal from the European Commission in favour of a recovery and reconstruction support fund, redistributing in favour of the poorest countries and those most affected by the crisis: the Recovery Fund** (*i.e.* €750 billion raised by bond issue guaranteed by the EU budget).

In 2020, the boost to the economy provided by fiscal policy was slightly less than 4 percentage points of GDP on average in the Eurozone. Coupled with the cyclical deterioration of the budget balance (4 percentage points of GDP), the public deficit widened by almost 9.3% on average in the Eurozone and led to a sharp increase in public debt (almost 18 points on average to reach just over 104% of GDP). Despite monetary and fiscal arrangements, the economy nonetheless evolved with the pandemic and the mobility restriction measures it imposed. After an already substantial decline in the first quarter (-3.7% quarter-on-quarter), GDP fell by -11.7% in the second quarter before recording a spectacular rebound that was more robust than expected (+12.5%). In the last quarter, the decline was less severe than expected (-0.7%). **While inflation fell back (-0.3%, year-on-year in December; 0.3% on average), the recession thus reached 6.8% in 2020 (compared to -4.5% in 2009), leaving GDP down -5.1% on its level at end 2019 and showing significant differences between the large Eurozone countries.** For example, in Germany, after almost zero growth in the fourth quarter, GDP recorded an average contraction of 5.3% over 2020, which remains "limited" notably in view of the financial crisis of 2009 (a -5.7% decline).

In France, after a sharp rebound, the lockdown in November led to a smaller-than-expected contraction in GDP (-1.3% in the fourth quarter), less than estimated. Over full year 2020, GDP fell by -8.3%, a shock much greater than that of the 2009 crisis (-2.9%), but ultimately lower than what had been anticipated in the scenario of December or by the economists 'scenario which planned a contraction by around 9%. With a less maturity and extent, the second lockdown has been less negative for the economy than the spring's one. Thus, the level of activity in the fourth quarter is lower by 5% compared to the fourth quarter 2019, last quarter with a "normal" level of activity, whereas the second quarter 2020 was lower by 18.8%. In the fourth quarter, the contraction of activity is mainly due to the decline in consumption, caused by administrative closures and curfew measures. On the other hand, the investment continues its recovery thanks to the continuation of the activity in sectors such as building, and capital goods production.

By posting even moderate growth (around 2.3%), China was ultimately the only G20 economy not to have suffered a recession in 2020. After a historically low first quarter, Chinese activity was revived thanks to a policy focused on supply (support for companies through public orders and lines of credit). A two-speed recovery has thus started with, on the one hand, a V-shaped recovery for industrial production, exports and public investment and, on the other hand, a more gradual rebound in consumption, private investment and imports. Despite the recovery, almost a year after the public health crisis, some stigmas are still visible: retail sales, just like certain service activities (requiring a physical presence) have not caught up to their 2019 level and job creation is still insufficient to offset the destruction that took place in early 2020 and absorb new entrants.

In 2020, monetary activism made it possible to prevent the economic crisis from being coupled with a financial crisis: a clear success in view, on the one hand, of the shock to the real economy and, on the other hand, of the threats that hovered at the beginning of the year, particularly within the Eurozone. In the wake of a powerful wave of risk aversion, in March, the German ten-year interest rate plunged to -0.86%, a low quickly followed by a violent widening of risk premiums paid by the other countries. Risk premiums offered by France, Spain and Italy peaked at 66 basis points (bp), 147 bp and 280 bp, respectively, in mid-March. Completed by the European Recovery Fund, the monetary policy measures rolled out by the ECB made it possible, if not to significantly raise German rates, then to avoid a fragmentation of the Eurozone and to encourage the appreciation of the euro against the dollar (9% over the full year). At end December, while the Bund stood at -0.57%, French, Italian and Spanish spreads were only 23 bp, 62 bp and 111 bp respectively. US rates (10-year US Treasuries), which started from 1.90% at the beginning of the year, fell back to 0.50% in March and then moved within a relatively narrow range (0.60%-0.90%). At its 15-16 December meeting, the Fed opted for the status quo but confirmed that it was still possible, if necessary, to increase its bond purchases and extend their maturity. Rates therefore rose slightly before quickly easing off. Having followed a slow upward trend since the summer, rates ended the year at 0.91%. Finally, the abundance of liquidity and the commitment to maintain accommodative monetary conditions provided by central banks supported riskier markets. Thus, for example, while American and European equities posted declines of respectively -30% and -37% in mid-March compared to their level at the beginning of January, they ended the year with a respectable rise (+14%) and a limited decline (-6.5%).

(1) 50 basis points (bp) below the refinancing rate for all outstandings and 50 bp below the deposit rate for any net outstandings equal to the level of outstandings granted between October 2020 and December 2021. The precondition for benefiting from this strong incentive to lend is therefore clear: the existing support must not be reduced

(2) Reorientation of unused cohesion funds from the EU budget in the amount of €37 billion, guarantees to SMEs provided by the European Investment Bank (EIB), use of funds still available from the European Stability Mechanism (ESM) in the amount of €240 billion (or 2% of the area's GDP).

Refer to the glossary on page 681 for the definition of technical terms.

CRÉDIT AGRICOLE S.A. OPERATIONS AND CONSOLIDATED RESULTS

In full-year 2020, reported net income, Group share, reached €2,692 million, compared with €4,844 million in 2019, representing a decrease of -44.4%. **2020 specific elements had a negative impact for -€1,157 million** on the stated net income group share. They encompass CA Italia goodwill impairment for -€778 million, Crédit Agricole Consumer Finance NL goodwill impairment for -€55 million, the reclassification as held for sale operations for Credit Agricole Consumer Finance NL (-€135 million), CA Bank Romania (-€7 million), the ongoing sale within Wealth Management (-€23 million), the provision recovery on FCA bank fine for +€89 million, Liability management upfront payment for -€28 million, support to insured clients in relation with COVID-19 for -€98 million, the exceptional contribution on supplementary health insurance premiums for -€15 million, COVID-19 donation -€52 million, Kas Bank and Santander Securities Services (S3) acquisition costs for -€9 million, exceptional contribution to the Italian banks rescue plan -€6 million. In addition, there are some recurrent specific elements, namely DVA for +€8 million, Large Corporate loan portfolio hedges for +€7 million, and home purchase saving plans for -€53 million.

Specific items in 2019 had an impact of +€262 million on reported net income Group share. This includes the favourable decision of the French Council of State on the dispute over the tax treatment of Emporiki shares for +€1,038 million, the costs of the integration and acquisition by CACEIS of Santander and Kas Bank (-€15 million in net income Group share), a write-down of assets in the process of being disposed of for -€46 million in income on activities in the process of disposal. The acquisition of Kas Bank by CACEIS resulted in a badwill of +€22 million and the goodwill of LCL was partially impaired for -€611 million. In addition, there are recurring accounting volatility elements, namely DVA (Debt Valuation Adjustment, *i.e.* gains and losses on financial instruments related to changes in the Group's issuer spread), plus the Funding Valuation Adjustment (FVA) portion associated with the change in the issuer spread, which is not hedged, for -€15 million net income Group share, the hedge on the Large Customers loan book for -€32 million, and the change in the provision for home purchase savings for -€79 million net income Group share.

Excluding these specific items, **underlying net income Group share stood at €3,849 million,** down **-16.0%** compared to 2019.

Underlying earnings per share[1] for 2020 amounted to €1.20, down -13.4% compared to 2019.

Underlying RoTE[2] net of coupons on Additional Tier 1 securities (return on equity Group share excluding intangible assets) was 9.3% in 2020. The RoNE (Return on Normalised Equity) of the business lines was down in 2020 compared to 2019, due to the lower results for the year and the increase in RWA since December 2019.

(in millions of euros)	2020 stated	Specific items	2020 underlying	2019 stated	Specific items	2019 underlying	Δ 2020/2019 stated	Δ 2020/2019 underlying
Revenues	**20,500**	**(264)**	**20,764**	**20,153**	**(186)**	**20,339**	**1.7%**	**2.1%**
Operating expenses excl. SRF	(12,452)	(86)	(12,366)	(12,421)	(15)	(12,405)	+0.3%	(0.3%)
SRF	(439)	-	(439)	(340)	-	(340)	29.1%	29.1%
Gross operating income	**7,609**	**(351)**	**7,959**	**7,392**	**(201)**	**7,594**	**2.9%**	**4.8%**
Cost of credit risk	(2,606)	0	(2,606)	(1,256)	-	(1,256)	x2.1	x2.1
Equity-accounted entities	413	89	324	352	-	352	17.5%	(7.9%)
Net income on other assets	75	-	75	54	(6)	60	39.7%	25.2%
Change in value of goodwill	(903)	(903)	-	(589)	(589)	-	53.2%	N/A
Income before tax	**4,588**	**(1,164)**	**5,752**	**5,952**	**(797)**	**6,749**	**(22.9%)**	**(14.8%)**
Tax	(1,129)	96	(1,225)	(456)	1,103	(1,559)	x2.5	(21.4%)
Net income from discontinued or held-for-sale operations	(221)	(221)	(0)	(38)	(46)	8	N/A	N/A
Net income	**3,238**	**(1,289)**	**4,527**	**5,458**	**260**	**5,198**	**(40.7%)**	**(12.9%)**
Non-controlling interests	(546)	133	(679)	(614)	2	(616)	(11.1%)	10.2%
NET INCOME GROUP SHARE	**2,692**	**(1,157)**	**3,849**	**4,844**	**262**	**4,582**	**(44.4%)**	**(16.0%)**
EARNINGS PER SHARE *(€)*	**0.80**	**(0.40)**	**1.20**	**1.48**	**0.09**	**1.39**	**(45.8%)**	**(13.4%)**
COST/INCOME RATIO EXCL. SRF *(%)*	**60.7%**		**59.6%**	**61.6%**		**61.0%**	**-0.9 pp**	**-1.4 pp**

(1) See details of the calculation of the EPS in slide 244.

(2) See details on the calculation of the business lines' RoTE (Return on Tangible Equity) par presented in page 245 in the appendices. The reported RoTE for 2020 was 6.2%, and the RoTE excluding the amortisation of the goodwill on CA Italia comes to 8.3%.

Refer to the glossary on page 681 for the definition of technical terms.

Underlying revenues increased by **+2.1%** compared to 2019, thanks to strong growth in the revenues of the Large Customers business line (+10.7%), while the other business lines showed resilience overall: -1.4% in Retail Banking, -3.0% for Asset Gathering, and -7.0% in Specialised Financial Services for the underlying figure or -4.3% at constant scope[(1)]. In detail, the French retail banking presented a growth in revenue over the year (+1.4%) thanks to its good mix between commissions and net interest income (boosted by favorable refinancing conditions) , the international retail banking (-4.9%) was penalized by the decrease in interest rates observed on all its markets, asset gathering prove resilient despite the negative market effect, specialized financial services succeeded in presenting a limited decrease in their revenues thanks to the relative resistance of its production (Crédit Agricole Consumer Finance credit production in 2020 reached 86% of the 2019 production). Last, Large Corporates presented revenues boosted by the strong activity on the bond market. Overall, recurring revenues, *i.e.* revenues attached to an inventory item (outstanding loans/customer assets, assets under management) or an insurance policy (property and casualty insurance, death and disability insurance), accounted for 76% of Crédit Agricole S.A.'s underlying revenues. Interest income contributed to 37% of underlying revenues for the year, vs. 41% for commissions, 10% for other revenues (including trading) and 12% for insurance.

Underlying **operating expenses** excluding the Single Resolution Fund (SRF)[(2)] were stable (-0.3%), the contribution to the SRF having increased significantly, by +29,1% to €439 million in 2020 compared to €340 million in 2019. Expenses were stable thanks to the very good operational efficiency of the business lines: Asset Gathering reduced expenses by -2.4% compared to 2019, Retail Banking by -2.1% and Specialised Financial Services by -5.6% on the underlying scope and 0.0% without scope effect. The Large Customers business line reported a +6.0% increase in expenses over the year, but this was mainly due to a scope effect (with Kas Bank and S3 integrated into Institutional financial services). The **underlying cost/income ratio excluding SRF stood at 59.6% for the year,** which is a 1.4 percentage point improvement on 2019, and **below the target set in the Medium-Term Plan presented in June 2019, *i.e.* 60%.**

Cost of risk increased significantly during the period (x2.1/-€1,350 million to -€2,606 million, versus -€1,256 million in 2019). Cost of risk/outstandings reached 62 basis points in 2020[(3)]. 77% of the increased cost of risk versus 2019 was due to additional provisioning for performing loans (Stages 1 and 2), related for the most part to prudent provisioning in sensitive sectors (such as aerospace, cruises, hotels, tourism, restaurants and certain profes-sionals). The -€2,606 million charge for 2020 breaks down into provisioning for performing loans (Stages 1 and 2) for -€817 million (vs. a reversal of €216 million in 2019) and provisioning for proven risk (Stage 3) for -€1,765 million (vs. -€1,449 million in 2019). This increase in the cost of risk is visible across all credit businesses. LCL recorded a cost of risk of -€390 million (+80% vs. 2019) and a cost of risk/outstandings of 29 basis points over 2020; CA Italia's cost of risk was -€428 million in 2020, up +70% compared to 2019, with a cost of risk/outstandings[(3)] of 93 basis points in 2020; the cost of risk of Crédit Agricole Consumer Finance stood at -€732 million in 2020, up by +47% compared to 2019, and its cost of risk/outstandings[(3)] was 179 basis points in 2020. Lastly, in financing activities, the cost of risk in 2020 stood at -€829 million, 5.2x higher than in 2019, with the cost of risk/outstandings[(3)] at 67 basis points in 2020. The contribution to the underlying amount of equity-accounted entities decreased slightly by -7.9%, to €324 million, with the Specialised financial services partnerships being the main contributors. Net income on other assets amounted to €75 million, up by +25.2% (+€15 million) in 2020. Underlying income before tax, discontinued operations and non-controlling interests were therefore down -14.8%, at €5,752 million. The income tax charge was €1,225 million, down 21.4%, with an underlying effective tax rate of 22.6%, down by -1.8 percentage points compared to 2019. The underlying net income before non-controlling interests was therefore down -12.9%. Non-controlling interests stood at -€679 million in 2020, up +10.2%, notably due to a change in the recognition methods used for RT1 subordinated debt coupons (with no impact on net earnings per share), after CACEIS shared non-controlling interests with Santander in 2020.

Underlying net income Group share was down -16% to €3,849 million.

(1) Excluding Crédit Agricole Consumer Finance NL.

(2) The Single Resolution Fund (SRF) was created in 2014. It is a supranational fund financed by Eurozone member states, notably enabling the pooling of financial resources to be used for banking resolution.

The Single Resolution Fund will be gradually built up by contributions from national resolution funds for a period of eight years from 2016, to reach a target of at least 1% of the covered deposits of all approved credit institutions of the participating member states combined by 2023.

(3) The cost of risk/outstandings is calculated on the basis of the cost of risk recorded in the year over the average of the outstandings at the start of all four quarters of the year.

Refer to the glossary on page 681 for the definition of technical terms.

The specific elements that had an impact on Crédit Agricole S.A.'s accounts in 2020 and 2019 are as follows:

	2020		2019	
(in millions of euros)	Gross impact[(1)]	Impact on net income	Gross impact[(1)]	Impact on net income
DVA (LC)	11	8	(21)	(15)
Loan portfolio hedges (LC)	10	7	(44)	(32)
Home Purchase Savings Plans (FRB)	(14)	(9)	(31)	(20)
Home Purchase Savings Plans (CC)	(64)	(44)	(90)	(59)
Liability management upfront payment (CC)	(41)	(28)	-	-
Support to insured clients COVID-19 (LCL)	(2)	(1)	-	-
Support to insured clients COVID-19 (AG)	(143)	(97)	-	-
Exceptional contribution on supplementary health insurance premiums (AG)	(22)	(15)	-	-
Total impact on revenues	**(264)**	**(179)**	**(186)**	**(126)**
COVID-19 donation (AG)	(38)	(38)	-	-
COVID-19 donation (IRB)	(8)	(4)	-	-
COVID-19 donation (CC)	(10)	(10)	-	-
S3/Kas Bank integration costs (LC)	(19)	(9)	(15)	(11)
Exceptional contribution to the Italian banks rescue plan (IRB)	(11)	(6)	-	-
Total impact on operating expenses	**(86)**	**(68)**	**(15)**	**(11)**
Triggering of the Switch 2 (AG)	65	44	-	-
Adjustment on Switch 2 activation (GEA)	(28)	(19)	-	-
Better fortune adjustment on Switch 2 (AG)	(38)	(26)	-	-
Total impact on cost of credit risk	**-**	**-**	**-**	**-**
Provision recovery on FCA bank fine (SFS)	89	89	-	-
Total impact equity-accounted entities	**89**	**89**	**-**	**-**
Santander/Kas Bank acquisition costs (LC)	-	-	(6)	(5)
Total impact Net income on other assets	**-**	**-**	**(6)**	**(5)**
Impairment LCL goodwill (CC)	-	-	(611)	(611)
Badwill Kas Bank (LC)	-	-	22	22
Impairment CA Italia goodwill (CC)	(903)	(778)	-	-
Total impact on change of value of goodwill	**(903)**	**(778)**	**(589)**	**(589)**
Emporiki litigation (CC)	-	-	-	1,038
Total impact on tax	**-**	**-**	**-**	**1,038**
Reclassification of held-for-sale operations (IRB)	(7)	(7)	(46)	(46)
Reclassification of held-for-sale operations (SFS)	(135)	(135)	-	-
Impairment on goodwill (CC)	(55)	(55)	-	-
Ongoing sale project (WM)	(24)	(23)	-	-
Total impact on Net income from discounted or held-for-sale operations	**(221)**	**(221)**	**(46)**	**(46)**
TOTAL IMPACT OF SPECIFIC ITEMS	**(1,385)**	**(1,157)**	**(843)**	**262**
Asset Gathering	(227)	(174)	-	-
French Retail Banking	(16)	(10)	(31)	(20)
International Retail Banking	(27)	(18)	(46)	(46)
Specialised Financial Services	(45)	(45)	-	-
Large Customers	3	6	(65)	(40)
Corporate Centre	(1,074)	(915)	(701)	368

(1) Impact before tax and before minority interests.

Refer to the glossary on page 681 for the definition of technical terms.

Solvency

At 31 December 2020, Crédit Agricole S.A.'s financial position remained very solid, reflected by its phased-in CET1 ratio of 13.1%, up 1 percentage point compared to 31 December 2019. The non-phased CET1 ratio at 31 December 2020 was 12.9%.

- Crédit Agricole S.A. did not pay a dividend in 2020 on 2019 earnings, in accordance with the ECB´s requirement. Accordingly, putting these dividends in reserves had a positive impact of +61 basis points on the CET1 ratio in Q1 2020. In Q4 2020, Crédit Agricole S.A. set up an exceptional mechanism for the payment of the 2020 dividend, considering that there was no 2019 dividend payment. Since Crédit Agricole Group and Crédit Agricole S.A. boast very comfortable levels of capital, Crédit Agricole S.A.'s Board of Directors will submit to the 12 May 2021 General Assembly a 2020 dividend of 80 centimes per share, with a scrip dividend payment option, totalling €2.3 billion, of which €0.9 billion in cash[(1)]. The nominal amount exceed what would have implied our traditional payout ratio of 50% in cash, and allows us to compensate a portion of the unpaid 2019 dividend. This amount is made possible by SAS La Boétie's commitment to subscribe to the scrip dividend payment option. The proposed mechanism is in strict compliance with the ECB's 15 December 2020 recommendation. The overall impact of the dividend payout on Crédit Agricole S.A.'s CET1 ratio is therefore -28 basis points. Retained earnings (after distribution) had a +73 basis points positive impact on the CET1 ratio over the year.
- Moreover, the unwinding of 35% of the Switch mechanism in Q1 2020 had a negative impact on the CET1 ratio of -48 basis points.
- At the same time, the OCI reserves contributed +1 basis point to the increase in CET1. The stock of OCI reserves in the CET1 ratio at end-December 2020, net of the effect of the risk-weighted assets of insurance reserves, thus stands at 48 basis points.
- Furthermore, the CET1 ratio also recorded positive regulatory impacts in 2020 of a total of +34 basis points, notably including a positive effect from the application of the IFRS 9 phasing (+24 basis points), the deduction of irrevocable payment commitments to the SRF and DRGF[(2)] (+10 basis points), "prudent valuation" (+8 basis points), taking into account the measures relating to new software processing (+14 basis points) and the SME supporting factors (+16 basis points), partially offset by a negative effect linked to the targeted review of internal models (TRIM) (-20 basis points).
- Lastly, M&A transactions contributed negatively to CET1 by -12 basis points, with in particular the acquisition of Sabadell AM (-9 basis points).

At end-December 2020, risk-weighted assets were €336 billion, compared to €324 billion at end-December 2019. This increase (+€12.4 billion) is primarily concentrated in insurance activities (+€11.7 billion) due notably to the unwinding of 35% of the Switch mechanism in Q1 2020.

At 13.1%, the **phased-in CET1 ratio** remains above the target set at 11% in the framework of the Crédit Agricole S.A. 2022 Medium-Term Plan and contains a substantial buffer of +5.2 percentage points compared to the SREP requirements.

The **phased-in Tier 1 ratio** was 14.9% and the **total phased-in capital ratio** was **19.2%** at 31 December 2020.

Lastly, Crédit Agricole S.A.'s **phased-in leverage ratio** stood at **4.9%** at end-December 2020.

Liquidity

Liquidity is measured at Crédit Agricole Group level.

The liquidity position of Crédit Agricole Group is solid. Standing at €1,500 billion at 31 December 2020, the Group's banking cash balance sheet shows a surplus of stable funding resources over stable application of funds of €265 billion, up €139 billion compared to December 2019.

In the context of the COVID-19 crisis, the Group took part in the TLTRO 3 refinancing transactions of the European Central Bank in 2020, which contributed to increasing its level of stable resources. Total TLTRO 3 outstandings for the Crédit Agricole Group came to €133 billion[(3)] at 31 December 2020.

The Group's liquidity reserves, at market value and after haircuts, amounted to €438 billion at 31 December 2020, up by +€140 billion compared with end-December 2019. They covered short-term debt more than four times over (excluding the replacements with Central Banks).

At end-December 2020, 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 €314.3 billion for Crédit Agricole Group and at €283.1 billion for Crédit Agricole S.A.[(4)]. The denominator of the ratio (representing net cash outflows), calculated as an average over 12 months, stood respectively at €211.0 billion for Crédit Agricole Group and at €191.0 billion for Crédit Agricole S.A.

The average LCR ratos over 12 months of Crédit Agricole Group and of Crédit Agricole S.A. stood at 149.0% and 148.2%, respectively, at end-December 2020. They exceeded the Medium-Term Plan target by around 110%. The LCR ratios at 31 December 2020 were 178.5% for Crédit Agricole Group and 169.4% for Crédit Agricole S.A. respectively. Credit Institutions are subject to a threshold for this ratio, set at 100% from 1 January 2018.

The Group continues its prudent MLT funding policy, with highly diversified market access, in terms of investor base and products.

In 2020, the Group's main issuers raised the equivalent of €31.0 billion in medium/long-term debt on the markets[(5)(6)], 41% of which was issued by Crédit Agricole S.A. Note that:

- Crédit Agricole next bank (Switzerland) completed an inaugural issue in September of CHF 200 million nine-year in Covered bond format;
- Crédit Agricole Assurances (CAA) issued a €1 billion 10-year Tier 2 bond in July to refinance intra-group subordinated debt.

In addition, €4.4 billion was also borrowed from national and supranational organisations or placed in Crédit Agricole Group's retail networks (Regional Banks, LCL and CA Italia) and other external networks in 2020.

(1) Assuming zero public opting for the scrip dividend payment, taking into account the formal commitment of SAS La Boétie to opt for a scrip dividend payment, and assuming that the employee mutual funds (FCPE's) also opt for the scrip dividend payment.
(2) Judgment of the General Court of the European Union of 9 September no longer requiring the deduction of payment commitments to the SRF and DRGF.
(3) Excluding Bankoa and FCA Bank.
(4) The numerator of the LCR ratio at the end of the period was €332.7 billion for Crédit Agricole Group and €296.1 billion for Crédit Agricole S.A.
(5) Gross amount before buy-back and amortisation.
(6) Excluding EUR AT1 issuance.

Refer to the glossary on page 681 for the definition of technical terms.

In 2020, Crédit Agricole S.A. completed 105% of its €12 billion medium-to-long-term market funding programme for the year. The bank had raised the equivalent of €12.6 billion[1][2], of which €6.2 billion in senior non-preferred debt and €2.2 billion in Tier 2 debt, as well as €4.0 billion in senior collateralised debt and €0.2 in senior preferred debt. The financing is diversified in both format and currency (EUR, USD, AUD, JPY, CNY, CHF):

- To be noted the inaugural Social bond issuance in senior non-preferred format of €1 billion for seven years in December 2020.

Crédit Agricole S.A. also repurchased €3.4 billion of preferred senior notes denominated in EUR, USD and GBP via a public offer launched at the end of May 2020, in order to optimise its balance sheet structure and debt management and to provide liquidity to holders of these bonds.

Furthermore, in October 2020 Crédit Agricole S.A. completed a €750 million PNC7.5 AT1 issuance at the initial rate of 4% to allow Crédit Agricole Group to maintain its high flexibility in the management of its Tier 1 capital.

OPERATIONS AND RESULTS BY BUSINESS SEGMENT

Crédit Agricole S.A.'s businesses are housed in five business lines:

- Asset Gathering;
- French Retail Banking – LCL;
- International Retail Banking;
- Specialised Financial Services;
- Large Customers;

plus the Corporate Centre.

The Group's business lines are described in Note 5 to the consolidated financial statements for the year ended 31 December 2020 – "Operating segment information". The organisation and activities are described in section 1 of this document.

Contribution of business lines to net income Group share of Crédit Agricole S.A.

(in millions of euros)	2020	2019
French Retail Banking – LCL	537	570
International Retail Banking	207	333
Asset Gathering	1,706	2,034
Specialised Financial Services	559	815
Large Customers	1,330	1,538
Corporate Centre	-1,647	-445
TOTAL	**2,692**	**4,844**

Asset Gathering (AG)

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

Asset Gathering (AG) – Contribution to results, stated and underlying 2020

(in millions of euros)	2020 stated	Specific items	2020 underlying	2019 stated	Specific items	2019 underlying	∆ 2020/2019 stated	∆ 2020/2019 underlying
Revenues	**5,734**	**(165)**	**5,899**	**6,078**	**-**	**6,078**	**(5.7%)**	**(3.0%)**
Operating expenses	(2,864)	(38)	(2,826)	(2,896)	-	(2,896)	(1.1%)	(2.4%)
SRF	(6)	-	(6)	(7)	-	(7)	(15.2%)	(15.2%)
Gross operating income	**2,864**	**(203)**	**3,067**	**3,174**	**-**	**3,174**	**(9.8%)**	**(3.4%)**
Cost of risk	(55)	0	(55)	(19)	-	(19)	x2.8	x2.8
Equity-accounted entities	66	-	66	46	-	46	+43.5%	+43.5%
Net income on other assets	3	-	3	32	-	32	(89.5%)	(89.5%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**2,878**	**(203)**	**3,081**	**3,233**	**-**	**3,233**	**(11.0%)**	**(4.7%)**
Tax	(770)	52	(822)	(881)	-	(881)	(12.6%)	(6.7%)
Net income from discontinued or held-for-sale operations	(24)	(24)	-	8	-	8	n.m.	n.m.
Net income	**2,084**	**(174)**	**2,259**	**2,360**	**-**	**2,360**	**(11.7%)**	**(4.3%)**
Non controlling interests	(379)	1	(379)	(326)	-	(326)	+16.1%	+16.2%
NET INCOME GROUP SHARE	**1,706**	**(174)**	**1,879**	**2,034**	**-**	**2,034**	**(16.1%)**	**(7.6%)**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**50.0%**		**47.9%**	**47.7%**		**47.7%**	**+2.3pp**	**+0.3pp**

(1) Gross amount before buy-back and amortisation.
(2) Excluding EUR AT1 issuance.

Refer to the glossary on page 681 for the definition of technical terms.

At 31 December 2020, the business line's assets under management totalled €2,219 billion, a year-on-year increase of +3.7%. Net inflows totalled +€44.7 billion (excluding the scope effect of Sabadell Asset Management: €20.7 billion) for full year 2020, with a record in asset management inflows.

Over the year 2020 the market downturn contributed very positively to the evolution of assets under management (market and exchange rate effect at +€21.4 billion over the period, including +€9.5 billion for Amundi).

Assets under management excluding double counting amounted to €1,895.0 billion at 31 December 2020, an increase of +5.6% compared to 31 December 2019.

For all of 2020, the business line's contribution to the underlying net income Group share decreased by -7.6% compared to the same period in 2019 and was €1,879 million. The good commercial performance of the Asset Gathering division enabled the drop in revenues to remain contained at -3.0% year-on-year. Expenses were down, as was the case for operating income (-3.4%) and pre-tax income (-4.7%).

The cost-to-income ratio deteriorated slightly by -0.3 percentage point to 47.9%.

The Asset Gathering activity had a positive contribution of 41% to the underlying net income Group share of the business lines of Crédit Agricole S.A. (excluding the Corporate Centre) in 2020 and 28% to underlying revenues excluding the Corporate Centre.

At 31 December 2020, capital allocated to the business line was €10.6 billion, including €1.0 billion for Asset Management, €0.5 billion for Wealth Management and €9.1 billion for Insurance. As for risk-weighted assets, those allocated to the core business totalled €43.0 billion, of which €10.7 billion to Asset Management, €5.0 billion to Wealth Management and €27.3 billion to Insurance.

The calculation of the risk weighted assets took into account the "Switch" guarantee, allowing Crédit Agricole S.A. to save €22 billion in risk-weighted assets on the prudential treatment of the Insurance business line, but it generated a negative impact of around -€140.6 million on its net income Group share in 2020. This impact was -26% less than in 2019 due to the partial unwinding of Switch, by 35%.

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 2020

(in millions of euros)	2020 stated	Specific items	2020 underlying	2019 stated	Specific items	2019 underlying	Δ 2020/2019 stated	Δ 2020/2019 underlying
Revenues	**2,392**	**(165)**	**2,557**	**2,617**	**-**	**2,617**	**(8.6%)**	**(2.3%)**
Operating expenses excluding SRF	(800)	(38)	(761)	(754)	-	(754)	+6.0%	+0.9%
SRF	-	-	-	-	-	-	n.m.	n.m.
Gross operating income	**1,593**	**(203)**	**1,796**	**1,863**	**-**	**1,863**	**(14.5%)**	**(3.6%)**
Income before tax	**1,593**	**(203)**	**1,796**	**1,864**	**-**	**1,864**	**(14.6%)**	**(3.7%)**
Tax	(456)	52	(509)	(541)	-	(541)	(15.6%)	(5.9%)
Net income from discontinued or held-for-sale operations	-	-	-	8	-	8	n.m.	n.m.
Net income	**1,136**	**(151)**	**1,287**	**1,332**	**-**	**1,332**	**(14.7%)**	**(3.4%)**
Non controlling interests	(80)	-	(80)	(3)	-	(3)	x27.5	x27.5
NET INCOME GROUP SHARE	**1,056**	**(151)**	**1,207**	**1,329**	**-**	**1,329**	**(20.5%)**	**(9.2%)**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**33.4%**		**29.8%**	**28.8%**		**28.8%**	**+4.6 pp**	**+1.0 pp**

At end-December 2020, the business line's total premium income reached €29 billion, a decrease of over -20% compared to full-year 2019.

Over 2020, the premium income of the savings/retirement segment totalled €20.4 billion, compared to. €28.5 billion in 2019, a -28% drop due mainly to the context of the coronavirus health crisis.

Crédit Agricole Assurances continued to adapt its strategy to the interest rate environment, and successfully carried out its rebalancing toward UL. Crédit Agricole Assurances continues to increase its profit-sharing reserves (*provision pour participation aux excédents* – PPE), at €11.6 billion at 31 December 2020 (+€0.8 billion compared to December 2019), or 5.6% of euro-denominated policies outstanding, which represents several years of rates paid out to policyholders. The average rate of return on assets of the Crédit Agricole Assurances group was 2.13% in 2020, down slightly on 2019 by -0.33 of a percentage point, due in particular to the drop of the CAC 40 index (-7%) and the 10-year bond (OAT) (-0.46 percentage point) over the same period. The average rate of return on assets is still well above the average minimum guaranteed rate (0.27% at the end of 2020) and the average profit-sharing rate in euro-denominated policies of 1.28% at end-2020 (Predica rate). In the low interest rate environment, the adjustment of the latter rate, from 1.44% in 1.28%, would enable a significant spread to be maintained between the return on assets and the rate paid on liabilities.

Assets under management continued to expand and stood at €308 billion at end-December 2020, an increase of +1.4% year-on-year. Unit-linked assets amounted to €74.5 billion and were up +7.5% compared to end-December 2019, as a result of the shift in the asset gathering policy by Crédit Agricole Assurances operated over the past year. Euro outstandings amounted to nearly €234 billion (-0.5%). At end-December 2020, unit-linked contracts represented 24.2% of assets under management, a historical high level, up +1.4 percentage point compared to end-December 2019.

Underlying revenues came in at €2.557 billion, down -2.3%, underlying operating expenses at €761 million (+0.9%), taxes decreased by -5.9% year-on-year in 2020, despite a sharp rise in the fourth quarter (+57.0%) due to the booking of non-deductible provisions. The underlying cost/income ratio for 2020 was 29.8%, which is a slight deterioration of 1.0 point compared to 2019.

In 2020, the underlying net income Group share was €1.207 billion, down -9.2% from 2019, notably due to a change in the recognition methods used for RT1 subordinated debt coupons (with no impact on net earnings per share). Excluding this impact, the decline in net income Group share would have been smaller (-3.4% compared to 2019).

Insurance contributed to 26% of the underlying net income Group share of the business lines of Crédit Agricole S.A. (excluding the Corporate Centre) in 2020 and 12% to their underlying revenues.

At 31 December 2020, capital allocated to Insurance was €9.1 billion and risk-weighted assets totalled €27.3 billion.

Moreover, Crédit Agricole Assurances proved solid and resilient, with a Solvency 2 prudential ratio that remained high at 227% as of 31 December 2020.

Asset management (Amundi)

Asset management comprises the results of Amundi, a subsidiary 69.7% owned by Crédit Agricole Group, including 67.9% held by Crédit Agricole S.A.

Since the third quarter of 2017, the financial statements include the contribution of Pioneer, UniCredit's asset management company, which was acquired on 3 July 2017.

From the first quarter of 2019 on, the integration costs related to this acquisition are no longer identified as specific items. In the first quarter 2018 these costs amounted to €9 million before tax, i.e. €4 million in net income Group share. In the second quarter 2018 the amounts were €8 million and €4 million, respectively. In third quarter 2018, the net income Group share amounts were -€12 million and -€6 million, respectively. In the fourth quarter 2018 these costs amounted to €27 million before tax, i.e. €14 million in net income Group share and €56/€29 million in full-year 2018.

Sabadell Asset Management is integrated into Amundi´s consolidated scope since the third quarter of 2020 with AUM of €20.7 billion.

Asset management – Contribution to results, stated and underlying 2020

(in millions of euros)	2020 stated	Specific items	2020 underlying	2019 stated	Specific items	2019 underlying	Δ 2020/2019 stated	Δ 2020/2019 underlying
Revenues	**2,522**	**-**	**2,522**	**2,636**	**-**	**2,636**	**(4.3%)**	**(4.3%)**
Operating expenses excluding SRF	(1,367)	-	(1,367)	(1,402)	-	(1,402)	(2.5%)	(2.5%)
SRF	(3)	-	(3)	(3)	-	(3)	(1.8%)	(1.8%)
Gross operating income	**1,152**	**-**	**1,152**	**1,231**	**-**	**1,231**	**(6.4%)**	**(6.4%)**
Cost of risk	(23)	-	(23)	(11)	-	(11)	x2.1	x2.1
Equity-accounted entities	66	-	66	46	-	46	+43.5%	+43.5%
Income before tax	**1,195**	**-**	**1,195**	**1,267**	**-**	**1,267**	**(5.6%)**	**(5.6%)**
Tax	(307)	-	(307)	(326)	-	(326)	(5.8%)	(5.8%)
Net income	**888**	**-**	**888**	**941**	**-**	**941**	**(5.6%)**	**(5.6%)**
Non controlling interests	(288)	-	(288)	(302)	-	(302)	(4.8%)	(4.8%)
NET INCOME GROUP SHARE	**600**	**-**	**600**	**638**	**-**	**638**	**(5.9%)**	**(5.9%)**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**54.2%**		**54.2%**	**53.2%**		**53.2%**	**+1.0 pp**	**+1.0 pp**

Amundi posted assets under management of €1,729 billion at end-December 2020, up +4.6% compared to end-December 2019, despite a global environment which remained affected by the coronavirus. Net inflows were +€45.1 billion in 2020.

AUM benefited from the good market conditions, with a market effect of +€9.5 billion in 2020, and scope effect of €20.7 billion related to the consolidation of Sabadell Asset Management (in Amundi's accounts since 1 July 2020). Growth in net inflows mainly stemmed from treasury products excluding JVs for +€28.2 billion, despite the outflows in the first and second quarters of 2020 (-€11.3 billion) and thanks to strong net inflows in the third and fourth quarters (+€39.5 billion).

2020 was marked by important strategic initiatives, in particular the renewal of the partnership with Société Générale (for five years), the finalisation of the acquisition of Sabadell AM and the 10-year strategic partnership for the distribution of Amundi products through the Banco Sabadell network in Spain, the creation of a new subsidiary with Bank of China (the fourth-largest Chinese bank), the first management firm in China with a foreign majority shareholder, and the creation of Amundi Technology, a new business line dedicated to technological services.

In 2020, underlying net income Group share came to €600 million, a decrease of -5.9% compared to 2019. Underlying revenues totalled €2,522 million, down -4.3% compared to the same period in 2019. The underlying operating expenses excluding SRF reached €1,367 million, and were down over the period (-2.5%). 2020 includes a contribution to the Single Resolution Fund (SRF) of €3 million, a decrease of -1.8% compared to 2019.

The contribution from equity-accounted entities, which notably include Amundi's JVs in Asia, recorded a strong increase of +43.5% compared to 2019, despite the exit in the fourth quarter of low-margin products (mainly institutional mandates in India and the business channel in China).

The underlying cost-to-income ratio deteriorated slightly by 1.0 point and operating income was down -6.4% from 2019.

Asset management contributed 13% to the underlying net income Group share of the business lines of Crédit Agricole S.A. (excluding the Corporate Centre) in 2020 and 12% of their underlying revenues.

At 31 December 2020, capital allocated to Asset management was €1.0 billion and risk-weighted assets totalled €10.7 billion.

Refer to the glossary on page 681 for the definition of technical terms.

Wealth management (CA Indosuez Wealth Management)

The assets under management referred to in the business activities figures only include those of the Indosuez Wealth Management group. As a reminder, LCL's private banking customer assets amounted to €54.1 billion at end-December 2020, up 5.5% compared to end-December 2019.

The results generated by LCL's private banking business are recognised under LCL.

Wealth management – Contribution to results, stated and underlying 2020

(in millions of euros)	2020 stated	Specific items	2020 underlying	2019 stated	Specific items	2019 underlying	Δ 2020/2019 stated	Δ 2020/2019 underlying
Revenues	**820**	**-**	**820**	**824**	**-**	**824**	**(0.6%)**	**(0.6%)**
Operating expenses excluding SRF	(698)	-	(698)	(740)	-	(740)	(5.7%)	(5.7%)
SRF	(3)	-	(3)	(4)	-	(4)	(26.6%)	(26.6%)
Gross operating income	**119**	**-**	**119**	**80**	**-**	**80**	**+48.5%**	**+48.5%**
Cost of risk	(32)	-	(32)	(10)	-	(10)	x3.3	x3.3
Net income on other assets	3	-	3	32	-	32	(89.2%)	(89.2%)
Income before tax	**90**	**-**	**90**	**102**	**-**	**102**	**(12.1%)**	**(12.1%)**
Tax	(6)	-	(6)	(15)	-	(15)	(56.4%)	(56.4%)
Net income from discontinued or held-for-sale operations	(24)	(24)	-	-	-	-	n.m.	n.m.
Net income	**60**	**(24)**	**83**	**87**	**-**	**87**	**(31.4%)**	**(4.5%)**
Non controlling interests	(11)	1	(11)	(21)	-	(21)	(47.8%)	(45.3%)
NET INCOME GROUP SHARE	**49**	**(23)**	**72**	**66**	**-**	**66**	**(26.3%)**	**+8.4%**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**85.2%**		**85.2%**	**89.8%**		**89.8%**	**-4.7 pp**	**-4.7 pp**

CA Indosuez Wealth Management saw its assets under management decrease slightly by -3% year-on-year (-€4.1 billion), to €128.0 billion at end-December 2020, due mainly to a negative currency effect of -€3.6 billion). Assets under management still remained close to the historical peak of end-September 2019 (€133.6 billion).

Overall, assets under management in Wealth Management stood at €182.2 billion at end-December 2019, stable year-on-year.

Note that, in January 2021, an agreement was signed between Azqore, a subsidiary of CA Indosuez Wealth Management, and Société Générale relating to the execution of back-office transactions and a large part of the IT services of Société Générale's international private banking activity.

In full-year 2020, underlying net income Group share of Wealth management was €72 million, an increase of +8.4% compared with the same period in 2019.

Underlying revenues were stable, despite the effects of the health crisis. Underlying charges decreased by -5.7%, thanks notably to reinforced cost-savings measures. Gross operating income increased by +48.5% and underlying pre-tax income was down by -12.1%, notably impacted by the cost of risk. Income tax was sharply down by -56.4% year-on-year thanks notably to an improvement in the Swiss rate in Q1 as well as tax income recorded in Q2 2020 for an amount of +€3 million.

Overall, the underlying net income Group share of the business lines increased by +8.4% over the year. It should be noted that in 2020, a loss recorded in relation to a planned disposal which is under way for the Miami and Brazil entities, with an impact of €23 million on net income Group share, was the only factor behind the difference between the underlying and reported net income Group share figures. The underlying cost/income ratio improved significantly, by 4.7 percentage points to 85.2%.

Wealth management contributed to 2% of the underlying net income Group share of the business lines of Crédit Agricole S.A. (excluding the Corporate Centre) in 2020 and 4% to their underlying revenues.

At 31 December 2020, capital allocated to Wealth management was €0.5 billion and risk-weighted assets totalled €5.0 billion.

Retail Banking in France (LCL)

Retail Banking in France (LCL) – Contribution to results, stated and underlying 2020

(in millions of euros)	2020 stated	Specific items	2020 underlying	2019 stated	Specific items	2019 underlying	∆ 2020/2019 stated	∆ 2020/2019 underlying
Revenues	**3,521**	**(16)**	**3,537**	**3,457**	**(31)**	**3,488**	**+1.9%**	**+1.4%**
Operating expenses excluding SRF	(2,277)	-	(2,277)	(2,340)	-	(2,340)	(2.7%)	(2.7%)
SRF	(42)	-	(42)	(32)	-	(32)	+32.4%	+32.4%
Gross operating income	**1,203**	**(16)**	**1,218**	**1,086**	**(31)**	**1,117**	**+10.8%**	**+9.1%**
Cost of risk	(390)	-	(390)	(217)	-	(217)	+79.9%	+79.9%
Net income on other assets	2	-	2	2	-	2	+19.5%	+19.5%
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**814**	**(16)**	**830**	**870**	**(31)**	**901**	**(6.4%)**	**(7.9%)**
Tax	(252)	5	(257)	(274)	11	(285)	(8.2%)	(9.9%)
Net income from discontinued or held-for-sale operations	-	-	-	-	-	-	n.m.	n.m.
Net income	**563**	**(11)**	**573**	**596**	**(20)**	**617**	**(5.7%)**	**(7.0%)**
Non controlling interests	(25)	0	(26)	(27)	1	(28)	(5.5%)	(6.9%)
NET INCOME GROUP SHARE	**537**	**(10)**	**548**	**570**	**(20)**	**589**	**(5.7%)**	**(7.1%)**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**64.7%**		**64.4%**	**67.7%**		**67.1%**	**-3.0 pp**	**-2.7 pp**

LCL continues to grow with a high level of customer acquisition (+300,000 individual and small business and corporate customers in 2020, representing a net increase in the customer base of +14,000 customers since the beginning of the year. Equipment recorded growth, with a stock of home, vehicle and health insurance up by +3.6% and a stock of premium cards up by +1.7% in 2020.

Inflows grew by +6.5% year-on-year to €219.8 billion at end-December 2020. On-balance sheet deposits rose by +11.5%, totalling €138.3 billion, in connection with the increase in household precautionary savings and the deposit of a part of the State-guaranteed loans, which positively impacted companies' liquidity. In this context, individual demand deposits increased (+15.5%) as did small business and corporate demand deposits (+51.9%). Off balance sheet assets totalled €81.5 billion and were down slightly (by -1.1%) notably in life insurance (-1.6%) due to the market effects relating to the health crisis that are still negative year-on-year.

Loans outstanding were still at a high level at €143.4 billion at end-December 2020, recording a +10.5% increase year-on-year. State-guaranteed loans totalled €8 billion for LCL. Loans outstanding excluding the State-guaranteed loans therefore also increased year-on-year for LCL (+4.4%) driven by the business (+11.8%) and home loans (+4.5%) segments. In France, renegotiations on LCL home loans continued to drop in 2020, to €2.0 billion outstanding, compared with €2.7 billion in 2019, remaining well below the high point of €11.9 billion in 2016.

During 2020, changes in the home purchase savings plans and support for SME and small business policyholders in the context of the COVID-19 crisis were the two specific items in LCL's financial statements explaining the difference between the reported result and the underlying result. The respective impacts were -€14 million (vs. -€31 million in 2019) and -€2 million in terms of revenues (respectively -€9 million and -€1 million on net income Group share).

LCL's **underlying revenues** totalled €3,537 million, up compared to the previous financial year (+1.4%). The low interest rate environment is still restrictive, but interest income was buoyed by favourable refinancing conditions, and recorded a +2,1% increase in 2020. Fee and commission income rose slightly from 2019 (+0.6%) despite the electronic payment segment suffering from the effects of the health crisis. As a result, while fees for the management of accounts and means of payment decreased by -6.7% in 2020 to €837 million, insurance commissions rose +7.8% to €680 million year-on-year.

Underlying costs excluding the Single Resolution Fund (SRF) continued to decrease, thanks notably to ongoing improvement in external expenses, totalling €2,277 million at end-December 2020, down -2.7% compared to end-December 2019. The **underlying cost-to-income ratio excluding the SRF** came to 64.4%, an improvement of 2.7 percentage points compared to 2019. Lastly, the contribution to the Single Resolution Fund (SRF) was up 32.4%, or +€10 million compared to 2019. In this context, **underlying gross operating income** increased by +9.1% to €1,218 million in 2020. The cost of risk increased (+79.9% to €390 million), but this rise was mainly related to the provisioning for performing loans (+€191 million). The **cost of risk**/outstandings(1) reached 29 basis points at end-December 2020 compared to 17 basis points at end-December 2019. The coverage ratio remained at a high level, at 86.2% at 31 December 2020, and was up from end-2019 (+12.1 percentage points). Lastly, **underlying net income Group share** was €548 million at end-December 2020, down -7.1% compared to 2019.

LCL contributed to **12% of the underlying net income Group share of the business lines** of Crédit Agricole S.A. (excluding the Corporate Centre) in 2020 and **17% of their underlying revenues.**

At 31 December 2020, **capital** allocated to LCL came to **€4.9 billion** (14% of the total) and **risk-weighted assets** were **€52.0 billion** (15% of the total).

LCL's **underlying** return on normalised equity **(RoNE)** was **9.7%** in 2020 and 10.8% in 2019.

(1) The cost of risk/outstandings is calculated on the basis of the cost of risk recorded in the year over the average of the outstandings at the start of all four quarters of the year.

Refer to the glossary on page 681 for the definition of technical terms.

International Retail Banking (IRB)

International Retail Banking encompasses the local banking networks in Italy, grouped under the name "Gruppo Bancario Crédit Agricole Italia" (hereafter referred to as "CA Italia"), including CA Cariparma, CA Friuladria and CA Carispezia (legally merged with Crédit Agricole Italia in July 2019), and the three banks acquired in late December 2017 (Cassa di Risparmio – CR), di Cesena, di San Miniato) acquired at end 2017 and merged into CA Italia, now operating under the Crédit Agricole brand name, as well as all of the Group's retail banks abroad, mainly Crédit Agricole Poland (wholly owned[(1)]), Crédit Agricole Ukraine (100%[(1)]), Crédit Agricole Egypt (60.2%[(1)]) and Crédit du Maroc (78.7%[(1)]).

International Retail Banking (IRB) – Contribution to results, stated and underlying 2020

(in millions of euros)	2020 stated	Specific items	2020 underlying	2019 stated	Specific items	2019 underlying	Δ 2020/2019 stated	Δ 2020/2019 underlying
Revenues	**2,659**	**-**	**2,659**	**2,796**	**-**	**2,796**	**(4.9%)**	**(4.9%)**
Operating expenses excluding SRF	(1,728)	(19)	(1,708)	(1,731)	-	(1,731)	(0.2%)	(1.3%)
SRF	(25)	-	(25)	(22)	-	(22)	+14.2%	+14.2%
Gross operating income	**906**	**(19)**	**925**	**1,042**	**-**	**1,042**	**(13.1%)**	**(11.2%)**
Cost of risk	(569)	-	(569)	(335)	-	(335)	+70.2%	+70.2%
Net income on other assets	72	-	72	2	-	2	x30.3	x30.3
Income before tax	**408**	**(19)**	**428**	**710**	**-**	**710**	**(42.5%)**	**(39.8%)**
Tax	(101)	6	(107)	(199)	-	(199)	(49.1%)	(46.2%)
Net income from discontinued or held-for-sale operations	(8)	(7)	(0)	(46)	(46)	(0)	n.m.	n.m.
Net income	**299**	**(21)**	**320**	**465**	**(46)**	**511**	**(35.6%)**	**(37.3%)**
Non controlling interests	(92)	3	(95)	(132)	-	(132)	(30.1%)	(27.8%)
NET INCOME GROUP SHARE	**207**	**(18)**	**225**	**333**	**(46)**	**379**	**(37.8%)**	**(40.6%)**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**65.0%**		**64.3%**	**61.9%**		**61.9%**	**+3.0 pp**	**+2.3 pp**

In 2020, the underlying net income Group share of **International Retail Banking** came to €225 million, down -40.6% compared to 2019 following the tension on the low policy rates in all countries that is impacting revenues as well as the macroeconomic context, which led to a rise in the cost of risk, notably on performing outstandings. Excluding the contribution of CA Italia to the Italian guarantee fund (-€25 million in 2020 and -€22 million in 2019), the underlying cost/income ratio for the year worked out at 64.3%, a 2.3 percentage point deterioration compared to 2019, as the reduction in expenses did not offset the slowdown in revenues linked to the pandemic.

Note in the second quarter of 2020 a realised capital gain on real estate of +€65 million before tax in Italy booked under gains or losses on other assets, as well as, in the 2019 and 2020 stated results, the impact of the disposal of our activities in Romania, booked according to IFRS 5 under net income from discontinued or held-for-sale operations in specific items, for -€7 million for 2020 and -€46 million for 2019. The specific items for both these years also include in 2020 -€8 million related to COVID donations in the first quarter of 2020 and the exceptional contribution of France's support plan for banks for -€11 million.

International Retail Banking contributed **5% to the underlying net income Group share of the business lines** of Crédit Agricole S.A. (excluding the Corporate Centre) in 2020 and **13% to their underlying revenues.**

At 31 December 2020, capital allocated to the International Retail Banking division was €3.8 billion (11% of the total allocation); and risk-weighted assets stood at €39.5 billion (12% of the total).

In Italy, Crédit Agricole Italia fully played its role in supporting the economy and its activity remained robust throughout the year. The impact of the second lockdown in Q4 was more limited than in Q2 and the rebound in commercial activity was confirmed at the end of the year.

Loan production over the year amounted to €8.2 billion for CA Italia, representing growth of +33.7% on 2019, of which €2.4 billion in State-guaranteed loans. Excluding the State-guaranteed loans, production declined by -6.2% in Italy, although home loan production was strong (up +5.1% year-on-year).

Loans outstanding stood at €45.5 billion at end-December 2020, up by 5.0% and stable (+0.5%) from end-December 2019 excluding the State-guaranteed loans. Thus, at end-December 2020, outstanding loans to individuals, at €22.4 billion, grew +5.2% year-on-year, supported by home loans, and loans to corporates and SMEs also posted strong growth with the support to the economy and State-guaranteed loans (+8.8% to €13.5 billion). Outstandings were also impacted in the fourth quarter by a disposal of doubtful loans for a gross amount of €450 million.

Total customer assets were up +8.9% compared to 31 December 2019, totalling €84.8 billion at end-December 2020, excluding assets under custody. Off-balance sheet assets increased by +8.8% in 2020, to €39.9 billion at end-December 2020, excluding assets under custody. On-balance sheet deposits totalled €44.9 billion at end-December 2020, up +8.9% compared to 31 December 2019, mainly thanks to sight deposits from individual customers and companies.

Commercial action during the year was highly focused on the quality of the customer relationship on all levels and in all customer segments, notably with an analysis of customer "irritants" and the development of digital journeys. Accordingly, CA Italia improved in terms of NPS in 2020 by more than 8 points compared to 2019, ranking second place for strategic NPS among the Italian banks.

(1) Percentage owned at 31 December 2020.

The 2020 financial statements include, under specific items, the exceptional contribution to the safeguard plan for Italian banks of -€11 million in operating expenses (-€6 million in net income Group share). These items are detailed on page 230 of this document. The 2019 financial statements do not include any specific items.

The underlying net revenues of CA Italia stood at €1,827 million, down by -3.0% compared to 2019.

Underlying expenses excluding SRF stood at €1,170 million, down -0.9% compared to end-December 2019. As charges decreased less rapidly than revenues, the underlying cost/income ratio excluding the SRF for the year was 64.0%, *i.e.* a deterioration of 1.4 percentage point.

The cost of risk worked out at -€428 million at end-December 2020, up +70.4% compared to end-December 2019, notably including additional provisions on the portfolio of receivables sold. **Cost of risk/outstandings**[1] stood at 93 basis points, down +36 basis points year-on-year (57 basis points in 2019). The rate of doubtful loans stood at 6.5% compared to 7.8% at end-December 2019. The coverage ratio increased to 60.8% compared to 59.4% in December 2019.

The business division's underlying net income Group share came to €144 million, an increase of -33.3% compared to 2019.

Crédit Agricole Italia, the Group's second largest domestic market after France, accounted for more than two-thirds of revenues and four-fifths of the loans and on-balance sheet deposits of the International Retail Banking business line, followed by Poland and Morocco. Although CA Italia is 75.6% owned by Crédit Agricole S.A., it accounted for 64% of the division's underlying net income of the International Retail Banking business line.

More broadly, the **net income Group share of all Crédit Agricole S.A. entities in Italy** excluding Corporate Centre was **€571 million,** down -11% compared to 2019. The contribution of the Italian Group was **12.4% of net income Group share**[2].

International Retail Banking excluding Italy (Other IRB) continued to deliver strong business momentum. Results were nevertheless impacted this year by the drop in key rates in all markets and the provisioning of healthy loans. Total on- and off-balance sheet assets increased by 12.2%[3] (excluding assets under custody) between end-December 2019 and end-December 2020, to €15.9 billion. On-balance sheet deposits totalled €13.6 billion at end-December 2020, a year-on-year increase of 12.5%[3] in 12 months, buoyed by a good performance in Poland (13.3%[3]). Loans outstanding stood at €11.7 billion at end-December, a year-on-year increase of 4.7%[3].

The surplus of deposits over loans remained at €1.8 billion at end-December 2020.

Crédit Agricole S.A. also announced in January 2021 the disposal of its activities in Romania, thereby pursuing its refocus on its main international entities. The impacts of this disposal are accounted for under discontinued or held-for-sale operations in specific items for 2020 (-€7 million) and 2019 (-€46 million). The 2020 financial statements also include, under specific items, COVID-19 donations of -€8 million under operating expenses (-€4 million in net income Group share). These items are detailed on page 230 of this document.

In full-year 2020, net banking income was down -8.8% compared to 2019 at €833 million. It was impacted by the drop in key interest rates and concerns all the subsidiaries (Poland -12%[3], Morocco +0%[3], Egypt -12%[3], Ukraine -11%[3]). Underlying operating expenses decreased by -2.3% over the same period, illustrating the efforts made to adapt the structures to the interest rate environment. The underlying cost-to-income ratio came to 64.7%, an improvement of 4.3 percentage points compared to 2019.

Underlying gross operating income thus decreased by -18.7% in 2020.

The cost of risk increased (+69.6%) and stood at -€142 million with provisioning of performing outstandings. The doubtful loan coverage ratio stood at 109%, on a still very low ratio of doubtful loans.

In 2020, the business division's underlying net income Group share came to €81 million, a decrease of -50.3% compared with 2019.

This business accounted for **2% of Crédit Agricole S.A.'s underlying net income Group share of the business lines (excluding the Corporate Centre)** in 2020 and **4% of its underlying revenues.**

(1) The cost of risk/outstandings is calculated on the basis of the cost of risk recorded in the year over the average of the outstandings at the start of all four quarters of the year.

(2) Underlying income of the Crédit Agricole S.A. business lines.

(3) Excluding the currency effect.

Refer to the glossary on page 681 for the definition of technical terms.

Specialised Financial Services (SFS)

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 2020

(in millions of euros)	2020 stated	Specific items	2020 underlying	2019 stated	Specific items	2019 underlying	Δ 2020/2019 stated	Δ 2020/2019 underlying
Revenues	**2,526**	**-**	**2,526**	**2,716**	**-**	**2,716**	**(7.0%)**	**(7.0%)**
Operating expenses excl. SRF	(1,268)	-	(1,268)	(1,343)	-	(1,343)	(5.6%)	(5.6%)
SRF	(20)	-	(20)	(18)	-	(18)	7.9%	7.9%
Gross operating income	**1,238**	**-**	**1,238**	**1,354**	**-**	**1,354**	**(8.6%)**	**(8.6%)**
Cost of risk	(732)	-	(732)	(497)	-	(497)	47.3%	47.3%
Equity-accounted entities	344	89	255	295	-	295	16.4%	(13.9%)
Net income on other assets	(3)	-	(3)	0	-	0	N/A	N/A
Change in value of goodwill	-	-	-	-	-	-	N/A	N/A
Income before tax	**847**	**89**	**757**	**1,152**	**-**	**1,152**	**(26.5%)**	**(34.3%)**
Tax	(69)	-	(69)	(233)	-	(233)	(70.4%)	(70.4%)
Net income from discontinued or held-for-sale operations	(135)	(135)	-	-	-	-	N/A	N/A
Net income	**643**	**(45)**	**688**	**919**	**-**	**919**	**(30.1%)**	**(25.1%)**
Non-controlling interests	(84)	-	(84)	(104)	-	(104)	(19.3%)	(19.3%)
NET INCOME GROUP SHARE	**559**	**(45)**	**604**	**815**	**-**	**815**	**(31.4%)**	**(25.9%)**
COST/INCOME RATIO EXCL. SRF *(%)*	**50.2%**		**50.2%**	**49.5%**		**49.5%**	**+0.7 pp**	**+0.7 pp**

At end-December 2020, **Crédit Agricole Consumer Finance**'s gross managed loans €90.9 billion, virtually stable compared to end-December 2019 (-1.3%). This trend is explained by the context of the health crisis, which notably slowed production volumes in the second quarter of 2020 at the start of the crisis (production levels were down -40% in the second quarter of 2020 compared to the second quarter of 2019). However, over the rest of the year, the level of production picked up and the second lockdown in November had a more limited impact, with Q4 production returning to the 2019 average (production in the fourth quarter of 2020 down -3% compared to the fourth quarter of 2019), and the resumption of post-moratorium payments reached 98% at end-December 2020 (both retail and corporate customers). Overall, for the year as a whole, 2020 production represented 86% of 2019 production. Over the same period, consolidated outstandings recorded a moderate decline of -4.8%, for a total of €33.2 billion at 31 December 2020. Excluding the Crédit Agricole Consumer Finance NL entity, which is being sold, consolidated outstandings are stable (+0.2 billion).

Overall, this led Crédit Agricole Consumer Finance to defer to 2023 its target set for gross managed loans in the Group's Medium-Term Plan and initially announced for 2022, while the cost/income ratio and RoNE targets remain achievable as of 2022.

Crédit Agricole Consumer Finance's net income Group share came to €458 million for 2020, down -29.0% compared to 2019. It includes two specific items: the reversal of a provision for the fine by the Italian Competition Authority (AGCM) applied to FCA Bank for +€89 million under equity-accounted entities, and a negative impact of -€135 million on discontinued or held-for-sale operations relative to the current disposal project of Crédit Agricole Consumer Finance NL. Adjusted to factor in these two specific items, Crédit Agricole Consumer Finance's underlying net income Group share works out at €503 million for 2020, down -21.9% from 2019.

Revenues stood at €1,993 million for 2020, down -7.1%, although the decline was more moderate at constant scope[(1)] (-3.7%), due to a drop in activity during the periods of lockdown as well as an unfavourable product mix in a context of increased pressure from competition. Over the same period, expenses excluding the SRF contribution were recorded down -7.6%, or -0.7% at constant scope. Overall, for 2020, the cost/income ratio stood at 49.0%, marking a 0.3 percentage point improvement. Cost of risk reached €637 million, compared to 451 million in 2019, an increase of below 50% in the context of the health crisis (+41.3%), and the cost of risk over average outstandings[(2)] was 179 basis points. The contribution of equity-accounted entities was €255 million, compared to. €295 million in 2019, down -13.9% from the previous year, which is explained notably by a lower contribution from Wafasalaf, impacted by the effects of the health crisis, as well as higher provisioning on FCA Bank, while the Chinese activities were resilient and grew slightly over the year.

Over 2020, **CAL&F** recorded growth in lease financing outstandings of +3.2%, to €15.5 billion at end-December 2020. The level of production in the second half-year held up very well, after a first half that was heavily impacted by the lockdown, notably in France. Overall, commercial leasing production in 2020 (€5.7 billion) represented 98% of 2019 production. In factoring, the level of activity remained strong despite the context, notably in the fourth quarter of 2020, and commercial production rose +6.8% to €13.7 billion from 2019, driven by the international activity (Germany and Spain). At €21.5 billion in the fourth quarter of 2020, factored revenues recorded a 4.4% increase on the fourth quarter of 2019, buoyed by France and Germany.

(1) Excluding the contribution of Crédit Agricole Consumer Finance NL in 2019. Crédit Agricole Consumer Finance NL was booked under "Non-current assets held for sale and discontinued operations" in the third quarter of 2020. Net income reclassified under "Net income from discontinued operations" includes the partial amortisation of goodwill as well as the estimated loss on this transaction.

(2) The cost of risk/outstandings is calculated on the basis of the cost of risk recorded in the year over the average of the outstandings at the start of all four quarters of the year.

CAL&F's underlying net income Group share came to €101 million, a decrease of -40.8% compared with 2019. Net revenues came to €534 million, down -6.7% on 2019, impacted by the contraction in factored revenues due to the lower financing needs of customers, given the exceptional schemes implemented by the governments to meet companies' cash flow needs (impact of the State-guaranteed loans). Expenses excluding the SRF contribution stood at €292 million, up +2.0% year-on-year, and were concentrated on IT and telecoms expenses. The cost to income ratio came to 54.6%, in 2020 a deterioration of 4.6 percentage points compared to 2019. The cost of risk reached €96 million, 2.1x the 2019 figure, sharply impacted by the provisions related to the health crisis.

The Specialised Financial Services activity contributed 13% to the underling net income Group share of the business lines of Crédit Agricole S.A. (excluding the Corporate Centre) in 2020 and 12% to their underlying revenues (excluding the Corporate Centre).

Underlying RoNE of the business line was 11.7% in 2020, compared with 16.0% in 2019. At 31 December 2020, capital allocated to the Specialised Financial Services division was €4.9 billion (14% of the total allocation), and risk-weighted assets stood at €51.8 billion (15% of the total).

Large Customers (CIB and Asset Servicing)

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, hosted within CACEIS.

Large Customers (LC) – Contribution to results, stated and underlying 2020

(in millions of euros)	2020 stated	Specific items	2020 underlying	2019 stated	Specific items	2019 underlying	Δ 2020/2019 stated	Δ 2020/2019 underlying
Revenues	**6,297**	**22**	**6,276**	**5,603**	**(65)**	**5,668**	**+12.4%**	**+10.7%**
Operating expenses excluding SRF	(3,523)	(19)	(3,504)	(3,321)	(15)	(3,305)	+6.1%	+6.0%
SRF	(260)	-	(260)	(177)	-	(177)	+46.7%	+46.7%
Gross operating income	2,514	3	2,511	2,105	(80)	2,185	+19.4%	+14.9%
Cost of risk	(829)	-	(829)	(160)	-	(160)	x5.2	x5.2
Equity-accounted entities	7	-	7	4	-	4	+66.8%	+66.8%
Net income on other assets	1	-	1	6	(6)	12	(85.1%)	(92.7%)
Change in value of goodwill	-	-	-	22	22	-	(100.0%)	n.m.
Income before tax	**1,693**	**3**	**1,690**	**1,978**	**(65)**	**2,042**	**(14.4%)**	**(17.2%)**
Tax	(278)	(1)	(277)	(407)	23	(431)	(31.8%)	(35.7%)
Net income from discontinued or held-for-sale operations	-	-	-	-	-	-	n.m.	n.m.
Net income	**1,415**	**2**	**1,413**	**1,570**	**(42)**	**1,612**	**(9.9%)**	**(12.3%)**
Non controlling interests	(85)	4	(88)	(32)	1	(33)	x2.6	x2.7
NET INCOME GROUP SHARE	**1,330**	**6**	**1,325**	**1,538**	**(40)**	**1,579**	**(13.5%)**	**(16.1%)**
COST/INCOME RATIO EXCLUDING SRF *(%)*	**55.9%**		**55.8%**	**59.3%**		**58.3%**	**-3.3 pp**	**-2.5 pp**

In **Corporate and investment banking,** business was particularly strong over the entire year, with a very strong capital markets activity. In the first quarter of 2020, capital markets recorded good commercial momentum, in a context of high volatility. This momentum continued into the second quarter of 2020, as Crédit Agricole CIB provided support to its customers during the health crisis with the granting of the State-guaranteed loans (€2.4 billion[(1)]) and for their hedging needs. Over this period, the drawdown rates on revolving credit facilities (RCF) increased sharply, reaching 32% in April 2020, compared to 18% pre-crisis, which they returned to at the end of the year.

In all, 2020 confirmed Crédit Agricole CIB's leading position (#1 in the All French Corporate bonds[(2)] category, #1 in All Financial Bonds[(3)], #2 worldwide for Global Green and Sustainability bonds[(4)]). Crédit Agricole CIB also maintained very good positions in syndicated loans: leader in France[(5)] and #3 on the EMEA market[(6)]. Lastly, Crédit Agricole CIB maintained its very prudent risk profile, and the regulatory VaR as at 31 December 2020 remained at a very low level (€9.2 million at 31 December 2020, average regulatory VaR of €14.2 million for the full year 2020).

The **Corporate and Investment banking** business reported revenues of €5,168 million in 2020. They include the specific accounting items relative to the loan portfolio hedges for +€10 million recorded by the investment bank and to the DVA (debt valuation adjustment) for +€11 million booked on the capital markets and investment banking activities. Adjusted to reflect these items, underlying revenues came to €5,147 million, up +8.8% compared to 2019.

Underlying **Financing activities** revenues reached €2,541 million, up very slightly from 2019 (+0.9% and +2.6% excluding the currency effect), thanks notably to:

- good performance in **corporate banking** (+6.2%) thanks to a rise in outstandings related to the health crisis (greater consumption of liquidity between April and September, then a normalisation of these drawdowns before a return to pre-crisis levels from Q4) and growth in acquisition financing activities; and to a slight increase in the revenues of the International Trade and Transaction Banking activity;

(1) €2.4 billion in State-guaranteed loan applications by Crédit Agricole CIB's customers as at 15 January 2021.
(2) Source: Dealogic.
(3) Source: Refinitiv N11.
(4) Source: Bloomberg.
(5) Source: Refinitiv.
(6) Source: Refinitiv R17.

Refer to the glossary on page 681 for the definition of technical terms.

- this mitigated the drop in revenues (-4.7% in 2020 from 2019) observed in **structured finance,** impacted by the slowdown in new production in the context of the health crisis. However, the business was more dynamic in Q4 in the telecoms and energy/infrastructure sectors.

The underlying revenues of the **Capital Markets and Investment banking** business totalled €2,606 million in 2020, up +17.7% on 2019 (+18.6% excluding the currency effect), thanks to a favourable market context on the one hand and strong commercial activity on the other:

- **capital markets** revenues recorded a +19.1% increase to €2,299 million in 2020, buoyed by the dynamic FICC activities, due to a very good level of activity on the primary bond market in all sectors, and Crédit Agricole CIB having supported its customers in their hedging needs during the crisis, notably in the context of the ECB's accommodative policy;
- **investment banking** revenues also posted a +8.2% rise, to €307 million: they notably benefited from the high volumes of activity on the capital markets.

Operating expenses excluding the contribution to the SRF was €2,650 million, up just very slightly from 2019 (+2.1%), notably due to IT investments. Thus, the rise in revenues, combined with this good cost control, generated a positive scissor effect of +6.7 points, as well as improvement in the cost/income ratio (excluding SRF), which stood at 51.5% for 2020 (vs. 54.8% in 2019), below the target of the Medium-Term Plan (below 55% in 2022). The contribution to the SRF increased significantly in 2020, totalling €232 million (+43.6% compared to 2019). Cost of risk increased by 5.3x year-on-year to €824 million. In corporate banking specifically, it reached €796 million and the cost of risk/outstandings[1] came to 67 basis points. This was a six-fold increase compared to 2019, and 86% of this rise was explained by the provisioning for performing outstandings. In all, underlying net income Group share came to €1,195 million, down -16.8% compared with 2019.

Asset servicing (CACEIS) recorded a very good level of activity during the year, thanks to new customer gains and growth on the existing customer base Assets under custody exceeded €4 trillion (which was one of the targets of the Medium-Term Plan 2022, now achieved), totalling €4,198 billion at 31 December 2020, a notable rise of +8.2% compared to end-December 2019. Assets under administration stood at €2,175 billion, up +6.3% year-on-year.

Net income Group share, stated for CACEIS totalled €121 million over 2020. It included -€19 million in integration costs on acquisitions made by CACEIS in 2019 (Kas Bank and Santander Securities Services, impact on net income Group share of -€9 million). In 2019, specific items had a net impact of +6 million and also included the integration and acquisition costs of these new entities as well as the positive impact of the badwill booked on Kas Bank. Revenues totalled €1,129 million, up +20.5%, due notably to the scope effect, but also thanks to a strong level of activity (entry of new major customers and growth in the activity of existing customers) and growth in cash revenues. Underlying operating expenses, excluding the SRF, increased by +20.2% to €854 million, beyond the scope effect, due mainly to the effect of IT development and investments, some of which are related to the arrival of new large customers. Underlying gross operating income was thus up a sharp +17.1% compared to 2019, and the cost/income ratio (excluding SRF) came to 75.7%, a slight improvement of 0.2 percentage point. Net income for the year was thus up a strong +34.5% in 2020 from 2019. After €63 million of non-controlling interest attributed to Santander, the business line's contribution to underlying net income Group share recorded a drop of -9.1% year-on-year to €130 million.

As at 31 December 2020, the equity allocated to the Large Customers division totalled €11.7 billion (33% of the total), including €7.0 billion for Corporate banking, €3.9 billion for Capital Markets and Investment banking and €0.8 billion for Asset servicing.

The Large Customers division's risk-weighted assets totalled €123.6 billion, including €73.6 billion for Corporate banking, €41.4 billion for Capital Markets and Investment banking and €8.5 billion for Asset servicing. They increased €4.0 billion compared to the previous year, mainly in Corporate and investment banking (+€5.2 billion), notably under the regulatory impact of TRIM and securitisations for +€10 billion, partially offset by the currency effect (-€3.5 billion), with the effects of the portfolio ratings due to the crisis having been virtually offset by the decrease in organic growth of the business lines over the year.

The business line's return on normalised equity (RoNE) was 10.7% in 2020, vs. 12.7% in 2019.

The Large Customers division contributed to 29% of net income Group share of the business lines of Crédit Agricole S.A. (excluding the Corporate Centre) in 2020 and 30% of underlying revenues.

Corporate Centre (CC)

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

- *Crédit Agricole S.A.'s central body 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, etc.);*
- *the results of resource companies carrying out dedicated activities on behalf of the Crédit Agricole Group and its subsidiaries: IT production (CAGIP), payment activities (CAPS) and real estate operations (SCI).*

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

The 2020 financial statements include several specific items with a total impact of -€733 million on net income Group share, which essentially concern the amortisation of the goodwill on CA Italia for -€778 million in net income Group share, the amortisation of the goodwill on AHM for -€55 million in net income Group share, the home purchase savings plan provision for -€44 million, liability management balance for -€28 million, the solidarity COVID-19 donations for -€10 million.

The 2019 financial statements contain several specific items having a total positive impact of +€262 million on net income Group share, including the settlement of the Emporiki litigation for +€1,038 million in net income Group share, the amortisation of the goodwill on LCL for -€611 million and the provision for home purchase savings for -€59 million.

(1) The cost of risk/outstandings is calculated on the basis of the cost of risk recorded in the year over the average of the outstandings at the start of all four quarters of the year.

Corporate Centre (CC) – Contribution to results, stated and underlying 2020

(in millions of euros)	2020 stated	Specific items	2020 underlying	2019 stated	Specific items	2019 underlying	Δ 2020/2019 stated	Δ 2020/2019 underlying
Revenues	**(238)**	**(105)**	**(133)**	**(497)**	**(90)**	**(407)**	**(52.0%)**	**(67.3%)**
Operating expenses excluding SRF	(792)	(10)	(782)	(789)	-	(789)	+0.4%	(0.9%)
SRF	(86)	-	(86)	(83)	-	(83)	+3.0%	+3.0%
Gross operating income	**(1,116)**	**(115)**	**(1,001)**	**(1,369)**	**(90)**	**(1,279)**	**(18.5%)**	**(21.8%)**
Cost of risk	(29)	-	(29)	(28)	-	(28)	+3.8%	+3.8%
Equity-accounted entities	(4)	-	(4)	6	-	6	n.m.	n.m.
Net income on other assets	0	-	0	12	-	12	(99.7%)	(99.7%)
Change in value of goodwill	(903)	(903)	-	(611)	(611)	-	+47.8%	n.m.
Income before tax	**(2,052)**	**(1,018)**	**(1,034)**	**(1,991)**	**(701)**	**(1,290)**	**+3.1%**	**(19.9%)**
Tax	341	34	307	1,539	1,069	470	(77.8%)	(34.7%)
Net income from discontinued or held-for-sale operations	(55)	(55)	0	(0)	-	(0)	n.m.	n.m.
Net income	**(1,766)**	**(1,040)**	**(726)**	**(452)**	**368**	**(820)**	**x3.9**	**(11.4%)**
Non controlling interests	119	125	(6)	7	-	7	x16.7	n.m.
NET INCOME GROUP SHARE	**(1,647)**	**(915)**	**(733)**	**(445)**	**368**	**(813)**	**x3.7**	**(9.9%)**

In 2020, the business division's underlying net income Group share came to -€733 million (compared to -€813 million for 2019). This includes a contribution to the Single Resolution Fund (SRF) of -€86 million, a deterioration of +3.0% compared to 2019.

(in millions of euros)	2020	2019	Δ 2020/2019	Δ 2020/2019 *(%)*
Of which structural net income	**(763)**	**(877)**	**+113**	**(12.9%)**
■ Balance sheet & holding Crédit Agricole S.A.	(745)	(933)	+187	(20.1%)
■ Other activities (CACIF, CA Immobilier, etc.)	(15)	51	(66)	ns
■ Support functions (CAPS, CAGIP, SCI)	(3)	5	(8)	ns
Of which other elements of the division	**31**	**64**	**(33)**	**(51.6%)**

The "structural" contribution improved by +€113 million to -€763 million over 2020, thanks mainly to an improvement in the contribution of the Crédit Agricole S.A. central body activities and functions. (the negative contribution was reduced by €187 million between the two periods) notably thanks to a gradual reduction in the cost of debt and temporary gains related to the TLTRO 3s recorded the second half of 2020.

Conversely, the other items of corporate center deteriorated by -€33 million compared to 2019, totalling +€31 million for 2020. These other items are related to the seasonal effect of inflation and the impact of intragroup eliminations of securities held by Predica and Amundi.

As at 31 December 2020, risk-weighted assets stood at €26.2 billion.

Earnings per share

Earnings per share represent a company's net profit divided by the average number of shares outstanding excluding treasury shares. It indicates the portion of profit attributable to each share (not the portion of earnings paid out to each shareholder, which is the dividend). It may decrease, with total profit unchanged, if the number of shares increases.

Crédit Agricole S.A. – data per share

(in millions of euros)		2020	2019	Δ 2020/2019
Net income Group share – stated		2,692	4,844	(44.4%)
■ Interests on AT1, including issuance costs, before tax		(373)	(587)	(36.5%)
NIGS attributable to ordinary shares – stated	**[A]**	**2,319**	**4,257**	**(45.5%)**
Average number shares in issue, excluding treasury shares (m)	[B]	2,885.3	2,873.4	+0.4%
Net earnings per share – stated	**[A]/[B]**	**€0.80**	**€1.48 €**	**(45.8%)**
Underlying net income Group share (NIGS)		3,849	4,582	(16.0%)
Underlying NIGS attributable to ordinary shares	**[C]**	**3,476**	**3,995**	**(13.0%)**
NET EARNINGS PER SHARE – UNDERLYING	**[C]/[B]**	**€1.20**	**€1.39**	**(13.4%)**

Reported earnings per share were down -45.8% in 2020 to €0.80 and underlying earnings per share were down -13.4% to €1.20.

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole S.A. – RoTE

(in millions of euros)		31/12/2020	31/12/2019
Shareholder's equity Group share		65,217	62,921
■ AT1 issuances		(5,888)	(5,134)
■ Unrealised gains and losses on OCI – Group share		(3,083)	(2,993)
■ Payout assumption on annual results[(1)]		(914)[(3)]	(2,019)
Net book value (NBV), not revaluated, attributable to ordinary shares	**[D]**	**55,333**	**52,774**
■ Goodwill & intangibles[(2)] – Group share		(17,488)	(18,011)
Tangible NBV (TNBV), not revaluated attributable to ordinary shares	**[E]**	**37,844**	**34,764**
Total shares in issue, excluding treasury shares (period end, m)	[F]	2,915.6	2,884.3
NBV PER SHARE, AFTER DEDUCTION OF DIVIDEND TO PAY *(in euros)*	**[D]/[F]**	**€19.0[(4)]**	**€18.3**
+ DIVIDEND TO PAY *(in euros)*	**[H]**	**€0.31[(5)]**	**€0.70**
NBV PER SHARE, BEFORE DEDUCTION OF DIVIDEND TO PAY *(in euros)*		**€19.3**	**€19.0**
TNBV PER SHARE, AFTER DEDUCTION OF DIVIDEND TO PAY *(in euros)*	**[G]=[E]/[F]**	**€13.0[(4)]**	**€12.1**
TNBV PER SHARE, BEFORE DEDUCTION OF DIVIDEND TO PAY *(in euros)*	**[G]+[H]**	**€13.3**	**€12.8**

(1) Dividend proposed by the Board of Directors pending distribution.

(2) Including goodwill in the non-controlling interests.

(3) €914 million correspond to the share of the distribution of the dividend made in cash assuming zero public opting for the scrip dividend payment.

(4) The NBV per share after deduction of dividend to pay and the TNBV per share after deduction of dividend to pay are calculated based on the total number of shares as of 31 December 2020.

(5) €0.31 correspond to the cash distribution.

RoTE

RoTE (Return on Tangible Equity) measures the return on tangible equity (the net assets restated to eliminate intangibles and goodwill).

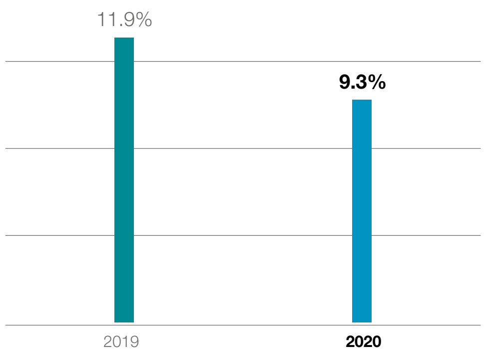
Reported RoTE was lower than at end-2019 at 6.2%. Underlying RoTE decreased to 9.3% compared to 11.9% in 2019. Lastly, RoTE excluding the amortisation of the goodwill on CA Italia came to 8.3% in 2020.

(in millions of euros)		2020	2019
Net income Group share attributable to ordinary shares	[H]	2,319	4,257
Tangible NBV (TNBV), not revaluated attributable to ordinary shares – average[(1)]	[I]	37,314[(2)]	33,525
Stated RoTE *(%)*	**[H]/[I]**	**6.2%**	**12.7%**
Net income Group share attributable to ordinary shares excluding CA Italia goodwill impairment	[J]	3,097	
Stated RoTE *(%) excl CA Italia impairment*	**[J]/[I]**	**8.3%**	
Underlying Net income attributable to ordinary shares (annualised)	[K]	3,476	3,995
UNDERLYING RoTE *(%)*	**[K]/[I]**	**9.3%**	**11.9%**

(1) Including assumption of dividend for the current exercise.

(2) Average of the TNBV not revaluated attributable to ordinary shares calculated based on 31 December 2020 figures and 31 December 2019 restated figures as presented in the table above.

RoTE *(%)*



CRÉDIT AGRICOLE S.A. CONSOLIDATED BALANCE SHEET

Crédit Agricole S.A. – Consolidated balance sheet

(in millions of euros)	Notes	31/12/2020	31/12/2019	Variation
Cash, Central Banks	6.1	194,269	93,079	108.7%
Financial assets at fair value through profit or loss	3.1-6.2-6.6-6.7	432,462	399,477	8.3%
Held for trading financial assets		*261,968*	*230,721*	*13.5%*
Other financial assets at fair value through profit or loss		*170,494*	*168,756*	*1.0%*
Hedging derivative Instruments	3.2-3.4	21,745	19,368	12.3%
Financial assets at fair value through other comprehensive income	3.1-6.4-6.6-6.7	266,072	261,321	1.8%
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss		*263,856*	*258,803*	*2.0%*
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss		*2,216*	*2,518*	*-12.0%*
Financial assets at amortised cost	3.1-3.3-6.5-6.6-6.7	953,900	906,280	5.3%
Loans and receivables due from credit institutions		*463,169*	*438,581*	*5.6%*
Loans and receivables due from customers		*405,937*	*395,180*	*2.7%*
Debt securities		*84,794*	*72,519*	*16.9%*
Revaluation adjustment on interest rate hedged portfolios		7,463	7,145	4.5%
Current and deferred tax assets	6.10	4,304	4,300	0.1%
Accruals, prepayments and sundry assets	6.11	40,307	38,349	5.1%
Non-current assets held for sale and discontinued operations	6.12	2,734	475	475.6%
Deferred participation	6.17	-	-	-
Investments in equity-accounted entities	6.13	7,650	7,232	5.8%
Investment property	6.14	6,522	6,576	-0.8%
Property, plant and equipment	6.15	5,779	5,598	3.2%
Intangible assets	6.15	3,196	3,163	1.0%
Goodwill	6.16	14,659	15,280	-4.1%
TOTAL ASSETS		**1,961,062**	**1,767,643**	**10.9%**

Refer to the glossary on page 681 for the definition of technical terms.

(in millions of euros)	Notes	31/12/2020	31/12/2019	Variation
Central banks	6.1	864	1,896	-54.4%
Financial liabilities at fair value through profit or loss	6.2	265,173	246,669	7.5%
Held for trading financial liabilities		*229,265*	*206,708*	*10.9%*
Financial liabilities designated at fair value through profit or loss		*35,908*	*39,961*	*-10.1%*
Hedging derivative Instruments	3.2-3.4	15,218	13,293	14.5%
Financial liabilities at amortised cost		1,146,854	989,962	15.8%
Due to credit institutions	*3.3-6.8*	*264,919*	*142,041*	*86.5%*
Due to customers	*3.1-3.3-6.8*	*719,388*	*646,914*	*11.2%*
Debt securities	*3.3-6.8*	*162,547*	*201,007*	*-19.1%*
Revaluation adjustment on interest rate hedged portfolios		10,380	9,183	13.0%
Current and deferred tax liabilities	6.10	3,334	3,766	-11.5%
Accruals, deferred income and sundry liabilities	6.11	52,941	49,285	7.4%
Liabilities associated with non-current assets held for sale and discontinued operations	6.12	1,430	478	199.2%
Insurance company technical reserves	6.17	363,124	356,107	2.0%
Provisions	6.18	4,197	4,364	-3.8%
Subordinated debt	3.3-6.19	24,052	21,797	10.3%
Total Liabilities		**1,887,567**	**1,696,800**	**11.2%**
Equity		**73,495**	**70,843**	**3.7%**
Equity – Group share		**65,217**	**62,920**	**3.7%**
Share capital and reserves		28,323	27,368	3.5%
Consolidated reserves		32,037	27,865	15.0%
Other comprehensive income		2,175	2,843	-23.5%
Other comprehensive income on discontinued operations		-10	-	-
Net income (loss) for the year		2,692	4,844	-44.4%
Non-controlling interests		**8,278**	**7,923**	**4.5%**
TOTAL LIABILITIES AND EQUITY		**1,961,062**	**1,767,643**	**10.9%**

Main changes in the consolidated balance sheet

At 31 December 2020, the consolidated balance sheet of Crédit Agricole S.A. amounted to €1,961.1 billion, up +€193.4 billion (+10.9%) compared with the 2019 balance sheet.

This increase mainly stemmed from:

- the increase in financial assets at amortised cost totalling €47.6 billion;
- the rise in cash and Central banks for €101.2 billion;
- the rise in financial assets at fair value through profit or loss of €33.0 billion.

Analysis of the main items

Loans and receivables from customers and credit institutions totalled €869.1 billion at end-December 2020, an increase of +4.2% or +€35.3 billion compared with 2019.

Loans and receivables due from customers (including lease financing operations) totalled €405.9 billion at 31 December 2020, compared with €395.2 billion a year earlier, an increase of +2.7%. The increase was attributable chiefly to growth in customer transactions at LCL in the amount of +€10 billion.

Loans and receivables due from credit institutions also increased, to €463.2 billion (+5.6%) at 31 December 2020 compared with €438.6 billion at end-2019. The increase was primarily due to the centralisation of *Livret A* and *Livret de Développement Durable et Solidaire* passbooks at CDC as well as unsecured loans to finance the Regional Banks' lending activity (+€20 billion).

Amounts due to credit institutions and customers totalled €984.3 billion at end-2020, up +24.8% or +€195.4 billion compared with end-2019.

Amounts due to credit institutions rose +€122.9 billion, to €264.9 billion (+86.5%), as a result of the TLTRO 3 drawings during the year.

Amounts due to customers rose +€72.5 billion (+11.2%) to €719.4 billion. This increase is notably explained by the inflows into regulated savings at Crédit Agricole S.A. (+€16 billion, of which €7 billion for the Livret A) and customer transactions carried out by Crédit Agricole CIB for +€15.7 billion.

Financial assets at fair value through profit or loss amounted to €432.5 billion at 31 December 2020, a rise of +8.3% year-on-year, *i.e.* +€33.0 billion.

Financial liabilities at fair value through profit or loss amounted to €265.2 billion at 31 December 2020, up +€18.5 billion year-on-year (+7.5%).

Financial assets at fair value through other comprehensive income stood at €266.1 billion at end-December 2020, *i.e.* a +1.8% increase year-on-year.

Debt securities totalled €84.8 billion at end-December 2020 compared to €72.5 billion in 2019, a +€12.3 billion increase.

The amount of **investments in equity-accounted entities** stood at €7.7 billion at end-2020, an increase of +5.8%.

Hedging derivatives recorded respective increases of +12.3% under assets and +14.5% under liabilities.

Underwriting reserves for insurance contracts increased by 2% in 2020 from 2019, reaching €363.1 billion. This rise is notably explained by the increase in liabilities relating to insurance and financial contracts at Predica (+€3.7 billion).

Debt securities were down -19.1% year-on-year, to €162.5 billion at end-2020.

Equity amounted to €73.5 billion at 31 December 2020, a year-on-year increase of +3.7%. Equity – Group share was also up (+3.7%) to €65.2 billion at end-2020.

Capital management and regulatory ratios

The amendment to IAS 1 adopted by the European Union on 11 January 2006 requires quantitative and qualitative disclosures on the issuer's capital and management of its capital *i.e.* objectives, policies and processes for managing capital. This information is provided in Note 3.6 to the financial statements and in "Pillar 3 disclosures", provided below. For financial year 2020, return on assets[1] was 0.14%, down from financial year 2019.

RECENT TRENDS AND OUTLOOK

The economic outlook is still clouded by major uncertainties related to problems in exiting the public health crisis (persistent virulence of the pandemic, more contagious virus mutations, a new rise in infections, and ongoing uncertainty about whether vaccination will lead to immunity). The profile and pace of growth will therefore continue to be impacted by the pandemic and the delicate trade-off between growth and public health safety. After a lacklustre first half, recovery should be very modest and very disparate, despite monetary and budgetary infusions. The major economies will continue to be helped out by massive budgetary support, highly accommodating monetary policies and favourable financial conditions. While some key markers may still fall (as in the scenario of negative interest rates in the UK, which cannot be ruled out), it seems that easing exercises have come to an end (in the sense that there will be no new tools) and reliance will now have to be on improving/extending existing mechanisms. Budgetary policy will be decisive in delivering short-term support and then stimulating the economy once the situation is "normalised". As is being demonstrated in Japan, where monetary innovation seems highly advanced, budgetary policy is playing a more direct role in reducing the output gap. This has the support of Bank of Japan, which is acting as an "integrated stabiliser" of long rates by controlling the yield curve.

In the **United States**, at a time when the resurgence of the virus poses a risk of sharp deceleration in first half 2021, the election of Joe Biden as President and the control of both houses of Congress by the Democrats is expected to result in additional stimulus measures on top of the $900-billion deal negotiated at the end of 2020. In fact, Joe Biden has already proposed a new stimulus bill worth $1.9 trillion. However, political constraints make it unlikely that a bill of that size will pass (a stimulus of around $1 trillion is more likely). In January, the Federal Reserve, with its wait-and-see attitude, extended its status quo[2], while noting that the economy was slowing, that its scenario for boosting economic recovery in the second half was contingent on the progress of immunisation and that rumours of tapering were premature. Consequently, while budgetary support could contribute 1 percentage point to US growth, growth will not start to accelerate until the second half, once the vaccine rollout is more wide-spread and restrictions are eased, at which point it should be close to 4% (as an annual average).

(1) Referring to article R. 511-16-1 of the Monetary and Financial Code, profitability of assets is obtained by dividing the net accounting income with the total balance-sheet, on a consolidated basis.

(2) Target range of the Federal funds at 0-0.25%; net purchases of securities at $120 billion per month, *i.e.* 2/3 Treasury securities and 1/3 MBS; forward guidance on key rates consisting of tolerating a "moderate" overshoot of the inflation target for "some time"; forward guidance on asset purchases indicating that they will continue at least at the current pace until "substantial progress" is made towards employment and inflation targets.

Refer to the glossary on page 681 for the definition of technical terms.

In the **Eurozone**, uncertainty as to when the pandemic will be under control and the lack of a clear view of the economic situation will continue to weigh on spending decisions, both by consumers (risk of precautionary savings) and investors, throughout 2021. The risk of a massive and early withdrawal of budgetary support measures seems to be ruled out for 2021: the risk (including of business failures and increased unemployment) is expected to materialise later, once business activity begins to return to normal. Our scenario assumes growth in 2021 close to 3.8% (with a now-downward bias). Depending on structural characteristics (sectoral composition of supply and employment, services weighting, export capacity, adequacy of exported products, etc.) and national strategies (health/economy trade-offs, abundance and effectiveness of support measures), there will be enormous diversity in both the impact of the crisis and the speed and strength of the recovery. Our scenario assumes average growth rates close to 2.5% in Germany, 5.9% in France and 4% in Italy. At end 2021, the Eurozone's GDP is expected to be 2.4% below its pre-crisis level (*i.e.* at end 2019). While this gap should be limited to 2% in Germany, it is expected to be close to 7.4% in Spain and around 2.2% and 3.9% in France and Italy respectively.

The announcements made by the ECB in December removed any prospect of normalised monetary policy. The ECB has offered reassurance that there will be no early rise in interest rates while additional budgetary efforts are being rolled out and guaranteed its presence in the sovereign market until 2023. It is working to maintain the credit supply provided in recent months, ensuring banks have favourable conditions. In the medium term, the key issues are therefore less about the sustainability of public debt than about governance and the ability to mobilise public funds to organise a response to the crisis.

The **United Kingdom** left the single market and customs union on 1 January 2021, with a last-minute free-trade agreement. This avoids customs duties and quotas (subject to compliance with fair competition rules and rules of origin) but involves significant non-tariff barriers. Frictionless trade in goods and services has therefore come to an end, as has the free movement of people. In addition to the disruptions associated with setting up a new post-Brexit relationship, there are also the consequences of the pandemic: following a major contraction in 2020 estimated at -11.1%, growth is expected to be close to 4.5% in 2021, leaving GDP at the end of 2021 3.8% below its 2019 pre-crisis level.

In **emerging markets**, after a contraction of just under 3% in 2020, recovery looks to be close to 5.5%. However, this figure masks substantial diversity: an optical illusion that conceals both the immediate effects of the crisis, mostly the result of monetary and budgetary constraints that are more severe in emerging markets than in the developed world, and its lasting consequences in the form of a widening of the structural gap between the emerging markets in Asia and the others. Asia (particularly North Asia) has suffered less and is getting ready to rebound, led by China. At the fifth plenum, the Chinese authorities made public the initial objectives of the country's 14th Five-Year Plan. The plan aims for "sound and sustainable development" promoting "quality growth" with no formal economic growth target, perhaps to allow for more flexibility in economic policymaking. China is expected to rebound strongly in 2021 (+8%) before returning to its projected trajectory in 2022 (+5.1%). However, it seems unrealistic to count on China's momentum to invigorate Asia and promote the recovery of the rest of the world given the experience of 2009. With most of the catching-up now done, growth in China has slowed, and the country no longer has the means to tow the rest of the world in its wake. And nor does it want to. Its latest so-called "dual circulation" strategy, aimed at limiting its dependence on overseas markets, is proof of this.

A slow, uncertain and probably chaotic recovery, multiple uncertainties and monetary easing are all conditions conducive to maintaining extremely low interest rates. It will be necessary to wait until favourable news finally emerges, in terms of public health as well as the economy, before recovery can start to take shape – a start limited by the absence of inflation and excess capacity. In the meantime, progress made by the Eurozone can be judged by past interest rate changes: clear solidarity has avoided fragmentation, risk premiums paid by the so-called "peripheral" countries have been tightened, and the euro has put in a solid performance. Our scenario therefore assumes US and German 10-year sovereign rates of close to 1.50% and -0.40% respectively at end 2021, coupled with spreads of 20 basis points (bp), 50 bp and 100 bp above the Bund for France, Spain and Italy where it is assumed that political tensions will ease.

In keeping with a scenario where recovery might even be slow, timid and unsynchronised, the dollar could depreciate very slightly against the euro and currencies that are more procyclical or driven by risk appetite. The dollar's depreciation would, however, be tempered by the resurgence of Sino-American tensions that weigh on Asian currencies in particular: the current crisis has only temporarily overshadowed the dissent between the United States and China. While the timetable is uncertain (the US still has to install the new administration, manage its domestic problems and rebuild its global alliances), and despite the fact that Joe Biden's presidency augurs a change in tone, the roots of the conflict remain. The rise of protectionism and political risk hampered hyper-globalisation: the crisis should favour greater regionalisation of growth centres, as evidenced by the signing of the Regional Comprehensive Economic Partnership uniting China, ASEAN member countries and key US allies (Australia, South Korea, Japan and New Zealand).

Recent events

Main objectives of the 2022 Medium-Term Plan

On 6 June 2019, Crédit Agricole Group announced its Group Project and Medium-Term Plan toward 2022, set out jointly with the Regional Banks and Crédit Agricole S.A.

The Group's Project expressed the *Raison d'Être*(1) of Crédit Agricole for the first time. It serves as the foundation for its unique relational model and is at the heart of its universal community banking model. Looking to the future while remaining faithful to the daily translation of the Group's utility, this *Raison d'Être*(1) guides the transformation and development of the Group and carries the values of utility and universality. It can be summed up as follows: "Acting every day in the interest of our customers and society". Furthermore, in order to reinforce its action and commitments in favour of the energy transition, Crédit Agricole has adopted a Group climate strategy, aligned with the Paris Climate Agreement. This climate strategy was published on 6 June 2019 and was hailed by all stakeholders, notably the NGOs such as Oxfam France and *Les Amis de la Terre,* and was certified by an independent organisation.

Within this new long-term framework, the Strategic Plan 2022 is a blueprint for profitable growth for Crédit Agricole. It is in line with the previous Medium-Term Plan, "Strategic Ambition 2020", most of which' financial results have been achieved a year ahead of schedule. It aims to amplify and accelerate the Group's trajectory in an uncertain environment marked by increasing societal demands.

(1) Refer to the glossary for a definition of our *Raison d'Être*.

The strategic ambition of the plan

The 2022 Medium-Term Plan has also set financial objectives for 2022, including CET1 for the Crédit Agricole Group and for Crédit Agricole S.A. of above 16% and 11%, respectively, and a cost/income ratio for Crédit Agricole S.A. of below 60%.

Crédit Agricole S.A. – 2022 financial objectives

Growth of Net income Group	>+3% per year (CAGR 2018-2022) >€5 billion
RoTE	11%
Cost/Income ratio (without SRF)	<60%
Cost of Risk Assumption	~40 basis points
CET1	11% >16% for Crédit Agricole Group
Distribution rate	50% in cash
Unwinding of SWITCH mechanism	50%

Having exceeded its end-2022 target set in June 2019 to unwind by the end of 2022 50% of Switch Insurance, a guarantee mechanism granted by the Regional Banks to Crédit Agricole S.A., with a positive impact on the latter's earnings per share, Crédit Agricole S.A. announced on 11 February 2021 its intention to take a new step towards the simplification of the Group's capital structure via the full unwinding of Switch Insurance by the end of 2022, with 50% already achieved in Q1 2021.

The Group has based its development on a unique relationship model, which it intends to strengthen through this Group Project based on three pillars:

- **relational excellence at the heart of the Customer Project.** The Group's objective is to become the preferred bank for individuals, entrepreneurs and businesses, and to increase by +20 percentage points the number of customers using its digital applications in France and in Italy. The Group is investing in an innovative strategy of banking and non-banking services platforms, operated directly or with partners;
- **responsibility in proximity at the heart of the Human Project.** The Group stands out by always offering its customers direct access to a local customer relations manager. Transformations in terms of organisation and management are planned to give employees a sense of responsibility as close as possible to the customer. The Group aspires to be the preferred employer in financial services in France and in the Top 5 in Europe;
- **a strong mutualist commitment to society at the heart of the Societal Project.** Crédit Agricole Group will continue its mutualist commitment to development for all, and make green finance one of the Group's keys to growth. The Group thus intends to become the leading European player in responsible investment.

The Medium-Term Plan is based on three levers:

- **growth in all our markets.** This lever requires intensifying customer relationships for individual and wealthy clients, knowing how to respond to the singular needs of professionals and farmers, being the strategic partner for SMEs/ITEs, and extending the range of offers for large corporates and institutions. Payments are becoming a major lever for loyalty and customer acquisition. Lastly, within the framework of international development, priority is given to Europe, and the extension of the universal banking model in Europe and Asia is being achieved through partnerships;
- **development of revenue synergies.** The Group aims to increase revenue synergies by +€1.3 billion to reach €10 billion in 2022. Insurance (+€800 million) and specialised financial services (€300 million in consumer finance and leasing) are the two main levers;
- **technological transformation for enhanced efficiency.** The Group is allocating €15 billion to IT over four years. It wants to bring the technological fundamentals up to the best market standards, accelerate and better anticipate the adoption of new technologies and finally improve operational efficiency (reduce the operating ratio of Crédit Agricole S.A. by more than 2 percentage points to achieve under 60% by 2022).

The crisis confirms the relevance of the Group Project and the differentiating nature of the global relationship model

- Firstly, as part of the Customer Pillar of its Group Project, presented in June 2019, the Group ramped up the digitisation of its offerings in the interests of customer satisfaction. Thus, the utilisation rate of Group apps (active profile on the apps or connection on the website in the last month) sharply increased, posting a rise in both banks of the Regional Banks and LCL (respectively +3.3 percentage points compared to end-2019 to 68.2% and by +7.1 percentage points to 53.4%). Likewise, the Group rolled out new digital tools intended for its customers to make their activities easier during lockdown, such as the Up2Pay Range (enabling remote payment through a digital loyalty program) and Click & Collect to support retailers in the new methods of consumption. Innovative non-banking services were also set up for young people and small businesses (Youzful, Blank, Agilauto). Innovation remains at the core of Crédit Agricole's strategy: more than 800 start-ups have received the support of Villages By CA. The network currently consists of 37 Villages By CA in France and Italy, with four new Villages to be created in 2019.
- In this context, the Group has reinforced its customer-focused universal banking model with dynamic customer acquisitions in France and Italy (1,500,000 new customers, growth in business customers by 150,000 in 2020) and an equipment rate for individual customers[1] that continued to increase in the networks of the Regional Banks (41.7% at end-December 2020, *i.e.* a +1.0 percentage point increase since December 2019) and LCL (25.5% at end-December 2020, *i.e.* a +0.5 percentage point increase since December 2019), as well as at CA Italia (17.1% at end-December 2020, *i.e.* a +1.7 percentage point increase since December 2019). This translated into a sharp improvement in the Group's positioning in terms of customer satisfaction: the Group is thus the only bank among the 25 brands which have proven their utility during the lockdown[2], while the Net Promoter Score (NPS) was up in 2020 compared to 2019, both in the Regional Banks and at LCL (+7 points, to respectively +8 and +2[3]) and at CA Italia (+8 points compared to 2019), which became this year the second Italian bank in terms of customer satisfaction.
- This success was made possible as a result of the full commitment of Group employees and to strengthened local customer relations. The sharp increase in the participation rate of employees in the ERI (Engagement and Recommendation Index) survey to 80% (+3 points compared to 2019 and +21 points compared to 2016) illustrates this well. In addition, the Group launched innovative initiatives in managerial transformation, supported by organisational transformation, to ramp up our employee empowering process, aimed at creating more value for customers.

(1) Equipment rate: percentage of individual banking customers holding at least one insurance product (Pacifica estimate). Scope: auto, home, health, life accidents, legal protection insurance and all mobile phones.

(2) Study Brand Asset Valuator, October 2020, all sectors, only one bank in the top.

(3) Net Promoter Score, internal sources 2020.

Refer to the glossary on page 681 for the definition of technical terms.

The Group supports societal transitions, and is more than ever committed for regions and for climate

Green finance and SRI

As part of the human and societal pillars of the Group Project, the Group supports the societal transitions that its customers have requested and are experiencing. Accordingly, thanks to its leading position in SRI matters, through its various entities, the Group is able to offer its customers all the green and social solutions that they may need.

Accordingly, 100% of the funds opened by Amundi present a SRI score that is higher than their benchmark; at year-end 2020, Amundi exceeded its target for "green solutions" funds, which increased from €12.3 billion to €21.9 billion at year-end 2020. (2022 target: €20bn). In addition, Amundi has been selected to manage a eurozone equity index fund aligned with the Paris Agreement on climate change, on behalf of 12 institutional investors on the Paris stock exchange who are launching an unprecedented initiative to promote climate issues. It is the first investment solution that is fully eligible for the future European "Paris Aligned Benchmark" label. Crédit Agricole Assurances and Amundi launched "Energies Vertes", the first energy transition fund eligible for life-insurance policies.

Crédit Agricole CIB saw its green loan outstandings increase from €7.1 billion to €11.7 billion in one year (2022 targets: €13bn). Crédit Agricole CIB also ranks second worldwide in terms of green, social and sustainable bonds ($28 billion arranged in 2020). This year, the Federal Republic of Germany has entrusted the emission of its first green bond, for €6.5 billion, to the Crédit Agricole Group. It represents approximately 10% of the volume of sovereign green bonds outstanding and will be used to finance Germany's climate and environmental strategy. Crédit Agricole CIB took part in this historic transaction as associate bookrunner and also acted as exclusive adviser for Germany in the structuring of its Green Bonds program published in August 2020. Meanwhile LCL rolled out a green investment range, LCL Impact Climat. Finally, the Group reached its medium term objective in terms of green social or sustainable outstandings in the liquidity portfolio (€6 billion), with €9.3 billion outstandings end 2020 (vs €5.6 billion end 2019).

These efforts were rewarded. The Group received two positive assessments from agencies in 2020: the international climate reference agency, the Carbon disclosure project (CDP) raised the Group's rating from C to A-, and the annual evaluation of the Principles for Responsible Investment (PRI) led to Amundi being awarded a maximum rating of A+ for its SRI strategy and management.

As it committed to do under the Medium-Term Plan as launched in June of 2019, the Group has set up a global governance to drive its extra-financial performance. It is supported by a scientific committee of high-level experts. A SRI steering platform was developed in 2020. Unique in its kind, it enables the collection of external and internal extra-financial data in order to calculate the main societal impact indices for all Group entities. Based on public data, it generates a unique climate transition rating for listed companies. Amundi and Crédit Agricole CIB have been using this rating as a commercial tool for dialogue since 2020. In 2021, the transition rating will be expanded to include unlisted companies.

To monitor the extra-financial performance of unlisted companies, the Group also set up a standard SRI questionnaire that is currently being rolled out at LCL, the Regional Banks and in some international entities.

Inclusive finance

The Group also demonstrated its inclusive commitment by supporting regions and the young. For example, in 2020, the Group recruited 18,000 new employees(1), 30% of whom are under 30 years of age, as well as 4,700 work-study students (*i.e.* +50% in two years). The Group also posted a sharp increase in its attractiveness in higher education institutions for the last three years (ranked 47th out 130 (+23)) in business schools and 85th out of 130 (+17) in engineering schools(2). Thus, the Group ranked 1st place in financial services in France among Diversity Leaders, the FT's European ranking (ranking 133rd out of 700(3)).

The Group also supports the solidarity economy through several initiatives: the Amundi Solidarité fund recorded €331 million at end 2020 and this year, Amundi launched CPR invest social impact, the first global equity fund to place reducing inequalities at the center of its investment process; lastly, Crédit Agricole Assurances created *"Contrat solidaire"*, the first Finansolcertified social multi-vehicle life insurance policy. Crédit Agricole S.A. also completed its first social bond issue, for local, sustainable and inclusive growth in the regions. For the amount of €1 billion and subscribed 2.5 times, this bond is designed to finance businesses in areas with unemployment rates that exceed the national average, digital tools for the regions, development of the health sector, and the improving social cohesion.

The Group strengthens its universal customer-focused banking model, open to multi-business partnerships

The Group strengthened its universal customer focused banking model through the rollout of several internal projects. Thus, LCL sold to Crédit Agricole Assurances a home loan book for €445 million, making it possible to optimise the refinancing of LCL and to diversify the investment portfolio of Crédit Agricole Assurances; Crédit Agricole CIB and CA Indosuez Wealth Management in turn created a joint team to assist high net worth customers and family holding companies. Finally, a Group level multi-business Group division was created for mid-cap corporates, and will be managed by Crédit Agricole CIB. Synergies continued to be deployed within the Crédit Agricole Group, generating €9.1 billion in 2020, which is stable on 2019 despite the health crisis. In the area of IT expenses, in 2019 and 2020 the Group allocated to the technological transformation €8 billion(4), of which 38% in investments notably for datacentricity or information system overhaul.

The Group continued to open its universal customer-focused banking model in Europe through multi-business line partnerships in Europe and in Asia. In Europe, Amundi, number one asset manager in Europe, finalised in January the Sabadell AM acquisition and entered into a strategic partnership with Banca Sabadell; in October, Crédit Agricole Assurances finalised the acquisition of 100% de GNB Seguros and along with this came the signature of a 22-year distribution partnership for non-life insurance products with Novo Banco in Portugal; Crédit Agricole Italia announced at the end of November the launch of a cash takeover bid for Credito Valtellinese and CACF announced in December the strengthening of its partnership agreement with Banco BPM. Furthermore, CACF printed an agreement with Bankia to buy back the 49% of capital owend by Bankia in their joint-venture in Spain. Lastly, Azqore, a subsidiary of Indosuez Wealth Management, signed an agreement with Société Générale, in January 2021, to perform the back-office operations and a large percentage of the IT services internationally for the private bank Société Générale.

(1) Total hires in 2020, including permanent contracts, fixed-term contracts and work-study contracts.
(2) Source Universum 2020.
(3) FT European ranking, No. 1 position in France in financial services.
(4) €15 billion planned for the entire duration of the MTP.

In Asia, Amundi and Bank of China created in September the first Wealth Management company in China with an international shareholder holding a majority stake. Furthermore, Amundi signed a technological alliance with BNY Mellon January 2021 in the field of asset management and the custody of securities.

Furthermore, the Group continued its refocusing outside the non-strategic entities. Thus, Crédit Agricole CIB finalised the sale of its remaining stake in the capital of Banque Saudi Fransi in September; Crédit Agricole Consumer Finance announced the sale in progress of its subsidiary in the Netherlands; CA Indosuez Wealth Management initiated a planned sale of its private banking activities in Miami and Brazil, and Crédit Agricole S.A. announced the signature of an agreement to sell its Romanian subsidiary Crédit Agricole Bank Romania S.A. to Vista Bank Romania S.A.

INFORMATION ON CRÉDIT AGRICOLE S.A.'S FINANCIAL STATEMENTS (PARENT COMPANY)

ANALYSIS OF CRÉDIT AGRICOLE S.A.'S RESULTS (PARENT COMPANY)

At 31 December 2020, Crédit Agricole S.A.'s revenues stood at €1,496 million, down by **-€5 million** on 2019.

This change was attributable to:

- an increase in the interest margin of **+€327 million,** mainly related to the dismantling of 35% of the Switch guarantee (positive impact of +€85 million), and a drop in the interest paid to deposit products, notably the *Livret A* savings and PEL home-savings passbooks for +€174 million, as a result of the drop in the offered rates. In addition, the decrease in the provisions for the home purchase savings plan between the two financial years had a positive impact of +€25 million. This change in provisioning is due to the update of the calculation parameters;
- a **-€760 million** fall in revenues from variable-income securities (primarily dividends from subsidiaries and equity stakes) explained by a drop in the dividends received, with no payout by certain subsidiaries with a public offering, in compliance with the recommendations of the government and the ECB. In 2020, Amundi, CACEIS, CA Italia and Crédit Logement notably did not pay a dividend, whereas in 2019 Crédit Agricole had received €399 million, €178 million, €97 million and €39 million, respectively. Lastly, the dividends received by CA Assurances decreased by €61 million between the two years;
- a **+€238 million** increase in net fees and commissions, mainly attributable to a +€179 million increase in commissions received under the mechanism to pool funds held in special savings accounts collected by the Regional Banks (mainly home purchase savings schemes) and then reinvested by Crédit Agricole S.A. with the CDC. There was also a +€20 million change in liquidity commissions during the financial year, following a reduction in the Regional Banks' cash surpluses;
- a **+€165 million** increase in net income from the trading book, mainly due to a +€173 million change in gains on foreign exchange positions of Additional Tier 1 securities issued in foreign currency, as well as the capital losses realised on the disposal of treasury shares held in connection with the liquidity contract for €10 million;
- a change in the investment and similar portfolios of **+€46 million** corresponding mainly to the capital gain of +€54 million generated in 2020 following the early redemption by Crédit Agricole Assurances of Tier 2 deeply subordinated notes as part of its own funds management;
- a **-€21 million** decrease in other banking income, mainly related to security issue costs.

At 31 December 2020, Crédit Agricole S.A. recognised €770 million in operating expenses, down **-€8 million** compared to 2019 (-€778 million).

As a result of these changes, gross operating income recorded a gain of €719 million at 31 December 2020, up **+€3 million** compared to financial year 2019.

The cost of risk amounted to -€4 million for 2020, down by **-€9 million** compared to financial year 2019 (-€13 million).

"Net gains (losses) on fixed assets" amounted to a loss of -€715 million in 2020 down **-€423 million** year-on-year, following the discounting of impairment losses on equity investments, mainly related to:

- a charge of €635 million on CA Italia following the decision of the Crédit Agricole S.A. Board of Directors meeting of 15 December 2020 to amortise the goodwill of the subsidiary due to the drop in interest rates impacting its interest margin;
- a positive effect of +€496 million following the amortisation booked on LCL in 2019;
- a negative effect of -€92 million on CA Polska (charge of -€56 million in 2020 compared to a reversal of +€36 million in 2019);
- a negative effect of -€50 million on CA Ukraine (reversal of +€10 million in 2020 compared to a reversal of +€60 million in 2019);
- a negative effect of -€35 million on Crédit du Maroc (charge of -€38 million in 2020 compared to a charge of -€3 million in 2019).

Moreover, a change was recorded following the disposals of equity investments made in 2019, including Visa Inc. and Indosuez holding, which generated capital gains of €33 and €9 million, respectively. In addition, the payment by JC Decaux in 2019 of the proceeds from the conversion of the bonds exchangeable in Eurazeo shares (activation of the immunisation) resulted in a variation of -€25 million from one year to the next.

The income tax charge stood at €286 million, down **-€1,358 million** from 2019. This difference was attributable to the end of the dispute between Crédit Agricole S.A. and the tax administration relating to the litigation on Emporiki, which in 2019 had generated a gain of €1,067 million.

The tax integration schemes in France, where Crédit Agricole S.A. is Group head, enabled it to generate a gain of €312 million in 2020, -€321 million lower than in 2019.

Overall, the net income of Crédit Agricole S.A. amounted to **€245 million** at 31 December 2020.

Refer to the glossary on page 681 for the definition of technical terms.

FIVE-YEAR FINANCIAL SUMMARY

	2016	2017	2018	2019	2020
Equity at year end *(in euros)*	**8,538,313, 578**	**8,538,313, 578**	**8,599,311, 468**	**8,654,066, 136**	**8,750,065, 920**
Number of shares outstanding	2,846,104, 526	2,846,104, 526	2,866,437, 156	2,884,688, 712	2,916,688, 640
OPERATIONS AND NET INCOME FOR THE PERIOD *(in millions of euros)*					
Gross revenues	15,112	14,296	15,138	13,410	12,976
Earnings before tax, employee profit-sharing, depreciation, amortisation and provision expense	12,916	815	2,172	963	780
Employee profit-sharing	2	2	1	2	1
Income tax charge	(213)	(255)	(638)	(1,644)	(286)
Earnings after tax, employee profit-sharing, depreciation, amortisation and provision expense	13,819	1,564	2,740	2,016	245
Earnings proposed for distribution at the date of the General Meeting of Shareholders	1,718	1,804	1,978	2,019	2,332
EARNINGS PER SHARE *(in euros)*					
Earnings after tax and employee profit-sharing but before depreciation, amortisation and provision expense	4.462	0.375	0.980	0.903	0.365(1)
Earnings after tax, employee profit-sharing, depreciation, amortisation and provision expense	4.855	0.550	0.956	0.822	0.084
Ordinary dividend	0.60	0.63	0.69	0.70	0.80
Loyalty dividend	0.66	0.693	-	-	-
EMPLOYEES					
Average headcount(2)	2,238	2,148	1,776	1,685	1,700
Total payroll for the period *(in millions of euros)*	186	190	171	165	160
Cost of benefits paid during the period (costs and social welfare) *(in millions of euros)*	145	133	92	111	100

(1) Calculated based on the number of shares issued as at the date of the General Meeting of Shareholders on 13 May 2020, or 2,916,688,640 shares.

(2) Refers to headquarters employees.

5

RISKS AND PILLAR 3

Refer to the glossary on page 681 for the definition of technical terms.

A constrained regulatory context, effective risk control

SOLVENCY RATIOS

13.1%
CET1 solvency ratios[1]

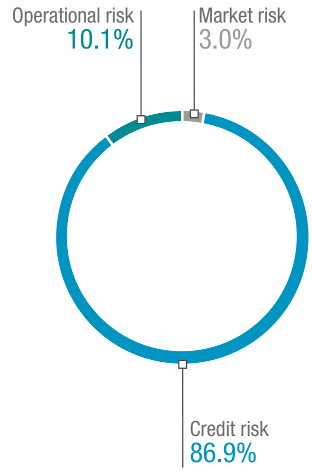
25.5%
TLAC excluding senior debt

178%
Financial conglomerate ratio

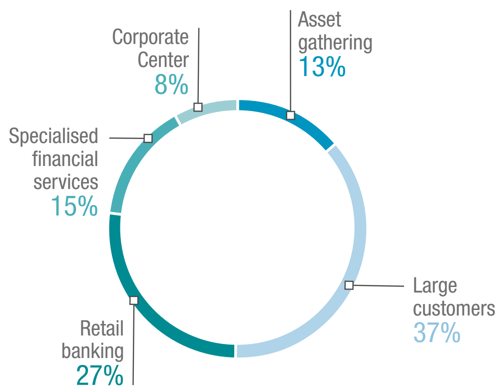
4.9%
Phased-in leverage ratio[2]

RISK-WEIGHTED ASSETS

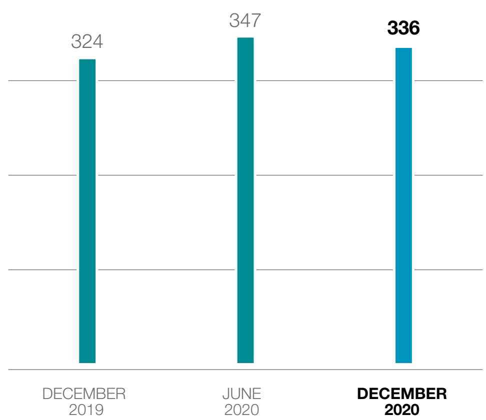
Breakdown by type of risk
(as a percentage)



Breakdown by business lines
(as a percentage)



Changes over one year
(in billions of euros)



(1) Phased-in CET1 ratio.
(2) Before the neutralisation of ECB exposures.

Refer to the glossary on page 681 for the definition of technical terms.

1. RISK FACTORS

This part of the Universal Registration Document sets out the main types of risks to which Crédit Agricole S.A. is exposed, as well as certain risks related to holding Crédit Agricole S.A. securities. Other parts of this chapter discuss Crédit Agricole S.A.'s risk appetite and the policies employed to manage these risks. The information on Crédit Agricole S.A.'s risk management is presented in accordance with IFRS 7, relating to disclosures on financial instruments.

The term "Crédit Agricole S.A." used in this part shall be defined as, taking together, Crédit Agricole S.A. as a corporate entity (*i.e.* parent company of the Crédit Agricole Group, listed on the stock exchange) and all its directly and indirectly held subsidiaries within the meaning of Article L.233-3 of the French Commercial Code (hereafter individually a "subsidiary" or collectively the "subsidiaries").

A. RISK FACTORS RELATED TO CRÉDIT AGRICOLE S.A. AND ITS ACTIVITY

Risks specific to Crédit Agricole S.A.'s business are presented in this section under the following categories: (i) credit risks and counterparty risks, (ii) financial risks, (iii) operational risks and associated risks, (iv) risks related to the environment in which Crédit Agricole S.A. operates, (v) risks related to strategy and transactions of Crédit Agricole S.A., and (vi) risks related to the structure of Crédit Agricole Group.

Within each of the six categories, the risks that Crédit Agricole S.A. 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 Crédit Agricole S.A. if it were to materialise in the future.

These risk factors are described below.

1. Credit and counterparty risks

a) Crédit Agricole S.A. 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 Crédit Agricole S.A. is exposed. Credit risk impacts Crédit Agricole S.A.'s consolidated financial statements when counterparties are unable to honour their obligations and when the carrying amount of these obligations in the bank's records is positive. Counterparties may be banks, financial institutions, industrial or commercial enterprises, governments and their various entities, investment funds, or individuals. The level of counterparty defaults may increase compared to recent historically low levels; Crédit Agricole S.A. may be required to record significant charges and provisions for possible bad and doubtful loans, affecting its profitability.

While Crédit Agricole S.A. 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, Crédit Agricole S.A. is exposed to the risk of default by any party providing the credit risk coverage (such as a counterparty in derivatives) or to the risk of loss of value of the collateral. In addition, only a portion of Crédit Agricole S.A.'s overall credit risk is covered by these techniques. Accordingly, Crédit Agricole S.A. has significant exposure to the risk of counterparty default.

As at 31 December 2020, the exposure of Crédit Agricole S.A. to credit and counterparty risks (including dilution risk and settlement delivery risk) was €1,599.5 billion before taking into account risk mitigation methods. This is distributed as follows: 15% retail customers, 28% corporates, 22% governments and 30% credit institutions and investment firms. Moreover, the amounts of risk-weighted assets (RWAs) relating to credit risk and counterparty risk to which Crédit Agricole S.A. is exposed were €257.2 billion and €22.1 billion, respectively, as at 31 December 2020. At that period-end, the gross amount of loans and receivables in default was €14.0 billion.

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

In connection with its lending activities, Crédit Agricole S.A. periodically recognises doubtful loan expenses, whenever necessary, to reflect actual or potential losses in respect of its loan and receivables portfolio, which are recognised in profit or loss account under "cost of risk". Crédit Agricole S.A.'s overall level of such asset impairment provisions is based upon its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, statement of loans, economic conditions and other factors related to the recoverability of various loans, or scenario-based statistical methods applicable collectively to all relevant assets. Although Crédit Agricole S.A. 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 sectorial evolutions), such as deteriorating market conditions or factors affecting particular countries or industry sectors notably in the current environment of crisis. Any significant increase in provisions for doubtful loans or a significant change in Crédit Agricole S.A.'s estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the charges recorded with respect thereto, could have an adverse effect on Crédit Agricole S.A.'s results of operations and financial position.

As at 31 December 2020, the gross outstanding loans, receivables and debt securities of Crédit Agricole S.A. were €999.7 billion. With regard to credit risk, the amounts of reserves, accumulated impairments and related adjustments amounted to €10.2 billion. The cost of risk on outstandings of Crédit Agricole S.A. for the year 2020(1) at 62 basis points.

(1) The cost of risk on outstandings is calculated based on the cost of risk on commercial loans recorded over the full year divided by the average outsandings as for the beginning of the four quarters of 2020.

Refer to the glossary on page 681 for the definition of technical terms.

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

The credit quality of corporate borrowers could experience a deterioration, primarily from increased economic uncertainty and, in certain sectors, the risks associated with trade policies of major economic powers. The risks could be exacerbated by the recent practice by which lending institutions have reduced the level of covenant protection in their loan documentation, making it more difficult for lenders to intervene at an early stage to protect assets and limit the risk of non-payment. If a trend towards deterioration in credit quality were to appear, Crédit Agricole S.A. may be required to record asset impairment charges or to write off the value of its corporate debt portfolio, which would in turn impact Crédit Agricole S.A.'s profitability and financial position.

As at 31 December 2020, Crédit Agricole S.A.'s gross exposure to sectors other than general government, banking, insurance and private individuals amounted to €424.5 billion (of which €8.2 billion in default) and was provisioned for nearly €6.5 billion.

d) Crédit Agricole S.A. may be adversely affected by events impacting sectors to which it has significant exposure

Crédit Agricole S.A.'s exposures are very diversified due to its comprehensive customer-focused universal retail banking activities through the Regional Banks, LCL and CA Italia's network.

At end-December 2020, the share of retail customers in Crédit Agricole S.A.'s total portfolio of commercial lending was 24%, or €232.6 billion. Moreover, Crédit Agricole S.A. is subject to the risk that certain events may have a disproportionately large impact on a particular industrial sector to which it is significantly exposed. As at 31 December 2020, 28% of Crédit Agricole S.A.'s commercial loan book involved borrowers in the public sector, (including local authorities), representing an amount of approximately €268.9 billion, and 6% of borrowers in the energy sector, representing an amount of approximately €61.3 billion. Public sector borrowers can be affected by national and local budgetary policies and spending priorities. Energy sector borrowers are subject to risks relating to volatility in energy prices. If these or other sectors that represent a significant share of Crédit Agricole S.A.'s portfolio were to experience adverse conditions, Crédit Agricole S.A.'s profitability and financial position could be adversely affected.

e) The soundness and conduct of other financial institutions and market participants could adversely affect Crédit Agricole S.A.

Crédit Agricole S.A.'s ability to engage in financing, investment and derivative transactions could be adversely affected by 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. Crédit Agricole S.A. has exposure to many counterparties in the financial industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds, and other institutional customers with which it regularly executes transactions. Many of these transactions expose Crédit Agricole S.A. to credit risk in the event of default or financial distress. In addition, Crédit Agricole S.A.'s credit risk may be exacerbated when the collateral held by Crédit Agricole S.A. cannot be disposed of or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to it.

As at 31 December 2020, the total amount of Crédit Agricole S.A.'s gross exposure to counterparties that are Credit institutions and related entities was €481.4 billion (including for the Regional Banks), of which €441.3 billion was using the internal ratings-based method.

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

Crédit Agricole S.A. 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. Crédit Agricole S.A. monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environments may require it to record additional charges or to incur losses beyond the amounts previously written down in its financial statements. Crédit Agricole S.A. is especially exposed in absolute value to the country risk for France and Italy. At 31 December 2020, Crédit Agricole S.A.'s commitment amounted to €529 billion in France and €106 billion in Italy, representing respectively 56% and 11% of Crédit Agricole S.A.'s total exposure as of 31 December 2020.

Adverse conditions that particularly affect these countries would have a significant impact on Crédit Agricole S.A. In addition, Crédit Agricole S.A. has significant exposures in countries outside the OECD, which are subject to risks that include political instability, unpredictable regulation and taxation, expropriation and other risks that are less present in more developed economies.

At end-2020, commercial lending (including to bank counterparties) to Crédit Agricole S.A. 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 €63.3 billion.

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

Crédit Agricole S.A. could suffer losses in the event of a counterparty defaulting in its securities, currency, commodities and other market activities. When Crédit Agricole S.A. 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, Crédit Agricole S.A. is exposed to the risk of a counterparty defaulting in the execution of its transaction settlement obligations. Crédit Agricole S.A.'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 €10.3 billion at 31 December 2020. Although Crédit Agricole S.A. 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 Crédit Agricole S.A. may incur significant losses due to the failure of major counterparties.

Refer to the glossary on page 681 for the definition of technical terms.

2. Financial risks

a) Crédit Agricole S.A. may generate lower revenues from its insurance, asset management, brokerage and other businesses during market downturns

In the past, market downturns have reduced the value of customer portfolios with Subsidiaries specialised in asset and wealth management and increased the amount of withdrawals, thus reducing Crédit Agricole S.A.'s revenues from these businesses. Over the course of 2020, 16% and 12% of the revenues of Crédit Agricole S.A. were generated from its asset and wealth management and insurance businesses, respectively. Crédit Agricole S.A. is the leading insurer in France, through Crédit Agricole Assurances[1]. Amundi's assets under management stand at €1,729 billion end of year 2020, CAA's assets under management stand at €308 million end of year 2020. Future downturns could have similar effects on the results and financial position of Crédit Agricole S.A.

In addition, financial and economic conditions affect the number and size of transactions for which Crédit Agricole S.A. provides securities underwriting, financial advisory and other investment banking services. Crédit Agricole S.A.'s revenues, which include fees from these services, are directly related to the number and size of the transactions in which Crédit Agricole S.A. participates and can thus be significantly affected by market downturns. Moreover, because the fees that the Subsidiaries charge for managing their customers' portfolios are in many cases based on the value or performance of those portfolios, any market downturn that would reduce the value of the portfolios of Crédit Agricole S.A.'s customers, would reduce the revenues that Subsidiaries receive for these services.

Even in the absence of a market downturn, any below-market performance by Crédit Agricole S.A.'s mutual funds and life insurance products may result in increased withdrawals and reduced inflows, which would reduce Crédit Agricole S.A.'s revenues from its asset management and insurance businesses.

b) Crédit Agricole S.A. is exposed to the low interest rate environment and any significant change in interest rates could adversely affect Crédit Agricole S.A.'s consolidated revenues or profitability

Crédit Agricole S.A. is among the leaders[2] in retail banking in France through its LCL retail banking network and is thus exposed to variation in interest rates.

The amount of net interest income earned by Crédit Agricole S.A. during any given period significantly affects its overall consolidated revenues and profitability for that period. Interest rates are highly sensitive to many factors beyond Crédit Agricole S.A.'s control. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing debt. Any adverse change in the yield curve could cause a decline in Crédit Agricole S.A.'s net interest income from its lending activities. Over the course of 2021, a 100 basis point decrease in interest rates in the Eurozone would imply a potential loss for Crédit Agricole S.A. of €44 million on the banking portfolio at 31 December 2020, amounting to a decline of 0.2% of 2020 revenues (compared to a decrease of €41 million, or 0.2% of 2019 revenues).

The cumulative impact over the next 30 years of a 200 basis point rate decrease corresponds to a positive impact of €15 million, or 0.02% of the regulatory capital of Crédit Agricole S.A. after deduction of equity investments. In addition, increases in the interest rates at which short-term funding is available and maturity mismatches may adversely affect Crédit Agricole S.A.'s profitability.

The above impacts are calculated based on a static balance-sheet *i.e.* they do not capture the future production and the potential dynamic impact on the net banking income of Crédit Agricole S.A. of a variation in interest rates.

c) Adjustments to the carrying amount of Crédit Agricole S.A.'s securities and derivatives portfolios and Crédit Agricole S.A.'s own debt could have an impact on its net income and shareholders' equity

The carrying amount of Crédit Agricole S.A.'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 Crédit Agricole S.A.'s own debt. Most of the adjustments are made on the basis of changes in fair value of the assets or liabilities of Crédit Agricole S.A. 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 Crédit Agricole S.A. All fair value adjustments affect shareholders' equity and, as a result, the capital adequacy ratios of Crédit Agricole S.A.. 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 2020, the gross outstanding debt securities held by Crédit Agricole S.A. were €120.3 billion. Accumulated impairments and reserves and negative fair value adjustments due to credit risk were €110 million.

d) Crédit Agricole S.A. may suffer losses in connection with its holdings of equity securities

Equity securities held by Crédit Agricole S.A. could decline in value, causing losses for Crédit Agricole S.A. Crédit Agricole S.A. bears the risk of a decline in value of equity securities in connection with its market-making and trading activities, mainly with respect to listed equity securities, in its private equity business, and in connection with transactions in which it acquires strategic equity investments in a company with a view to exercising control and influencing the management policies of Crédit Agricole S.A. In the case of strategic equity investments, Crédit Agricole S.A.'s degree of control may be limited, and any disagreement with other shareholders or with management may adversely impact the ability of Crédit Agricole S.A. to influence the policies of the relevant entity. If Crédit Agricole S.A.'s equity securities decline in value significantly, Crédit Agricole S.A. 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 2020, Crédit Agricole S.A. held close to €42.6 billion in equity instruments, of which €34.2 billion were recorded at fair value through profit or loss; €6.2 billion were held for trading purposes and €2.2 billion in equity instruments recognised at fair value through equity.

(1) Source : *Argus de l'assurance,* December 2020.
(2) Internal sources, ECO studies

Refer to the glossary on page 681 for the definition of technical terms.

e) Crédit Agricole S.A. must ensure that its assets and liabilities properly match in order to control the exposure to losses. Prolonged market downturns could reduce liquidity, making it more difficult to dispose of assets and could result in significant losses.

Crédit Agricole S.A. 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 Crédit Agricole S.A.'s assets is uncertain and, if Crédit Agricole S.A. 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 Crédit Agricole S.A. 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.

Crédit Agricole S.A.'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 2020, Crédit Agricole S.A.'s LCR (Liquidity Coverage Ratio - the prudential ratio to ensure the short-term resilience of the liquidity risk profile) was 169.4%[(1)], higher than the regulatory minimum of 100%, and exceeding the goal of 110% under the medium-term Plan.

In some of Crédit Agricole S.A.'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 Crédit Agricole S.A. cannot close out deteriorating positions in a timely manner. This may especially be the case of not very liquid assets held by Crédit Agricole S.A. Assets that are not traded on stock exchanges or other public trading markets, such as derivatives contracts between banks, may have values that Crédit Agricole S.A. calculates using models other than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to non-anticipated losses.

f) Crédit Agricole S.A. is exposed to risks associated with changes in market prices and volatility with respect to a wide number of market parameters

Crédit Agricole S.A.'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 Crédit Agricole S.A. operates. Adverse changes in market, economic or geopolitical conditions could create a challenging operating environment for financial institutions. In particular, the risks to which Crédit Agricole S.A. is therefore highly exposed include fluctuations in interest rates, security prices, foreign exchange rates, the specific yield premium on a bond issue and the prices of oil, precious metals and other commodities.

For example, Crédit Agricole S.A. is sensitive to the potential market volatility that would be generated by a concerted action of investors using social networking platforms to inflate the share price of certain issuers or commodities. Such activities, whether the Crédit Agricole SA share is the target or not, may create valuation uncertainty and unpredictable market conditions, and could adversely affect Crédit Agricole SA and its counterparties. If the financial conditions of Crédit Agricole SA or its counterparties were to deteriorate, Crédit Agricole SA could suffer losses on its financing and transactions with its counterparties, in addition to other independent adverse effects.

Crédit Agricole S.A. uses a "Value at Risk" (VaR) model to quantify its exposure to potential losses related to market risks. The VaR of Crédit Agricole S.A. as at 31 December 2020 was €9 million.

It also carries out stress tests in order to quantify its potential exposure in extreme scenarios, as described and quantified in paragraphs 2.5.III.1 (Methodology for measuring and managing market risks – Indicators) and 2.5.IV (Exposures) in Chapter 5 (Risks and Pillar 3) on pages 289-291 and pages 291-294, respectively, of the 2020 Universal Registration Document. However, these techniques rely on statistical methodologies based on historical observations, which may turn out to be unreliable indicators of future market conditions. Accordingly, Crédit Agricole S.A.'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 Crédit Agricole S.A. is exposed was €9.8 billion as at 31 December 2020.

g) Future events may be different from those reflected in the management assumptions and estimates used in the preparation of Crédit Agricole S.A.'s financial statements, which may cause unexpected losses in the future

Under the IFRS standards and interpretations in effect as of 31 December 2020, Crédit Agricole S.A. is required to use certain estimates in preparing its financial statements, including accounting estimates to determine loan loss impairment charges, reserves related to future litigation, and the fair value of certain assets and liabilities, among other items. Should Crédit Agricole S.A.'s determined values for such items prove substantially inaccurate, or if the methods by which such values were determined are revised in future IFRS standards or interpretations, Crédit Agricole S.A. may experience unexpected losses.

Crédit Agricole S.A. has reported on the first-time adoption of IFRS 9 as from 1 January 2018.

h) Crédit Agricole S.A.'s hedging strategies may not eliminate all risk of losses

If any of the variety of instruments and strategies that Crédit Agricole S.A. uses to hedge its exposure to various types of risk in its businesses is not effective, Crédit Agricole S.A. may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if Crédit Agricole S.A. 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. Crédit Agricole S.A. may only be partially hedged, however, or these strategies may not be fully effective in mitigating its risk exposure in all market environments or against all types of risk in the future. Unexpected market developments may also reduce the effectiveness of Crédit Agricole S.A.'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 Crédit Agricole S.A.'s reported earnings.

At 31 December 2020, the notional amount of protection bought in the form of credit derivatives was €6.8 billion (€6.4 billion at 31 December 2019), the notional amount of short positions was zero (the same at 31 December 2019).

(1) Year-end LCR.

3. Operational risks and associated risks

The **operational risk** of Crédit Agricole S.A. includes non-compliance risk, legal risk and the risks generated by key outsourced services (*Prestations Externalisées*).

Over the period from 2018 to 2020, operational risk incidents for Crédit Agricole S.A. were divided as follows: the "Implementation, delivery and process management" category represents 17% of the operational loss, the "Customers, products and business practices" category represents 24% of the operational loss, and the "External fraud" category represents 39% of the operational loss. Other operational risk incidents can be broken down into employment and safety practice (7%), internal fraud (9%), business disruptions and system failures (3%).

In addition, the amount of risk-weighted assets (RWAs) relating to operational risk to which Crédit Agricole S.A. is exposed was €34.2 billion as at 31 December 2020.

a) Crédit Agricole S.A. is exposed to the risk of fraud

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

At the end of 2020, the amount of proven fraud for Crédit Agricole S.A. was €342 million.

Excluding exceptional fraud cases at Crédit Agricole CIB and Amundi, standing at €279.8 million (including €206.4 million as for credit risk) fraud would amount to €62 million, compared to €87 million in 2019 (*i.e.* a decrease by -29%).

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

- fraud in means of payment (electronic payment, transfers and checks): 24%;
- identity and documentary fraud: 32%;
- robery: 12%;
- PSA/NPAI: 20%;
- others: 12%.

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

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

Technology is at the heart of the activity of the banks in France, and Crédit Agricole S.A. continues to deploy its multichannel model as part of a lasting relationship with its customers. In this context, Crédit Agricole S.A. 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, Crédit Agricole S.A. 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, Crédit Agricole S.A.'s information systems failed, even for a short period of time, it would be unable to serve in a timely manner certain customers' needs and could thus lose business opportunities. Likewise, a temporary shutdown of the information systems of Crédit Agricole S.A., even though it has back-up recovery systems and contingency plans, could result in considerable costs required for information retrieval and verification. Crédit Agricole S.A. 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.

Crédit Agricole S.A. 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 case of a failure of an external information technology service provider, such as a cloud data storage company. As its interconnectivity with its customers grows, Crédit Agricole S.A. may also become increasingly exposed to the risk of operational failure of its customers' information systems. Crédit Agricole S.A.'s communications and information systems, and those of its customers, service providers and counterparties, may also be subject to failures or interruptions resulting from cybercrime or cyber terrorism. Crédit Agricole S.A. 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 2018 to 2020, operational losses due to the risk of business disruptions and system failures accounted for 3% of operational losses.

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

Crédit Agricole S.A.'s risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all types of market environments or against all types of risk, including risks that it fails to identify or anticipate. Furthermore, the risk management procedures and policies used by Crédit Agricole S.A. do not guarantee effective risk reduction in all market configurations. These procedures may not be effective against certain risks, particularly those that Crédit Agricole S.A. has not previously identified or anticipated. Some of the qualitative tools and metrics used by Crédit Agricole S.A. for managing risk are based upon its use of observed historical market behaviour. Crédit Agricole S.A. 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 Crédit Agricole S.A. 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. Crédit Agricole S.A.'s losses could therefore be significantly greater than those anticipated based on historical measures.

Refer to the glossary on page 681 for the definition of technical terms.

In addition, certain of the processes that Crédit Agricole S.A. uses to estimate risk exposure are based on both complex analysis and factors that could lead to uncertain assumptions. Both qualitative and quantitative models used by Crédit Agricole S.A. may not be comprehensive and could lead Crédit Agricole S.A. 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.

As at 31 December 2020, Crédit Agricole S.A. had own capital requirements of €2.7 billion to cover the estimated loss relating to its operating risks.

d) Any damage to Crédit Agricole S.A.'s reputation could have a negative impact on Crédit Agricole S.A.'s business

Crédit Agricole S.A.'s business depends in large part on the maintenance of a strong reputation in compliance and ethics. If Crédit Agricole S.A. were to become subject to legal proceedings or adverse publicity relating to compliance or similar issues, Crédit Agricole S.A.'s reputation could be affected, resulting in an adverse impact on its business. These issues include inappropriately dealing with potential conflicts of interest, legal and regulatory requirements, competition issues, ethics issues, money laundering laws, information security policies and sales and trading practices. Crédit Agricole S.A.'s reputation could also be damaged by an employee's misconduct or fraud or embezzlement by financial intermediaries. Any damage to Crédit Agricole S.A.'s reputation might lead to a loss of business that could impact its earnings and financial position. Failure to address these issues adequately could also give rise to additional legal risk, which might increase the number of litigation claims and expose Crédit Agricole S.A. to fines or regulatory sanctions.

Reputational risk is a significant risk for Crédit Agricole S.A. and is managed by the Compliance department of Crédit Agricole S.A., 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 the obligations to freeze assets.

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

Crédit Agricole S.A. 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 Crédit Agricole S.A., these proceedings can result in awards of high damages, fines and penalties. Legal and regulatory proceedings to which Crédit Agricole S.A. 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 Crédit Agricole S.A. in many cases has substantial defences, even where the outcome of a legal or regulatory proceeding is ultimately favourable, Crédit Agricole S.A. may incur substantial costs and have to devote substantial resources to defending its interests.

Organised as a business line, the Legal Affairs Department has two main objectives: to control legal risk, which can give rise to disputes and liabilities, whether civil, disciplinary or criminal, and to provide the legal support needed by entities to enable them to carry out their activities. Provisions for litigation amounted to €583 million at 31 December 2020, versus €607 million at 31 December 2019.

f) The international scope of Crédit Agricole S.A.'s operations exposes it to legal and compliance risks

The international scope of Crédit Agricole S.A.'s operations exposes it to risks inherent in foreign operations, including the need to comply with multiple and often complex laws and regulations applicable to activities in each of the countries where Crédit Agricole S.A. 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 Crédit Agricole S.A., result in litigation, civil or criminal penalties, or otherwise have a material adverse effect on its business.

To illustrate, in October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US federal and New York State authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008. Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US federal and New York State authorities in connection with their investigations, agreed to pay a total penalty in the amount of $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 or contractors of Crédit Agricole S.A. will follow its policies or that such programs will be adequate to prevent all violations. It cannot be excluded that transactions in violation of Crédit Agricole S.A.'s policies may be identified, potentially resulting in penalties. Crédit Agricole S.A. furthermore does not have direct or indirect majority voting control in certain entities with international operations, and in those cases its ability to require compliance with its policies and procedures may be even more limited.

At end-2020, Crédit Agricole S.A. had operations in 48 countries. This includes the parent entity, its subsidiaries and their branches. It does not include held-for-sale and discontinued operations, nor any entities consolidated using the equity method. Note that at end-2020, 68% of the net banking revenues (excluding intercompany disposals) of Crédit Agricole S.A. came from its two main locations (France and Italy).

4. Risks relating to the environment in which Crédit Agricole S.A. operates

a) The ongoing coronavirus (COVID-19) pandemic may negatively affect the business, operations and financial performance of Crédit Agricole S.A.

In December 2019, a new coronavirus strain (COVID-19) appeared in China. The virus spread to many countries around the world, leading the World Health Organisation to describe the situation as a pandemic in March 2020. The pandemic has had, and is expected to continue to have, significant negative impacts on the world economy and financial markets.

The spread of COVID-19 and resulting government control and travel restrictions implemented around the world have caused disruption to global supply chains and economic activity. The outbreak has led to supply and demand shocks, resulting in a marked slowdown in economic activity, due to the impact of containment measures on consumption, as well as production difficulties, supply chain disruptions and a slowdown of investment. Financial markets have been significantly impacted, with increased volatility, stock market indices declining precipitously, falls in commodity prices and credit spreads widening for many borrowers and issuers. The extent of the adverse impact of the pandemic on the global economy and markets over the long term will depend, in part, on its length and severity, and on the impact of governmental measures taken to limit the spread of the virus and its impact on the economy. For this reason, in December 2020 the French Ministry of the Economy and Finance revised its GDP growth forecasts for 2021 downwards to 5.0% versus 7.4% previously announced.

The pandemic and its impact on the global economy and financial markets have had and are likely to continue to have a material adverse impact on the results of the business lines and financial position of Crédit Agricole S.A. This impact included, and could include in the future, (1) a deterioration in Crédit Agricole Group's liquidity (affecting its short-term liquidity coverage ratio - LCR) due to various factors, including in particular an increase in corporate customer drawdowns on credit lines (drawing rate on RCF went from 15% to 32% between end of February 2020 and end of April 2020), (2) a decrease in revenues due notably to (a) a slowdown in production in activities such as real estate lending and consumer finance, (b) a decrease in revenues from fees and commissions, notably caused by lower asset management inflows and a drop in insurance and banking commissions, and (c) lower revenues in asset management and insurance, (3) an increase in the cost of risk due to a deterioration in the macroeconomic outlook, the granting of moratoria and, more generally, the deterioration in the repayment capacity of businesses and consumers, (4) increased risk of a ratings downgrade following the sector reviews of certain rating agencies and following internal reviews of Crédit Agricole S.A. models, and (5) higher risk-weighted assets (RWAs) due to the deterioration of risk parameters, which in turn could impact the capital position of Crédit Agricole S.A. (and in particular its solvency ratios).

The health crisis and its consequences on the French, European and International economies have had an impact on the activity levels of the Group's various business lines. During the year 2020, several lockdowns were imposed in many countries around the world, notably in France and Italy, Crédit Agricole Group's two main domestic markets. This had the following consequences:

1. Retail banking activities were strongly impacted by the lockdowns. As a result, the production of home loans in retail banking in France (LCL and Regional Banks) in 2020 was 96% of 2019 production, while CA Italia's production reached 102% of the 2019 production. Similarly, Crédit Agricole Consumer Finance credit production in 2020 was 86% of its 2019 production, and CAL&F's leasing production was 98% of its 2019 production;
2. Insurance activities were also impacted by the lockdowns. Due to savers' risk aversion in the context of volatile financial markets, total net inflows were +€1.0 billion, versus +€9.5 billion in 2019, and new business in property and casualty insurance in 2020 reached 91% of 2019 production;
3. Clients drew heavily on credit lines with drawdown rates of up to 32% during the second quarter of 2020; however these drawdowns slowed from the end of June 2020.

The cost of risk was affected in 2020 by the deterioration in the repayment capacity of companies (fragile companies, frauds revealed by the crisis) and consumers, the downgrading of ratings of counterparties whose receivables were downgraded from "Stage 1" to "Stage 2", the sensitivity of certain sectors, particularly:

1. as a result of restrictions on movement or gatherings of people, *i.e.* for air transportation, cruises, restaurants, international tourism and events;
2. for which the level of demand remains below normal, *i.e.* for the non residential real estate (decrease in the volume of investments, linked to the unfavorable impact of the development of e-commerce and generalized work from home); or, lastly
3. which remain fragile due to the weight of the global recession on demand, *i.e.* the non-food retail. Moreover, the commercial property sector is a sector to watch, as the health crisis has accelerated pre-existing conditions in some segments, such as shopping malls being undermined by online shopping and the office building segment facing structural change if teleworking trends continue. At 31 December 2020, Crédit Agricole S.A.'s exposure to sectors considered "sensitive" was as follows: (a) aviation, with EAD (Exposure at Default[1]) of €16.1 billion, of which 6.4% in default, (b) tourism, hotels, restaurants, with EAD of €7.6 billion, of which 3.7% in default, (c) non-food retail, with EAD of €13.0 billion, of which 3.7% in default, (d) automotive, with EAD of €22.5 billion, of which 0.8% in default, (e) shipping, with EAD of €13.0 billion, of which 4.6% in default, and (f) Oil & Gas, with EAD of €22.7 billion, of which 2.3% in default. Additional provisions in 2020 have been made for these sectors to take into account their increased sensitivity. In the fourth quarter of 2020, the economic scenarios, revised downwards in relation to the third quarter of 2020, also generated an additional burden of Stage 1 and Stage 2 cost of risk due in particular to deteriorated GDP growth forecasts for 2021.

As a result, the underlying results for 2020 amounted to €3,849 million, down -16.0% compared to 2019, mainly explained by the increase in the cost of risk, +€1,350 million compared to 2019, reaching €2,606 million at the end of 2020.

The health crisis had a greater impact during the lockdown periods observed in France and Italy during the second and fourth quarters. In the second quarter: (1) home loan production was down in the second quarter of 2020 at LCL (-9.8% compared with the second quarter of 2019), while it was virtually flat for CA Italia (-0.8%). Similarly, consumer credit production at Crédit Agricole Consumer Finance recorded a 40% decline in the second quarter of 2020 compared with the second quarter of 2019. CAL&F also recorded a -23.9% decline in leasing production; (2) Insurance activities were also impacted by the lockdown. Total net inflows were negative at -€0.9 billion in the second quarter of 2020, and Property & Casualty revenues were slightly down by 0.9% in the second quarter of 2020 compared to the second quarter of 2019; (3) Corporate and Institutional activities remained dynamic in the second quarter of 2020, but customers drew heavily on credit lines.

(1) Exposure at default: Crédit Agricole S.A.'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).

Refer to the glossary on page 681 for the definition of technical terms.

In the fourth quarter of 2020, a new lockdown imposed in France as well as in various European countries, which, while having a less significant impact on the economy than the first lockdown, had the following consequences for Crédit Agricole S.A.:

1. activities related to retail banks were not significantly affected through the production of loans to individuals (notably home loans and consumer finance). Indeed, for LCL and the Regional Banks, home loan production was stable in the fourth quarter of 2020, reaching 104% of home loan production over the same period in 2019. CAL&F recorded stable leasing production in the fourth quarter of 2020, at 101% of production in the fourth quarter of 2019. But for Crédit Agricole Consumer Finance, production of consumer loans in the fourth quarter of 2020 represented 97% of the production in the fourth quarter of 2019.
2. Insurance inflows remained stable, amounting to +€1.0 billion in the fourth quarter of 2020 compared to +€1.0 billion in the fourth quarter of 2019.

Uncertainties continue to weigh on developments in the health situation in Europe, with the introduction of new restrictive measures in France and other European countries (curfews, border closures, new lockdowns) and the emergence of variants of the virus. Additional measures are therefore likely to be deployed depending on the evolution of the pandemic. Although vaccines were announced at the end of 2020, and several countries have begun their phased roll-out, the timing of this process also remains highly uncertain, reducing visibility on the speed of the exit from the crisis. Finally, there is considerable uncertainty about the pace of development and implementation of the economic support measures of the governments (particularly the French and Italian States) and central banks (notably the European Central Bank).

Lastly, in terms of solvency, the main impact of the crisis on Crédit Agricole S.A.'s CET1 ratio, in addition to a more modest level of retained earnings, was an increase in risk-weighted assets due to rating downgrades, mainly in corporate and investment banking (€5.4 billion in 2020). Crédit Agricole S.A.'s non-phased CET1 ratio had thus deteriorated at 31 March 2020 (11.4% versus 12.1% at 31 December 2019) and 30 June 2020 (11.7%), before returning to higher levels at 30 September 2020 (12.4%) and 31 December 2020 (12.9%). This increase is not in any way an indication of the level of the CET1 ratio over the next few quarters. In particular, there is still great uncertainty regarding the unemployment rate, the use of accumulated savings, the health scenario and the timetable of the deployment and then withdrawal of government measures, and, more generally, about the consequences of the economic growth trend on retained earnings, risk-weighted assets and regulatory decisions.

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

The businesses of Crédit Agricole S.A. are specifically and significantly exposed to changes in the financial markets and to the development of the economic conditions in France, Europe and the rest of the world. In the financial year ended 31 December 2020, 53% of Crédit Agricole S.A.'s revenues were generated in France, 15% in Italy, 19% in the rest of Europe and 13% in the rest of the world. A deterioration in economic conditions in the markets where Crédit Agricole S.A. operates could have one or several of the following impacts:

- adverse economic conditions would affect the business and operations of customers of Crédit Agricole S.A., which could decrease revenues and increase the rate of default on loans and other receivables;
- a decline in the prices of bonds, equities and commodities could impact a significant portion of the business of Crédit Agricole S.A., including in particular trading, investment banking and asset management revenues;
- 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 Crédit Agricole S.A. that are most exposed to market risk;
- perceived favourable economic conditions generally or in specific business sectors could result in asset price bubbles, which could in turn exacerbate the impact of corrections when conditions become less favourable;
- a significant economic disruption (such as the global financial crisis of 2008 or the European sovereign debt crisis of 2011) could have a severe impact on all of the activities of Crédit Agricole S.A., 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.

In relation to this, in the current context of decreasing global growth and in 2020 very accommodative monetary policies, a deterioration in economic conditions would increase the difficulties and failures of businesses and the unemployment rate could start rising again, increasing the probability of customer default. The heightened uncertainty could have a strong negative impact on the valuation of risky assets, on the currencies of countries in difficulty, and on the price of commodities.

- A deterioration in the global landscape, could lead to further easing of monetary policies, which combined with a revival of risk aversion, would lead to a prolongation of very low interest rates in the countries deemed to be risk free (Germany, the US).
- The political and geopolitical context – more conflictual and tenser – induces greater uncertainty and increases the overall level of risk. This can lead, in the event of rising tensions or the materialisation of latent risks, to major market movements and can weigh on economies. Such risks include trade war, Brexit, tensions in the Middle East, social or political crises around the world, etc.
- In Italy, a political crisis, against the backdrop of already low growth and high public debt, would have a negative impact on confidence and the economy, and could also cause a rise in interest rates and in the cost of refinancing for the government and the banks. It could also lead to losses on the sovereign portfolios of banks and insurers.
- In France, there could also be a significant drop in confidence in the event of a more marked deterioration of the social context which could lead households to consume less and save more as a precaution, and companies to delay investments, which could be harmful to growth and to the quality of private debt, which has increased more than in the rest of Europe.
- The very low level of interest rates leads investors, seeking yield, to move towards riskier assets; it could lead to the formation of bubbles in financial assets and in certain real estate markets. It also leads private customers and governments to go into debt and debt levels are sometimes very high. This increases the risks in the event of a market downturn.

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

c) Crédit Agricole S.A.'s profitability and financial position may be impacted by either the continuation or the end of the current low interest rate environment

In recent years, global markets have been characterised by low interest rates. If the low interest rate environment continues, Crédit Agricole S.A.'s profitability could be materially affected. During periods of low interest rates, interest rate spreads tend to tighten, and Crédit Agricole S.A. may be unable to lower funding costs sufficiently to offset reduced income from lending at lower market interest rates. Efforts to reduce the cost of deposits may be restricted by the prevalence, particularly in Crédit Agricole S.A.'s home market of France, of regulated savings products (such as the home savings plan (Plan d'Épargne Logement – PEL) with interest rates set above current market levels. Low interest rates may also negatively affect the profitability of the insurance activities of the Subsidiaries, which may not be able to generate an investment return sufficient to cover amounts paid out on some of their insurance products.

Over 2020, the share of the insurance business in the revenues of Crédit Agricole S.A. was 12%. Low interest rates may also affect commissions charged by the Subsidiaries specialised in the management of money market assets and other fixed income products. Over 2020, the share of the asset management business in the revenues of Crédit Agricole S.A. was 12%. In addition, due to the lower interest rates, the subsidiaries of Crédit Agricole S.A. have experienced an increase in early repayment and refinancing of mortgages and other fixed-rate consumer and corporate loans as customers look to take advantage of lower borrowing costs. As at 31 December 2020, the gross exposure to home-loans in France granted by Crédit Agricole S.A. were €86 billion. If interest rates remain low, a similar trend of early repayments could occur again. This, along with the issuance of new loans at the low prevailing market interest rates, could result in an overall decrease in the average interest rate of loan books. A reduction in credit spreads and a decline in retail banking revenues resulting from lower portfolio interest rates may have a material adverse effect on the profitability of the retail banking operations of the affiliated members of the Credit Agricole Network and the overall financial position of Crédit Agricole S.A.

An environment of persistently low interest rates can also have the effect of flattening the yield curve in the market more generally, which could reduce the revenues generated by the financing activities of Crédit Agricole S.A. and have a negative effect on their profitability and financial position. A flattening yield curve can also influence financial institutions to engage in riskier activities in an effort to earn the desired level of returns, which can increase overall market risk and volatility. Crédit Agricole S.A.'s operations could as a result be significantly disrupted, and, consequently, its business, results of operations and financial position could experience a material adverse effect.

On the other hand, the end of a period of prolonged low interest rates carries risks. If market interest rates were to rise, a portfolio featuring significant amounts of lower interest loans and fixed income assets as a result of an extended period of low interest rates would be expected to decline in value. If Crédit Agricole S.A.'s hedging strategies are ineffective or provide only a partial hedge against such a change in value, Crédit Agricole S.A. could incur significant losses.

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

d) Crédit Agricole S.A. 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 Crédit Agricole S.A. in each of the jurisdictions in which Crédit Agricole S.A. operates.

To illustrate, such regulations pertain to, in particular:

- regulatory and 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 remunerations as defined in particular by Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (as amended, in particular, by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 and by Regulation (EU) 2020/873 of the European Parliament and the Council of 24 June 2020) and 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 prudential supervision of credit institutions and investment firms as transposed into domestic law (as modified by the Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019); under these regulations, credit institutions such as Crédit Agricole S.A. must meet the requirements regarding minimum capital ratio, risk diversification and liquidity, monetary policy, reporting/disclosures, as well as restrictions on equity investments. As at 31 December 2020, Crédit Agricole S.A.'s fully loaded CET1 ratio was 12.9% and its total non-phased ratio was 18.5%;
- the rules applicable to bank recovery and resolution transposing into domestic law the provisions of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms (the "BRRD"); in particular, Crédit Agricole S.A. 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" section of the 2019 Universal Registration Document). In addition, the contribution of Crédit Agricole S.A.to the annual financing of the Single Resolution Fund can be significant. Thus, in 2020, Crédit Agricole S.A.'s contribution to the SRF showed a sharp increase, to €439 million, or +29.8% compared to 2019, concentrated in the first two quarters of 2019 and 2020;

Refer to the glossary on page 681 for the definition of technical terms.

- 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 (Regulations (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse), which in particular increase the obligations of Crédit Agricole Group in terms of transparency and reporting;
- 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 financing operations on securities and money market funds (Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 over-the-counter derivatives, central counterparties and trade repositories);
- regulations of market infrastructures, such as trading platforms, central counterparties, central securities depositories and securities settlement systems;
- tax and accounting legislation in the jurisdictions where Crédit Agricole Group operates, as well as the rules and procedures relating to internal control, risk management and compliance.

As a result of some of these measures, Crédit Agricole S.A. 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 Crédit Agricole S.A.'s funding costs, particularly by requiring Crédit Agricole S.A. 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 important consequences for Crédit Agricole S.A.:significant intervention by regulatory authorities and fines, international sanctions, public reprimand, reputational damage, enforced suspension of operations or, in extreme cases, withdrawal of authorisation to operate. Moreover, regulatory constraints could significantly limit the ability of Crédit Agricole S.A. to expand its business or to pursue certain existing activities.

In addition, legislative and regulatory measures have entered into force in recent years or may be adopted or modified to introduce or strengthen a number of changes, some of which are permanent, in the overall financial environment. While the objective of these measures is to avoid a recurrence of the global financial crisis, the new measures have changed substantially, and may continue to change, the environment in which Crédit Agricole S.A. 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 such as Crédit Agricole S.A.), tax on financial transactions, caps or tax on employee compensation over specified levels, limits on the types of activities that commercial banks can undertake (particularly proprietary trading and investment and ownership in private equity funds and hedge funds), ring-fencing requirements relating to certain activities, restrictions on the types of entities permitted to conduct swaps activities, restrictions on certain types of activities or financial products such as derivatives, mandatory write-downs or conversions into equity of certain debt instruments, enhanced recovery and resolution regimes, revised risk-weighting methodologies (particularly with respect to insurance businesses), periodic stress testing and the creation of new and strengthened regulatory bodies.

- Some of the new measures adopted after the financial crisis may soon be modified, 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 Crédit Agricole S.A., but its impact could be very significant.

Moreover, some regulatory adjustments and new regulations (as well as the postponement in the application date of certain rules, regarding, notably prudential requirements) were implemented by the national and European authorities during the first half-year 2020 in the context of the COVID-19 health crisis. The permanent or temporary nature of these adjustments and novelties, as well as the evolution of the new regulation in relation with the health crisis are still uncertain: it is thus impossible to determine or measure their impact on Crédit Agricole S.A.

5. Risk related to the strategy and transactions of Crédit Agricole S.A.

a) Crédit Agricole S.A. may not achieve the targets set out in its medium-term Plan

On 6 June 2019, Crédit Agricole S.A. announced its medium-term plan up to 2022 (the "**Medium-Term Plan**"). The Medium-Term Plan provides for several initiatives, including a strategic ambition based on three pillars (i) growth in all of Crédit Agricole S.A.'s markets, with the objective of being first in customer acquisition, (ii) revenue synergies to reach €10 billion in 2022, and (iii) technological transformation to increase the efficiency of cumulative IT spending by €15 billion over four years.

The Medium-Term Plan includes a number of financial targets relating to revenues, expenses, net income and capital adequacy ratios, among other things. These financial targets were established primarily for purposes of internal planning and allocation of resources, and are based on a number of assumptions with regard to the economic climate and the activity of the business lines of the Crédit Agricole Group. The financial targets do not constitute projections or forecasts of anticipated results. The actual results of Crédit Agricole S.A. are likely to vary (and could vary significantly) from these targets for a number of reasons, including the materialisation of one or more of the risk factors described elsewhere in this section. For example, by the end of 2022, Crédit Agricole S.A. expects to achieve a net profit in excess of €5 billion, to reduce the cost/income ratio to below 60%, to post a return on tangible equity (RoTE) in excess of 11%, to have a solvency of 11% and to dismantle 50% of Switch.

The plan's success depends on a very large number of initiatives (both significant and modest in scope) within different Crédit Agricole S.A. entities. While many of these could be successful, it is unlikely that all targets will be met, and it is not possible to predict which objectives will and will not be achieved. The Medium-Term Plan also provides for significant investments, but if the objectives of the plan are not met, the return on these investments will be less than expected.

If Crédit Agricole S.A. fails to achieve the targets of its 2022 medium-term Plan, its financial position and results of operations could be materially adversely affected.

Crédit Agricole S.A. has committed to a global approach to its Corporate Social Responsibility (CSR) policy in the Group Project & MTP, including the financing of one out of three renewable energy projects in France; as well as the aspiration of developing a range of green leasing products, doubling the size of the green loan portfolio to €13 billion of outstanding loans; strengthening the Green Liquidity Factor mechanism within Crédit Agricole Group; the attribution of a transition rating to each large corporate customer; the incorporation of Environmental, Social and Governance (ESG) criteria in 100% of financing to large corporates and gradually to SMEs; and, lastly, aligning the sector policy with the Paris Climate Agreement (programmed exit of thermal coal in the EU and OECD, with a threshold of 25% as from 2019).

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

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

Crédit Agricole Assurances continues to adapt its strategy to the low interest rate environment, in particular by strengthening its policy of redirecting funds to Unit-linked policies and by increasing its profit-sharing reserves (*provision pour participation aux excédents* – PPE), which was €11.6 billion at 31 December 2020 (compared with €10.8 billion at 31 December 2019), *i.e.* 5.6% of outstanding euro-denominated policies, which represents several years of rates provided to policyholders (based on the rates provided in 2019 and 2020) 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 24.2% at 31 December 2020, up 1.4 points year-on-year. In Property and Casualty insurance the combined ratio remained well under control. It was up by 1.7 percentage points compared with 31 December 2019 to 97.6% and includes the cost of the mutual and voluntary support system for the business interruption guarantee.

Finally, Crédit Agricole Assurances maintains a high level of solvency, posting a ratio of 227% at 31 December 2020.

c) Adverse events may affect several of Crédit Agricole S.A.'s businesses simultaneously

While each of Crédit Agricole S.A.'s principal activities are subject to risks specific to them and are subject to different market cycles, it is possible that adverse events could affect several of Crédit Agricole S.A.'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 commission earned on asset management products, and the returns on investments of the insurance subsidiaries. In such event, Crédit Agricole S.A. might not realise the benefits that it otherwise would hope to achieve through the diversification of its activities. For example, adverse macroeconomic conditions could impact Crédit Agricole S.A. 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 Crédit Agricole S.A.'s commission-generating activities. Where an event adversely affects multiple activities, the impact on the result and financial position of Crédit Agricole S.A. is all the more important.

d) Crédit Agricole S.A. is subject to risks associated with climate change

While Crédit Agricole S.A.'s activities generally are not exposed directly to climate change risks, Crédit Agricole S.A. is subject to a number of indirect risks that could have a significant impact. Climate change risks are indeed risk factors influencing existing risks, in particular counterparty risk. For instance, when Crédit Agricole S.A. lends to businesses that conduct activities that produce greenhouse gases, Crédit Agricole S.A. is subject to the risk that more stringent regulations or limitations on the borrower's activities could have a material adverse impact on its credit quality, causing Crédit Agricole S.A. to suffer losses on its loan portfolio. This can also be related to physical risks - such as natural disasters - negatively impacting Crédit Agricole S.A. counterparties in their activities. As the constraints of the transition accelerate to address climate change, as well as strong climate phenomenons strengthen, Crédit Agricole S.A. will have to adapt its activities appropriately in order to achieve its strategic objectives and to avoid suffering losses.

With the Medium-Term Plan and its climate strategy, the Credit Agricole Group is committed to completely moving away from thermal coal by 2030, in the European Union and OECD countries, and by 2040 in the rest of the world.

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

Crédit Agricole S.A.'s cost of obtaining long-term unsecured funding from market investors, and that of Crédit Agricole CIB, is directly related to their credit spreads (the amount in excess of the interest rate of government

Refer to the glossary on page 681 for the definition of technical terms.

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 Crédit Agricole S.A.'s or Crédit Agricole CIB's cost of funding. Changes in credit spreads are continuous, market-driven, and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of Crédit Agricole S.A. creditworthiness. In addition, credit spreads may be influenced by movements in the acquisition cost of credit default swaps indexed to Crédit Agricole S.A.'s or Crédit Agricole CIB's debt securities, which are influenced both by the credit quality of those securities, and by a number of market factors that are beyond the control of Crédit Agricole S.A. and Crédit Agricole CIB.

Of the three rating agencies solicited by Crédit Agricole Group, Moody's found that the outlook is stable and S&P Global Ratings and Fitch Ratings modified their outlook to negative due to uncertainty about the economic and financial impact of the health crisis. Credit Agricole Group's ratings according to Moody's, S&P Global Ratings and Fitch Ratings are Aa3, A+ and A+, respectively.

f) Crédit Agricole S.A. faces intense competition

Crédit Agricole S.A. faces intense competition in all financial services markets and for the products and services it offers, including retail banking services. To illustrate, the French Regional Banks, which are in charge of the distribution of Crédit Agricole S.A.'s financial products, will have a market share of nearly 23%[(1)].

The European financial services markets are mature, and the demand for financial services products is, to some extent, related to overall economic development. Competition in this environment is based on many factors, including the products and services offered, pricing, distribution systems, customer service, brand recognition, perceived financial strength and the willingness to use capital to serve customer needs. Consolidation has created a number of firms that, like Crédit Agricole S.A., have the ability to offer a wide range of products, from insurance, loans and deposit taking to brokerage, investment banking and asset management services.

In addition, new rivals that are more competitive (including those utilising innovative technology solutions), which may be subject to separate or more flexible regulation, or other requirements relating to 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 Crédit Agricole S.A.'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, new currencies, such as bitcoin, 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. Crédit Agricole S.A. 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.

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, consisting of Crédit Agricole S.A., the Regional Banks and the Local Banks, pursuant to Article R. 512-18 of the French Monetary and Financial Code, as well as of the affiliate members Crédit Agricole Corporate and Investment bank and Bforbank (the **"Network"**).

Under the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the French Monetary and Financial Code (MFC), Crédit Agricole S.A. as the corporate centre must take all measures necessary to ensure the liquidity and solvency of each institution member of the Network, as well as the Network as a whole. As a result, each member of the Network benefits from and contributes to this internal financial solidarity. 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. More 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 Network member 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 future. In such a case, if the resources of the FRBLS were to be insufficient, Crédit Agricole S.A., under its tasks 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 would 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 solidarity mechanism.

The European banking crisis management framework was adopted in 2014 by EU Directive 2014/59 (known as the "Bank Recovery and Resolution Directive – BRRD"), incorporated into French law by Order 2015-1024 of 20 August 2015, which also adapted French law to the provisions of European Regulation 806/2014 of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund. Directive (EU) 201/879 of 20 May 2019, known as "BRRD2", amended the BRRD and was incorporated into French law by Order 2020-1636 of 21 December 2020.

This framework, which includes measures to prevent and to resolve banking crises, is intended to preserve financial stability, to ensure the continuity of activities, services and operations of institutions whose failure could significantly impact the economy, to protect depositors, and to avoid or limit the use of public financial support as much as possible. In this context, the European Resolution Authorities, including the Single Resolution Board, have been granted extensive powers to take all necessary measures in connection with the resolution of all or part of a credit institution or the group to which it belongs.

(1) This market share applies to household bank deposits and household loans (source: Banque de France, September 2020).

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 the 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 objectives mentioned above.

The resolution authorities may use one or more resolution tools, as described below, with the objective of recapitalising or restoring the viability of the institution. The resolution tools should be implemented in such a way that equity holders (shares, mutual shares, CCIs, CCAs) bear losses first, with creditors following up immediately, provided that they are not excluded from bail-in legally speaking or by a decision of the resolution authorities. French law also provides for a protective measure when certain resolution tools or decisions are implemented, such as the principle that equity holders and creditors of an institution in resolution may not incur greater losses than those they would have incurred if the institution had been liquidated in the context of a judicial liquidation procedure under the French Commercial Code (NCWOL principle referred to in Article L. 613-57-I of the French Monetary and Financial Code). 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[1] instruments 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 MFC, effective as at the date of implementation of the resolution.

Equity holders and creditors of the same rank or with identical rights in liquidation will then be treated equally, regardless of the Group entity of which they are creditors.

The scope of this bail-in, which also aims to recapitalise the Crédit Agricole Group, is based on capital requirements at the consolidated level.

Investors must then be aware that there is therefore a significant risk that holders of shares, mutual shares, CCI and CCA non-voting certificates and holders of debt instruments of a member of the network will lose all or part of their investment if a resolution procedure is implemented on the Group, regardless of the entity of which they are a creditor.

The other resolution tools available to the resolution authorities are essentially the total or partial transfer of the activities of the institution to a third party or to a bridge institution and the separation of the assets of the institution.

This resolution framework does not affect the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the French Monetary and Financial Code, which applies to the Crédit Agricole network, as defined in Article R. 512-18 of the same Code. Crédit Agricole S.A. considers that, in practice, this mechanism should be implemented prior to any resolution procedure.

The implementation of a resolution procedure to the Crédit Agricole Group would thus mean that the legal internal solidarity mechanism had failed to remedy the failure of one or more network entities, and hence of the network as a whole.

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 could limit the practical effect of the **1988 Guarantee** (as defined below) on the Regional Banks.

This resolution regime does not affect the legal internal financial solidarity mechanism provided for under Article L. 511-31 of the French Monetary and Financial Code, which applies to the Crédit Agricole Network (as defined in French law) and its affiliated members. This mechanism must be applied prior to any resolution action.

However, the application to Crédit Agricole Group of resolution procedures could limit the occurrence of the conditions for implementing the 1988 Guarantee, it being specified that the 1988 Guarantee can only be called if Crédit Agricole S.A. 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 afforded by the 1988 Guarantee.

(1) Articles L. 613-48 and L. 613-48-3 of the MFC.

(2) Articles L. 613-55 and L. 613-55-1 of the MFC.

Refer to the glossary on page 681 for the definition of technical terms.

2. RISK MANAGEMENT

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

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

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

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

- operational risks;
- legal risks;
- non-compliance risks.

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

2.1 RISK APPETITE, GOVERNANCE AND ORGANISATION OF RISK MANAGEMENT

Concise statement on risks

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

The Board of Directors of the Crédit Agricole Group makes a formal statement every year regarding its risk appetite. The 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 that takes account of a prudent lending policy framed by the risks strategy, the corporate social responsibility policy and the authorisation system;
- the objective of keeping market risk exposure low;
- the strict management of operational risk exposure;
- limits on non-compliance risk to exposures, which are strictly managed;
- management of the growth of risk-weighted assets;
- management of risks related to asset and liability management.

The formal definition of risk appetite allows Executive Management and the Board of Directors to define the Group's development direction consistent with the Medium-Term Plan and translate it into operational strategies. This results in a consistent approach shared by the Strategy, Finance, Risk and Compliance departments.

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

- engage Directors and senior Management in reflection and dialogue on risk taking;
- formalise, standardise and make explicit the acceptable level of risk for a given strategy;
- fully integrate risk/return considerations into the strategic planning and decision-making processes;
- define advance indicators and alert thresholds so that Management can anticipate excessive deteriorations in strategic indicators and 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 is defined through:

- **key indicators:**
  - **Crédit Agricole S.A.'s external rating**, which has a direct impact on refinancing terms, the Group's image in the market and the price of its securities,
  - **solvency** which guarantees the Group's sustainability by ensuring it has sufficient capital to back the risks it is taking on,
  - **liquidity**, the management of which aims to prevent the Group's sources of finances drying up with the consequent threat of default on payments, or even resolution,
  - **business risk**, which provides a measure of progress towards the strategy laid down by the Group, thereby guaranteeing its long-term sustainability,
  - **profit**, because it is a direct source of future solvency and shareholder dividends and therefore constitutes a key part of the Group's financial communications,
  - **credit risk** of the Crédit Agricole Group, which constitutes its main risk;

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

- **limits, alert thresholds and risk envelopes** defined in line with these indicators: credit, market, interest rate and operational risks;
- **qualitative priorities**, inherent to the Group's strategy and businesses, essentially looking at risks which are not currently quantified. The qualitative criteria are largely based on the Corporate Social Responsibility (CSR) policy of the Company, which embodies the Group's concern with supporting sustainable development and controlling all risks including non-financial risks.

The key indicators reflect three levels of risk:

- **appetite** is used for managing normal everyday risk. It is expressed in budget targets framed by operational limits, any breach of which is immediately flagged up to Executive Management, which decides on corrective action;
- **tolerance** is used for exceptional management of a deteriorated level of risk. Breach of tolerance thresholds in key indicators or limits triggers an immediate report to the Chairman of the Risk Management Committee, which is then, if necessary, referred up to the Board of Directors;
- **capacity** is the maximum risk that the Group could theoretically take on without infringing its operational or regulatory constraints.

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

Overall risk profile

The Group's business is built around the customer-focused universal banking model in Europe with a low level of defaults and prudent provisioning. The market risk profile has also considerably reduced, as a result of a change in the Group's strategy since 2007.

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 2020 are broken down in the "Risk Management" and "Pillar 3" sections, respectively, of this Registration Document:

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

At 31 December 2020, 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. Certain indicators were exceeded in view of the health crisis and in particular the support measures.

Adequacy of the institution's risk management arrangements pursuant to Article 435.1 (e) of Regulation (EU) No. 575/2013

Organisation of risk management

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

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

Although risk management is primarily the responsibility of the business lines which oversee their own business development, DRG's task is to ensure that the risks to which the Group is exposed are consistent with the risk strategies 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.

DRG performs consolidated Group-wide monitoring of risks using a network of Risk Management and Permanent Controls Officers who report hierarchically to the Head of Risk Management and Permanent Controls 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 credit, market and operational risks;
- 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 strategy;
- it lists and analyses Group entities' risks, on which data is collected in risk information systems.

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

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

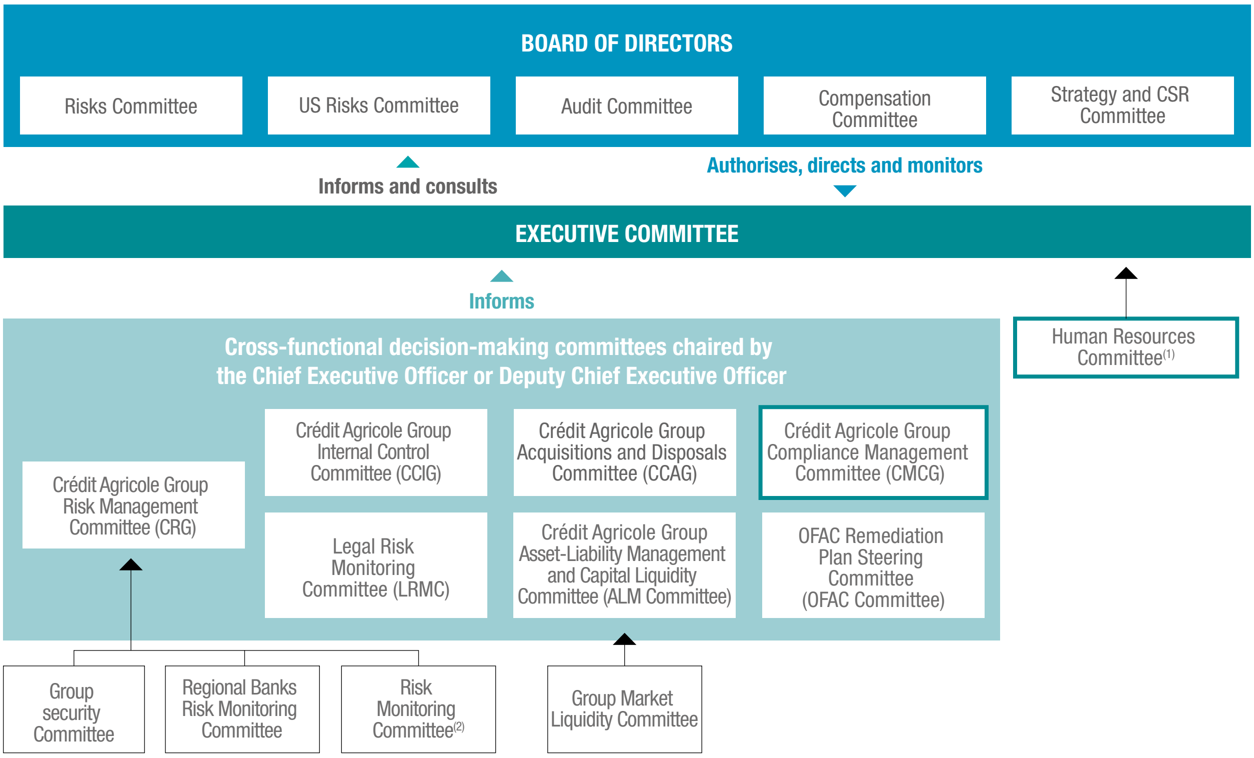
The DRG keeps the executive Directors and the supervisory body informed of the degree of risk control in Crédit Agricole S.A., presents various risk strategies of the major business lines of the Group for validation, and warns them of any risk of deviation from risk strategies or policies approved by 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.

Refer to the glossary on page 681 for the definition of technical terms.

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

- the Risk Management Committee (a Board of Directors sub-committee, eight 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 Internal Control Committee (*Comité de contrôle interne Groupe* (CCIG) – chaired by the Chief Executive Officer of Crédit Agricole S.A., four meetings per year): it examines internal control issues common across the Group, looks at cross-functional actions within the Group, approves the annual report and half-yearly information on internal control, and coordinates the three control functions;
- the Group Risk Committee (*Comité des risques Groupe* – CRG) chaired by the Chief Executive Officer of Crédit Agricole S.A.: it approves the risk strategies and commitment decisions at Crédit Agricole S.A. level, on the advice of the Risk Management business line within the risk appetite framework approved by the Board of Directors, reviews major risks and sensitive issues, and provides feedback on Group entities' processes and rating models;
- the Liquidity and ALM Committee (Crédit Agricole Group Asset-Liability Management and Capital Liquidity Committee, chaired by the Chief Executive Officer of Crédit Agricole S.A., four meetings per year): it analyses the financial risks facing the Crédit Agricole Group (interest rate, exchange rate and liquidity risks) and validates the guidelines for their management;
- the Group Compliance Management Committee (*Comité de management de la conformité Groupe* (CCMG) – chaired by the Chief Executive Officer of Crédit Agricole S.A. – minimum four meetings per year): it defines 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, approves the annual compliance report;
- the Group Security Committee (*Comité sécurité Groupe* – CSG), chaired by the Deputy General Manager in charge of Operations and Transformation is a decision-making committee that defines the strategy and assesses the Group's level of control in the following four areas: business continuity plans, data protection, security of people and property and IT systems security. It reports to the Executive Committee;
- the Group Risk Monitoring Committee chaired by the Chief Executive Officer of Crédit Agricole S.A. is a committee that reviews loans for which the level of risk is deteriorating significantly. It also examines as early as possible warnings regarding risks of all types reported by the business lines or control functions that may have a negative impact on the Group's profile or level of cost of risk.

Main Group-level committees dealing with risk



(1) Committee organised by the Crédit Agricole S.A. Executive Committee.
(2) Committee that reports to the Crédit Agricole Group Risk Committee.

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 Permanent Controls and Risk Management Officer (*Responsable du contrôle permanent et des risques* – RCPR) is appointed;
- the RCPR supervises all the last-line control units within their areas of responsibility, covering oversight and permanent control of risks falling within the remit of the relevant business line; and
- has access to appropriate human, technical and financial resources. RCPRs must be provided with the information required by their role and have systematic and permanent access to any information, document, body (Committees, etc.), tools or even IT systems across their entire area of responsibility. They are associated with entity projects far enough in advance to be able to play their role effectively.

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

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

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

Risk culture

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

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

Consolidated risk monitoring

Every quarter, the Board of Directors' Risk Management Committee and the Group Risk Management Committee examine the risk 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 Risk Monitoring Committee 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 and meeting the regulatory requirements. In this regard, by measuring the economic, accounting or regulatory impact of severe but plausible economic scenarios, stress testing provides a measure of the resilience of a portfolio, business, entity or of the Group used as inputs for the ICAAP and the Risk Appetite. Stress testing covers credit, market and operational risks as well as liquidity risk and risks related to interest rates and exchange rates. Stress testing used to manage the Crédit Agricole Group risks involves a range of different exercises.

Different types of stress tests

- **Using stress testing for proactive risk management**: specific exercises that are recurring or carried out upon request are performed centrally to supplement and enhance the various analyses performed to properly monitor risks. This work is presented to Executive Management at Group Risk Management 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 in 2017 to measure the risk stemming from economic changes in certain major Group risks. The exercises underpin the decisions taken by the Group Risk Management Committee on aggregate exposure limits.
- **Budget stress testing or ICAAP stress testing**: (Internal Capital Adequacy and Assessment Process): the Crédit Agricole Group undertakes an annual exercise as part of the budgetary process, with the results of this stress testing being incorporated into the ICAAP. It plays a part in capital requirements planning and makes it possible to estimate the Group's profitability over a three-year period, under various economic scenarios. The goal of this stress testing in the budgetary process and the ICAAP is to measure the effects of the economic scenarios (baseline and adverse) on the businesses, entities and the Group as a whole and the sensitivity of their results. It is necessarily based on an economic scenario (change in a series of economic variables) from which the impact on the various risks and geographic regions are determined. This scenario is supplemented to reflect operational risks and the risk of improper conduct.

  The goal of this exercise is to estimate a solvency ratio by measuring the impact on the income statement (cost of risk, interest margin, fees and commission, etc.), risk-weighted assets and own funds and to compare it against the Group's tolerance and capacity thresholds.
- **Regulatory stress testing**: this stress testing encompasses all requests from the ECB, the EBA or other supervisor.
- In 2018, the Group was particularly successful in managing the global stress test organised by the EBA. In this regard, the Crédit Agricole Group was among the leading European systemic banks in terms of the CET1 solvency ratio level in the stress scenario at the end of 2020.

Governance

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

The scenarios used in the ICAAP processes, Risk Appetite or for regulatory purposes are prepared by the Economic Department (ECD) 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.

Refer to the glossary on page 681 for the definition of technical terms.

2.3 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

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

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

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

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

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

In accordance with the principles in force within the Group, the internal control system applies over a broad scope aimed at supervising and controlling activities, as well as measuring and monitoring risks on a consolidated basis. This principle, applied by each entity of Crédit Agricole S.A. and its subsidiaries to its own subsidiaries, makes it possible to apply the internal control system according to a pyramidal logic and to all entities. 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 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.

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, risks and permanent controls, applicable to the entire Crédit Agricole Group;
- Code of Conduct of the Crédit Agricole Group;
- recommendations of the full Committee on Internal Oversight of the Regional Banks;
- 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 the light of the changes in regulations 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 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 strategies, 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 compensation 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 Capital Requirements Directive 4 (CRD 4), the AIFMD, UCITS V and Solvency 2, the provisions relating to the Volcker Rule, the French banking separation act (*Loi de séparation bancaire*) and MiFID, as well as the professional banking recommendations relating to, on the one hand, the adequacy between the compensation policy and the risk control objectives, the adequacy between the compensation

(1) Article L. 511-41.

policy and the risk control objectives, and on the other hand the compensation of the members of the executive bodies and that of the risk takers (see Part I of this report).

System monitoring

Since the amendments to Regulation 97-02 on internal control relating to the organisation of control functions, elements included in the decree of 3 November 2014 repealing the regulation became effective, 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 Chief Executive Officer of Crédit Agricole S.A.

The objective of this Committee is to strengthen the transversal actions to be implemented within the Group. Its purpose 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 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: Audit-Control, Risks, and Compliance.

Three functions operating throughout the Group

The Group Chief Risk Officer, the Group Head of Internal Audit and the Group Head of Compliance report directly to the Chief Executive Officer 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 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 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 divisions and business lines contribute to the implementation of internal control systems on a consolidated basis, whether within specialised committees or through actions to standardise procedures and centralise data.

Organised as a business line, the Legal Affairs department has two main objectives: to control legal risk, which can give rise to disputes and liabilities, whether civil, disciplinary or criminal, and to provide the legal support needed by entities to enable them to carry out their activities, while controlling legal risks and minimizing 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 the Chief Executive Officer 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;
- special Committees that are specific to each entity;
- a network of correspondents and authorities dedicated to each business line.

With regard to the Regional Banks of Crédit Agricole

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 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. 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 the Steering and Coordination unit of the Risks France functions of the Group Risk Management department and by the Group Compliance department.

Role of the Board of Directors

The Board of Directors of Crédit Agricole S.A. is aware of the Company's general organisation and approves its internal control system. 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.

Refer to the glossary on page 681 for the definition of technical terms.

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

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

Role of the Chief Executive Officer in internal control

The Chief Executive Officer (CEO) defines the general organisation of the Company and ensures its efficient implementation by qualified and competent persons. He is directly and personally involved in the organisation and operation of the internal control system. 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 strategies and limits are compatible with the financial position (equity levels, results) and the strategies adopted by the Board of Directors, as part of the Group's Risk Appetite Statement.

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

The CEO personally 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 Chief Executive Officer 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 Order of 3 November 2014 on the internal control of companies in the banking, payment services and investment services sector subject to the supervision of the French Regulatory and Resolution Supervisory Authority).

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

Risk management is based on a Group system whereby the strategies of the business lines, including in the event of the launch of new activities or new products, are the subject of a risk notice, and risk limits are formalised in the risk strategies 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 the Group Chief Risk Officer, who is independent of any operational function and reports to the Group Chief Executive Officer. It brings together the cross-group functions of Crédit Agricole S.A. (Group Risk department) and the decentralised Risk Management and Permanent Controls functions, as close as possible to the business lines, at the level of each Group entity, in France or abroad. The Risk Management business line employed around 2,904 people at end-2019 (in full-time equivalent) within the scope of the Crédit Agricole Group.

The business line operates through structured governance bodies, including the Internal Control Committees, the Group Risk Committee, under which executive management approves the Group's strategies and is informed of the level of its risks, the Regional Banks' Risk Monitoring Committee, the Group Security Committee, the Standards and Methodology Committee, the Basel Recommendations Steering Committee, the Business Line Monitoring Committees, which include the Group Risk department and subsidiaries at predefined intervals, and various committees in charge of rating systems and information systems. The Group Risk Monitoring Committee, chaired by the Group Chief Executive Officer, meets twice a month and is responsible for monitoring the emergence of risks in order to identify appropriate guidelines.

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. The supervision of the Regional Banks' risks is carried out by a specific department of the Group Risk department.

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 Management Committee on a bi-monthly basis (Group Risk 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.

Refer to the glossary on page 681 for the definition of technical terms.

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 strategies 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 strategies reviewed by the CRG also includes model risks, operational risks and conglomerate risks.

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 Control 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 function operates using a hierarchical organisation, with a Risk Management and Permanent Controls Officer (RCPR) appointed at each subsidiary or business line. The business line RCPR reports hierarchically to the Group Chief Risk Officer, and functionally to the management body of the relevant business line. This positioning ensures the independence of the local Risk Management and Permanent Controls departments.

Each subsidiary or business line, under the responsibility of its RCPR, 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 strategy, 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 RCPR to the business RCPRs that are hierarchically linked to it in the performance of their duties, subject to transparency and alerting the latter to the Group Risk department.

Within the scope of the Regional Banks

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

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

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

Internal control system for business continuity and information system security plans

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

Business continuity plans

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

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

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

With regard to user back-up plans, the Group has the Eversafe solution, which provides high security in the event of the unavailability of buildings, campuses or even neighbourhoods in the Paris region. This solution is operational and proven, with two sites dedicated to the Group. The Group is thus equipped with workspaces available in the event of a major disaster in the Paris region.

In addition, and in accordance with Group policy, most entities are able to cope with a massive viral attack on workstations by focusing on the use of user backup sites.

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.

Refer to the glossary on page 681 for the definition of technical terms.

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 Management (*Pilote des risques systèmes d'information* – PRSI) and Chief Information Security Officer (CISO) functions are now deployed in most of the Group's entities: the PRSI, which is part of the RCPR (Permanent Controls and Risk Management Officer), consolidates the information enabling it to take a second look.

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 Group's business line and/or subsidiary heads report hierarchically to the head of the business line or subsidiary and functionally to the Deputy General Manager, Chief Financial Officer. The central 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, solvency and the management of liquidity, interest rate and foreign exchange risks. It also ensures that these standards and methods are disseminated to and implemented by all the Group's entities.

At business line/subsidiary level, the Finance department acts as a relay among subsidiaries, circulating 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 preparation of the business line's accounting and business management information. Each Risk Management and Permanent Controls department in a business line or subsidiary within the Group is also responsible for producing the risk data used to prepare financial information and for implementing controls to ensure that this information is accurately reconciled to accounting data.

Each business line and/or 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 reporting figures.

Within the Group Finance department, the reported accounting and financial information is prepared by three main functions: Accounting, Management Control and Financial Communication.

Accounting

The main purpose of the Accounting function is to draw up the parent company financial statements of Crédit Agricole S.A., the consolidated financial statements of Crédit Agricole S.A., its subsidiaries and Crédit Agricole Group, 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 Accounting function, 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

For the preparation of financial information, the Group Management Control function, within the Financial Steering department, defines the rules for allocating economic capital (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 function ensures message consistency across all investor categories. It is responsible for information published in press releases and presentations to shareholders, financial analysts, institutional investors, 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 Crédit Agricole S.A.'s Deputy General Manager, Chief Financial Officer, the Financial Communication function provides the materials used as the basis for presentations of Crédit Agricole S.A. 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 own financial statements, which are approved by its supervisory body. Depending on the entity's size, these financial statements are subject to prior review by the entity's Audit Committee, if it has one.

As for the Crédit Agricole Regional Banks, once their financial statements are drawn up, they are approved by the Accounting and Regulatory Information department of Crédit Agricole S.A.; this is one of its responsibilities as corporate centre. The Crédit Agricole S.A. Group's consolidated financial statements are submitted to the Audit Committee and approved by the Board of Directors of Crédit Agricole S.A.

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

Accounting data

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

Management data

Management data is produced by the Group Finance department or the Group Risk Management department. The data are reported in anticipation of definitive accounting data in accordance with the same definition and granularity standards and are used as inputs to the Group's internal management 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 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 Permanent Accounting Control system

The Group's Permanent Accounting Controls function's objective is to provide adequate coverage of major accounting risks that can alter the quality of accounting and financial information. This function is provided by the Accounting Control department, which reports to the Group Risk Management department. The Group's Permanent Accounting Controls function is based on a network of accounting controllers in the subsidiaries and Regional Banks where it operates its support and oversight missions.

The unit has the following roles in this area:

- to define and circulate standards pertaining to the organisational and operational principles of permanent accounting controls within the Crédit Agricole Group;
- to prepare notes on methodology regarding new accounting standards or regulatory changes;
- to support, oversee and coordinate the permanent accounting control systems implemented within the Group's subsidiaries and Regional Banks;
- to issue assessments of accounting risks for entities presenting a risk management strategy to the CRG, based on the analysis of the entities' permanent accounting control processes.

Work conducted by the Permanent Accounting Control team, which is responsible for second-level accounting controls in the Accounting and Regulatory Information department of Crédit Agricole S.A., showed a generally satisfactory level of maturity in the processes. Ad hoc studies were carried out and did not reveal any major irregularities. Action plans aimed at better managing the risks of the controlled processes were recommended. Follow-up of these plans has been set up.

Work on updating the Accounting Control Guide (*Guide du contrôle comptable*) began in 2020. This reference document for all the 2.1 and 2.2 accounting controllers of Crédit Agricole Group, which was drawn up in 2010, is being updated to reflect the new regulations and new reports requested by the regulatory authorities. The work is expected to be completed in Q4 2021.

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 controls

See Part 2.10 "Non-compliance risks" below.

Periodic control

The Group Control and Audit department, which reports directly to the Chief Executive Officer of Crédit Agricole S.A., 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 function, which is hierarchically attached to it, and the management of the internal audit units of the Regional Banks.

Based on an updated risk mapping approach resulting in an audit cycle generally lasting between two and five years, it conducts on-site and documentary audits in the Regional Banks, 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.

These periodic audits include a critical review of the internal control system put in place by the audited entities. These procedures are designed to provide reasonable assurance on the effectiveness of the system in terms of operational safety, risk control and compliance with external and internal rules.

Within the audited entities, they consist in particular in ensuring compliance with external and internal regulations, assessing the safety and effectiveness of operating procedures, ensuring the adequacy of systems for measuring and monitoring risks of all kinds and verifying the reliability of accounting information.

Thanks to its specialised audit teams, the Group Control and Audit department conducts several IT assignments each year on the information systems of the Group's entities as well as current issues, largely related to IT security, or in the field of models in the context of calculating the entities' or the Group's capital requirements. Finally, as required by regulations, the Group Control and Audit department carries out audits of outsourced essential services of interest to the Group or to the financial community.

The Group Control and Audit department also provides a centralised monitoring of the Audit-Control function for all subsidiaries and leads the periodic control of the Regional Banks, thereby enhancing the effectiveness of controls by harmonising audit practices at their best level, to ensure the security and regularity of operations in the various Group entities and to develop common areas of expertise. At end-2020, the business line had approximately 1,210 full-time equivalent employees within Crédit Agricole S.A. (including the Group Control and Audit department) and the Regional Banks.

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 Risk Management and Permanent Controls and the Compliance Officer of each entity participate – that audit plans are

Refer to the glossary on page 681 for the definition of technical terms.

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 regulatory controlled monitoring assignments, which are included in the audit plan on a minimum half-yearly basis. 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, implemented according to a precise timetable, according to their priority level, and for the Head of the Group Control and Audit department to exercise, if necessary, the duty to alert the supervisory body and the Risk Committee pursuant to Article 26 b) of the Order of 3 November 2014 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 this Order, 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 engagements.

2.4 CREDIT RISK

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 conditions has been met:

- a payment arrear of more than 90 days past due and above the regulatory materiality thresholds, unless specific circumstances demonstrate that the delay is due to reasons independent of the debtor's financial situation;
- the entity believes that the debtor is unlikely to settle its credit obligations unless it avails itself of certain measures such as enforcement of collateral security right.

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

Restructured loans

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

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

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

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

I. Objectives and policy

Credit risk-taking by Crédit Agricole S.A. and its subsidiaries is subject to the risk appetite of the Group and entities and risk strategies 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. Risk strategies are adjusted to each business line and its development plan. They set out 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 strategies are adjusted as required for each business line, entity, business sector or country. Business lines are responsible for complying with these risk strategies, and compliance is controlled by the Risk Management and Permanent Controls Officers.

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

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

To reduce the risk associated with the deterioration of the quality of its exposure to credit and counterparty risks, the Group may apply a hedging strategy consisting notably of the purchase of credit derivatives (see Credit risks under paragraph 2.4.II.4.3 "Use of credit derivatives", Market risks under Section 2.5.III.2. "Use of credit derivatives" and Asset and liability management Part 2.6.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 Group's policy on credit reserves constitution on this type of risk is similar to credit risk, with a credit valuation adjustment (CVA) for sound 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 strategy of the business line or entity concerned and with all limits in force, both individual and aggregate. The final commitment decision is based on an internal rating and is taken by the commitment units or by the Credit Committees, on the basis of an independent opinion given by a representative of the Risk Management and Permanent Controls business line as part of the authorisation system in place. The Group Risk Management Committee and its Chairman constitute the Group's ultimate decision-making authority.

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

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

2. Risk measurement methods and systems

2.1 Internal rating systems and credit risk consolidation systems

The internal rating systems cover all of the methods, procedures and controls used for assessment of credit risk, rating of borrowers and estimation of losses given default by the borrower. Governance of the internal rating system relies on the Standards and Methodology Committee (*Comité des normes et méthodologies* – CNM), chaired by the Head of Group Risk Management and Permanent Controls, 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 and the consumer finance subsidiaries (Crédit Agricole Consumer Finance) have their own rating systems. Crédit Agricole Regional Banks have shared risk assessment models which are managed at Crédit Agricole S.A. level. Procedures for back-testing the parameters used in calculating the regulatory capital requirements have been defined and are operational in all entities. The internal models used by the Group are based on statistical models established on explanatory behavioural variables (e.g. average current account balance) and identifying variables (e.g. business sector). The approach taken can be either customer-centred (individual customers, farmers, small businesses and very small enterprises), or product-centred. The estimated one-year probability of default, to which the rating relates, is updated on a yearly basis.

For the large customer category, a single fifteen-grade rating scale has been established on the basis of a segmentation of risk so as to provide a uniform view of default risk "over a full business cycle". It has 13 ratings (A+ to E-) categorising counterparties not in default and two ratings (F and Z) categorising counterparties in default.

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-
Indicative Moody's rating equivalent	Aaa	Aa1/ Aa2	Aa3/A1	A2/A3	Baa1	Baa2	Baa3	Ba1	Ba2	Ba3	B1/B2	B3	Caa/ Ca/C
Indicative Standard & Poor's rating equivalent	AAA	AA+/AA	AA-/A+	A/A-	BBB+	BBB+	BBB-	BB+	BB	BB-	B+/B	B-	CCC/ CC/C
One-year probability of default	0.001%	0.01%	0.02%	0.06%	0.16%	0.30%	0.60%	0.75%	1.25%	1.90%	5.0%	12.00%	20.00%

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.

Refer to the glossary on page 681 for the definition of technical terms.

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

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

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

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

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

The French Regulatory and Resolution Supervisory Authority (ACPR) has authorised the Crédit Agricole Group to use internal rating systems to calculate regulatory capital requirements for credit risk of its retail and large customer portfolios on the greater part of its scope.

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 businesses, expected loss, economic capital and risk-adjusted return measurements are used in the processes for making loan approval decisions, defining risk strategies and setting risk limits.

2.2 Credit risk measurement

The measurement of credit risk exposures includes both drawn facilities and confirmed unutilised facilities.

To measure counterparty risk on market transactions, Crédit Agricole S.A. and its subsidiaries use different types of approaches to estimate the current and potential risk of derivative instruments (such as swaps and structured products).

Crédit Agricole CIB uses an internal methodology to estimate the risk in relation to such instruments, using a net portfolio approach for each customer:

- current risk corresponds to the sum the counterparty would owe in the event of instantaneous default;
- the potential future risk corresponds to the estimated maximum Crédit Agricole CIB's exposure for a given confidence interval.

The methodology used is based on "Monte-Carlo"-type simulations making it possible to assess the risk related to the changes in the market value of a portfolio of derivatives over the derivatives' residual maturity on the basis of a statistical modelling of the change in underlying market parameters.

This model considers the different risk reduction factors, such as the use of offsetting and collateralisation in agreements negotiated with counterparties prior to transactions taking place. It includes also exchanges of collaterals on initial margin for derivative instruments which are not cleared under regulatory thresholds.

Situations of specific risk of unfavourable correlations (risk that an exposure to a derivative is positively correlated with the counterparty's probability of default as a result of a legal tie between this counterparty and the underlying of the derivative) are monitored regularly to identify and integrate such risks in the exposure measurement as recommended by regulations. Situations of general risk of unfavourable correlations (risk that market conditions have a correlated effect on a counterparty's credit quality and derivative exposures with this counterparty) were monitored by means of ad hoc exercises in 2020.

The internal model is used to manage internal limits on transactions with each counterparty and to measure Basel 3 Pillar 2 economic capital by determining the average risk exposure (Expected Positive Exposure) across the portfolio.

As allowed by this regulatory framework, the French Regulatory and Resolution Supervisory Authority (ACPR) authorised Crédit Agricole CIB as of 31 March 2014 to use the internal model method to calculate its capital requirements in respect of counterparty risk. The model uses the Effective Expected Positive Exposure (EEPE) and is applied to all derivatives. The same method is used to calculate credit exposure at default for capital requirement purposes to address the risk of credit value adjustment (CVA).

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

Credit risk on these market transactions is managed in accordance with rules set by the Group. The policy on setting counterparty risk limits is as described above in Section II.1 "Credit risk management – General principles of risk-taking". The techniques used to reduce counterparty risk on market transactions by Crédit Agricole CIB are described in "Credit risk mitigation mechanisms".

The Group includes a Credit Valuation Adjustment (CVA) in its calculation of the fair value of derivative assets. This valuation adjustment is described in the accompanying consolidated Note 1.2 on accounting policies and principles and Note 11.2 on information about financial instruments measured at fair value of the consolidated financial statements.

The positive gross fair value of the contracts, as well as the gains from the offsetting and the guarantees held, and the net exposure on derivative instruments after the impact of offsetting and guarantees are discussed in the accompanying consolidated Note 6.9 on Offsetting – Financial Assets of the consolidated financial statements.

At other Group entities, the base for counterparty risk on market transactions is either calculated by the Crédit Agricole CIB tool under an internal provision of services agreement or based on the regulatory approach.

3. Supervision system of commitments

Rules for dividing and limiting risk exposures, along with specific processes relating to commitments and grant criteria, are used to prevent any excessive concentration of the portfolio and to limit the impact of any underperformance.

3.1 Process for monitoring concentrations by counterparty or group of related counterparties

The consolidated commitments of all Crédit Agricole Group entities are monitored by counterparty and by group of related counterparties. A group of counterparties is a group of French or foreign 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 Management Committee.

At end-2020, the commercial lending commitments of Crédit Agricole S.A. and its subsidiaries, to their ten largest non-sovereign, non-bank customers, amounted to 6.30% of the total non-bank commercial lending portfolio (compared with 5.77% at 31 December 2019). 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 strategies 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.

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 Management and Permanent Controls Officers. 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 "Group risk 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 strategies are applied to each country whose business volume justifies it, with a few exceptions.

This approach is supplemented by scenario analyses aimed at testing the impact of adverse macroeconomic and financial assumptions. These tests provide the Group with an integrated view of the risks to which it may be exposed in situations of extreme tension.

The Group manages and controls its country risks according to the following principles:

- acceptable country risk exposure limits are determined through reviews of country strategies, depending on the portfolio's vulnerability to country risk. The degree of vulnerability is determined by the type and structure of transactions, the quality of counterparties and the term of commitments. The exposure limits may be reviewed more frequently if developments in a particular country make it necessary. The strategies and limits are validated according to the level of risk by Crédit Agricole CIB's Strategy and Portfolio Committee (*Comités stratégies et portefeuilles* – CSP) and by Crédit Agricole S.A.'s Group Risk Committee (CRG);
- the Corporate and Investment bank maintains a system for regular assessment of country risk and for updating the country risk rating quarterly for each country in which the Group operates. This rating is produced using an internal country rating model based on various criteria (structural solidity, governance, political stability, ability and willingness to pay). Specific events may cause ratings to be adjusted before the next quarterly review;
- Crédit Agricole CIB's Country and Portfolio Risk department validates transactions whose size, maturity and degree of country risk could affect the quality of the portfolio.

Country risk exposure is monitored and controlled in both quantitative (amount and term of exposure) and qualitative (portfolio vulnerability) terms through regular specific reporting on all exposures to countries.

Western European countries with an internal rating (below B) qualifying them for close country risk monitoring undergo a separate ad hoc monitoring procedure. 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 "Country risk" below.

Refer to the glossary on page 681 for the definition of technical terms.

3.6 Credit risk stress testing

Credit risk stress testing is primarily based on satellite models that link changes in credit risk parameters 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. Moreover, since 1 January 2018 these models contribute to the calculation of ECLs according to IFRS 9 (see Part IV 1. below).

In line with EBA methodology, the credit risk stress tests employ Basel parameters (PD, LGD, EAD) and aim to estimate changes in the cost of risk including provisions for assets not in default and the impact on risk-weighted assets.

For the purposes of credit risk monitoring and management, the Group Risk Management department carries out a series of stress tests in cooperation with the relevant business lines and entities.

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. 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 global credit risk stress tests are used to calculate economic capital (Pillar 2). They are reviewed by the Executive Committee and are also reported to Crédit Agricole S.A. Board of Directors.

4. Credit risk mitigation mechanism

4.1 Collateral and guarantees received

Guarantees or collateral are intended to provide partial or full protection against credit risk.

The principles governing the eligibility, utilisation and management of collateral and guarantees received as security are defined by Crédit Agricole Group's Standards and Methodology Committee (CNM), (in accordance with the CRR/CRD 4 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 Notes 3.1 and 9 to the consolidated financial statements.

Regarding financial assets obtained by enforcement of guarantees or credit enhancement measures, the Group's policy is to sell them as soon as possible.

4.2 Use of netting agreements

If a "master" agreement has been signed with a counterparty and said counterparty defaults or enters bankruptcy proceedings, Crédit Agricole S.A. and its subsidiaries 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 (see Information under Pillar 3 of Basel 3). The aim is to reduce concentration of corporate credit exposure, diversify the portfolio and reduce loss levels.

At 31 December 2020, the notional amount of protection bought in the form of credit derivatives was €6.8 billion (€6.4 billion at 31 December 2019), the notional amount of short positions was zero (the same at 31 December 2019).

Crédit Agricole CIB processes its derivatives through ten leading, competent and regulated bank counterparties. Furthermore, 60% of these derivatives are processed through clearing houses (62% at 31 December 2019).

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.'s 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 agreements and collateral. It is shown in Note 3.1 to the financial statements.

At 31 December 2020, Crédit Agricole S.A.'s maximum exposure to credit and counterparty risk amounted to €1,445 billion (€1,387 billion at 31 December 2019), an increase of 4.2% compared to 2019.

2. Concentration

An analysis of credit risk on commercial lending commitments excluding Crédit Agricole Group internal transactions and collateral given by Crédit Agricole S.A. as part of repurchase agreements (loans and receivables to credit institutions, loans and receivables to customers, financing commitments given, and guarantee commitments given for €962.1 billion) is presented below. This scope excludes in particular derivative instruments, which are mainly monitored in VaR (see market risks) and financial assets held by insurance companies (€245 billion excluding unit-linked policies and UCITS – see Insurance sector risks).

2.1 Portfolio diversification by geographic area

On the commercial lending portfolio (including bank counterparties), the breakdown by geographic area covers a total portfolio of €937.2 billion at 31 December 2020, compared with €868.3 billion at 31 December 2019. The breakdown reflects the country in which the commercial lending risk is based.

Breakdown by geographic area of commercial lending of Crédit Agricole S.A.

Geographic area of exposure	2020	2019
Africa and Middle East	3%	4%
Central and South America	1%	1%
North America	6%	8%
Asia and Oceania excluding Japan	5%	5%
Eastern Europe	2%	3%
Western Europe excluding Italy	12%	14%
France (retail banking)	16%	16%
France (excluding retail banking)	41%	32%
Italy	11%	12%
Japan	3%	5%
TOTAL	**100%**	**100%**

The breakdown of commercial lending by geographic area was overall unchanged. At end-2020, lending in France accounted for 56% of the total, versus 49% at end-2019. Commercial lending in Italy, the Group's second largest market, stood at 11%, versus 12% at end-2019.

Note 3.1 to the financial statements presents the breakdown of loans and receivables and commitments given to customers and credit institutions by geographic area on the basis of accounting data.

2.2 Portfolio diversification by business sector

On the commercial lending portfolio (including bank counterparties outside the Group) the scope broken down by business sector stood at €950.3 billion at 31 December 2020, versus €843.9 billion at 31 December 2019. These breakdowns reflect the business sector in which the commercial lending risk to customers is based.

Breakdown by business sector of commercial lending of Crédit Agricole S.A.

Business sector	2020	2019
Air/Space	1.9%	2.1%
Agriculture and food processing	2.0%	2.2%
Insurance	1.2%	1.1%
Automotive	2.9%	2.7%
Other non-banking financial activities	8.5%	10.5%
Other industries	1.5%	1.6%
Other transport	1.4%	1.4%
Banks	2.7%	3.1%
Wood/Paper/Packaging	0.3%	0.3%
Building and public works	1.7%	1.9%
Retail/Consumer goods industries	1.9%	1.8%
Other	3.2%	3.4%
Energy	6.4%	7.3%
o/w Oil and Gas	*4.2%*	*4.9%*
o/w Electricity	*2.2%*	*2.4%*
Real estate	3.0%	3.5%
Heavy industry	2.1%	2.3%
IT/Technology	1.0%	1.4%
Shipping	1.5%	1.8%
Media/Publishing	0.3%	0.4%
Healthcare/Pharmaceuticals	1.1%	1.1%
Non-trading services/Public sector/Local authorities	28.3%	20.8%
Telecom	1.4%	1.7%
Tourism/Hotels/Restaurants	0.9%	0.8%
Utilities	0.3%	0.3%
Retail banking customers	24.5%	26.5%
TOTAL	**100%**	**100%**

The commercial lending portfolio by business sector is well diversified and remained overall unchanged in 2020. Only two sectors accounted for more than 15% of business, as in 2019: the "Non-trading services/ Public sector/Local authorities", which was the largest at 28.3% (20.8% in 2019) and the "Retail banking customers" business, the second largest, for which the share was down to 24.5% from 26.5% of total in 2019.

The decrease in our commitments to banks is largely due to the significant decline in Crédit Agricole CIB's deposit activity with the Central Bank of Japan.

The "Oil and gas" sector is the main component of the "Energy" exposure. This sector comprises a wide diversity of underlyings, players and types of financing, including a number of sub-segments such as RBL (Reserve-Based Lending, managed laddered maturities in the United States), are usually secured by assets.

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, clients focused on exploration/production and those dependent on industry investment levels (oil services) are the most sensitive to market conditions. After a severe crisis that affected the oil sector in 2016, and despite an unprecedented fall in barrel prices in the first half of 2020, customers performed well and our portfolio showed good resilience. Reinforced monitoring of the sector is maintained in the context of the significant drop in prices recorded at the beginning of 2020 (prices recovered well in the second half of the year). Guided by a risk-based strategy and due to price volatility, the "Oil and Gas" sector is subject to a very selective approach to projects and any significant new transactions are subject to an in-depth analysis of credit and CSR risk where necessary.

The "Electricity" sector is another component of the exposure to "Energy" but with its own characteristics, without contagion to the sensitive oil and gas segments. Half of the exposure focuses on large integrated or diversified groups.

The "Real Estate and Tourism" portfolio consists mainly of specialised financing of quality assets to real estate investment professionals; other financing on a corporate basis is mainly granted to large real estate companies and is often accompanied by interest rate hedges. The 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.

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.

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, maritime transport is showing signs of recovery that are still moderate and varied depending on the sector. Against this background, the strategy of progressively reducing exposure, effective since 2011, continued. However, this portfolio is relatively protected by its diversification (financing of oil and gas tankers, offshore vessels, bulk carriers, container ships, cruise ships, etc.), as well as by the quality of ship financing structures, secured by mortgages and coverage from credit insurers.

The "heavy industry" sector mainly comprises large global steel, metal and chemical groups. Within the sector, commitments in the Coal segment have decreased significantly, in line with the Crédit Agricole Group's CSR policy.

Refer to the glossary on page 681 for the definition of technical terms.

2.3 Breakdown of loans and receivables outstanding by customer type

Concentration by customer type of loans and receivables and commitments given to credit institutions and customers are presented in Note 3.3 to the consolidated financial statements.

The gross amount of loans and receivables outstanding, including accrued interest, was €508.7 billion at 31 December 2020, compared with €508.9 billion at 31 December 2019, a very slight decrease from 2019. It is split mainly between Corporates and retail customers (respectively, 45.0% and 34.8%).

2.4 Exposure to country risk

At 31 December 2020, 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 and Iceland), totalled €63.3 billion versus €67.6 billion at 31 December 2019. Most of these commitments come 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 2020: the top twenty countries accounted for 94% of the lending portfolio at end-2020, compared with 93% at end-2019.

Three geographic areas are dominant: Middle East/North Africa (36%), Asia (25%) and Central and Eastern Europe (26%).

Changes in commercial lending for countries with a credit rating lower than B *(in millions of euros)*

Date	Northern Africa/ Middle East	Sub-Saharan Africa	Americas	Asia	Central and Eastern Europe	TOTAL
2020	22,975	1,643	6,231	16,027	16,456	**63,332**
2019	23,389	1,914	6,911	16,299	19,041	**67,554**

The Middle East and North Africa

Cumulative commitments in countries in the Middle East and North Africa totalled €23.0 billion at 31 December 2020, down 2% on end-2019. Morocco, Saudi Arabia, United Arab Emirates, Egypt and Qatar accounted for 87% of commitments in the Middle East and Northern Africa area.

Central and Eastern Europe

Cumulative commitments in central and Eastern Europe were down 14% from the previous year. The Group's commitments remain concentrated in four countries: Poland, Russia, Ukraine and Serbia, which together represented 92% of the total in this region.

Asia

Commitments in Asia were down 2% to €16.0 billion from 31 December 2019. China remains the largest regional exposure (at €11.7 billion) ahead of India (€3.2 billion).

Latin America

At end-December 2020, exposure to this region represented 10% of all exposure to countries rated lower than "B". The decrease in commitments recorded was 10% compared to end-2019, mainly due to an decrease in commitments to Brazil and Mexico. Exposure to both these countries made up 90% of the Latin America total, as was the case at end-2019.

Sub-Saharan Africa

The Group's commitments in Sub-Saharan Africa totalled €1.6 billion at 31 December 2020, *i.e.* 3% of the total for countries with a rating below B, as was the case at end-2019. Exposure to South Africa accounted for 28% of commitments in 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)*	31/12/2020	31/12/2019
Neither past due nor impaired	487,677	487,569
Past due but not impaired	7,197	7,649
Impaired	13,814	13,638
TOTAL	**508,688**	**508,856**

The portfolio of loans and receivables at 31 December 2020 was 95.9% made up of amounts that were neither past due nor impaired, compared with 95.8% at 31 December 2019.

Under IFRS 7, a financial asset is past due when a counterparty has failed to make a payment when contractually due. The Group considers there to be no identified credit risk on loans and receivables that are less than 90 days past due, which account for 99.8% of receivables past due but not impaired (99.9% at end-2019).

Details of financial assets that were past due or impaired are presented in Note 3.1 to the consolidated financial statements.

3.2 Analysis of outstanding amounts by internal rating

The internal rating policy used by Crédit Agricole S.A. 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 (€723.3 billion at 31 December 2020, compared with €657.5 billion at 31 December 2019), internally-rated borrowers accounted for 90.2% of the total, compared with 84.4% at end-2019 (€652.4 billion at 31 December 2020, compared with €554.7 billion at 31 December 2019). 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 Crédit Agricole S.A. by indicative S&P equivalent of 2018 internal rating

	31/12/2020	31/12/2019
AAA	42.0%	33.7%
AA	12.7%	14.1%
A	9.9%	12.5%
BBB+	22.8%	27.6%
BB	10.3%	10.2%
B	1.2%	0.9%
On credit watch	1.1%	1.0%
TOTAL	**100.0%**	**100.0%**

This breakdown reflects a high-quality loan book, with a risk profile showing an increase of nearly 9 points in AAA ratings. At 31 December 2020, 87% of lending was to borrowers with investment-grade ratings (ratings equal to or greater than BBB, 88% at 31 December 2019), and only 1.1% pertained to borrowers on credit watch.

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 cover probable losses on impaired loans;
- impairment allowances for credit losses, pursuant to IFRS 9, following a significant decline in the loan quality for a transaction or loan book. These impairments are designed to cover the risk profile of commitments in certain countries, business sectors or counterparties, not because they are in default but because their ratings have been downgraded. Loan book-based impairments are also performed in retail banking. These impairments are for the most part calculated on a statistical basis, based on the expected loss amount up to the transaction's maturity, using Basel criteria to estimate the probability of default (PD) and the loss given default (LGD).

3.3.2 Impaired loans and receivables

At 31 December 2020, total individually impaired commitments amounted to €13.8 billion, compared with €13.6 billion at 31 December 2019. These consist of commitments for which the Group sees potential non-recovery. Individually impaired outstandings represent 2.7% of the Group's gross book value, as was the case at 31 December 2019.

Restructured loans[1] totalled €8.91 billion at 31 December 2020.

4. Cost of risk

The main factors that had an impact on the level of impairment observed during the year:

4.1 Main economic and industry-specific factors of 2020

A description of the overall environment and macroeconomic outlook is detailed in Chapter 1 "Management report", section "Economic and financial environment" above.

2020 was shaped by the consequences of the health crisis that had very variable effects depending on the portfolios. In an environment where the recovery remains very uncertain and will depend on the evolution of the pandemic and the ability of authorities to control it, the pace at which support plans are discontinued and the time it takes to return to normal economic conditions will be key in 2021.

The main sectors to watch will be: tourism and transport, automotive, aerospace, distribution and retail, shipping and commercial real estate.

4.2 Figures and facts

In a year significantly impacted by the health and economic crisis, Crédit Agricole S.A.'s cost of risk was €2.61 billion at 31 December 2020, compared to a pre-crisis level of €1.26 billion in 2019, which is a 107% increase (x2.07). All the Group's business lines were affected to various degrees by the crisis, resulting in significant adjustments to provisions other than for default, primarily in order to take account of the deterioration in the economy reflected in the macroeconomic indicators, and increased hedging for the subsidiaries most exposed to the crisis. Thanks to the various economic support plans, notably implemented through the Banks in the form of State-guaranteed loans and deferred repayment, the actual cost of risk proved to be resilient with a relatively limited increase of 20% at the Crédit Agricole S.A. level in 2020, given a particularly difficult reference year for certain business lines.

At LCL, the French retail banking network of Crédit Agricole S.A., cost of risk increased by 80% to €390 million, from €217 million in 2019. At Crédit Agricole Italia, cost of risk increased by 70% to €428 million, versus €251 million. The Corporate and Investment Bank, after a very favourable year in 2019 in terms of risk (€165 million) was highly exposed in 2020 with a cost of risk totalling €856 million (x5.2), affected in sectors exposed to the crisis, particularly outside France, with increased default and fraud cases identified during the crisis. Within the Specialised Financial Services division, the change primarily concerns the consumer finance business (the Crédit Agricole Consumer Finance group), where the cost of credit risk increased by 41% to €637 million, particularly for its Italian subsidiary Agos Ducato (85%), which was affected to a greater extent than the French branch (13%), where aid was more widespread and offered better protection.

Details of the movements that affected the cost of risk are presented in Note 4.9 to the consolidated financial statements. This is broken down by business line in Note 5.1 to the consolidated financial statements.

5. Counterparty risk on derivative instruments

The counterparty risk on derivative instruments is established according to market value and potential credit risk calculated and weighted in accordance with regulatory standards. The measure relating to this credit risk is presented below in Part 2.2 "Credit risk measurement" of Section II "Credit risk management".

IV. Application of IFRS 9

1. Credit risk rating measurement

The Group used four scenarios for calculating IFRS 9 provisioning parameters with projections for 2022.

These four scenarios incorporate differentiated assumptions of the impacts of the COVID-19 crisis on the economy in terms of the speed and extent of the return to normality of travel, business activity and consumption, and largely depend on how the health situation develops, which is still very uncertain today (taking into account a second lockdown, but also favourable prospects related to the discovery of vaccines at the end of the year). The level of confidence of economic agents is also decisive which – depending on health, economic and employment expectations – results in different levels of wait-and-see and cautious

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

Refer to the glossary on page 681 for the definition of technical terms.

behaviour. This in turn determines the propensity of households to consume the abundant savings they accumulated during the lockdown and the capacity of businesses to invest. The scale, effectiveness and timing of government stimulus support programmes also have a significant impact on the development of activity.

The rebound in Q3 2020, enabled by the lifting of lockdowns in most European countries, was stronger than expected. In France, GDP rebounded by 18.2% in Q3 versus Q2, after a -13.7% decline in Q2 versus Q1. The extent of the second wave led to significant restrictions in Europe in Q4. In France, it seemed likely that the second lockdown would be extended beyond early December, in order to control levels as the virus started to circulate again (target of maximum 5,000 infections per day). With an assumption of a lockdown until mid-December, France's GDP was expected to drop by about -8% in Q4 vs. Q3. Average annual growth in 2020 was not expected to be affected much (-10.1% decline vs. -9.1% forecast in September), but the carry-over effect (*i.e.* 2021 annual growth if quarterly GDP is equal to that of Q4 2020, therefore zero quarterly growth) for 2021 is negative (-1.6%).

- The **first scenario** describes a gradual but not synchronised recovery from the crisis, with the growth profile strongly dependent on health assumptions, for which uncertainty is high. Moreover, health developments and measures taken are not identical among European countries.

  Scenario 1 assumes the pandemic will persist in 2021 with a 'stop and go' scenario during Q1 and Q2 (alternating relaxation, restrictions and short lockdown periods), but less detrimental than in 2020 (better control of epidemic flows, fewer restrictions on mobility). Even with a vaccine on the market, we assume that a large roll-out would not take place until mid-2021.

  For 2021, a GDP growth forecast for France of 4.6%, compared to the 7.3% forecast used for late June, including a fairly clear rebound for Q1 2021, but more moderate than for Q3 2020, due to a cautious lifting of the lockdown – with ongoing restrictive curfew-type measures likely – and in Q2 2021 a third wave (particularly related to weather conditions and insufficient effectiveness of the testing strategy) is assumed to result in a new, shorter episode of lockdown and a decline in GDP. Lastly, in H2 2021 a rebound (lockdown measures lifted again) and an improvement in the situation due to vaccination campaigns. But a cautious recovery, despite support measures: some sectors will remain markedly weakened (aeronautics, automotive, trade, tourism, hotels, restaurants, culture, etc.); uncertainty about a resumption of investments despite the stimulus plan; bankruptcies; continued high precautionary savings by households in light of rising unemployment, limiting the use of the savings accumulated during successive lockdowns.

  As a result, the ECB would move towards more easing and more purchases of sovereign debt securities. Indeed, with the outlook for growth and inflation still bleak, future sovereign debt issuance should induce the ECB to do more. We do not expect a rate cut in the foreseeable future. Net asset purchases under the PEPP (€750 billion in March to €1,350 billion in June) are due to end in June 2021. This scenario assumes that the ECB will increase its purchasing programmes during H2 2021 as well as 2022 (via an extension and expansion of the PEPP or a simple increase in the APP).

  Since the peak of risk aversion in March, the yield on the 10-year Bund did try to recover but has been systematically reduced to -0.50%/0.60%. No view on the evolution of the pandemic, on the growth profile of 2021 and, more generally, a very high degree of uncertainty. Also, the Bund remains at a very low level.

- The **second scenario** involves more negative health developments and more stringent restrictive measures.

  The second scenario uses identical forecasts to those of the first scenario for the year 2020. The profile for 2021 is assumed to be fairly comparable to Q1 2021 (cautious lifting of the lockdown), but in Q2 2021, a stronger and faster third wave is assumed, resulting in a more serious lockdown of about two months, versus a month in the central scenario. Scenario 2 would result in a much sharper decline in GDP in Q2, but also followed by a stronger rebound in Q3.

  In this scenario, for 2021: there would be an average GDP increase expected at 3% vs. 4.6% in Scenario 1.

- The **third scenario** is slightly more favourable than scenario 1 and assumes a significantly stronger recovery in 2021 (GDP growth in France of 7.1% due to faster control of the health situation).

- The **fourth scenario**, the least likely, is characterised by a slightly stronger decline in activity in 2021 and an additional shock in France that would involve rekindled social tensions, blockages, and strikes.

  In France, in this scenario, domestic demand will fall sharply in H1 2021. There is a persistent circulation of the virus. State support measures are not renewed in 2021 and, lastly, an increase in unemployment and bankruptcies is observed.

  With no visibility and with excess capacity, there is a marked downward revision of investments.

  Households remain very cautious with few major purchases.

  There are also renewed social tensions and a freezing of the reform programme. Lastly, the country's credit rating is downgraded by a notch.

  In this scenario, in France, the gradual recovery is postponed in 2021 (average growth of just 1.9% in GDP), with the activity trend level weighed down by a sharper increase in unemployment (12.5% in 2021 after 10% in 2020).

In addition, concerning:

- the inclusion of support measures in IFRS 9 projections: the process was revised in 2020 to better reflect the impact of government programmes in IFRS 9 forecasts. The effect of this revision is to mitigate the sudden intensity of the crisis and the strength of the recovery, and to spread these over a longer period (three years).

  The variables relating to the interest rates level, and more generally all the variables linked to the capital markets, have not been modified, because their forecasts already structurally include the effects of the support policies;

- sector and local scenarios: as noted above, sector complements established at the local level ("forward looking local") by some Group entities can supplement the centrally defined macroeconomic scenarios.

At the end of December 2020, including local forward looking scenarios, the share of 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 28% and 72%, respectively, of Crédit Agricole S.A.'s total stock of provisions.

At the end of December 2020, net additions to provisions for Stage 1/ Stage 2 represented 32% of the Crédit Agricole Group's annual cost of risk and 68% for the Stage 3 share of proven risks and other provisions.

Refer to the glossary on page 681 for the definition of technical terms.

Sensitivity analysis of ECL amounts for IFRS 9 provisions (Stages 1 and 2)

Scenario 1 was weighted at 55% for the calculation of IFRS ECL amounts for Q4-2020. By way of example, a 10-point reduction in the weighting of scenario 1 in the calculations at Q4-2020 in favour of the more unfavourable scenario 2, leads to a rise in the ECL stock under "forward looking central" of around 0.8% for the Crédit Agricole SA Group. However, such a change in the weight would not necessarily have a significant impact due to "forward looking local" adjustments, which could mitigate the effect.

Criteria used to assess the disapearance of a significant deterioration in credit risk

They are symmetrical to those determining entry into Stage 2. In the event that this has been triggered by restructuring due to financial difficulty, the disappearance of the significant deterioration implies the application of a probationary period according to the methods described in the appendices of the financial statements (see CA financial statements at the end of 2020 § 1.2 Financial instruments) descibing the conditions for exiting a restructuring situation due to financial difficulties.

2. ECL trends

Changes in the structure of outstanding amounts and ECL during the period are detailed in section 3.1 of the consolidated financial statements as at 31 December 2020.

The comments below pertain to the scope of financial assets at amortised cost (loans and receivables from customers), which represent around 90% of the value adjustments for losses.

Loan structure

2020 was a particularly atypical year with continued momentum in loan activity, notably with the support through the granting of State-guaranteed loans (€12 billion for Crédit Agricole S.A.). Crédit Agricole S.A.´s exposures increased by €11.0 billion during the year, including €12.5 billion for the French retail banking network and €2.6 billion outside France. Conversely, exposures decreased, particularly in Large Customers, down by -€1.4 billion, including a negative currency effect, and in specialised business lines down by -€2.3 billion.

Despite the crisis, changes observed in the portfolio structures were limited during the year: the weighting of performing loans with lowest risk (Stage 1) remained very close to the pre-crisis level, at 87.3% versus 86.8% at the beginning of the year, with growth of €2.4 billion (0.7%).

The share of performing loans showing signs of a significant deterioration in credit risk (Stage 2) increased during the year (9.4% versus 7.4% at the beginning of the year), corresponding to an €8 billion increase in the total (27.2%), mainly for the Corporate and Investment Bank and the leasing business, reflecting the deterioration observed in certain targeted portfolios (either via ratings or additional hedges resulting in a lower rating). Conversely, the LCL French retail banking network posted a reduction in this category (-€1.7 billion).

Impaired loans (Stage 3) remained relatively stable despite the crisis (up by only 2.1%, or €0.3 billion), including targeted increases in Large Customers (+€0.8 billion, or 22%) and the Consumer Finance business (+€0.2 billion, or 8%), partially offset by a reduction in defaulted outstandings for LCL (5%) and the International Banking Network (10% effect from the disposal of a portfolio of non-performing loans in Italy).

ECL trends

Value adjustments on the best-rated counterparties (Stage 1) increased sharply (23%) due to increased outstandings, but mainly with the incorporation of the macroeconomic scenarios designed during the crisis into the ECL calculation parameters. The hedging ratio increased to 0.25% versus 0.21%.

Stage 2 ECLs also rose, due to the increase in outstandings, the update of the macroeconomic scenarios in the calculation parameters, as well as increased local hedging on the sectors most affected by the crisis. The Stage 2 coverage ratio averaged at 4.40% at Group level compared to 4.14% at the beginning of the year. Furthermore, parameter adjustments were made in the fourth quarter to factor in the new definition of default.

The hedge ratio for impaired loans (Stage 3) decreased for the Crédit Agricole S.A. Group (51.8% versus 54.8% at end-2019), reflecting the use of the new definition of default within the Group from Q3 2020, with in particular, the introduction of the notion of an observation period for impaired loans. This segment has lower provision ratios than the rest of Stage 3 due to its types of exposures, which should ultimately be reclassified to Stage 2.

2.5 MARKET RISKS

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, particularly:

- interest rates: interest rate risk is the risk of a change in the fair value of a financial instrument or the future cash flows from a financial instrument due to a change in interest rates;
- exchange rates: foreign exchange risk is the risk of a change in the fair value of a financial instrument due to a change in exchange rates;
- prices: price risk is the risk of a change or volatility in the price of equities, commodities, baskets of equities or stock market indices. The instruments most exposed to this risk are, in particular, variable-income securities, equity derivatives and commodity derivatives;
- credit spreads: credit risk is the risk of a change in the fair value of a financial instrument resulting from movement in the credit spreads on indices or issuers. For more complex credit products there is also the risk of a change in fair value arising from a change in correlation between issuer defaults.

I. Objectives and policy

Crédit Agricole S.A. has a specific market risk management system with its own organisation independent of operational hierarchies, risk identification and measurement methods, monitoring and consolidation procedures. In terms of scope, this system hedges all market risk.

In a market context marked by the health crisis, unprecedented global recession, the US elections, Brexit, highly volatility on the financial markets and the massive government and central bank support to fight against the effects of the economic crisis, the Group continued to apply a prudent market risk management policy, in line with its risk appetite.

Refer to the glossary on page 681 for the definition of technical terms.

II. Risk management

1. Local and central organisation

Crédit Agricole S.A. has two distinct and complementary levels of market risk management:

- at the central level, the Group Risk Management and Permanent Controls department ensures coordination on all subjects related to the management and control of cross-functional market risks. It standardises data and data processing to ensure consistency of both consolidated risk measurement and controls. It keeps the executive bodies (Executive Management of Crédit Agricole S.A.) and decision-making bodies (Board of Directors and Risk Management Committee) up-to-date on the market risk position;
- at the local level, for each Crédit Agricole S.A. entity, a Risk Management and Permanent Controls Officer manages the monitoring and control of market risks arising from the entity's businesses. Within the Crédit Agricole Corporate and Investment Bank subsidiary, the Risk Management and Permanent Controls department includes the Market and Counterparty Risks (MCR) department which is responsible for identifying, measuring and monitoring market risks. This department provides assistance in monitoring the market risks of international retail banks in addition to the local risk teams, as well as for the trading portfolios 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.

Within the MCR department, these various activities break down as follows:

a) risk management, to monitor and control market risk for all product lines worldwide: limit proposals, which are approved by the Market Risk Committee and monitored for their compliance, analysis of limit breaches as well as significant variations in results which are brought to the attention of the Market Risk Committee;

b) monitoring of activity: in charge of producing daily management income and risk indicators for all activities held to market risk limits and of monitoring and validating the market parameters used to produce profit and loss account and risk indicators. This ensures an autonomous production process based on a market database updated daily, which is independent of the Front Office.

Lastly, the process is used in conjunction with the Finance department during monthly procedures to align net management income and net accounting income;

c) cross-functional teams, responsible for coordinating the methods and processes between product lines and units. These teams are responsible for reporting regulatory indicators produced independently by the MCR department. This includes the following:

- the team responsible for validating pricers,
- the team in charge of the internal model (VaR, stressed VaR, stress scenarios, IRC, etc.),
- the Market Data Management team, which controls market data independently,
- the International Consolidation team, primarily tasked with producing the department's consolidated information;

d) the COO (Chief Operating Officer) and his/her team, responsible for coordinating Group-wide issues: projects, new activities, budgets, reports and committees.

The IT architecture put in place within Crédit Agricole Corporate and Investment bank for market risk management is based on sharing the platforms used in the Front Office, on which risk indicators are calculated. The independence of the process is based on the selection of market data and the validation of valuation models by the Risk department.

Group procedures define the level of information, format and frequency of the reports that entities must transmit to Crédit Agricole S.A. (Group Risk Management and Permanent Controls department).

2. Decision-making and Risk Monitoring Committees

Four governance bodies are involved in the management of market risk at Crédit Agricole S.A. level::

- 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 strategy and makes the main decisions in the matter of risk containment. It examines the market situation and risks incurred on a quarterly basis, in particular through the main indicators for monitoring market risk, the utilisation of limits and any significant breaches of limits and incidents;
- alerts in connection with market risk are reported to Executive Management during Executive Committee meetings, potentially every two weeks;
- the Alert Monitoring Committee, chaired by the Head of Group Risk Management and Permanent Controls reviews all reported alerts on a monthly basis;
- the Standards and Methodology Committee, chaired by the Head of Group Risk Management and Permanent Controls, is in particular responsible for approving and circulating standards and methodologies concerning the supervision and permanent control of market risks. Crédit Agricole Corporate and Investment Bank is in charge of validating the prudential standards and models implemented within the scope of market activities.

In addition, each entity has its own Risk Committee. The most important of these is Crédit Agricole Corporate and Investment Bank's Market Risk Committee (CRM), which meets once monthly and is chaired by the Management Committee member in charge of risks. It is made up of Crédit Agricole Corporate and Investment Bank's head of capital market activities and the market risk managers. This Committee reviews Crédit Agricole Corporate and Investment Bank's positions and the profit and loss account of its capital market activities and verifies compliance with the limits assigned to each activity. It has the authority to make decisions on requests for increases in operational limits.

III. Market risk measurement and supervision methodology

1. Indicators

The market risk measurement and supervision system is based on a combination of several indicators, most of which are subject to global or specific limits. It relies principally on Value at Risk (VaR), stressed VaR, stress scenarios and complementary indicators (risk factor sensitivity, combined qualitative and quantitative indicators) and a process that values all positions in each entity giving rise to market risks. The permanent control process includes procedures to validate and back-test models.

1.1 VaR (Value at Risk)

The central element of the market risk measurement system is the historical Value at Risk (VaR). VaR can be defined as the maximum theoretical loss on a portfolio in the event of adverse movements in market parameters (interest rates, exchange rates, asset prices, etc.) over a given time frame and for a given confidence interval. Crédit Agricole S.A. uses 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 Crédit Agricole S.A. 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.

Refer to the glossary on page 681 for the definition of technical terms.

The process of measuring a historical VaR for risk positions on a given date is based on the following principles:

- compilation of a historical database of risk factors on positions held by the entities of Crédit Agricole S.A. (interest rates, share prices, foreign exchange rates, commodity prices, volatilities, credit spreads, correlation, etc.);
- determination of 261 scenarios corresponding to one-day changes in risk factors, observed over a rolling one-year period;
- adjustment of parameters corresponding on the date according to the 261 scenarios;
- remeasurement of the day's positions based on the 261 scenarios.

The 99% VaR figure based on the 261 scenarios is equal to the average of the second and third worst results observed.

The offsetting figure is defined as the difference between total VaR and the sum of VaRs by risk factor. It represents the effects of diversification among positions held simultaneously on different risk factors. A procedure known as back-testing (comparing each day's result against VaR estimated the day before) is used to confirm the relevance of the methodology.

The internal VaR model of Crédit Agricole Corporate and Investment Bank, which is the main contributor to the VaR of Crédit Agricole S.A., has been approved by the regulatory authorities.

The VaR calculation methodology undergoes constant improvement and adjustment to take into account, among other things, the changing sensitivity of positions to risk factors and the relevance of the methods to new market conditions. For example, efforts are made to incorporate new risk factors and to achieve finer granularity on existing risk factors.

This indicator is used for steering purposes for all entities, and for Crédit Agricole CIB only for calculating the capital charge (the other entities use the standardised approach).

Limitations of the historical VaR calculation

The main methodological limitations of the VaR model are the following:

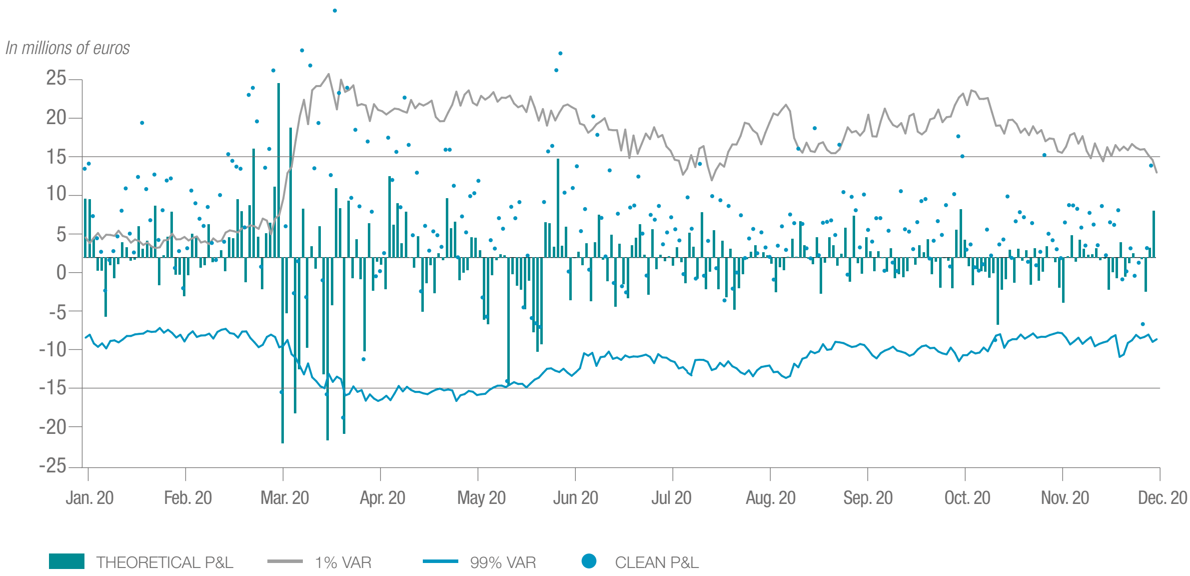
- the use of daily stress testing assumes that all positions can be liquidated or covered in one day, which is not always the case for certain products or in certain crisis situations;
- the use of a 99% confidence interval excludes losses that could occur outside of that interval: VaR is therefore an indicator of risk under normal market conditions and does not take into account movements of exceptional magnitude.

Back-testing

A back-testing process is applied to check the relevance of the VaR model for each of Crédit Agricole S.A.'s entities that has capital market activities. This process verifies a posteriori whether the number of exceptions (days when actual losses exceeded estimated VaR) was within the 99% confidence interval (a daily loss should statistically exceed the calculated VaR only two or three times a year).

At 31 December 2020, within the regulatory scope of Crédit Agricole Corporate and Investment bank (see chart below) was subject to seven 12-month rolling VaR exceptions. Consequently, the multiplier, used to calculate capital requirements, is at its minimum level of 4. This takes account of the decisions made by the ECB regarding the calculation of capital requirements in respect of VaR during the crisis.

Back-testing of the regulatory VaR of Crédit Agricole Corporate and Investment Bank for 2020 *(in millions of euros)*



1.2 Stress scenarios

Stress scenarios complement the VaR measure, which does not capture the impact of extreme market conditions. Stress scenarios are calculated following Group principles to simulate extreme market conditions and are the result of different complementary approaches:

- historical scenarios, which consist in replicating the impact on the current portfolio of major crises observed in the past. The past crises used in historical stress scenarios are the 1987 stock market crash, the 1994 bond market crisis, the 1998 credit market crisis, coupled with falling equity markets, sharply rising interest rates and declining emerging-country currencies; the 2008 crisis following the failure of Lehman Brothers (two stress scenarios measuring the impact of market movements after the failure);
- hypothetical scenarios anticipating plausible shocks, which are developed in conjunction with economists. The hypothetical scenarios used are economic recovery with rising equity and commodity markets, flattening yield curves, appreciation of the USD and narrowing credit spreads; liquidity crunch, with flattening yield curves, widening spreads, falling equity markets; and international tensions (scenario

Refer to the glossary on page 681 for the definition of technical terms.

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 USD against other currencies, widening credit spreads).

In addition, other types of stress tests are performed:

- at the level of the entities, adverse stress tests enabling evaluation of the impact of major and unfavourable market movements on the different business lines;
- at the level of Crédit Agricole Corporate and Investment bank, extreme adverse stress tests are used to measure the impact of even more severe market shocks.

The stress scenarios are calculated weekly.

1.3 Complementary indicators

Other complementary indicators are also produced by the entities and can, as part of the risk containment system, be subject to limits. These include indicators of sensitivity to various risk factors, loss alerts, stop-loss indicators, nominal amounts, receivables and remaining terms. These indicators provide fine-grained measurements of exposure to different market risk factors, serve to identify atypical transactions and fill out the summary picture of risks supplied by VaR and global stress scenarios.

1.4 Indicators related to the CRD 4 directive

Stressed VaR

The so-called "stressed" VaR is intended to correct the pro-cyclical nature of historical VaR. This is calculated over the one-year period preceding the measurement date, and where the associated market parameters reflect calm market conditions with low volatility, it can display a low level.

Stressed VaR 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 and is remeasured every year.

At end-2020, for Crédit Agricole Corporate and Investment Bank it corresponds to the period 13 November 2007 to 12 November 2008. In addition to the VaR capital requirement, there is now a stressed VaR capital requirement.

Incremental Risk Charge

The IRC (Incremental Risk Charge) is an additional equity requirement related to the risk of default and migration on so-called linear credit positions (*i.e.* not including credit correlation positions), required by the CRD 4 directive.

Its purpose is to quantify any unexpected losses caused by credit events on the issuers, *i.e.* default and migration of rating (the case of either a fall or a rise in credit rating).

The IRC is calculated with a confidence interval of 99.9% over a risk period of one year, by Monte Carlo simulations of migration scenarios based on three sets of data:

1. a one-year transition matrix provided by S&P and adapted to the internal rating system of Crédit Agricole Corporate and Investment Bank. This matrix gives the transition probabilities for an issuer based on its initial credit rating to higher or lower credit ratings, as well as its probability of default;
2. the correlation of issuers with systemic factors;
3. average spread curves by rating from which the shocks resulting from migrations are deducted.

These simulated credit default and migration scenarios then make it possible to value positions using the Crédit Agricole Corporate and Investment Bank models.

Comprehensive Risk Measure

The Comprehensive Risk Measure (CRM) measures the risk of default, the risk of a rating change and market risks on the credit correlation portfolio.

Since end-2016, Crédit Agricole has not had any activities subject to capital requirements with respect to the Comprehensive Risk Measure.

Credit Value Adjustment (CVA)

The value adjustment linked to the counterparty's quality (CVA) aims to integrate in derivatives' valuation credit risk associated with the counterparty (risk of non-payment of sums due in the event of default). It is calculated on an aggregate basis by counterparty according to the future exposure profile of the transactions after deducting any collateral. This adjustment is always negative and is deducted from the fair value of the financial assets on the balance sheet.

CRD 4 brought in a new capital charge to cover volatility in the CVA. Under the directive, banks authorised to calculate their capital requirements using their internal models for both counterparty risk and specific rate risk must calculate their CVA risk capital charge using the advanced approach ("CVA VaR"). The size of these capital requirements is calculated using the same methodology and tools as for market VaR in respect of specific interest rate risk.

The ACPR has validated the CVA VaR model used by Crédit Agricole Corporate and Investment Bank and the additional capital required to cover CVA risk (VaR and stressed VaR) has been measured since 2014.

2. Use of credit derivatives

CDS (Credit Default Swaps) are used for hedging purposes in the following cases:

- management of credit exposure from the loan book or derivatives portfolio (CVA);
- hedging of bond portfolio exposure;
- hedging of the exposure of hybrid derivatives portfolios (e.g. to hedge the issuance of credit-linked notes sold to investor customers).

IV. Exposures

VaR (Value at Risk)

Crédit Agricole S.A.'s total VaR is representative of Crédit Agricole S.A.'s VaR on the capital markets activities.

The Crédit Agricole S.A. VaR is calculated by incorporating the impacts of diversification between the different 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. between 31 December 2019 and 31 December 2020, broken down by major risk factor, is shown in the table below:

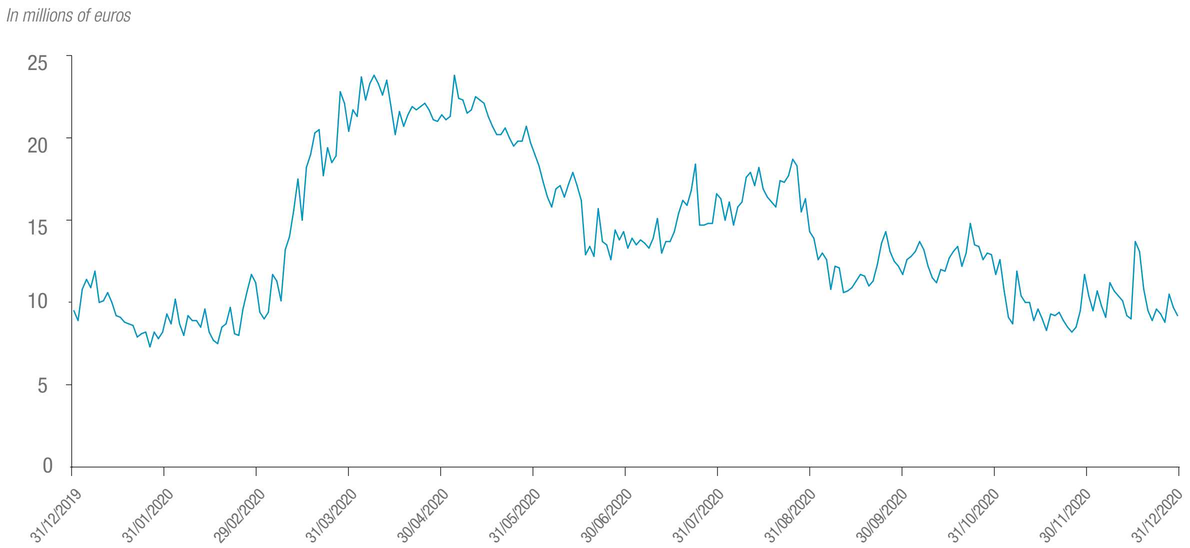
Breakdown of VaR (99%, 1 day)

(in millions of euros)	31/12/2020	Minimum	Maximum	Average	31/12/2019
Fixed income	8	6	16	11	6
Credit	4	3	12	7	4
Foreign exchange	5	1	13	3	3
Equities	2	1	3	2	1
Commodities	0	0	0	0	-
Offsetting	-9	-	-	-8	-5
VaR of Crédit Agricole S.A.	**9**	**7**	**24**	**14**	**9**
For reference: Sum of the VaRs of all entities	10	8	25	15	10

Averaged over the full year, VaR for 2020 was €14 million, versus €7 million for 2019. This increase is mainly attributable to the exceptional large shocks in connection with the health crisis. The average VaR remains nevertheless to a non-significant level and below its binding limit.

The following graph shows VaR over the course of 2020:

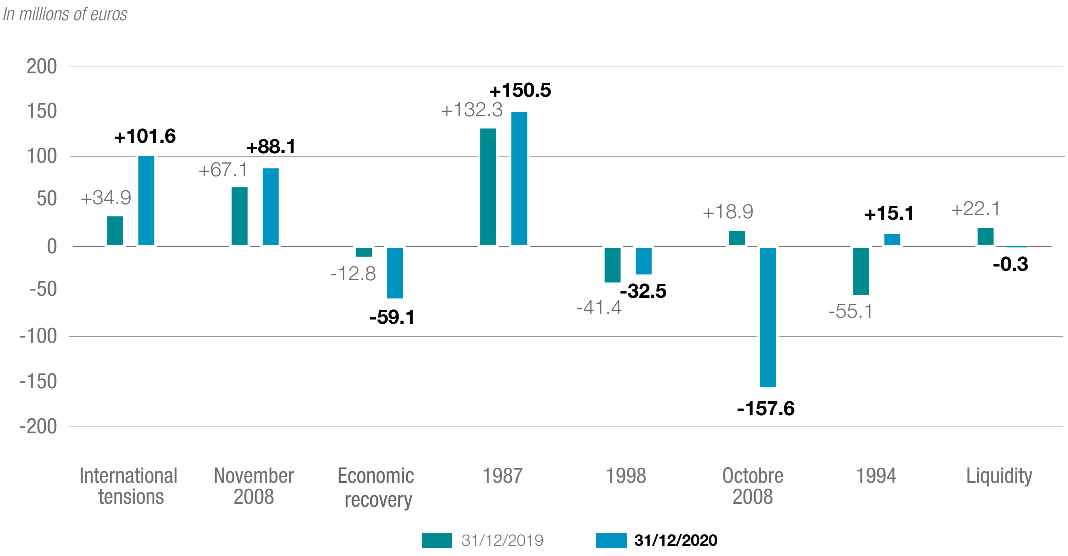
Crédit Agricole S.A. VaR between 31/12/2019 and 31/12/2020



Impacts associated with stress scenarios

The risk levels of Crédit Agricole S.A. assessed through historical and hypothetical stress scenarios at end-2020 are presented below. As an illustration, the "1994 Crisis" scenario, which had a negative impact at end-2019 (loss of €55 million), had a positive impact at end-2020 (gain of €15 million).

Refer to the glossary on page 681 for the definition of technical terms.



Stressed VaR

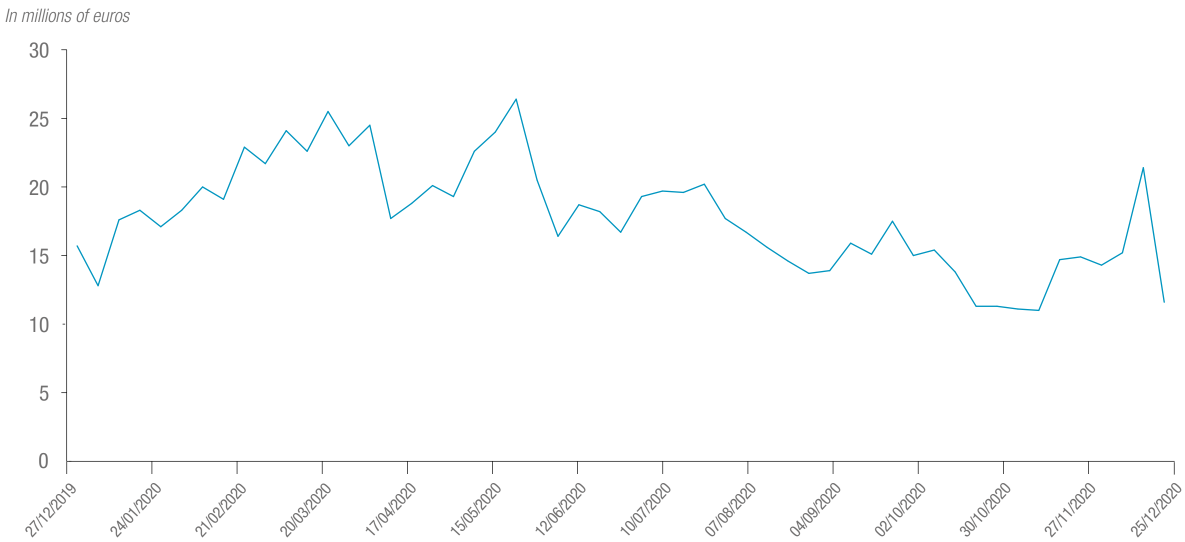
The stressed VaR is calculated on the scope of Crédit Agricole Corporate and Investment bank.

The table below shows the change in regulatory stressed VaR on the capital market activities of Crédit Agricole CIB, between 27 December 2019 and 25 December 2020:

(in millions of euros)	25/12/2020	Minimum	Maximum	Average	27/12/2019
Crédit Agricole CIB stressed VaR	12	11	26	18	16

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 2020.



At end-December 2020, stressed regulatory VaR of Crédit Agricole Corporate and Investment bank was €12 million, a decrease of €4 million as at 31 December 2019. On average over the year, stressed VaR (€18 million) was stable compared to the 2019 average.

Capital requirement related to Incremental Risk Charge (IRC)

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 2019 and 31 December 2020:

(in millions of euros)	31/12/2020	Minimum	Maximum	Average	31/12/2019
IRC	116	116	231	143	148

V. Equity risk

1. Trading portfolios and banking book

The different types of business are exposed to equity risk. The equity risk incurred by the market activities of Crédit Agricole CIB is hedged by the overall management through VaR (see section IV above). The other outstandings exposed to equity risk correspond to portfolios that are invested partly in equities and structured products whose market value depends on prices of underlying equities and equity indices.

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 indices.

Note 1.2 "Accounting policies and principles" to the financial statements presents the various valuation methods for equity instruments measured at fair value. At 31 December 2020, outstanding amounts exposed to equity risk amounted to €36.4 billion, including portfolios of insurance companies for €31.2 billion.

Note 6.4 to the financial statements shows in particular the outstanding amounts and the unrealised gains and losses on shares recorded at fair value non-recyclable through equity. Information on market risk (including equity risk) on the portfolios held by the insurance companies is presented below in the section on "insurance sector risks".

3. Treasury shares

In accordance with the provisions of Articles L. 225-209 et seq. of the French Commercial Code and European Commission Regulation 2273/2003 of 22 December 2003, the Combined General Meeting of Shareholders of Crédit Agricole S.A. may grant authority to the Board of Directors of Crédit Agricole S.A. to trade in its own shares. Crédit Agricole S.A. uses such an authorisation mainly to cover its commitments to employees under stock options or to stimulate the market in a market-making agreement.

Details of 2020 transactions carried out under the share buyback programme are provided in Chapter 1 of this Document, in the section "Purchase by the Company of its own shares".

At 31 December 2020, the outstanding amounts of treasury shares amounted to 0.04% of the share capital, versus 0.02% at 31 December 2019 (Note 6.20 to the consolidated financial statements).

Details of share buyback programme are provided in Chapter 1 of this document, under "Purchase by the company of its own shares".

2.6 ASSET AND LIABILITY MANAGEMENT

I. Asset and liability management – Structural financial risks

Crédit Agricole S.A.'s Financial Management department defines the principles of financial management and ensures their consistent application within Crédit Agricole S.A. The department is responsible for organising financial flows, defining and implementing refinancing rules, performing asset and liability management and managing prudential ratios.

Optimising financial flows within Crédit Agricole S.A. is an ongoing objective. Pooling of surplus resources and making it systematically possible to hedge the associated risks contribute to this objective.

Thus, the principles of the Crédit Agricole S.A. ALM approach ensure that any surpluses and shortfalls in terms of customer resources, in particular resources collected by the Regional Banks, are centralised in the books of Crédit Agricole S.A. This resource pooling helps in refinancing other Group entities as needed (including Crédit Agricole Leasing & Factoring and Crédit Agricole Consumer Finance).

The system for centralising the management of liquidity at Crédit Agricole S.A. serves to control and optimise cash management, especially since it is accompanied by partial interest rate matching.

Consequently, Crédit Agricole S.A. has a high level of financial cohesion, with limited spreading of financial risks, particularly liquidity risk. Nevertheless, the various entities are responsible for managing the risk that remains at their level, within the limits assigned to them.

Limits are defined by the Chief Executive Officer of Crédit Agricole S.A. within the framework of the Group Risk Committee, approved by the Board of Directors of Crédit Agricole S.A., and apply throughout Crédit Agricole S.A.:

- subsidiaries that carry asset and liability risks comply with limits set by the Crédit Agricole S.A. Risk Committee;
- methods of measuring, analysing and managing Crédit Agricole S.A. assets and liabilities are defined by Crédit Agricole S.A. Regarding the retail banks' balance sheets in particular, a consistent system of run-off conventions and models has been adopted for the Regional Banks, LCL and the foreign subsidiaries;
- Crédit Agricole S.A. consolidates the subsidiaries' measurements of their asset and liability risks. Results of these measurements are monitored by Crédit Agricole S.A.'s Treasury and ALM Committee;
- Crédit Agricole S.A.'s Financial Management department and Risk Management and Permanent Controls department take part in meetings of the ALM Committees of the main subsidiaries.

II. Global interest rate risk

1. Objectives

The objective of global interest rate risk management is to stabilise the future profits of Crédit Agricole S.A. entities 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.

Refer to the glossary on page 681 for the definition of technical terms.

The scope for monitoring the global interest rate risk is made up of entities whose business generates an interest rate risk:

- Regional Banks;
- 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.

2. Governance

2.1 Interest rate risk management – Entities

Each entity manages its exposures under the supervision of its ALM Committee, in accordance with the Crédit Agricole S.A. limits and standards. The limits of Crédit Agricole S.A.'s subsidiaries are reviewed annually and validated by the Group Risk Committee.

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.

Each Regional Bank's situation as regards global interest rate risk is reviewed quarterly by the Regional Banks' Risk Management Committee.

2.2 Interest rate risk management – Crédit Agricole S.A.

The Crédit Agricole S.A. exposure to global interest rate risk is monitored by Crédit Agricole S.A.'s ALM Committee.

This Committee is chaired by the Chief Executive Officer of Crédit Agricole S.A. and includes several members of the Executive Committee along with representatives of the Risk Management and Permanent Controls 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 limits applicable to Crédit Agricole S.A. and to entities authorised to bear global interest rate risk;
- it validates the guidelines for the global interest rate risk of Crédit Agricole S.A. proposed by the ALM department.

Limits approved by Crédit Agricole S.A.'s Board of Directors govern the Group's exposure to global interest rate risk.

3. Measurement and management system

3.1 Measurement

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) 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);
- implicit or behavioural options sold to customers are incorporated (early loan repayments, home purchase savings, etc.).

These 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.).

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 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.

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 the Crédit Agricole S.A. other retail banking 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.

Option risks are included in the gaps using a delta-equivalent measure. A portion of these risks may be hedged using option-based products.

This measurement system is applied to all significant currencies (mainly USD, GBP and CHF).

An approach through income supplements this balance sheet picture with the projection of net interest income simulations over three years. The methodology corresponds to that of the EBA stress test, *i.e.* a picture at constant assessment and identical renewal of operations reaching maturity.

These simulations are carried out based on four scenarios:

- realisation of forward rates (central scenario);
- shocks of more or less 200bp on interest rates;
- shock of 100bp on inflation.

They are calculated on the scopes of the main Group entities and on a consolidated basis.

These indicators are not subject to a framework but contribute to the measurement of the assessment of the internal capital need for interest rate risk.

3.2 Limitation system

The limits set at Group and entity levels put bounds on the extent of the maximum discounted loss over the next 30 years and the maximum annual loss over each of the next 15 years in the event of a rate shock.

The rules for setting limits are intended to protect the Group'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.

As well as being validated by the Group Risk Committee, these limits must be approved by each entity's decision-making body.

Each entity (including Crédit Agricole S.A.) hedges the interest rate risks generated by this method of financial organisation at its own level, by means of financial instruments (on- and off-balance sheet, futures or options).

3.3 Assessment of internal capital requirements

Internal capital requirements with respect to the interest rate risk are measured using a dual approach combining economic value and revenues-based metrics.

The economic value impact is measured by taking into account:

- the directional interest rate risk (calculated based on gaps);
- the option rate risk (mainly gamma effect on caps);

- the behavioural risk (such as early fixed-rate loan repayments);
- interest rate risk exposure limits.

This measurement is performed using a set of internal scenarios incorporating interest rate curve distortions that are calibrated using a method consistent with that used to assess the other risks measured under Pillar 2.

The impact on revenues is calculated using net interest margin simulations (see above).

4. Exposure

The Crédit Agricole S.A. interest rate gaps are broken down by type of risk (nominal rate/real rate) in the various currencies. They measure the surplus or deficit on sources of fixed-rate funds. By convention, a positive (negative) figure represents a downside (upside) risk on interest rates in the year considered. The figure indicates the economic sensitivity to a change in interest rates.

The results of these measures for Crédit Agricole S.A. at 31 December 2020 are as follows:

Gaps in euros (at 31 December 2020)

(in billions of euros)	2021	2022-2026	2027-2031	>2031
Gaps in euros[(1)]	4.4	4.9	0.4	(1.7)

(1) The gaps are presented excluding the TLTRO III operation (which is not exposed to interest rate risk due to its optional nature).

Over the course of 2021, a 100 basis point decrease in interest rates in the Eurozone would imply a potential loss for Crédit Agricole S.A. of €44 million on the banking portfolio at 31 December 2020, amounting to a decline of 0.2% of 2020 revenues (compared to a decrease of €41 million, or 0.2% of 2019 revenues).

The cumulative impact over the next 30 years of a 200 basis point rate decrease corresponds to a positive impact of €15 million, or 0.02% of the regulatory capital of Crédit Agricole S.A.

The above impacts are calculated based on a static balance-sheet , *i.e.* they do not capture the future production and the potential dynamic impact on the net banking income of Crédit Agricole S.A. of a variation in interest rates.

Other currency gaps (at 31 December 2020)

(in billions of euros)	2021	2022-2026	2027-2031	>2031
Other currency gaps[(1)]	9.0	0.7	0.3	0.1

(1) Sum of all gaps in all currencies in absolute values countervalued in billions of euros.

On other currencies, a decrease of 100 basis points of the interest rates in the Eurozone in each currency would imply for the Group a loss of €90 million in 2021 on the banking portfolio at 31 December 2020, corresponding to a decrease of 0.4% in 2020 revenues. After the euro, the main currencies to which Crédit Agricole S.A. is exposed are USD, CHF, JPY, PLN and MAD.

III. Foreign exchange risk

Foreign exchange risk is treated differently depending on whether it relates to structural foreign exchange positions (revalued through OCI) or to operational foreign exchange positions (revalued through P&L).

1. Structural foreign exchange risk

Crédit Agricole S.A.'s structural foreign exchange risk arises from long-term investments by the Group in assets denominated in foreign currencies (equity of the foreign 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 2020, 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, Moroccan dirham, Japanese yen and Egyptian pounds.

The main principles of the management of structural foreign exchange positions are:

- over the next year, the coverage of the portion of structural positions that are expected to become operational positions (results in the process of being formed that are expected to be distributed, shares that are expected to be sold in the near future);
- over a more medium/long term horizon, an adjustment to the level of hedging of structural foreign exchange positions in order to immunise the Group's CET1 ratio against exchange rate fluctuations. This should include the implementation of new coverage in the event of over-immunisation or the termination of existing coverage in the event of under-immunisation. An entity may, however, choose not to hedge a position denominated in a currency that is over-immunised if the cost of the hedge is considered too high in relation to the profit earned or the amount of the position in question is not material.

Five times a year, the 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 euro (provisions, net income generated by foreign subsidiaries and branches, dividends in foreign currencies, etc.), and from balance sheet imbalances.

Crédit Agricole S.A. manages the positions affected by foreign currency income and expenses that appear on its books, as does each entity within the Group that bears significant risk. The Treasury departments of foreign subsidiaries' manage their operational foreign exchange risk in their local currency.

The Group's general policy is to limit its operational foreign exchange positions and not to hedge revenues that have not yet materialised, unless there is a strong probability that losses will materialise and unless the impairment risk is high.

In accordance with the foreign exchange risk monitoring and management procedures, operational foreign exchange positions are updated monthly or daily for foreign exchange trading operations.

IV. Liquidity and financing risk

Like all credit institutions, the Group is exposed to liquidity risk, *i.e.* the risk of not having sufficient funds to honour its commitments. This risk could materialise if, for instance, there were a general crisis of confidence among investors in the money and bond markets or massive withdrawals of customer deposits.

1. Objectives and policy

The Group's primary objective in managing liquidity is to ensure that it has sufficient resources to meet its requirements in the event of any type of severe, prolonged liquidity crisis.

To manage this, Crédit Agricole S.A.uses an internal liquidity risk management and control system whose objectives are:

- to maintain liquidity reserves;
- to match these reserves with future liabilities coming due;

Refer to the glossary on page 681 for the definition of technical terms.

- 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 short-term liquidity ratio (LCR – Liquidity Coverage Ratio), along with 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 a monthly report to the ECB.

2. Methodology and governance of the internal liquidity risk management and control system

Crédit Agricole Group's liquidity risk management and control system is built around indicators defined in a standard and divided into four separate groups:

- short-term indicators derived largely from simulations of crisis scenarios. The purpose of these is to schedule maturities and volumes of short-term refinancings as a function of liquidity reserves, cash flow from commercial activity and repayment of long-term debt;
- long-term indicators used to assess and schedule long-term debt maturities: limits on maturity concentrations, allowing the Group to anticipate its refinancing needs and avoid any risk of difficulties with refinancing on the markets;
- diversification indicators, which allow the Group to monitor and manage concentrations of sources of market refinancing (by refinancing channel, type of debt, currency, geographic area, investor);
- cost indicators used to measure the short-term and long-term trends in the Group's issue spreads and their impact on the cost of liquidity.

The Standards and Methodology Committee is responsible for validating the definition of these indicators and any changes in them proposed by Crédit Agricole S.A.'s Group Finance department, on the advice of the Group Risk Management and Permanent Controls department.

The Crédit Agricole S.A. Board of Directors approves the general policy for Group liquidity risk management and sets limits for key indicators in light of the Group's liquidity risk tolerance. 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 asset-liabilities 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 Chief Executive Officer of Crédit Agricole S.A. (who is also informed of the Group's liquidity positions) is responsible for all key decisions concerning the management of funding programmes, the launch of new programmes, the validation of funding budgets and management of the balance between loans and deposits.

If funding markets tighten, a Committee is set up by the Executive Management, the Group Risk Management and Permanent Controls department and the Group Finance department in order to keep a close watch on the Group's liquidity situation.

4. Quantitative information

4.1 Cash balance sheet at 31 December 2020

Liquidity is measured at Crédit Agricole Group level.

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 €71 billion at end-December 2020. Similarly, €96 billion in repos/reverse repos were eliminated insofar as these outstandings reflect the activity of the securities desk carrying out securities borrowing and lending operations that offset each other. Other nettings calculated in order to build the cash balance sheet – for an amount totalling €169 billion at end-December 2020 – relate to derivatives, margin calls, adjustment/settlement/liaison accounts and to non-liquid securities held by the corporate and investment banking division (CIB) and are included in the "Customer-related trading assets" section.

Refer to the glossary on page 681 for the definition of technical terms.

Note that deposits centralised with *Caisse des dépôts et consignations* are not netted in order to build the cash balance sheet; the amount of centralised deposits (€65 billion at end-December 2020) is booked to assets under "Customer-related trading assets" and to liabilities under "Customer-related funds".

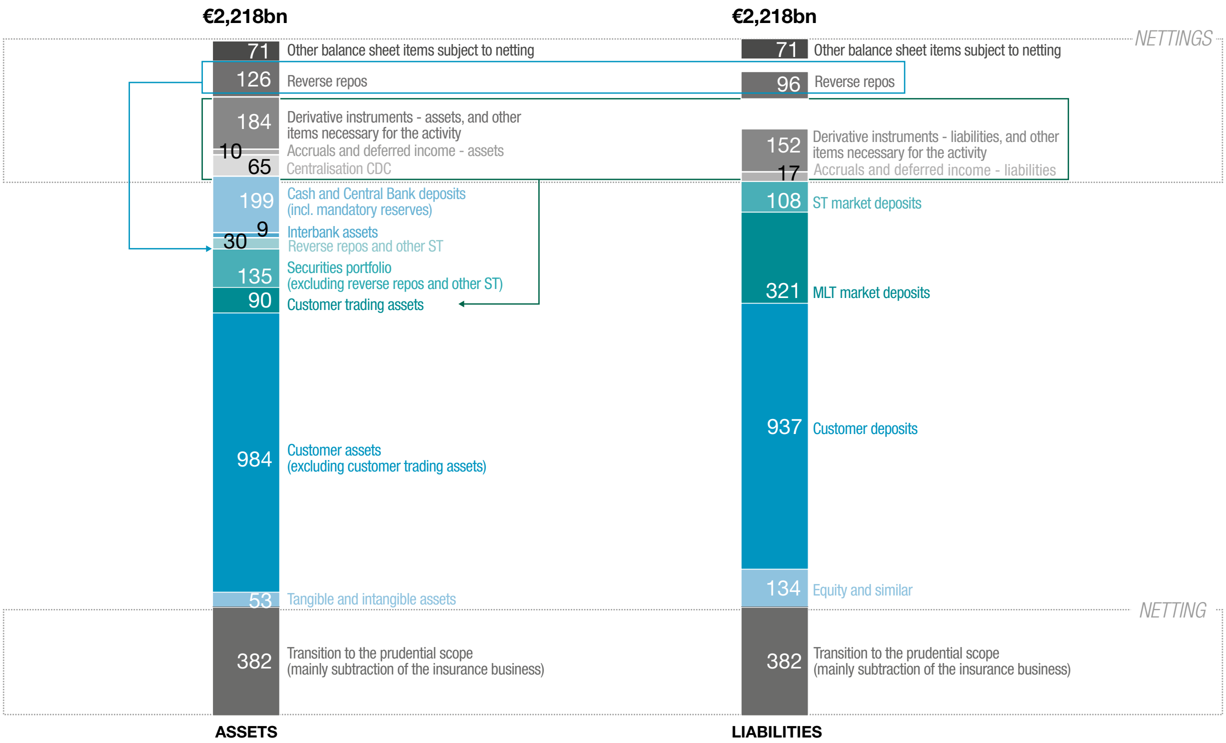
In a final stage, other restatements reassign outstandings that accounting standards allocate to one section, when they are economically related to another. As such, senior issues placed through the banking networks as well as financing by the European Investment Bank, the *Caisse des dépôts et consignations* 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 Operation) are included in "Long-term market funds". In fact, the TLTRO II and TLTRO III operations do not allow for early redemption by the ECB and given their four- and three-year contractual maturity respectively are equivalent to long-term secured refinancing, identical in liquidity risk terms to a secured issue.

Medium-to-long-term repos 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 2020



Standing at €1,500 billion at 31 December 2020, the Group's cash balance sheet shows a surplus of stable funding resources over stable application of funds of €265 billion at end-December 2020.

In connection with the COVID-19 health crisis, in 2020 the Group took part in the TLTRO III medium-to-long-term refinancing operations of the European Central Bank, thereby increasing its level of stable resources. Total TLTRO III outstandings for the Crédit Agricole Group amounted to €133[1] billion at 31 December 2020. (Note that the bonus applicable to the refinancing rate for these operations is accrued over the drawdown period and the additional bonus over the period from June 2020 to June 2021 is accrued over one year, as the Group already meets the lending trigger).

Furthermore, the Group saw a significant increase in net inflows during the financial year (deposits were up €82 billion, while loans were up €52 billion), also contributing to the improvement of stable resources.

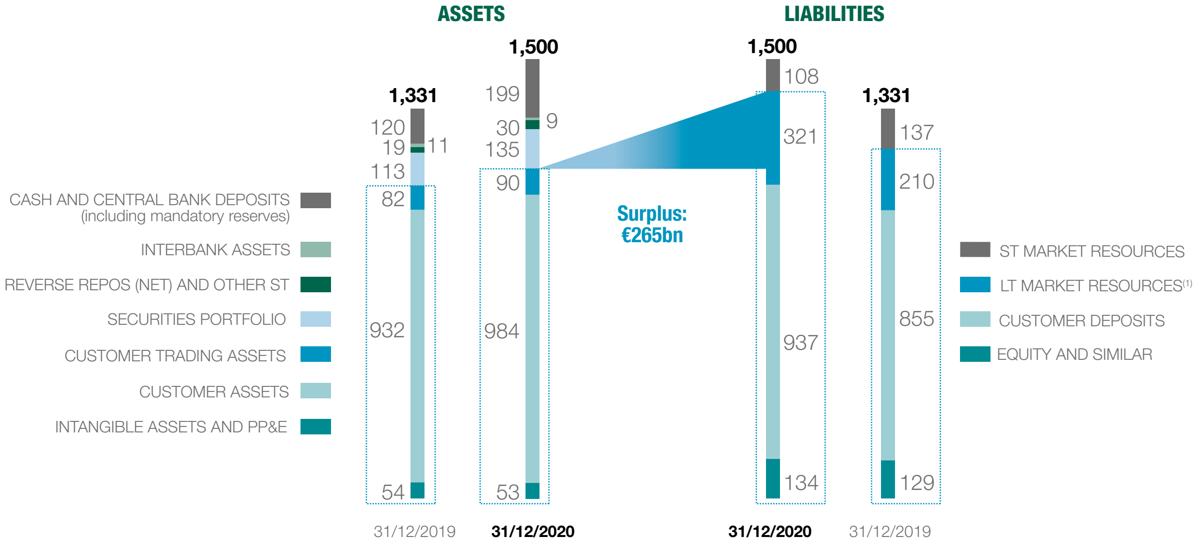
This surplus of €265 billion, called the stable resources position, allows the Group to cover the LCR deficit generated by long-term assets and stable liabilities (customer, tangible and intangible assets, long-term funds and own funds). Internal steering does not factor in the temporary surplus of stable resources resulting from the increase in TLTRO 3 financing, in order to secure the Medium-Term Plan target of more than €100 billion independently of the future repayment strategy. The ratio of stable resources over long-term applications of funds was 123.5% at 31 December 2020.

Furthermore, given the excess liquidity, the Group posted a short-term lending position at 31 December 2020 (central bank deposits exceeding the amount of short-term debt).

(1) Excluding Bankoa and FCA Bank.

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole Group cash balance sheet at 31 December 2020



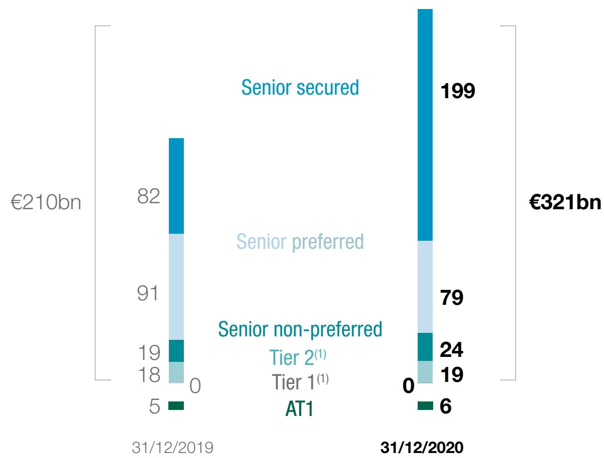
(1) LT market resources include T-LTRO drawings.

Medium-to-long-term market resources were €321 billion at 31 December 2020

Long-term market funds increased by €111 billion over the financial year.

The increase in senior secured debt is explained by the Group taking part in the TLTRO III operations of the European Central Bank. Moreover, the increase in senior non-preferred debt (+€5 billion) is aimed at meeting future resolution requirements.

Changes in long term market resources of the Crédit Agricole Group



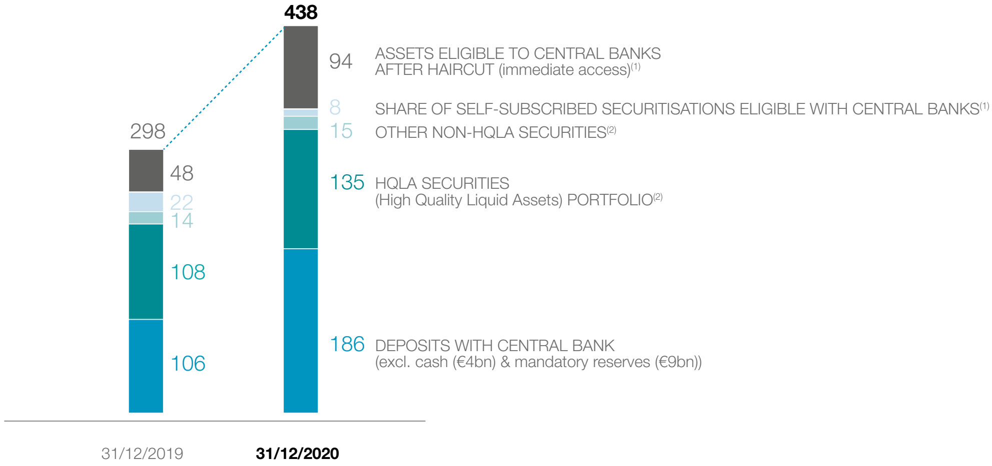
(1) Notional amount.
Accounting view (excluding solvency prudential adjustement).

4.2 Change in Crédit Agricole Group's liquidity reserves

Liquidity reserves after haircuts totalled €438 billion at 31 December 2020. They covered short-term debt more than four times over (excluding the replacements with Central Banks).

The high level of central bank deposits was the result of the replacement of significant excess liquidity.

Liquidity reserves of the Crédit Agricole Group at 31 December 2020



(1) Eligible for central bank refinancing for potential LCR coverage.
(2) Available securities at market value after haircut.

Available liquidity reserves at end-2020 comprised:

- €94 billion in loans and receivables eligible for central bank refinancing operations after the ECB haircut;
- €8 billion in treasury shares held by the bank and eligible for central bank refinancing operations, after haircut;
- €186 billion in central bank deposits (excluding cash and mandatory reserves);
- a securities portfolio amounting to €150 billion, consisting of HQLA securities that were market-linkable and also eligible for central bank refinancing for €135 billion, and other market-linkable securities for €15 billion after haircut.

Liquidity reserves in 2020 averaged €396 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% from 1 January 2018.

12-month average at 31/12/2020 *(in billions of euros)*	**Crédit Agricole Group**	**Crédit Agricole S.A.**
Liquidity buffer	314.3	283.1
Total net cash outflows	211.0	191.0
Liquidity Coverage Ratio (LCR)	149.0%	148.2%

The average LCR ratios over 12 months for Crédit Agricole Group and Crédit Agricole S.A. were respectively 149.0% and 148.2% at end-December 2020. They exceeded the Medium-Term Plan target of around 110%.

At 31 December 2020, the end-of-period LCR ratios were respectively €178.5% for the Crédit Agricole Group and 169.4% for Crédit Agricole S.A.

Unlike the LCR, which is a ratio of flows, the NSFR (Net Stable Funding Ratio) is a ratio that compares the stock of assets with an effective or potential maturity of longer than one year to liabilities with similar effective or potential maturity. The definition of the NSFR assigns each balance sheet item (and certain off-balance sheet items) a weighting reflecting its potential to mature in longer than one year.

The Crédit Agricole Group is subject to applicable European legislation (Regulation 575-2013 amended by Regulation 2019-876 of 20 May 2019). Accordingly, the Crédit Agricole Group must comply with an NSFR ratio of at least 100% as from 28 June 2021. The Group believes that is already able to comply with this requirement.

Refer to the glossary on page 681 for the definition of technical terms.

5. Refinancing strategy and conditions in 2020

Against a background of declining interest rates, record amounts were issued in new bonds on the primary market in January. The COVID-19 epidemic did not affect the funding market until February, and then the market started to realise that the epidemic was spreading to Europe and would impact the global economy, which in an initial stage brought the market to a halt at end-February and early-March.

In March, the global outbreak of the COVID-19 virus and lockdown measures taken by governments triggered a collapse of the equity markets, a rise in volatility, a drop in interest rates, and a very rapid widening of spreads, magnified by waves of sell-offs to counter liquidity outflows.

To address the situation, the central banks and supervisory authorities, notably the ECB and EBA, took strong measures to support the markets and the economy, such as asset purchase plans (the Pandemic Emergency Purchase Programme, PEPP), financing lines, decreases in key interest rates (Fed), and regulatory adjustments and arrangements, including an immediate reduction in counter-cyclical buffers, the early application of Article 104a of CRD V, arrangements for NPLs or moratoriums, the postponement of the 2020 EBA stress tests, the recommendation to cancel dividend payments on shares, the implementation of the "CRR quick fix".

At the same time, the governments launched economic stimulus plans and measures to support companies and individuals, with in particular in France the introduction of State-guaranteed loans for an amount of up to €300 billion.

These measures, decided in response to pressing needs and of unprecedented magnitude, enabled the markets to stabilise as of the end of March and partially reduce spreads.

On 30 April, the ECB announced new measures with the launch of a new series of pandemic emergency longer-term refinancing operations (PELTROs) aimed at supporting the liquidity conditions of the financial system of the Eurozone. The ECB also announced the terms and conditions of the TLTRO III with an interest rate that, under certain conditions, can be as low as 1% during the first year (50bp below the deposit rate).

Eurozone financial institutions, which had managed to access the market under secured conditions in March, were able to issue unsecured senior debt in April and subordinated debt as from May.

In June, the ECB decided to increase the asset purchases carried out under the PEPP by €600 billion, bringing the programme to an overall amount of €1,350 billion. 724 European banks borrowed €1,308 billion during the first drawdown period of the TLTRO III, *i.e.* €548 billion net of the repayments of previous TLTRO drawdowns.

Against this background, the easing of lockdown measures in most regions during the second quarter enabled a new reduction in spreads in May and June, and sustained primary activity.

After the usual slowdown in business during the summer, primary activity increased again in September and October, due to surplus liquidity and the support measures of the central banks, while spreads widened with the deteriorating health conditions and expectations of new restrictions.

It should be noted that there was a change in the type of issues from the second quarter, with an increase in the number of issues eligible for resolution and solvency ratios, and a decrease in refinancing-only issues due to lower demand for refinancing.

In November, refinancing conditions improved significantly following the US elections and the prospect of a more efficient roll-out of vaccines than anticipated by the markets.

On 10 December, the ECB announced a new €500 billion increase in the overall amount of the PEPP, which was also extended to March 2022 following the revision of its growth and inflation forecasts due to the resurgence of COVID-19. Regarding the TLTRO, the ECB announced an extension for an additional 12 months. The most favourable interest rate of -1% was maintained for an additional year until June 2022, provided that there is an increase in eligible refinancing granted by the bank.

On 24 December a Trade and Cooperation Agreement was entered into between the United Kingdom and the European Union, effective as of 1 January 2021 on a provisional basis.

V. Hedging policy

Within Crédit Agricole S.A., derivative instruments are used for three main purposes:

- to meet demand from Group customers;
- to manage the Group's financial risks;
- to take positions for the Group's own account (as part of specific trading activities).

Derivatives not held for hedging purposes (as defined by IAS 39[(1)]) are classified as derivative instruments held for trading and are monitored for market risk as well as counterparty risk, where applicable. Certain derivative instruments may be held for the economic hedging of financial risks, without however meeting the IAS 39 criteria. They are also classified as derivative instruments held for trading.

In all cases, the intent of the hedge is documented at the outset and verified quarterly by appropriate tests (forward-looking and backward-looking).

Each Group entity manages its financial risks within limits set by the Group Risk Committee chaired by the Chief Executive Officer of Crédit Agricole S.A.

The charts in Note 3.4 to the consolidated financial statements give the market values and notional amounts of hedging derivatives.

1. Fair value hedges and cash flow hedges

Global interest rate risk management aims to reconcile two approaches:

1.1 Protection of the Group's net asset value

This first approach requires matching balance sheet and off-balance sheet items that are sensitive to interest rate variations (*i.e.* fixed rate items, for the sake of simplicity) against instruments that are also fixed-rate, so as to neutralise the variations in fair value that occur when interest rates change. If the matching is done by means of derivative instruments (mainly fixed-rate swaps, inflation swaps and market caps), the derivatives are classified as fair value hedges if the instruments (micro FVH) or groups of instruments (macro FVH) identified as the hedged items (fixed-rate assets and inflation: customer loans, fixed-rate liabilities and inflation: demand deposits and savings deposits) are eligible under IAS 39 (otherwise, as mentioned above, these derivatives are classified as held for trading, even though they hedge risk).

To check macrohedging suitability, hedging instruments and hedged items are grouped by maturity using contract characteristics or, for certain balance sheet line items (particularly deposits), using assumptions based on the financial characteristics of the products and historical behaviour. The comparison between the two maturity schedules (hedges and hedged items) means that hedging can be documented in a forward-looking manner for each maturity and each generation.

(1) In accordance with a decision made by the Group, Crédit Agricole S.A. chooses not to apply the "hedge accounting" option of IFRS 9, as allowed by the standard. All hedging relationships continue to be documented in accordance with the rules in 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.

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 derivative financial instruments used. The retrospective effectiveness is therefore measured while ensuring that the change in the hedged outstanding amount at the beginning of the period does not indicate any *a posteriori* overhedging. Other factors of ineffectiveness are also measured: BOR/OIS difference, Credit Valuation Adjustment (CVA)/Debit Valuation Adjustment (DVA) and Funding Valuation Adjustment (FVA).

1.2 Protection of the interest margin

This second approach requires neutralising variations in future cash flows associated with instruments or related balance sheet items that are affected by interest rate resets on the instruments, either because they are indexed to interest rate indices 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 derivative financial instruments used.

The table below shows the cash flows, broken down by projected maturity date, for Crédit Agricole S.A., of the cash flow hedging derivatives:

	At 31/12/2020			
Remaining time to maturity *(in millions of euros)*	<1 year	1 to 5 years	≥ 5 years	TOTAL
Cash flows of hedging derivatives	63	105	28	**196**

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.* exchange rate 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.

2.7 INSURANCE SECTOR RISKS

The information in this section supplements Note 4 to the consolidated financial statements in the Universal Registration Document of Crédit Agricole Assurances and is covered by the Statutory Auditors' Report on the consolidated financial statements.

In view of the predominance of its savings and retirement activities, the Crédit Agricole Assurances Group is more particularly exposed to market risks (equity risk, spread risk) and asset/liability risks (liquidity and interest rate risk). The Crédit Agricole Assurances Group also faces insurance risks. Lastly, it is exposed to operational risk linked to non-compliance risk and to legal risk particularly in process execution.

I. Governance and organisation of risk management in the Crédit Agricole Assurances Group

The risk governance system of the Crédit Agricole Assurances Group is based on the following principles:

- it is within the remit of the control function mechanism at Crédit Agricole S.A. level that includes the Group Risk Management and Permanent Control Division, 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 department of the Crédit Agricole Assurances Group, which heads the "Risk Management" business line, supervises procedures and ensures that subsidiary risk management systems are compliant with Group standards and principles. It is supported by experts for each major risk category;
- it is based on the principle of subsidiarity. Each Crédit Agricole Assurances Group entity is responsible for defining and implementing its solo risk management policy, in accordance with Crédit Agricole S.A. principles and rules, the principles and rules for the management of Crédit Agricole Assurances Group, and local regulations for international subsidiaries.

Risk governance falls on:

- Executive Management (the CEO and second Executive Directors as defined by Solvency 2) and the Board of Directors, ultimately responsible for the Crédit Agricole Assurances Group's compliance with all applicable regulations and legislation;
- the Crédit Agricole Assurances Executive Committee, which is the primary strategic body of the Group's Executive Management and the Group committees (in particular the Finance Committee, the Risks and Internal Control Committee, the ALM and Investment Committee and the Reinsurance Strategy Committee);
- the four key functions (Risks, Compliance, Actuarial function, Internal Audit), whose representatives have been appointed by the Chief Executive Officer. Their appointment is validated by the Board of Directors and notified to the competent national supervisory authority. The four key functions are coordinated by the Risk and Internal Control Committee of the Crédit Agricole Assurances Group. The heads of the key functions have direct access to the Board of Directors, to whom they present the results of their work at least once a year;
- an internal control system, defined as the framework designed to manage and control all types of operations and risks and to ensure that all transactions are carried out in a manner that is proper (in compliance with regulations), secure and effective. Crédit Agricole Assurances asks its Board of Directors to validate its risk policies;

Refer to the glossary on page 681 for the definition of technical terms.

- 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 strategy and function 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. The Head of the function relies on the Chief Risk Officers of the entities who report to him/her. The Insurance Risk business line operates like a matrix, combining entity-level organisations with Group approaches by type of risk.

The hierarchical reporting 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 their processes are performed properly.

2. Risk management system

At Crédit Agricole Assurances Group level

In order to achieve its strategic orientations while managing and mitigating its risks appropriately, the Crédit Agricole Assurances Group established a risk appetite framework. This consists of key indicators for each risk category that constitute the core of its Risk management strategy.

The Risk management strategy 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 and validated at least annually, along with the Risk Appetite Statement, by the Crédit Agricole Assurances Board of Directors, following a review by the Crédit Agricole S.A. Risk Committee (a sub-committee of Crédit Agricole S.A. Executive Committee, chaired by its Chief Executive Officer) of the indicators and major limits. Crédit Agricole Assurances' Executive Management and Board of Directors or even the Crédit Agricole S.A. Risk Committee, 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 of Crédit Agricole Assurances 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 processes and systems to measure, supervise and manage risks: process and risk mapping resulting in a risk strategy that defines, according to their risk appetite, the Crédit Agricole Assurances Group global limits in accordance with a process coordinated by the holding company, accompanied if necessary by limits to manage their specific risks.

The entities also draw up formal policies and procedures providing a strict framework for risk management (including the rules for accepting risk when insurance policies are taken out, provisioning and hedging of technical risks by reinsurance, claims management, etc.).

For its international subsidiaries, Crédit Agricole Assurances has drawn up a set of standards to be implemented by each entity, which sets out the scope and rules for decentralised decision-making and specifies the rules to follow during the decision-making process.

Operational risk management is supervised in each entity by committees that meet periodically (investment, ALM, technical, reinsurance and others) in order to monitor developments in the risk position, based on reporting by business lines, present analyses to support the risk management process, and, if necessary, draw up proposals for action. Significant incidents and limit breaches lead to alerts being triggered and notified either to the Crédit Agricole S.A. Risk Management department (for Crédit Agricole Assurances group-level limits), or to Crédit Agricole Assurances Executive Management or the entity's management. Corrective measures are implemented accordingly.

The risk management system is examined during meetings of the Risk Management and Internal Control Committees of each subsidiary, in light of the permanent control reports, the analysis of their risk dashboard and the conclusions of periodic controls.

II. Market risk

In view of the predominance of savings activities in the French and international (Italy mainly) life insurance subsidiaries, and therefore the very large volume of financial assets held to cover policyholder liabilities, the Crédit Agricole Assurances Group is particularly concerned by market risks.

Market risk is the risk of loss that can result from fluctuations in the price of financial instruments in a portfolio.

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

- interest rate risk;
- equity risk;
- foreign exchange risk;
- spread risk. This risk is fully described in a specific section.

In particular, these risks have an impact on the valuation of portfolio assets and their long-term yield, and must be managed closely with matching liabilities and, particularly for Life Insurance, with guarantees granted to policyholders (minimum guaranteed rate, floor guarantee, etc.).

Liquidity risk is monitored specifically.

Thus, the Crédit Agricole Assurances Group's financial policy provides for an asset/liability framework aimed at reconciling objectives of seeking yield for policyholders, conserving ALM balances and delivering shareholder value. This framework is based on "risk/yield" analyses and "stress scenarios", to identify the characteristics of the amounts to invest, the limitations and objectives over short/medium and long-term horizons, with market analysis, supported by economic scenarios, to identify opportunities and limitations in terms of the environment and the market.

The Investment department of Crédit Agricole Assurances is involved in developing and monitoring implementation of the investment policies of Crédit Agricole Assurances Group and of the subsidiaries (taking into account individual ALM limitations and financial targets), which are submitted to their respective Board of Directors for approval. It is responsible for oversight of the investment management services provided by Amundi (management mandates granted by the companies).

Moreover, it makes investments directly (without a mandate) on behalf of the Crédit Agricole Assurances Group companies (in real estate in particular), as part of the policy of diversification.

1. Interest rate risk

Type of exposure and risk management

Interest rate risk refers to the risk of a change in the value of the bond portfolio due to upward or downward movements in interest rates.

The Crédit Agricole Assurances Group bond portfolio, excluding unit-linked policies, amounted to €245 billion at 31 December 2020, up from €242 billion at end-2019.

Interest rate risk for the life insurance companies is linked to interactions between assets (financial management) and liabilities (policyholder behaviour). Management of this risk requires a global approach combining financial strategy, the constitution of reserves and sales and income policies. Crédit Agricole Assurances' framework for managing interest rate risk sets out the limits on risks and the related (ALM Committee, presentation of stress scenarios to the Board of Directors, etc.).

A 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 has a range of levers to tackle the risk of falling rates:

- no longer issuing policies that feature guaranteed return (since 2000 for the main French life insurance company), so that the overall average return has steadily fallen;
- moderation of the profit-sharing paid;
- hedging using bond assets and swaps/swaptions to manage reinvestment risk;
- adaptation of ALM and investment policies to the very low interest rate environment;
- prudent diversification of investment assets;
- adaptation of the sales policy in favour of deposits to unit-linked policies.

A risk arising from an increase in interest rates could occur if there is a gap between the rate of return delivered by the insurer (related to bond yields) and the rate expected by policyholders in a high-rate environment, or the rate achieved by other savings vehicles. This could result in a wave of early redemptions by policyholders, forcing the insurer to dispose of assets, notably bonds, with unrealised losses (which would generate losses). In turn, the yield on the portfolio would be reduced, with the risk of triggering new waves of policy redemptions.

Crédit Agricole Assurances thus implements measures to manage the risk of a rise in rates:

- adjustment of duration according to projected outflows of liabilities;
- retention of liquidities or liquid investments with a low risk of loss;
- dynamic management of the investment portfolio and setting aside reserves to provide the capacity to increase the return (capitalisation reserve, and profit-sharing reserves);
- upward interest rate hedging through derivatives;
- building customer loyalty to limit early redemptions.

The Crédit Agricole Assurances Group's dashboard, presented to the Executive Committee, includes indicators to monitor the nature of this risk: average guaranteed minimum rate, bond portfolio coverage ratio, allocation to reserves, etc.

Analysis of sensitivity to interest rate risk

Technical liabilities

The Crédit Agricole Assurances Group's technical liabilities are largely insensitive to rate risks for the following reasons:

- savings provisions (over 90% of technical reserves, excluding unit-linked policies): these technical reserves are based on the pricing rate which is constant over time for a particular policy. As a result, a change in interest rates will have no impact on the value of these commitments;
- property and casualty reserves: these technical reserves are not discounted to present value and changes in interest rates therefore have no impact on the value of these commitments;
- mathematical reserves for benefits (personal injury, disability): the discount rate used in calculating these reserves is based on the interest rate in force at the calculation date. Therefore, the size of these commitments varies with interest rates. However, given the limited amount of these technical commitments, they pose no material risk for the Crédit Agricole Assurances Group.

Financial investments

The sensitivity to rate risk of Crédit Agricole Assurances Group's bond portfolio is used to assess the impact of a rate movement. It is calculated by assuming a 100-basis point rise or fall in interest rates (net of policyholders' deferred profit-sharing and tax):

	31/12/2020		31/12/2019	
(in millions of euros)	Impact on net income	Impact on equity	Impact on net income	Impact on equity
100 bps rise in risk-free rates	(53)	(2,194)	(61)	(2,040)
100 bps decline in risk-free rates	89	2,198	86	2, 043

This table provides the immediate mechanic impact on the asset portfolio based on a static balance sheet, i.e. not including the future production. Thus it does not integrate the impact over time on yield and insurance revenue of any variation in interest rates.

The impacts presented above take the following elements into account:

- the profit-sharing rate for the entity holding the financial investments;
- the tax rate in force.

Where securities are recognised as assets at fair value through equity, the impacts are presented in the "Impact on equity" column. Where they are recognised as assets at fair value through profit or loss, the impacts are presented in the "Impact on net ncome" column.

Refer to the glossary on page 681 for the definition of technical terms.

To reiterate, Crédit Agricole S.A. uses the overlay approach for financial assets held for the purpose of an activity involving insurance contracts, which are designated in accordance with the option provided by the amendments to IFRS 4 (this approach is explained in Note 1 to the Crédit Agricole Assurances consolidated financial statements). The sensitivity of designated assets is recorded in shareholders' equity.

Financing debt

Borrowings arranged by the Crédit Agricole Assurances Group mainly pay fixed rates; interest is therefore not very sensitive to changes in interest rates.

2. Equity and other diversification assets risk

Type of exposure and risk management

Exposure to the equity markets and other so-called diversification assets (private equity and listed or unlisted infrastructures, real estate and alternative management) is intended to capture yield in these markets (notably with a low correlation between real estate and other asset classes). Market risk on equities and other diversification assets is defined as a risk of volatility in terms of valuation and therefore, an accounting provisioning risk that could have an impact on policyholder 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.

Equities and other diversification assets are held directly or via dedicated Crédit Agricole Assurances Group UCITS to provide regional diversification, in accordance with the relevant risk policies. Exposure to these assets is managed by a series of limits (by asset class and overall for the diversification) and concentration rules.

Compliance with these limits is monitored on a monthly basis.

The main asset classes in the global portfolio are presented in Note 6.4 to the consolidated financial statements. The fair value of financial assets and liabilities recognised at acquisition cost in the balance sheet is disclosed in Note 6.5.1 to the consolidated financial statements. Both items can be found in the Crédit Agricole Assurances Universal Registration Document.

Analysis of sensitivity to equity risk

A quantified measurement of equity risk can be expressed by the sensitivity calculated by assuming a 10% rise or fall in equity markets (impacts are shown net of policyholders' deferred profit-sharing and tax):

	31/12/2020		31/12/2019	
(in millions of euros)	Impact on net ncome	Impact on equity	Impact on net ncome	Impact on equity
10% rise in equity markets	123	151	115	174
10% decline in equity markets	(127)	(151)	(118)	(174)

The impacts presented above take the following elements into account:

- the profit-sharing rate for the entity holding the financial investments;
- the tax rate in force.

These sensitivity measurements include the impact of changes in the benchmark equity index on assets measured at fair value, reserves for guaranteed minimum return and reserves for the right to withdraw from unit-linked policies as well as any additional impairment provisions required by a decline in equity markets.

Changes in the fair value of equity instruments at fair value through profit or loss impact net income; changes in the fair value of equity instruments classified as non-recyclable under the fair value option impact unrealised gains and/or losses.

Moreover, Crédit Agricole Assurances uses the overlay approach for financial assets held for the purpose of an activity involving insurance contracts, which are designated in accordance with the option provided by the amendments to IFRS 4 (this approach is presented in Note 1 to the consolidated financial statements). The sensitivity of designated assets is recorded in shareholders' equity.

3. Foreign exchange risk

Foreign exchange risk is defined as the risk of loss due to movements in foreign exchange rates against the euro. For Crédit Agricole Assurances, this risk is marginal, as shown by the sensitivity to foreign exchange risk, calculated by assuming a 10% rise or fall in each currency relative to the euro (impacts are shown net of policyholders' deferred profit-sharing and tax):

	31/12/2020		31/12/2019	
(in millions of euros)	Impact on net ncome	Impact on equity	Impact on net ncome	Impact on equity
Exchange rate sensitivity on financial instruments: +10% for each currency relative to the euro	(0.1)	0.1	0.1	0.2
Exchange rate sensitivity on financial instruments: -10% for each currency relative to the euro	0.1	(0.1)	(0.1)	(0.2)

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 90% (low net exposure of JPY1.2 billion at end-2020, equivalent to €9.7 million) and in PLN for the CA Insurance Poland subsidiary, with a hedge ratio of 91% (net exposure of PLN8.8 million, equivalent to €2.0 million);
- operational foreign exchange exposure arising from a mismatch between the asset's currency and that of its liabilities: the Crédit Agricole Assurances Group's global portfolio, representing commitments in euros, is primarily invested in euro-denominated financial instruments. However, to achieve the aim of optimising risk/return and diversification, the Group seeks to profit from projected growth and interest rate differentials between major geographic areas, in dedicated funds and fixed-income mandates. The general foreign exchange risk hedging strategy is not to hedge exposure to the currencies of emerging economies, regardless of the asset class, and, in contrast, to hedge exposure to the currencies of mature countries, with the option of limited tactical exposure to the US dollar. Crédit Agricole Assurances Group's overall foreign exchange exposure is bound by a maximum market value limit relative to the total portfolio, and two sub-limits for emerging currencies and the US dollar.

Actual exposure is measured monthly and compared to the exposure limits. At end-2020, it was not material (0.5% of the global portfolio).

4. Liquidity risk

Type of exposure and risk management

For Crédit Agricole Assurances, liquidity risk essentially corresponds to its ability to meet its current liabilities.

From this perspective, the companies combine several approaches.

On the one hand, liquidity is an investment selection criterion (majority of securities listed on regulated markets, limits on assets in markets that lack depth, such as private equity, unrated bonds, and alternative management, etc.).

On the other hand, systems for managing liquidity are consistent across the Crédit Agricole Assurances Group, and are defined by the companies as part of their ALM policy:

- for life insurance companies, these systems have the goal to ensure a match between the maturities of assets and those of liabilities under normal and stressed conditions (wave of buybacks/deaths, see below the liquidity monitoring indicator). The objective is to ensure liquidity in the long-term (monitoring and limiting of annual cash run-off gaps), medium term (so-called "reactivity" ratio described below), and, in case of uncertainty regarding net inflows, short-term (one-week and one-month liquidity, with daily monitoring of redemptions). Temporary liquidity management mechanisms also exist for exceptional circumstances where markets are unavailable (repurchase agreements with collateral in cash or ECB-eligible assets);
- for non-life insurance companies, liquidities or assets with low reactivity are retained, and the share is calculated to respond to a shock to liabilities.

The "reactivity" ratio measures the ability to mobilise current assets of less than two years or variable-rate assets by limiting the impacts in terms of capital loss; it is measured and compared against a threshold set by each life insurance company.

The liquidity monitoring indicator, introduced in 2018, measures the ratio between stressed liquid assets (appreciation of a discount) and a liquidity requirement generated by a 40% buyback rate over a one-year period.

Profile of financial investment portfolio maturities

Note 6.6 to the consolidated financial statements of Crédit Agricole Assurances, which can be found in Part 6 of the Universal Registration Document, contains the bond portfolio maturity schedule (excluding unit-linked contracts).

Breakdown of financial liabilities by contractual maturity

Note 6.23 to the consolidated financial statements of Crédit Agricole Assurances, which can be found in Part 6 of the Universal Registration Document, provides information on the estimated schedule for Crédit Agricole Assurances insurance liabilities (excluding unit-linked policies for which the risk is borne by policyholders).

Financing

As a holding company, Crédit Agricole Assurances is responsible for subsidiary refinancing enabling them to meet their solvency requirements and operational cash needs. It is refinanced through its shareholder Crédit Agricole S.A. and, since 2014, through issuing subordinated debt directly in the market.

The structure of the financing debt and its breakdown by maturity is shown in Note 6.21 to the consolidated financial statements of Crédit Agricole Assurances (Part 6 of the Universal Registration Document).

III. Counterparty risk

Credit risk is the risk of loss due to default by an issuer. For debt securities, this risk translates as a decrease in value.

This section deals only with counterparty risk on financial instruments. Exposure to counterparty risk on reinsurers' receivables is covered in the section on "insurance risk".

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

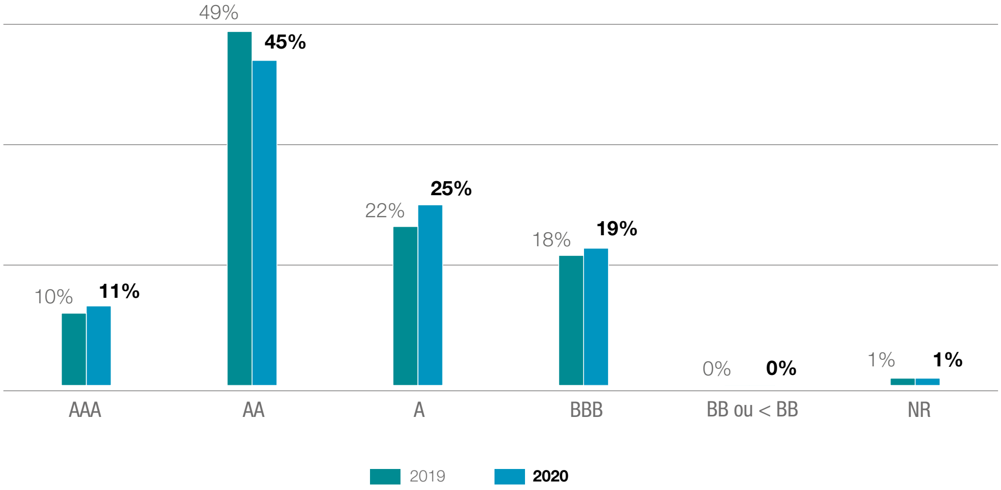
Counterparty risk is contained overall for Crédit Agricole Assurances Group and at portfolio level for each entity on the basis of limits in terms of ratings, issuer and sector concentration.

Hence, aggregate limits are defined to manage the breakdown of issues between rating classes. The rating used is the "Solvency 2" rating corresponding to the second best of the three Standard & Poor's, Moody's and Fitch ratings. The share of "high-yield" issues held directly or indirectly via funds, is subject to strict limits. Only issues with a minimum BB rating are authorised for purchase in mandates. Issuers that have not been rated by an external agency but have an internal Crédit Agricole S.A. rating are selected according to a rigorous process and account for a limited percentage of the portfolio (2.4% at end-December 2020).

The breakdown of the bond portfolio by financial rating makes it possible to assess its credit quality.

Refer to the glossary on page 681 for the definition of technical terms.

The bond portfolio (excluding unit-linked policies and UCITS) by credit rating breaks down as follows:



Concentration in a single issuer (equities and interest rate instruments) may not exceed a given percentage of the global portfolio, which is determined according to issuer type and quality. Furthermore, limiting the relative weighting of the top ten issuers ensures diversification within rating levels A and BBB. Exposure is reviewed quarterly with the Amundi Risk teams and the Risk Management department of Crédit Agricole S.A.

Concentration in sovereign debt and similar is subject to individual limits according to debt-to-GDP ratio and the country's internal credit rating.

The exposure to sovereign debt in Italy, Spain, Portugal and Ireland is subject to authorisations by the Crédit Agricole S.A. Group Risk Committee. Such exposure is concentrated in Italian sovereign debt held by the Italian subsidiary of Crédit Agricole Assurances. The purchase of Greek issuers' debt remains prohibited.

Cash collateral contracts are used to manage counterparty risk for over-the-counter derivatives used by companies to hedge exposure to rate risk on their balance sheets.

IV. Insurance risk

The Crédit Agricole Assurances Group is exposed to insurance risk through the insurance business. Such risk primarily relates to the underwriting, valuation of provisions and reinsurance processes.

Each entity implements an approach in collaboration with all the operating departments concerned, as well as Risk, Compliance, Actuarial functions and Legal Affairs, to manage risks when new insurance products are created or substantial changes are made to the features of an existing product. Products are approved by an ad hoc committee (New Business and New Product Committee).

1. Insurance underwriting risk

Insurance underwriting risk takes different forms depending on the whether the insurance is life or non-life:

Life insurance underwriting risk

Through its Savings, Retirement and Death & Disability activities and life insurance guarantees in respect of its creditor insurance, Crédit Agricole Assurances is exposed to biometric risks (longevity, mortality, incapacity, long-term care and disability risks), loading risk (insufficient loading to cover operating expenses and fees paid to distributors), but most of all to behavioural risk for redemptions (for example, due to an increase in interest rates that reduces the competitiveness of certain investments, a deterioration in trust in Crédit Agricole Group, or a legal development, such as the *Bourquin* amendment to the *Sapin II* law).

Life insurance technical reserves, recognised in the main by French companies, are chiefly constituted from savings denominated in euro or unit-linked (UL) policies. For the majority of UL policies, the risk of fluctuation in the value of the underlying is borne directly by the policyholder. Some policies may include a floor guarantee in the event of the death of the insured, which exposes the insurer to a financial risk determined by the value of the policies' UL and the probability of death of the insured. A specific technical reserve is recognised for this floor guarantee.

In savings, redemption rates are monitored for each life insurance company and compared with the structural redemption rates established on the basis of historic and market data.

In death and disability, creditor insurance and yields, the underwriting policy, which specifies the risks covered, the underwriting conditions (target customers, exclusions) and pricing standards (notably the statistical tables established either from national or international statistics or from experience tables) helps to control risk in this area.

"Catastrophe" risk, related to a mortality shock (e.g. a pandemic) is likely to impact the results for individual or group death & disability insurance. The French life insurance subsidiary benefits from BCAC (*Bureau Commun des Assurances Collectives*) cover, both on group death benefits and individual death and disability benefits, as well as, in part, supplementary cover of disability risk.

Non-life insurance underwriting risk

For property and casualty insurance and non-life benefits included in creditor insurance policies, the underwriting risk can be defined as the risk that the premiums collected are insufficient compared to the claims to be settled. Crédit Agricole Assurances is specifically exposed to frequency risk and exceptional risk, whether originating from a catastrophe risk (particularly climatic) or the occurrence of individual incidents for significant amounts.

For distribution partners, underwriting policy defines the framework for accepting risk (to ensure appropriate selection of risks and the spread within the policy portfolio to optimise technical margins). Formal rules and procedures for pricing are also drawn up.

The ratio of claims paid to premiums earned is compared to targets that are reviewed annually. This claims ratio is the key indicator for monitoring risk and is used to identify priorities for improving the technical result, where necessary.

Concentration risk in non-life insurance relates to an aggregation of liabilities in respect of a single claim, arising from:

- underwriting concentration in which insurance policies are written by one or more Group entities on the same risk;
- claim concentration, where policies are written by one or more Crédit Agricole Assurances Group entities on risks that are different, but liable to be triggered by a single covered event or the same primary cause.

This type of risk is hedged, first, by a policy of diversifying the risks written in a single region and, second, by reinsurance to limit the financial impact of major event (storms, natural disasters, etc.), under a reinsurance policy (see reinsurance risk below) that incorporates this dimension.

2. Provisioning risk

Provisioning risk is the risk of a gap between the provisions set aside and those required to meet liabilities. It may be related to risk valuation (volatility introduced by discount rates, regulatory changes, or new risks for which statistical depth is inadequate, etc.) or a change in risk factors (population ageing, for example, leading to increased long-term care risks or health issues, stricter laws governing professional liability insurance, personal injury compensation, and others).

The objective of the provisioning policy established in each of the companies is to guarantee a prudent assessment of loadings for past and projected claims to ensure a high probability that the accounting provisions set aside will be sufficient to cover the ultimate load.

The methods used to constitute provisions (on a case-by-case basis) for property and casualty insurance, according to the products and benefits affected, are documented and the management rules applied by claims managers are set out in the manuals.

The choice of statistical methodology to calculate accounting provisions (including provisions for late payment) is justified at each reporting date.

The local permanent control plan encompasses control of provisioning policy.

The Statutory Auditors perform an actuarial review of provisions as part of the review of the annual financial statements.

The breakdown of technical reserves relating to life and non-life insurance contracts is presented in Note 6.23 to the Crédit Agricole Assurance consolidated financial statements.

3. Reinsurance risk

Reinsurance risks are of three types:

- inappropriate reinsurance (insufficient cover or, on the other hand, payment of too high a premium, which erodes technical margins and competitiveness);
- risk of a reinsurer defaulting and not being able to pay its share of the claims;
- no or virtually no reinsurance on a given activity or guarantee given (reinsurance offer, amounts that can be covered and the cost of cover, depending on market conditions that are liable to vary significantly).

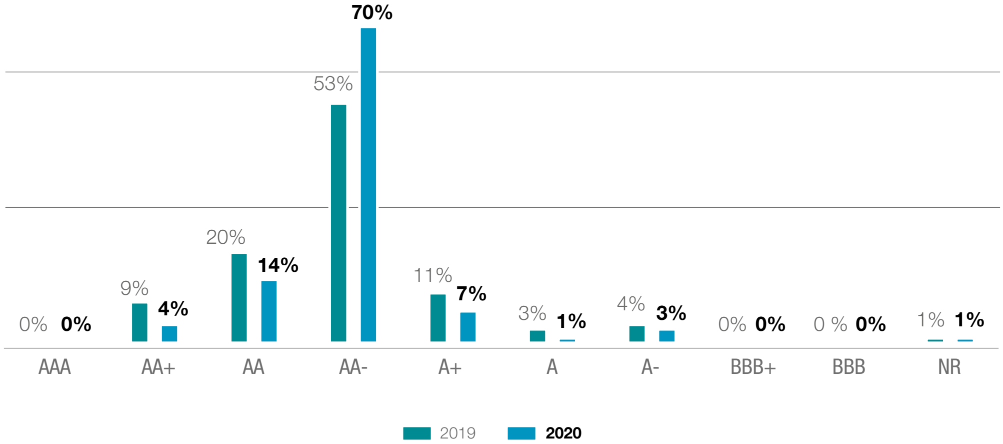
Each company draws up its own reinsurance plan aimed at protecting equity in case of systemic or exceptional events and at limiting volatility in the Company's results, based on the principles of Crédit Agricole Assurances Group's strategy for common and uniform risks limitation, namely:

- selecting reinsurers that meet minimum financial strength criteria, with reinsurers' ratings monitored at the Crédit Agricole Assurances Group level;
- ensuring adequate dispersion of premiums across reinsurers;
- monitoring the adequacy of reinsurance cover relative to the commitments to policyholders and of results on each reinsurance agreement.

The reinsurance plans are reviewed annually by the Board of Directors in each subsidiary.

Net outstandings ceded to reinsurers (ceded reserves and current accounts with reinsurers net of cash deposits received and excluding securities accounts pledged as collateral) totalled €0.9 billion at 31 December 2020.

Their breakdown by reinsurer rating is as follows:



Refer to the glossary on page 681 for the definition of technical terms.

4. Emerging risks

The Risk department is responsible for the ongoing monitoring of insurance risk, in cooperation with other business line departments and the Legal department.

The Risk Monitoring Committee, which meets twice monthly and is attended by all Risk Management and Permanent Controls Officers, is also tasked with anticipating developments in the regulatory and legal environment and identifying emerging risks.

This monitoring comes from many sources (economic research, internal and external analysis, in particular by consulting firms and research published by the French Regulatory and Resolution Supervisory Authority (ACPR), the European regulator – EIOPA, etc.).

V. Operational risk

Operational risk is the risk of loss resulting from shortcomings or failure in internal procedures, human error, information systems or external events. It includes non-compliance risk, legal risk and the risks generated by key outsourced services (PSEE).

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.'s Risk Management 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. The business continuity plan meets Crédit Agricole S.A.'s standards, with the adoption of Crédit Agricole S.A.'s solution for the user fall-back site, and an IT back-up plan based on Crédit Agricole S.A.'s shared IT operating and production site ; it is regularly tested. IT system security is an inherent component of the Group's security policies. A three-year programme of security projects (including accreditation, intrusion tests, and IT system failure scenarios) is being implemented.

A Crédit Agricole Assurances Group-wide general subcontracting policy, describing amongst others the monitoring and control system associated with outsourcing, has been rolled out by Group entities.

VI. Non-compliance risks

Non-compliance risks refer to a potential lack of adherence to rules governing financial activities. These rules may be laws, regulations (Solvency 2, securities regulations, data protection, customer protection, or requirements to combat money laundering and the financing of terrorism, fighting of corruption, etc.), professional or ethics standards, and instructions from the executive body. These risks are identified in the operational risk mapping of each Crédit Agricole Assurances Group entity.

In each entity, the Compliance Officer is responsible for adapting Group procedures issued by Crédit Agricole S.A.'s Compliance department (Fides Corpus) and for developing procedures specific to that business. The Compliance Officer is also responsible for training and for the dedicated control system aimed at controlling these risks, preventing the risk of fraud and limiting potential impacts as an ongoing goal (financial losses, legal, administrative or disciplinary sanctions), while protecting the reputation of the Crédit Agricole Assurances Group. In this respect, the launch of new business activities and the creation of new products, are subject to enhanced security by referral to the New Activities and New Products Committees, established in each entity to review in particular the contractual and marketing documents for products, as well as the training materials and sales aids intended for distributors.

The management and supervision of their compliance system is carried out by the Crédit Agricole Assurances Group Compliance Officer. Coordination for the Insurance business is carried out 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.

The Crédit Agricole Assurances Group has realigned its organisation and its risk management policy to ensure compliance with the Solvency 2 regulation, as detailed in the Corporate governance section of the Crédit Agricole Assurances Universal Registration Document.

VII. Legal risks

Responsibility for legal management, regulatory monitoring and consulting with the various Business line departments lies with the companies' Legal departments. There are currently no governmental, legal or arbitration proceedings (or any proceedings known by the Company, suspended or threatened) that could have or has had, in the previous 12 months, any material effect on the financial position or profitability of the Company and/or of the Crédit Agricole Assurances Group.

To Crédit Agricole Assurances' knowledge, there is no significant litigation to note.

2.8 OPERATIONAL RISKS

Operational risk is the risk of loss resulting from shortcomings or failure in internal procedures, staff, information systems or external events.

It includes legal risk, non-compliance risk, internal and external fraud risk, the model risk and risks generated by the use of outsourced services, including those that are key (*prestations de service essentielles externalisées* – PSEE).

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 Management 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;
- circulation of Crédit Agricole's Group risk tolerance policy implemented in 2015 and incorporating operational risk.

Identification and qualitative assessment of risks through risk mapping

Risk mapping is done annually by the entities and is used by each entity with a validation of the results and associated action plans by the Operational Risk Committee (operational risk unit of the Internal Control Committee) and a presentation to the Risk Committee of the Board of Directors.

This mapping is supplemented by the establishment of risk indicators to monitor the most sensitive processes:

- collection of operational loss data and an early-warning system to report significant incidents, which are consolidated in a database used to measure and monitor the cost of risk.

  The reliability and quality of the data collected are submitted to systematic audits both at the local and central levels;
- the calculation and regulatory reporting of capital for operational risk at the consolidated and entity levels;
- the quarterly production of an operational risk dashboard at entity level, accompanied by a Crédit Agricole Group summary, taking into account the main sources of risks affecting the business lines and associated action plans for major incidents.

Tools

The RCP (Risk Management and Permanent Controls) platform contains the four essential elements of the system (collection of loss data, operational risk mapping, permanent controls and action plans) sharing the same framework and thus making it possible to establish a connection between the risk mapping systems and risk management system (permanent controls, action plans, etc.).

Regarding the IT system component used for the calculation and allocation of regulatory capital, the upgrade plan was continued along with a rationalisation of the databases, enhanced information granularity and the automation of the controls on data taken from COREP's regulatory statements to bring IT into line with best management principles defined by the Basel Committee.

These components are subjected to consolidated verifications at the central level.

The risks associated with key outsourced services are incorporated into each component of the Operational Risk system and are the subject of a specific report, as are the consolidated controls that are centrally communicated. The Crédit Agricole Group system adaptation is currently being finalised in accordance with the EBA guidelines on outsourcing arrangements, published in February 2019 and the outsourced services base should be brought into compliance by 31 December 2021.

II. Methodology

The main entities of Crédit Agricole S.A. use the advanced measurement approach (AMA): Crédit Agricole Corporate and Investment bank, Amundi, LCL, Crédit Agricole Consumer Finance and Agos. 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 69% of the capital requirement for operational risks.

For the entities that use the standardised approach (TSA), the regulatory weighting coefficients used in calculating the capital requirement are those recommended by the Basel Committee (percentage of revenues according to business line).

AMA regulatory capital requirement calculation

The AMA method for calculating capital requirements for operational risk has the following main objectives:

- increase control over the cost of operational risk, and prevent exceptional risks across the various Group entities;
- determine the level of capital needed for the measured risks;
- promote improvements in risk management through the monitoring of action plans.

The systems implemented within the Group aim for compliance with all qualitative criteria (integration of risk measurement into day-to-day management, independence of the Risk function, periodic disclosure of operational risk exposures, etc.) and Basel 3 quantitative criteria (99.9% confidence interval over a one-year period; incorporation of internal data, external data, scenario analyses and factors reflecting the operating environment; incorporation of risk factors that influence the statistical distribution, etc.).

The AMA model for calculating capital requirements is based on a unique actuarial model called the **Loss Distribution Approach**.

Internal factors (change in the entity's risk profile) are considered according to:

- changes within the entity (organisational, new business activities, etc.);
- changes in risk mapping;
- an analysis of the history of internal losses and the quality of the risk management system, in particular via the permanent controls system.

For external factors, the Group uses:

- the ORX Insight external consortium database to monitor incidents recorded in other institutions;
- the SAS OpRisk and ORX News external public databases for:
  - raising awareness among the entities of the main risks that have impacted other institutions,
  - assisting experts in the valuation of the main Group vulnerabilities (key scenarios).

Refer to the glossary on page 681 for the definition of technical terms.

The model was designed and developed according to the following principles:

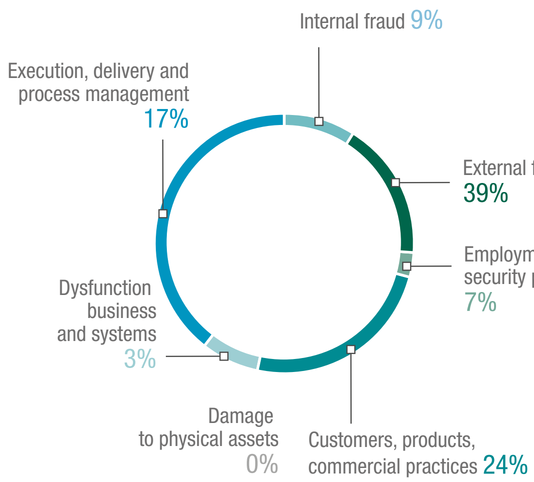
- it must form an integral part of the risk policy;
- it must be pragmatic, *i.e.* the methodology must be applicable to real operating conditions;
- it must have educational value, in order to be endorsed by Executive Management and the business lines;
- it must be robust, *i.e.* it must be able to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

An annual committee for back-testing the Advanced Measurement Approach (AMA) model analyses the model's sensitivity to changes in the risk profile of the entities. Every year, this committee identifies areas where improvements are possible, and draws up corresponding action plans.

The operational risk system and methodology have been subject to external audits by the ECB in 2015, 2016 and 2017. These missions made it possible to note the Group's progress, but also to complete the prudential approach relating to emerging risks (cyber risk, compliance/conduct risk).

III. Exposure

Breakdown of operational losses by Basel risk category (2018 to 2020)

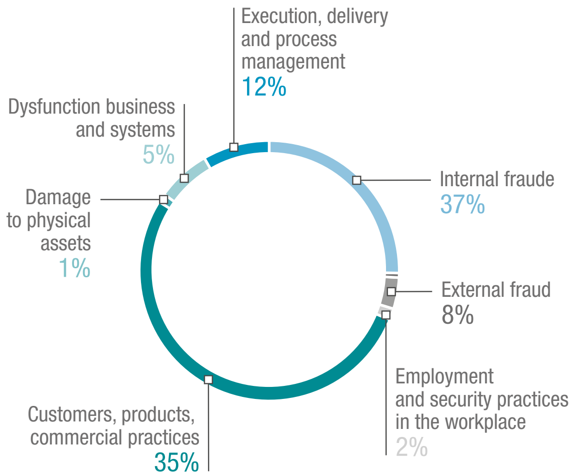


Generally, the exposure profile in terms of the operational risks identified over the last three years reflects the principal activities at Crédit Agricole S.A.:

- an exposure to external fraud that remains significant, mainly in connection with credit boundary operational risk (document fraud, fraudulent invoices, etc., as well as one-off defaults in 2020 associated with suspected fraudulent bankruptcies) and payment instruments fraud (bank cards, fraudulent transfers);
- execution and delivery risks, process management risks due to processing errors (absent or incomplete legal documentation, collateral management, litigation with suppliers, input errors, etc.);
- exposure to the Customer category, notably marked by the decision of the Dutch mediator regarding the conditions for the review of the interest rates of revolving loans marketed by Crédit Agricole Consumer Finance Nederland BV.;
- to be noted in 2020, the rise in the share of the Internal Fraud category due to one-off incidents, and in the Employment and Safety Practices category due to additional costs connected to the COVID-19 health crisis (health protection kits, cancellation of travelling and events).

Remedial and preventive action plans at local or Group level were introduced to reduce the exposure of Crédit Agricole S.A. 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 Management Committee.

Breakdown of risk-weighted assets by Basel risk category (2020)



IV. Insurance and coverage of operational risks

Crédit Agricole S.A. 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. 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 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.

Insurance policies for operating losses, fraud and securities risks, Group professional liability, and civil liability for Executives and Non-Executive Corporate Officers were renewed in 2020.

"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 are pooled within Crédit Agricole S.A., ultimately through its captive insurance subsidiary (Crédit Agricole Risk Insurance) and represent around 7% of all Group insurance programmes.

2.9 DEVELOPMENTS IN LEGAL RISKS

The main legal and tax proceedings outstanding at Crédit Agricole S.A. and its fully consolidated subsidiaries are described in the 2019 management report.

The cases presented below are (i) those that have evolved since 25 March 2020, the date on which Registration Document n° D.20-0168 was filed with the AMF and (ii) the pending cases which have not evolved since that date.

Any legal risks outstanding at 31 December 2020 that could have a negative impact on the Group's net assets have been covered by adequate provisions, which correspond to Executive Management's best estimates, based on the information available to it, see Note 6.18 of Financial statements.

To date, to the best of Crédit Agricole S.A.'s knowledge, there is no other governmental, judiciary or arbitration proceeding (or any proceeding known by the Company, in abeyance or that threatens it) that could have or has had, in the previous 12 months, any substantial effect on the financial situation or the profitability of the Company and/or the Group.

Litigation and exceptional events

Strauss/Wolf/Faudem

US citizens and members of their families who were victims of terrorist attacks attributed to Hamas and committed in Israel between 2001 and 2004 have brought proceedings against Crédit Lyonnais and another bank before a New York court.

They claim that these banks gave support to terrorists as they each kept an account opened (in 1990 in the case of Crédit Lyonnais) by a charity providing aid to Palestinians. The plaintiffs allege that the account was used to transfer funds to Palestinian entities accused of financing Hamas. The plaintiffs, who have not put a figure on the damages they have suffered, are claiming compensation for "injury, anguish and emotional pain".

As the matter and the proceedings currently stand, the plaintiffs have not provided proof that the charity was actually linked to terrorists, nor that Crédit Lyonnais was aware that its customer could have been involved (if it were to be proven) in financing terrorism. The Court nonetheless demanded that this be demonstrated by the plaintiffs if they are to win their case. Crédit Lyonnais vigorously denies the plaintiffs' allegations.

Under a ruling made on 28 February 2013, the judge issued a Summary Judgement referring Crédit Lyonnais and the plaintiffs to a jury trial on the merits.

In February 2018, Crédit Lyonnais filed a new motion for summary judgement based on recent case law so that the plaintiffs' claims can be dismissed without such a jury trial.

In January 2019 the plaintiffs tried to modify their briefs in order to add new plaintiffs before their action was time-barred. The judge refused the request and two new actions (Fisher and Miller) were filed in the same court as the one in charge of the Strauss/Wolf proceedings. They are similar to the pending actions, their legal analysis is identical and their result will depend on the outcome of the motion for summary judgement filed by Crédit Lyonnais in February 2018. From a procedural standpoint, they will remain suspended until then.

On 31 March 2019 the court upheld in its entirety the "motion for summary judgment" filed by Crédit Lyonnais in February 2018. It considered that no reasonable jury could find in favour of the plaintiffs and dismissed all their claims. The plaintiffs appealed against this decision.

CIE case (Cheque Image Exchange)

In March 2008, LCL and Crédit Agricole S.A. and ten other banks were served notice of grievances on behalf of France's Competition Council (*Conseil de la concurrence*) (now the French Competition Authority – *Autorité de la concurrence*).

They are accused of colluding to implement and apply interchange fees for cashing cheques, since the passage of the Cheque Image Exchange system, *i.e.* between 2002 and 2007. In the opinion of the French Competition Authority, these fees constitute anti-competitive price agreements within the meaning of Articles 81 paragraph 1 of the treaty establishing the European Community and Article L. 420-1 of the French Commercial Code, and allegedly caused damage to the economy.

In their defences, the banks categorically refuted the anticompetitiveness of the fees and contested the legality of the proceedings.

In a decision published on 20 September 2010, the *Autorité de la concurrence* stated that the Cheque Image Exchange fee (CEIC) was anti-competitive by its very aim and that it artificially increased the costs borne by remitting banks, which resulted in an unfavourable impact on the prices of banking services. Concerning one of the fees for related services, the fee for cancellation of wrongly cleared transactions (AOCT), the *Autorité de la concurrence* called on the banks to revise their amount within six months of the decision notification.

The accused banks were sanctioned for a total amount of €384.92 million.

LCL and Crédit Agricole were respectively sentenced to pay €20.7 million and €82.1 million for the CEIC and €0.2 million and €0.8 million for the AOCT.

All of the banks appealed the decision to the Paris Court of Appeal. By a decree of 23 February 2012, the Court overruled the decision, stating that the *Autorité de la concurrence* had not proven the existence of competition restrictions establishing the agreement as having an anti-competitive purpose.

The *Autorité de la Concurrence* filed an appeal with the Supreme Court on 23 March 2012.

On 14 April 2015, the French Supreme Court (*Cour de cassation*) overruled the Paris Court of Appeal's decision dated 23 February 2012 and remanded the case to the Paris Court of Appeal with a change in the composition of the Court on the sole ground that the Paris Court of Appeal declared the UFC-Que Choisir and ADUMPE's interventions in the proceedings devoid of purpose without having considered their arguments.

The Supreme Court did not rule on the merits of the case and Crédit Agricole has brought the case before the Paris Court of Appeal.

The Paris Court of Appeal issued a decree on on 21 December 2017. It confirmed the decision of the *Autorité de la concurrence* dated 20 September 2010 but reduced from €82,940,000 to €76,560,000 the sanction on Crédit Agricole. LCL's sanction remained unchanged, at an amount of €20,930,000.

As well as the other banks parties to this procedure, LCL and Crédit Agricole filed an appeal with the Supreme Court.

On 29 January 2020, the French Supreme Court *(Cour de cassation)* overruled the Paris Court of Appeal's decision dated 21 December 2017 and referred the case to the same Court with a different composition on the ground that the Paris Court of Appeal had not characterized the existence of restrictions of competition by object.

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.

Refer to the glossary on page 681 for the definition of technical terms.

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 in the 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 October 19, 2018, the two deferred prosecution agreements with USAO and DANY ended at the end of the three year period, Crédit Agricole CIB having complied with all its obligations under the DPAs.

Crédit Agricole continues to strengthen its internal procedures and its compliance programs regarding laws on international sanctions and will continue to cooperate fully with the US and New York authorities, with its home regulators, the European Central bank and the French Regulatory and Resolution Supervisory Authority (ACPR), and with the other regulators across its worldwide network.

Pursuant to the agreements with NYDFS and the US Federal Reserve, Crédit Agricole's compliance program is subject to regular reviews to evaluate its effectiveness, including a review by an independent consultant appointed by NYDFS for a term of one year and annual reviews by an independent consultant approved by the Federal Reserve.

Euribor/Libor and other indices

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into: (i) the calculation of the Libor (London Interbank Offered Rates) in a number of currencies, the Euribor (Euro Interbank Offered Rate) and certain other market indices; and (ii) transactions connected with these rates and indices. These demands covered several periods from 2005 to 2012.

As part of its cooperation with the authorities, Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB carried out investigations in order to gather the information requested by the various authorities and in particular the American authorities – the DOJ (Department of Justice) and CFTC (Commodity Future Trading Commission) – with which they are in discussions. It is currently not possible to know the outcome of these discussions, nor the date when they will be concluded.

Furthermore, Crédit Agricole CIB is currently under investigation opened by the Attorney General of the State of Florida on both the Libor and the Euribor.

Following its investigation and an unsuccessful settlement procedure, on 21 May 2014, the European Commission sent a statement of objection to Crédit Agricole S.A. and to Crédit Agricole CIB pertaining to agreements or concerted practices for the purpose and/or effect of preventing, restricting or distorting competition in derivatives related to the Euribor.

In a decision dated 7 December 2016, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €114,654,000 for participating in a cartel in euro interest rate derivatives. Crédit Agricole S.A. and Crédit Agricole CIB are challenging the decision and have asked the European Court of Justice to overturn it.

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 under which Crédit Agricole S.A. agreed to pay a penalty of CHF4,465,701 and proceedings costs amounting to 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 indices. The investigation into certain foreign exchange derivatives (ABS-NDF) has been closed by the KFTC according to a decision notified to Crédit Agricole CIB on 20 December 2018.

Concerning the two class actions in the United States of America in which Crédit Agricole S.A. and Crédit Agricole CIB have been named since 2012 and 2013 along with other financial institutions, both as defendants in one ("Sullivan" for the Euribor) and only Crédit Agricole S.A. as defendant for the other ("Lieberman" for Libor), the "Lieberman" class action is at the preliminary stage that consists in the examination of its admissibility; proceedings are still suspended before the US District Court of New York State. Concerning the "Sullivan" class action, Crédit Agricole S.A. and Crédit Agricole CIB introduced a motion to dismiss the applicants' claim. The US District Court of New York State upheld the motion to dismiss regarding Crédit Agricole S.A. and Crédit Agricole CIB in first instance. On 14 June 2019, the plaintiffs appealed the decision.

Since 1 July 2016, Crédit Agricole S.A. and Crédit Agricole CIB, together with other banks, are also party to a new class action suit in the United States ("Frontpoint") relating to the SIBOR (Singapore Interbank Offered Rate) and SOR (Singapore Swap Offer Rate) indices. After having granted a first motion to dismiss filed by Crédit Agricole S.A. and Crédit Agricole CIB, the New York Federal District Court, ruling on a new request by the plaintiffs, excluded Crédit Agricole S.A. from the Frontpoint case on the grounds that it had not contributed to the relevant indexes. The Court considered, however, taking into account recent developments in case law, that its jurisdiction could apply to Crédit Agricole CIB, as well as to all the banks that are members of the SIBOR index panel. The allegations contained in the complaint regarding the Sibor/USD index and the SOR index were also rejected by the court, therefore the index Sibor/Singapore dollar alone is still taken into account. On 26 December, the plaintiffs filed a new complaint aimed at reintroducing into the scope of the Frontpoint case the alleged manipulations of the Sibor and SOR indices that affected the transactions in US dollars. Crédit Agricole CIB, alongside the other defendants, objected to this new complaint at the hearing held on 2 May 2019 before the New York Federal District Court. On July 26, 2019, the Federal Court granted the defendants' motion to dismiss. The plaintiffs filed a notice of appeal on August 26, 2019.

These class actions are civil actions in which the plaintiffs claim that they are victims of the methods used to set the Euribor, Libor, Sibor and SOR rates, and seek repayment of the sums they allege were unlawfully received, as well as damages and reimbursement of costs and fees paid.

Banque Saudi Fransi

Crédit Agricole Corporate Investment Bank (Crédit Agricole CIB) had received in 2018 a request for arbitration submitted by Banque Saudi Fransi (BSF) before the International Chamber of Commerce (ICC). The dispute related to the performance of a technical services agreement between BSF and Crédit Agricole CIB that is no longer in force. BSF had quantified its claim at SAR 1,023,523,357, the equivalent of about €242 million. Crédit Agricole CIB and BSF have entered into an agreement effectively ending the ICC arbitration proceedings. This agreement has no significant impact on Crédit Agricole CIB's Financial Statements.

Bonds SSA

Several regulators requested information to Crédit Agricole S.A. and to Crédit Agricole CIB for investigations relating to the activities of different banks involved in the secondary trading of Bonds SSA (Supranational, Sub-Sovereign and Agencies) denominated in American dollars. Through the cooperation with these regulators, Crédit Agricole CIB proceeded to internal inquiries to gather the required information available. On 20 December 2018, the European Commission issued a Statement of Objections to a number of banks including Crédit Agricole S.A. and Crédit Agricole CIB within its inquiry on a possible infringement of rules of European Competition law in the secondary trading of Bonds SSA denominated in American dollars. Crédit Agricole S.A. and Crédit Agricole CIB became aware of these objections and issued a response on 29 March 2019, followed by an oral hearing on 10-11 July 2019.

Crédit Agricole CIB was included with other banks in a putative consolidated class action before the United States District Court for the Southern District of New York. That action was dismissed on 29 August 2018 on the basis that the plaintiffs failed to allege an injury sufficient to give them standing. However, the plaintiffs were given an opportunity to attempt to remedy that defect. The plaintiffs filed an amended complaint on 7 November 2018. Crédit Agricole CIB as well as the other defendants filed motions to dismiss the amended complaint. An order issued on 30 September 2019 dismissed the class action against Crédit Agricole CIB for lack of jurisdiction and, in a subsequent ruling, the Court held that the plaintiffs had in any event failed to state a claim for violation of US antitrust law. In June 2020, the plaintiffs have taken an appeal from both of the Court's orders.

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 action has been filed before the Federal Court of Canada. The action in the Ontario Superior Court of Justice was dismissed on 19 February 2020.

It is not possible at this stage to predict the outcome of these investigations, proceedings or class actions or the date on which they will end.

O'Sullivan and Tavera

On 9 November 2017, a group of individuals (or their families or estates), who claimed to have been injured or killed in attacks in Iraq, filed a complaint ("O'Sullivan I") against several banks, including Crédit Agricole S.A., and its subsidiary Crédit Agricole Corporate Investment Bank (Crédit Agricole CIB), in US District Court for the District of New York.

On December 29, 2018, the same group of individuals, together with 57 new plaintiffs, filed a separate action ("O'Sullivan II") against the same defendants.

On 21 December 2018, a different group of individuals filed a complaint ("Tavera") against the same defendants.

All three complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants conspired with Iran and its agents to violate US sanctions and engage in transactions with Iranian entities in violation of the US Anti-Terrorism Act and the Justice Against Sponsors of Terrorism Act. Specifically, the complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants processed US dollar transactions on behalf of Iran and Iranian entities in violation of sanctions administered by the US Treasury Department's Office of Foreign Assets Control, which allegedly enabled Iran to fund terrorist organisations that, as is alleged, attacked plaintiffs. The plaintiffs are seeking an unspecified amount of compensatory damages.

On 2 March 2018, Crédit Agricole CIB and other defendants filed a motion to dismiss the O'Sullivan I complaint. On 28 March 2019, the Court granted defendants' motion to dismiss. On 22 April 2019, the plaintiffs filed a motion to amend their complaint. Defendants submitted an opposition to that motion on 20 May 2019 and plaintiffs filed a reply on 10 June 2019. On 25 February 2020 the plaintiffs' motion to amend their complaint was denied and their original complaint dismissed with prejudice.

On 28 May 2020, plaintiffs filed a motion requesting that the court enter a final judgment against defendants to allow an appeal. On 11 June 2020, the defendants filed an opposition to plaintiffs' motion, and plaintiffs filed a reply brief on 18 June 2020. The court has not yet decided the motion.

Italian Competition Authority

On 5 October 2018, Crédit Agricole Consumer Finance S.A. ("CACF") and its subsidiary FCA Bank S.p.A. owned at 50% received – together with several other banks and certain car manufacturers – a statement of objections from the *Autorità Garante della Concorrenza e del Mercato* (Italian Competition Authority).

It was alleged in this statement of objections that several banks offering financing solutions for vehicles commercialised by certain car manufacturers have restricted competition as a result of information, in particular within two professional associations.

In a decision notified on 9 January 2019 the *Autorità Garante della Concorrenza e del Mercato* considered that FCA Bank S.p.A. had participated in this alleged infringement and this infringement was also attributable to CACF.

FCA Bank S.p.A. was fined €178.9 million. FCA Bank S.p.A. and CACF appealed against this decision before the Administrative Regional Court (TAR) of Lazio. On 4 April 2019, the TAR of Lazio issued an interim relief order staying the execution of the obligation to pay the fine imposed on FCA Bank S.p.A. subject to the provision by FCA Bank S.p.A. of a guarantee covering the amount of the fine.

On 24 November 2020 the TAR of Lazio annuled the decision of the *Autorità Garante della Concorrenza e del Mercato*. On 23 December 2020 the *Autorità Garante della Concorrenza e del Mercato* appealed against this decision before the Italian Counsil of State.

Intercontinental Exchange, Inc. ("ICE")

On 15 January 2019 a class action ("Putnam bank") was filed in a federal court in New York (US District Court for the Southern District of New York) against the Intercontinental Exchange, Inc. ("ICE") and a number of banks, including Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Securities-USA. The action has been filed by plaintiffs who allege that they have invested in financial instruments indexed to the USD ICE LIBOR. They accuse the banks of having collusively set the index USD ICE Libor at artificially low levels since February 2014 and thus made illegal profits.

On 31 January 2019 a similar action ("Livonia") has been filed before the US District Court Southern District of New York, against a number of banks including Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Securities-USA. On 1 February 2019, the two class actions were consolidated for pre-trial purposes.

On 4 March 2019 a third class action ("Hawaii Sheet Metal Workers Retirement Funds") was filed against the same banks in the same court and consolidated with the two previous actions on 26 April 2019. On 1 July 2019, the plaintiffs filed a "Consolidated Class Action Complaint".

On 30 August 2019, the Defendants filed a motion to dismiss against this consolidated complaint.

Refer to the glossary on page 681 for the definition of technical terms.

On 26 March 2020, a judgment granted the Defendants Motion to Dismiss. On April 24, 2020, the plaintiffs filed a notice of appeal.

On November 30, 2020, during briefing of the appeal, Plaintiffs' lawyers informed Defendants that all of the named Plaintiffs wished to withdraw from the case and, on December 1, 2020, Plaintiffs' counsel filed the motion to stay the appeal, which Defendants opposed. The court denied the motion on December 7, 2020 and Plaintiffs filed their reply brief on December 15, 2020.

On 28 December 2020, DYJ Holdings Inc. filed a motion for leave to intervene to replace the currents named plaintiffs. On January 7, 2020, Defendants filed a brief in opposition to DYJ Holdings' motion and also filed a motion to dismiss the appeal.

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 SA, and its subsidiaries are the subject of borrowers' claims relating to the criteria for revising these rates and possible overpayments of interests.

On 21 January 2019, in two individual cases concerning two subsidiaries of Crédit Agricole Consumer Finance Nederland B.V., the Appeals Committee of the 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.

CACEIS Germany

CACEIS Germany has 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 amounts to €312 million. It is accompanied by a demand for the payment of €148 million of interest (calculated at the rate of 6% per annum).

CACEIS Germany strongly contests the challenge this claim that it finds to be totally unfounded. CACEIS Germany filed an appeal against it and requested a stay of enforcement of the payment obligation pending a final decision on the substance.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 appealed against the decision to reject. The rejection being enforceable, the sum of €312 million was paid by CACEIS which, given the ongoing appeal proceedings, recorded a claim for an equivalent amount in its accounts.

Amundi – AMF procedure

Following a special enquiry conducted between 2017 and 2019, the *Autorité des Marchés Financiers* ("AMF"), the French regulatory body, notified Amundi of various complaints on June 12th 2020. These grievances relate to a number of transactions executed in 2014 and 2015 by two employees of Amundi, and will be reviewed by the Rapporteur appointed by the AMF Enforcement Committee for the examination of the case. Amundi fully cooperates with the regulatory authority to address this issue. As of today, no sanction has been imposed on Amundi.

Possible dependencies

Crédit Agricole S.A. does not depend on any industrial, commercial or financial patent, license or contract.

2.10 NON-COMPLIANCE RISKS

Compliance is defined as a set of rules and initiatives aimed at ensuring **compliance with all laws and regulations** specific to banking and financial activities, **professional and ethics standards and practices**, the fundamental principles set out in the Group's **code of ethics** and the instructions, **codes of conduct** and procedures internal to Group entities in relation to the areas covered by Compliance. These include in particular, client protection, compliance with financial market integrity, the fight against money laundering and terrorist financing, compliance with international sanctions (embargoes, asset freezes, etc.), prevention of internal and external fraud, the fight against corruption and the exercise of whistleblowing rights, respect for the integrity of financial markets, customer protection, tax compliance rules and the protection of personal data.

In addition to meeting regulatory requirements and the expectations of all its stakeholders (customers, members, shareholders, employees), the Crédit Agricole Group has the objective of **making Compliance a differentiating asset in the service of customer satisfaction, development and sustainable performance**. To this end, the Compliance department has launched its Smart Compliance strategic road map, aimed at giving the Compliance function, which is now organised and structured, a **more operational mandate in terms of serving the departments** and entities, **while maintaining its key control role**. The vision of Smart Compliance has two thrusts, a defensive thrust aimed at protecting the Group from regulatory and image risk, and an offensive thrust whereby all internal stakeholders, from back office to front office, commit to providing customers with quality and loyalty. Three vectors contribute to the success of this approach: an organisation and governance vector, in the broadest sense, including communication, a "Human" vector, which includes making employees accountable and providing them with training opportunities and, lastly, a vector that leverages innovation, technology and data use for the benefit of Compliance.

The Crédit Agricole Group has defined and implemented an updated, adequate and proportionate **non-compliance risk management system** that involves all Group stakeholders (employees, management, control functions including Compliance). This system is based in particular on organisations, procedures, information systems or tools used to identify, assess, monitor and control these risks and to determine the necessary action plans. A dedicated monitoring plan that enables to ensure that these risks are controlled and that their impact in terms of financial losses, or legal, administrative or disciplinary sanctions, is minimised, with the ongoing goal to preserve the Group's reputation. Regular reports on the system are provided to the governance bodies of the entities and the Group.

The system is structured and deployed by the Crédit Agricole Group's Compliance business line. It is placed under the authority of the Group Head of Compliance, who reports directly to the Chief Executive Officer of Crédit Agricole S.A. To develop **integration of the sector and guarantee 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. A functional coordination link was also implemented with the Regional Banks, either at Compliance Control Officer (CCO) level, when he or she reports directly to the entity's Executive Management, or at Risk Management level when Compliance falls within its scope. At end-2020, these positions were held by 1,700 full-time equivalent employees within Crédit Agricole S.A., its subsidiaries and the Regional Banks.

The Group Compliance department (*Direction de la conformité* – DDC) of Crédit Agricole S.A. is responsible for developing **Group policies** with respect to observance of laws and regulations and ensures they are properly disseminated and applied. To this end, it has **teams specialised by area of expertise**: financial market compliance, customer protection, financial security, fraud and corruption. A project team is also dedicated to managing the deployment of all commitments made by the Crédit Agricole Group under the OFAC remediation plan (see below). As part of the entry into force of the European General Data Protection Regulation (GDPR), the Group Data Protection Officer (DPO) reports directly to the Head of Group Compliance and is in charge of managing the **DPO division of Crédit Agricole**.

The DDC also **leads and supervises the Compliance division**. The control of non-compliance risks is in particular based on a system that integrates permanent indicators and controls deployed within the entities. GDC therefore provides Group-level supervision (including analyses of compliance failures).

The 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 two months. It makes the decisions required to prevent non-compliance risks and to implement and monitor corrective measures following the reporting of irregularities to the Committee. Non-compliance risks and the decisions taken to control them are regularly presented to the Risk Committee of the Board of Directors and the Board of Directors of Crédit Agricole S.A.

The system for controlling non-compliance risks is based primarily on the dissemination of a solid **culture of ethics and compliance** among all Group employees and managers. The culture of ethics and compliance, underpinned by the Group's **Code of ethics,** is common to all Group entities and promotes the Group's values of customer focus, accountability and solidarity. The spreading of this culture of ethics also relies on **awareness-raising and training activities** with regard to the challenges and risks of non-compliance that strongly mobilise the Compliance department, and more broadly all Group stakeholders: employees, managers and Board members. 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, the fight against money laundering and the prevention of terrorist financing, as well as international sanctions.

In an extension of the Code of ethics, the entities have a **Code of Conduct**, which disseminates the principles of the Code of Ethics at an operational level. The Code of Conduct applies to everybody – Board members, executive officers and employees of the entity, regardless of their situation and function. The Code of Conduct is designed to guide everyone's actions, decisions and behaviour on a daily basis by incorporating behavioural rules to deal with ethical issues that anyone might encounter during their professional and non-professional assignments. 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.

The system also has a **whistleblowing** procedure whereby employees are able to notify the entity's Compliance Officer if they observe an irregularity in the usual process of reporting non-compliance or if they feel pressured to do something that would constitute non-compliance, without going through their direct superior. By launching a **new computer platform**, Crédit Agricole Group has demonstrated its support for employees who want to use the whistleblowing mechanism securely. The tool 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. The deployment of the new computer system was completed in 2020 across the entire Crédit Agricole Group scope and covers more than 300 entities. At this stage, one hundred or so alerts have been reported and processed through the new system, which also covers events falling within the scope of the Group's duty of vigilance.

Customer protection is a top priority for the Crédit Agricole Group and is fully aligned with the "Relationship Excellence" and "Social Engagement" components of the 2022 Group Project. In 2020 the Crédit Agricole Group furthered its action within a continuous improvement approach. Accordingly, the banking inclusion mechanism of the Crédit Agricole Group was strengthened to better detect financially vulnerable clients and provide them specific assistance to prevent them from falling into insecurity or to help them recover.

The Group put **"product" governance** at the centre of its measures for achieving relationship excellence, turning it into a major instrument for loyalty and transparency of the offers and services provided to customers, through and with the development of customer focus. To achieve this, complaints monitoring is central to the system.

Due to stricter legal obligations in respect of the **fight against corruption**, in 2018 Crédit Agricole launched the necessary actions to strengthen its systems and implement the recommendations of the French anti-corruption authority (*Agence française anticorruption*). Accordingly, the Group updated its processes and operating procedures by defining an appropriate governance, setting up an Anti-corruption Code to redesign its training programme and raise awareness among all its employees to emphasise the appropriate behaviour to avoid breach of integrity. Crédit Agricole is therefore one of the first French banks to obtain ISO 37001 certification for its anti-corruption management system. This certification was renewed in 2019.

Fraud prevention is designed to protect the Bank's interests and to safeguard customers. The fraud prevention system has been deployed in all Crédit Agricole Group entities since 2018. An organisation with a Compliance/Fraud and Corruption Prevention business line is in place. Tools have been deployed to combat fraud in means of payment and fraudulent transfers. Governance was also strengthened at the entity level with greater management involvement. Action has been taken to update the training tools made available to entities in 2018. In 2020, the COVID-19 health crisis and the disruption that it caused was an opportunity for various types of fraudsters, in particular for organised criminal groups. Crédit Agricole Group immediately addressed this issue from all angles and across all sectors. Steps of action were taken and are continuously updated to protect the bank's clients.

Controlling risks related to financial security requirements, and in particular international sanctions, is a high priority for the Group. They are part of a major project to strengthen the international sanctions management system, the **OFAC remediation plan**, as a result of agreements signed with the American authorities on 19 October 2015 following breaches of the "OFAC Sanctions" regime for USD transactions between 2003 and 2008. This remediation plan was approved by the Fed on 24 April 2017 and is subject to close monitoring and regular reporting to the Group's governance and the US authorities. Criminal proceedings against Crédit Agricole Corporate and Investment bank were terminated on 19 October 2018. Crédit Agricole Corporate and Investment bank, like the entire Crédit Agricole Group, remains fully committed to ensuring the success of the Group's OFAC programme vis-à-vis the Fed by April 2021. Application of the civil component of the agreements continues, with work under way throughout the entire Crédit Agricole Group. In 2020 major milestones in the development of the plan were achieved: all Group entities reviewed, and where necessary updated, their customer data required to identify any potential risk related to international sanctions. The projects for the centralisation of the platforms managed by the Group, the screening of payment flows and the names of customers, suppliers and other third parties were completed. Accordingly, thanks to this work, over 63 million customers are now screened on these Group platforms. Lastly, the control system for international trade finance activities was strengthened and automated.

Refer to the glossary on page 681 for the definition of technical terms.

Customer knowledge and anti-money laundering and terrorist financing prevention systems are the subject of ongoing action plans to take into account changes in risks, regulatory requirements and supervisory authorities. In accordance with the roadmap, 2020 saw the setting up of new periodical review of KYC standards KYC and the implementation of a comprehensive assistance programme for entities which will be rolled out from the beginning of 2021. The aim is to have a review process covering all Group entities and all customer segments. The operational implementation will be backed by indicators designed to ensure regular monitoring and steering. In addition, the reliability of customer databases continues to be improved in order to ensure the quality of essential identity data and allow effective screening of these databases. This project must also improve the level of customer knowledge over the long term to make it a loyalty factor and prevent and detect risks, especially money-laundering and terrorist financing. Lastly, and thanks to the work on standardisation, in 2020 the Group launched an initiative aimed at strengthening the sharing of KYC. Several tests were launched in 2020 and will gradually be generalised. The roadmap for 2021 is fully in line with the initiatives conducted in previous years: continuing to improve the quality of onboarding, pursue the initiative aimed at improving data reliability to ensure remediation over the long term, managing and monitoring periodical KYC reviews, increase the sharing of KYC information across Group entities and, lastly, providing assistance to the entities in their works to include KYC in all the commercial actions of account mangers.

Lastly, in 2020 the Group consolidated its programme related to the European **General Data Protection Regulation** (GDPR). The programme deployed in 2018 in compliance with the new requirements was scaled up and adjusted appropriately, while Privacy by Design was incorporated as part of the Group's data and project governance.

3. PILLAR 3 DISCLOSURES

Key metrics at Crédit Agricole S.A. level (KM1)

Phased-in Key metrics at group level – Crédit Agricole S.A. (KM1) *(in millions of euros)*		31/12/2020
	Available own funds *(amounts)*	
1	Common Equity Tier 1 (CET1) capital	44,180
2	Tier 1 capital	50,027
3	Total capital	64,489
	Risk-weighted exposure amounts	
4	Total risk-weighted exposure amount	336,044
	Capital ratios *(as a percentage of risk-weighted exposure amount)*	
5	Common Equity Tier 1 ratio *(%)*	13.1%
6	Tier 1 ratio *(%)*	14.9%
7	Total capital ratio *(%)*	19.2%
	Additional own funds requirements based on SREP *(as a percentage of risk-weighted exposure amount)*	
EU 7a	Additional CET1 SREP requirements *(%)*	0.8%
EU 7b	Additional AT1 SREP requirements *(%)*	0.3%
EU 7c	Additional T2 SREP requirements *(%)*	0.4%
EU 7d	Total SREP own funds requirements *(%)*	9.5%
	Combined buffer requirement *(as a percentage of risk-weighted exposure amount)*	
8	Capital conservation buffer *(%)*	2.5%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State *(%)*	0.0%
9	Institution specific countercyclical capital buffer *(%)*	0.0%
EU 9a	Systemic risk buffer *(%)*	
10	Global Systemically Important Institution buffer *(%)*	
EU 10a	Other Systemically Important Institution buffer	0.0%
11	Combined buffer requirement *(%)*	2.5%
EU 11a	Overall capital requirements *(%)*	12.0%
	Leverage ratio	
13	Leverage ratio total exposure measure	1,018,588
14	Leverage ratio	4.9%
	Liquidity Coverage Ratio	
15	Total high-quality liquid assets (HQLA) (weighted value – average)	283,133
16	Total net cash outflows (adjusted value)	191,032
17	Liquidity coverage ratio *(%)*	148.2%

3.1 COMPOSITION AND MANAGEMENT OF CAPITAL

Within the framework of Basel 3 agreements, (EU) regulation No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (the Capital Requirements Regulation, or "CRR") modified 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 exposure levels of Crédit Agricole S.A. 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 part "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.

Crédit Agricole S.A. 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 Crédit Agricole S.A.'s own funds and to verify that they are sufficient to cover the risks to which Crédit Agricole S.A. 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 main 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 part 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 leverage and resolution ratios (MREL & TLAC) on behalf of Crédit Agricole Group.

Refer to the glossary on page 681 for the definition of technical terms.

Lastly, the solvency and resolution ratios are an integral part of the risk appetite framework applied within Crédit Agricole Group (described in the chapter on "Risk Factors and 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 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 entered into force 20 days after their publication, *i.e.* on 27 June 2019 (although not all the provisions are immediately applicable). The CRD 5 and BRRD2 directives were both transposed into French law on 21 December 2020 by Decrees 2020-1635 and 2020-1636 and came into force seven days after their publication, *i.e.,* on 28 December 2020.

Regulation 2020/873, known as "Quick-Fix", was published on 26 June 2020 and came into force on 27 June 2020, amending Regulations 575/2013 ("CRR") and 2019/876 ("CRR2").

Under the CRR2/CRD 5 regime, four levels of capital requirements are calculated:

- the Common Equity Tier 1 (CET1) ratio;
- the Tier 1 ratio;
- the total capital ratio;
- the leverage ratio (which is to become a Pillar 1 regulatory requirement from June 2021).

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 apply to hybrid debt instruments until 1 January 2022);
- the eligibility criteria defined by CRR2 (until 28 June 2025 as equity investments are concerned);
- the impacts related to the application of the IFRS 9 accounting standard.

A fully loaded view of the ratios, as if the regulatory changes were of immediate application, is also published.

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.

The minimum requirements applicable to Crédit Agricole S.A. and to Crédit Agricole Group are met.

3.1.2 Supervision and regulatory scope

Credit institutions and certain investment activities referred to in Annex 1 of Directive 2004/39/EC are subject to solvency ratios, resolution ratios and large exposure ratios on an individual, and where applicable, sub-consolidated basis.

The French Regulatory and Resolution Supervisory Authority (ACPR) has accepted that certain subsidiaries of the Group may benefit from individual exemption or, as necessary, on a sub-consolidated basis under the conditions specified by Article 7 of the CRR. Accordingly, Crédit Agricole S.A. has been exempted by the ACPR from application on an individual basis.

The transition to single supervision on 4 November 2014 by the European Central Bank did not call into question the individual exemptions previously granted by the ACPR.

The detailed list of entities concerned by a difference between the accounting and prudential scopes is detailed in the part on "Appendix to the regulatory capital".

3.1.3 Capital Policy

The Group unveiled its financial trajectory for the Group Project and the 2022 Medium-Term Plan during the Investors' Day on 6 June 2019. Targets in terms of results and scarce resources were explained on this occasion.

3.1.3.1 Crédit Agricole Group

Crédit Agricole Group aims to remain among the most capitalised global systemically important institutions (G-SII) in Europe by reaching and maintaining a CET1 ratio of more than 16% by 2022. This objective will be achieved by retaining more than 80% of its results, bringing its core Tier 1 capital (CET1) to €100 billion by the end of 2022.

Crédit Agricole Group aims to achieve a subordinated MREL ratio (excluding eligible senior preferred debt) of 24% to 25% of risk-weighted assets by the end of 2022 and to maintain a subordinated MREL ratio (excluding preferred senior debt) of at least 8% of TLOF (Total Liabilities and Own Funds).

Achieving these two targets will confirm the robustness and strong financial position of Crédit Agricole Group, thus reinforcing the security of its clients' assets, its market access conditions, and its rating in respect of ratings agencies.

3.1.3.2 Crédit Agricole S.A.

Crédit Agricole S.A. has set itself the objective of a CET1 ratio of 11% over the plan period. It is committed to a payout ratio of 50% in cash (in 2020, this distribution policy had to be adjusted due to exceptional circumstances, with a dividend payment for 2020 of 80 cents per share with a scrip dividend payment option, or €2.3 billion, of which €0.9 billion in cash, thanks to the formal commitment of SAS La Boétie to opt for a scrip dividend payment[1], and scrupulously respecting the recommendation of 15 December 2020 of the European Central Bank).

In an uncertain economic and regulatory context, this capital policy makes it possible to achieve a balance between an attractive distribution policy for the shareholder and an agile allocation of capital.

3.1.3.3 Regional banks

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.

3.1.3.4 Subsidiaries

Subsidiaries under Crédit Agricole S.A. exclusive control and subject to compliance with capital requirements are capitalised at a consistent level, taking into account local regulatory requirements, capital requirements necessary to finance their development and a management buffer adapted to the volatility of their CET1 ratio.

3.1.4 Governance

The Capital Management Committee meets quarterly, chaired by the Deputy General Manager, Chief Financial Officer; it includes in particular the Group Chief Risk Officer, the Head of Group Financial Management, the Director of Financial Communication and the Group Head of Treasury and Funding.

This Committee has the following main tasks:

- to review the short- and medium-term solvency, leverage ratio and resolution projections for Crédit Agricole Group and for Crédit Agricole S.A. as well as the ratios monitored by rating agencies;
- to approve the structuring assumptions with an effect on solvency in line with the Medium-Term Plan;
- to set the rules for capital management and distribution within the Group;
- to decide on liability management transactions (subordinated debt management);
- to keep up to date with the latest supervision and regulatory news;
- to examine the relevant problems relating to the subsidiaries and to the Regional Banks;
- to prepare the decisions to be submitted if necessary to the Asset-Liability Management Committee and the Board of Directors;
- to study any other subject affecting solvency and resolution ratios at Group level.

The management of regulatory capital is performed using a process called capital planning.

Capital planning is designed to provide projections for capital and rare resource consumption (risk-weighted assets and size of the balance sheet) over the current Medium-Term Plan, covering both scopes of consolidation (the listed entity Crédit Agricole S.A. and Crédit Agricole Group, a global systemically important institution), with a view to determining the trajectories for solvency ratios (CET1, Tier 1, total ratio and leverage ratio) and resolution ratios (MREL and TLAC, if applicable).

It covers the budgetary components of the financial trajectory, including organisational transaction projects, regulatory accounting and prudential changes, as well as model effects against risk bases. It also reflects the issuance policy (subordinated debts and eligible TLAC and MREL debts) and distribution with regard to the capital structure targets defined in line with the Group's strategy.

It determines the leeway available to the Group for development. It is also used to set various risk thresholds used for risk appetite. It thus ensures compliance with the various regulatory requirements and is used to calculate the Maximum Distributable Amount (MDA), as defined by CRD 5.

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 requirement compliance and the Regional Banks also perform this forecast exercise at a sub-consolidated level.

3.1.5 Financial conglomerate

3.1.5.1 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 framework for overall risk monitoring.

The conglomerate approach is appropriate to 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). Furthermore, the ICAAP approach of Crédit Agricole Group is based on a conglomerate approach to define both the economic capital requirement and the internal capital available at Group level to cover this requirement.

For the conglomerate supervision, Crédit Agricole Group relies on three regulatory scopes:

- the banking scope (Basel 3) – banking ratios;
- the insurance scope (Solvency 2[2]) – 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 segments.

(1) And on the assumption that the employee mutual funds (FCPE) will also opt for the scrip dividend payment and that the other minority shareholders will opt for payment in cash.
(2) Solvency 2 is a European regulatory reform of the insurance industry.

Refer to the glossary on page 681 for the definition of technical terms.

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).

As at 31 December 2020, Crédit Agricole S.A.'s phased-in financial conglomerate ratio, which includes the Solvency 2 requirement relating to the equity interest in Crédit Agricole Assurances, was 178%. The ratio included the consideration of the French Decree of 24 December 2019 authorising the integration of the Policyholder Participation Reserve (PPE) in the equity of insurance companies, up to the amount required to cover the risks beared by the insurance company (Solvency Capital Requirement, or SCR). The level of Crédit Agricole S.A.'s financial conglomerate ratio as at 31 December 2020 corresponds to a surplus of own funds of the financial conglomerate of Crédit Agricole S.A. of €35 billion.

This situation follows logically from compliance with the solvency requirements of each of the two sectors, banking and insurance.

3.1.5.2 Prudential requirements with respect to insurance in banking ratios

Financial conglomerates may, with the authorisation of the competent authority, use the option not to deduct their equity holdings in insurance companies from their prudential own funds but to treat them as risk-weighted assets. This provision, known as the "Danish compromise" (or Article 49-(1) of the CRR) has not been amended by CRR2 (Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 575/2013).

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

Risk-weighted assets include the equity-accounted value of insurance investments for the validated conglomerate scope, pursuant to Article 49-(1) of the CRR. Due to the unlisted status of Crédit Agricole Assurances (CAA), the weighting given to this value is 370%.

The table below shows the amount of holdings covered under Article 49-(1) of the CRR.

Non-deducted equity holdings in insurance companies (INS1)

(in millions of euros)	31/12/2020
Holdings of own funds instruments of a financial sector entity where the institution has a significant investment not deducted from own funds (before risk weighting)	9,268
Holdings of own funds instruments of a non-financial sector entity belonging to the general assets of the insurance and consolidated using the equity-accounted method where the institution has a significant investment not deducted from own funds (before risk weighting).	4,074
TOTAL RISK WEIGHTED EXPOSURE AMOUNT (RWA)	**49,364**

Since 2 January 2014, the regulatory prudential requirements for this investment have been subject to a transfer of risk to the Regional Banks through a specific guarantee (Switch).

When announcing the results at 31 December 2020, Crédit Agricole S.A. undertook to increase the dismantling of the Switch guarantee to 100% by the end of the Medium-Term Plan at end-2022, compared to the 50% initially announced. More precisely, 50% will be completed in the first quarter of 2021, following the partial completion of 35% in March 2020. The total unwinding by 2022 will have a positive impact of +€141 million on Crédit Agricole S.A.'s net income Group share (+€190 million on revenues) on a full-year basis, and approximately 4% on earnings per share, resulting in an impact of around -90 basis points on the CET1 of Crédit Agricole S.A. (of which -20 basis points related to the unwinding of the additional 15% in the first quarter of 2021).

At 30 June 2020, in the context of the COVID-19 crisis, the Switch guarantee had been activated for an amount of €38 million. With the improvement in market conditions in the second half of the year, a full return to better fortunes was observed at 31 December 2020, perfectly neutralising the activation of the guarantee over the year.

The guaranteed amount initially totalled €9.2 billion, or €33.9 billion in risk-weighted assets. In first quarter 2021, after the additional 15% is unwound, this will amount to €4.6 billion, or €17 billion of risk-weighted assets.

3.1.5.3 Crédit Agricole Group's ICAAP approach

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 and credible way. Thus, the implementation as well as the update of ICAAP process are the responsibility of each subsidiary.

3.1.6 Regulatory capital and internal capital

3.1.6.1 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.

3.1.6.1.1 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 to collect 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 liquidity contracts and 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,
  - deferred tax assets (DTA) that rely on future profitability arising from tax losses carried forward,
  - 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 profits 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%).

Reconciliation of accounting and phased-in regulatory CET1 capital

(in millions of euros)	31/12/2020	31/12/2019
EQUITY – GROUP SHARE[1]	**65,217**	**62,920**
(-) Expected dividend	**(914)**	**(2,019)**
(-) AT1 instruments accounted as equity	**(5,888)**	**(5,134)**
Minority interests (accounting value)[1]	8,278	7,923
(-) Components excluded from regulatory capital[3]	(4,269)	(3,504)
Eligible minority interests[2]	**4,009**	**4,419**
(-) Equity value increases resulting from securitized assets	(260)	(314)
Cash flow hedge reserves	(828)	(552)
(-) Cumulative gains and losses attributable to changes in own credit risk for liabilities measured at fair value	271	170
(-) Fair value gains and losses resulting from the institution's own credit risk related to derivative instruments in liabilities	(13)	(15)
(-) Prudent valuation	(649)	(914)
Prudential filters	**(1,477)**	**(1,625)**
Goodwill	(15,353)	(16,000)
Intangible assets	(2,175)	(2,678)
(-) Deduction of goodwill and intangible assets	**(17,528)**	**(18,678)**
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	**(129)**	**(137)**
Shortfall in adjustments for credit risk relative to expected losses under the internal ratings-based approach	**(237)**	**(164)**
Amount exceeding thresholds	**-**	**-**
Other CET1 components	**1,128**	**(371)**
COMMON EQUITY TIER 1 (CET1)	**44,180**	**39,211**

(1) Information covered by the Statuary Auditors' Opinion.

(2) This item can be found in the hereunder table of simplified prudential equity capital.

(3) Of which hybrid securities issued by Crédit Agricole Assurances.

Refer to the glossary on page 681 for the definition of technical terms.

3.1.6.1.2 Additional Tier 1 (AT1) capital

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% for Crédit Agricole S.A. and 7% for the CET1 ratio of the Crédit Agricole Group. Instruments may be converted into equity or suffer a reduction in their nominal 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 AT1 capital instruments eligible under CRR No. 575/2013, as amended by CRR No. 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 2020, the phased-in CET1 ratios of Crédit Agricole S.A. and of Crédit Agricole Group were 13.1% and 17.2%, respectively. These ratios represent capital buffers of €27.0 billion for Crédit Agricole S.A. and €57.6 billion for the Crédit Agricole Group relative to the bail-in thresholds of 5.125% and 7% respectively.

At 31 December 2020, there were no applicable restrictions on the payment of coupons.

At the same date, the distributable items of Crédit Agricole S.A. entity totalled €38.8 billion, including €26.2 million in distributable reserves and €12.6 million 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 at https://www.credit-agricole.com/en/finance/finance/financial-publications in Appendix II "Main characteristics of equity capital instruments" and correspond to Super Subordinated Notes (SSN).

3.1.6.1.3 Tier 2 capital

This includes:

- subordinated debt instruments, which must have a minimum maturity of five years and for which:
  - early redemption incentives are prohibited,
  - a haircut applies during the five-year period prior to their maturity date;
- deductions of directly held Tier 2 instruments (including market making);
- the surplus provisions relative to expected eligible losses determined in accordance with the internal ratings-based (IRB) approach, limited to 0.6% of risk-weighted assets under IRB;
- deductions of capital instruments held in financial sector equity investments of less than or equal to 10% (non-significant investments), for the amount exceeding a ceiling of 10% of the CET1 capital of the subscribing institution, up to the proportion of Tier 2 instruments in the total capital instruments held; items not deducted are included in risk-weighted assets (variable weighting depending on the nature of instruments and the Basel methodology);
- deductions of Tier 2 instruments held in financial sector equity investments of more than 10% (significant investments), predominantly in the insurance sector;
- Tier 2 capital components or other deductions (including Tier 2 eligible non-controlling interests).

The amount of Tier 2 instruments used in fully loaded ratios corresponds to Tier 2 capital instruments eligible under CRR No. 575/2013, as amended by CRR No. 2019/876 (CRR2).

These instruments are published at https://www.credit-agricole.com/en/finance/finance/financial-publications in Appendix II "Main characteristics of capital instruments". 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).

3.1.6.1.4 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, with the exception of those concerning hybrid debt instruments, which will end on 1 January 2022.

Hybrid debt instruments that were eligible as capital under CRD 3 and are no longer eligible as capital following the entry into force of CRD 4 may be eligible, in certain circumstances, under the grandfather clause:

- any instrument issued after 31 December 2011, which does not comply with the CRR regulation has been excluded since 1 January 2014;
- instruments issued prior to that date may, under certain conditions, be eligible for the grandfather clause and are then gradually excluded over an eight-year period, decreasing by 10% per annum. In 2014, 80% of the total stock declared on 31 December 2012 was recognised, then 70% in 2015, and so on;
- the unrecognised part can be included in the lower level capital components (from AT1 to Tier 2, for example) if it meets the corresponding criteria.

CRR2 complements these provisions by introducing a new grandfather clause: ineligible 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;
- a fraction of the CRR ineligible Tier 1 issued before 1 January 2014, equal to the lower of:
  - the regulatory amount of ineligible Tier 1 instruments at the end of the reporting period (after amortisation, any calls, redemptions, etc.),
  - 20% (regulatory threshold for 2020) of the Tier 1 stock at 31 December 2012, which stood at €9,329 million, *i.e.* a maximum recognisable amount of €1,866 million,
  - the amount of Tier 1 capital exceeding this regulatory threshold is included in phased-in Tier 2, up to the regulatory threshold applicable to Tier 2.

During the transitional phase, the amount of Tier 2 included in the ratios corresponds to the sum of:

- CRR2 eligible Tier 2;
- CRR eligible Tier 2 capital instruments issued before 27 June 2019;
- a fraction of the CRR ineligible Tier 2 issued before 1 January 2014, equal to the lower of:
  - the regulatory amount of ineligible Tier 2 securities at the reporting period-end and, as applicable, the remainder of Tier 1 securities exceeding the 20% threshold (threshold for 2020) of ineligible Tier 1 securities,
  - 20% (threshold for 2020) of the CRR ineligible Tier 2 stock at 31 December 2012; the CRR ineligible Tier 2 stock at 31 December 2012 stood at €4,121 million, or a maximum recognisable amount of €824 million.

Finally, the “Quick Fix” regulation of 26 June 2020 extended until 2024 the transitional provisions set out in the CRR, by allowing to include 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 June 2020.

During the transitional phase (until 2024), the impacts related to the application of the IFRS 9 accounting standard can be included in the CET1 equity, according to a calculation composed of several components:

- a static component making it possible to neutralise, in shareholders' equity, part of the impact of the first-time application of IFRS 9. In 2020, neutralisation is achieved on the basis of a rate of 70%;
- a dynamic component, making it possible to neutralise part of the net increase in provisions recorded between 1 January 2018 and 1 January 2020 on performing outstandings (Stages 1 and 2 of IFRS 9). In 2020, neutralisation is achieved on the basis of a rate of 70%;
- a second dynamic component, making it possible to neutralise part of the net increase in provisions recorded between 1 January 2020 and the balance sheet date on performing loans (compartments 1 and 2 of IFRS 9). In 2020, neutralisation is achieved on the basis of a rate of 100%.

Refer to the glossary on page 681 for the definition of technical terms.

3.1.6.1.5 Position at 31 December 2020

Phased-in simplified regulatory capital

	31/12/2020		31/12/2019	
(in millions of euros)	Phased-in	Fully loaded	Phased-in	Fully loaded
Capital instruments eligible as CET1 capital	21,309	21,309	21,147	21,147
Retained earnings and other reserves	35,250	35,250	32,066	32,066
Accumulated other comprehensive income	2,310	2,310	2,740	2,740
Minority interests (amount allowed in consolidated CET1)	4,009	4,009	4,419	4,419
Capital instruments and reserves	**62,878**	**62,878**	**60,372**	**60,372**
Prudential filters	(1,477)	(1,477)	(1,625)	(1,625)
(-) Deduction of intangible assets	(17,528)	(17,528)	(18,678)	(18,678)
Amount exceeding thresholds(1)	-	-	-	-
Other CET1 components	307	(543)	(858)	(858)
Regulatory adjustments	**(18,699)**	**(19,549)**	**(21,161)**	**(21,161)**
COMMON EQUITY TIER 1 (CET1)	**44,180**	**43,330**	**39,211**	**39,211**
Eligible AT1 capital instruments	4,335	4,335	3,816	3,816
Ineligible AT1 capital instruments qualifying under grandfathering clause	1,670	-	1,908	-
Holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities	(1)	(1)	(1)	(1)
Other Tier 1 components	(158)	(158)	(623)	(323)
ADDITIONAL TIER 1 CAPITAL	**5,847**	**4,177**	**5,100**	**3,492**
TIER 1 CAPITAL	**50,027**	**47,506**	**44,311**	**42,703**
Eligible Tier 2 capital instruments	17,089	17,089	15,882	15,882
Ineligible Tier 2 capital instruments under grandfathering clause	53	-	134	-
Surplus provisions relative to expected losses eligible under the internal ratings-based approach(2)	298	298	100	100
Holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities	(2,733)	(2,733)	(3,738)	(3,738)
Other Tier 2 components	(243)	(244)	(179)	(173)
TIER 2 CAPITAL	**14,463**	**14,410**	**12,199**	**12,071**
TOTAL CAPITAL	**64,489**	**61,917**	**56,510**	**54,774**

(1) *Financial-sector CET1 instruments in which the institution holds a significant stake account for €1,871 million, and the deferred taxes that rely on future profitability arising from temporary differences amount to €996 million as of the 31 December 2020.*

(2) *The transfer to* Tier 2 *of the surplus provisions relative to eligible expected losses determined in accordance with the infernal ratings-based approach is limited to 0,6% of risk-weighted to assets under IRB.*

For clarity, the full table of the composition of capital is presented under Pillar 3, available at https://www.credit-agricole.com/en/finance/finance/financial-publications.

Changes during the period

Non-phased Tier 1 capital (CET1) amounted to €43.3 billion at 31 December 2020, an increase of €4.1 billion compared to year-end 2019.

Details of changes are shown under detailed ratios categories:

- capital instruments and reserves were €62.9 billion, up €2.5 billion compared with end-2019, mainly stemming from the appropriation to reserves of the dividend for the 2019 financial year in the amount of €2 billion, following the recommendation of the European Central Bank issued on 27 March. The 2020 result amounts to €2.7 billion and the estimated dividend to be distributed in cash is €0.9 billion. Minority interests were down €0.4 billion, the impact of unrealised capital gains and losses was also negative at €0.4 billion and AT1 coupons weighed on CET1 at €0.4 billion;
- prudential filters decreased compared with the end of 2019, with a positive impact of €0.1 billion;
- deductions for goodwill and other intangible assets amounted to €17.5 billion, down €1.2 billion, mainly as a result of the positive impact of taking into account the €0.9 billion write-down of the goodwill of CA Italy and the new prudential treatment of software in the amount of €0.5 billion. These items were partially offset by the negative impact of €0.4 billion related to Amundi's acquisition of the entire capital of Sabadell Asset Management, Banco Sabadell's asset management subsidiary;
- CET1 instruments held in financial sector holdings of more than 10% amounted to €1.9 billion, down -€0.1 billion compared with the end of 2019; deferred tax assets dependent on future profits and resulting from temporary differences amounted to €1 billion, down -€0.1 billion; these two items benefit fully from the deductible amount and are therefore treated as weighted assets at 250%; overall, the corresponding deduction in shareholders' equity is nil at 31 December 2020 (as at 31 December 2019);
- the other elements of CET1 have a positive impact of €0.3 billion.

Phased-in core Tier 1 (CET1) capital stood at €44.2 billion at 31 December 2020, showing an increase of €0.9 billion compared to the fully-loaded core Tier 1 (CET1). This increase is entirely due to a measure in the "Quick Fix" regulation of 26 June 2020 mentioned above, in the paragraph on transitional provisions, which extended until 2024 the possibility to take into account in the solvency ratios the impacts related to the application of the IFRS 9 accounting standard. During this transitional phase, the impacts related to the application of this standard can therefore be included in CET1 equity, which the Group has chosen to do as from the June 2020 decree.

Fully loaded Tier 1 capital was €47.5 billion, or an increase of €4.8 billion compared to 31 December 2019, with an increase in additional Tier 1 capital of €0.7 billion, mainly as a result of the issuance of an €0.8 billion additional Tier 1 instruments in October 2020.

Phased-in Tier 1 capital amounted to €50.0 billion, up €5.7 billion compared to 31 December 2019, with an increase in additional Tier 1 capital of €0.8 billion.

Non-eligible AT1 capital instruments benefiting from a grandfathering clause decreased by €0.2 billion, mainly due to two partial repurchase operations. In addition, the total amount of securities benefiting from a "grandfather" clause defined by CRR remains below the grandfathering, which makes it possible to retain, in addition to the instruments eligible for CRR, an amount of debt corresponding to a maximum of 20% of the stock at 31 December 2012.

Fully loaded Tier 2 capital amounted to €14.4 billion, up €2.3 billion compared to 31 December 2019. This change was attributable to:

- paid-in capital instruments eligible as Tier 2 capital amounted to €17.1 billion, an increase of €1.2 billion compared to 31 December 2019 due to issuances during the period totalling €2.7 billion and the impact of prudential haircuts and redemptions of approximately €1.6 billion;
- the surplus provision relative to expected losses eligible under the internal ratings-based approach was up €0.2 billion;
- subordinated loans and receivables from banks and insurance companies, all representative of Tier 2 instruments, were deducted in full from Tier 2 in the amount of €2.7 billion on a fully loaded basis, down €1 billion compared to 31 December 2019;
- other Tier 2 components were down €0.1 billion.

Phased Tier 2 capital amounted to €14.5 billion, up €2.3 billion compared with 31 December 2019 and shows the same total change as the non-phased view.

In addition, the total amount of securities benefiting from a "grandfather" clause defined by CRR remains below the grandfathering, which makes it possible to retain, in addition to the instruments eligible for CRR, an amount of debt corresponding to a maximum of 20% of the stock at 31 December 2012.

In all, fully loaded total capital stood at €61.9 billion, up €6.8 billion compared to 31 December 2019.

Phased-in total capital was €64.5 billion, which was €8.0 billion more than at 31 December 2019. This regulatory capital does not take into account the non-preferred senior debt issuances, which are discussed in item 3.1.7.3 "Resolution ratios" below.

Changes in phased-in prudential capital

(in millions of euros)	31/12/2020 vs. 31/12/2019
Common Equity Tier 1 capital at 31/12/2019	**39,211**
Capital increase	162
Accounting attributable net income/loss for the year before dividend(1)	2,319
Expected dividend	(914)
Other comprehensive income	(430)
Eligible minority interests	(410)
Prudential filters	148
Goodwill and other intangible assets	1,150
Amount exceeding the exemption thresholds	-
Other CET1 components	2,944
COMMON EQUITY TIER 1 CAPITAL AT 31/12/2020	**44,180**
Additional Tier 1 capital at 31/12/2019	**5,100**
Issuances	750
Redemptions and foreign currency impact on the debt stock(2)	(468)
Other Tier 1 components	465
ADDITIONAL TIER 1 CAPITAL AT 31/12/2020	**5,847**
TIER 1 CAPITAL AT 31/12/2020	**50,027**
Tier 2 capital at 31/12/2019	**12,199**
Issuances	2,721
Redemptions and foreign currency impact on the debt stock(2)(3)	(1,620)
Other Tier 2 components	1,162
TIER 2 CAPITAL AT 31/12/2020	**14,463**
TOTAL CAPITAL AT 31/12/2020	**64,489**

(1) Before exclusion of goodwill impairment, which doesn't have any impact on CET1 ratio.

(2) Including the impact, if any, of the applicable cap to these instruments.

(3) Tier 2 instruments are subject to a haircut during the five years prior to their maturity date.

Refer to the glossary on page 681 for the definition of technical terms.

3.1.6.2 Internal capital

The Group has defined the internal capital (an internal view of own funds), which is compared to the economic capital requirement. Internal capital is based on a conglomerate approach, given the importance of the insurance businesses for the Group and takes into account the going concern principle.

3.1.7 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, leverage or size of the balance sheet 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.

3.1.7.1 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. The risk-weighted assets are computed using either a standardised approach or an internal approach (see section "Composition of and changes in risk-weighted assets").

3.1.7.1.1 Regulatory 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.

Minimum requirements with regard to Pillar 1

The capital requirements established under Pillar 1 since 2015 are as follows:

Pillar 1 minimum requirement	
CET1	4.50%
Tier 1	6.00%
Own funds	8.00%

Minimum requirements with regard to Pillar 2

The European Central Bank (ECB) annually notify Crédit Agricole Group and Crédit Agricole S.A. their minimum capital requirements following the results of the Supervisory Review and Evaluation Process (SREP).

Since 2017, the ECB has changed the methodology used, splitting the prudential requirement into two parts:

- a "Pillar 2 Requirement" (P2R) which applies to all levels of equity capital and automatically results in restrictions on distributions (additional Tier 1 capital instrument coupons, dividends, variable compensation); accordingly, this requirement is public.

  As from 12 March 2020 and considering the impact of the COVID-19 crisis, the European Central Bank brought forward the effective date of application of Article 104a of CRD 5 and allowed institutions under its supervision to use Tier 1 and Tier 2 capital to meet their additional P2R capital requirement. Overall, the P2R can now 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 met with Common Equity Tier 1 capital.

Combined buffer requirement and restriction on distributions threshold

The regulator provides for the establishment of capital buffers, which are gradually being implemented:

- the capital conservation buffer (2.5% of the risk-weighted assets since 1 January 2019);
- the countercyclical buffer (in principle a rate set within a range of 0% to 2.5%), with the buffer at the institution's level calculated using 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 for the exceptional circumstances;
- 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.

These buffers must be covered by Common Equity Tier 1 capital.

To date, counter-cyclical buffers have been activated in six countries by the relevant national authorities. Many countries have relaxed their counter-cyclical buffer requirement in the wake of the COVID-19 crisis. As for French exposures, the High Council for Financial Stability (*Haut Conseil de stabilité financière* – HCFS) lowered the countercyclical buffer rate from 0.25% to 0% on 2 April 2020.

With respect to Crédit Agricole S.A.'s exposures in these countries, Crédit Agricole S.A.'s countercyclical buffer rate was 0.013% at 31 December 2020.

Details of the countercyclical buffer calculation (CCYB1)

31/12/2020 *(in millions of euros)*	General credit exposures: Standard approach	General credit exposures: IRB approach	Trading book exposure: Sum of long and short position of trading book	Trading book exposure: Value of trading book exposure for internal models	Own funds requirements: General credit exposure	Own funds requirements: Trading book exposure	Own funds requirements: Securi-tisation exposure	Own funds requirements: Total	Breakdown by country *(%)*	Countercyclical capital buffer rate *(%)* 31/12/2020	Countercyclical capital buffer rate forecast *(%)* 31/12/2021[2]
Belgium	3,757	3,494	-	-	158	-	-	158	0.75%	0.00%	0.00%
Bulgaria	1	17	-	-	1	-	-	1	0.00%	0.50%	0.50%
Czech Republic	22	147	-	-	7	-	-	7	0.03%	0.50%	0.50%
Denmark	159	699	-	-	23	-	1	24	0.11%	0.00%	0.00%
France	42,074	226,334	124	1,451	10,091	126	217	10,434	49.46%	0.00%	0.00%
Germany	3,597	15,151	-	-	597	-	55	653	3.09%	0.00%	0.00%
Hong Kong	482	4,543	-	-	124	-	-	124	0.59%	1.00%	1.00%
Iceland	3	-	-	-	0	-	-	0	0.00%	0.00%	0.00%
Ireland	65	4,003	-	-	93	-	1	94	0.45%	0.00%	0.00%
Lithuania	28	-	-	-	2	-	-	2	0.01%	0.00%	0.00%
Luxembourg	2,466	12,646	-	-	467	-	2	468	2.22%	0.25%	0.50%
Norway	9	1,291	-	-	33	-	1	34	0.16%	1.00%	1.00%
Slovakia	3	3	-	-	0	-	-	0	0.00%	1.00%	1.00%
Sweden	84	1,850	-	-	56	-	1	57	0.27%	0.00%	0.00%
United-Kingdom	1,493	15,326	-	-	492	-	33	525	2.49%	0.00%	0.00%
Other countries[1]	60,677	158,930	40	-	8,116	3	394	8,514	40.36%	0.00%	0.00%
TOTAL	**114,921**	**444,434**	**164**	**1,451**	**20,260**	**129**	**705**	**21,094**	**100%**	**0.013%**	**0.019%**

(1) For which no countercyclical buffer has been defined by the competent authority.

(2) The Group's countercyclical capital buffer rate expected at 31 December 2021 is calculated by using the buffer rates known to date and applicable no later than in 12 months and the breakdown of capital requirements by country as of 31 December 2020.

Requirements for the countercyclical buffer calculation (CCYB2)

	31/12/2020	31/12/2019
Total risk exposure	336,044	323,678
Institution-specific countercyclical buffer	0.013%	0.166%
Institution-specific countercyclical buffer	**44**	**538**

Summarised:

Combined buffer requirement	31/12/2020	31/12/2019
Phased-in capital conservation buffer	2.50%	2.50%
Phased-in systemic buffer	0.00%	0.00%
Countercyclical buffer	0.01%	0.17%
Combined buffer requirement	**2.51%**	**2.67%**

The transposition of Basel regulations into European law (CRD) has established a distribution restriction mechanism applicable to dividends, AT1 instruments and variable compensation. The principle of the Maximum Distributable Amount (MDA), the maximum amount that a bank can allocate to distributions, aims at restricting distributions where they would result in non-compliance with the combined buffer requirement.

The distance to the MDA trigger is the lowest of the respective distances to the SREP requirements in CET1 capital, Tier 1 capital and total capital. With the early application of Article 104a of CRD 5, P2R can now be met with 75% Tier 1 capital including as a minimum 75% CET1 capital. The CET1 requirement of Crédit Agricole S.A. has thus decreased by -66 basis points since first quarter 2020.

Refer to the glossary on page 681 for the definition of technical terms.

	CET1 SREP requirement	Tier 1 SREP requirement	Overall capital SREP requirement
Pillar 1 minimum requirement	4.50%	6.00%	8.00%
Pillar 2 requirement (P2R)	0.84%	1.13%	1.50%
Conservation buffer	2.50%	2.50%	2.50%
Countercyclical buffer	0.01%	0.01%	0.01%
SREP requirement (a)	**7.86%**	**9.64%**	**12.01%**
31/12/2020 Phased-in solvency ratios (b)	**13.1%**	**14.9%**	**19.2%**
Distance to SREP requirement (b)-(a)	529 bp	525 bp	718 bp
Distance to MDA trigger threshold		**525 bp (€18 bn)**	

At 31 December 2020, Crédit Agricole S.A. posted a buffer of 525 basis points above the MDA trigger, *i.e.* approximately €18 billion in CET1 capital.

After taking into account Pillar 1, Pillar 2 and the combined buffer requirement, the overall capital requirement reaches the following level:

SREP own funds requirement	31/12/2020	31/12/2019
Pillar 1 minimum CET1 requirement	4.50%	4.50%
CET1 additional Pillar 2 requirement (P2R)	0.84%	1.50%
Combined buffer requirement	2.51%	2.67%
CET1 requirement	**7.86%**	**8.67%**
Pillar 1 minimum AT1 requirement	1.50%	1.50%
AT1 component of P2R	0.28%	
Pillar 1 minimum Tier 2 requirement	2.00%	2.00%
Tier 2 component of P2R	0.38%	
Overall capital requirement	**12.01%**	**12.17%**

Crédit Agricole S.A. must therefore comply with a minimum CET1 ratio of 7.86%. This includes the requirements under Pillar 1, Pillar 2 (P2R), plus the combined buffer requirement (based on the decisions known to date).

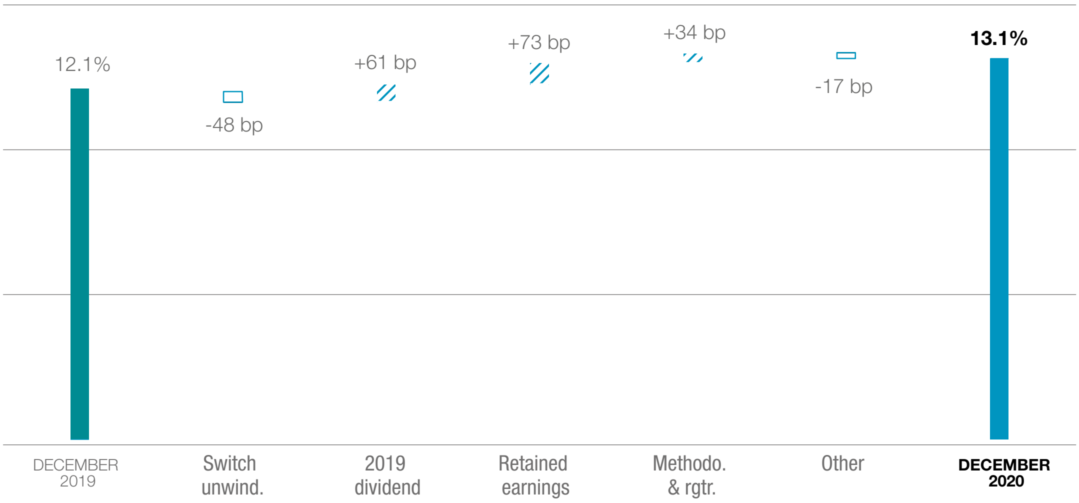
3.1.7.1.2 Position at 31 December 2020

Summary of the key figures

			31/12/2020			31/12/2019
Key metrics *(in millions of euros)*	Phased-in	Fully loaded	Requirements	Phased-in	Fully loaded	Requirements
Common Equity Tier 1 (CET1)	44,180	43,330		39,211	39,211	
Tier 1 capital	50,027	47,506		44,311	42,703	
Total capital	64,489	61,917		56,510	54,774	
Total risk weighted assets	336,044	335,491		323,678	323,678	
CET1 RATIO	**13.1%**	**12.9%**	**7.9%**	**12.1%**	**12.1%**	**8.7%**
TIER 1 RATIO	**14.9%**	**14.2%**	**9.6%**	**13.7%**	**13.2%**	**10.2%**
TOTAL CAPITAL RATIO	**19.2%**	**18.5%**	**12.0%**	**17.5%**	**16.9%**	**12.2%**

The applicable minimum requirements are fully met; the phased-in CET1 ratio of Crédit Agricole S.A. was 13.1% as at 31 December 2020.

Changes in CET1 over 2020



The CET1 ratio improved by 1 percentage point over the year in 2020. The unfavourable impact of the 35% dismantling of the Switch mechanism (-0.5 percentage points) was amply offset by various favourable effects.

The ratio thus benefited from the allocation of the 2019 dividend to reserves in accordance with European Central Bank recommendation ECB/2020/19, generating a positive impact of +0.6 percentage points.

In addition, the retained earnings for 2020 allow for an increase in the CET1 ratio of +0.7 percentage points, taking into account a provision for a dividend of 80 cents per share with the option of payment of the dividend in shares (thanks to the formal commitment of SAS Rue La Boétie to elect payment of the dividend in shares and on the assumption that the employee shareholding funds (FCPEs) will also opt for payment of the dividend in shares).

Various methodological and regulatory effects observed in 2020 also had an overall positive impact on the CET1 ratio of +0.3 percentage point. The implementation of the IFRS 9 phasing (+24 basis points), the application of the SME supporting factor (+16 basis points), the decision of the European Court of Justice to no longer require the deduction of irrevocable payment commitments issued by the ECB (+10 basis points) and the application of the new Delegated Regulation 2020/2176 relating to the prudential treatment of software (+14 basis points), notably offset the effects of the new regulatory methodology for securitisations (-21 basis points) and the review of internal models (TRIM -20 basis points).

The item “Other” notably includes various effects of acquisitions and disposals of entities (-12 basis points), including the acquisition of Sabadell Asset Management by Amundi (-9 basis points) and the ongoing disposal of Crédit Agricole Consumer Finance NI (-4 basis points). It also includes changes in business lines, which were favourable over the year (+21 basis points), linked in particular to a favourable exchange rate trend, the capping of minority interests (-16 basis points) and changes in unrealised reserves, which were broadly neutral over the year (+1 basis point).

Refer to the glossary on page 681 for the definition of technical terms.

Impact of the application of the transitional provisions IFRS 9

The transitional provisions of IFRS 9 have been applied for the first time as from the Decree of 30 June 2020.

	Quantitative model	31/12/2020	30/06/2020
	Available capital *(amounts)*		
1	Common Equity Tier 1 (CET1) capital	44,180	41,530
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	43,330	40,590
3	Tier 1 capital	50,027	46,759
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	49,177	45,818
5	Total capital	64,489	60,978
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	63,639	60,037
	Risk-weighted assets *(amounts)*		
7	Total risk-weighted assets	336,044	347,406
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	335,491	346,913
	Capital ratios		
9	Common Equity Tier 1 *(as percentage of risk exposure amount)*	13.1%	12.0%
10	Common Equity Tier 1 *(as percentage of risk exposure amount)* as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12.9%	11.7%
11	Tier 1 *(as percentage of risk exposure amount)*	14.9%	13.5%
12	Tier 1 *(as percentage of risk exposure amount)* as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	14.7%	13.2%
13	Total capital *(as percentage of risk exposure amount)*	19.2%	17.6%
14	Total capital *(as percentage of risk exposure amount)* as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	19.0%	17.3%
	Leverage ratio		
15	Leverage ratio total exposure	1,018,588	1,186,268
16	Leverage ratio	4.9%	3.9%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4.8%	3.9%

3.1.7.2 Leverage ratio

3.1.7.2.1 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 transactions, 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 become a minimum Pillar 1 requirement applicable as from 28 June 2021:

- the minimum leverage ratio requirement will be 3%;
- from 1 January 2023, a leverage ratio buffer, defined as half of the entity’s systemic buffer, will be added to this level for global systemically important institutions (G-SII), *i.e.* for Crédit Agricole Group;
- lastly, failure to comply with the leverage ratio buffer requirement will result in a distribution restriction and the calculation of a maximum distributable amount (L-MDA).

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.

Crédit Agricole S.A. has opted to publish a phased-in leverage ratio.

At the beginning of 2019, Crédit Agricole Group received authorisation from the ECB (with application retroactive to 2016) to exempt from the calculation of its leverage ratio, the exposures related to the centralisation of deposits at *Caisse des Dépôts et Consignations* (CDC).

3.1.7.2.2 Position at 31 December 2020

The leverage ratio of Crédit Agricole S.A. was 4.9% on a phased-in Tier 1 basis. This ratio is calculated taking into account the provision of the “Quick Fix” Regulation 2020/873 which allows the neutralisation of Central Bank exposures. This provision has been applicable since Q3 2020 following the ECB's declaration of the existence of exceptional circumstances. The application of this measure makes it possible to neutralise Central Bank exposures of €161.3 billion at 31 December 2020.

The intra-quarter phased-in leverage ratio for Crédit Agricole S.A., which refers to the average end-of-month exposures for the first two months of the last quarter, was 4.8%, including the neutralisation of the ECB's exposures. Excluding the neutralisation of the Central Bank's exposures, the phased-in intra-quarter leverage ratio is 4.0%.

Leverage ratio – Common disclosure (LRCom)

	CRR Leverage ratio exposures *(in millions of euros)*	31/12/2020	31/12/2019
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	1,275,458	1,135,758
2	(Asset amounts deducted in determining Tier 1 capital)	(18,775)	(21,535)
3	**TOTAL ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES, SFTS AND FIDUCIARY ASSETS) (SUM OF LINES 1 AND 2)**	**1,256,683**	**1,114,223**
Derivative exposures			
4	Replacement cost associated with all derivatives transactions (*i.e.* net of eligible cash variation margin)	22,715	15,123
5	Add-on amounts for PFE associated with all derivatives transactions (mark-to-market method)	39,789	39,473
EU-5a	Exposure determined under Original Exposure Method		-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	5,044	4,586
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(19,094)	(18,936)
8	(Exempted CCP leg of client-cleared trade exposures)	(4,622)	(4,210)
9	Adjusted effective notional amount of written credit derivatives	13,631	14,844
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(5,980)	(6,099)
11	**TOTAL DERIVATIVE EXPOSURES (SUM OF LINES 4 TO 10)**	**51,482**	**44,781**
SFT exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	272,534	227,673
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(117,583)	(101,704)
14	Counterparty credit risk exposure for SFT assets	6,568	3,134
EU-14a	Derogation for SFTs: counterparty credit risk exposure in accordance with Article 429b-(4) and 222 of Regulation (EU) No. 575/2013	-	-
15	Agent transaction exposures	-	-
EU-15a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
16	**TOTAL SECURITIES FINANCING TRANSACTION EXPOSURES (SUM OF LINES 12 TO 15A)**	**161,520**	**129,103**
Other off-balance sheet exposures			
17	Off-balance sheet exposures at gross notional amount	280,049	280,486
18	(Adjustments for conversion to credit equivalent amounts)	(130,054)	(129,731)
19	**OTHER OFF-BALANCE SHEET EXPOSURES (SUM OF LINES 17 TO 18)**	**149,995**	**150,755**
Exempted exposures in accordance with Article 429-(7) and (14) of Regulation (EU) No. 575/2013 (on and off balance sheet)			
EU-19a	(Intragroup exposures (solo basis) exempted in accordance with Article 429-(7) of Regulation (EU) No. 575/2013 (on and off balance sheet))	(375,211)	(338,902)
EU-19b	(Exposures exempted in accordance with Article 429-(14) of Regulation (EU) No. 575/2013 (on and off balance sheet))[1]	(225,880)	(55,316)
Capital and total exposures			
20	**TIER 1 CAPITAL**	**50,027**	**44,311**
21	**TOTAL LEVERAGE RATIO TOTAL EXPOSURE MEASURE (SUM OF LINES 3, 11, 16, 19, EU-19A AND EU-19B)**	**1,018,588**	**1,044,644**
Leverage ratio			
22	**LEVERAGE RATIO**	**4.91%**	**4.24%**
22.A	**LEVERAGE RATIO (EXCLUDING THE IMPACT OF TEMPORARY EXEMPTION OF CENTRAL BANK EXPOSURES IN ACCORDANCE WITH ARTICLE 500 *TER* OF REGULATION (EU) NO. 873/2020)**	**4.24%**	**4.24%**
Choice on transitional arrangements and amount of derecognised fiduciary items			
EU-23	Choice on transitional arrangements for the definition of the capital measure	Transitory	Transitory
EU-24	Amount of derecognised fiduciary items in accordance with Article 429-(11) of Regulation (EU) No. 575/2013	-	-

(1) Including the exposures exempted in accordance with Article 500 ter *of Regulation (EU) No. 873/2020.*

Refer to the glossary on page 681 for the definition of technical terms.

Summary reconciliation of accounting assets and leverage ratio exposures (LRSum)

Applicable Amount *(in millions of euros)*		31/12/2020	31/12/2019
1	Total assets as per published financial statements	1,961,062	1,767,643
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	(387,617)	(381,906)
3	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with Article 429-(13) of Regulation (EU) No. 575/2013)	-	-
4	Adjustments for derivative financial instruments	(91,556)	(79,230)
5	Adjustments for securities financing transactions (SFTs)	6,569	3,135
6	Adjustment for off-balance sheet items (*i.e.* conversion to credit equivalent amounts of off-balance sheet exposures)	149,995	150,755
EU-6a	(Adjustment for intragroup exposures excluded from the leverage ratio total exposure measure in accordance with Article 429-(7) of Regulation (EU) No. 575/2013)	(375,211)	(338,902)
EU-6b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with Article 429-(14) of Regulation (EU) No. 575/2013)[1]	(225,880)	(55,316)
7	Other adjustments	(18,775)	(21,535)
8	**LEVERAGE RATIO TOTAL EXPOSURE MEASURE**	**1,018,588**	**1,044,644**

(1) Including the exposures exempted in accordance with Article 500 ter of Regulation (EU) No. 873/2020.

Breakdown of balance sheet exposures (excluding derivatives, SFTs and exempted exposures) (LRSpl)

CRR leverage ratio exposures *(in millions of euros)*		31/12/2020	31/12/2019
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	683,163	746,287
EU-2	Trading book exposures	33,560	34,545
EU-3	Banking book exposures, of which:	649,602	711,742
EU-4	Covered bonds	5,624	5,891
EU-5	Exposures treated as sovereigns	113,861	188,572
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	3,686	4,440
EU-7	Institutions	49,174	45,593
EU-8	Secured by mortgages of immovable properties	110,473	7,208
EU-9	Retail exposures	99,911	192,204
EU-10	Corporate	205,415	201,306
EU-11	Exposures in default	11,420	10,588
EU-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	50,039	55,940

The qualitative elements (LRQua) required by Implementing Regulation (EU) 2016/200 of 15 February 2016 are as follows:

- 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 Groupe dispose controls and sets limits on the size of the balance sheet for businesses with low consumption of risk-weighted assets;
- the leverage ratio is up 0.7 percentage points over 2020, mainly due to the neutralisation of the Central Bank's exposures. Excluding this, the ratio was stable over the year, as the increase in Tier 1 capital made it possible to cover the increase in exposures.

3.1.7.3 Resolution ratios

The TLAC and MREL requirements described below are applicable at the level of the Crédit Agricole Group.

3.1.7.3.1 TLAC ratio

The TLAC ratio, whose modalities were indicated in a Term Sheet published on 9 November 2015, was established by the Financial Stability Board (FSB) at the request of the G20. The FSB thus defined the calculation of a ratio aimed at estimating the adequacy of the bail-in and recapitalisation capacities of global systemically important banks (G-SII). The Total Loss Absorbing Capacity (TLAC) ratio provides resolution authorities with the means to assess whether G-SIIs have sufficient bail-in and recapitalisation capacity before and during resolution. As a result, the resolution authorities will be able to implement an ordered resolution strategy that minimises impacts on financial stability, ensures the continuity of the G-SIIs' critical economic functions and limits the use of taxpayers' money. This ratio applies to global systemically important financial institutions, and therefore to Crédit Agricole Group.

The components that could absorb losses consist of equity, subordinated notes and debt to which the resolution authority can apply the bail-in.

The TLAC ratio requirement has been transposed into European Union law via CRR2 and has been applicable since 27 June 2019. As from that date, Crédit Agricole Group must comply with the following requirements at all times:

- a TLAC ratio above 16% of risk-weighted assets (RWA), plus – in accordance with CRD 5 – a combined buffer requirement (including, for Crédit Agricole Group, a capital conservation buffer of 2.5%, a systemic buffer of 1% and the countercyclical buffer). Considering the combined capital buffer requirement, Crédit Agricole Group must comply with a TLAC ratio of above 19.5% (plus the countercyclical buffer);
- a TLAC ratio of above 6% of the Leverage Ratio Exposure (LRE).

The minimum TLAC ratio requirements will increase as from 1 January 2022, to 18% of risk-weighted assets – plus the combined buffer requirement at that date – and 6.75% of the leverage ratio exposure.

TLAC Requirements at Resolution Group Level – Crédit Agricole Group

	EU KM2: Own funds and eligible liabilities, ratios and components *(in millions of euros)*	31/12/2020	30/09/2020	30/06/2020	31/03/2020	31/12/2019
1	Own funds and eligible liabilities[(1)]	143,073	139,045	136,125	128,906	126,474
2	Total risk exposure amount of the resolution group (TREA)[(2)]	562,059	560,348	572,833	571,503	559,009
3	**Own funds and eligible liabilities as a percentage of TREA**	**25.46%**	**24.81%**	**23.76%**	**22.56%**	**22.62%**
4	Total exposure measure of the resolution group[(2)]	1,684,937	1,723,918	1,826,763	1,773,829	1,657,519
5	**Own funds and eligible liabilities as a percentage of the total exposure measure**	**8.49%**	**8.07%**	**7.45%**	**7.27%**	**7.63%**
6a	Does the subordination exemption in Article 72b-(4) of the CRR apply? (5% exemption)	No	No	No	No	No
6b	Pro-memo item – Aggregate amount of permitted non-subordinated eligible liabilities instruments if the subordination discretion as per Article 72b-(3) CRR is applied (max 3.5% exemption)[(3)]	0	0	0	0	0
6c	Pro-memo item: If a capped subordination exemption applies under Article 72b-(3) CRR, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised under row 1, divided by funding issued that ranks pari passu with excluded Liabilities and that would be recognised under row 1 if no cap was applied *(%)*	N/A	N/A	N/A	N/A	N/A

(1) Total loss absorbing capacity.

(2) For the purpose of computing resolution ratios, the Total Exposure Risk Amount (TREA) of the resolution group is equivalent to the Risk Weighted Assets (RWA) at Crédit Agricole Group level; the Total Exposure Measure (TEM) of the resolution group is equivalent to the Leverage Ratio Exposure (LRE) at Crédit Agricole Group level.

(3) As part of its annual resolvability assessment, Crédit Agricole Group has chosen to waive the possibility offered by Article 72b-(3) of the Capital Requirements Regulation to use senior preferred debt for compliance with its TLAC requirements in 2021.

As at 31 December 2020, Crédit Agricole Group's TLAC ratio was 25.5% of risk-weighted assets and 8.5% of leverage exposure, excluding eligible preferred senior debt. It is higher than the respective requirements of 19.5% of risk-weighted assets (according to CRR2/CRD 5, to which must be added the countercyclical buffer of 0.01% as at 31 December 2020) and 6% of the leverage exposure, even though it is possible at that date to include up to 2.5% of risk-weighted assets as eligible preferred senior debt.

Achieving the TLAC ratio is supported by an annual issuance program on the market in 2020 of approximately €6 to €8 billion of TLAC debt. At 31 December 2020, €8.4 billion equivalent had been issued in the market; the amount of the Crédit Agricole Group senior non-preferred debt taken into account in the computation of the TLAC ratio was €23.9 billion. Over the year 2020, the TLAC ratio increased by 290 basis points, also in line with the strengthening of the CET1 and very moderate growth in risk-weighted assets (increase in the CET1 ratio from 15.9% to 17.2%).

Crédit Agricole Group's TLAC items, which rank from the most senior to the most junior, include senior non-preferred debt securities, subordinated securities not recognised as prudential capital (prudentially amortised portion), Tier 2 instruments, additional Tier 1 items and common equity Tier 1 capital items.

All these eligible liability items and their characteristics can be consulted in Appendix II, "Main characteristics of regulatory capital instruments and other eligible TLAC instruments", available at https://www.credit-agricole.com/en/finance/finance/financial-information.

3.1.7.3.2 MREL ratio

The MREL (Minimum Requirement for Own Funds and Eligible Liabilities) ratio is defined in the European "Bank Recovery and Resolution Directive" (BRRD). More generally, the BRRD establishes a framework for the resolution of banks throughout the European Union and 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. The required minimum levels are decisions taken by the resolution authorities and then communicated to each institution, then revised periodically.

In 2020, Crédit Agricole Group was notified of the revision of its total consolidated MREL requirement and of a new subordinated MREL requirement (from which senior debt is generally excluded in line with the TLAC standards). These two requirements were already met by the Group at the time they were notified. Calibrated under BRRD, they are applicable until the next notification which will integrate the changes in the European regulatory framework (*i.e.* BRRD2).

 Refer to the glossary on page 681 for the definition of technical terms.

Under BRRD, the MREL ratio is calculated as the amount of own funds and eligible liabilities expressed as a percentage of the institution's total liabilities and capital, after certain regulatory adjustments, Total Liabilities and Own Funds (TLOF) or expressed as Risk-Weighted Assets (RWA). Regulatory capital, subordinated notes with a residual maturity of more than one year, non-preferred senior debts with a residual maturity of more than one year and certain preferred senior debt instruments with residual maturities of more than one year are eligible for the numerator of the MREL ratio. MREL eligible preferred senior debt is subject to the appreciation of the Single Resolution Board (SRB).

The MREL ratio calibrates an eligible liabilities requirement but does not specify which debt would be called upon to absorb losses in the event of resolution.

Crédit Agricole Group's objective is to reach a subordinated MREL ratio (excluding eligible senior preferred debt) of 24%-25% of the RWA by the end of 2022 and to maintain the subordinated MREL ratio above 8% of TLOF. This level would enable recourse to the Single Resolution Fund (subject to the decision of the resolution authority) before applying the bail-in to senior preferred debt, creating an additional layer of protection for investors in senior preferred debt.

At 31 December 2020, Crédit Agricole Group posted an estimated MREL ratio[(1)] of around 11% of TLOF and 8.5% excluding eligible senior preferred debt. Expressed as a percentage of risk-weighted assets, Crédit Agricole Group's estimated MREL ratio was approximately 33% at end-December 2020. It was 25.5% excluding eligible senior preferred debt, up 290 basis points over the year. The MTP target regarding subordinated MREL has been met since end-September 2020.

3.1.7.4 Economic Capital Adequacy

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, 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 additional 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 2020, 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 book, issuer risk, business and strategic risk, credit risk, and liquidity price risk.

The Group ensures that its internal capital covers the economic capital requirements. At Crédit Agricole Group level, the internal capital covered more than 180% of the economic capital requirement at 31 December 2020.

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 objectives:

- 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.

(1) Calculation carried out in accordance with the BRRD applicable to the requirements in force. Included are items eligible for the MREL issued by all Group entities.

Refer to the glossary on page 681 for the definition of technical terms.

3.1.8 Appendix regarding regulatory capital

3.1.8.1 Differences in the treatment of equity investments 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).

3.1.8.2 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 2020".

Refer to the glossary on page 681 for the definition of technical terms.

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				
31/12/2020 *(in billions of euros)*	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterpar-ty 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	194	195	195	-	-	-	-
Available-for-sale financial assets	262	264	-	239	-	147	0
Other financial assets at fair value through profit or loss	170	7	7	-	-	-	-
Hedging derivative instruments	22	21	-	21	-	-	-
Accounted debt's instruments at fair value through recyclable own funds	264	41	35	4	2	-	0
Accounted own funds' instruments at fair value through non recyclable own funds	2	2	2	-	-	-	0
Loans and receivables due from credit institutions	463	461	450	11	-	-	-
Loans and receivables due from customers	406	419	416	4	-	-	-
Held-to-maturity financial assets	85	76	67	9	-	-	-
Revaluation adjustment on interest rate hedged portfolios	7	7	-	-	-	-	7
Deferred tax assets	4	5	5	-	-	-	-
Accruals, prepayments and sundry assets	40	36	32	5	-	1	0
Non-current assets held for sale	3	0	0	-	-	-	-
Investments in equity-accounted entities	8	16	15	-	-	-	1
Investment property	7	0	0	-	-	-	-
Property, plant and equipment	6	6	6	-	-	-	-
Intangible assets	3	3	-	-	-	-	3
Goodwill	15	14	-	-	-	-	14
TOTAL ASSETS	**1 961**	**1 573**	**1 228**	**292**	**2**	**148**	**26**
LIABILITIES							
Central banks	1	1	-	-	-	-	1
Available-for-sale financial liabilities	229	230	-	83	-	-	147
Financial liabilities at fair value through options	36	35	-	-	-	-	35
Hedging derivative instruments	15	15	-	-	-	-	15
Due to credit institutions	265	247	-	10	-	-	238
Due to customers	719	736	-	2	-	-	734
Debt securities	163	152	-	-	-	-	152
Revaluation adjustment on interest rate hedged portfolios	10	10	-	-	-	-	10
Current and deferred tax liabilities	3	3	3	-	-	-	0
Accruals, deferred income and sundry liabilities	53	46	6	-	-	-	40
Liabilities associated with non-current assets held for sale	1	(0)	-	-	-	-	(0)
Insurance company technical reserves	363	-	-	-	-	-	-
Provisions	4	4	-	-	-	-	4
Subordinated debt	24	21	-	-	-	-	21
Total liabilities	**1 888**	**1 502**	**9**	**94**	**-**	**-**	**1 399**
Equity	**73**	**72**	**-**	**-**	**-**	**-**	**72**
Equity, Group share	**65**	**65**	**-**	**-**	**-**	**-**	**65**
Share capital and reserves	28	28	-	-	-	-	28
Consolidated reserves	32	32	-	-	-	-	32
Other comprehensive income	2	2	-	-	-	-	2
Other comprehensive income on non-current assets held for sale and discontinued operations	(0)	-	-	-	-	-	-
Net income/(loss) for the year	3	3	-	-	-	-	3
Non-controlling interests	**8**	**6**	**-**	**-**	**-**	**-**	**6**
TOTAL EQUITY AND LIABILITIES	**1 961**	**1 573**	**9**	**94**	**-**	**-**	**1 470**

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.

Refer to the glossary on page 681 for the definition of technical terms.

3.2 MAIN SOURCES OF DIFFERENCES BETWEEN REGULATORY EXPOSURE AMOUNTS AND CARRYING VALUES IN FINANCIAL STATEMENTS (LI2)

		a	b	c	d	e
			Items subject to :			
31/12/2020 *(in billions of euros)*		TOTAL	Credit risk framework	Counterparty credit risk framework	Securitisation framework	Market risk framework(1)
1	**Asset carrying value amount under the scope of regulatory consolidation (as per template EU LI1)(2)**	**1 547**	**1 228**	**292**	**2**	**148**
2	Liabilities carrying value amount under the regulatory scope of consolidation (as per template EU LI1)	**103**	9	94	-	-
3	**Total net amount under the regulatory scope of consolidation**	**1 444**	**1 219**	**199**	**2**	**148**
4	Off-balance-sheet amounts(3)	**676**	125	-	43	
5	Differences in valuations	**-**	-	-		
6	Differences in netting rules	**(125)**		(125)		
7	Difference due to consideration of provisions	**8**	8	-		
8	Differences due to the use of credit risk mitigation techniques (CRMs)	**(20)**	(17)	(3)		
9	Differences due to credit conversion factors	**(99)**				
10	Differences due to Securitisation with risk transfer					
11	Other adjustments	**27**	16	11	-	
12	**Exposure amount considered for regulatory purposes**	**1 477**	**1 351**	**81**	**45**	

(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

Refer to the glossary on page 681 for the definition of technical terms.

3.3 OUTLINE OF THE DIFFERENCES IN THE SCOPES OF CONSOLIDATION (LI3: ENTITY BY ENTITY)(1)

Name of the entity	Method of accounting	Method of regulatory consolidation: Full consolidation	Proportional consolidation	Equity method	Description of the entity
Crédit Agricole – Group Infrastructure Platform	Equity method	X			Information and Communication
Crédit Agricole Immobilier	Equity method	X			Specialised, scientific and technology activities
Crédit Agricole Immobilier Promotion	Equity method	X			Construction activities
Crédit Agricole Immobilier Services	Equity method	X			Real Estate Activities
SO.GI.CO	Equity method	X			Real Estate Activities
BforBank S.A.	Equity method	X			Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
SCI D2 CAM	Equity method	X			Real Estate Activities
Uni-medias	Full			X	Information and Communication
Crédit Agricole Assurances (CAA)	Full			X	Financial and Insurance Activities – Insurance
Crédit Agricole Life Insurance Company Japan Ltd.	Full			X	Financial and Insurance Activities – Insurance
CA ASSICURAZIONI	Full			X	Financial and Insurance Activities – Insurance
Crédit Agricole Créditor Insurance (CACI)	Full			X	Financial and Insurance Activities – Auxiliary activities of financial and insurance services
Spirica	Full			X	Financial and Insurance Activities – Insurance
Crédit Agricole Assurances Solutions	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
PREDICA	Full			X	Financial and Insurance Activities – Insurance
Médicale de France	Full			X	Financial and Insurance Activities – Insurance
PACIFICA	Full			X	Financial and Insurance Activities – Insurance
Via Vita	Full			X	Other activities of services
IRIS HOLDING FRANCE	Full			X	Real Estate Activities
HOLDING EUROMARSEILLE	Full			X	Real Estate Activities
Crédit Agricole Life Insurance Europe	Full			X	Financial and Insurance Activities – Insurance
GNB SEGUROS (Anciennement BES SEGUROS)	Full			X	Financial and Insurance Activities – Insurance
Crédit Agricole Life	Full			X	Financial and Insurance Activities – Insurance
Crédit Agricole Vita S.p.A.	Full			X	Financial and Insurance Activities – Insurance
ASSUR&ME	Full			X	Financial and Insurance Activities – Auxiliary activities of financial and insurance services
VAUGIRARD INFRA S.L.	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
SAS ALTA VAI HOLDCO P	Full			X	Real Estate Activities
Predica Infrastructure S.A.	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
UBAF	Equity method	X			Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
CAIRS Assurance S.A.	Full			X	Financial and Insurance Activities – Insurance
Atlantic Asset Securitization LLC	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
LMA S.A.	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds

(1) The scope of consolidation is described in full in Note 12 to the consolidated financial statements.
UCITS, UL and SCI (non-trading real estate investment company) funds held by the insurance entities and detailed in Note 12 to the consolidated financial statements follow the same accounting and regulatory treatment as their holding entity.

Name of the entity	Method of accounting	Method of regulatory consolidation: Full consolidation	Proportional consolidation	Equity method	Description of the entity
Héphaïstos Multidevises FCT	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
Eucalyptus FCT	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
Pacific USD FCT	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
Shark FCC	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
Pacific EUR FCC	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
Pacific IT FCT	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
Triple P FCC	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
ESNI (compartiment Crédit Agricole CIB)	Full			X	Financial and Insurance Activities – Auxiliary activities of financial and insurance services
La Fayette Asset Securitization LLC	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
TSUBAKI ON (FCT)	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
TSUBAKI OFF (FCT)	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
La Route Avance	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
FCT CFN DIH	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
S3 Latam Holdco 1	Equity method		X		Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
Santander CACEIS Brasil Participações S.A.	Equity method		X		Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
Banco Santander CACEIS México, S.A., Institución de Banca Múltiple	Equity method		X		Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
SANTANDER CACEIS COLOMBIA S.A., SOCIEDAD FIDUCIARIA	Equity method		X		Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
S3 Latam Holdco 2	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
ARES Reinsurance Ltd.	Full			X	Financial and Insurance Activities – Auxiliary activities of financial and insurance services
FCA Bank S.P.A	Equity method		X		Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
Crédit Agricole Consumer Finance BANKIA sa	Equity method		X		Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
FINAREF RISQUES DIVERS	Full			X	Financial and Insurance Activities – Insurance
CACI Reinsurance Ltd.	Full			X	Financial and Insurance Activities – Auxiliary activities of financial and insurance services
SPACE HOLDING (IRELAND) LIMITED	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
SPACE LUX	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
CACI LIFE LIMITED	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
CACI NON LIFE LIMITED	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds
FCT compartment LCL	Full			X	Financial and Insurance Activities – Activities of financial services, excluding insurance and pension funds

Refer to the glossary on page 681 for the definition of technical terms.

3.4 COMPOSITION AND CHANGES IN RISK-WEIGHTED ASSETS

3.4.1 Summary of risk-weighted assets

3.4.1.1 Risk-weighted assets by type of risk (OV1)

The risk-weighted assets in respect of credit risk, market risk and operational risk were €336.0 billion at 31 December 2020 vs. €323.7 billion at 31 December 2019.

		RWA		Minimum capital requirements
	(in millions of euros)	31/12/2020	31/12/2019[(1)]	31/12/2020
1	**Credit risk (excluding CCR)**	**257,200**	**245,450**	**20,576**
2	Of which the standardised approach	94,862	99,137	7,589
3	Of which the foundation IRB (FIRB) approach	27,445	24,787	2,196
4	Of which the advanced IRB (AIRB) approach	97,528	94,668	7,802
5	Of which equity IRB under the simple risk-weighted approach or the IMA	37,365	26,858	2,989
6	**CCR**	**22,085**	**20,619**	**1,767**
7	Of which mark to market	7,096	7,540	568
8	Of which original exposure	-	-	-
9	Of which the standardised approach	-	-	-
10	Of which internal model method (IMM)	10,313	8,937	825
11	Of which risk exposure amount for contributions to the default fund of a CCP	348	403	28
12	Of which CVA	4,328	3,739	346
13	**Settlement risk**	**1**	**15**	**-**
14	**Securitisation exposures in the banking book (after the cap)**	**8,755**	**7,671**	**701**
15	Of which SEC-IRBA approach	2,370	1,880	190
16	Of which SEC-ERBA (including IAA)	5,214	4,237	417
17	Of which SEC-SA approach	1,171	1,020	94
18	Of which 1250%/ deduction	-	-	-
	Of which securitisation transactions expired at 31/03/2020	-	534	-
19	**Market risk**	**9,753**	**11,595**	**781**
20	Of which the standardised approach	4,420	4,665	354
21	Of which IMA	5,333	6,930	427
22	**Large exposures**	**-**	**-**	**-**
23	**Operational risk**	**34,167**	**33,972**	**2,733**
24	Of which basic indicator approach	-	-	-
25	Of which standardised approach	10,513	10,300	841
26	Of which advanced measurement approach	23,654	23,672	1,892
27	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**4,083**	**4,356**	**327**
28	**Floor adjustment Basel 1**	**-**	**-**	**-**
29	**TOTAL**	**336,044**	**323,678**	**26,885**

(1) Proforma on 2019 securitisation exposures following the valuation of the entire securitisation stock on 1 January 2020 under the new regulatory framework (EU) 2017/2401.

3.4.1.2 Operating segment information

31/12/2020	Credit risk								
(in millions of euros)	Standardised approach	Weighting approach IRB	IRB Approach[1]	Contributions to a CCP default fund	Credit risk	Credit valuation adjustment risk	Operational risk	Market risk	Total risk-weighted assets
French Retail Banking	7,998	1,885	39,217	-	**49,100**	10	2,895	3	**52,008**
International Retail Banking	30,217	964	4,244	3	**35,428**	5	4,042	74	**39,549**
Asset Gathering	6,571	28,003	768	-	**35,342**	343	7,212	60	**42,957**
Specialised Financial Services	29,372	1,189	17,815	-	**48,376**	21	3,391	3	**51,791**
Large Customers	19,820	1,316	75,631	344	**97,111**	3,949	15,804	6,700	**123,564**
Corporate Centre	5,852	8,091	8,496	-	**22,439**	-	823	2,914	**26,176**
TOTAL RISK-WEIGHTED ASSETS	**99,830**	**41,448**	**146,171**	**347**	**287,796**	**4,328**	**34,167**	**9,754**	**336,044**

(1) *Advanced IRB or Foundation IRB approach depending on business lines.*

31/12/2019	Credit risk								
(in millions of euros)	Standardised approach	Weighting approach IRB	IRB Approach[1]	Contributions to a CCP default fund	Credit risk	Credit valuation adjustment risk	Operational risk	Market risk	Total risk-weighted assets
French Retail Banking	8,298	1,689	39,092	-	**49,078**	11	2,669	6	**51,763**
International Retail Banking	31,836	1,003	4,411	9	**37,258**	5	4,061	281	**41,606**
Asset Gathering	6,749	16,304	801	-	**23,854**	314	6,845	63	**31,076**
Specialised Financial Services	32,687	1,202	17,800	-	**51,689**	24	3,040	3	**54,756**
Large Customers	19,951	2,530	69,524	394	**92,399**	3,384	15,019	8,796	**119,598**
Corporate Centre	4,595	8,485	7,012	-	**20,093**	-	2,339	2,447	**24,879**
TOTAL RISK-WEIGHTED ASSETS	**104,115**	**31,213**	**138,640**	**403**	**274,371**	**3,739**	**33,973**	**11,595**	**323,678**

(1) *Advanced IRB or Foundation IRB approach depending on business lines.*

Refer to the glossary on page 681 for the definition of technical terms.

3.4.1.3 Changes in risk-weighted assets

The table below shows the changes in Crédit Agricole S.A.'s risk weighted assets in 2020:

(in millions of euros)	31/12/2019	Foreign exchange	Organic change and optimisation	Equity-accounted value Insurance	Scope	Method and regulatory changes	Total variation 2020	31/12/2020
Credit risk	274,372	(4,194)	(1,623)	11,717	168	7,357	**13,425**	287,796
of which Equity risk	*31,213*	-	*(1,482)*	*11,717*	-	-	**10,235**	*41,448*
CVA	3,739	-	590	-	-	-	**590**	4,328
Market risk	11,595	-	(1,841)	-	-	-	**(1,841)**	9,754
Operational risk	33,973	-	101	-	93	-	**194**	34,167
TOTAL	**323,678**	**(4,194)**	**(2,773)**	**11,717**	**261**	**7,357**	**12,368**	**336,044**

Risk-weighted assets totalled €336 billion at 31 December 2020, an increase of €12.4 billion (+3.8%) mainly due to the 35% Switch dismantling in March (+€11.9 billion). Except for this, risk-weighted assets are stable, methodology and regulatory impacts (+€7.4 billion) being offset by the decrease of business lines (-€2.8 billion) and positive forex (-€4.2 billion):

- decrease of business lines (-€2.8 billion), in particular in the Large Customers division (-€2.4 billion) and Financial Services (-€3 billion), whereas Retail Banking (+€1 billion) and Corporate Centre (+€1.7 billion) increase;
- methodological and regulatory effects (+€7.4 billion), including a regulatory effect on securitization at Crédit Agricole CIB (+€5.5 billion), review of internal model at Crédit Agricole CIB (+€4.5 billion) and LCL (+€0.7 billion), partly offset by a positive effect on the extension of SME factor (-€4.1 billion);
- +€11.7 billion increase in the equity stake in Insurance companies mainly due to the dismantling of 35% of the Switch guarantee (+€11.9 billion) in March 2020;
- a positive M&A effect (+€0.3 billion) mainly with the acquisition of Sabadell Asset Management S.A. by Amundi and the acquisition of Hama by EFL.

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.

A general overview of the change in credit and counterparty risk can be found in part I, followed by a more detailed look at credit risk in part II, by regulatory approach: the standardised method and using the IRB approach. Counterparty risk is covered in part III followed by part IV which covers the credit and counterparty risk mitigation techniques.

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 Crédit Agricole S.A.'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 2020 and at 31 December 2019.

The 16 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 2020

31/12/2020 *(in billions of euros)*	Standardised				IRB				TOTAL				
	Gross exposure[1]	Gross exposure after CRM[2]	EAD	RWA	Gross exposure[1]	Gross exposure after CRM[2]	EAD	RWA	Gross exposure[1]	Gross exposure after CRM[2]	EAD	RWA	Capital require-ment
Central governments or Central Banks	93.5	94.8	94.7	5.8	265.1	279.7	277.4	1.8	**358.6**	**374.5**	**372.1**	**7.6**	**0.6**
Institutions	40.1	58.6	54.8	7.9	441.3	447.7	444.6	9.9	**481.4**	**506.3**	**499.4**	**17.8**	**1.4**
Corporates	121.0	97.2	70.8	53.6	326.7	297.2	237.8	84.0	**447.7**	**394.4**	**308.6**	**137.6**	**11.0**
Retail customers	35.2	30.5	27.9	17.9	197.5	197.5	196.0	42.8	**232.7**	**228.0**	**223.8**	**60.7**	**4.9**
Loans to individuals	22.2	20.8	19.1	12.9	163.5	163.5	162.2	31.8	**185.7**	**184.3**	**181.3**	**44.7**	**3.6**
o/w secured by real estate assets	4.4	4.3	4.2	1.6	100.8	100.8	100.8	9.4	**105.2**	**105.1**	**105.1**	**11.0**	**0.9**
o/w revolving	3.0	2.9	1.4	1.1	11.9	11.9	10.5	3.4	**14.9**	**14.8**	**11.9**	**4.4**	**0.4**
o/w other	14.8	13.7	13.5	10.2	50.7	50.7	50.9	19.0	**65.6**	**64.5**	**64.4**	**29.3**	**2.3**
Loans to small and medium businesses	12.9	9.6	8.7	5.0	34.0	34.0	33.8	11.0	**47.0**	**43.7**	**42.5**	**16.1**	**1.3**
o/w secured by real estate assets	0.4	0.4	0.4	0.1	6.4	6.4	6.4	1.5	**6.8**	**6.7**	**6.7**	**1.7**	**0.1**
o/w other	12.6	9.3	8.4	4.9	27.6	27.6	27.4	9.5	**40.2**	**36.9**	**35.8**	**14.4**	**1.1**
Shares	0.9		0.9	1.1	16.6		10.7	37.4	**17.6**		**11.6**	**38.5**	**3.1**
Securitisations	5.6		4.4	1.2	40.6		40.6	7.6	**46.2**		**45.0**	**8.8**	**0.7**
Assets other than credit obligation	15.3		15.3	12.3	-		-	-	**15.3**		**15.3**	**12.3**	**1.0**
TOTAL	**311.6**		**268.8**	**99.8**	**1,287.9**		**1,207.0**	**183.5**	**1,599.5**		**1,475.8**	**283.4**	**22.7**

(1) Initial gross exposure.

(2) Gross exposure after credit risk mitigation (CRM).

Refer to the glossary on page 681 for the definition of technical terms.

Overall risk exposure (credit, counterparty, dilution, settlement and delivery) at 31 December 2019

31/12/2019 *(in billions of euros)*	Standardised Gross exposure[1]	Standardised Gross exposure after CRM[2]	Standardised EAD	Standardised RWA	IRB Gross exposure[1]	IRB Gross exposure after CRM[2]	IRB EAD	IRB RWA	TOTAL Gross exposure[1]	TOTAL Gross exposure after CRM[2]	TOTAL EAD	TOTAL RWA	TOTAL Capital require-ment
Central governments or Central Banks	59.0	59.1	58.9	6.3	196.5	206.9	204.8	1.5	**255.5**	**265.9**	**263.7**	**7.8**	**0.6**
Institutions	44.4	64.3	61.3	7.9	404.4	409.0	405.3	8.5	**448.8**	**473.4**	**466.5**	**16.5**	**1.3**
Corporates	124.5	100.5	72.1	57.9	312.9	287.5	226.9	78.0	**437.4**	**388.0**	**299.0**	**135.9**	**10.9**
Retail customers	36.7	32.3	29.1	18.7	186.7	186.7	183.1	44.0	**223.4**	**219.0**	**212.2**	**62.7**	**5.0**
Loans to individuals	23.6	22.2	19.9	13.4	158.5	158.5	155.1	33.4	**182.0**	**180.7**	**175.1**	**46.8**	**3.7**
o/w secured by real estate assets	4.8	4.5	4.5	1.8	97.5	97.5	97.5	11.1	**102.3**	**102.1**	**102.1**	**12.9**	**1.0**
o/w revolving	4.1	3.9	1.9	1.4	11.7	11.7	8.3	3.4	**15.7**	**15.5**	**10.2**	**4.9**	**0.4**
o/w other	14.7	13.8	13.6	10.2	49.3	49.3	49.3	18.8	**64.0**	**63.1**	**62.9**	**29.0**	**2.3**
Loans to small and medium businesses	13.1	10.1	9.2	5.3	28.2	28.2	28.0	10.6	**41.4**	**38.3**	**37.1**	**15.9**	**1.3**
o/w secured by real estate assets	0.5	0.4	0.4	0.2	5.9	5.9	5.9	1.2	**6.4**	**6.4**	**6.4**	**1.4**	**0.1**
o/w other	12.7	9.6	8.7	5.1	22.3	22.3	22.0	9.4	**35.0**	**31.9**	**30.8**	**14.5**	**1.2**
Shares	0.9		0.9	1.1	17.3		7.9	26.9	**18.1**		**8.8**	**27.9**	**2.2**
Securitisations	1.2		0.9	0.6	39.8		39.8	5.0	**41.0**		**40.7**	**5.6**	**0.4**
Assets other than credit obligation	14.0		14.0	11.1	-		-	-	**14.0**		**14.0**	**11.1**	**0.9**
TOTAL	**280.7**		**237.1**	**103.6**	**1,157.7**		**1,067.8**	**163.9**	**1,438.4**		**1,304.9**	**267.5**	**21.4**

(1) Initial gross exposure.

(2) Gross exposure after credit risk mitigation (CRM).

Measured in terms of gross exposure, the Group's total outstanding amounts were up 11.2%, reflecting the favourable business climate in the main business lines.

The main portfolio remains the "Institutions" category with total gross exposure of €481.4 billion. This included €371.6 billion in exposures linked to Crédit Agricole group internal transactions at 31 December 2020 (€335.8 billion at 31 December 2019).

Excluding these internal transactions, gross exposure for the total loan portfolio was €1,227.9 billion at 31 December 2020, up +11.4% compared to end-2019.

The "Central governments and Central Banks" portfolio rose +40.34% due mainly to the increase in Central Bank deposits and State-guaranteed loans.

RWA density (defined as the ratio of risk-weighted assets/EAD) was 27% on average for retail customers and 45% for Corporates at 31 December 2020.

Total net amount and average of exposures (CRB-B)

		31/12/2020		31/12/2019	
	(in millions of euros)	Net value of exposures at the end of the period	Average net exposures over the period(1)	Net value of exposures at the end of the period	Average net exposures over the period(2)
1	Central governments or Central Banks	265,090	260,972	196,439	181,909
2	Institutions	440,989	436,184	404,042	398,173
3	Corporates	322,936	325,606	309,744	302,692
4	Of which: Specialised lending	61,174	62,436	64,567	63,052
5	Of which: SMEs	6,210	5,938	5,268	5,087
6	Retail	193,992	189,307	183,157	178,488
7	Secured by real estate property	106,735	105,465	103,028	99,881
8	SMEs	6,267	6,055	5,839	5,673
9	Non-SMEs	100,468	99,411	97,188	94,207
10	Qualifying revolving	11,584	11,370	11,301	11,035
11	Other retail	75,673	72,472	68,828	67,572
12	SMEs	26,673	24,602	21,317	20,573
13	Non-SMEs	49,000	47,870	47,511	47,000
14	Equity	16,615	16,321	17,270	17,102
15	**Total IRB approach**	**1,239,623**	**1,228,423**	**1,110,653**	**1,078,363**
16	Central governments or Central Banks	88,554	73,098	55,764	45,638
17	Regional governments or local authorities	707	719	600	596
18	Public sector entities	3,661	3,519	2,717	1,912
19	Multilateral development banks	333	314	79	33
20	International organisations	1,092	1,094	828	786
21	Institutions	38,444	46,383	42,244	45,669
22	Corporates	92,181	92,150	94,087	93,367
23	Of which: SMEs	17,839	18,178	18,298	14,558
24	Retail	28,820	28,690	29,920	29,905
25	Of which: SMEs	12,170	11,748	12,286	11,880
26	Secured by mortgages on immovable property	6,627	6,755	6,878	6,735
27	Of which: SMEs	1,475	1,417	1,314	1,155
28	Exposures in default	1,871	2,000	2,059	2,405
29	Items associated with particularly high risk	705	964	1,100	385
30	Covered bonds	664	897	1,044	637
31	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-
32	Collective investments undertakings	22,596	24,965	24,007	24,750
33	Equity exposures	941	932	856	861
34	Other exposures	15,292	13,985	13,979	13,638
35	**Total standardised approach**	**302,487**	**296,465**	**276,162**	**267,316**
36	**TOTAL**	**1,542,110**	**1,524,888**	**1,386,815**	**1,345,679**

(1) The 2020 average is calculated on the basis of data recorded at the end of each quarter 2020.

(2) The 2019 average is calculated on the basis of data recorded at the end of each quarter 2019.

NB: Of which €371,593 million in Crédit Agricole internal transactions at 31 December 2020.

Of which €335,796 million in Crédit Agricole internal transactions at 31 December 2019.

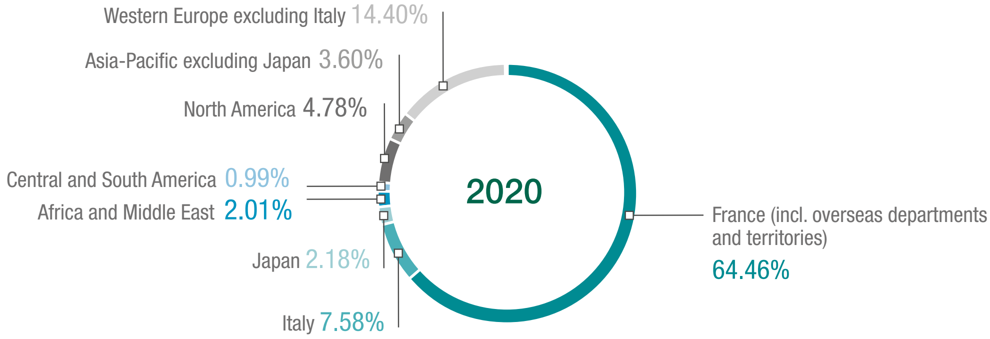
Net exposures totalled €1,542.1 billion at 31 December 2020, 80.4% of which are subject to an internal ratings-based regulatory treatment.

Refer to the glossary on page 681 for the definition of technical terms.

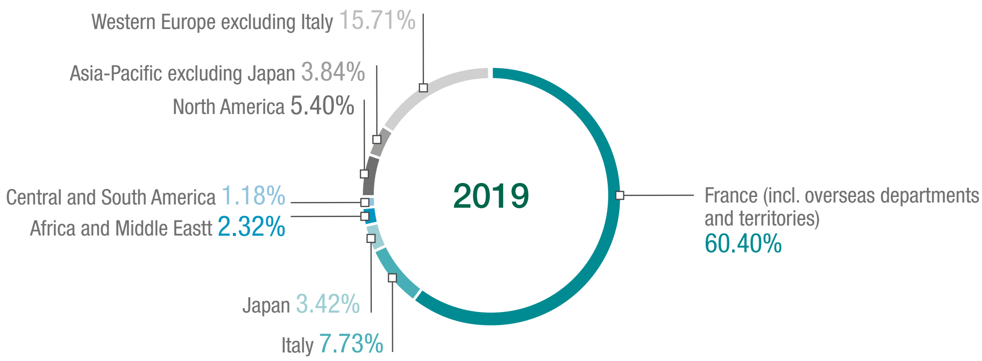
3.4.2.1.2 Exposures by geographic area

The breakdown by geographic area includes all Crédit Agricole S.A. exposures except for securitisation transactions and "Assets other than credit obligations".

At 31 December 2020



At 31 December 2019



Geographic breakdown of exposures (CRB-C)

31/12/2020 (in millions of euros)		Europe							
		France	Italy	Luxembourg	United Kingdom	Germany	Switzerland	Netherlands	Others
1	Central governments or Central Banks	185,744	752	5,952	2,253	7,469	2,273	132	10,690
2	Institutions	397,576	573	2,378	5,330	2,183	4,541	4,220	6,949
3	Corporates	101,607	11,692	12,202	18,377	12,672	8,011	10,599	31,353
4	Retail	140,335	36,959	996	322	4,365	948	22	6,135
5	Equity	15,994	277	37	40	3	32	5	42
6	**Total IRB approach 31/12/2020**	**841,256**	**50,252**	**21,565**	**26,321**	**26,692**	**15,805**	**14,978**	**55,169**
	Total IRB approach 31/12/2019	**712,182**	**47,662**	**18,197**	**26,069**	**22,820**	**14,950**	**13,447**	**55,543**
7	Central governments or Central Banks	47,925	22,411	8,805	20	1,243	938	449	4,769
8	Regional governments or local authorities	389	120	-	-	1	-	-	-
9	Public sector entities	865	112	-	-	752	-	-	1,751
10	Multilateral development banks	-	-	262	-	-	-	-	50
11	International organisations	-	-	1,092	-	-	-	-	-
12	Institutions	15,368	4,988	186	4,884	3,617	487	1,029	2,915
13	Corporates	51,122	20,042	2,623	857	1,634	257	582	6,199
14	Retail	6,854	9,134	5	739	2,263	191	1,301	6,626
15	Secured by mortgages on immovable property	949	3,069	22	8	3	9	2	1,262
16	Exposures in default	772	708	5	11	34	4	34	187
17	Items associated with particularly high risk	392	313	-	-	-	-	-	-
18	Covered bonds	142	-	-	-	-	-	-	-
19	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-
20	Collective investments undertakings	16,888	3,692	1,120	-	2	-	-	9
21	Equity exposures	581	88	10	17	2	1	64	105
22	Other exposures	10,566	1,916	297	80	87	456	88	977
23	**Total standardised approach 31/12/2020**	**152,813**	**66,590**	**14,428**	**6,616**	**9,636**	**2,342**	**3,549**	**24,856**
	Total standardised approach 31/12/2019	**125,340**	**59,593**	**9,446**	**13,225**	**8,561**	**1,956**	**4,181**	**29,519**
24	**TOTAL 31/12/2020**	**994,068**	**116,846**	**35,993**	**32,937**	**36,327**	**18,146**	**18,527**	**80,028**
	TOTAL 31/12/2019	837,523	107,256	27,642	39,294	31,381	16,906	17,628	85,058

NB: Of which €371,593 million in Crédit Agricole internal transactions at 31 December 2020.
Of which €335,796 million in Crédit Agricole internal transactions at 31 December 2019.

At 31 December 2020, total exposure for the scope defined above was €1,542.1 billion (of which €371.6 billion in Crédit Agricole S.A. internal transactions), compared with €1,386.8 billion at 31 December 2019.

For all supervisory approaches (*i.e.* based on internal ratings and standardised), concerning Retail customers, the Group's exposure is concentrated on two countries: France and Italy represent 86.7% of exposures. The other portfolios are more geographically diversified. For example, 30.2% of exposures in the Corporates portfolio are located outside Europe, primarily in North America and Asia.

Refer to the glossary on page 681 for the definition of technical terms.

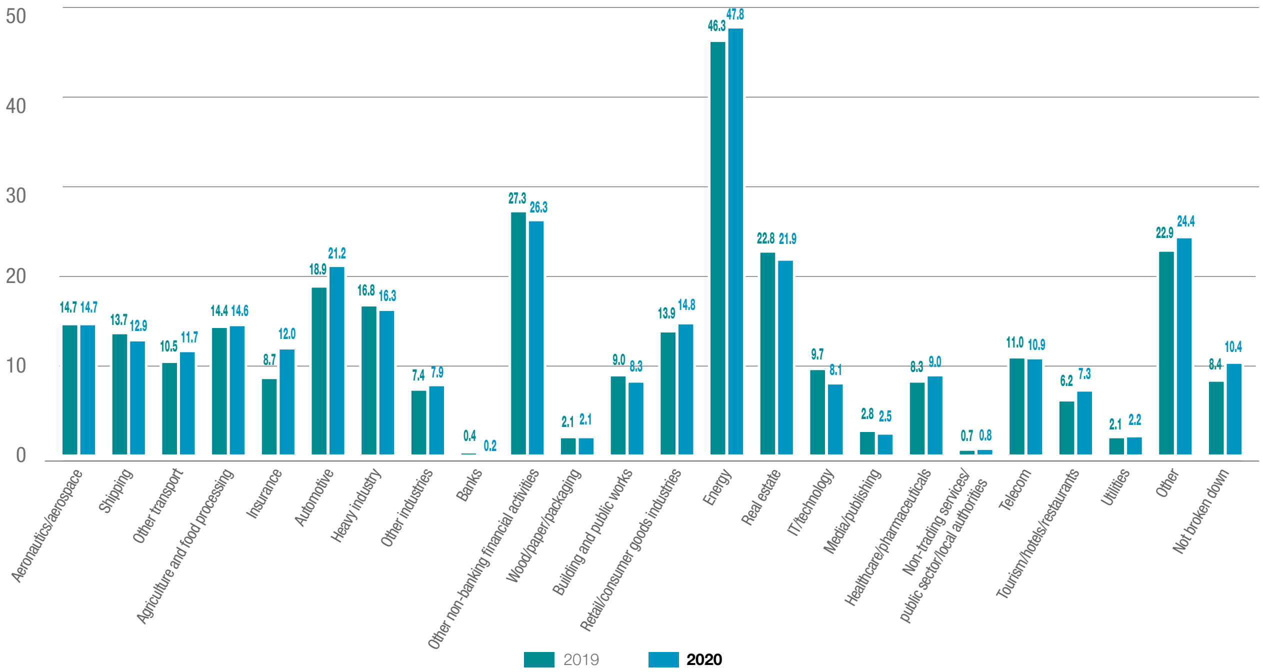
	Asia and Oceania		North America				
	Japan	Others	USA	Others	Central and South America	Africa and Middle East	TOTAL
	22,947	8,150	7,946	2,723	749	7,309	**265,090**
	2,225	8,164	2,425	488	150	3,786	**440,989**
	6,596	33,479	51,356	4,148	12,175	8,670	**322,936**
	180	2,548	20	38	246	877	**193,992**
	6	11	117	-	34	16	**16,615**
	31,953	**52,352**	**61,865**	**7,397**	**13,353**	**20,660**	**1,239,622**
	44,770	**49,218**	**62,544**	**7,098**	**14,612**	**21,540**	**1,110,652**
	71	65	194	2	113	1,546	**88,554**
	-	-	-	197	-	-	**707**
	-	13	165	-	-	4	**3,661**
	-	1	-	-	-	19	**333**
	-	-	-	-	-	-	**1,092**
	857	1,166	1,315	193	341	1,094	**38,444**
	43	1,556	914	619	1,051	4,684	**92,182**
	5	67	29	88	374	1,141	**28,820**
	-	-	3	2	-	1,292	**6,627**
	-	5	-	-	19	91	**1,871**
	-	-	-	-	-	-	**705**
	-	25	-	496	-	-	**664**
	-	-	-	-	-	-	**-**
	604	246	23	-	-	12	**22,596**
	3	3	3	5	-	61	**941**
	28	90	219	2	24	461	**15,292**
	1,610	**3,240**	**2,865**	**1,605**	**1,926**	**10,412**	**302,487**
	2,650	**4,019**	**3,775**	**1,495**	**1,722**	**10,677**	**276,162**
	33,563	**55,589**	**64,730**	**9,002**	**15,279**	**31,072**	**1,542,110**
	47,420	53,235	66,319	8,594	16,334	32,217	1,386,815

3.4.2.1.3 Exposures by business sector

The breakdown by business sector is calculated on the total amount of Crédit Agricole S.A. exposures for the scope covering Central governments and Central Banks, Institutions, Corporate and Retail customers. 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).

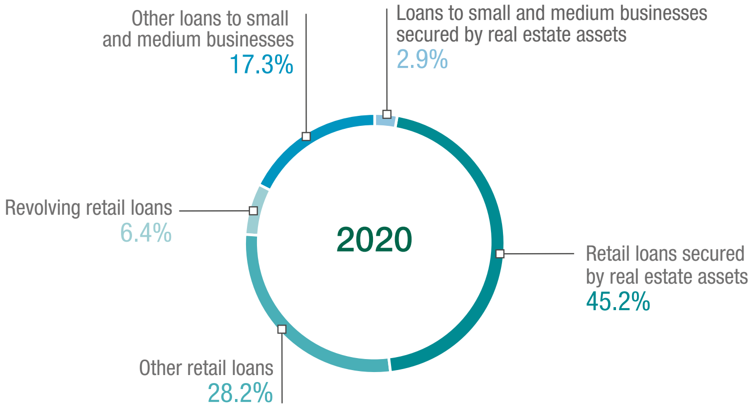
Breakdown of the Corporate portfolio 2019-2020

Amounts in EAD
(in billions of euros)

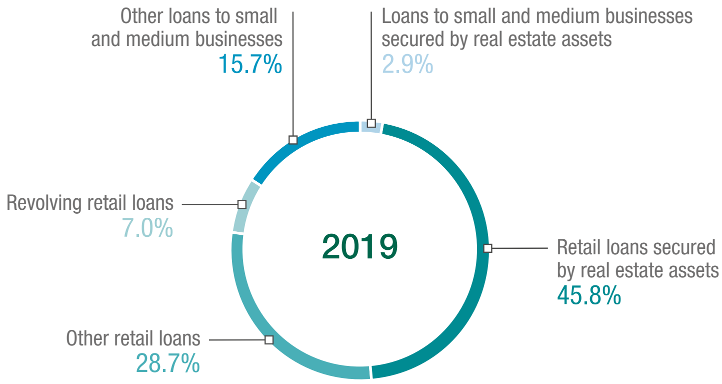


Refer to the glossary on page 681 for the definition of technical terms.

Retail customers at 31 December 2020



Retail customers at 31 December 2019



Breakdown of the Retail customers portfolio

The chart above shows a breakdown of the Crédit Agricole S.A.'s Retail customers portfolio exposures by Basel sub-portfolio (outstanding amounts of €232.7 billion at 31 December 2020 compared with €223.4 billion at 31 December 2019, an increase of 4.1% on an annual basis).

Within the "Retail customers" portfolio, the relative share of "loans to individuals secured by real estate assets" remains the largest (45.2% in 2020, compared with 45.8% in 2019). The share of "revolving exposures to individuals" fell further in 2020 to 6.4% of outstanding retail customer loans from 7.0% in 2019.

Concentration of exposures by industry or counterparty types (CRB-D)

	31/12/2020 *(in millions of euros)*	Agriculture, forestry and fishing	Mining and quarrying	Manufac-turing	Production and distribution	Construction	Wholesale trade	Retail trade	Transport and storage	Accommo-dation and food service activities	Information and communication	Education and Instruc-tion-Training
1	Central governments or Central Banks					202			138			-
2	Institutions	30		461	52	11	1	125	41	1	26	1
3	Corporates	1,038	21,428	82,532	26,035	10,374	23,164	10,458	33,914	5,404	18,543	260
4	Retail	1,530	15	828	20	659	484	659	206	436	99	30
5	Equity	172	34	131	13	12	68	2	64	13	23	1
6	**Total IRB approach 31/12/2020**	**2,770**	**21,477**	**83,952**	**26,120**	**11,258**	**23,717**	**11,244**	**34,363**	**5,854**	**18,691**	**292**
	Total IRB approach 31/12/2019	**2,812**	**20,720**	**80,099**	**23,720**	**10,984**	**24,890**	**9,991**	**33,613**	**4,676**	**20,951**	**298**
7	Central governments or Central Banks		99	-								-
8	Regional governments or local authorities	-								-	-	-
9	Public sector entities	1	-	1	1	5	39	-	48	-	-	23
10	Multilateral development banks						1					
11	International organisations											
12	Institutions			545	1	-	-	2		-	45	-
13	Corporates	1,612	367	14,404	2,659	2,099	5,001	5,061	1,971	768	1,297	70
14	Retail	978	363	1,308	105	1,047	600	792	939	306	221	87
15	Secured by mortgages on immovable property	222	2	181	8	15	64	50	32	266	13	2
16	Exposures in default	45	4	250	8	216	91	68	47	57	13	3
17	Items associated with particularly high risk	8				88	-	2		-		
18	Covered bonds											
19	Claims on institutions and corporates with a short-term credit assessment											
20	Collective investments undertakings	-					7					
21	Equity exposures	30		-	46	4	5	-	20		7	-
22	Other exposures	3	1	8	3	14	7	21	58	1	4	-
23	**Total standardised approach 31/12/2020**	**2,899**	**836**	**16,697**	**2,831**	**3,488**	**5,815**	**5,996**	**3,115**	**1,398**	**1,600**	**185**
24	**Total standardised approach 31/12/2019**	**2,845**	**859**	**16,401**	**2,802**	**3,717**	**6,581**	**6,580**	**3,197**	**1,105**	**1,534**	**165**
24	**TOTAL 31/12/2020**	**5,669**	**22,313**	**100,649**	**28,951**	**14,746**	**29,532**	**17,240**	**37,478**	**7,252**	**20,291**	**477**
	TOTAL 31/12/2019	5,657	21,579	96,500	26,522	14,701	31,471	16,571	36,810	5,781	22,485	463

Refer to the glossary on page 681 for the definition of technical terms.

	31/12/2020 *(in millions of euros)*	Real estate activities	Finance and Insurance	Company Mana-gement financial participa-tions	Professional, scientific and technical activities	Adminis-trative and support service activities	Public adminis-tration and defence, compulsory social security	Human health services and social work activities	Other personal services outside public administration	Private persons	Arts, entertain-ment and recreation	Other services	TOTAL
1	Central governments or Central Banks	121	214,166	284			48,953	876	341			9	**265,090**
2	Institutions	647	435,165	107	-	71	3,667	54	20		11	498	**440,989**
3	Corporates	19,068	46,686	8,322	4,608	4,523	230	5,099	316	49	885	-	**322,936**
4	Retail	1,852	1,115	241	549	113	-	179	213	182,117	61	2,586	**193,992**
5	Equity	59	3,363	331	103	58	1	22	-		2	12,143	**16,615**
6	**Total IRB approach 31/12/2020**	**21,747**	**700,495**	**9,285**	**5,260**	**4,765**	**52,851**	**6,230**	**890**	**182,166**	**959**	**15,237**	**1,239,623**
	Total IRB approach 31/12/2019	**22,013**	**597,069**	**8,167**	**4,631**	**3,495**	**46,414**	**5,802**	**448**	**172,911**	**1,016**	**15,933**	**1,110,653**
7	Central governments or Central Banks		66,189				14,787	-			-	7,479	**88,554**
8	Regional governments or local authorities					-	636	4	-		-	67	**707**
9	Public sector entities	25	864	-	9	6	523	125	15		14	1,962	**3,661**
10	Multilateral development banks		330				2					-	**333**
11	International organisations		270				822					-	**1,092**
12	Institutions	-	32,637	3	-	-	-	-	-			5,211	**38,444**
13	Corporates	15,321	26,494	1,786	950	998	153	706	159	63	264	9,978	**92,181**
14	Retail	671	81	124	422	198	9	319	217	19,933	100	-	**28,820**
15	Secured by mortgages on immovable property	1,014	26	23	23	10		38	8	4,235	6	389	**6,627**
16	Exposures in default	307	18	17	21	12	1	3	6	597	14	73	**1,871**
17	Items associated with particularly high risk	339	7									261	**705**
18	Covered bonds		664									-	**664**
19	Claims on institutions and corporates with a short-term credit assessment											-	**-**
20	Collective investments undertakings	7	19,210									3,372	**22,596**
21	Equity exposures	96	57	4	1	-						671	**941**
22	Other exposures	40	3	15	2	3	1	1	-		-	15,107	**15,292**
23	**Total standardised approach 31/12/2020**	**17,820**	**146,850**	**1,972**	**1,428**	**1,227**	**16,934**	**1,196**	**405**	**24,828**	**398**	**44,569**	**302,487**
	Total standardised approach 31/12/2019	**16,587**	**121,198**	**1,625**	**1,221**	**1,256**	**12,495**	**1,071**	**386**	**24,543**	**392**	**49,602**	**276,162**
24	**TOTAL 31/12/2020**	**39,567**	**847,345**	**11,257**	**6,688**	**5,992**	**69,785**	**7,426**	**1,295**	**206,994**	**1,357**	**59,806**	**1,542,110**
	TOTAL 31/12/2019	38,600	718,267	9,792	5,852	4,751	58,909	6,873	834	197,454	1,408	65,535	1,386,815

NB: Of which €371,593 million in Crédit Agricole internal transactions at 31 December 2020.
Of which €335,796 million in Crédit Agricole internal transactions at 31 December 2019.

3.4.2.1.4 Exposures by residual maturity

Maturity of exposures (CRB-E)

31/12/2020							Exposures net of impairment
(in millions of euros)		On demand	≤1 year	>1 year ≤5 years	>5 years	No stated maturity	TOTAL
1	Central governments or Central Banks	137,003	73,222	29,648	25,207	10	**265,090**
2	Institutions	4,078	153,482	162,095	120,833	501	**440,989**
3	Corporates	4,017	125,676	152,417	40,825	1	**322,936**
4	Retail	825	-	-	193,167	-	**193,992**
5	Equity		-		457	16,158	**16,615**
6	**Total IRB approach 31/12/2020**	**145,923**	**352,380**	**344,161**	**380,489**	**16,670**	**1,239,623**
	Total IRB approach 31/12/2019	**101,455**	**313,312**	**303,034**	**369,141**	**23,711**	**1,110,653**
7	Central governments or Central Banks	65,409	2,457	10,732	2,477	7,479	**88,554**
8	Regional governments or local authorities	3	55	200	389	60	**707**
9	Public sector entities	18	163	1,250	270	1,960	**3,661**
10	Multilateral development banks		23	310		-	**333**
11	International organisations		-	1,092		-	**1,092**
12	Institutions	2,312	18,421	9,676	2,834	5,201	**38,444**
13	Corporates	4,757	43,029	22,523	12,657	9,215	**92,181**
14	Retail	522	600	66	25,254	2,378	**28,820**
15	Secured by mortgages on immovable property	7	44	497	5,691	388	**6,627**
16	Exposures in default	234	457	233	873	74	**1,871**
17	Items associated with particularly high risk	33	111	181	119	261	**705**
18	Covered bonds		224	440		-	**664**
19	Claims on institutions and corporates with a short-term credit assessment					-	**-**
20	Collective investments undertakings		7,392	5,333	6,522	3,349	**22,596**
21	Equity exposures		4	-	18	919	**941**
22	Other exposures		68	102	6	15,116	**15,292**
23	**Total standardised approach 31/12/2020**	**73,296**	**73,048**	**52,634**	**57,110**	**46,399**	**302,487**
	Total standardised approach 31/12/2019	**39,574**	**65,548**	**61,335**	**62,765**	**46,940**	**276,162**
24	**TOTAL 31/12/2020**	**219,219**	**425,428**	**396,796**	**437,598**	**63,069**	**1,542,110**
	TOTAL 31/12/2019	**141,028**	**378,860**	**364,370**	**431,906**	**70,651**	**1,386,815**

NB: Of which €371,593 million in Crédit Agricole internal transactions at 31 December 2020.
Of which €335,796 million in Crédit Agricole internal transactions at 31 December 2019.

Refer to the glossary on page 681 for the definition of technical terms.

3.4.2.1.5 Defaulted exposures and value adjustments

Credit quality of exposures by exposure class and instrument (CR1-A)

31/12/2020		Gross carrying values of		Provisions/ Impairment	Net values
(in millions of euros)		Defaulted exposures	Non-defaulted exposures		
1	Central governments or Central Banks	51	265,085	46	265,090
2	Institutions	372	440,977	360	440,989
3	Corporates	5,850	320,845	3,759	322,936
4	Of which: Specialised lending	1,898	59,909	632	61,174
5	Of which: SMEs	267	6,139	197	6,210
6	Retail	4,623	192,886	3,518	193,992
7	Secured by real estate property	983	106,240	487	106,735
8	SMEs	231	6,152	116	6,267
9	Non-SMEs	752	100,088	372	100,468
10	Qualifying revolving	336	11,563	315	11,584
11	Other retail	3,304	75,084	2,715	75,673
12	SMEs	1,184	26,456	967	26,673
13	Non-SMEs	2,121	48,628	1,748	49,000
14	Equity	-	16,615	-	16,615
15	**Total IRB approach 31/12/2020**	**10,897**	**1,236,408**	**7,683**	**1,239,623**
	Total IRB approach 31/12/2019	**10,131**	**1,107,723**	**7,202**	**1,110,653**
16	Central governments or Central Banks	-	88,577	23	88,554
17	Regional governments or local authorities	-	708	-	707
18	Public sector entities	-	3,661	1	3,661
19	Multilateral development banks	-	333	-	333
20	International organisations	-	1,093	-	1,092
21	Institutions	-	38,449	5	38,444
22	Corporates	-	92,771	590	92,181
23	Of which: SMEs	-	17,987	147	17,839
24	Retail	-	29,144	324	28,820
25	Of which: SMEs	-	12,219	49	12,170
26	Secured by mortgages on immovable property	-	6,660	33	6,627
27	Of which: SMEs	-	1,475	-	1,475
28	Exposures in default	4,104	-	2,233	1,871
29	Items associated with particularly high risk	-	739	35	705
30	Covered bonds	-	665	1	664
31	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-
32	Collective investments undertakings	-	22,628	31	22,596
33	Equity exposures	-	941	-	941
34	Other exposures	-	15,348	56	15,292
35	**Total standardised approach 31/12/2020**	**4,104**	**301,716**	**3,333**	**302,487**
	Total standardised approach 31/12/2019	**4,497**	**274,980**	**3,314**	**276,162**
36	**TOTAL 31/12/2020**	**15,001**	**1,538,125**	**11,016**	**1,542,110**
	TOTAL 31/12/2019	**14,629**	**1,382,702**	**10,516**	**1,386,815**

NB: Of which €371,593 million in Crédit Agricole internal transactions at 31 December 2020.
Of which €335,796 million in Crédit Agricole internal transactions at 31 December 2019.

Defaulted exposures stood at €15.0 billion at 31 December 2020, an increase of +2.5% compared to 31 December 2019.They represent 1.0% of total gross exposures, the same as at end-2019.

Quality of credit exposures by industry or counterparty types (CR1-B)

31/12/2020 (in millions of euros)		Gross carrying values of Defaulted exposures	Gross carrying values of Non-defaulted exposures	Provisions/ depreciation	Net values
1	Agriculture, forestry and fishing	175	5,642	148	5,669
2	Mining and quarrying	751	21,777	215	22,313
3	Manufacturing	1,295	100,416	1,062	100,649
4	Production and distribution	91	28,957	97	28,951
5	Construction and water supply	737	14,468	459	14,746
6	Wholesale trade	644	29,388	500	29,532
7	Retail trade	630	16,882	272	17,240
8	Transport and storage	1,693	36,383	598	37,478
9	Accommodation and food service activities	321	7,224	293	7,252
10	Information and communication	63	20,328	100	20,291
11	Education	9	475	7	477
12	Real estate activities	896	39,159	488	39,567
13	Finance and insurance companies	736	847,261	652	847,345
14	Financial holding companies	236	11,217	196	11,257
15	Professional, scientific and technical activities	88	6,666	66	6,688
16	Administrative and support service activities	127	5,951	86	5,992
17	Public administration and defence, compulsory social security	56	69,785	56	69,785
18	Human health services and social work activities	121	7,359	54	7,426
19	Other personal services	15	1,289	9	1,295
20	Private persons	6,020	204,791	3,817	206,994
21	Arts, entertainment and recreation	68	1,343	54	1,357
22	Other services	229	61,364	1,787	59,806
23	**TOTAL 31/12/2020**	**15,001**	**1,538,125**	**11,016**	**1,542,110**
24	TOTAL 31/12/2019	14,629	1,382,702	10,516	1,386,815

NB: Of which €371,593 million in Crédit Agricole internal transactions at 31 December 2020.
Of which €335,796 million in Crédit Agricole internal transactions at 31 December 2019.

Quality of credit exposures by geographic area (CR1-C)

31/12/2020 (in millions of euros)		Gross carrying values of Defaulted exposures	Gross carrying values of Non-defaulted exposures	Provisions/ depreciation	Net values
1	**Europe**	**11,656**	**1,330,029**	**8,813**	**1,332,872**
2	France	5,132	993,068	4,131	994,068
3	Italy	4,068	115,565	2,788	116,846
4	United Kingdom	134	32,982	179	32,937
5	Germany	335	36,312	320	36,327
6	Luxembourg	64	36,056	127	35,993
7	Switzerland	98	18,090	42	18,146
8	Netherland	696	18,036	205	18,527
9	Others (Europe)	1,129	79,920	1,021	80,028
10	**Asia and Oceania**	**696**	**88,750**	**293**	**89,153**
11	Japan	296	33,349	82	33,563
12	Others (Asia and Oceania)	400	55,401	211	55,590
13	**North America**	**317**	**73,830**	**415**	**73,732**
14	USA	276	64,814	360	64,730
15	Others (North America)	41	9,016	55	9,002
16	**Central and South America**	**1,173**	**14,635**	**527**	**15,280**
17	**Africa and Middle East**	**1,159**	**30,881**	**968**	**31,072**
18	**TOTAL 31/12/2020**	**15,001**	**1,538,125**	**11,016**	**1,542,110**
	TOTAL 31/12/2019	14,629	1,382,702	10,516	1,386,815

NB: Of which €371,593 million in Crédit Agricole internal transactions at 31 December 2020.
Of which €335,796 million in Crédit Agricole internal transactions at 31 December 2019.

Refer to the glossary on page 681 for the definition of technical terms.

Ageing of past-due exposures (CR1-D)

31/12/2020							Gross carrying values
(in millions of euros)		≤30 days	>30 days ≤60 days	>60 days ≤90 days	>90 days ≤180 days	>180 days ≤1 year	>1 year
1	Loans	5,431	845	637	712	783	2,152
2	Debt securities	577	313	-	-	-	-
3	Total exposures	6,008	1,158	637	712	783	2,152

31/12/2019							Gross carrying values
(in millions of euros)		≤30 days	>30 days ≤60 days	>60 days ≤90 days	>90 days ≤180 days	>180 days ≤1 year	>1 year
1	Loans	4,501	1,124	1,192	883	578	2,615
2	Debt securities	914	348	9	-	-	-
3	Total exposures	5,415	1,472	1,201	883	578	2,615

Exposures up to 60 days past due account for 63%of total past-due exposures at 31 December 2020 and 57% on 31 December 2019.

Non-performing and forborne exposures (CR1-E)

31/12/2020 *(in millions of euros)*	Gross carrying amount of performing and non-performing exposures							Accumulated impairment and provisions and negative fair value adjustments due to credit risk				Collaterals and financial guarantees received	
		Of which performing but past due >30 days and ≤90 days	of which performing forborne	Of which non-performing				On performing exposures		On non-performing exposures		On non-performing exposures	of which: forborne exposures
					of which: defaulted	of which: impaired	of which: forborne		of which: forborne		of which: forborne		
10 Debt securities	120,301	314	-	51	51	-	-	(68)	-	(42)	-	-	-
20 Loans and advances	879,420	1,236	3,649	14,445	13,970	-	5,269	(2,711)	(337)	(7,428)	(2,367)	3,491	3,873
30 Off-balance sheet exposures	676,149	-	118	3,474	3,417	-	64	(585)	(4)	(325)	(31)	236	22

31/12/2019 *(in millions of euros)*	Gross carrying amount of performing and non-performing exposures							Accumulated impairment and provisions and negative fair value adjustments due to credit risk				Collaterals and financial guarantees received	
		Of which performing but past due >30 days and ≤90 days	of which performing forborne	Of which non-performing				On performing exposures		On non-performing exposures		On non-performing exposures	of which: forborne exposures
					of which: defaulted	of which: impaired	of which: forborne		of which: forborne		of which: forborne		
10 Debt securities	104,549	368	12	110	80	80	-	(61)	-	(18)	-	-	-
20 Loans and advances	945,159	2,214	2,865	15,104	13,861	13,861	5,958	(2,033)	(202)	(7,796)	(2,533)	3,662	2,794
30 Off-balance sheet exposures	467,922	-	149	4,612	3,576	-	71	(489)	(13)	(422)	(9)	278	38

The information on non-performing and renegotiated exposures includes the gross carrying amount, impairment, provisions and related valuation adjustments, as well as the value of collateral and financial guarantees received.

The definitions of defaulted, impaired, renegotiated or forborne exposures are given in the financial statements at end-2020 in part 1.2 “Accounting policies and principles”.

Credit quality of forborne exposures (CQ1)

31/12/2020 (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	
	Performing forbone	Non-performing forbone			On performing forbone exposures	On non-performing forbone exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
			of which defaulted	of which impaired				
005 Cash balances at Central Banks and other demand deposits	-	-	-	-	-	-	-	-
010 Loans and advances	3,649	5,269	5,181	5,181	(337)	(2,367)	3,873	1,250
020 Central Banks	-	-	-	-	-	-	-	-
030 General governments	17	4	3	3	(1)	(3)	-	-
040 Credit institutions	-	45	45	45	-	(26)	-	-
050 Other financial corporations	4	37	37	37	(1)	(27)	6	1
060 Non-financial corporations	2,542	3,516	3,490	3,490	(231)	(1,534)	3,006	999
070 Households	1,086	1,666	1,606	1,606	(104)	(777)	861	250
080 Loans and advances	-	-	-	-	-	-	-	-
090 Loan commitments given	118	64	64	64	(4)	(31)	22	15
100 TOTAL	**3,767**	**5,333**	**5,245**	**5,245**	**(341)**	**(2,398)**	**3,895**	**1,265**

31/12/2019 (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 of which collateral and financial guarantees received on non-performing exposures with forbearance measures
	Performing forbone	Non-performing forbone			On performing forbone exposures	On non-performing forbone exposures	
			of which defaulted	of which impaired			
1 Loans and advances	2,865	5,958	5,283	5,300	(202)	(2,533)	2,794
2 Central Banks	-	-	-	-	-	-	-
3 General governments	26	4	3	3	(1)	(3)	4
4 Credit institutions	-	51	51	51	-	(26)	-
5 Other financial corporations	3	46	44	44	-	(30)	5
6 Non-financial corporations	2,087	4,038	3,862	3,856	(129)	(1,825)	2,163
7 Households	749	1,818	1,322	1,346	(73)	(649)	623
8 Debt securities	12	-	-	-	-	-	-
9 Loan commitments given	149	71	64	64	(13)	(9)	38
10 TOTAL	**3,025**	**6,029**	**5,348**	**5,365**	**(216)**	**(2,542)**	**2,832**

Refer to the glossary on page 681 for the definition of technical terms.

Credit quality of performing and non-performing exposures by number of past due days (CQ3)

31/12/2020 *(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**	**202,039**	**201,993**	**46**	**15**	**-**			**15**				**15**
010	**Loans and advances**	**864,976**	**863,739**	**1,236**	**14,445**	**5,840**	**963**	**1,614**	**1,166**	**2,530**	**1,130**	**1,200**	**13,970**
020	Central Banks	461	461										
030	General governments	9,248	9,202	46	61	23	-	-	-	37		-	61
040	Credit institutions	451,651	451,632	19	393	102			-	2	272	18	393
050	Other financial corporations	16,111	16,109	2	406	180	-	22	3	11	23	168	405
060	Non-financial corporations	222,953	222,264	689	9,198	3,734	756	808	660	1,808	665	765	8,931
070	Of which SMEs	59,981	59,735	246	3,477	852	91	218	304	1,117	358	538	3,403
080	Households	164,552	164,072	480	4,387	1,802	207	784	502	672	171	250	4,180
090	**Debt securities**	**120,250**	**119,936**	**314**	**51**	**29**						**22**	**51**
100	Central Banks	5,428	5,428										
110	General governments	57,565	57,565		-	-							
120	Credit institutions	31,476	31,476		1	1							1
130	Other financial corporations	16,545	16,232	314	-	-							-
140	Non-financial corporations	9,236	9,236		51	29						22	51
150	**Off-balance sheet exposures**	**672,675**			**3,474**								**3,417**
160	Central Banks	288,250											
170	General governments	11,441											
180	Credit institutions	104,242			23								23
190	Other financial corporations	71,935			2,153								2,153
200	Non-financial corporations	177,609			1,221								1,194
210	Households	19,197			77								46
220	**TOTAL**	**1,859,939**	**1,185,669**	**1,596**	**17,986**	**5,870**	**963**	**1,614**	**1,181**	**2,530**	**1,130**	**1,222**	**17,454**

Refer to the glossary on page 681 for the definition of technical terms.

31/12/2019 *(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 ≤5 years	Past due >5 years	Of which defaulted
1 Loans and advances	**930,055**	**927,841**	**2,214**	**15,104**	**5,445**	**1,312**	**1,497**	**5,214**	**1,635**	**13,861**
2 Central Banks	114,466	114,466								
3 General governments	10,230	10,158	72	114	39	1	-	52	23	114
4 Credit institutions	413,583	413,482	101	509	326	80		-	102	509
5 Other financial corporations	17,042	17,024	18	456	58	-	3	27	367	453
6 Non-financial corporations	212,827	211,348	1,479	9,280	3,197	817	548	3,876	842	8,692
7 Of which SMEs	42,567	42,371	196	3,436	677	148	273	2,138	200	3,249
8 Households	161,908	161,363	545	4,746	1,825	415	946	1,259	301	4,093
9 Debt securities	**104,439**	**104,072**	**368**	**110**	**107**				**3**	**80**
10 Central Banks	4,651	4,651								
11 General governments	47,211	47,211		2	2					
12 Credit institutions	26,614	26,614		1					1	1
13 Other financial corporations	17,186	16,829	358	81	81					53
14 Non-financial corporations	8,776	8,766	10	26	23				3	26
15 Off-balance sheet exposures	**463,310**			**4,612**						**3,576**
16 Central Banks	136,450									
17 General governments	13,356			31						31
18 Credit institutions	50,614			48						48
19 Other financial corporations	65,713			1,993						1,993
20 Non-financial corporations	177,685			2,375						1,458
21 Households	19,492			166						47
22 TOTAL	**1,497,804**	**1,031,913**	**2,582**	**19,826**	**5,552**	**1,312**	**1,497**	**5,214**	**1,639**	**17,517**

Refer to the glossary on page 681 for the definition of technical terms.

Performing and non-performing exposures and related provisions (CR1)

31/12/2020 *(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	**202,039**	**202,039**	**-**	**15**		**15**	**(1)**	**(1)**		**(15)**		**(15)**		**3,228**	
010 Loans and advances	**864,976**	**825,482**	**39,344**	**14,445**	**466**	**13,965**	**(2,711)**	**(999)**	**(1,712)**	**(7,428)**	**(40)**	**(7,388)**		**183,887**	**3,491**
020 Central Banks	461	461					-	-						-	
030 General governments	9,248	8,508	740	61		61	(8)	(6)	(2)	(28)		(28)		185	-
040 Credit institutions	451,651	451,590	61	393		393	(30)	(29)	-	(343)		(343)		29	
050 Other financial corporations	16,111	15,881	222	406	1	405	(44)	(31)	(13)	(332)	-	(332)		3,022	7
060 Non-financial corporations	222,953	193,300	29,653	9,198	266	8,926	(1,704)	(548)	(1,156)	(4,441)	(19)	(4,422)		96,422	2,803
070 Of which SMEs	59,981	51,285	8,696	3,477	74	3,403	(640)	(230)	(410)	(1,801)	(3)	(1,798)		30,770	1,227
080 Households	164,552	155,743	8,668	4,387	198	4,180	(926)	(385)	(541)	(2,283)	(20)	(2,263)		84,228	681
090 Debt securities	**120,250**	**115,273**	**1,010**	**51**		**47**	**(68)**	**(58)**	**(10)**	**(42)**		**(42)**			
100 Central Banks	5,428	5,049	379				(6)	(4)	(2)						
110 General governments	57,565	57,298	267	-			(38)	(35)	(4)						
120 Credit institutions	31,476	31,419		1		1	(14)	(14)		(1)		(1)			
130 Other financial corporations	16,545	12,334	314	-		-	(3)	(2)	(1)						
140 Non-financial corporations	9,236	9,174	50	51		47	(7)	(3)	(4)	(42)		(42)			
150 Off-balance sheet exposures	**672,675**	**659,925**	**12,749**	**3,474**	**57**	**3,417**	**(585)**	**(244)**	**(341)**	**(325)**	**(5)**	**(320)**		**23,173**	**236**
160 Central Banks	288,250	288,250					-	-							
170 General governments	11,441	10,692	748				(3)	(1)	(2)					1,469	
180 Credit institutions	104,242	104,210	32	23		23	(5)	(4)	(1)	(21)		(21)		192	
190 Other financial corporations	71,935	71,310	625	2,153		2,153	(8)	(8)	-	(31)		(31)		1,702	-
200 Non-financial corporations	177,609	166,731	10,879	1,221	27	1,194	(498)	(189)	(308)	(243)		(243)		15,592	231
210 Households	19,197	18,732	465	77	30	46	(72)	(42)	(29)	(30)	(5)	(25)		4,217	4
220 TOTAL	**1,859,939**	**1,802,720**	**53,103**	**17,986**	**523**	**17,445**	**(3,365)**	**(1,302)**	**(2,063)**	**(7,810)**	**(44)**	**(7,766)**		**210,288**	**3,727**

31/12/2019 *(in millions of euros)*	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						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 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	
1 Loans and advances	**930,055**	**899,214**	**30,316**	**15,104**	**1,214**	**13,861**	**(2,033)**	**(832)**	**(1,201)**	**(7,796)**	**(108)**	**(7,689)**	**3,662**
2 Central Banks	114,466	114,466	0	-	-	-	(14)	(14)	-	-	-	-	-
3 General governments	10,230	10,051	180	114	0	114	(11)	(8)	(3)	(32)	-	(32)	77
4 Credit institutions	413,583	413,556	27	509	-	509	(30)	(30)	(0)	(392)	-	(392)	-
5 Other financial corporations	17,042	16,878	156	456	2	453	(30)	(23)	(6)	(370)	(1)	(369)	11
6 Non-financial corporations	212,827	194,764	17,716	9,280	588	8,692	(1,096)	(428)	(668)	(4,573)	(45)	(4,528)	2,641
7 Of which: SMEs	42,567	38,455	4,112	3,436	187	3,249	(372)	(154)	(217)	(1,858)	(38)	(1,820)	794
8 Households	161,908	149,499	12,238	4,746	624	4,093	(852)	(329)	(524)	(2,430)	(62)	(2,368)	933
9 Debt securities	**104,439**	**100,400**	**1,189**	**110**	**-**	**80**	**(61)**	**(46)**	**(15)**	**(18)**	**-**	**(18)**	**-**
10 Central Banks	4,651	4,105	546	-	-	-	(3)	(2)	(2)	-	-	-	-
11 General governments	47,211	46,874	262	2	-	-	(27)	(25)	(2)	-	-	-	-
12 Credit institutions	26,614	26,579	-	1	-	1	(12)	(12)	-	(1)	-	(1)	-
13 Other financial corporations	17,186	14,101	360	81	-	53	(13)	(3)	(10)	-	-	-	-
14 Non-financial corporations	8,776	8,741	21	26	-	26	(4)	(3)	(1)	(17)	-	(17)	-
15 Off-balance sheet exposures	**463,310**	**454,578**	**8,696**	**4,612**	**1,036**	**3,576**	**(489)**	**(219)**	**(270)**	**(422)**	**(25)**	**(398)**	**278**
16 Central Banks	136,450	136,449	0	-	-	-	(0)	(0)	-	-	-	-	-
17 General governments	13,356	13,113	243	31	-	31	(1)	(1)	(1)	(0)	-	(0)	9
18 Credit institutions	50,614	50,550	28	48	-	48	(4)	(3)	(1)	(22)	-	(22)	-
19 Other financial corporations	65,713	65,659	54	1,993	-	1,993	(9)	(8)	(1)	(26)	-	(26)	1
20 Non-financial corporations	177,685	170,127	7,559	2,375	917	1,458	(377)	(155)	(221)	(338)	(20)	(318)	255
21 Households	19,492	18,680	811	166	119	47	(98)	(52)	(46)	(35)	(5)	(31)	14
22 TOTAL	**1,497,804**	**1,454,192**	**40,202**	**19,826**	**2,251**	**17,517**	**(2,583)**	**(1,097)**	**(1,486)**	**(8,237)**	**(132)**	**(8,104)**	**3,940**

Refer to the glossary on page 681 for the definition of technical terms.

Collateral obtained by taking possession and execution processes (CQ7)

		Collateral obtained by taking possession	
(in millions of euros)		Value at initial recognition	Accumulated negative changes
1	Property, plant and equipment (PP&E)	3	
2	Other than PP&E	201	(136)
3	Residential immovable property	1	(1)
4	Commercial Immovable property	76	(40)
5	Movable property (auto, shipping, etc.)	124	(95)
6	Equity and debt instruments		
7	Other		
8	**TOTAL**	**204**	**(136)**

Changes in the stock of specific credit risk adjustments (CR2-A)

31/12/2020 *(in millions of euros)*		Bucket 1	Bucket 2	Bucket 3	TOTAL
1	**Opening balance at 1 January**	**864**	**1,324**	**7,690**	**9,878**
2	Increases due to origination and acquisition	749	1,170	-	**1,919**
3	Decreases due to derecognition	(529)	(756)	(796)	**(2,082)**
4	Changes due to change in credit risk (net)	22	94	2,764	**2,881**
5	Changes due to modifications without derecognition (net)	3	(3)	(5)	**(4)**
6	Changes due to update in the institution's methodology for estimation (net)	-	-	-	**-**
7	Decrease in allowance account due to write-offs	-	-	(1,882)	**(1,882)**
8	Other adjustments	(52)	(68)	(340)	**(460)**
9	**Closing balance[(1)]**	**1,057**	**1,761**	**7,431**	**10,249**
10	Recoveries of previously written-off amounts recorded directly to the statement of profit or loss	-	-	(224)	**(224)**
11	Amounts written-off directly to the statement of profit or loss	-	-	190	**190**

(1) Differences in total provisions between CR2-A, CR1-A and CR1-C tables are mainly due to divergences in scope. Impairment of fixed assets and equity investments and provisions for guarantee commitments given are only included in the CR1-A and CR1-C statements.

31/12/2019 *(in millions of euros)*		Bucket 1	Bucket 2	Bucket 3	TOTAL
1	**Opening balance at 1 January**	**908**	**1,453**	**7,863**	**10,223**
2	Increases due to origination and acquisition	457	580	-	**1,037**
3	Decreases due to derecognition	(433)	(516)	(549)	**(1,498)**
4	Changes due to change in credit risk (net)	(52)	(195)	1,833	**1,586**
5	Changes due to modifications without derecognition (net)	4	0	13	**18**
6	Changes due to update in the institution's methodology for estimation (net)	-	-	-	**-**
7	Decrease in allowance account due to write-offs	-	-	(1,389)	**(1,389)**
8	Other adjustments	(21)	2	(82)	**(100)**
9	**Closing balance[(1)]**	**864**	**1,324**	**7,690**	**9,878**
10	Recoveries of previously written-off amounts recorded directly to the statement of profit or loss	-	-	(392)	**(392)**
11	Amounts written-off directly to the statement of profit or loss	-	-	231	**231**

(1) Differences in total provisions between CR2-A, CR1-A and CR1-C tables are mainly due to divergences in scope. Impairment of fixed assets and equity investments and provisions for guarantee commitments given are only included in the CR1-A and CR1-C statements.

Changes in the stock of defaulted and impaired loans and debt securities (CR2-B)

31/12/2020 *(in millions of euros)*		Gross carrying value defaulted exposures 31/12/2020	31/12/2019
1	**Opening balance**	**13,941**	**13,723**
2	Loans and debt securities that have defaulted or impaired since the last reporting period	3,980	2,976
3	Returned to non-defaulted status	(459)	(369)
4	Amounts written off	(1,782)	(1,336)
5	Other changes	(1,644)	(1,052)
6	**Closing balance**	**14,037**	**13,941**

3.4.2.2 Credit risk

Since late 2007, the ACPR has authorised Crédit Agricole S.A. 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 regarding the Group's rollout plan are the switch to the Advanced IRB approach for all "Retail banking" portfolios in the Cariparma and FriulAdria entities in Italy in 2013 as well as the IRB validation of the "Corporates" portfolios of the Crédit Agricole Regional Banks and of LCL effective 1 October 2014.

The main Group entities or portfolios still using the standardised approach for measuring credit and/or operational risk at 31 December 2020 were as follows:

- the not-yet-validated CA Italia portfolios (non-retail customers portfolios and Carispezia scope) as well as all other entities in the International retail banking division;
- the Crédit Agricole Leasing & Factoring Group;
- some portfolios and foreign subsidiaries of the Crédit Agricole Consumer Finance Group;
- the real estate professionals portfolio.

Pursuant to the Group's commitment to phase in the advanced approach, agreed with the Supervisor (rollout plan), work on the main entities or portfolios still under the standardised approach continues. An update of the rollout plan is sent annually to the competent authority.

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. 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, Crédit Agricole S.A. has chosen to use Moody's ratings to evaluate the risk under the standardised approach.

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 categories 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.

Refer to the glossary on page 681 for the definition of technical terms.

Standardised approach – Credit risk exposure and credit risk mitigation (CRM) effects at 31 December 2020 (CR4)

31/12/2020 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	82,875	116	84,245	35	5,777	6.86%
2	Regional government or local authorities	641	66	642	31	99	14.74%
3	Public sector entities	3,599	39	3,607	21	126	3.48%
4	Multilateral development banks	331	2	339	-	19	5.61%
5	International organisations	1,092	-	1,092	-	-	-
6	Banks (Institutions)	21,817	6,006	40,805	3,896	6,459	14.45%
7	Corporates	66,415	22,003	47,209	7,244	44,423	81.58%
8	Retail	25,203	3,613	22,142	664	15,638	68.57%
9	Secured by mortgages on immovable property	6,592	35	6,591	11	2,620	39.68%
10	Exposures in default	1,799	69	1,402	23	1,715	120.37%
11	Exposures associated with particularly high risk	675	206	671	102	1,158	150.00%
12	Covered bonds	664	-	664	-	140	21.13%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	3,457	19,140	3,457	6,260	3,225	33.19%
15	Equity	935	6	935	6	1,140	121.20%
16	Other items	15,292	-	15,292	-	12,323	80.58%
17	**TOTAL**	**231,387**	**51,299**	**229,092**	**18,293**	**94,862**	**38.35%**

Standardised approach – Credit risk exposure and credit risk mitigation (CRM) effects at 31 December 2019 (CR4)

31/12/2019 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	53,160	147	53,160	46	6,312	11.86%
2	Regional government or local authorities	535	65	535	32	109	19.22%
3	Public sector entities	2,660	37	2,664	25	147	5.47%
4	Multilateral development banks	79	-	120	-	21	17.50%
5	International organisations	828	-	828	-	-	-
6	Banks (Institutions)	20,829	4,254	41,864	2,669	6,427	14.43%
7	Corporates	67,637	22,302	48,331	7,494	47,559	85.19%
8	Retail	25,827	4,078	23,103	639	16,271	68.53%
9	Secured by mortgages on immovable property	6,825	53	6,672	17	2,778	41.53%
10	Exposures in default	1,929	126	1,468	57	1,819	119.28%
11	Exposures associated with particularly high risk	938	162	938	84	1,533	150.00%
12	Covered bonds	1,044	-	1,044	-	169	16.19%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	2,927	21,079	2,927	6,400	3,820	40.96%
15	Equity	851	6	851	6	1,048	122.29%
16	Other items	13,979	-	13,979	-	11,123	79.57%
17	**TOTAL**	**200,048**	**52,309**	**198,484**	**17,468**	**99,137**	**45.91%**

Exposures by asset class and by risk weight at 31 December 2020 (CR5)

31/12/2020 Exposure classes *(in millions of euros)*	Risk weight																	
	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1,250%	Others	Deducted	Total	o/w unrated
1 Central governments or Central Banks	79,827	-	-	-	6	-	334	-	-	3,114	3	-	-	-	-	996	84,280	84,279
2 Regional government or local authorities	177	-	-	-	496	-	-	-	-	-	-	-	-	-	-	-	672	672
3 Public sector entities	3,254	-	-	-	292	-	29	-	-	53	-	-	-	-	-	-	3,628	3,600
4 Multilateral development banks	321	-	-	-	-	-	-	-	-	19	-	-	-	-	-	-	340	340
5 International organisations	1,092	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,092	1,092
6 Banks (Institutions)	25,507	1,784	-	-	10,319	-	5,546	-	-	1,461	83	-	-	-	-	-	44,700	36,223
7 Corporates	-	-	-	-	4,971	-	8,692	-	-	39,223	1,567	-	-	-	-	-	54,453	31,059
8 Retail	-	-	-	-	-	-	-	-	22,805	-	-	-	-	-	-	-	22,805	22,805
9 Secured by mortgages on immovable property	-	-	-	-	-	4,186	2,052	-	364	-	-	-	-	-	-	-	6,602	6,602
10 Exposures in default	-	-	-	-	-	-	-	-	-	844	580	-	-	-	-	-	1,425	1,425
11 Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	772	-	-	-	-	-	772	772
12 Covered bonds	-	-	-	269	352	-	-	-	-	43	-	-	-	-	-	-	664	-
13 Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Collective investment undertakings	4,471	-	-	13	1,507	-	1,785	-	-	1,761	179	-	-	-	-	-	9,716	9,018
15 Equity	-	-	-	-	-	-	-	-	-	808	-	133	-	-	-	-	941	941
16 Other items	1,998	-	-	-	1,214	-	-	-	-	12,080	-	-	-	-	-	-	15,292	14,739
17 TOTAL	**116,646**	**1,784**	**-**	**282**	**19,157**	**4,186**	**18,438**	**-**	**23,169**	**59,407**	**3,185**	**133**	**-**	**-**	**-**	**996**	**247,385**	**213,567**

Refer to the glossary on page 681 for the definition of technical terms.

Exposures by asset class and by risk weight at 31 December 2019 (CR5)

31/12/2019 Asset classes *(in millions of euros)*	Risk weight																	
	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1,250%	Others	Deducted	Total	o/w unrated
1 Central governments or Central Banks	48,234	-	-	-	99	-	376	-	-	3,418	8	-	-	-	-	1,070	53,206	53,205
2 Regional government or local authorities	23	-	-	-	543	-	-	-	-	1	-	-	-	-	-	-	567	567
3 Public sector entities	2,294	-	-	-	292	-	29	-	-	74	-	-	-	-	-	-	2,689	2,661
4 Multilateral development banks	98	-	-	-	-	-	-	-	-	21	-	-	-	-	-	-	120	120
5 International organisations	828	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	828	828
6 Banks (Institutions)	24,857	2,275	-	-	10,391	-	5,491	-	-	1,442	77	-	-	-	-	-	44,533	35,622
7 Corporates	-	-	-	-	4,669	-	9,295	-	-	40,410	1,450	-	-	-	-	-	55,825	32,947
8 Retail	-	-	-	-	-	-	-	-	23,742	-	-	-	-	-	-	-	23,742	23,742
9 Secured by mortgages on immovable property	-	-	-	-	-	4,323	1,780	-	570	16	-	-	-	-	-	-	6,688	6,688
10 Exposures in default	-	-	-	-	-	-	-	-	-	937	588	-	-	-	-	-	1,525	1,525
11 Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	1,022	-	-	-	-	-	1,022	1,022
12 Covered bonds	-	-	-	651	360	-	-	-	-	32	-	-	-	-	-	-	1,044	-
13 Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Collective investment undertakings	4,060	-	3	17	788	-	1,720	-	-	2,617	122	-	-	-	-	-	9,327	8,634
15 Equity	-	-	-	-	-	-	-	-	-	728	-	128	-	-	-	-	857	856
16 Other items	1,923	-	-	-	1,166	-	-	-	-	10,890	-	-	-	-	-	-	13,979	13,979
17 TOTAL	**82,318**	**2,275**	**3**	**669**	**18,309**	**4,323**	**18,691**	**-**	**24,312**	**60,586**	**3,268**	**128**	**-**	**-**	**-**	**1,070**	**215,952**	**182,397**

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 end-2020 and at end-2019. This reflects the quality of the activities carried out with these types of counterparties.

3.4.2.2.2 Credit risk – internal ratings-based approach

Outstanding loans are classified by counterparty type and financial product type, based on the seven exposure classes shown in the table 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:

- in addition to exposures to "Central governments and Central Banks", the Central government and Central Banks class includes exposures to certain regional and local authorities and public sector agencies that are treated as central government agencies, as well as 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 "Assets other than credit obligations" class does not currently include any assets using the IRB approach.

In accordance with the regulatory rules in effect, risk-weighted assets in the "Central governments and Central Banks", "Institutions", "Corporates" and "Retail customers" classes 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 calculation of risk-weighted assets in respect of "Securitisation" exposures is set out in the dedicated section below.

Risk-weighted assets of "Assets other than credit obligations" exposures are calculated in accordance with Article 156 of Regulation (EU) 575/2013 of 26 June 2013. The parameters of the formulas cited above are estimated using historical default and loss data collected internally by Crédit Agricole S.A. 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 the said customer's loans within the entity responsible for the uniformity of the rating and all of its loans within Crédit Agricole S.A.

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 Risk Management department and the Audit Group function.

The use of internal models for calculating solvency ratios has strengthened Crédit Agricole S.A.'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 standardising 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.

Refer to the glossary on page 681 for the definition of technical terms.

The set of internal models used by the Crédit Agricole group was presented for approval to the Standards and Methodology Committee before auditing by the Group Control and Audit department. This internal validation process pre-dates the application for formal approval to the ECB. The process of constructing and validating an internal rating model requires work over a period generally spanning three to five years, involving several on-site pre-validation and validation assignments.

After validation, systems governing internal ratings and the calculation of risk parameters are subject to permanent and periodic control within each Group entity.

Modelled Parameter	Portfolio/Entity	Number of models
PD	Sovereigns	5
	Local authorities	8
	Financial institutions (banks, insurance, funds, etc.)	8
	Specialised financing	9
	Corporates	5
	Retail banking – LCL	2
	Retail banking – Crédit Agricole Consumer Finance	16
	Retail banking – Crédit Agricole CIB	1
	Retail banking – CA Italia	3
LGD	Sovereigns	1
	Financial institutions (banks, insurance, funds, etc.)	4
	Specialised financing	8
	Corporates	1
	Retail banking – LCL	8
	Retail banking – Crédit Agricole Consumer Finance	16
	Retail banking – Crédit Agricole CIB	1
	Retail banking – CA Italia	2
CCF	Retail banking – LCL	2
	Retail banking – Crédit Agricole Consumer Finance	4

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 the section entitled “Risk management – Credit risk – Risk measurement methods and systems”.

The Retail customers credit risk exposure classes are presented separately as the internal ratings used for them are not the same as those for the other classes.

Credit risk exposures by portfolio and probability of default (PD) range Foundation internal ratings-based approach at 31 December 2020 (CR6)

Exposure classes *(in millions of euros)*	PD Scale	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	167,384	100	70.36%	171,388	-	45.00%		545	0.32%	-	-
	0.15 to <0.25	161	-	-	161	0.16%	45.00%		66	41.13%	-	-
	0.25 to <0.50	1	-	-	1	0.30%	45.00%		-	59.42%	-	-
	0.50 to <0.75	-	-	-	-	0.63%	44.98%		-	79.97%	-	-
	0.75 to <2.50	18	-	-	18	0.80%	45.00%		17	97.10%	-	-
	2.50 to <10.00	-	-	-	-	-	-		-	-	-	-
	10.00 to <100.00	-	-	-	-	-	-		-	-	-	-
	100.00 (Default)	-	-	-	-	-	-		-	-	-	-
	Sub-total	**167,563**	**100**	**70.36%**	**171,568**	**0.00%**	**45.00%**		**629**	**0.37%**	**1**	**18**
Institutions	0.00 to <0.15	381,515	1,774	62.24%	382,711	0.03%	1.45%		2,527	0.66%	2	-
	0.15 to <0.25	567	16	73.18%	578	0.16%	29.44%		203	35.02%	-	-
	0.25 to <0.50	7	2	26.26%	8	0.30%	45.00%		5	66.36%	-	-
	0.50 to <0.75	44	19	61.61%	56	0.60%	45.00%		57	102.18%	-	-
	0.75 to <2.50	85	25	33.09%	93	0.87%	45.00%		106	114.05%	-	-
	2.50 to <10.00	5	2	41.36%	6	5.00%	45.00%		10	186.80%	-	-
	10.00 to <100.00	1	1	28.89%	1	15.56%	45.00%		3	257.91%	-	-
	100.00 (Default)	-	-	-	-	100.00%	44.68%		-	-	-	-
	Sub-total	**382,223**	**1,839**	**61.84%**	**383,453**	**0.03%**	**1.51%**		**2,912**	**0.76%**	**3**	**-**
Corporates – Other	0.00 to <0.15	9,485	5,661	78.82%	13,745	0.04%	44.75%		2,728	19.85%	3	-
	0.15 to <0.25	2,960	2,291	78.90%	4,458	0.16%	44.69%		1,872	41.98%	3	-
	0.25 to <0.50	3,234	3,167	69.98%	5,137	0.30%	44.53%		3,015	58.70%	7	-
	0.50 to <0.75	2,954	2,039	77.29%	3,982	0.60%	44.66%		3,240	81.38%	11	-
	0.75 to <2.50	6,108	3,627	79.52%	7,761	1.19%	44.58%		8,006	103.15%	41	-
	2.50 to <10.00	595	272	83.50%	551	5.00%	44.71%		893	161.96%	12	-
	10.00 to <100.00	524	170	67.82%	495	15.98%	44.89%		1,194	241.11%	36	-
	100.00 (Default)	571	192	39.57%	569	100.00%	44.91%		-	-	256	-
	Sub-total	**26,431**	**17,420**	**76.71%**	**36,699**	**2.24%**	**44.67%**		**20,949**	**57.08%**	**368**	**586**
Corporates – SME	0.00 to <0.15	71	105	88.51%	163	0.04%	44.53%		19	11.92%	-	-
	0.15 to <0.25	114	53	84.03%	151	0.16%	44.84%		50	32.93%	-	-
	0.25 to <0.50	321	202	76.32%	363	0.30%	44.73%		162	44.54%	-	-
	0.50 to <0.75	526	113	81.19%	526	0.60%	43.52%		304	57.67%	1	-
	0.75 to <2.50	2,686	493	69.40%	2,452	1.34%	43.82%		1,819	74.16%	14	-
	2.50 to <10.00	312	71	77.26%	285	5.00%	43.73%		326	114.30%	6	-
	10.00 to <100.00	204	24	62.16%	156	15.98%	44.27%		254	162.28%	11	-
	100.00 (Default)	181	20	54.58%	181	100.00%	44.81%		-	-	81	-
	Sub-total	**4,416**	**1,081**	**74.51%**	**4,278**	**6.01%**	**43.98%**		**2,933**	**68.56%**	**114**	**178**
Corporates – Specialised Lending	0.00 to <0.15	-	-	-	-	-	-		-	-	-	-
	0.15 to <0.25	5	-	-	5	0.16%	45.00%		2	41.13%	-	-
	0.25 to <0.50	5	2	75.00%	6	0.30%	45.00%		4	57.64%	-	-
	0.50 to <0.75	1	4	75.00%	4	0.60%	45.00%		3	79.98%	-	-
	0.75 to <2.50	6	10	75.00%	13	1.25%	45.00%		14	105.65%	-	-
	2.50 to <10.00	-	-	-	-	-	-		-	-	-	-
	10.00 to <100.00	-	-	-	-	-	-		-	-	-	-
	100.00 (Default)	-	-	-	-	-	-		-	-	-	-
	Sub-total	**17**	**15**	**75.00%**	**28**	**0.76%**	**45.00%**		**23**	**80.34%**	**-**	**-**
TOTAL (ALL EXPOSURES CLASSES)		**580,651**	**20,455**	**75.17%**	**596,027**	**0.20%**	**16.99%**		**27,445**	**4.61%**	**486**	**782**

Refer to the glossary on page 681 for the definition of technical terms.

Credit risk exposures by portfolio and probability of default (PD) range
Foundation internal ratings-based approach at 31 December 2019 (CR6)

Exposure classes *(in millions of euros)*	PD Scale	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	98,742	50	61.60%	98,827	0.00%	45.00%	-	461	0.47%	-	-
	0.15 to <0.25	113	-	-	113	0.16%	45.00%	-	46	41.15%	-	-
	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-
	0.50 to <0.75	-	-	-	-	0.65%	45.00%	-	-	80.00%	-	-
	0.75 to <2.50	1	-	-	1	1.39%	45.00%	-	1	112.06%	-	-
	2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-
	10.00 to <100.00	-	-	-	-	20.00%	45.00%	-	-	260.30%	-	-
	100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-
	Sub-total	**98,855**	**50**	**61.60%**	**98,941**	**0.00%**	**45.00%**	**-**	**508**	**0.51%**	**-**	**19**
Institutions	0.00 to <0.15	345,671	1,936	57.93%	346,845	0.03%	1.14%	-	1,792	0.52%	1	-
	0.15 to <0.25	234	16	70.58%	246	0.16%	22.97%	-	63	25.55%	-	-
	0.25 to <0.50	13	2	20.00%	13	0.30%	45.00%	-	10	71.19%	-	-
	0.50 to <0.75	89	13	50.28%	95	0.60%	45.00%	-	98	103.10%	-	-
	0.75 to <2.50	84	23	34.50%	92	0.88%	41.24%	-	95	103.10%	-	-
	2.50 to <10.00	-	3	39.69%	2	5.00%	45.00%	-	3	175.07%	-	-
	10.00 to <100.00	127	1	33.25%	127	19.99%	11.48%	-	82	64.53%	3	-
	100.00 (Default)	-	-	-	-	100.00%	45.06%	-	-	-	-	-
	Sub-total	**346,218**	**1,994**	**57.62%**	**347,420**	**0.04%**	**1.19%**	**-**	**2,142**	**0.62%**	**5**	**1**
Corporates – Other	0.00 to <0.15	8,870	5,886	79.31%	13,587	0.04%	44.83%	-	2,726	20.06%	3	-
	0.15 to <0.25	2,731	2,252	79.28%	4,523	0.16%	44.66%	-	1,902	42.06%	3	-
	0.25 to <0.50	3,221	3,405	73.10%	5,690	0.30%	44.66%	-	3,344	58.78%	8	-
	0.50 to <0.75	2,990	2,012	73.24%	4,455	0.60%	44.59%	-	3,633	81.55%	12	-
	0.75 to <2.50	3,778	2,643	75.48%	5,697	1.20%	44.64%	-	5,908	103.71%	30	-
	2.50 to <10.00	164	139	88.98%	288	5.00%	44.63%	-	462	160.79%	6	-
	10.00 to <100.00	219	149	54.85%	297	16.83%	44.67%	-	722	243.17%	22	-
	100.00 (Default)	562	237	48.30%	674	100.00%	44.97%	-	-	-	303	-
	Sub-total	**22,535**	**16,722**	**76.15%**	**35,211**	**2.45%**	**44.72%**	**-**	**18,698**	**53.10%**	**388**	**491**
Corporates – SME	0.00 to <0.15	58	36	96.18%	93	0.05%	45.00%	-	16	17.19%	-	-
	0.15 to <0.25	181	96	91.55%	271	0.16%	44.29%	-	98	36.26%	-	-
	0.25 to <0.50	328	131	84.31%	437	0.30%	44.76%	-	231	52.76%	1	-
	0.50 to <0.75	435	143	83.67%	554	0.60%	44.54%	-	385	69.42%	1	-
	0.75 to <2.50	2,236	465	71.75%	2,530	1.32%	44.03%	-	2,241	88.57%	15	-
	2.50 to <10.00	148	27	64.44%	159	5.00%	44.00%	-	202	127.60%	3	-
	10.00 to <100.00	119	31	71.22%	135	15.32%	43.68%	-	247	183.50%	9	-
	100.00 (Default)	202	14	43.71%	205	100.00%	44.83%	-	-	-	92	-
	Sub-total	**3,707**	**944**	**77.68%**	**4,385**	**6.21%**	**44.23%**	**-**	**3,421**	**78.01%**	**121**	**172**
Corporates – Specialised Lending	0.00 to <0.15		-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	5	-	-	5	0.16%	45.00%	-	2	41.13%	-	-
	0.25 to <0.50	5	-	-	5	0.30%	45.00%	-	3	57.64%	-	-
	0.50 to <0.75		-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	6	10	75.00%	13	1.25%	45.00%	-	14	105.65%	-	-
	2.50 to <10.00		-	-	-	-	-	-	-	-	-	-
	10.00 to <100.00		-	-	-	-	-	-	-	-	-	-
	100.00 (Default)		-	-	-	-	-	-	-	-	-	-
	Sub-total	**15**	**10**	**75.00%**	**23**	**0.82%**	**45.00%**	**-**	**19**	**81.86%**	**-**	**-**
TOTAL (ALL PORTFOLIOS)		**471,330**	**19,720**	**74.28%**	**485,979**	**0.26%**	**13.65%**	**-**	**24,787**	**5.10%**	**514**	**682**

Refer to the glossary on page 681 for the definition of technical terms.

Credit risk exposures by portfolio and probability of default (PD) range
Advanced internal ratings-based approach at 31 December 2020 (CR6)

Exposure classes *(in millions of euros)*	PD Scale	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	80,838	2,831	65.04%	94,308	0.00%	5.46%	1.63	370	0.39%	-	-
	0.15 to <0.25	1,184	10	53.12%	1,800	0.16%	9.98%	2.05	144	8.00%	8	-
	0.25 to <0.50	202	-	-	202	0.30%	10.00%	2.54	27	13.26%	-	-
	0.50 to <0.75	733	232	75.00%	459	0.60%	10.00%	1.77	70	15.27%	-	-
	0.75 to <2.50	575	541	74.18%	143	1.33%	45.00%	1.86	137	95.33%	1	-
	2.50 to <10.00	759	272	75.00%	52	5.00%	58.78%	3.55	120	228.47%	2	-
	10.00 to <100.00	199	203	75.42%	28	15.09%	79.88%	3.32	120	425.44%	3	-
	100.00 (Default)	51	-	-	23	100.00%	45.00%	3.82	-	-	14	-
	Sub-total	**84,540**	**4,089**	**64.80%**	**97,015**	**0.04%**	**5.69%**	**1.64**	**988**	**1.02%**	**28**	**28**
Institutions	0.00 to <0.15	23,709	2,755	95.47%	32,606	0.03%	10.36%	1.81	1,086	3.33%	1	-
	0.15 to <0.25	862	852	54.31%	821	0.16%	34.04%	2.12	255	31.10%	1	-
	0.25 to <0.50	772	920	25.65%	964	0.30%	41.94%	1.20	465	48.25%	1	-
	0.50 to <0.75	71	666	32.26%	268	0.60%	47.37%	1.43	164	61.33%	1	-
	0.75 to <2.50	288	767	41.56%	458	1.31%	32.85%	1.97	389	84.92%	2	-
	2.50 to <10.00	-	83	24.03%	20	5.00%	83.92%	0.76	59	300.45%	1	-
	10.00 to <100.00	-	18	33.40%	4	12.79%	76.51%	1.12	18	421.79%	-	-
	100.00 (Default)	200	168	99.29%	367	100.00%	45.01%	4.35	-	-	356	-
	Sub-total	**25,902**	**6,229**	**79.45%**	**35,507**	**1.10%**	**12.74%**	**1.82**	**2,437**	**6.86%**	**363**	**360**
Corporates – Other	0.00 to <0.15	25,683	55,300	58.47%	56,315	0.05%	34.13%	1.87	7,522	13.36%	8	-
	0.15 to <0.25	10,535	18,865	45.37%	17,333	0.16%	45.43%	2.17	5,696	32.87%	11	-
	0.25 to <0.50	8,761	17,077	46.75%	14,196	0.30%	45.13%	2.02	6,440	45.37%	16	-
	0.50 to <0.75	8,949	10,355	56.22%	10,445	0.60%	43.51%	1.93	6,212	59.47%	21	-
	0.75 to <2.50	12,357	11,725	57.57%	12,140	1.13%	49.08%	2.50	10,906	89.84%	53	-
	2.50 to <10.00	1,757	938	68.29%	1,144	5.00%	32.72%	2.17	1,186	103.66%	17	-
	10.00 to <100.00	1,709	1,610	36.64%	1,341	14.13%	43.04%	2.24	2,099	156.59%	54	-
	100.00 (Default)	2,115	750	39.29%	2,291	100.00%	45.36%	2.44	156	6.82%	1,679	-
	Sub-total	**71,867**	**116,620**	**54.20%**	**115,204**	**2.46%**	**39.92%**	**2.02**	**40,218**	**34.91%**	**1,859**	**2,344**
Corporates – SME	0.00 to <0.15	38	55	20.08%	41	0.05%	47.30%	3.06	9	21.23%	-	-
	0.15 to <0.25	6	2	75.00%	7	0.18%	31.50%	2.02	1	17.27%	-	-
	0.25 to <0.50	23	6	49.03%	17	0.30%	43.75%	1.20	4	25.09%	-	-
	0.50 to <0.75	19	4	45.64%	9	0.60%	42.95%	2.78	4	44.72%	-	-
	0.75 to <2.50	126	407	30.40%	195	1.48%	36.70%	2.24	111	56.92%	1	-
	2.50 to <10.00	9	8	45.41%	4	5.00%	41.58%	3.92	3	82.93%	-	-
	10.00 to <100.00	19	10	39.08%	18	16.31%	23.06%	1.96	14	78.23%	1	-
	100.00 (Default)	38	28	74.88%	59	100.00%	45.00%	2.25	33	55.50%	16	-
	Sub-total	**279**	**519**	**33.98%**	**350**	**18.70%**	**39.08%**	**2.30**	**179**	**51.21%**	**18**	**19**
Corporates – Specialised Lending	0.00 to <0.15	1,928	991	55.50%	8,930	0.03%	7.99%	3.81	393	4.40%	-	-
	0.15 to <0.25	5,579	2,127	52.68%	8,741	0.16%	12.80%	3.72	1,008	11.53%	2	-
	0.25 to <0.50	8,573	2,524	51.15%	9,093	0.30%	12.79%	3.66	1,718	18.89%	3	-
	0.50 to <0.75	9,483	2,102	42.25%	9,170	0.60%	13.15%	3.07	2,055	22.41%	7	-
	0.75 to <2.50	14,384	4,784	50.06%	11,563	1.11%	15.42%	3.44	4,107	35.52%	19	-
	2.50 to <10.00	1,157	114	73.93%	1,038	5.00%	13.36%	3.57	549	52.88%	7	-
	10.00 to <100.00	1,624	326	73.20%	1,258	13.80%	14.68%	3.11	923	73.40%	25	-
	100.00 (Default)	1,788	79	96.73%	1,427	100.00%	31.94%	2.69	130	9.14%	306	-
	Sub-total	**44,516**	**13,046**	**51.38%**	**51,220**	**3.67%**	**13.21%**	**3.50**	**10,883**	**21.25%**	**370**	**632**

Refer to the glossary on page 681 for the definition of technical terms.

Exposure classes *(in millions of euros)*	PD Scale	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	63,421	2,392	100.00%	65,814	0.10%	8.98%		1,552	2.36%	6	-
	0.15 to <0.25	5,371	63	100.00%	5,434	0.22%	16.98%		400	7.37%	2	-
	0.25 to <0.50	14,972	643	100.00%	15,615	0.43%	11.13%		1,410	9.03%	8	-
	0.50 to <0.75	-	-	-	-	-	-		-	-	-	-
	0.75 to <2.50	7,953	401	100.00%	8,354	1.16%	13.32%		1,822	21.81%	14	-
	2.50 to <10.00	4,158	241	100.00%	4,400	7.63%	16.42%		3,317	75.40%	55	-
	10.00 to <100.00	460	11	100.00%	471	27.05%	-		530	112.51%	23	-
	100.00 (Default)	750	2	99.77%	752	100.00%	48.06%		353	46.99%	361	-
	Sub-total	**97,086**	**3,754**	**100.00%**	**100,840**	**1.17%**	**10.44%**		**9,385**	**9.31%**	**469**	**375**
Retail – Other SME	0.00 to <0.15	101	2,608	121.01%	3,303	0.08%	56.42%		105	3.18%	1	-
	0.15 to <0.25	9	73	179.62%	140	0.28%	55.62%		13	9.19%	-	-
	0.25 to <0.50	231	2,802	61.00%	1,953	0.45%	61.23%		282	14.43%	6	-
	0.50 to <0.75	-	-	-	-	-	-		-	-	-	-
	0.75 to <2.50	1,059	2,093	62.61%	2,389	1.58%	57.73%		846	35.42%	22	-
	2.50 to <10.00	1,468	955	75.15%	2,213	5.06%	60.75%		1,760	79.53%	67	-
	10.00 to <100.00	137	27	95.14%	167	30.98%	60.16%		286	171.35%	31	-
	100.00 (Default)	331	5	29.27%	333	100.00%	84.71%		79	23.74%	282	-
	Sub-total	**3,336**	**8,563**	**82.35%**	**10,497**	**4.98%**	**59.74%**		**3,371**	**32.12%**	**409**	**315**
Retail – Qualifying revolving	0.00 to <0.15	14,056	964	100.20%	15,022	0.09%	12.62%		482	3.21%	2	-
	0.15 to <0.25	3,393	141	94.48%	3,526	0.21%	23.51%		368	10.45%	2	-
	0.25 to <0.50	5,713	321	103.40%	6,045	0.42%	36.25%		1,584	26.20%	9	-
	0.50 to <0.75	-	-	-	-	-	-		-	-	-	-
	0.75 to <2.50	13,978	537	109.12%	14,565	1.44%	43.99%		8,113	55.70%	92	-
	2.50 to <10.00	8,431	208	104.34%	8,650	4.93%	49.79%		6,970	80.58%	197	-
	10.00 to <100.00	878	9	99.40%	887	12.71%	21.02%		907	102.17%	159	-
	100.00 (Default)	2,117	4	75.31%	2,159	100.00%	74.26%		615	28.51%	1,618	-
	Sub-total	**48,566**	**2,183**	**102.84%**	**50,853**	**5.67%**	**33.79%**		**19,039**	**37.44%**	**2,079**	**1,775**
Retail – Secured by immovable property SME	0.00 to <0.15	222	-	100.00%	222	0.11%	17.08%		8	3.43%	-	-
	0.15 to <0.25	230	-	100.00%	231	0.22%	16.91%		13	5.60%	-	-
	0.25 to <0.50	847	3	100.00%	849	0.51%	16.61%		86	10.15%	1	-
	0.50 to <0.75	-	-	-	-	-	-		-	-	-	-
	0.75 to <2.50	3,858	54	100.45%	3,912	1.14%	13.26%		628	16.05%	6	-
	2.50 to <10.00	783	31	100.00%	814	7.97%	20.83%		600	73.73%	14	-
	10.00 to <100.00	122	3	100.00%	124	8.55%	9.62%		130	104.86%	7	-
	100.00 (Default)	231	-	100.00%	231	100.00%	53.71%		78	33.87%	124	-
	Sub-total	**6,292**	**90**	**100.26%**	**6,383**	**5.21%**	**15.70%**		**1,543**	**24.18%**	**152**	**116**
Retail – Other non-SME	0.00 to <0.15	163	2	89.36%	165	0.10%	17.82%		6	3.72%	-	-
	0.15 to <0.25	6,403	115	83.08%	6,499	0.19%	30.04%		1,169	17.99%	4	-
	0.25 to <0.50	7,296	405	76.55%	7,606	0.44%	32.67%		1,943	25.55%	11	-
	0.50 to <0.75	-	-	-	-	-	-		-	-	-	-
	0.75 to <2.50	7,136	334	82.52%	7,413	1.29%	35.67%		2,946	39.75%	35	-
	2.50 to <10.00	3,800	318	82.43%	4,065	6.90%	38.69%		2,629	64.69%	102	-
	10.00 to <100.00	455	24	90.17%	477	11.08%	-		452	94.71%	51	-
	100.00 (Default)	1,157	26	74.56%	1,182	100.00%	79.02%		338	28.62%	932	-
	Sub-total	**26,410**	**1,224**	**80.56%**	**27,406**	**5.79%**	**35.21%**		**9,485**	**34.61%**	**1,134**	**968**
TOTAL (ALL EXPOSURES CLASSES)		**408,795**	**156,317**	**59.94%**	**495,276**	**2.33%**	**21.62%**		**97,528**	**19.69%**	**6,881**	**6,932**

Credit risk exposures by portfolio and probability of default (PD) range Advanced internal ratings-based approach at 31 December 2019 (CR6)

Exposure classes *(in millions of euros)*	PD Scale	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	85,427	2,155	63.25%	97,936	0.00%	1.56%	1.59	289	0.30%	-	-
	0.15 to <0.25	1,110	10	64.96%	1,789	0.16%	9.91%	2.27	155	8.64%	-	-
	0.25 to <0.50	17	-	-	17	0.30%	10.00%	1.78	3	14.94%	-	-
	0.50 to <0.75	678	213	75.00%	425	0.60%	10.00%	1.65	64	15.14%	-	-
	0.75 to <2.50	609	595	75.02%	86	0.95%	45.71%	2.08	84	97.64%	-	-
	2.50 to <10.00	726	99	71.63%	52	5.00%	59.60%	3.55	118	228.29%	2	-
	10.00 to <100.00	122	214	75.63%	28	16.13%	78.70%	3.56	131	458.57%	4	-
	100.00 (Default)	100	17	75.00%	27	100.00%	45.00%	4.06	3	10.46%	15	-
	Sub-total	**88,789**	**3,304**	**63.64%**	**100,361**	**0.05%**	**1.85%**	**1.61**	**846**	**0.84%**	**22**	**29**
Institutions	0.00 to <0.15	24,115	2,653	90.32%	31,674	0.03%	10.06%	1.86	956	3.02%	1	-
	0.15 to <0.25	2,008	466	52.83%	714	0.16%	36.14%	2.11	260	36.37%	-	-
	0.25 to <0.50	598	963	38.76%	924	0.30%	38.28%	1.51	346	37.46%	1	-
	0.50 to <0.75	228	1,048	26.31%	493	0.60%	47.10%	1.38	310	62.92%	1	-
	0.75 to <2.50	285	680	45.53%	408	1.05%	31.07%	2.25	311	76.17%	2	-
	2.50 to <10.00	-	123	22.20%	27	5.00%	82.81%	0.81	82	303.12%	1	-
	10.00 to <100.00	-	23	31.28%	6	12.41%	70.17%	1.28	26	410.73%	1	-
	100.00 (Default)	401	20	20.20%	405	100.00%	45.01%	1.63	12	3.02%	386	-
	Sub-total	**27,635**	**5,975**	**76.39%**	**34,652**	**1.24%**	**12.60%**	**1.85**	**2,304**	**6.65%**	**393**	**396**
Corporates – Other	0.00 to <0.15	24,474	53,923	53.61%	52,898	0.04%	34.90%	2.08	7,286	13.78%	8	-
	0.15 to <0.25	11,849	19,075	46.27%	17,767	0.16%	43.10%	2.25	5,946	33.47%	11	-
	0.25 to <0.50	10,192	17,401	48.81%	14,471	0.30%	45.94%	2.39	7,068	48.84%	16	-
	0.50 to <0.75	7,643	9,302	57.58%	9,165	0.60%	46.30%	2.25	6,451	70.39%	20	-
	0.75 to <2.50	9,717	11,350	55.74%	10,093	1.11%	47.62%	2.54	8,479	84.01%	40	-
	2.50 to <10.00	605	440	46.06%	250	5.00%	52.83%	2.95	416	166.14%	5	-
	10.00 to <100.00	1,055	1,604	33.32%	841	15.48%	35.91%	1.80	1,360	161.65%	39	-
	100.00 (Default)	1,882	898	31.27%	1,986	100.00%	45.39%	2.46	292	14.68%	1,507	-
	Sub-total	**67,417**	**113,993**	**51.79%**	**107,472**	**2.23%**	**40.15%**	**2.21**	**37,297**	**34.71%**	**1,646**	**1,950**
Corporates – SME	0.00 to <0.15	44	1	72.93%	45	0.06%	45.81%	2.84	11	25.57%	-	-
	0.15 to <0.25	29	-	-	32	0.16%	49.98%	3.67	19	59.98%	-	-
	0.25 to <0.50	7	3	46.94%	9	0.30%	49.86%	1.70	4	47.45%	-	-
	0.50 to <0.75	6	345	20.38%	44	0.60%	51.08%	1.18	32	71.14%	-	-
	0.75 to <2.50	126	94	52.90%	151	1.53%	32.86%	2.48	96	63.87%	1	-
	2.50 to <10.00	16	3	59.65%	10	5.00%	44.42%	1.90	13	131.32%	-	-
	10.00 to <100.00	21	2	83.76%	22	17.76%	36.98%	1.60	37	168.16%	1	-
	100.00 (Default)	2	-	36.28%	2	100.00%	45.00%	1.19	-	-	4	-
	Sub-total	**252**	**448**	**30.63%**	**315**	**2.93%**	**40.20%**	**2.36**	**213**	**67.62%**	**7**	**6**
Corporates – Specialised Lending	0.00 to <0.15	2,092	1,511	55.65%	10,419	0.03%	7.32%	3.64	409	3.93%	-	-
	0.15 to <0.25	8,127	2,003	63.82%	10,619	0.16%	10.23%	3.59	1,192	11.23%	2	-
	0.25 to <0.50	10,783	4,208	59.55%	11,405	0.30%	11.11%	3.47	1,866	16.36%	4	-
	0.50 to <0.75	10,011	2,757	51.42%	9,486	0.60%	12.01%	3.21	2,132	22.47%	7	-
	0.75 to <2.50	11,548	4,905	49.81%	10,201	1.10%	13.45%	3.40	3,328	32.63%	15	-
	2.50 to <10.00	1,030	67	48.95%	865	5.00%	14.22%	3.40	444	51.34%	6	-
	10.00 to <100.00	1,569	40	73.00%	907	13.94%	13.16%	2.90	608	67.04%	18	-
	100.00 (Default)	1,170	26	79.17%	1,142	100.00%	40.58%	2.93	23	2.00%	395	-
	Sub-total	**46,330**	**15,517**	**56.16%**	**55,044**	**2.79%**	**11.51%**	**3.45**	**10,002**	**18.17%**	**447**	**571**

Refer to the glossary on page 681 for the definition of technical terms.

Exposure classes *(in millions of euros)*	PD Scale	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	39,206	1,717	100.00%	40,924	0.09%	11.54%	-	1,139	2.78%	4	-
	0.15 to <0.25	4,944	13	100.00%	4,957	0.22%	17.12%	-	389	7.86%	2	-
	0.25 to <0.50	21,773	1,010	100.00%	22,783	0.42%	11.24%	-	1,867	8.20%	11	-
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	18,954	1,644	100.00%	20,597	1.49%	11.28%	-	3,906	18.96%	34	-
	2.50 to <10.00	6,512	486	100.00%	6,998	5.65%	11.75%	-	3,018	43.12%	47	-
	10.00 to <100.00	437	10	100.00%	447	27.50%	-	-	350	78.27%	16	-
	100.00 (Default)	829	7	99.50%	836	100.00%	36.39%	-	453	54.18%	304	-
	Sub-total	**92,655**	**4,887**	**100.00%**	**97,543**	**1.70%**	**11.85%**	**-**	**11,122**	**11.40%**	**418**	**358**
Retail – Other SME	0.00 to <0.15	110	2,363	56.63%	1,448	0.09%	64.70%	-	56	3.84%	1	-
	0.15 to <0.25	11	347	27.08%	105	0.25%	54.83%	-	8	7.55%	-	-
	0.25 to <0.50	218	2,225	61.43%	1,585	0.48%	65.53%	-	240	15.13%	5	-
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	1,004	1,995	56.65%	2,134	1.67%	61.05%	-	777	36.39%	22	-
	2.50 to <10.00	1,676	1,203	70.57%	2,524	5.03%	62.12%	-	1,938	76.78%	78	-
	10.00 to <100.00	170	32	73.76%	194	34.40%	61.64%	-	331	170.88%	40	-
	100.00 (Default)	300	2	70.23%	303	100.00%	85.62%	-	100	33.13%	260	-
	Sub-total	**3,489**	**8,166**	**58.81%**	**8,293**	**6.32%**	**64.15%**	**-**	**3,449**	**41.59%**	**405**	**354**
Retail – Qualifying revolving	0.00 to <0.15	14,242	453	95.96%	14,677	0.09%	12.54%	-	446	3.04%	2	-
	0.15 to <0.25	3,074	56	84.47%	3,124	0.21%	25.05%	-	344	11.02%	2	-
	0.25 to <0.50	4,882	258	98.16%	5,135	0.45%	37.40%	-	1,354	26.37%	9	-
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	13,153	567	104.02%	13,744	1.44%	45.70%	-	7,577	55.13%	91	-
	2.50 to <10.00	9,423	155	100.57%	9,582	4.58%	49.52%	-	7,251	75.68%	204	-
	10.00 to <100.00	1,181	5	93.65%	1,189	11.53%	18.39%	-	1,212	101.99%	225	-
	100.00 (Default)	1,841	4	75.24%	1,857	100.00%	71.65%	-	614	33.09%	1,367	-
	Sub-total	**47,795**	**1,499**	**99.38%**	**49,308**	**5.29%**	**34.29%**	**-**	**18,799**	**38.13%**	**1,899**	**1,832**
Retail – Secured by immovable property SME	0.00 to <0.15	211	-	-	211	0.11%	17.16%	-	8	3.68%	-	-
	0.15 to <0.25	641	4	100.00%	644	0.21%	14.74%	-	33	5.07%	-	-
	0.25 to <0.50	1,644	11	100.00%	1,655	0.53%	14.82%	-	161	9.71%	1	-
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	1,612	24	100.00%	1,636	1.25%	14.24%	-	271	16.57%	3	-
	2.50 to <10.00	1,317	60	100.00%	1,377	5.22%	13.81%	-	502	36.43%	10	-
	10.00 to <100.00	176	12	100.00%	188	12.50%	9.51%	-	127	67.57%	7	-
	100.00 (Default)	236	-	100.00%	237	100.00%	45.76%	-	93	39.50%	108	-
	Sub-total	**5,837**	**110**	**100.00%**	**5,948**	**5.91%**	**15.69%**	**-**	**1,195**	**20.08%**	**130**	**108**
Retail – Other non-SME	0.00 to <0.15	158	6	94.41%	163	0.11%	18.74%	-	8	5.08%	-	-
	0.15 to <0.25	3,816	168	83.14%	3,956	0.21%	34.04%	-	925	23.39%	3	-
	0.25 to <0.50	5,292	330	73.24%	5,534	0.53%	34.90%	-	1,795	32.43%	10	-
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	5,194	271	78.80%	5,407	1.28%	37.45%	-	2,415	44.66%	26	-
	2.50 to <10.00	4,634	360	81.28%	4,926	5.01%	37.84%	-	3,103	62.99%	92	-
	10.00 to <100.00	713	47	91.93%	757	14.71%	-	-	741	97.90%	68	-
	100.00 (Default)	1,259	32	75.73%	1,285	100.00%	78.73%	-	454	35.29%	1,002	-
	Sub-total	**21,066**	**1,214**	**79.13%**	**22,029**	**7.96%**	**37.30%**	**-**	**9,441**	**42.86%**	**1,202**	**967**
TOTAL (ALL PORTFOLIOS)		**401,266**	**155,113**	**57.34%**	**480,964**	**2.31%**	**20.39%**	**-**	**94,668**	**19.68%**	**6,569**	**6,572**

The disparities between customer classes seen in prior years in the retail banking portfolio were again apparent in 2020. The PD levels observed in loans secured by real estate assets are significantly lower than for other classes. For instance, 86% of gross exposures to the "Loans to individuals secured by real estate assets" portfolio have a PD of under 0.5%, while this figure is 52% for "Other loans to small and medium businesses" in the IRB portfolio – the Group's Retail banking arm.

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: Exposure to "Loans to individuals secured by real estate assets" accounted for 51.5% of total Retail customer EAD but only 11.1% of expected losses.

Refer to the glossary on page 681 for the definition of technical terms.

PD and average LGD by non-defaulted exposure class under the A-IRB approach by geographic area

The LGDs in this table are regulatory and may be subject to floors on certain portfolios.

		31/12/2020		31/12/2019	
		A-IRB approach		A-IRB approach	
Type of exposure	Geographical area	PD	LGD	PD	LGD
LOANS TO SME					
o/w other loans	**All geographical areas**	**2.12%**	**33.78%**	**2.55%**	**36.07%**
	France (including overseas departments and territories)	2.14%	31.22%	2.53%	32.80%
	Western Europe excluding Italy	1.69%	25.39%	1.87%	27.18%
	Italy	2.06%	45.37%	2.66%	48.66%
o/w secured by real estate assets	**All geographical areas**	**2.40%**	**15.17%**	**2.63%**	**14.49%**
	France (including overseas departments and territories)	2.56%	14.44%	2.65%	13.31%
	Italy	2.06%	16.74%	2.59%	16.80%
LOANS TO INDIVIDUAL CUSTOMERS					
o/w secured by real estate assets	**All geographical areas**	**0.70%**	**10.48%**	**1.00%**	**11.72%**
	France (including overseas departments and territories)	0.68%	9.12%	1.03%	10.66%
	Italy	0.79%	17.20%	0.86%	17.17%
o/w revolving	**All geographical areas**	**2.10%**	**58.64%**	**2.98%**	**62.87%**
	France (including overseas departments and territories)	1.76%	54.75%	2.67%	59.11%
	Italy	3.04%	69.47%	3.51%	69.34%
o/w others	**All geographical areas**	**1.98%**	**32.84%**	**2.30%**	**33.84%**
	France (including overseas departments and territories)	2.46%	32.65%	3.08%	34.35%
	Western Europe excluding Italy	1.14%	18.23%	1.07%	17.44%
	Italy	2.43%	62.55%	2.83%	63.18%
CENTRAL GOVERNMENTS AND CENTRAL BANKS					
	All geographical areas	**0.02%**	**5.74%**	**0.02%**	**1.87%**
	France (including overseas departments and territories)	0.03%	5.97%	0.04%	2.38%
	North America	0.00%	4.99%	0.00%	1.00%
	Western Europe excluding Italy	0.01%	5.83%	0.01%	2.29%
	Italy	0.07%	8.48%	0.03%	5.81%
	Japan	0.00%	5.00%	0.00%	1.00%
	Asia-Pacific excluding Japan	0.05%	5.74%	0.05%	1.96%
	Africa and Middle East	0.12%	10.92%	0.08%	8.21%
	Eastern Europe	0.16%	10.00%	0.16%	10.00%
CORPORATES					
	All geographical areas	**0.58%**	**31.98%**	**0.57%**	**30.91%**
	France (including overseas departments and territories)	0.58%	29.06%	0.65%	28.11%
	North America	0.87%	29.88%	0.68%	29.41%
	Western Europe excluding Italy	0.46%	38.84%	0.41%	38.20%
	Italy	0.40%	40.58%	0.61%	40.49%
	Japan	1.00%	21.27%	0.60%	18.73%
	Asia-Pacific excluding Japan	0.30%	33.31%	0.34%	32.43%
	Africa and Middle East	0.22%	53.06%	0.67%	51.99%
	Eastern Europe	0.44%	41.30%	0.39%	41.06%
INSTITUTIONS					
	All geographical areas	**0.09%**	**15.71%**	**0.09%**	**15.08%**
	France (including overseas departments and territories)	0.09%	13.89%	0.08%	14.03%
	North America	0.07%	12.46%	0.09%	10.44%
	Western Europe excluding Italy	0.09%	17.10%	0.09%	14.70%
	Italy	0.04%	2.46%	0.05%	6.01%
	Japan	0.12%	17.06%	0.14%	22.59%
	Asia-Pacific excluding Japan	0.19%	34.14%	0.15%	29.61%
	Africa and Middle East	0.18%	30.10%	0.10%	22.97%
	Eastern Europe	0.55%	53.34%	0.56%	57.04%

Only the following entities located in France (Crédit Agricole S.A. social entity and LCL) use the F-IRB approach for their RWA calculations on the Central governments and Central Banks, Institutions and Corporates exposure classes.

 Refer to the glossary on page 681 for the definition of technical terms.

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 2020.

Effect of credit derivatives on risk-weighted assets (CR7)

31/12/2020 *(in millions of euros)*		Pre-credit derivatives RWAs	Actual RWAs
1	**Exposures under FIRB**	**-**	**-**
2	Central governments and Central Banks	-	-
3	Institutions	-	-
4	Corporates – SMEs	-	-
5	Corporates – Specialised lending	-	-
6	Corporates – Other	-	-
7	**Exposures under AIRB**	**-**	**-**
8	Central governments and Central Banks	-	-
9	Institutions	-	-
10	Corporates – SMEs	4,837	2,453
11	Corporates – Specialised lending	-	-
12	Corporates – Other	-	-
13	Retail – Secured by real estate SMEs	-	-
14	Retail – Secured by real estate non-SMEs	-	-
15	Retail – Qualifying revolving	-	-
16	Retail – Other SMEs	-	-
17	Retail – Other non-SMEs	-	-
18	Equity IRB	-	-
19	Other non credit obligation assets	-	-
20	**TOTAL**	**4,837**	**2,453**

3.4.2.2.5 Change in RWA between 31 December 2019 and 31 December 2020

Risk-weighted asset (RWA) flow statements of credit risk exposures under the internal ratings-based approach (CR8)

31/12/2020 *(in millions of euros)*		RWA amounts	Capital requirements
1	**RWAs as at the end of the previous reporting period (31/12/2019)**	**119,455**	**9,556**
2	Asset size	4,904	392
3	Asset quality	1,218	97
4	Model updates	2,315	185
5	Methodology and policy	(1,802)	(144)
6	Acquisitions and disposals	(134)	(11)
7	Foreign exchange movements	(2,912)	(233)
8	Other	1,929	154
9	**RWAs as at the end of the reporting period (31/12/2020)**	**124,973**	**9,998**

The scope of the analysis explaining variations in the credit RWAs is now excluding the equity exposures treated under the IRB Simple risk weight approach and the investments accounted by the equity method.

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. It meets at least twice a year and is the subject of reports to the Chief Executive Officer and the Head of the entity's Permanent Control department, as well as the Group Risk Management department.

Periodic control is conducted annually by the Internal Audit function or any third party specifically authorised by it. The audit plan covers:

- systems for calculating ratings and estimating risk parameters, as well as compliance with minimum requirements;
- systems functioning (correct implementation).

The corresponding reports are sent to the person responsible for monitoring the relevant entity within the Group Risk Management department.

The entity performs internal controls (permanent and periodic) on:

- the quality of input and output data within the system;

- the conceptual and technical quality of systems for calculating ratings and estimating risk parameters;
- the completeness of data used for the calculation of risk-weighted assets.

Backtesting is critical in maintaining the pertinence and performance of rating models. A first phase of analysis is based chiefly on the quantitative analysis of the predictive model as a whole and its main explanatory variables.

This exercise can also detect significant changes in the structure and behaviour of portfolios and customers. Backtesting then results in decisions to adjust or recast models in order to factor in the new structural elements. This allows changes in non-cyclical behaviour or change in the franchise to be identified, revealing the impact of commercial or risk strategies implemented by the Bank.

Across the Group as a whole, each rating method is back-tested at least once a year by the unit responsible for the method (Group Risk Management department or its delegate). This provides the Group annually, through the Standards and Models Committee, with the result of backtesting after consulting an *ad hoc* 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 2020 in respect of the Probability of Default (PD) and Loss Given Default (LGD) models.

Backtesting of probability of default (PD) per portfolio (CR9) – Retail customers at 31 December 2020

Exposure class	PD range	Weighted average PD	Arithmetic average PD by obligors[1]	Number of obligors: End of previous year	Number of obligors: End of the year	Defaulted obligors in the year	Average historical annual default rate
Individuals	0 to <0.15	0.1%	0.1%	4,107,018	4,142,093	2,780	0.1%
	0.15 to <0.25	0.2%	0.2%	114,085	174,489	189	0.1%
	0.25 to <0.50	0.4%	0.4%	1,518,944	1,520,003	4,147	0.3%
	0.50 to <0.75	0.6%	0.6%	958,999	1,110,297	2,868	0.5%
	0.75 to <2.50	1.4%	1.4%	2,975,845	2,870,350	29,939	1.3%
	2.50 to <10.00	5.1%	4.9%	1,960,550	1,957,002	71,880	4.7%
	10.00 to <100	19.0%	22.6%	459,112	391,724	82,514	18.9%
	TOTAL	**1.3%**	**1.4%**	**12,094,553**	**12,165,958**	**194,317**	**1.3%**
Professionals	0 to <0.15						
	0.15 to <0.25	0.2%	0.2%	118,271	123,530	224	0.2%
	0.25 to <0.50	0.3%	0.3%	25,231	35,409	40	0.2%
	0.50 to <0.75	0.6%	0.6%	65,320	70,570	269	0.5%
	0.75 to <2.50	1.3%	1.7%	149,181	160,975	2,185	1.1%
	2.50 to <10.00	7.0%	6.0%	66,357	57,785	2,815	5.0%
	10.00 to <100	21.3%	21.9%	33,186	25,936	6,129	19.9%
	TOTAL	**2.1%**	**2.7%**	**457,546**	**474,205**	**11,662**	**2.3%**

(1) The performance of the rating methodologies is measured by way of regular backtestings, in accordance with regulations. Backtestings compare the estimated probability of default (arithmetic average PD weighted by debtors) with the observed results (historical annual default rate).

Loss Given Default (LGD) retail customers at 31 December 2020

Exposure class	Estimated LGD *(%)*	LGD before Prudential margin *(%)*
Individual customers	22%	18%
Business customers	30%	27%

Refer to the glossary on page 681 for the definition of technical terms.

Backtesting of probability of default (PD) per portfolio (CR9) – excluding retail customers at 31 December 2020

Exposure class	PD range	Weighted average PD	Arithmetic average PD by obligors[(1)]	Number of obligors: End of previous year	Number of obligors: End of the year	Defaulted obligors in the year	Average historical annual default rate
Sovereigns	0 to <0.15	0.0%	0.0%	100	131	-	0.0%
	0.15 to <0.25	0.2%	0.2%	30	35	-	0.0%
	0.25 to <0.50	0.3%	0.3%	3	5	-	0.0%
	0.50 to <0.75	0.6%	0.6%	9	6	-	0.0%
	0.75 to <2.50	1.8%	1.4%	18	20	-	0.0%
	2.50 to <10.00	5.0%	5.0%	13	13	-	2.0%
	10.00 to <100	15.3%	15.7%	12	15	-	5.7%
	TOTAL	**0.1%**	**1.5%**	**185**	**225**	**-**	**0.6%**
Local authorities[(2)]	0 to <0.15	0.0%	0.0%	7,494	7,849	8	0.0%
	0.15 to <0.25	0.2%	0.2%	115	119	1	0.2%
	0.25 to <0.50	0.3%	0.3%	77	69	-	0.3%
	0.50 to <0.75	0.6%	0.6%	60	55	-	0.0%
	0.75 to <2.50	1.4%	1.2%	20	17	1	1.0%
	2.50 to <10.00	0.0%	0.0%	2	-	-	0.0%
	10.00 to <100	20.0%	20.0%	3	1	-	4.0%
	TOTAL	**0.0%**	**0.0%**	**7,771**	**8,110**	**10**	**0.1%**
Financial Institutions	0 to <0.15	0.0%	0.0%	2,656	2,755	-	0.0%
	0.15 to <0.25	0.2%	0.2%	905	793	-	0.0%
	0.25 to <0.50	0.3%	0.3%	668	696	-	0.0%
	0.50 to <0.75	0.6%	0.6%	479	507	-	0.0%
	0.75 to <2.50	1.0%	1.0%	277	287	-	0.1%
	2.50 to <10.00	5.0%	5.0%	71	71	-	0.0%
	10.00 to <100	12.9%	14.4%	54	53	-	0.0%
	TOTAL	**0.1%**	**0.4%**	**5,110**	**5,162**	**-**	**0.0%**
Corporates[(2)]	0 to <0.15	0.0%	0.0%	1,845	1,849	1	0.0%
	0.15 to <0.25	0.2%	0.2%	1,708	1,657	1	0.1%
	0.25 to <0.50	0.3%	0.3%	3,163	3,221	10	0.2%
	0.50 to <0.75	0.6%	0.6%	4,418	4,211	15	0.3%
	0.75 to <2.50	1.2%	1.4%	18,340	18,688	173	0.9%
	2.50 to <10.00	5.0%	5.0%	2,867	2,952	81	3.4%
	10.00 to <100	14.1%	15.3%	2,068	2,148	219	9.5%
	TOTAL	**0.8%**	**2.2%**	**34,409**	**34,726**	**500**	**1.4%**
Specialised financing	0 to <0.15	0.1%	0.1%	52	42	1	0.4%
	0.15 to <0.25	0.2%	0.2%	256	172	-	0.0%
	0.25 to <0.50	0.3%	0.3%	483	368	4	0.3%
	0.50 to <0.75	0.6%	0.6%	312	337	-	0.1%
	0.75 to <2.50	1.1%	1.1%	439	527	2	0.9%
	2.50 to <10.00	5.0%	5.0%	32	53	2	5.5%
	10.00 to <100	14.4%	15.2%	57	70	24	15.5%
	TOTAL	**1.2%**	**1.4%**	**1,631**	**1,569**	**33**	**1.1%**

(1) The performance of the rating methodologies is measured by way of regular backtestings, in accordance with regulation. Backtestings compare the estimated probability of default (arithmetic average PD weighted by debtors) with the observed results (historical annual default rate).

(2) PD internal models in the process of recalibration.

Loss Given Default (LGD) excluding retail customers at 31 December 2020

Exposure class	Estimated LGD *(%)*	LGD before Prudential margin *(%)*
Sovereigns	55%	12%
Local authorities	F-IRB approach	F-IRB approach
Financial Institutions[(1)]	54%	59%
Corporates	45%	39%
Specialised financing	27%	24%

(1) LDG internal models in the process of recalibration.

3.4.2.2.7 Comparison between estimated and actual losses

The Expected Losses (EL)/Exposure at Default (EAD) ratio was 1.26% at 31 December 2020 (1.26% at 31 December 2019). 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 1.08% at 31 December 2020, compared with 1.05% at end-2019.

3.4.2.3 Counterparty risk

Crédit Agricole S.A. and its subsidiaries calculate counterparty risk for all their 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. Crédit Agricole S.A. uses the market price method to measure its exposure to counterparty risk on transactions on forward financial instruments in the banking portfolio (Article 274) or the internal model method (Article 283) within the scope of Crédit Agricole CIB.

3.4.2.3.1 Analysis of exposure to counterparty risk

Exposure to counterparty risk by approach at 31 December 2020

31/12/2020	Standard			IRB			TOTAL			
(in billions of euros)	Gross exposure	EAD	RWA	Gross exposure	EAD	RWA	Gross exposure	EAD	RWA	Capital requirement
Central governments and Central Banks	5.6	5.6	0.0	8.8	8.8	0.2	**14.4**	**14.4**	**0.2**	**0.0**
Institutions	10.6	8.5	1.1	25.2	25.7	4.5	**35.8**	**34.2**	**5.6**	**0.5**
Corporates	3.8	2.9	2.7	30.5	30.0	8.8	**34.2**	**32.9**	**11.6**	**0.9**
Retail customers	-	-	-	-	-	-	-	-	-	-
Shares	-	-	-	-	-	-	-	-	-	-
Securitisations	-	-	-	-	-	-	-	-	-	-
Other non credit-obligation assets	-	-	-	-	-	-	-	-	-	-
TOTAL	**20.0**	**17.0**	**3.8**	**64.5**	**64.5**	**13.6**	**84.4**	**81.5**	**17.4**	**1.4**

Exposure to counterparty risk by approach at 31 December 2019

31/12/2019	Standard			IRB			TOTAL			
(in billions of euros)	Gross exposure	EAD	RWA	Gross exposure	EAD	RWA	Gross exposure	EAD	RWA	Capital requirement
Central governments and Central Banks	2.5	2.5	0.0	5.5	5.5	0.1	**8.0**	**8.0**	**0.1**	**0.0**
Institutions	17.2	14.7	1.0	22.6	23.2	4.1	**39.8**	**37.9**	**5.1**	**0.4**
Corporates	4.2	3.0	2.8	25.0	24.5	8.4	**29.2**	**27.5**	**11.2**	**0.9**
Retail customers	-	-	-	-	-	-	-	-	-	-
Shares	-	-	-	-	-	-	-	-	-	-
Securitisations	-	-	-	-	-	-	-	-	-	-
Other non credit-obligation assets	-	-	-	-	-	-	-	-	-	-
TOTAL	**23.8**	**20.2**	**3.9**	**53.1**	**53.1**	**12.6**	**76.9**	**73.4**	**16.5**	**1.3**

Refer to the glossary on page 681 for the definition of technical terms.

The total gross exposure to counterparty risk was €84.4 billion at 31 December 2020 (in the form of derivatives: €52.4 billion and in the form of securities financing transactions: €32.0 billion.

3.4.2.3.2 Exposure to counterparty risk by approach

Analysis of exposure to counterparty risk by approach (CCR1)

	31/12/2020 *(in millions of euros)*	Notional	Replacement cost/current market value	Potential future credit exposure	EEPE	Multiplier	EAD post CRM	RWAs
1	Mark to market	-	2,984	3,230	-	-	7,850	3,496
2	Original exposure	-	-	-	-	-		
3	Standardised approach	-	-	-	-	-		
4	IMM (for derivatives and SFTs)	-	-	-	23,425	1.65	38,652	10,313
5	Of which securities financing transactions	-	-	-	-			-
6	Of which derivatives and settlement transactions	-	-	-	23,425	1.65	38,652	10,313
7	Of which from contractual cross- product netting	-	-	-	-	-		
8	Financial collateral simple method (for SFTs)	-	-	-	-	-		
9	Financial collateral comprehensive method (for SFTs)	-	-	-	-	-	27,888	2,660
10	VaR for SFTs	-	-	-	-	-		
11	**TOTAL 31/12/2020**	**-**	**-**	**-**	**-**	**-**		**16,469**
	TOTAL 31/12/2019							14,873

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 2020 (CCR3)

31/12/2020 Exposure classes *(in millions of euros)*	Risk weight													
	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	Other	Total Exposure to credit risk	o/w unrated
Central governments or Central Banks	5,560	-	-	-	-	-	3	-	-	-	-	-	5,564	5,564
Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	13	-	-	-	9	-	-	-	-	-	-	-	22	17
Multilateral developments banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Banks (Institutions)	15	5,634	-	-	1,641	-	1,174	-	-	44	4	-	8,513	6,497
Corporates	-	-	-	-	16	-	390	-	-	2,470	40	-	2,915	1,974
Retail	-	-	-	-	-	-	-	-	4	-	-	-	4	4
Default	-	-	-	-	-	-	-	-	-	-	3	-	3	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPOSURE VALUE	**5,589**	**5,634**	**-**	**-**	**1,666**	**-**	**1,567**	**-**	**4**	**2,515**	**47**	**-**	**17,022**	**14,056**

Exposure to counterparty risk under the standardised approach by regulatory portfolio and by risk weighting at 31 December 2019 (CCR3)

31/12/2019 Exposure classes *(in millions of euros)*	Risk weight													
	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	Other	Total Exposure to credit risk	o/w unrated
Central governments or Central Banks	2,450	-	-	-	-	-	4	-	-	3	-	-	2,457	2,457
Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	10	-	-	-	6	-	3	-	-	-	-	-	19	10
Multilateral developments banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Banks (Institutions)	-	12,279	-	-	1,488	-	951	-	-	18	3	-	14,739	12,938
Corporate	-	-	-	-	10	-	374	-	-	2,615	19	-	3,018	2,301
Retail	-	-	-	-	-	-	-	-	15	-	-	-	15	15
Default	-	-	-	-	-	-	-	-	-	-	3	-	3	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPOSURE VALUE	**2,459**	**12,279**	**-**	**-**	**1,504**	**-**	**1,332**	**-**	**15**	**2,636**	**26**	**-**	**20,251**	**17,721**

3.4.2.3.4 Exposure to counterparty risk under the advanced approach

Counterparty risk exposures by portfolio and probability of default (PD) range, supervisory portfolios for foundation internal ratings-based approach at 31 December 2020 (CCR4)

31/12/2020 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	523	0.03%	1.33%	-	-	-
	0.15 to <0.25	-	-	-	-	-	-
	0.25 to <0.50	-	0.30%	45.00%	-	-	57.64%
	0.50 to <0.75	-	-	-	-	-	-
	0.75 to <2.50	-	-	-	-	-	-
	2.50 to <10.00	-	-	-	-	-	-
	10.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-	-
	Sub-total	**524**	**0.03%**	**1.37%**	**-**	**-**	**0.05%**
Corporates – Other	0.00 to <0.15	644	0.03%	44.74%	-	46	7.11%
	0.15 to <0.25	-	-	-	-	-	-
	0.25 to <0.50	-	-	-	-	-	-
	0.50 to <0.75	-	-	-	-	-	-
	0.75 to <2.50	-	-	-	-	-	-
	2.50 to <10.00	-	-	-	-	-	-
	10.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-	-
	Sub-total	**644**	**0.03%**	**44.74%**	**-**	**46**	**7.11%**
TOTAL		**1,168**	**0.03%**	**25.28%**	**-**	**46**	**3.95%**

Refer to the glossary on page 681 for the definition of technical terms.

Counterparty risk exposures by portfolio and probability of default (PD) range, supervisory portfolios for foundation internal ratings-based approach at 31 December 2019 (CCR4)

31/12/2019 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
	0.00 to <0.15	255	0.03%	1.05%	-	-	-
	0.15 to <0.25	-	-	-	-	-	-
	0.25 to <0.50	1	0.30%	45.00%	-	-	57.64%
	0.50 to <0.75	-	-	-	-	-	-
	0.75 to <2.50	-	-	-	-	-	-
	2.50 to <10.00	-	-	-	-	-	-
	10.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-	-
Institutions	**Sub-total**	**256**	**0.03%**	**1.17%**	**-**	**-**	**0.16%**
	0.00 to <0.15	6	0.03%	44.96%	-	-	5.61%
	0.15 to <0.25	-	-	-	-	-	-
	0.25 to <0.50	-	-	-	-	-	-
	0.50 to <0.75	-	-	-	-	-	-
	0.75 to <2.50	-	-	-	-	-	-
	2.50 to <10.00	-	-	-	-	-	-
	10.00 to <100.00	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-	-
Corporates – Other	**Sub-total**	**6**	**0.03%**	**44.96%**	**-**	**-**	**5.61%**
TOTAL		**262**	**0.03%**	**2.14%**	**-**	**1**	**0.28%**

Counterparty risk exposures by portfolio and probability of default (PD) range, supervisory portfolios for advanced internal ratings-based approach at 31 December 2020 (CCR4)

31/12/2020 Exposure classes *(in millions of euros)*	PD scale	Exposure value	Exposure weighted average PD *(%)*	Exposure weighted average LGD *(%)*	Exposure weighted average maturity *(years)*	RWA	Density of risk weighted exposure amounts
Central governments and Central Banks	0.00 to <0.15	8,257	0.01%	5.67%	2.85	89	1.08%
	0.15 to <0.25	385	0.16%	9.98%	2.05	29	7.53%
	0.25 to <0.50	21	0.30%	10.00%	2.54	2	9.45%
	0.50 to <0.75	24	0.60%	10.00%	1.77	6	24.31%
	0.75 to <2.50	101	0.80%	45.00%	1.09	72	71.45%
	2.50 to <10.00	8	5.00%	58.78%	3.55	15	197.58%
	10.00 to <100.00	-	20.00%	77.17%	3.68	-	249.17%
	100.00 (Default)	-	-	-	-	-	-
	Sub-total	**8,796**	**0.03%**	**6.38%**	**2.80**	**214**	**2.44%**
Institutions	0.00 to <0.15	18,906	0.04%	14.78%	1.76	1,514	8.01%
	0.15 to <0.25	2,510	0.16%	34.04%	2.12	944	37.59%
	0.25 to <0.50	2,073	0.30%	41.94%	1.20	953	45.96%
	0.50 to <0.75	738	0.60%	47.37%	1.43	635	86.04%
	0.75 to <2.50	980	0.82%	25.69%	2.85	443	45.17%
	2.50 to <10.00	19	5.00%	83.92%	0.76	48	252.29%
	10.00 to <100.00	4	19.81%	39.70%	3.13	9	206.80%
	100.00 (Default)	5	100.00%	45.01%	4.35	2	54.17%
	Sub-total	**25,236**	**0.14%**	**20.33%**	**1.78**	**4,548**	**18.02%**
Corporates – Other	0.00 to <0.15	14,961	0.04%	33.21%	1.73	1,597	10.67%
	0.15 to <0.25	2,498	0.16%	45.43%	2.17	1,096	43.86%
	0.25 to <0.50	2,478	0.30%	45.13%	2.02	1,105	44.59%
	0.50 to <0.75	2,782	0.60%	43.51%	1.93	1,650	59.30%
	0.75 to <2.50	2,059	1.19%	48.87%	2.51	1,827	88.76%
	2.50 to <10.00	129	5.00%	32.72%	2.17	180	139.51%
	10.00 to <100.00	110	14.40%	43.09%	2.23	237	214.53%
	100.00 (Default)	57	100.00%	45.36%	2.44	6	10.11%
	Sub-total	**25,074**	**0.55%**	**38.10%**	**1.90**	**7,697**	**30.70%**
Corporates – SME	0.00 to <0.15	54	0.03%	47.31%	2.56	8	14.55%
	0.15 to <0.25	4	0.18%	31.50%	2.02	1	33.65%
	0.25 to <0.50	14	0.30%	43.75%	1.20	6	44.81%
	0.50 to <0.75	6	0.60%	42.95%	2.78	5	89.25%
	0.75 to <2.50	27	1.67%	33.29%	2.50	28	102.79%
	2.50 to <10.00	5	5.00%	41.58%	3.92	6	127.39%
	10.00 to <100.00	1	16.39%	23.16%	1.96	2	176.38%
	100.00 (Default)	-	-	-	-	-	-
	Sub-total	**111**	**0.87%**	**42.14%**	**2.42**	**57**	**51.04%**
Corporates – Specialised lending	0.00 to <0.15	690	0.06%	12.04%	3.81	44	6.31%
	0.15 to <0.25	1,172	0.16%	12.80%	3.72	236	20.15%
	0.25 to <0.50	698	0.30%	12.79%	3.66	119	17.06%
	0.50 to <0.75	680	0.60%	13.15%	3.07	187	27.46%
	0.75 to <2.50	804	1.03%	15.75%	3.48	325	40.36%
	2.50 to <10.00	59	5.00%	13.36%	3.57	34	57.21%
	10.00 to <100.00	78	15.85%	16.19%	3.07	103	132.80%
	100.00 (Default)	31	100.00%	31.94%	2.69	-	0.99%
	Sub-total	**4,212**	**1.50%**	**13.51%**	**3.55**	**1,047**	**24.87%**
Retail – Other SME	0.00 to <0.15	-	0.11%	22.36%	1.00	-	12.48%
	0.15 to <0.25	1	0.19%	30.04%	1.75	-	28.81%
	0.25 to <0.50	2	0.44%	32.67%	1.52	1	44.88%
	0.50 to <0.75	-	-	-	-	-	-
	0.75 to <2.50	2	1.28%	36.27%	1.25	1	72.60%
	2.50 to <10.00	-	5.33%	44.18%	1.25	-	107.46%
	10.00 to <100.00	-	44.52%	39.38%	1.12	-	584.60%
	100.00 (Default)	-	100.00%	79.02%	1.09	-	73.76%
	Sub-total	**5**	**4.29%**	**35.49%**	**1.43**	**3**	**62.73%**
TOTAL		**63,435**	**0.38%**	**25.01%**	**-**	**13,567**	**21.39%**

Refer to the glossary on page 681 for the definition of technical terms.

Counterparty risk exposures by portfolio and probability of default (PD) range, supervisory portfolios for advanced internal ratings-based approach at 31 December 2019 (CCR4)

31/12/2019 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	5,053	0.01%	1.33%	3.07	14	0.28%
	0.15 to <0.25	255	0.16%	9.91%	2.27	20	7.95%
	0.25 to <0.50	46	0.30%	10.00%	1.78	4	9.62%
	0.50 to <0.75	80	0.60%	10.00%	1.65	14	17.36%
	0.75 to <2.50	49	1.34%	46.91%	2.75	57	117.28%
	2.50 to <10.00	-	-	-	-	-	-
	10.00 to <100.00	6	20.00%	67.81%	4.23	16	255.15%
	100.00 (Default)	-	-	-	-	-	-
	Sub-total	**5,489**	**0.06%**	**2.40%**	**3.00**	**126**	**2.29%**
Institutions	0.00 to <0.15	17,852	0.04%	14.49%	1.83	1,493	8.36%
	0.15 to <0.25	2,142	0.16%	36.14%	2.11	823	38.44%
	0.25 to <0.50	1,530	0.30%	38.28%	1.51	778	50.87%
	0.50 to <0.75	626	0.60%	47.10%	1.38	587	93.77%
	0.75 to <2.50	780	0.84%	23.93%	2.68	306	39.28%
	2.50 to <10.00	38	5.00%	82.81%	0.81	95	252.36%
	10.00 to <100.00	6	17.65%	50.14%	1.47	13	207.60%
	100.00 (Default)	-	-	-	-	-	-
	Sub-total	**22,973**	**0.12%**	**19.35%**	**1.84**	**4,096**	**17.83%**
Corporates – Other	0.00 to <0.15	10,694	0.04%	34.21%	2.03	1,333	12.46%
	0.15 to <0.25	2,256	0.16%	43.10%	2.25	1,016	45.02%
	0.25 to <0.50	2,674	0.30%	45.94%	2.39	1,101	41.19%
	0.50 to <0.75	2,501	0.60%	46.30%	2.25	1,443	57.68%
	0.75 to <2.50	2,143	0.99%	45.88%	2.41	1,694	79.03%
	2.50 to <10.00	63	5.00%	52.83%	2.95	87	137.95%
	10.00 to <100.00	865	19.71%	29.79%	1.03	964	111.46%
	100.00 (Default)	69	100.00%	45.39%	2.46	26	37.63%
	Sub-total	**21,265**	**1.39%**	**39.11%**	**2.13**	**7,663**	**36.04%**
Corporates – SME	0.00 to <0.15	55	0.03%	47.46%	1.26	11	19.60%
	0.15 to <0.25	3	0.16%	49.98%	3.67	1	41.66%
	0.25 to <0.50	-	0.30%	49.86%	1.70	-	54.48%
	0.50 to <0.75	3	0.60%	51.08%	1.18	2	76.00%
	0.75 to <2.50	28	1.62%	31.80%	2.47	35	124.67%
	2.50 to <10.00	3	5.00%	44.42%	1.90	5	167.58%
	10.00 to <100.00	3	13.78%	25.35%	1.40	7	248.32%
	100.00 (Default)	-	-	-	-	-	-
	Sub-total	**95**	**1.09%**	**42.33%**	**1.72**	**61**	**64.33%**
Corporates – Specialised lending	0.00 to <0.15	665	0.06%	11.80%	3.36	42	6.27%
	0.15 to <0.25	933	0.16%	10.23%	3.59	150	16.06%
	0.25 to <0.50	620	0.30%	11.11%	3.47	98	15.84%
	0.50 to <0.75	481	0.60%	12.01%	3.21	95	19.76%
	0.75 to <2.50	427	0.95%	12.59%	3.39	147	34.45%
	2.50 to <10.00	16	5.00%	14.22%	3.40	5	28.67%
	10.00 to <100.00	98	14.73%	14.39%	2.86	86	87.30%
	100.00 (Default)	22	100.00%	40.58%	2.93	11	47.78%
	Sub-total	**3,263**	**1.50%**	**11.64%**	**3.41**	**633**	**19.40%**
Retail – Other SME	0.00 to <0.15	0	0.12%	19.85%	1.07	-	14.46%
	0.15 to <0.25	0	0.21%	34.04%	1.76	0	28.56%
	0.25 to <0.50	2	0.53%	34.90%	1.51	1	47.03%
	0.50 to <0.75	-	-	-	-	-	-
	0.75 to <2.50	2	1.19%	38.46%	1.24	1	71.92%
	2.50 to <10.00	1	5.50%	37.68%	1.40	1	115.69%
	10.00 to <100.00	0	39.61%	40.05%	1.18	0	390.39%
	100.00 (Default)	0	100.00%	78.73%	1.08	-	149.19%
	Sub-total	**5**	**4.97%**	**37.34%**	**1.40**	**3**	**70.66%**
TOTAL		**53,090**	**0.71%**	**25.06%**	**-**	**12,582**	**23.70%**

3.4.2.3.5 Collateral

Impact of netting and collateral on exposure values (CCR5-A)

	31/12/2020 *(in millions of euros)*	Gross positive fair value or net carrying amount	Netting benefits	Netted current credit exposure	Collateral held	Net credit exposure
1	Derivatives	263,665	222,856	40,738	4,273	36,465
2	SFTs	40,022	32,967	7,054	737	6,317
3	Cross-product netting					-
4	**TOTAL**	**303,687**	**255,824**	**47,792**	**5,010**	**42,782**

	31/12/2019 *(in millions of euros)*	Gross positive fair value or net carrying amount	Netting benefits	Netted current credit exposure	Collateral held	Net credit exposure
1	Derivatives	203,855	173,299	30,547	4,851	25,696
2	SFTs	26,953	22,820	4,132	1,776	2,356
3	Cross-product netting					-
4	**TOTAL**	**230,808**	**196,120**	**34,679**	**6,628**	**28,051**

Composition of collateral for exposures to counterparty risk (CCR5-B)

	31/12/2020 *(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		
1	Cash	-	24,614	258	21,068	668	131
2	Corporate bonds, Sovereign debt, Government agency debt	-	7,080	393	2,585	274	-
3	Equity securities	-	137	-	-	-	-
4	Other collateral	-	74	17	-	-	-
	TOTAL	**-**	**31,905**	**668**	**23,653**	**942**	**131**

	31/12/2019 *(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		
1	Cash	-	19,083	366	17,163	711	217
2	Corporate bonds, Sovereign debt, Government agency debt	-	2,917	-	2,405	5,811	-
3	Equity securities	-	160	-	-	-	-
4	Other collateral	-	240	7	120	-	-
	TOTAL	**-**	**22,400**	**373**	**19,689**	**6,521**	**217**

Refer to the glossary on page 681 for the definition of technical terms.

3.4.2.3.6 Change in RWA under the internal model method (IMM) between 31 December 2019 and 31 December 2020

Risk-weighted assets (RWA) flow statement of counterparty risk exposures under the internal model method (IMM) (CCR7)

31/12/2020 *(in millions of euros)*		RWA amounts	Capital requirements
1	**RWAs as at the end of the previous reporting period (31/12/2019)**	**8,937**	**715**
2	Asset size	(1,204)	(96)
3	Credit quality of counterparties	(96)	(8)
4	Model updates (IMM only)	900	72
5	Methodology and policy (IMM only)	-	-
6	Acquisitions and disposals	-	-
7	Foreign exchange movements	2,076	166
8	Other	(300)	(24)
9	**RWAs as at the end of the reporting period (31/12/2020)**	**10,313**	**825**

4.2.3.7 Central Counterparty (CCP) Exposures

Central Counterparty (CCP) Exposures (CCR8)

		31/12/2020		31/12/2019	
(in millions of euros)		EAD post CRM	RWAs	EAD post CRM	RWAs
1	**Exposures to QCCPs (total)**		**472**		**652**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	5,636	114	12,281	246
3	(i) OTC derivatives	1,503	31	9,004	181
4	(ii) Exchange-traded derivatives	121	2	147	3
5	(iii) SFTs	4,012	80	3,129	63
6	(iv) Netting sets where cross-product netting has been approved				
7	Segregated initial margin	3,785		3,166	
8	Non-segregated initial margin	523	10	151	3
9	Prefunded default fund contributions	691	348	744	403
10	Alternative calculation of own funds requirements for exposures				
11	**Exposures to non-QCCPs (total)**				
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which				
13	(i) OTC derivatives				
14	(ii) Exchange-traded derivatives				
15	(iii) SFTs				
16	(iv) Netting sets where cross-product netting has been approved				
17	Segregated initial margin				
18	Non-segregated initial margin				
19	Prefunded default fund contributions				
20	Unfunded default fund contributions				

Refer to the glossary on page 681 for the definition of technical terms.

3.4.2.3.8 CVA

The 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)

		31/12/2020		31/12/2019	
	(in millions of euros)	Exposure value	RWA	Exposure value	RWA
1	**Total transactions subject to the Advanced method**	**14,796**	**2,637**	**16,495**	**2,682**
2	(i) VaR component (including the 3× multiplier)	-	546	-	250
3	(ii) stressed VaR component (including the 3× multiplier)	-	2,091	-	2,438
4	**Transactions subject to the Standardised Method**	**22,742**	**1,691**	**16,029**	**1,057**
EU4	Transactions subject to the Alternative approach (based on the Original Exposure Method)	-	-	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**37,537**	**4,328**	**32,524**	**3,739**

3.4.2.4 Credit and counterparty risk mitigation techniques

Exposures under the advanced approach (RC3)

31/12/2020 *(in millions of euros)*		Exposures unsecured – Carrying amount	Exposures to be secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Total loans	824,014	257,460	130,156	109,513	17,791
2	Total debt securities	120,301	-	-	-	-
3	**Total exposures**	**944,316**	**257,460**	**130,156**	**109,513**	**17,791**
4	Of which non-performing exposures	10,749	3,747	2,100	1,391	256

31/12/2019 *(in millions of euros)*		Exposures unsecured – Carrying amount	Exposures to be secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Total loans	712,353	232,806	119,490	96,984	16,332
2	Total debt securities	104,549	-	-	-	-
3	**Total exposures**	**816,903**	**232,806**	**119,490**	**96,984**	**16,332**

4.2.4.1 Credit risk mitigation techniques

Collateral management system for collateral received

The main categories of collateral taken into account by the bank are described in the section entitled "Risk management – Credit risk – Collateral and guarantees received".

When a credit is granted, collateral is analysed to assess the value of the asset, its liquidity, volatility and the correlation between the value of the collateral and the quality of the counterparty financed. Regardless of collateral quality, the first criterion in the lending decision is always the borrower's ability to repay sums due from cash flow generated by its operating activities, except for specific trade finance transactions.

For financial guarantees, a minimum exposure coverage ratio is usually included in loan contracts, with readjustment clauses. Financial guarantees are revalued according to the frequency of margin calls and the variability of the underlying value of financial assets transferred as guarantee or quarterly, as a minimum.

The minimum coverage ratio (or the haircut applied to the value of the guarantee under Basel 3 treatment) is determined by measuring 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 sale or when the borrower and the issuer of the collateral securities belong to the same risk group.

Refer to the glossary on page 681 for the definition of technical terms.

For retail banking (LCL, CA Italia), revaluation is automatic based on changes in the property market indexes. In contrast, for project-type property financing, assets are mainly revalued on the basis of an expert appraisal combining various approaches (asset value, rental value, etc.) and include external benchmarks.

Other types of assets may also be pledged as collateral. This is notably the case for certain activities such as aircraft, shipping, real estate or commodities financing. These businesses are conducted by middle offices, which have specific expertise in valuing the assets financed.

Protection providers

Two major types of guarantee are mainly used (other than intragroup guarantees): export credit insurance taken out by the Bank and unconditional payment guarantees.

The main guarantee providers (excluding credit derivatives – see section below) are export credit agencies, which enjoy a good quality sovereign rating. The main guarantee providers (excluding credit derivatives) are export credit agencies, most of which enjoy a sovereign rating and are rated "Investment grade". The largest agencies are BPI (France), Sace SPA (Italy), Euler Hermès (Germany) and Korea Export Insur (Korea).

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-2020, 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 €4.8 million.

External ratings given to the export credit agencies

	Moody's	Standard & Poor's	Fitch Ratings
31/12/2020 *(in millions of euros)*	Long term rating (outlook)	Long term rating (outlook)	Long term rating (outlook)
Bpifrance Financement (EPIC Bpifrance)	Aa2 [stable]	Unrated	AA [negative]
Euler Hermès S.A.	Aa3 [stable]	AA [stable]	Unrated
Sace S.p.A.	Unrated	Unrated	BBB- [stable]

Moreover, the guarantees received from mutual guarantee companies cover a substantial portion of the loans in the Group's "residential real estate" portfolio in France (see table below). These loans are backed by guarantees granted by Crédit Logement (rated Aa3 [stable] by Moody's) or by the Group's subsidiary insurance company, CAMCA Assurance S.A. (rated A+ [negative] 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 31/12/2020		Outstandings 31/12/2019	
(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)	71,884	82.90%	69,499	82.50%

When a guarantee is issued, the guarantor applies an independent selection policy in addition to that already implemented by the bank. Where Crédit Logement is concerned, the guarantee issued covers, with no deductible, the payment of all amounts legally due by defaulting borrowers in principal, interest, insurance premiums and costs. In respect of CAMCA Assurance, the guarantee mechanism is broadly similar to that of Crédit Logement, with the difference that the payments made by CAMCA Assurance with respect to the guarantee arise once the bank's means of recourse against the borrower have been exhausted. Ultimately, these guarantee provisions significantly enhance the quality of the mortgage loans guaranteed and constitute a full transfer of risk in respect of the loans.

3.4.2.4.2 Risk mitigation techniques applied to counterparty risk

Credit derivatives for hedging purposes

These techniques are presented in the "Risk management" chapter, part 2.4.II.4 "Credit risk – Credit risk mitigation mechanisms – Use of credit derivatives" of the 2020 Universal Registration Document of Crédit Agricole S.A.

Credit derivatives exposures (CCR6)

31/12/2020 *(in millions of euros)*		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	6,819	-
2	Index credit default swaps	-	-
3	Total return swaps	-	-
4	Credit options	-	-
5	Other credit derivatives	-	-
6	**TOTAL NOTIONALS**	**6,819**	**-**
Fair values			
7	Positive fair value (asset)	9	-
8	Negative fair value (liability)	(504)	-

3.4.2.5 Equity exposures in the banking portfolio

Crédit Agricole S.A.'s equity exposures, excluding the trading book, consist of securities "that convey residual, subordinated claims on the assets or revenues of the issuer or have a similar economic substance". These mainly include:

- listed and unlisted equities and shares in investment funds;
- options implicit in convertible, redeemable or exchangeable bonds;
- stock options;
- super-subordinated securities.

The accounting policies and valuation methods used are described in Note 1.2 to the financial statements "Accounting policies and principles".

Equities under the simple risk-weight approach at 31 December 2020 (CR10.5)

31/12/2020 Categories *(in millions of euros)*	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Expected loss amount
Private equity exposures	1,087	29	190%	1,115	2,119	9
Exchange-traded equity exposures	76	-	290%	76	220	1
Other equity exposures	15,424	-	370%	9,467	35,026	227
TOTAL	**16,586**	**29**		**10,658**	**37,365**	**237**

Equities under the simple risk-weight approach at 31 December 2019 (CR10.5)

31/12/2019 Categories *(in millions of euros)*	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Expected loss amount
Private equity exposures	1,068	77	190%	1,145	2,175	9
Exchange-traded equity exposures	515	-	290%	515	1,493	4
Other equity exposures	15,610	-	370%	6,267	23,189	150
TOTAL	**17,193**	**77**		**7,927**	**26,858**	**164**

Equity exposures under the internal ratings based approach mainly consist of the portfolios of Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Investissement et Finance.

Equity exposures (on and off-balance sheet) under the internal ratings-based approach amounted to €16.6 billion at 31 December 2020 (compared with €17.3 billion at 31 December 2019).

Furthermore, equity exposures using the standardised approach amounted to €0.9 billion at 31 December 2020 for an RWA amount of €1.14 billion.

The amounts of gains and losses on equity instruments realised during the period under review are presented in Note 4 to the financial statements "Notes to the income statement and other comprehensive income".

Refer to the glossary on page 681 for the definition of technical terms.

3.4.3 Securitisation

3.4.3.1 Definitions of securitisation transactions

The Crédit Agricole CIB 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) introducing, 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.

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 in such transaction or scheme depend on the performance of the underlying exposure or basket of exposures;
- the subordination of tranches determines how losses are distributed during the lifetime of the transaction or scheme.

Securitisation transactions include:

- traditional securitisations: a securitisation involving the transfer of the economic interest in the securitised exposures by transferring ownership of those exposures from the originator to a securitisation entity or by a sub-participation of a securitisation entity, in which the securities issued do not represent payment obligations for the originator;
- synthetic securitisations: a securitisation whereby the transfer of risks takes place through the use of credit derivatives or guarantees and in which the securitised exposures remain exposures for the originator.

The securitisation exposures of Crédit Agricole CIB detailed below cover all securitisation exposures (recorded on or off-balance sheet) that generate risk-weighted assets (RWA) and capital requirements with respect to its regulatory portfolio, according to the following typologies:

- the securitisation exposures for which the Group is deemed an originator;
- exposures in which the Group is an investor;
- exposures in which the Group is a sponsor;
- securitisation swap exposures (currency or interest rate hedges) allocated to securitisation vehicles.

Note that most securitisation transactions on behalf of European customers involve Ester Finance Technologies, a wholly owned credit institution subsidiary of Crédit Agricole CIB, which finances the purchase of receivables and therefore makes Crédit Agricole CIB both sponsor and, via Ester Finance Technologies, originator of these securitisation transactions.

The proprietary securitisation transactions carried out as part of non-derecognised collateralised financing transactions, are not described below. Their impact on the consolidated financial statements 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 S.A.'s proprietary securitisation transactions are the following:

Collateralised financing transactions

These transactions are designed for the issue of securities and, where appropriate, can be wholly or partially placed with investors, sold under repurchase agreements or kept on the issuer's balance sheet as liquid securities reserves that can be used to manage refinancing. This activity relates to several Group entities, mainly CA Consumer Finance and its subsidiaries as well as EFL (Europejski Fundusz Leasingowy) in Poland.

Crédit Agricole CIB's transfer of risks by means of proprietary securitisation transactions are the following:

Active management of the financing portfolio

In addition to using credit derivatives (see the "Risks and Pillar 3 – Use of credit derivatives" chapter), this activity consists of using synthetic securitisation to manage the credit risk of the bank, optimise capital allocation, reduce the concentration of outstanding loans to corporates, release resources to contribute to the renewal of the banking portfolio (as part of the Distribute to Originate model) and maximise the return on capital. This activity is managed by the Private Debt Solutions team, which reports both to the Execution Management department within the Finance Department and to the Debt Optimisation and Distribution department at Crédit Agricole CIB. The approach used to calculate the risk-weighted amounts on proprietary securitisation exposures is the regulatory formula approach. In this such transactions, the Bank does not systematically purchase protection on all tranches, as the management goal is to cover some of the more risky financing portfolio tranches whilst keeping part of the overall risk.

New securitisations carried out by Crédit Agricole CIB in 2020

As part of the management of the financing portfolio, the Private Debt Solutions teams set up a new synthetic securitisation transaction with private investors. This five-year transaction involving a US$1.15 billion corporate loan portfolio of Crédit Agricole CIB is the first synthetic securitisation to be simultaneously placed with several investors and unlocks new opportunities for the distribution of these loans. This transaction is secured by a cash collateral equal to the amount of risk guaranteed.

Transactions carried out by the Crédit Agricole Consumer Finance Group in 2020

The Crédit Agricole Consumer Finance Group did not carry out any issues placed in the market in 2020.

The Crédit Agricole Consumer Finance Group carried out several self-subscribed issues to build reserves of liquid securities eligible for collateral in the Eurosystem.

3.4.3.2.2 Securitisation transactions carried out on behalf of customers as arranger, sponsor, intermediary or originator

Only Crédit Agricole CIB, within the Crédit Agricole 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, namely 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 since the entry into force on 1 January 2014 of the IFRS 10 rules. The liquidity facilities protect investors from credit risk and guarantee the liquidity of the programmes;
- as an investor, the Group invests directly in certain securitisation exposures and is a liquidity provider or counterparty of derivative exposures (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 2020, 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 ABCP supported 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 €24 billion at 31 December 2020 (€27 billion at 31 December 2019).

The default risk on the assets held by these vehicles is borne by the sellers of the underlying receivables through credit enhancement or by insurers for certain types of risk upstream of the ABCP transactions. Crédit Agricole CIB bears the risk through liquidity facilities.

Activities carried out as sponsor

The programme activity was sustained throughout 2020, 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 €35 billion at 31 December 2020 (€37 billion at 31 December 2019).

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. Overall, this activity represented commitments of €2 billion at 31 December 2020 (€2 billion at 31 December 2019).

Intermediation transactions

Crédit Agricole CIB participates in the structuring and in the placement of securities, backed by client asset pools and to be placed with investors.

In this activity, the Crédit Agricole CIB retains a relatively low risk via the possible contribution of back-up lines to securitisation vehicles or via a share of the securities issued.

3.4.3.2.3 Risk monitoring and recognition

Risk monitoring

The management of risks related to securitisation transactions follows the rules established by the Group, according to which these assets are recorded in the banking portfolio (credit and counterparty risk) or in the trading book (market and counterparty risk).

The development, sizing and targeting of securitisation transactions are periodically reviewed by Portfolio Strategy Committees specific to those activities and the countries to which they relate, as well as in the course of Group Risk Management Committee meetings.

Risks on securitisation transactions are measured against the capacity of the assets transferred over to financing structures to generate sufficient flows to cover the costs, mainly financial, of these structures.

Crédit Agricole CIB's securitisation exposures are treated in accordance with the IRB securitisation framework approach. The new weighting approaches, fully in force since 1 January 2020, are the following:

- "SEC IRBA" regulatory formula approach: This approach is primarily based on the prudential weighting of the underlying debt portfolio and the attachment point of the tranche in question;
- Standardised "SEC-SA" Approach: similar to the SEC-IRBA approach, this approach is based on the weighting of the underlying debt portfolio (but under the standardised approach) and mainly takes into account the attachment point and historical performance;
- "SEC IRBA" external ratings-based approach: this approach is based on ratings provided by public external rating agencies approved by the Committee of European Supervisors. The external agencies used are Standard & Poor's, Moody's, Fitch Ratings and Dominion Bond Rating Services (DBRS);
- 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 car financing).

In line with regulations, the internal assessment approaches used by Crédit Agricole CIB replicate the public methodologies of external rating agencies. The latter 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.

Refer to the glossary on page 681 for the definition of technical terms.

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 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 circuit, risks relating to the quality of information supplied periodically by managers of 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 2020, Ester Finance Titrisation recognised impaired loans (Bucket 3) for €230.7 million and an impairment (Bucket 3) of €6.7 million. Net of impairment, this entity had €14.7 billion in securitised assets.

The liquidity risk associated with securitisation activities is monitored by the business lines in charge, but also centrally by the Market Risk and Steering departments of Crédit Agricole CIB. The impact of these activities is incorporated into the Internal Liquidity Model indicators, mainly stress scenarios, liquidity ratios and liquidity gaps. The management of liquidity risk at Crédit Agricole CIB is described in more detail in the "Liquidity and financing risk" paragraph of the "Risk factors" and "Risk management" sections in this chapter.

The management of foreign exchange risk with respect to securitisation transactions does not differ from that of the Group's other assets. As regards interest rate risk management, securitised assets are refinanced through special purpose vehicles according to interest rate matching rules similar to those applying to other assets.

For assets managed in run-off mode, each disposal of position is first approved by the Market Risk Department of Crédit Agricole CIB.

Accounting policies

Investments made in securitisation instruments (cash or synthetic) are recognised according to their classification and the associated valuation method (see Note 1.3 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 recyclable through equity": 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;
- "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 2020

Crédit Agricole CIB's Securitisation activity in 2020 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 conditions that are always competitive.

At 31 December 2020, Crédit Agricole CIB had no early-redemption securitisation transactions. Moreover, Crédit Agricole CIB did not provide any implicit support to securitisation transactions in 2020.

Other than Crédit Agricole CIB, in 2020 the Crédit Agricole Consumer Finance Group carried out several self-subscribed securitisation transactions to build reserves of liquid securities eligible for collateral in the Eurosystem.

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 banking portfolio IRB and STD (SEC1)

31/12/2020 *(in millions of euros)*	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic			Traditional		Synthetic		Traditional		Synthetic	
	STS		Non-STS									STS	Non-STS		
		of which SRT		of which SRT		of which SRT	Sub-total	STS	Non-STS		Sub-total				Sub-total
1 **Total exposures**	**14,699**	**43**	**2,791**	**11**	**7,232**	**7,223**	**24,722**	**3,210**	**14,331**	**-**	**17,541**	**358**	**2,332**	**-**	**2,690**
2 **Retail (total)**	**43**	**43**	**607**	**11**	**-**	**-**	**650**	**1,975**	**7,143**	**-**	**9,118**	**357**	**1,048**	**-**	**1,405**
3 residential mortgage	-	-	-	-	-	-	-	-	-	-	-	357	43	-	400
4 credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 other retail exposures	43	43	607	11	-	-	650	1,975	7,143	-	9,118	-	980	-	980
6 re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	24	-	24
7 **Wholesale (total)**	**14,657**	**-**	**2,184**	**-**	**7,232**	**7,223**	**24,072**	**1,235**	**7,188**	**-**	**8,423**	**1**	**1,284**	**-**	**1,285**
8 loans to corporates	-	-	-	-	6,703	6,694	6,703	-	1,141	-	1,141	-	-	-	-
9 commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	16	-	16
10 lease and receivables	14,657	-	2,184	-	-	-	16,840	1,235	4,456	-	5,691	1	525	-	527
11 other wholesale	-	-	-	-	529	529	529	-	1,591	-	1,591	-	743	-	743
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 31/12/2020		
		On BalanceSheet	Off BalanceSheet	TOTAL
1	**Total exposures**	**1,839**	**43,114**	**44,953**
2	**Retail (total)**	**859**	**10,313**	**11,172**
3	residential mortgage	350	50	**400**
4	credit card	-	-	**-**
5	other retail exposures	485	10,263	**10,748**
6	re-securitisation	24	-	**24**
7	**Wholesale (total)**	**979**	**32,802**	**33,781**
8	loans to corporates	9	7,835	**7,844**
9	commercial mortgage	-	16	**16**
10	lease and receivables	374	22,684	**23,058**
11	other wholesale	596	2,267	**2,863**
12	re-securitisation	-	-	**-**

Refer to the glossary on page 681 for the definition of technical terms.

Securitisation exposures in the banking portfolio and related regulatory capital requirements – Bank acting as issuer or agent IRB and STD (SEC3)

31/12/2020	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
(in millions of euros)	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
1 Total exposures	**32,987**	**9,083**	**23**	**17**	**5**	**7,947**	**30,783**	**3,380**	**-**	**2,100**	**5,125**	**585**	**-**	**168**	**410**	**47**	**-**
2 Traditional transactions	**30,227**	**4,620**	**23**	**13**	**-**	**724**	**30,783**	**3,376**	**-**	**140**	**5,125**	**528**	**-**	**11**	**410**	**42**	**-**
3 Securitisation	30,227	4,620	23	13	-	724	30,783	3,376	-	140	5,125	528	-	11	410	42	-
4 Retail underlying	9,582	60	23	13	-	-	7,617	2,060	-	-	1,176	332	-	-	94	27	-
5 Of which STS	1,945	60	-	13	-	-	1,988	-	-	-	235	-	-	-	19	-	-
6 Wholesale	20,645	4,560	-	-	-	724	23,166	1,316	-	140	3,949	196	-	11	316	16	-
7 Of which STS	14,066	1,826	-	-	-	-	15,620	19	-	-	2,423	1	-	-	194	-	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic transactions	**2,760**	**4,463**	**-**	**5**	**5**	**7,223**	**-**	**5**	**-**	**1,959**	**-**	**57**	**-**	**157**	**-**	**5**	**-**
10 Securitisation	2,760	4,463	-	5	5	7,223	-	5	-	1,959	-	57	-	157	-	5	-
11 Retail underlying	-	-	-	5	5	-	-	5	-	-	-	57	-	-	-	5	-
12 Wholesale	2,760	4,463	-	-	-	7,223	-	-	-	1,959	-	-	-	157	-	-	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Securitisation exposures in the banking portfolio and related regulatory capital requirements – Bank acting as investor IRB and STD (SEC4)

31/12/2020	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
(in millions of euros)	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
1 Total exposures	**2,188**	**566**	**38**	**46**	**-**	**1,013**	**854**	**977**	**-**	**270**	**89**	**586**	**1**	**22**	**7**	**47**	**-**
2 Traditional securitisation	**2,188**	**566**	**38**	**46**	**-**	**1,013**	**854**	**977**	**-**	**270**	**89**	**585**	**1**	**22**	**7**	**47**	**-**
3 Securitisation	2,188	566	38	23	-	1,013	854	953	-	270	89	274	1	22	7	22	-
4 Retail underlying	928	566	1	-	-	501	425	569	-	172	72	75	1	14	6	6	-
5 Of which STS	357	-	-	-	-	-	-	357	-	-	-	36	-	-	-	3	-
6 Wholesale	1,260	-	37	23	-	512	428	384	-	98	17	199	-	8	1	16	-
7 Of which STS	1	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	24	-	-	-	24	-	-	-	311	-	-	-	25	-
9 Synthetic securitisation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**-**	**-**	**-**	**-**	**-**
10 Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-

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)

31/12/2020 *(in millions of euros)*	Institution acts as originator				Institution acts as sponsor				Institution acts as investor			
	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
	STS	Non-STS			STS	Non-STS			STS	Non-STS		
1 Total exposures										**168**	**-**	**168**
2 Retail (total)										-	-	-
3 residential mortgage										-	-	-
4 credit card										-	-	-
5 other retail exposures										-	-	-
6 re-securitisation										-	-	-
7 Wholesale (total)										**168**	-	**168**
8 loans to corporates										-	-	-
9 commercial mortgage										-	-	-
10 lease and receivables										-	-	-
11 other wholesale										152	-	152
12 re-securitisation										16	-	16

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)*	31/12/2020 Long positions	Short positions	Capital requirement	31/12/2019 Long positions	Short positions	Capital requirement
EAD subject to weighting	-	-	-	-	-	-
7-10% weightings	-	-	-	-	-	-
12-18% weightings	36	-	1	138	-	1
20-35% weightings	3	-	-	34	-	-
40-75% weightings	111	-	1	5	-	-
100% weightings	1	-	-	1	-	-
150% weightings	-	-	-	-	-	-
200% weightings	-	-	-	-	-	-
225% weightings	-	-	-	-	-	-
250% weightings	-	-	-	-	-	-
300% weightings	-	-	-	-	-	-
350% weightings	-	-	-	-	-	-
425% weightings	-	-	-	-	-	-
500% weightings	-	-	-	-	-	-
650% weightings	-	-	-	-	-	-
750% weightings	-	-	-	-	-	-
850% weightings	-	-	-	-	-	-
1250 weightings	16	-	3	19	-	3
Internal valuation approach	**168**	**-**	**5**	**197**	**-**	**5**
Supervisory Formula Approach	-	-	-	-	-	-
Transparency Approach	-	-	-	-	-	-
NET TOTAL OF DEDUCTIONS OF EQUITY	**-**	**-**	**-**	**-**	**-**	**-**
1250%/Positions deducted from capital	-	-	-	-	-	-
TOTAL PORTEFEUILLE DE NÉGOCIATION	**168**	**-**	**5**	**197**	**-**	**5**

Refer to the glossary on page 681 for the definition of technical terms.

Capital requirements relating to securitisations held or acquired

(in millions of euros)	31/12/2020 Long positions	Short positions	Total weighted positions	Capital requirement	31/12/2019 Long positions	Short positions	Total weighted positions	Capital requirement
Weighted EAD	**168**	**-**	**5**	**5**	**197**	**-**	**21**	**5**
Securitisation	152	-	2	2	178	-	2	1
Resecuritisation	16	-	3	3	19	-	19	3
Deductions	-	-	-	-	-	-	-	-

Securitisation exposures – defaulted exposures and adjustment of specific credit risk (SEC5)

	31/12/2020 (in millions of euros)	Exposures securitised by the institution – Institution acts as originator or as sponsor: Total outstanding nominal amount	Of which exposures in default	Total amount of specific credit risk adjustments made during the period
1	**Total exposures**	**42,263**	**692**	
2	**Retail (total)**	**9,768**	**29**	
3	residential mortgage	-	-	
4	credit card	-	-	
5	other retail exposures	9,768	29	
6	re-securitisation	-	-	
7	**Wholesale (total)**	**32,495**	**663**	
8	loans to corporates	7,844	23	
9	commercial mortgage	-	-	
10	lease and receivables	22,531	639	
11	other wholesale	2,120	1	
12	re-securitisation	-	-	

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 are described in the "Risk factors – Market risk – Market risk measurement and management methodology" section.

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 factors – Market risk – Market risk measurement and management methodology" section.

3.4.4.3 Exposure 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)

(in millions of euros)		31/12/2020 RWA	31/12/2020 Capital requirement	31/12/2019 RWA	31/12/2019 Capital requirement
	Futures and forwards				
1	Interest rate risk (general and specific)	470	38	831	66
2	Risk on shares (general and specific)	-	-	-	-
3	Currency risk	3,883	311	3,819	306
4	Commodities risk	-	-	15	1
	Options				
5	Simplificated approach	-	-	-	-
6	Delta-plus method	1	0	-	-
7	Scenarios based approach	-	-	-	-
8	Securitisation	-	-	-	-
9	**TOTAL**	**4,420**	**354**	**4,665**	**373**

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)

(in millions of euros)		31/12/2020 RWA	31/12/2020 Capital requirement	31/12/2019 RWA	31/12/2019 Capital requirement
1	**VaR (higher of values a and b)**	**1,694**	**136**	**1,743**	**139**
(a)	Previous day's VaR (VaRt-1)		29	-	30
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		136	-	139
2	**SVaR (higher of values a and b)**	**2,188**	**175**	**3,337**	**267**
(a)	Latest available SVaR (SVaRt-1))		37	-	50
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		175	-	267
3	**IRC (higher of values a and b)**	**1,451**	**116**	**1,849**	**148**
(a)	Most recent IRC measure		69	-	65
(b)	12 weeks average IRC measure		116	-	148
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**	**5,333**	**427**	**6,930**	**554**

Refer to the glossary on page 681 for the definition of technical terms.

Values resulting from use of internal models

Value of the trading book using the internal models approach (IMA) (MR3)

	(in millions of euros)	31/12/2020	31/12/2019
1	**VaR (10 days, 99%)**		
2	Maximum value	47	39
3	Mean value	34	31
4	Minimum value	26	21
5	End of period value	29	30
6	**VaR in stressed period (10 days, 99%)**		
7	Maximum value	68	75
8	Mean value	44	59
9	Minimum value	35	48
10	End of period value	37	50
11	**Capital requirement in line with IRC (99.9%)**		
12	Maximum value	198	300
13	Mean value	89	114
14	Minimum value	53	47
15	End of period value	53	50
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 Universal Registration Document of Crédit Agricole S.A.

3.4.5 Global interest rate risk

The nature of interest rate risk, the main underlying assumptions retained and the frequency of interest rate risk measurements are described in the “Risk factors – Asset/Liability management – Global interest rate risk” section.

3.4.6 Operational risk

3.4.6.1 Advanced measurement approach

The French Regulatory and Resolution Supervisory Authority, the ACPR, has, since 1 January 2008, authorised the main Crédit Agricole S.A. Group entities to use the Advanced Measurement Approach (AMA) to calculate their regulatory capital requirements for operational risk. The other Group entities use the standardised approach, in accordance with regulations.

The scope of application of the advanced measurement and standardised approaches and a description of the advanced measurement approach methodology are provided in the “Risk factors – Operational risk – Methodology” section.

3.4.6.2 Insurance techniques for reducing operational risk

The insurance techniques used to reduce operational risk are described in the “Risk management – Operational risk – Insurance and coverage of operational risks” section.

3.5 ASSET ENCUMBRANCE

Medians of the four quarterly end-of-period values over the previous 12 months.

Template A – 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(1)		of which notionally eligible EHQLA and HQLA(1)		of which EHQLA and HQLA(1)		of which EHQLA and HQLA(1)
(in millions of euros)		010	030	040	050	060	080	090	100
010	**Assets of the reporting institution**	**127,156**	**22,136**			**1,445,033**	**83,282**		
030	Equity instruments	1,284	1,056			10,114	1,088		
040	Debt securities	23,928	21,219	22,888	20,577	125,828	81,447	126,636	84,830
050	of which: covered bonds	19	8	19	9	2,076	1,867	2,108	1,897
060	of which: asset-backed securities	93	-	93	-	142	10	121	10
070	of which: issued by general governments	18,065	16,576	17,041	16,213	59,650	53,815	66,933	56,889
080	of which: issued by financial corporations	4,767	3,632	4,583	3,646	51,550	22,492	49,419	22,916
090	of which: issued by non-financial corporations	574	467	574	467	10,828	4,362	6,093	4,373
120	Other assets	100,879	-			1,137,592	188,554		
121	of which: Loans and advances other than loans on demand	70,409	-			928,630	-		

(1) EHQLA: Assets of extremely high liquidity and credit qualitys.
HQLA: Assets of high liquidity and credit quality.

Template B – Collateral received

		Fair value of encumbered collateral received or own debt securities issued		Unencumbered – Fair value of collateral received or own debt securities issued available for encumbrance	
			of which notionally eligible EHQLA and HQLA(1)		of which notionally eligible EHQLA and HQLA(1)
(in millions of euros)		010	030	040	060
130	**Collateral received by the reporting institution**	**356,563**	**155,713**	**125,137**	**42,829**
140	Loans on demand	-	-	-	-
150	Equity instruments	4,294	423	9,377	333
160	Debt securities	166,199	155,342	47,787	42,511
170	of which: covered bonds	1,083	999	206	202
180	of which: asset-backed securities	-	-	-	-
190	of which: issued by general governments	143,780	143,190	30,971	30,419
200	of which: issued by financial corporations	16,057	9,638	13,422	10,387
210	of which: issued by non-financial corporations	3,953	2,083	3,165	1,835
220	Loans and advances other than loans on demand	175,382	-	66,565	-
230	Other collateral received	-	-	-	-
240	**Own debt securities issued other than own covered bonds or asset-backed securities**			**10,008**	**1,017**
241	**Own covered bonds and asset-backed securities issued and not yet pledged**				
250	**TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**	**481,715**	**253,617**		

(1) EHQLA: Assets of extremely high liquidity and credit qualitys.
HQLA: Assets of high liquidity and credit quality.

Refer to the glossary on page 681 for the definition of technical terms.

Template C – Sources of encumbrance

(in millions of euros)		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered
		010	030
010	**Carrying amount of selected financial liabilities**	**504,497**	**467,039**
011	of which: Derivatives	101,059	23,518
012	of which: Deposits	343,590	372,602
013	of which: Debt securities issued	60,597	70,950

Template D – Additional descriptive 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 S.A. represented 23.7% at 31 December 2020.

The encumbrance for assets and collateral received for the Crédit Agricole S.A. 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 constitute reserves that can easily be made liquid if needed. The policy of Crédit Agricole S.A. aims to both diversify the instruments used to improve resistance to liquidity stress, which could affect individual markets differently, and to limit the share of assets pledged in order to retain good quality assets that can be easily liquidated in the market through existing mechanisms in case of stress.

The rise in Crédit Agricole S.A.'s asset encumbrance ratio over 2020 is in line with the average rise observed in France and Europe. This is attributable to the strong increase in drawings on the ECB's TLTROs in the context of the measures taken to contend with the COVID-19, even though the reduction in the haircuts as part of the easing measures relating to Eurosystem collateral rules announced by the ECB on 7 April 2020 enabled to limit the impact of this rise.

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 three programmes:
  - Crédit Agricole Home Loan SFH, pledging the receivables of the Regional Banks and LCL,
  - Crédit Agricole Public Sector SCF, pledging the receivables of Crédit Agricole CIB,
  - Crédit Agricole Italia OBG SRL, pledging the receivables of the Crédit Agricole Italia Group.

  At 31 December 2020, the placed covered bonds amounted to €45.5 billion for a total of €51.2 billion in encumbered underlying assets (and collateral received) thus complying with the contractual and regulatory requirements in terms of over-collateralisation.

  At 31 December 2020, the retained secured bonds not yet pledged as collateral amounted to €0.16 billion for a total of €0.14 billion in unencumbered underlying assets;
- 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 LCL (through FCT CA Habitat 2019).

  At 31 December 2020, placed asset-backed securities amounted to €5.2 billion for a total of €5.4 billion in encumbered underlying assets.

  At 31 December 2020, asset-backed securities retained and not yet pledged as collateral amounted to €11.8 billion for a total of €12.9 billion of unencumbered underlying assets;
- guaranteed deposits (other than repurchase agreements) mainly associated with financing activities: from the ECB under TLTROs, via Crédit Agricole CIB's ESTER securitisation conduit, as well as French or supranational institutional organisations (such as the CDC and the EIB).

  At 31 December 2020, guaranteed deposits (other than repurchase agreements) amounted to €161.2 billion for a total of €203.5 billion in encumbered assets and collateral received;
- debt securities (other than covered bonds or ABSs) issued to the *Caisse de Refinancement de l'Habitat* (CRH) in the form of promissory notes, pledging the collateral received from the Regional Banks and the receivables of LCL.

  At 31 December 2020, these securities amounted to €9.0 billion for a total of €13.0 billion in encumbered assets and collateral received.

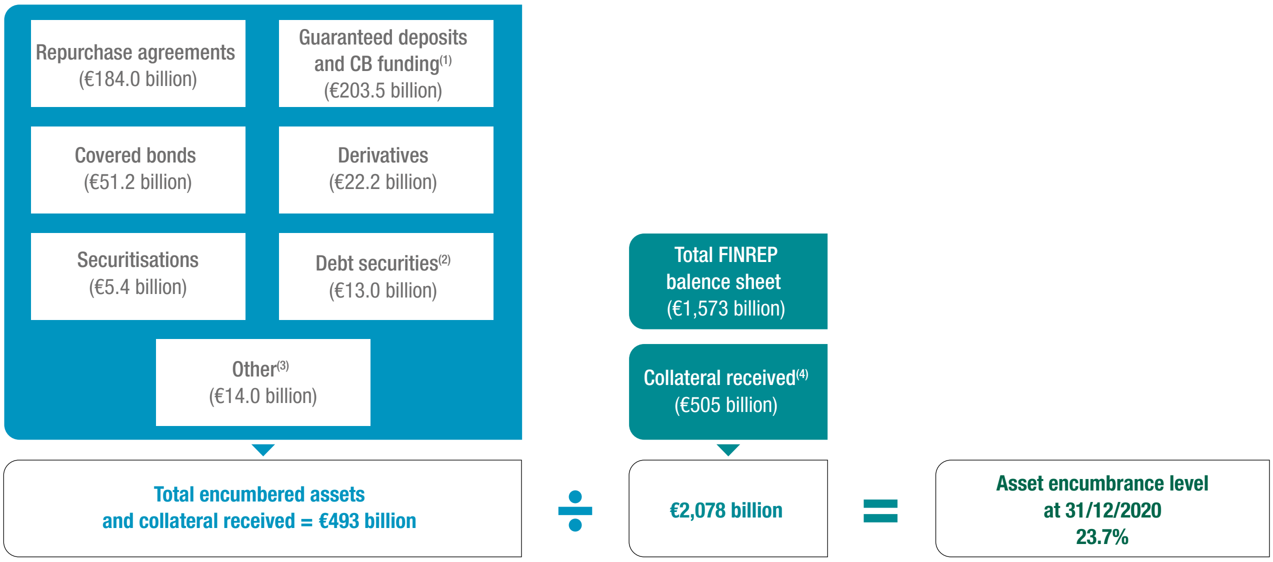
As Crédit Agricole S.A. is the central actor in most of these secured financing mechanisms, these levels of encumbrance are broken down at an intragroup level between Crédit Agricole S.A., its subsidiaries and the Crédit Agricole Regional Banks.

The other main sources of asset encumbrance in the Crédit Agricole group are:

- repurchase agreements, mainly associated with the activity of Crédit Agricole CIB and mainly encumbering the collateral received comprising debt securities and, on an ancillary basis, equity instruments. In particular, this source concentrates the majority of encumbrance held in the second material currency (USD), within the meaning of Annex XVII of the Implementing Regulation (EU) No. 680/2014, other than the reporting currency (EUR).

  At 31 December 2020, repurchase agreements amounted to €199.4 billion for a total of €184.0 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.

  At 31 December 2020, margin calls amounted to €22.2 billion.



(1) Central banks.
(2) Other than covered bonds or ABSs.
(3) Mainly securities lending and borrowing.
(4) Excluding collateral received that could not be encumbered.

Refer to the glossary on page 681 for the definition of technical terms.

3.6 LIQUIDITY COVERAGE RATIO (LCR)

Quantitative information

Scope of consolidation (solo/consolidated) *(in millions of euros)*		Total unweighted value *(average)*				Total weighted value *(average)*			
QUARTER ENDING ON		**31/03/2020**	**30/06/2020**	**30/09/2020**	**31/12/2020**	**31/03/2020**	**30/06/2020**	**30/09/2020**	**31/12/2020**
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)**					**199,924**	**224,373**	**254,214**	**283,133**
CASH-OUTFLOWS									
2	**Retail deposits and deposits from small business customers, of which:**	**387,273**	**381,537**	**375,891**	**370,593**	**24,224**	**23,997**	**23,775**	**23,590**
3	Stable deposits	310,195	299,796	289,534	279,342	15,510	14,990	14,477	13,967
4	Less stable deposits	77,078	81,741	86,357	91,251	8,714	9,007	9,298	9,623
5	**Unsecured wholesale funding**	**258,914**	**283,664**	**309,000**	**328,550**	**127,723**	**141,524**	**155,644**	**166,102**
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	110,398	126,164	142,574	155,798	36,337	42,826	50,225	56,325
7	Non-operational deposits (all counterparties)	134,139	142,267	150,623	156,956	77,009	83,465	89,617	93,982
8	Unsecured debt	14,376	15,233	15,803	15,795	14,376	15,233	15,803	15,795
9	**Secured wholesale funding**					**21,260**	**21,920**	**22,492**	**22,277**
10	**Additional requirements**	**156,355**	**160,133**	**162,116**	**164,339**	**40,627**	**42,644**	**43,697**	**44,762**
11	Outflows related to derivative exposures and other collateral requirements	14,572	17,427	18,860	20,355	11,200	13,273	14,735	16,127
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	141,783	142,706	143,256	143,984	29,427	29,371	28,962	28,635
14	**Other contractual funding obligations**	**57,841**	**52,448**	**45,489**	**34,432**	**1,965**	**2,659**	**2,619**	**3,001**
15	**Other contingent funding obligations**	**50,383**	**50306**	**49661**	**49506**	**1895**	**2456**	**2931**	**2,984**
16	**TOTAL CASH OUTFLOWS**					**217694**	**235200**	**251158**	**262,716**
CASH-INFLOWS									
17	**Secured lending (eg reverse repos)**	**160,843**	**159,343**	**161,654**	**161,345**	**17,879**	**18,600**	**20,894**	**21,349**
18	**Inflows from fully performing exposures**	**112,673**	**99,582**	**85,623**	**72,497**	**45,175**	**44,902**	**44,163**	**43,603**
19	**Other cash inflows**	**4,149**	**4,787**	**5,528**	**6,732**	**4,149**	**4,787**	**5,528**	**6,732**
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**	**277,665**	**263,712**	**252,804**	**240,574**	**67,203**	**68,289**	**70,585**	**71,684**
EU-20a	**Fully exempt inflows**	-	-	-	-	-	-	-	-
EU-20b	**Inflows Subject to 90% Cap**	-	-	-	-	-	-	-	-
EU-20c	**Inflows Subject to 75% Cap**	246,292	230,184	216,885	204,656	67,203	68,289	70,585	71,684
21	**FULLY EXEMPT INFLOWS**					**199,924**	**224,373**	**254,214**	**283,133**
22	**INFLOWS SUBJECT TO 90% CAP**					**150,491**	**166,911**	**180,573**	**191,032**
23	**INFLOWS SUBJECT TO 75% CAP**					**132.8%**	**134.4%**	**140.8%**	**148.2%**

Qualitative information

Concentration of funding and liquidity sources	The Crédit Agricole S.A. follows a prudent refinancing policy, with very diversified access to the markets, in terms of investor base and products.
Derivative exposures and potential collateral calls	The cash outflows relating to this item materialize the contingent risk of an increase in margin calls on derivative transactions in an unfavorable market scenario and an increase in collateral requirements following a downgrade of the Group's external rating.
Currency mismatch in the LCR	As of 31 December 2020, the Crédit Agricole S.A. covers its net cash outflows with liquid assets denominated in the same currency in the main significant currencies (EUR, CHF, GBP, JPY, USD). The level of the residual asymmetries observed in certain currencies is covered by surplus of premium liquid assets available in other significant currencies and which could be easily converted to cover these needs, including in crisis situations.
A description of the degree of centralisation of liquidity management and interaction between the Group's units	Crédit Agricole S.A. oversees the management of the liquidity risk. ■ Crédit Agricole S.A.'s treasury is responsible for refinancing the main short-term needs (≤1 year) of the Regional Banks and subsidiaries. It also coordinates the treasuries of the subsidiaries for their additional issuances. Crédit Agricole CIB is self-sufficient in the management of its short-term refinancing, in close coordination with the Treasury of Crédit Agricole S.A. ■ For long-term refinancing (>1 year), Crédit Agricole S.A. identifies long-term resource needs, plans refinancing programs according to these ones and reallocates the resources raised to the Group entities. The Group's main issuers are: Crédit Agricole S.A., Crédit Agricole CIB, Crédit Agricole Consumer Finance and CA Italia.
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	

3.7 COMPENSATION POLICY

The information on the compensation policy required pursuant to EU Regulation 575-2013 (CRR) can be found in Chapter 3 of this Universal Registration Document.

Refer to the glossary on page 681 for the definition of technical terms.

3.8 CROSS-REFERENCE TABLES

Cross-reference table for Pillar 3 (CRR and CRD 4)

CRR article	Topic	Reference 2020 Universal Registration Document	2020 Universal Registration Document
90 (CRD 4)	Return on assets	Management report	p. 248
435 (CRR)	1. Risk management policy and objectives	Presentation of committees – Corporate governance Main group level Committees dealing with risk – Risk factors	p. 133 to 138
436 (a)(b)	2. Scope of consolidation	Pillar 3 Financial statements Note 12.2	p. 336 to 337 p. 339 to 341 and p. 566 to 579
436 (c)(d)(e) (CRR)	2. Scope of consolidation	Unpublished information	
437 (CRR)	3. Equity	Reconciliation of accounting and regulatory capital Details of subordinated debt	p. 322 p. 325
438 (CRR)	4. Capital requirements	Risk-weighted assets by business line and trends	p. 341 to 343
439 (CRR)	5. Exposure to counterparty credit risk	General presentation of counterparty credit risk – exposures by type of risk Credit risk (all) Counterparty risk (all)	p. 341 to 391
440 (CRR)	6. Capital buffer	Minimum requirements and exposures by geographic area	p. 327 to 329 p. 347 to 349
441 (CRR)	7. Indicators of global systemic importance	Communication on the indicators required for globally systemically important banks (G-SIBs) + website	p. 327 to 329 Amendment A01 and press release
442 (CRR)	8. Adjustments for credit risk	Default exposures and value adjustments	p. 355 to 364
443 (CRR)	9. Asset encumbrance	Asset encumbrance	p. 400 to 402
444 (CRR)	10. Use of ECAIs	Protection providers	p. 388 to 390
445 (CRR)	11. Exposure to market risk	Exposure to market risk of the trading book	p. 397 to 398
446 (CRR)	12. Operational risk	Operational risk	p. 309 to 311 and p. 399
447 (CRR)	13. Equity exposures excluding the trading book	Equity exposures in the banking portfolio	p. 343 and p. 388 to 389
448 (CRR)	14. Exposure to interest rate risk on positions not included in the trading book	Global interest rate risk – Risk factors	p. 294 to 296 and p. 399
449 (CRR)	15. Exposures to securitisation positions	Securitisation – Pillar 3	p. 391 to 397
450 (CRR)	16. Compensation policy	Compensation policy – Corporate governance	p. 177 to 217
451 (CRR)	17. Leverage	Leverage ratio	p. 331 to 333
452 (CRR)	18. Use of the IRB approach to credit risk	Credit risk – internal ratings-based approach	p. 366 to 379
453 (CRR)	19. Use of credit risk mitigation techniques	Credit risk mitigation mechanism	p. 283 and p. 388 to 389
454 (CRR)	20. Use of the advanced measurement approaches to operational risk	Operational risk	p. 310 to 311 and p. 399
455 (CRR)	21. Use of internal market risk models	Internal models approach to market risk capital requirements – Pillar 3	p. 397 to 398

Additional elements are presented on the consolidated report on risks available on our website: www.credit-agricole.com/en/finance/finance/financial-publications.

EDTF cross-reference table

	Recommendation		Management report and other	Risk factors	Pillar 3	Consolidated financial statements
Introduction	1	Cross-reference table			p. 406	
	2	Terminology and risk measurements, key parameters used		p. 256 to 317	p. 343 and p. 365 to 376	p. 425 to 445 and p. 451 to 487
	3	Presentation of main risks and/or emerging risks		p. 256 to 317		p. 451 to 487
	4	New regulatory framework for solvency and Group objectives	p. 249 to 250	p. 296 to 301	p. 318 to 321	p. 487
Governance and risk management strategy	5	Organisation of control and risk management	p. 130 to 131 and p. 140 to 141	p. 269 to 272 and p. 272 to 279		
	6	Risk management strategy and implementation	p. 130 to 131 and p. 140 to 141	p. 256 to 317 and p. 272 to 279	p. 318 to 329	
	7	Risk mapping by business line			p. 342	
	8	Governance and management of internal credit and market stress tests		p. 269 to 272 and p. 283		
Capital requirements and risk-weighted assets	9	Minimum capital requirements			p. 327 to 329	
	10a	Breakdown of composition of capital			p. 322 to 324(1)	
	10b	Reconciliation of the balance sheet and prudential balance sheet and accounting equity and regulatory capital			p. 322 to 323 and p. 336 to 337	
	11	Change in regulatory capital			p. 325 to 326	
	12	Capital trajectory and target CRD 4 ratios	p. 249 to 250		p. 321 to 335	
	13	Risk-weighted assets by business line and risk type			p. 341 to 364	
	14	Risk-weighted assets and capital requirements by method and category of exposure		p. 281	p. 341 to 364	
	15	Exposure to credit risk by category of exposure and internal rating		p. 279 to 288	p. 344 to 391	
	16	Changes in risk-weighted assets by risk type			p. 341	
	17	Description of back-testing models and efforts to improve their reliability		p. 289 to 290 and p. 310 to 311	p. 377 to 378	
Liquidity	18	Management of liquidity and cash balance sheet		p. 294 to 302	p. 403 to 404	
	19	Asset encumbrance			p. 400 to 402	
	20	Breakdown of financial assets and financial liabilities by contractual maturity			p. 354	p. 478 to 479 and p. 541
	21	Liquidity and financing risk management		p. 296 to 301	p. 403	
Market risk	22 to 24	Market risk measurement		p. 288 to 294	p. 398 to 399	p. 425 to 445, p. 474 to 478 and p. 550 to 564
	25	Market risk management techniques		p. 288 to 294		

Refer to the glossary on page 681 for the definition of technical terms.

	Recommendation		Management report and other	Risk factors	Pillar 3	Consolidated financial statements
Credit risk	26	Maximum exposure, breakdown and diversification of credit risks		p. 279 to 288	p. 343 to 391	p. 451 to 473
	27 and 28	Provisioning policy and risk hedging		p. 286 to 287		p. 425 to 442 and p. 473 to 492
	29	Derivative instruments: notional, counterparty risk, offsetting		p. 279 to 288, p. 288 to 290, p. 291 to 302 and p. 306 to 307	p. 380 to 391	p. 436, p. 474 to 478, p. 518 and p. 533 to 554
	30	Credit risk mitigation mechanism		p. 283		p. 546 to 547
Other risks	31	Other risks: insurance sector risks, operational risks and legal risks, information systems security and business continuity plans		p. 256 to 272 and p. 302 to 309 p. 130 to 132		p. 487, p. 500 to 502 and p. 530 to 535
	32	Declared risks and ongoing actions regarding operational and legal risks		p. 310 to 311		p. 530 to 535

(1) Details of debt issues available on the website: www.credit-agricole.com/en/finance/finance/financial-publications.

DISCLOSURE OF EXPOSURES SUBJECT TO MEASURES APPLIED IN RESPONSE TO THE COVID-19 CRISIS

The Information on loans and advances subject to legislative and non-legislative moratoria, the breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria and the information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis are available in amendment A01 of the 2020 Universal Registration Document, as this requirement is applicable to the highest level of consolidation, *i.e.* the Crédit Agricole Group.

6 CONSOLIDATED FINANCIAL STATEMENTS

Approved by the Board of Directors of Credit Agricole S.A. on 10 February 2021 and submitted for the approval of the Ordinary General Meeting of 12 May 2021

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole S.A.
Key figures

NET INCOME GROUP SHARE

€2,692M

Revenues

€20,500M

TOTAL BALANCE SHEET

€1,961,062M

Total customer loans

€405,937M

Total customer deposits

€719,388M

Total equity

€73,495M

Refer to the glossary on page 681 for the definition of technical terms.

GENERAL FRAMEWORK

LEGAL PRESENTATION OF THE ENTITY

Since the Extraordinary General Meeting of 29 November 2001, the Company's name has been: **Crédit Agricole S.A.**

Since 1 July 2012, the address of the Company's registered office has been: 12, place des États-Unis, 92127 Montrouge Cedex, France.

Registration number: 784 608 416 Nanterre Trade and Companies Register.

NAF code: 6419Z.

Crédit Agricole S.A. is a French public limited company *("Société anonyme")* with a Board of Directors governed by ordinary company law and more specifically by Book II of the French Commercial Code *("Code de commerce")*.

Crédit Agricole S.A. is also subject to the provisions of the French Monetary and Financial Code and more specifically Articles L.512-47 *et seq.* thereof.

Crédit Agricole S.A. was licensed as an authorised lending institution in the mutual and cooperative banks category on 17 November 1984. As such, it is subject to oversight by the banking supervisory authorities, and more particularly by the French Regulatory and Resolution Supervisory Authority (ACPR) and the European Central Bank.

Crédit Agricole S.A. shares are admitted for trading on Euronext Paris. Crédit Agricole S.A. is subject to the prevailing stock market regulations particularly with respect to public disclosure obligations.

A bank with mutual roots

SAS Rue La Boétie, which is wholly owned by the Regional Banks, holds the majority of Crédit Agricole S.A.'s share capital. Shares in SAS Rue La Boétie may not be transferred outside the Regional Banks' network. Furthermore, any trading in these shares between Regional Banks is governed by a liquidity agreement that in particular sets out the procedures for determining the transaction price. This encompasses both disposals of shares between the Regional Banks and capital increases at SAS Rue La Boétie.

Fédération Nationale du Crédit Agricole (FNCA) acts as a consultative and representative body, and as a communication forum for the Regional Banks.

In accordance with the provisions of the French Monetary and Financial Code (Articles L.511-31 and L.511-32), as the corporate centre of the Crédit Agricole network, Crédit Agricole S.A. is responsible for exercising administrative, technical and financial control over the institutions affiliated to it in order to maintain a cohesive network (as defined in Article R.512-18 of the French Monetary and Financial Code) and to ensure their proper functioning and compliance with all regulations and legislation governing them. In that regard, Credit Agricole S.A. may take all necessary measures notably to ensure the liquidity and solvency of the network as a whole and of each of its affiliated institutions.

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 S.A., which records the financial movements resulting from internal financial transactions within the Group. This account, which may be in credit or debit, is presented in the balance sheet under "Crédit Agricole internal transactions – Current Accounts" and integrated on a specific line item, either "Loans and receivables due from credit institutions" or "Due to credit institutions".

Special savings accounts

Funds held in special savings accounts (popular savings passbook accounts *(Livret d'épargne populaire),* sustainable development passbook accounts *(Livret de développement durable),* 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 be transferred to 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 savings funds (passbook accounts, bonds, warrants, certain term accounts and similar accounts, etc.) on behalf of Crédit Agricole S.A. These funds are transferred to Crédit Agricole S.A., and are recognised as such on its balance sheet.

Special savings accounts and time deposits and advances are used by Crédit Agricole S.A. to make "advances" (loans) to the Regional Banks, with a view to funding their medium and long term loans.

A series of four internal financial reforms has been implemented. These reforms have permitted the transfer back to the Regional Banks, in the form of so-called "mirror advances" (with maturities and interest rates precisely matching those of the savings funds received) of first 15%, 25%, then 33% and, since 31 December 2001, 50% of the savings resources, which they are free to use at their discretion.

Since 1 January 2004, the financial margins generated by the centralised management of funds collected (and not transferred back via mirror advances) are shared by the Regional Banks and Crédit Agricole S.A. and are determined by using replacement models and applying market rates.

Furthermore, the Regional Banks may be refinanced in the form of advances negotiated at market rates with Crédit Agricole S.A.

Transfer of Regional Banks' liquidity surpluses

The Regional Banks may use their "monetary" deposits (demand deposits, non-centralised time deposits and negotiable certificates of deposit) to finance lending to their customers. Surpluses must be transferred to Crédit Agricole S.A. where they are booked as current or time accounts, under "Crédit Agricole internal transactions".

Refer to the glossary on page 681 for the definition of technical terms.

Foreign currency transactions

Crédit Agricole S.A. represents the Regional Banks with respect to the Banque de France and centralises their foreign exchange transactions.

Medium and long-term notes issued by Crédit Agricole S.A.

These are placed mainly 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

The ECB set out a third series of longer-term refinancing operations in March 2019, the terms and conditions of which were reviewed in September 2019 and again in March and April 2020, in connection with the COVID-19 situation.

The TLTRO III mechanism aims to provide longterm refinancing, with a subsidy in the event of reaching a lending performance target based on growth of lending to firms and households, which is applied over the three-year maturity of the TLTRO operation, with an additional subsidy, awarding a further and temporary incentive, which is applied over the one-year period between June 2020 and June 2021.

Provided that the level of outstanding amounts giving entitlement to these subsidies allow to consider the subsidies as already granted by the ECB in relation to the support to the economy both in the first year and in subsequent years, the interest accrued with a negative interest rate takes this subsidy into account.

All subsidies are spread over the expected refinancing period from the TLTRO III drawing date. Outstanding amounts that give entitlement to the subsidy already exceed the level required to be able to benefit from the planned levels of subsidies. The additional subsidy for the first year is linearly accrued over one year, starting from June 2020.

For the new subsidy announced by the ECB following its meeting of 10 December 2020, covering the period from June 2021 to June 2022, these principles will continue to apply as long as there is a reasonable assurance that the level of eligible amounts outstanding will render it possible to meet the conditions necessary to acquire these subsidies when they become due and payable by the ECB.

As at 31 December 2020, the Group has drawn 133 billion euros in TLTRO III at the ECB.

Hedging of liquidity and solvency risks and banking resolution

Under the legal internal financial solidarity mechanism enshrined in Article L.511-31 of the French Monetary and Financial Code (CMF), Crédit Agricole S.A., as the central body 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 solidarity.

The general provisions of the CMF (*Code monétaire et financier* — French Monetary and Financial Code) are 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 aimed at governing internal relations within the Crédit Agricole network. The agreement notably 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 central body 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 the 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 objectives mentioned above.

The resolution authorities may use one or more resolution tools, as described below, with the objective of recapitalising or restoring the viability of the institution. The resolution tools should be implemented in such a way that equity holders (shares, mutual shares, CCIs, CCAs) bear losses first, with creditors following up immediately, provided that they are not excluded from bail-in legally speaking or by a decision of the resolution authorities. French law also provides for a protective measure when certain resolution tools or decisions are implemented, such as the principle that equity holders and creditors of an institution in resolution may not incur greater losses than those they would have incurred if the institution had been liquidated in the context of a judicial liquidation procedure under the French Commercial Code (NCWOL principle referred to in Article L.613-57.I of the CMF). Thus, investors are entitled to claim compensation if the treatment they receive in a resolution is less favourable than the treatment they would have received if the institution had been subject to normal insolvency proceedings.

Refer to the glossary on page 681 for the definition of technical terms.

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[1] instruments 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 capital requirements at the consolidated level.

Investors must then be aware that there is therefore a significant risk that holders of shares, mutual shares, CCIs and CCAs and holders of debt instruments of a member of the network will lose all or part of their investment if a resolution procedure is implemented on the Group, regardless of the entity of which they are a creditor.

The other resolution tools available to the resolution authorities are essentially the total or partial transfer of the activities of the institution to a third party or to a bridge institution and the separation of the assets of the institution.

This resolution framework does not affect the legal internal financial solidarity mechanism enshrined in Article L.511-31 of the French Monetary and Financial Code, which applies to the Crédit Agricole network, as defined in Article R.512-18 of the same Code. Crédit Agricole S.A. considers that, in practice, this mechanism should be implemented prior to any resolution procedure.

The implementation of a resolution procedure to the Crédit Agricole Group would thus mean that the legal internal solidarity mechanism had failed to remedy the failure of one or more network entities, and hence of the network as a whole. It would also limit the likelihood that the conditions for triggering the guarantee covering the liabilities of Crédit Agricole S.A. (granted in 1988 to its third party creditors by the Regional Banks on a joint and several basis, and up to the aggregate amount of their own funds) 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.

Specific guarantees provided by the Regional Banks to Crédit Agricole S.A. (Switch)

The Switch guarantee mechanism, established on 23 December 2011 and supplemented by an initial addendum signed on 19 December 2013 and twice amended in 2016 on 17 February (Amendment No. 2) and 21 July (Amendment No. 3), respectively, forms part of the financial relationship between Crédit Agricole S.A., as corporate centre, and the mutual network of Crédit Agricole Regional Banks. The most recent amendments to these guarantees took effect retroactively on 1 July 2016, replacing the previous guarantees, and expire on 1 March 2027, subject to total or partial early termination or extension in accordance with the terms of the contract. A first partial termination corresponding to 35% of the Switch guarantees took place on 2 March 2020.

With this mechanism, and subject to the upper limit specified in the agreement, the Regional Banks assume, on behalf of Crédit Agricole S.A., regulatory prudential requirements relating to the equity method of accounting for certain equity investments held by Crédit Agricole S.A. They also assume the associated economic risks in the form of compensation, where applicable.

The guarantees allow the transfer of regulatory prudential requirements that apply to Crédit Agricole S.A.'s equity investments in Crédit Agricole Assurances (CAA), the latter being equity-accounted for regulatory reasons: we are talking about the Insurance Switch guarantees. They are subject to fixed compensation covering the present value of the risk and the cost of capital for the Regional Banks.

The effectiveness of the mechanism is secured by cash deposits paid by the Regional Banks to Crédit Agricole S.A. These security deposits are calibrated to reflect the capital savings for Credit Agricole S.A., and are compensated at a fixed rate based on conditions prevailing for long-term liquidity.

The Insurance Switch guarantees protect Crédit Agricole S.A. from a decline in the equity-accounted value of these equity investments, subject to payment by the Regional Banks of compensation from the cash deposit. Likewise, if the equity-accounted value later recovers, Crédit Agricole S.A. could return previously paid compensation in accordance with a clawback provision.

In regulatory terms:

- Crédit Agricole S.A. reduces its capital requirements in proportion to the amount of the guarantee provided by the Regional Banks;
- the Regional Banks symmetrically record capital requirements matching those offloaded by Crédit Agricole S.A.

This mechanism, which is neutral at the Crédit Agricole Group level, enables the rebalancing of capital allocation between Crédit Agricole S.A. and the Regional Banks.

In accounting terms:

- The guarantees are essentially insurance contracts, due to the existence of an insurance risk as defined by IFRS 4. For the insured, they are treated as a first demand guarantee, and their compensation is recognised in stages as a deduction from the interest margin under Revenues. In the event of a call on guarantees, or following an improvement in fortunes, where applicable, the compensation payment or redemption proceeds would be recognized under cost of risk.

(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.

Refer to the glossary on page 681 for the definition of technical terms.

- It should be noted that the Insurance Switch guarantees are triggered on a half-yearly basis and are assessed on the basis of half-yearly changes in the equity-accounted value of the Crédit Agricole Assurances equity investments. At each quarterly period-end, the Regional Banks are required to estimate if there is a risk that compensation will be payable and to fund provisions accordingly. On the other hand, Crédit Agricole S.A. cannot recognise equivalent income because it is not certain. At each half-yearly period-end, and if the conditions have been met, Crédit Agricole S.A. and the Regional Banks recognise on a symmetrical basis the effects of triggering the guarantees (calling or claw-back).

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 agreement, Crédit Agricole S.A. directly owned approximately 25% of the share capital of each Regional Bank (except for *Caisse régionale de la Corse* which is 99.9%-owned). Following the transaction to simplify the Group's capital structure on 3 August 2016, the bulk of the cooperative investment certificates (*"certificats coopératifs d'investissement"* or CCIs) and the cooperative associate certificates (*"certificats coopératifs d'associés"* or CCAs) held by Crédit Agricole S.A. were transferred to a holding company ("Sacam Mutualisation") jointly owned by the Regional Banks.

INFORMATION PERTAINING TO THE RELATED PARTIES

The related parties of Crédit Agricole S.A. are the consolidated companies, including equity-accounted entities, 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 central body of the Crédit Agricole network.

In accordance with the internal financial mechanisms at Crédit Agricole, transactions between Crédit Agricole S.A. and the Regional Banks(1) are presented on the balance sheet and income statement as Crédit Agricole internal transactions (Note 4.1 "Interest income and expenses", Note 4.2 "Net fees and commissions", Note 6.5 "Financial assets at amortised cost" and Note 6.8 "Financial liabilities at amortised cost").

Other shareholders' agreements

Shareholder agreements signed during the financial year are detailed in Note 2 "Major structural transactions and material events during the period".

Relationships between controlled companies affecting the consolidated balance sheet

A list of Crédit Agricole S.A. companies can be found in Note 13 "Scope of consolidation at 31 December 2020". Since the transactions and outstandings at year-end between the Group's fully consolidated companies are eliminated on consolidation, only transactions with companies consolidated by the equity method affect the Group's consolidated financial statements.

The main corresponding outstandings and commitments in the consolidated balance sheet at 31 December 2020 relate to transactions with the equity-accounted entities for the following amounts:

- loans and receivables due from credit institutions: €3,032 million;
- loans and receivables due from customers: €2,934 million;
- debt due to credit institutions: €3,584 million;
- debt due to customers: €425 million;
- commitments given on financial instruments: €7,359 million;
- commitments received on financial instruments: €4,051 million.

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 concerns:

- 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

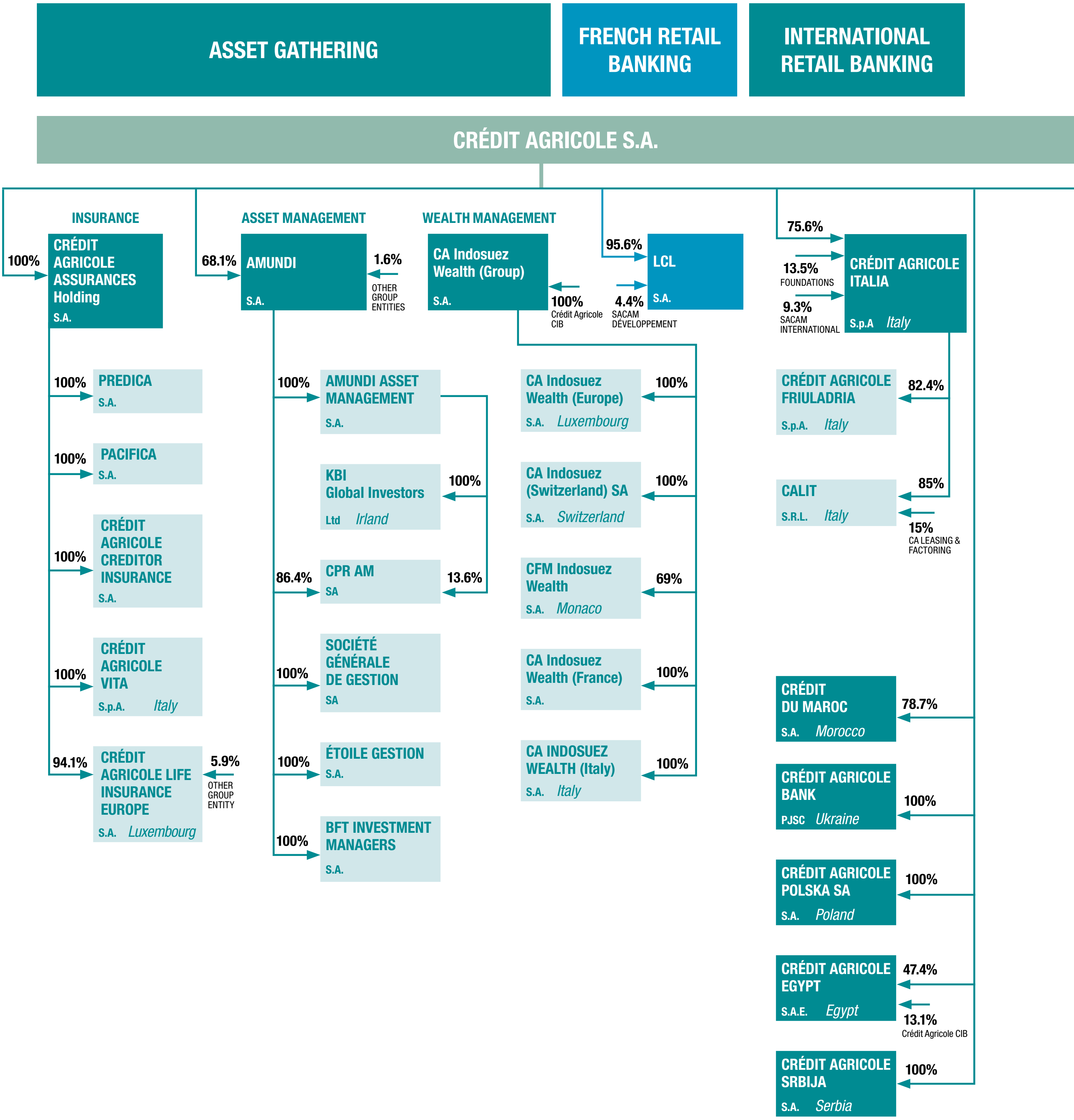
Detailed information on senior executives' compensation is provided in paragraph 7.7 of Note 7 "Employee benefits and other compensation", as well as in the "Compensation policy" section, Chapter 3 "Corporate governance" of the Universal Registration Document.

There exist no material transactions between Crédit Agricole S.A. and its senior management, their families or the companies they control and which are not included in the Group's scope of consolidation.

(1) With the exception of *Caisse régionale de la Corse,* which is fully consolidated.

CRÉDIT AGRICOLE S.A.

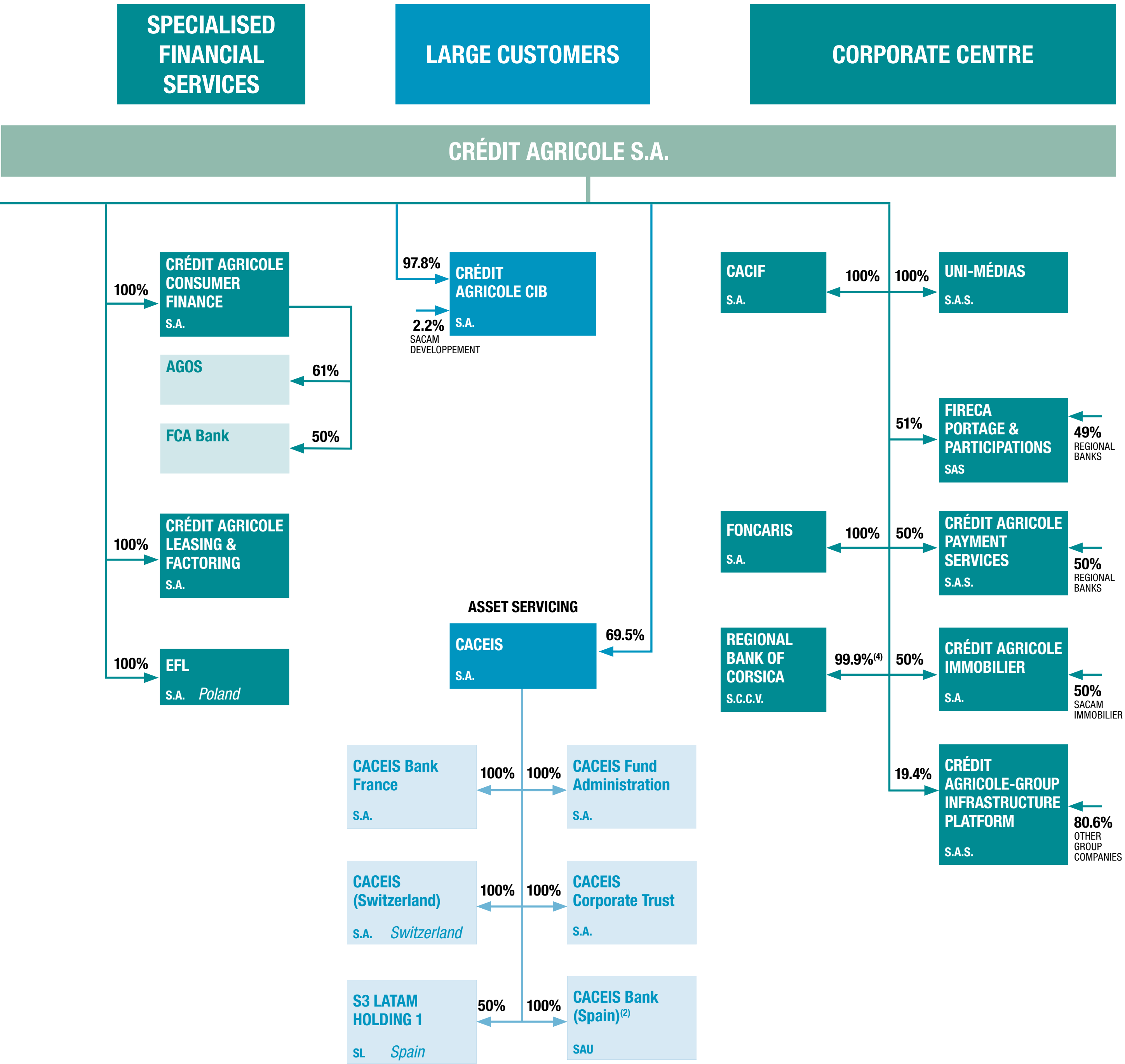
% OF INTEREST[1]



(1) Direct percentage of interest held by CASA and its subsidiaries, excluding treasury shares.

Refer to the glossary on page 681 for the definition of technical terms.

AS AT 31 DECEMBER 2020



(2) % of control.

Financial transactions between Crédit Agricole S.A. and its subsidiaries are subject to regulated agreements, as the case may be, mentioned in the statutory auditor's special report.

Internal mechanisms of Crédit Agricole Group (in particular between Crédit Agricole S.A. and the Regional Banks) are detailed in the paragraph "internal financing mechanisms", in introduction of the consolidated financial statements.

Refer to the glossary on page 681 for the definition of technical terms.

CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT

(in millions of euros)	Notes	31/12/2020	31/12/2019
Interest and similar income	4.1	23,534	25,107
Interest and similar expenses	4.1	(11,716)	(13,663)
Fee and commission income	4.2	10,679	10,556
Fee and commission expenses	4.2	(6,458)	(6,500)
Net gains (losses) on financial instruments at fair value through profit or loss	4.3	2,256	17,082
Net gains (losses) on held for trading assets/liabilities		*2,466*	*4,730*
Net gains (losses) on other financial assets/liabilities at fair value through profit or loss		*(210)*	*12,352*
Net gains (losses) on financial instruments at fair value through other comprehensive income	4.4	586	162
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss		*524*	*47*
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)		*62*	*115*
Net gains (losses) arising from the derecognition of financial assets at amortised cost	4.5	25	(9)
Net gains (losses) arising from the reclassification of financial assets at amortised cost to financial assets at fair value through profit or loss		-	-
Net gains (losses) arising from the reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value through profit or loss		-	-
Income on other activities	4.6	36,337	41,042
Expenses on other activities	4.6	(34,935)	(53,180)
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	5.3	192	(445)
Revenues		**20,500**	**20,152**
Operating expenses	4.7	(11,748)	(11,713)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	4.8	(1,143)	(1,048)
Gross operating income		**7,609**	**7,391**
Cost of risk	4.9	(2,606)	(1,256)
Operating income		**5,003**	**6,135**
Share of net income of equity-accounted entities		413	352
Net gains (losses) on other assets	4.10	75	54
Change in value of goodwill	6.16	(903)	(589)
Pre-tax income		**4,588**	**5,952**
Income tax	4.11	(1,129)	(456)
Net income from discontinued operations	6.12	(221)	(38)
Net income		**3,238**	**5,458**
Non-controlling interests	6.21	546	614
NET INCOME GROUP SHARE		**2,692**	**4,844**
Earnings per share *(in euros)*[1]	**6.20**	**0.804**	**1.482**
Diluted earnings per share *(in euros)*[1]	**6.20**	**0.804**	**1.482**

(1) *Corresponds to income excluding interest on deeply subordinated notes and including net income from discontinued or held-for-sale operations.*

Refer to the glossary on page 681 for the definition of technical terms.

NET INCOME AND OTHER COMPREHENSIVE INCOME

(in millions of euros)	Notes	31/12/2020	31/12/2019
Net income		**3,238**	**5,458**
Actuarial gains and losses on post-employment benefits	4.12	(93)	(162)
Other comprehensive income on financial liabilities attributable to changes in own credit risk[1]	4.12	(149)	(74)
Other comprehensive income on equity instruments that will not be reclassified to profit or loss[1]	4.12	(81)	53
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(323)**	**(183)**
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**4.12**	**3**	**(30)**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**94**	**71**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**4.12**	**(2)**	**8**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**4.12**	**-**	**3**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss net of income tax	**4.12**	**(228)**	**(131)**
Gains and losses on translation adjustments	4.12	(805)	301
Gains and losses on debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	4.12	550	1,189
Gains and losses on hedging derivative instruments	4.12	323	361
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	4.12-5.3	(198)	434
Pre-tax other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(130)**	**2,285**
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities, Group share	**4.12**	**(136)**	**9**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(277)**	**(481)**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**4.12**	**1**	**1**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**4.12**	**(11)**	**(12)**
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax	**4.12**	**(553)**	**1,802**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**4.12**	**(781)**	**1,671**
NET INCOME AND OTHER COMPREHENSIVE INCOME		**2,457**	**7,129**
Of which Group share		2,014	6,464
Of which non-controlling interests		443	665

(1) Of which +€51 millions of items transferred to Reserves of items that cannot be reclassified.

BALANCE SHEET – ASSETS

(in millions of euros)	Notes	31/12/2020	31/12/2019
Cash, central banks	6.1	194,269	93,079
Financial assets at fair value through profit or loss	3.1-6.2-6.6-6.7	432,462	399,477
Held for trading financial assets		*261,968*	*230,721*
Other financial assets at fair value through profit or loss		*170,494*	*168,756*
Hedging derivative Instruments	3.2-3.4	21,745	19,368
Financial assets at fair value through other comprehensive income	3.1-6.4-6.6-6.7	266,072	261,321
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss		*263,856*	*258,803*
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss		*2,216*	*2,518*
Financial assets at amortised cost	3.1-3.3-6.5-6.6-6.7	953,900	906,280
Loans and receivables due from credit institutions		*463,169*	*438,581*
Loans and receivables due from customers		*405,937*	*395,180*
Debt securities		*84,794*	*72,519*
Revaluation adjustment on interest rate hedged portfolios		7,463	7,145
Current and deferred tax assets	6.10	4,304	4,300
Accruals, prepayments and sundry assets	6.11	40,307	38,349
Non-current assets held for sale and discontinued operations	6.12	2,734	475
Deferred participation	6.17	-	-
Investments in equity-accounted entities	6.13	7,650	7,232
Investment property	6.14	6,522	6,576
Property, plant and equipment	6.15	5,779	5,598
Intangible assets	6.15	3,196	3,163
Goodwill	6.16	14,659	15,280
TOTAL ASSETS		**1,961,062**	**1,767,643**

Refer to the glossary on page 681 for the definition of technical terms.

BALANCE SHEET – LIABILITIES

(in millions of euros)	Notes	31/12/2020	31/12/2019
Central banks	6.1	864	1,896
Financial liabilities at fair value through profit or loss	6.2	265,173	246,669
Held for trading financial liabilities		*229,265*	*206,708*
Financial liabilities designated at fair value through profit or loss		*35,908*	*39,961*
Hedging derivative Instruments	3.2-3.4	15,218	13,293
Financial liabilities at amortised cost		1,146,854	989,962
Due to credit institutions	3.3-6.8	*264,919*	*142,041*
Due to customers	3.1-3.3-6.8	*719,388*	*646,914*
Debt securities	3.3-6.8	*162,547*	*201,007*
Revaluation adjustment on interest rate hedged portfolios		10,380	9,183
Current and deferred tax liabilities	6.10	3,334	3,766
Accruals, deferred income and sundry liabilities	6.11	52,941	49,285
Liabilities associated with non-current assets held for sale and discontinued operations	6.12	1,430	478
Insurance company technical reserves	6.17	363,124	356,107
Provisions	6.18	4,197	4,364
Subordinated debt	3.3-6.19	24,052	21,797
Total Liabilities		**1,887,567**	**1,696,800**
Equity		**73,495**	**70,843**
Equity – Group share		**65,217**	**62,920**
Share capital and reserves		28,323	27,368
Consolidated reserves		32,037	27,865
Other comprehensive income		2,175	2,843
Other comprehensive income on discontinued operations		(10)	-
Net income (loss) for the year		2,692	4,844
Non-controlling interests		**8,278**	**7,923**
TOTAL LIABILITIES AND EQUITY		**1,961,062**	**1,767,643**

Refer to the glossary on page 681 for the definition of technical terms.

STATEMENT OF CHANGES IN EQUITY

	Group share									
	Share and capital reserves					Other comprehensive income				
(in millions of euros)	Share capital	Share premium and consolidated reserves[1]	Elimination of treasury shares	Other equity instruments	Total capital and consolidated reserves	Other comprehensive income on items that may be reclassified to profit and loss	Other comprehensive income on items that will not be reclassified to profit and loss	Total other comprehensive income	Net income	Total equity
Equity at 1 January 2019 published	**8,599**	**44,129**	**(151)**	**5,011**	**57,588**	**2,328**	**(1,105)**	**1,223**	**-**	**58,811**
Impacts of new accounting standards	-	-	-	-	-	-	-	-	-	-
Equity at 1 January 2019	**8,599**	**44,129**	**(151)**	**5,011**	**57,588**	**2,328**	**(1,105)**	**1,223**	**-**	**58,811**
Capital increase	55	96	-	-	151	-	-	-	-	151
Changes in treasury shares held	-	-	43	-	43	-	-	-	-	43
Issuance/redemption of equity instruments	-	(116)	-	123	7	-	-	-	-	7
Remuneration of undated deeply subordinated notes	-	(471)	-	-	(471)	-	-	-	-	(471)
Dividends paid in 2019	-	(1,976)	-	-	(1,976)	-	-	-	-	(1,976)
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Changes due to share-based payments	-	26	-	-	26	-	-	-	-	26
Changes due to transactions with shareholders	**55**	**(2,441)**	**43**	**123**	**(2,220)**	**-**	**-**	**-**	**-**	**(2,220)**
Changes in other comprehensive income	**-**	**(30)**	**-**	**-**	**(30)**	**1,726**	**(94)**	**1,632**	**-**	**1,602**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	(22)	-	-	(22)	-	22	22	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	(8)	-	-	(8)	-	8	8	-	-
Share of changes in equity-accounted entities	-	5	-	-	5	9	(21)	(12)	-	(7)
Net income for 2019	-	-	-	-	-	-	-	-	4,844	4,844
Other changes	-	(110)	-	-	(110)	-	-	-	-	(110)
Equity at 31 December 2019	**8,654**	**41,553**	**(108)**	**5,134**	**55,233**	**4,063**	**(1,220)**	**2,843**	**4,844**	**62,920**
Appropriation of 2019 net income	-	4,844	-	-	4,844	-	-	-	(4,844)	-
Equity at 1 January 2020	**8,654**	**46,397**	**(108)**	**5,134**	**60,077**	**4,063**	**(1,220)**	**2,843**	**-**	**62,920**
Impacts of new accounting standards	-	-	-	-	-	-	-	-	-	-
Equity at 1 January 2020 restated	**8,654**	**46,397**	**(108)**	**5,134**	**60,077**	**4,063**	**(1,220)**	**2,843**	**-**	**62,920**
Capital increase	96	66	-	-	162	-	-	-	-	162
Changes in treasury shares held	-	-	(5)	-	(5)	-	-	-	-	(5)
Issuance/redemption of equity instruments	-	(5)	-	754	749	-	-	-	-	749
Remuneration of undated deeply subordinated notes	-	(368)	-	-	(368)	-	-	-	-	(368)
Dividends paid in 2020	-	-	-	-	-	-	-	-	-	-
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Changes due to share-based payments	-	26	-	-	26	-	-	-	-	26
Changes due to transactions with shareholders	**96**	**(281)**	**(5)**	**754**	**564**	**-**	**-**	**-**	**-**	**564**
Changes in other comprehensive income	**-**	**(43)**	**-**	**-**	**(43)**	**(383)**	**(196)**	**(579)**	**-**	**(622)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	(38)	-	-	(38)	-	38	38	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	(5)	-	-	(5)	-	5	5	-	-
Share of changes in equity-accounted entities	-	(72)	-	-	(72)	(100)	1	(99)	-	(171)
Net income for 2020	-	-	-	-	-	-	-	-	2,692	2,692
Other changes[2]	-	(166)	-	-	(166)	-	-	-	-	(166)
EQUITY AT 31 DECEMBER 2020	**8,750**	**45,835**	**(113)**	**5,888**	**60,360**	**3,580**	**(1,415)**	**2,165**	**2,692**	**65,217**

(1) Consolidated reserves before elimination of treasury shares.

(2) Adjustment of the tax effects of a net investment hedge (NIH) reclassified as other comprehensive income on items that may be reclassified to profit and loss.

Refer to the glossary on page 681 for the definition of technical terms.

	Non-controlling interests					
		Other comprehensive income				
(in millions of euros)	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 2019 published	**6,826**	**(114)**	**(7)**	**(121)**	**6,705**	**65,516**
Impacts of new accounting standards	-	-	-	-	-	-
Equity at 1 January 2019	**6,826**	**(114)**	**(7)**	**(121)**	**6,705**	**65,516**
Capital increase	-	-	-	-	-	151
Changes in treasury shares held	-	-	-	-	-	43
Issuance/redemption of equity instruments	-	-	-	-	-	7
Remuneration of undated deeply subordinated notes	(27)	-	-	-	(27)	(498)
Dividends paid in 2019	(376)	-	-	-	(376)	(2,352)
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	12	-	-	-	12	38
Changes due to transactions with shareholders	**(391)**	**-**	**-**	**-**	**(391)**	**(2,611)**
Changes in other comprehensive income	**1**	**67**	**(16)**	**51**	**52**	**1,654**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	1	-	(1)	(1)	-	-
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)	(8)
Net income for 2019	614	-	-	-	614	5,458
Other changes	944	-	-	-	944	834
Equity at 31 December 2019	**7,993**	**(47)**	**(23)**	**(70)**	**7,923**	**70,843**
Appropriation of 2019 net income	-	-	-	-	-	-
Equity at 1 January 2020	**7,993**	**(47)**	**(23)**	**(70)**	**7,923**	**70,843**
Impacts of new accounting standards	-	-	-	-	-	-
Equity at 1 January 2020 restated	**7,993**	**(47)**	**(23)**	**(70)**	**7,923**	**70,843**
Capital increase	-	-	-	-	-	162
Changes in treasury shares held	-	-	-	-	-	(5)
Issuance/redemption of equity instruments	2	-	-	-	2	751
Remuneration of undated deeply subordinated notes	(106)	-	-	-	(106)	(474)
Dividends paid in 2020	(109)	-	-	-	(109)	(109)
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	8	-	-	-	8	34
Changes due to transactions with shareholders	**(205)**	**-**	**-**	**-**	**(205)**	**359**
Changes in other comprehensive income	**(2)**	**(35)**	**(33)**	**(68)**	**(70)**	**(692)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	(2)	-	2	2	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	-	-	-	-	-
Share of changes in equity-accounted entities	-	(35)	-	(35)	(35)	(206)
Net income for 2020	546	-	-	-	546	3,238
Other changes(1)	119	-	-	-	119	(47)
EQUITY AT 31 DECEMBER 2020	**8,451**	**(117)**	**(56)**	**(173)**	**8,278**	**73,495**

(1) The other changes principally concern the inclusion of Amundi BOC Wealth Management Company Limited (with an Amundi stake of 55%) with an impact of +€57 million in equity and the adjustment of tax effects of a net investment hedge (NIH) reclassified as other comprehensive income on items that may be reclassified to profit and loss.

CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method.

Operating activities are representative of income-generating activities of Crédit Agricole S.A.

Tax inflows and outflows are included in full within operating activities.

Investment activities show the impact of cash inflows and outflows associated with purchases and sales of investments in consolidated and non-consolidated companies, property, plant and equipment and intangible assets. This section includes strategic equity investments classified as at "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.

Refer to the glossary on page 681 for the definition of technical terms.

(in millions of euros)	Notes	31/12/2020	31/12/2019
Pre-tax income		**4,588**	**5,952**
Net depreciation and impairment of property, plant and equipment and intangible assets		1,143	1,048
Impairment of goodwill and other fixed assets	6.16	903	589
Net addition to provisions		9,488	22,608
Share of net income (loss) of equity-accounted entities		(502)	(608)
Net income (loss) from investment activities		(74)	(54)
Net income (loss) from financing activities		3,024	2,955
Other movements		1,726	5,021
Total Non-cash and other adjustment items included in pre-tax income		**15,708**	**31,559**
Change in interbank items		55,411	(24,679)
Change in customer items		54,781	9,461
Change in financial assets and liabilities		(73,179)	(21,872)
Change in non-financial assets and liabilities		1,547	7,137
Dividends received from equity-accounted entities(1)		189	310
Taxes paid		(1,853)	(1,063)
Net change in assets and liabilities used in operating activities		**36,896**	**(30,706)**
Cash provided (used) by discontinued operations		**97**	**32**
Total Net cash flows from (used by) operating activities (A)		**57,289**	**6,837**
Change in equity investments(2)		**(2,478)**	**7,229**
Change in property, plant and equipment and intangible assets		**(748)**	**(947)**
Cash provided (used) by discontinued operations		**(2)**	**-**
Total Net cash flows from (used by) investing activities (B)		**(3,228)**	**6,282**
Cash received from (paid to) shareholders(3)		**351**	**(2,666)**
Net cash flows from (used in) financing activities(4)		**7,458**	**4,880**
Cash provided (used) by discontinued operations		**(125)**	**(9)**
Total Net cash flows from (used by) financing activities (C)		**7,684**	**2,206**
Impact of exchange rate changes on cash and cash equivalent (D)		**(1,308)**	**1,266**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A + B + C + D)		**60,437**	**16,591**
Cash and cash equivalents at beginning of period		**90,776**	**74,185**
Net cash accounts and accounts with central banks*		91,236	66,017
Net demand loans and deposits with credit institutions**		(460)	8,168
Cash and cash equivalents at end of period		**151,213**	**90,776**
Net cash accounts and accounts with central banks*		193,455	91,236
Net demand loans and deposits with credit institutions**		(42,242)	(460)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**60,437**	**16,591**

* *Consisting of the net balance of the "Cash, central banks" item, excluding accrued interest and including 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 6.3 and the "Current accounts in credit" and "Overnight accounts and deposits" items as detailed in Note 6.5 (excluding accrued interest and including Crédit Agricole internal transactions).*

(1) **Dividends received from equity-accounted entities:** *at 31 December 2020, this amount includes the payment of dividends from insurance entities for €139 million, from Crédit Agricole Consumer Finance subsidiaries for €25 million, from Amundi subsidiaries for €13 million and from Crédit Agricole S.A. for €12 million.*

(2) **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) on 31 December 2020 is -€738 million. The main transactions concern the acquisition of Sabadell Asset Management for -€424 million, the subscription to the capital increase of BforBank by Crédit Agricole S.A. for -€106 million, the takeover of 70% of Hama Polska by CALEF for -€31 million, the subscription to capital increases of equity-accounted companies including Korian for -€115 million, the creation of Amundi BOC Wealth Management Company Limited for -€72 million and the takeover of 100% of Menafinance for -€29.3 million in net cash acquired.

– During the same period, the net impact on the Group cash position of acquisitions and disposals of non-consolidated equity investments came to -€1,740 million, essentially from insurance investments.

(3) **Cash received from (paid to) shareholders:** *this amount is predominantly comprised of -€538 million in dividends paid, excluding dividends paid in shares, by Crédit Agricole S.A. group. It breaks down as follows:*

– Dividends paid by non-controlled subsidiaries for -€109 million; and

– Interest, equivalent to dividends on undated financial instruments treated as equity for -€474 million.

This amount also corresponds to the capital increase reserved for employees for + €163 million and to issues and repayments of equity instruments for + €752 million.

(4) **Other cash provided (used) by financing activities:** *at 31 December 2020, debt issues totalled +€20,098 million and redemptions -€11,818 million. Subordinated debt issues totalled +€3,732 million and redemptions -€1,509 million. This line also includes cash flows from interest payments on subordinated debt and bonds for -€3,150 million.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 1 Group accounting policies and principles, assessments and estimates applied

1.1 APPLICABLE STANDARDS AND COMPARABILITY

Pursuant to EC Regulation no. 1606/2002, the consolidated financial statements have been prepared in accordance with IAS/IFRS standards and IFRIC interpretations applicable at 31 December 2020 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 2019.

They have been supplemented by the IFRS standards as adopted by the European Union at 31 December 2020 and that must be applied for the first time in 2020.

These cover the following:

Standards, amendments or interpretations	Applicable in the Group	Date of first-time application: financial years from
Amendment to references to the conceptual framework in the IFRS standards	Yes	1st January 2020
IAS1/IAS8 Presentation of Financial statements Definition of material	Yes	1st January 2020
Amendment to IFRS9, IAS 39 and IFRS 7 Financial instruments Interest rate benchmark reform – Phase 1	Yes	1st January 2020(1)
Amendment to IFRS3 Business combinations Definition of a business	Yes	1st January 2020
Amendment to IFRS16 Leases(2) Rent concessions related to COVID-19	Yes	1st June 2020

(1) The Group decided to early apply the amendment to IFRS 9, IAS 39 and IFRS 7 Financial instruments on the Interest rate benchmark reform from 1 January 2019. Non-significant impact at 31 December 2020 of the application of the interest rate banchmark reform - Phase 1.

(2) Non-significant impact at 31 December 2020 of the application of the amendment to IFRS 16 in 2020.

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.

This is the case in particular for:

Standards, amendments or interpretations	Applicable in the Group	Date of first-time application: financial years from
Amendment to IFRS9, IAS39, IFRS7, IFRS4 and IFRS16 Interest rate benchmark reform – Phase 2(2)	Yes	1st January 2021(1)
Amendment to IFRS4 Optional deferral of the application of IFRS 9 for entities engaged primarily in insurance activities, including entities in the insurance industry owned by a financial conglomerate as at 1st January 2023	No	1st January 2021

(1) The Group decided to early apply the amendment to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 on the Interest rate benchmark reform – Phase 2 from 1 January 2020.

(2) Non-significant impact at 31 December 2020 of the application of the Interest rate benchmark reform – Phase 2.

Benchmark indices reforms

Reforms of benchmark indices, often referred to as "IBOR reforms", have entered a new phase with the very gradual development of the use of risk-free rate indices (RFR: Risk Free Rates) in new contracts. The situation remains heterogeneous across currencies and asset classes. At this stage, a more significant increase in transaction volumes has been observed in the derivatives markets, particularly with the use of SONIA. Conversely, liquidity on the €STR markets is less developed.

For a majority of existing contracts that benchmark the interest rate indices that must be replaced, it is now considered that the replacement rates will be a combination of forward rates (pre-determined or post-determined) calculated from RFR and an adjustment spread, with the latter aimed at ensuring economic equivalence with the replaced index. Despite this strong orientation, at this stage the adoption of RFR and the limited number of contracts renegotiated to update fallback clauses or to proactively replace the benchmark, reflect heterogeneous levels of maturity in the detailed definition of the transition mechanisms – including agreements – according to currencies and asset classes. Developments of information systems, which are contingent on precise definitions of target replacement rates in order to be finalised, are still in progress.

The private sector remains at the forefront of these transitions. However, recent announcements suggest a possible intervention by the authorities to support transitions for contract scopes that could not timely be renegotiated, be it to replace the benchmark rate in anticipation of the disappearance of indexes, or to insert robust fallback clauses that allow for a transition to the disappearance of indexes. Nevertheless, in the absence of an ex-ante definition of the scope of contracts that could benefit from such support, the preparation of transition plans continues. In addition, proactive early transitions are still strongly encouraged by some authorities, such as the British authority (FCA: Financial Conduct Authority).

Specifically for the scope of derivative contracts, and by extension to Repo contracts and securities lending/borrowing contracts, the ISDA has finalised the implementation of a protocol that will enable the new fallback clauses to be automatically incorporated into the contract. This protocol is likely to simplify the transition of derivative contracts between the parties that have agreed to it. Crédit Agricole CIB and the entities that are most active in derivatives have joined. For other non-derivative instruments, such mechanism does not exist and numerous bilateral renegotiations will be necessary.

Crédit Agricole continues to steer benchmark index transitions through the "Benchmarks" project, by incorporating the recommendations of national working groups and the milestones set by the authorities, primarily the FCA. Thus, the project aims to follow the standards defined by the market. The timetable for the transition project revolves around the phases of adoption and alternative rate offers and the dates on which the use of indices whose discontinuation is announced. The transition plans finalised for each Crédit Agricole Group entity, incorporating the most recent conclusions of the working groups and market associations and, where applicable, details of possible government intervention, will be in operation in 2021.

With regard to the transition from EONIA to €STR (transition no later than 3 January 2022), work has been initiated. The clearing houses have switched the compensation of EONIA collateral to the €STR. The flows that benchmark the €STR are increasing only very gradually. Moreover, EURIBOR – like any benchmark – is likely to see its methodology changed or replaced in the long term. Nonetheless, the short-term replacement scenario of EURIBOR, following a timetable that would be similar to that of LIBOR transitions, is not anticipated at this stage.

As things stand, the list of the main benchmark indices at the Crédit Agricole Group level, and/or defined as critical by ESMA, that are affected by a certain or potential transition remains unchanged:

- EONIA, which will disappear on 3 January 2022;
- LIBOR (USD, GBP, CHF, JPY and EUR), which could cease to exist at the end of 2021 but has not yet been officially announced;
- EURIBOR, WIBOR, STIBOR, which may disappear, but not as anticipated in the short term.

EURIBOR, LIBOR (notably USD) and EONIA represent – in descending order – the Group's largest exposure to the benchmark indices.

In addition to preparing for the anticipated transitions and, at the very least, compliance with BMR, the project's work also aims at identifying and managing the risks inherent in the transitions to the benchmark indices, particularly on the financial, operational and customer protection aspects.

In order to ensure that the accounting hedging relationships affected by this benchmark interest rate reform can continue despite the uncertainties over the timetable and terms of transition between the current indices and the new indices, 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 will apply 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, mainly those relating to EONIA, EURIBOR and LIBOR rates (USD, GBP, CHF, JPY), are eligible for hedge accounting at 31 December 2020.

As at 31 December 2020, the inventory of hedging derivatives impacted by the reform and on which uncertainties remain shows a nominal amount of €587 billion.

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.

The Group decided to early apply these amendments, as of 1st January 2020.

At 31 December 2020, the breakdown by significant benchmark index of instruments, based on the old benchmark rates and which must move to the new rates before maturity, is as follows:

In millions of euros	EONIA	EURIBOR	LIBOR USD	LIBOR GBP	LIBOR JPY	LIBOR CHF	LIBOR EUR	WIBOR	STIBOR
Total non-derivative financial assets	1,542	266,410	71,401	6,461	13,956	5,727	2	2,734	156
Total non-derivative financial liabilities	6,136	69,754	37,762	2,404	1,348	123	5	1,537	68
Total notional amount of derivatives	484,902	3,771,688	2,856,710	363,111	956,350	98,152	-	9,313	29,402

With regard to EONIA index exposures, the outstandings carried forward are those with a maturity date after 3 January 2022, the transition date.

For non-derivative financial instruments, the exposures correspond to the nominal value of the securities and the outstanding capital of depreciable instruments.

Refer to the glossary on page 681 for the definition of technical terms.

Duration of leases IFRS16 – IFRS IC Decision of 26 November 2019

During the first half of 2019, IFRS IC received a request about the determination of the enforceable term for the recognition of lease agreements under IFRS 16, in particular for two types of lease agreements:

- leases without a contractual term, cancellable by either party subject to notice to terminate;
- leases that are renewable automatically (unless terminated by one of the parties), with no contractual penalty due in the event of termination.

At its meeting on 26 November 2019, IFRS IC recalled that, in application of IFRS 16 and in general, a lease is no longer enforceable when the lessee and lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty, and clarified that in determining the enforceable term of a lease, the broader economics of the contract must be taken into account, and that the notion of penalty is understood to go beyond contractual termination payments and includes any economic incentive not to terminate the contract.

This decision constitutes a change in the Group's approach to determining lease terms, and goes beyond the specific cases for which IFRS IC has received requests, as recalled by the AMF in its recommendations at 31 December 2019. In fact, the determination of the lease term to be used for the valuation of the right of use and the lease liability is made in accordance with IFRS 16 within this enforceable period.

As soon as this final decision of IFRS IC was published, the Crédit Agricole Group set up a project involving the accounting, finance, risk and IT departments in order to bring the matter into compliance for the 31 December 2020 year end.

The Group has chosen a term corresponding to the first exit option after five years as the reasonably certain term of a lease. This term, at the inception of French commercial leases, will be applied in the majority of cases. The main exception will be the case of a lease in which the Group has waived its three-year interim exit options (*e.g.* in return for a reduction in rental income); in this case, the term of the lease will remain nine years. Crédit Agricole S.A. did not identify any significant impact at 31 December 2020 of the IFRS IC November 26, 2019 decision's application.

Standards and interpretations not yet adopted by the European Union as at 31 December 2020

The standards and interpretations published by the IASB at 31 December 2020 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 2020.

This concerns IFRS 17 in particular.

IFRS 17 – Insurance Contracts issued in May 2017 will replace IFRS 4. It will apply to financial years beginning 1 January 2023 subject to adoption by the European Union.

IFRS 17 sets out the new measurement and recognition principles for insurance contract liabilities and evaluation of their profitability, in addition to their presentation. Between 2017 and 2019, a framework on the implementation project in order to identify the challenges and impacts of the standard on the Group's insurance subsidiaries began. Analysis and preparation work for implementation continued in 2020.

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 industries or countries;
- changes in regulations or legislation.

This list is not exhaustive.

Accounting estimates based on assumptions are principally used in the following assessments:

- financial instruments measured at fair value;
- investments in non-consolidated companies;
- pension schemes and other post-employment benefits;
- stock option plans;
- impairment of debt instruments at amortised cost or at fair value through other comprehensive income that can be reclassified to profit or loss;
- provisions;
- impairment of goodwill;
- deferred tax assets;
- valuation of equity-accounted entities;
- policyholders' deferred profit sharing.

The procedures for the use of assessments or estimates are described in the relevant sections below.

Financial instruments (IFRS 9, 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.

Derivative instruments are financial assets or liabilities whose value changes according to that of an underlying asset, which requires a low or nil initial investment, and for which settlement occurs at a future date.

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.

IFRS 9 sets the principles governing the classification and measurement of financial instruments, impairment of credit risk and hedge accounting, excluding macro-hedging transactions.

It should nevertheless be noted that Crédit Agricole S.A. 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.

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 exactly 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 equity (for debt instruments, that can be reclassified to profit or loss; for equity instruments, that cannot be reclassified to profit or loss).

Debt instruments

The classification and valuation of a debt instrument depend on the combination of two criteria: the business model defined at portfolio level and the analysis of the contractual terms determined by debt instrument, unless the fair value option is used.

The three business models

The business model represents the strategy followed by the management of Crédit Agricole S.A. for managing its financial assets in order to achieve its objectives. The business model is specified for a portfolio of assets and does not constitute a case-by-case intention for an isolated financial asset.

We distinguish three business models:

- the hold to collect model where the aim is to collect contractual cash flows over the lifetime of the assets; this model does not always imply holding all of the assets until their contractual maturity; however, sales of assets are strictly governed;
- the hold to collect and sell model where the aim is to collect the contractual cash flows over the lifetime of the assets and to sell the assets; under this model, both the sale of the financial assets and receipt of cash flows are essential; and
- the other/sell model, where the main aim is to sell the assets.

  In particular, it concerns portfolios where the aim is to collect cash flows via sales, 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.

Refer to the glossary on page 681 for the definition of technical terms.

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 instrument		Business models		
		Collect	Collect and sell	Other/Sell
SPPI test	Passed	Amortised cost	Fair value through other comprehensive income (items that may be reclassified)	Fair value through profit or loss (SPPI test N/A)
	Not passed	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 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 assets is impaired under the conditions described in the specific paragraph "Provisioning for credit risks".

Debt instruments at fair value through other comprehensive income (items that can be reclassified)

Debt instruments are measured at fair value through other comprehensive income on items that can be reclassified if they are eligible for the collect and sell model and if they pass the SPPI test.

They are recorded at the trade date and their initial valuation also includes accrued interest and transaction costs.

Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in the income statement using the effective interest rate method.

These financial assets are subsequently measured at fair value, with changes in fair value recorded in other comprehensive income on items that can be reclassified and offset against the outstandings account (excluding accrued interest recognised in profit or loss according to the effective interest rate method).

If the securities are sold, these changes are transferred to the income statement.

This category of financial instruments is impaired under the conditions described in the specific paragraph "Provisions for credit risks" (without this affecting the fair value on the balance sheet).

Debt instruments at fair value through profit or loss

Debt instruments are measured at fair value through profit or loss in the following cases:

- The instruments are classified in portfolios composed of financial assets held for trading or for which the main objective is disposal.

  Financial assets held for trading are assets acquired or generated by the enterprise primarily with the aim of disposal in the short term or which are included in a portfolio of financial instruments managed as a unit and with the purpose of making a profit from short term price fluctuations or an arbitrage margin. Although contractual cash flows are received during the period that Crédit Agricole S.A. 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 of the UCITs.
- Financial instruments classified in portfolios which Crédit Agricole S.A. 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 are recorded under "Net gains (losses) on financial instruments at fair value through profit and loss".

This category of financial assets is not impaired.

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 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 from 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 other comprehensive income.

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.

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 delivered 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.

Revenue 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 financial assets continue to be recognised to the extent of the Group's continuing involvement in the 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 this date at their fair value on the date of renegotiation. Subsequent recognition depends on the business model and the SPPI test.

Interests paid by the government (IAS 20)

Under French government measures to support the agricultural and rural sector and to help home buyers, certain Crédit Agricole Group entities grant subsidised loans at rates fixed by the government. Consequently, the government pays these entities the difference between the subsidised lending rate and a predetermined benchmark rate. Thus, the loans that benefit from these subsidies are granted at market rates.

The subsidy system is periodically reviewed by the government.

In accordance with IAS 20, subsidies received from the government are recorded in profit or loss under Interest and similar income and spread over the life of the corresponding loans.

Overlay approach applicable to insurance activities

Crédit Agricole S.A. uses the overlay approach for financial assets held for the purposes of an activity related to insurance contracts, which are designated in accordance with the option offered by the amendments to IFRS 4 – Applying IFRS 9 – Financial Instruments with IFRS 4 – Insurance Contracts, published by the IASB in September 2016.

This approach aims to remedy the temporary accounting consequences of the discrepancy between the effective date of IFRS 9 and that of the new standard on insurance contracts replacing IFRS 4 (IFRS 17). This has the effect of eliminating from the income statement part of the additional accounting mismatch and the temporary volatility which could be caused by application of IFRS 9 before IFRS 17 came into force.

Eligible financial assets are designated instrument by instrument, and this may be done:

- at 1 January 2018, during the initial application of IFRS 9; or
- subsequently, but only at the time of the initial recognition of the assets in question.

In application of the overlay approach, Crédit Agricole S.A. reclassifies, for designated financial assets only, their impact in the income statement under other comprehensive income such that the amount presented in the income statement corresponds to that which would have been presented in the income statement if IAS 39 had been applied.

Consequently, the amount reclassified is equal to the difference between:

- the amount presented in net income under IFRS 9 for designated financial assets; and
- the amount that would have been presented in net income for designated financial assets if the insurer had applied IAS 39.

In the income statement, the effects of this reclassification are recognised under "revenues", before tax effects, on the line "Reclassification of net gains or losses on financial assets related to the overlay approach". The tax effects related to this reclassification are presented on the line "Income tax charge".

In the statement of other comprehensive income, the effects of this reclassification are recognised as net gains and losses recognised directly in other comprehensive income on items that may be reclassified to profit or loss on the line "Reclassification of net gains or losses on financial assets related to the overlay approach".

The financial assets that may be designated must fulfil the following characteristics:

- they are held by insurers within the Group for purposes of insurance activities;
- they are measured at fair value through profit or loss under IFRS 9 but would not have been measured in this way under IAS 39; they are financial assets which, under IAS 39 would have been recognised at amortised cost (assets held to maturity, loans and receivables) or at fair value through other comprehensive income (available-for-sale financial assets).

Refer to the glossary on page 681 for the definition of technical terms.

Evaluation of the impact of the designated financial assets on the income statement

Pursuant to the overlay approach, Crédit Agricole S.A. continues to apply the accounting policies and principles that the Group applied under IAS 39 for the recognition of profit or loss from designated financial assets:

Financial assets at amortised cost under IAS 39

Financial assets at amortised cost are initially recognised at their initial fair value, including directly-attributable transaction costs and accrued interest.

They are subsequently measured at amortised cost with amortisation of any premium or discount and transaction costs using the corrected effective interest rate method.

Available-for-sale financial assets under IAS 39

"Available-for-sale financial assets" are initially recognised at initial fair value, including transaction costs that are directly attributable to the acquisition, and accrued interest.

"Available-for-sale financial assets" are later measured at fair value and subsequent changes in fair value are recorded in other comprehensive income.

If the securities are sold, these changes are transferred to the income statement.

Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in the income statement using the effective interest rate method.

Impairment of designated financial assets under IAS 39

Impairment must be recognised when there is objective evidence of impairment resulting from one or more events occurring after the initial recognition of the financial asset.

Objective evidence of loss corresponds to a prolonged or significant decline in the value of the security for equity securities or the appearance of significant deterioration in credit risk evidenced by a risk of non-recovery for debt securities.

For equity securities, Crédit Agricole S.A. uses quantitative criteria as indicators of potential impairment. These quantitative criteria are mainly based on a loss of 30% or more of the value of the equity instrument over a period of six consecutive months. Crédit Agricole S.A. may also take account of other factors such as financial difficulties of the issuer, or short term prospects etc.

Notwithstanding the above-mentioned criteria, Crédit Agricole S.A. recognises an impairment loss when there is a decline in the value of the equity instrument higher than 50% or prolonged over three years.

Financial liabilities

Classification and measurement of financial liabilities

Financial liabilities are classified on the balance sheet in the following two accounting categories:

- financial liabilities at fair value through profit or loss, either due to their nature or optionally;
- financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss due to their nature

Financial instruments issued primarily to be bought back in the short term, instruments forming part of an identified portfolio of financial instruments which are managed together and which have indications of a recent profile of short-term profit-taking, and derivatives (with the exception of certain hedging derivatives) are measured at fair value due to their nature.

Changes in the fair value of this portfolio are recognised through profit or loss.

Financial liabilities designated at fair value through profit or loss

Financial liabilities fulfilling one of the three conditions defined by the standard below may be designated for measurement at fair value through profit or loss: for hybrid issues comprising one or more separable embedded derivatives, in order to reduce or eliminate the distortion of accounting treatment or groups of managed financial liabilities for which performance is measured at fair value.

This option is irrevocable and applies mandatorily from the date of initial recognition of the instrument.

During subsequent measurement, these financial liabilities are measured at fair value through profit or loss for changes in fair value not related to own credit risk and through other comprehensive income on items that cannot be reclassified for changes in value related to own credit risk, unless this aggravates an accounting mismatch (in which case any changes in value related to the Company's own credit risk are recorded in the income statement, as required by the standard).

Financial liabilities measured at amortised cost

All other liabilities fulfilling the definition of a financial liability (excluding derivatives) are measured at amortised cost.

These liabilities are initially measured at fair value (including transaction income and costs) and subsequently at amortised cost using the effective interest rate method.

Deposits and savings accounts

Deposits and savings accounts are recorded under the category "Financial liabilities at amortised cost – Due to customers" in spite of the characteristics of the collection system within the Crédit Agricole Group, with deposits originating from the Regional Banks centralised at Crédit Agricole S.A. For the Group, the ultimate counterparty for these deposits is the end customer.

The deposits and savings are initially measured at fair value and subsequently at amortised cost.

Regulated savings products are by nature deemed to be at market rates.

Provisions are accounted where necessary against home purchase savings schemes and accounts as set out in Note 6.18 "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 economic substance of the contractual terms.

A financial liability is a debt instrument if it includes a contractual obligation:

- to provide another entity with cash, another financial asset or a variable number of equity instruments; or
- to exchange financial assets and liabilities with another entity at potentially unfavourable conditions.

An equity instrument is a non-redeemable financial instrument which offers discretionary return representing a residual interest in a company after deduction of all its financial liabilities (net assets) and which is not qualified as a debt instrument.

Treasury share buyback

Treasury shares or equivalent derivative instruments such as options on treasury shares bought by Crédit Agricole S.A. with a fixed strike ratio, including shares held to cover stock option plans, do not meet the definition of a financial asset and are deducted from equity. They do not generate any impact on the income statement.

Derecognition and modification of financial liabilities

A financial liability is derecognised in full or in part:

- when it is extinguished; or
- when quantitative or qualitative analyses suggest it has undergone a substantial change following restructuring.

A substantial modification of an existing financial liability must be recorded as an extinction of an initial financial liability and the recognition of a new financial liability (novation). Any differential between the carrying amount of the extinct liability and the new liability will be recognised immediately in the income statement.

If the financial liability is not derecognised, the original effective interest rate is maintained. A discount/premium is recognised immediately in the income statement at the date of modification and is then spread, using the original effective interest rate, over the remaining life of the instrument.

Negative interest on financial assets and financial liabilities

In accordance with the IFRS IC decision of January 2015, negative interest income (expense) on financial assets that do 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.

Provisions for credit risks

Scope of application

In accordance with IFRS 9, Crédit Agricole S.A. recognises a correction for changes in value for expected credit losses (ECL) on the following outstandings:

- financial assets of debt instruments recognised 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 instruments and other instruments 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".

Credit risk and 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 (Buckets):

- **1st stage (Bucket 1):** upon initial recognition of the financial instrument (credit, debt security, guarantee etc.), the entity recognises the 12-month expected credit losses;
- **2nd stage (Bucket 2):** if the credit quality deteriorates significantly for a given transaction or portfolio, the entity recognises the losses expected to maturity;
- **3rd stage (Bucket 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, the entity recognises incurred credit losses to maturity. Subsequently, if the conditions for classifying financial instruments in Bucket 3 are not met, the financial instruments are reclassified in Bucket 2, then in Bucket 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 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.

A loan in default (Bucket 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 sound situation only after a period of observation that makes it possible to confirm 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.

Refer to the glossary on page 681 for the definition of technical terms.

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 macro-economic 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 make up a percentage of the lifetime expected credit losses, 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 entity 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 (Buckets).

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 Bucket 2 reclassification criteria (switching a portfolio or sub-portfolio to ECL at maturity).

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 Bucket 1 to Bucket 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.

To measure the significant deterioration of credit risk since initial recognition, it is necessary to look back at the internal rating and PD (probability of default) at origination.

Origination means the trading date, on which the entity became bound by the contractual terms of the financial instrument. For financing and guarantee commitments, origination means the date on which the irrevocable commitment was made.

In the absence of an internal rating model, the Crédit Agricole Group uses the absolute threshold of non-payment for over 30 days as the maximum threshold for significant deterioration and classification in Bucket 2.

For outstandings (with the exception of securities) for which internal rating systems are in place (in particular exposures monitored by authorised methods), the Crédit Agricole Group considers that all of the information incorporated into the rating systems allows for a more detailed assessment than the non-payment for over 30 days criterion alone.

If deterioration since origination is no longer observed, impairment may be reduced to 12-month expected credit losses (Bucket 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 II 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 finance etc.).

Refer to the glossary on page 681 for the definition of technical terms.

The grouping of financial instruments for the purposes of collective credit risk assessment may change over time, as new information becomes available.

For securities, Crédit Agricole S.A. uses an approach that consists of applying an absolute level of credit risk, in accordance with IFRS 9, below which exposures are classified in Bucket 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 Bucket 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 Bucket 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 (Bucket 3).

Restructuring due to financial difficulty

Debt instruments restructured due to financial difficulties are those for which the entity 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 (Bucket 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 Bucket 3 provision must be made (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 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, Crédit Agricole S.A. 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.

Refer to the glossary on page 681 for the definition of technical terms.

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 S.A.'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.

Further details on the Group's risk management strategy and its application are presented in Chapter 5 "Risks and Pillar 3".

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 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 other comprehensive income 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 hedging 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 other comprehensive income 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 other comprehensive income under the effective portion of the hedge remain in other comprehensive income until the hedged item affects profit or loss. For interest rate hedged instruments, income statement is affected according to the payment of interest. The revaluation adjustment is therefore amortised over the remaining life of those hedged items;
- hedges of net investment in a foreign operation: The amounts accumulated in other comprehensive income under the effective portion of the hedge remain in other comprehensive income 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. This is notably the case for the CVA/DVA calculation described in Chapter 5 "Risks and Pillar 3".

Crédit Agricole S.A. 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, Crédit Agricole S.A. 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.

Counterparty risk on derivative instruments

Crédit Agricole S.A. incorporates into fair value the assessment of counterparty risk for derivative assets (Credit Valuation Adjustment or CVA) and, using a symmetrical treatment, the non-performance risk for derivative liabilities (Debit Valuation Adjustment or DVA or own credit risk).

The CVA makes it possible to determine the expected losses due to the counterparty from the perspective of the Crédit Agricole Group, and DVA, the expected losses due to the Crédit Agricole Group from the perspective of the counterparty.

The CVA/DVA is calculated on the basis of an estimate of expected losses based on the probability of default and loss given default. The methodology used maximises the use of observable market inputs. It is primarily based on market data such as registered and listed CDS (or Single Name CDS) or index CDS in the absence of registered CDS on the counterparty. In certain circumstances, historical default data may also be used.

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 entity can access at the valuation date. These are stocks and bonds quoted in active markets (such as the Paris Stock Exchange, the London Stock Exchange or the New York Stock Exchange etc.) and also fund securities quoted in an active market and derivatives traded on an organised market, in particular futures.

A market is regarded as being active if quoted prices are readily and regularly available from an exchange, broker, dealer, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For financial assets and liabilities with offsetting market risks, Crédit Agricole S.A. uses mid-prices as a basis for establishing fair values for the offsetting risk positions. The Group applies the current asking price to open short positions and the current bid price to open long positions.

Level 2: fair value measured using directly or indirectly observable inputs other than those in Level 1

The inputs used are observable either directly (*i.e.* prices) or indirectly (derived from prices) and generally consist of data from outside the entity, 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 fair value at initial recognition, 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 S.A. 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;

Refer to the glossary on page 681 for the definition of technical terms.

- 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 other comprehensive income

For financial assets recognised at fair value through other comprehensive income, this item notably includes the following income statements elements:

- dividends from equity instruments classified as financial assets at fair value through other comprehensive income that cannot be reclassified;
- gains (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 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 the "Impairment" section of IFRS 9; 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 and 19)

Crédit Agricole S.A. has identified all obligations (legal or constructive) resulting from a past event for which it is probable that an outflow of resources will be required to settle the obligation, and for which the due date or amount of the settlement is uncertain but can be reliably estimated. These estimates are discounted where applicable whenever there is a material impact.

For obligations other than those related to credit risk, Crédit Agricole S.A. has set aside general provisions to cover:

- operational risks;
- employee benefits;
- commitment execution risks;
- claims and liability guarantees;
- tax risks (excluding income tax);
- risks related to home purchase savings schemes.

The latter provision is designed to cover the Group's obligations in the event of unfavourable moves impacting home purchase savings schemes. These obligations are: i) to pay a fixed interest rate on the savings contract determined at inception for an undefined period of time; and ii) to grant a loan to home purchase savings plan and account savers at a rate fixed at inception of the contract. The provision is calculated for each generation of a home purchase savings scheme and for all home purchase savings accounts, with no netting of obligations between generations.

The amount of these obligations is calculated taking account notably of:

- subscriber behaviour models, based on assumptions regarding subscriber behaviour drawn from historical experience, which may not necessarily reflect actual trends in future behaviour;
- an estimate of the amount and term of the loans that will be granted in the future, based on historical experience over an extended period of time;
- the yield curve for market rates and reasonably foreseeable trends.

Certain estimates may be made to determine the amount of the following provisions:

- the provision for operational risks, which although subject to examination for identified risks, requires Management to make assessments with regard to incident frequency and the potential financial impact;
- 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 6.18 "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 plans

At each reporting date, Crédit Agricole S.A. sets aside reserves to cover its liabilities for retirement and similar benefits and all other employee benefits falling in the category of defined-benefit plans.

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 period. The charge is calculated based on the discounted future benefit.

Liabilities for retirement and other future employee benefits are based on assumptions made by Management with respect to the discount rate, staff turnover rate and probable increases in salary and social security costs. (See Note 7.4 "Post-employment benefits, defined-benefit schemes").

Discount rates are determined based on the average term of the commitment, that is, the arithmetical average of the terms calculated between the valuation date and the payment date weighted by employee turnover assumptions. The underlying used is the discount rate by reference to the iBoxx AA.

In accordance with IAS 19, Crédit Agricole S.A. 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 retirement benefits is recognised under Provisions on the liabilities side of the balance sheet. This provision is equal to Crédit Agricole S.A.'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 plans

"Employers" contribute to a variety of compulsory pension schemes. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years. Consequently, Crédit Agricole S.A. 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 payments requires valuation of share-based payment transactions in the enterprise's income statement and balance sheet. This standard applies to transactions with employees and more specifically to:

- share-based payment transactions settled in equity instruments;
- share-based payment transactions settled in cash.

Share-based payment plans initiated by Crédit Agricole Group that are eligible for IFRS 2 are mainly transactions settled in equity instruments (stock options, free share allocation plans, variable compensation settled in indexed cash or in shares etc.).

Options granted are measured at their fair value at the date of grant primarily using the Black & Scholes model. These options are recognised as a charge under Employee expenses, with a corresponding adjustment to equity, spread over the vesting period.

Employee share issues offered to employees as part of the Employee savings plans are also subject to the IFRS 2 standard. Shares may be offered to employees with a maximum discount of 30%. These plans have no vesting period but the shares are subject to a lock-up period of five years. The benefit granted to employees is measured as the difference between the fair value per share acquired taking account of the lock-up period and the purchase price paid by the employee on the subscription date multiplied by the number of shares subscribed.

A more detailed description of the method, existing plans and valuation methods is provided in Note 7.6 "Share-based payments".

The cost of share based payments settled in Crédit Agricole S.A. equity instruments and the cost of share subscriptions are recognised in the financial statements of the entities that employ the plan beneficiaries. The impact is recorded under Employee expenses, with a corresponding increase in Consolidated reserves-Group share.

Current and deferred taxes (IAS 12)

In accordance with IAS 12, the income tax charge includes all income taxes, whether current or deferred.

It 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 accounting period measured in accordance with the rules determined by the tax authorities.

The applicable rates and rules used to measure the current tax liability are those in effect in each country where the Group's companies are established.

The current tax liability includes all taxes on income, payable or recoverable, for which payment is not subordinated to the completion of future transactions, even if payment is spread over several years.

The current tax liability must be recognised as a liability until it is paid. If the amount that has already been paid for the current year and previous years exceeds the amount due for these years, the surplus must be recognised under assets.

Refer to the glossary on page 681 for the definition of technical terms.

Moreover, certain transactions carried out by the entity may have tax consequences that are not taken into account in measuring the current tax liability. IAS 12 defines a difference between the carrying amount of an asset or liability and its tax base as a temporary difference.

This standard requires that deferred taxes be recognised in the following cases:

- a deferred tax liability should be recognised for any taxable temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, unless the deferred tax liability arises from:
  - initial recognition of goodwill,
  - the initial recognition of an asset or a liability in a transaction that is not a business combination and that does not affect either the accounting or the taxable profit (taxable loss) at the transaction date;
- a deferred tax asset should be recognised for any deductible temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, insofar as it is deemed probable that a future taxable profit will be available against which such deductible temporary differences can be allocated;
- a deferred tax asset should also be recognised for carrying forward unused tax losses and tax credits insofar as it is probable that a future taxable profit will be available against which the unused tax losses and tax credits can be allocated.

The tax rates applicable in each country are used as appropriate.

Deferred taxes are not discounted.

Taxable unrealised gains on securities do not generate any taxable temporary differences between the carrying amount of the asset and the tax base. As a result, deferred tax is not recognised on these gains. When the relevant securities are classified financial assets at fair value through other comprehensive income, unrealised gains and losses are recognised directly through other comprehensive income. The tax charge or saving effectively borne by the entity arising from these unrealised gains or losses is reclassified as a deduction from these gains.

In France long-term capital gains on the sale of equity investments, as defined by the General Tax Code, are exempt to tax; with the exception of 12% of long-term capital gains that are taxed at the normally applicable rate. Accordingly, unrealised gains recognised at the end of the year generate a temporary difference requiring the recognition of deferred tax on this share.

Under IFRS 16 – Leases, a deferred tax liability is recognised on the right of use and a deferred tax asset on the rental debt for leases for which the Group is a lessee.

Current and deferred tax is recognised in net income for the financial year, unless the tax arises from:

- either a transaction or event that is recognised directly through other comprehensive income, during the same year or during another year, in which case it is directly debited or credited to other comprehensive income;
- or a business combination.

Deferred tax assets and liabilities are offset against each other if, and only if:

- the entity has a legally enforceable right to offset current tax assets against current tax liabilities; and
- the deferred tax assets and liabilities apply to income taxes assessed by the same tax authority:
  - **a)** either for the same taxable entity, or
  - **b)** for different taxable entities that intend either to settle current tax assets and liabilities on a net basis, or to settle their tax assets and liabilities at the same time during each future financial year in which it is expected that substantial deferred tax assets or liabilities will be paid or recovered.

Tax risks relating to income tax result in the recognition of a current tax receivable or liability when the probability of receiving the asset or paying the liability is considered more likely than not. These risks are also taken into account in the valuation of current and deferred tax assets and liabilities.

IFRIC 23 on measuring uncertain tax positions applies when an entity has identified one or more uncertainties about the tax positions they have adopted. It also provides details of how to estimate them:

- the analysis must be based on an assessment by the tax authorities;
- the tax risk must be recognized as a liability as soon as he 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.

When tax credits on income from securities portfolios and amounts receivable are effectively used to pay income tax due for the year, they are recognised under the same heading as the income with which they are associated. The corresponding tax charge continues to be recognised under the "Income tax" charge heading in the income statement.

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 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

Exceptional depreciation charges corresponding to tax-related depreciation and not to any real impairment in the value of the asset are eliminated in the consolidated financial statements.

Foreign currency transactions (IAS 21)

At the reporting date, assets and liabilities denominated in foreign currencies are translated to euro, 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 rate. The resulting translation adjustments are 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;
- translation adjustments on elements designated as cash flow hedges or forming part of a net investment in a foreign entity are recognised in other comprehensive income that can be reclassified;
- for financial liabilities designated at fair value through profit or loss, translation adjustments 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.

Translation adjustments on non-monetary items are 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.

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 commissions" 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 (IFRS 4)

Liabilities remain partially valued under French GAAP, as permitted by IAS and IFRS regulations, pending further amendments to the existing standards. Financial assets held by the Crédit Agricole Group's insurance companies have been reclassified into the financial assets categories set out in IFRS 9.

The technical reserves of non-life insurance contracts include:

- reserves for claims, to cover the total cost of claims incurred but not yet paid should they be already subject of a claim and assessed or not; and
- reserves relating to the acquisition of premiums (mainly provisions for unearned premiums), allowing for the recognition of premiums relating to risks hedged over the course of a financial year as earnings for said year, and therefore to carry forward the portion of premiums written over the course of the year for a risk hedging period subsequent to the current financial year.

Provision for increasing risks may be required for insurance transactions against the risk of sickness and disability when the premiums are unbroken. It is equal to the difference between the current values of the commitments made by the insurer and by the policyholders. It is calculated based on a continuous process of updating biometric bases (probability of incidence of a state of dependency, length of support, etc.). Since 2017, an additional provision to cover increasing risks has been created for the *Assurance Dépendance* product. It takes the form of a global provision, separate from the provision for increasing regulatory risks, allowing it to deal with

Refer to the glossary on page 681 for the definition of technical terms.

a possible shortfall in future financial production today, as this could not be compensated quickly by price revaluations that are contractually limited to 5% per annum. Additionally, a provision is accounted to cover any potential technical drift.

The mathematical provisions of life insurance contracts and financial contracts containing discretionary participation features correspond to the difference between the current value of insurer commitments and policyholder commitments. Provisions are calculated using actuarial methods that include assumptions pertaining to the premiums, the performance of financial assets, contract redemption rates and changes in operating expenses.

Contracts containing discretionary participation features are collectively classified as a liability under insurance company's technical reserves. They are recognised in the same manner as insurance contracts. Premiums on these contracts are recognised as income and the increase in obligations to policyholders is recognised as an expense.

Life insurance technical reserves are conservatively estimated based on the technical rates defined in the contracts. Liabilities associated with contracts with or without discretionary participation features or minimum guarantee are measured based on the fair value of the underlying assets or its equivalent at the end of the reporting period and are recorded under financial liabilities.

The financial margin on these policies is taken to profit or loss, after reversal of technical items (premiums, benefits, etc.), according to deposit accounting principles.

Property and casualty insurance policy liabilities are estimated at the end of the reporting period, without applying any discount. Claims management costs associated with technical reserves are charged to a provision in the financial statements at the reporting date.

For non-life insurance contracts, acquisition costs are recognised as and when the premium is earned. For life insurance contracts, directly identifiable acquisition costs are deferred over the profit generation period.

Total expenses related to the insurance business are presented in Note 4.6 "Net income (expenses) on other activities".

Insurance or investment contracts with discretionary participation in profits are subject to "shadow accounting" in accordance with the option offered by IFRS 4. This shadow accounting consists of recording the portion of positive or negative revaluations of the financial assets backing these contracts in a policyholders' deferred profit sharing item, and of certain consolidation adjustments (e. g. elimination of the provision for liquidity risk) that may potentially accrue to policyholders.

In addition, CRC Regulation 2000-05 provides for the recognition of deferred profit sharing, which must be recognised in the case of deferred profit sharing liabilities and for their recoverable amount in the case of deferred profit sharing assets.

This policyholders' deferred profit sharing is recognised as a liability "Insurance contract technical reserves" or as an asset, with a corresponding entry in income statement or other comprehensive income similar to the unrealised gains and losses on the assets to which it relates.

With regard to savings contracts, the policyholders' deferred profit sharing rate is assessed prospectively on the basis of scenarios studied that are consistent with the insurance company's management guidelines. It is only updated if it varies significantly.

In the event of a net unrealised loss, a deferred profit sharing asset is only recognised if it is highly probable that it will be allocated, by entity, to future profit sharings. This is especially the case if this deferred profit sharing asset can be deducted from future policyholder sharings, either directly by deducting it from the deferred profit sharing liabilities recorded for future disposal profits, or indirectly by being recoverable from future sums paid to policyholders.

The recoverability tests implemented in the event of a deferred profit sharing asset are in accordance with the CNC recommendation of 19 December 2008. They are based:

- firstly, on liquidity analyses of the Company, which show the enterprise's capacity to access funding sources to meet its obligations and its ability to hold assets with unrealised losses even if new production declines. The tests were performed with and without new production;
- secondly, on a comparison between the average value of future services measured by the internal model replicating the Company's management decisions and the value of the assets representing the obligations at market value. This shows the Company's ability to meet its obligations.

Lastly, sensitivity tests on the ability to activate policyholders' deferred profit sharing are also carried out, based in particular on a uniform increase in redemptions applied to redemption rates drawn from scenarios similar to those used by the French Regulatory and Resolution Supervisory Authority, or on a further decline in the equity and real estate markets.

Furthermore, in accordance with the provisions of IFRS 4, the Group ensures at each reporting date that the liabilities recognised for insurance policies and investment contracts containing discretionary participation (net of deferred acquisition costs and associated intangible assets) are adequate to meet estimated future cash flows.

The liability adequacy test used to verify this must meet the following minimum requirements, as defined in the standard:

- it must consider all future contractual cash flows, including associated management costs, fees and commissions as well as options and guarantees implicit in these contracts;
- if the test shows that the liability is inadequate, it is wholly recognised in profit or loss.

Lease (IFRS 16)

The Group may be the lessor or lessee of a lease.

Leases for which the Group is the lessor

Leases are analysed in accordance with their substance and financial reality. They are classified as finance leases or operating leases.

- In the case of finance leases, they are considered equivalent to a fixed asset sale to the lessee financed by a credit granted by the lessor. The analysis of the economic substance of finance leases leads the lessor to:
  - remove the leased asset from the balance sheet;
  - record a financial debt for the customer under "financial assets at amortised cost" for a value equal to the present value at the contract's implicit rate of the rental payments due to the lessor under the lease, plus any non-guaranteed residual value owed to the lessor;

- – recognise deferred taxes for temporary differences relating to the financial debt and the net carrying amount of the leased asset;
- – break down rental income corresponding into interest and capital depreciation.
- In the case of operating leases, the lessor recognises the leased assets under "Property, plant & equipment" on the assets side of its balance sheet and records the rental income on a straight-line basis under "Income from other activities" in the income statement.

Leases for which the Group is the lessee

Leases are recognised in the balance sheet on the date on which the leased asset is made available. The lessee records an asset representing the right of use of the leased asset under "property, plant & equipment" over the estimated term of the contract and a liability representing the rental payment obligation under "miscellaneous liabilities" over the same term.

The lease period of a contract corresponds to the non-cancellable term of the lease adjusted for the contract extension options that the lessee is reasonably certain to exercise and the termination options that the lessee is reasonably certain not to exercise.

In France, the term used for the "3/6/9" commercial leases is generally nine years with an initial non-cancellable period of three years. The Group has chosen a term corresponding to the first exit option after five years as the reasonably certain term of a lease. This term, at the inception of French commercial leases, is applied in the majority of cases. The main exception is the case of a lease in which the interim exit options have been waived (*e.g.* in return for a reduction in rental income); in this case, the term of the lease remains nine years. This five-year term is also applied to leases that are automatically extended.

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 (term, guarantee, economic environment etc.) – here, the Group applies the IFRS IC decision of 17 September 2019 since the implementation of IFRS 16 (no impact of this decision).

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 indices or rates.

Deferred taxes are recognised as temporary differences in right-of-use and rental liabilities by the lessee.

In accordance with the exception set out in the standard, short-term leases (initial term of less than 12 months) and leases for which the new value of the leased asset is low are not recognised on the balance sheet; the corresponding leasing expenses are recorded on a straight-line basis in the income statement under "operating expenses".

In accordance with the standard, the Group does not apply IFRS 16 to leases of intangible assets.

Non-current assets held for sale and discontinued operations (IFRS 5)

A non-current asset (or a disposal group) is classified as held-for-sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition and its sale must be highly probable.

The relevant assets and liabilities are shown separately on the balance sheet under "Non-current assets held for sale and discontinued operations" and "Liabilities associated with non-current assets held for sale and discontinued operations".

A non-current asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and fair value less costs of sale. In case of unrealised losses, impairment is recognised in the income statement. Non-current assets are no longer amortised when they are reclassified.

If the fair value of a group of assets held for sale less its selling costs is less than its carrying amount after impairment of non-current assets, the difference is allocated to the other assets in the group of assets held for sale including the financial assets and is recognised under net income from discontinued operations.

A discontinued operation is a component that the Group has either disposed of, or that is classified as held for sale, according to the following situations:

- it represents a separate major business line or geographical area of operations;
- it is part of a single coordinated plan to dispose of a separate major business line or geographical area of operations; or
- it is a subsidiary acquired exclusively with a view to resale.

The following are disclosed on a separate line of the income statement:

- the profit or loss from discontinued operations until the date of disposal, net of tax;
- the gain or loss recognised on the disposal or on measurement to fair value less costs of sale of the assets and liabilities constituting the discontinued operations, net of tax.

Refer to the glossary on page 681 for the definition of technical terms.

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 S.A. and those of all companies over which, in compliance with IFRS 10, IFRS 11 and IAS 28, Crédit Agricole S.A. exercises 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.

Exclusive control over an entity is deemed to exist if Crédit Agricole S.A. is exposed to or entitled to receive variable returns as a result of its involvement with the entity and if the power it holds over this entity allows it to influence these returns. Power in this context means substantive (voting or contractual) rights. Rights are considered substantive if the holder of the rights can in practice exercise them when decisions about the Company's relevant activities are made.

Crédit Agricole S.A. 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 S.A. 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 S.A. 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 S.A.'s involvement and decisions since creating the entity and what decisions it made at that time, what agreements were made at its inception and what risks are borne by Crédit Agricole S.A., any rights under agreements that give the investor the power to direct relevant activities in specific circumstances only and any other facts or circumstances that indicate the investor can direct the entity's relevant activities. Where there is a management agreement, the extent of decision-making powers granted to the delegated manager and the remuneration 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 remuneration provided for under the contractual arrangements, any substantive rights that may affect the decision-making capacity of other parties involved in the entity and the exposure to variable returns of other interests in the entity.

Joint control is deemed to exist when there is a contractual division of control over an economic activity. Decisions affecting the entity's relevant activities require unanimous agreement of the joint controllers.

In traditional entities, significant influence is defined as the power to influence but not control a company's financial and operational policies. Crédit Agricole S.A. 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.

Exclusions from the scope of consolidation

In accordance with IAS 28, minority interests held by entities for which the paragraph 18 option has been applied, are excluded from the scope of consolidation insofar as they are classified under financial assets at fair value through profit or loss by nature.

Consolidation methods

The methods of consolidation are respectively defined by IFRS 10 and IAS 28. They depend on the type of control exercised by Crédit Agricole S.A. 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 S.A.;
- the equity method, for the entities over which Crédit Agricole S.A. exercises significant influence and joint control.

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.

The equity method consists in substituting for the value of shares the Group's proportional share of the equity and income of the companies concerned.

The change in the carrying amount of these shares includes changes in goodwill.

In the event of incremental share purchases or partial disposals with continued joint control or significant influence, Crédit Agricole S.A. 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

Where necessary, financial statements are restated 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 euro 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

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. Pursuant to IAS 8, these transactions are entered at carrying amount using the pooling of interests method, with reference to US standard ASU805-50 which seems to comply with the IFRS general principles.

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.

Notably, restructuring liabilities are only recognised as a liability of the acquired entity if, at the date of acquisition, the acquiree is under an obligation to complete the restructuring.

Price adjustment clauses are recognised at fair value even if their application is not probable. Subsequent changes in the fair value of clauses if they are financial liabilities are recognised in the income statement. Only price adjustment clauses relating to transactions where control was obtained at the latest by 31 December 2009 may still be recorded against goodwill, because these transactions were accounted for under IFRS 3 pre revision (2004).

The non-controlling interests that are shares of current interests giving rights to a share of the net assets in the event of liquidation may be measured, at acquirer's choice, in two ways:

- at fair value on the date of acquisition;
- 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 balance of non-controlling interests (equity instruments issued by the subsidiary and not held by the Group) should be recognised for its fair value on the date of 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.

Some transactions relating to the acquired entity are recognised separately from the business combination. These include:

- transactions that end a pre-existing relationship between the acquired company and the acquiring company;
- transactions that compensate employees or the selling shareholders of the acquired company for future services;
- transactions aimed at reimbursing the acquiree or its former shareholders for acquisition-related costs that they have assumed on behalf of the acquirer.

These separate transactions are generally recognised in the income statement at the acquisition date.

The transferred consideration at the time of a business combination (the acquisition cost) is measured as the total of fair values transferred by the acquirer, at the date of acquisition in exchange for control of the acquired entity (for example: cash, equity instruments etc.).

The costs directly attributable to the business combination shall be recognised as expenses, separately from the business combination. If the transaction is highly probable, they are recognised under "Net gains (losses) on other assets", otherwise they are recognised under "Operating expenses".

The difference between the sum of acquisition costs and non-controlling interests and the net balance at the date of acquisition of acquired identifiable assets and liabilities assumed, valued at their fair value, is recognised, when it is positive, in the assets side of the consolidated balance sheet, under "Goodwill" when the acquired entity is fully consolidated and under "Investments in equity-accounted entities" when the acquired company is consolidated using the equity method of accounting. Any badwill is recognised immediately through profit or loss.

Refer to the glossary on page 681 for the definition of technical terms.

Goodwill is carried in the balance sheet at its initial amount in the currency of the acquired entity and converted at the closing 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.

Goodwill is tested for impairment whenever there is objective evidence of a loss of value and at least once a year.

The choices and assumptions used in assessing non-controlling interests at the date of acquisition may influence the amount of initial goodwill and any impairment resulting from a loss of value.

For the purpose of impairment testing, goodwill is allocated to the Group Cash Generating Units (CGUs) that are expected to benefit from the business combination. The CGUs have been defined within the Group's business lines as the smallest identifiable group of assets and liabilities functioning in a single business model. Impairment testing consists of comparing the carrying amount of each CGU, including any goodwill allocated to it, with its recoverable amount.

The recoverable amount of the CGU is defined as the higher of fair value less than of selling costs and value in use. The value in use is the present value of the future cash flows of the CGU, as set out in medium-term business plans prepared by the Group for management purposes.

When the recoverable amount is lower than the carrying amount, a corresponding impairment loss is recognised for the goodwill allocated to the CGU. This impairment is irreversible.

In the case of an increase in the percentage ownership interest of Crédit Agricole S.A. in an entity that is already exclusively controlled, the difference between the acquisition cost and the share of net assets acquired is recognised under "Consolidated reserves Group share"; in the event that the Crédit Agricole S.A.'s percentage ownership interest in an entity that remains under its exclusive control declines, the difference between the selling price and the carrying amount of the share of net assets sold is also recognised directly under "Consolidated reserves Group share". Expenses arising from these transactions are recognised in equity.

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.

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.

NOTE 2 Major structural transactions and material events during the period

The scope of consolidation and changes to it as at 31 December 2020 are shown in detail at the end of the notes in Note 12 “Scope of consolidation at 31 December 2020”.

2.1 COVID-19 HEALTH CRISIS

Faced with the COVID-19 health crisis and its economic consequences, Crédit Agricole S.A. underwent a massive mobilisation. To support its customers whose business would be impacted by the coronavirus crisis, the Group actively participated in the economic support measures put in place by the public and local authorities.

2.1.1 State-guaranteed loans (SGL)

In the context of the health and economic crisis related to COVID-19, starting 25 March 2020, Crédit Agricole S.A. has granted all of its corporate customers, whatever their size and status (farmers, professionals, merchants, artisans, companies, etc.), access to the massive and unprecedented State-guaranteed loan scheme, in addition to the measures already announced (extension of due dates, accelerated procedures for examining applications, etc.). Companies can apply for these loans until 30 June 2021.

This financing takes the form of a 12-month loan, and the borrower has the option to amortise it over an additional period of one to five years.

Over this additional period, the loan may, during the amortisation phase, have a further period of one year during which only the interest and the cost of the State guarantee will be paid.

The total term of the loan may not exceed six years.

The Group’s offer for the first year takes the form of a zero-interest loan; only the cost of the guarantee is re-invoiced (via a commission paid by the customer) in accordance with the eligibility conditions defined by the State to benefit from the guarantee.

The amount of these loans may be as high as three months of revenues, thus allowing entrepreneurs to have access to the necessary financing to get through the current period.

These loans belong to a “Collection” business model and meet the test for contractual terms. They are therefore recognised at amortised cost.

At 31 December 2020, the amount of State-guaranteed loans granted to customers by Crédit Agricole S.A. in France amounted to €9.5 billion. The amount of the guarantee received from the French State in connection with these loans is €8.5 billion.

2.1.2 Due date extension on loans granted to customers

Starting March 2020, the Group joined the French banking community initiative coordinated by the *Fédération des Banques Françaises* (FBF) to offer an extension of the due dates for outstanding loans by up to six months for Corporate and Professional customers at no additional cost.

The implementation of a postponement of due dates of this nature without penalties or additional costs and with maintenance of the contractual rate over a maximum period of six months implies that only interim interest will be collected after the postponement over the remaining duration of the loan, excluding any guarantee costs of the French Public Investment Bank.

As proposed by the Group, the postponement of due dates implies:

- an extension of the term of the loan if the customer wishes to maintain its initial loan instalments; or
- an increase in its instalments after the suspension if the customer wants to maintain its initial term.

This postponement results in a postponement of the original due dates.

Outstanding loans to customers in France with non-contractual due date postponements amounted to €16.6 billion in 2020, including €0.9 billion still outstanding as at 31 December 2020 at Crédit Agricole S.A. level.

2.1.3 Impact of these measures on credit risk

In accordance with the IASB communication of 27 March 2020 relating to the recognition of expected credit losses under IFRS 9 on financial instruments under the current exceptional circumstances, the importance of exercising judgement in the application of IFRS 9 credit risk principles and the resulting classification of financial instruments was restated.

The due date extension on loans granted to customers does not systematically cast doubts on the customer’s financial position, and there is no automatic increase in counterparty risk. Amendments to the agreement cannot generally be considered as developments linked to restructuring events due to financial difficulties.

As a result, this postponement does not result in an automatic changeover of outstandings, the impairment of which are based on expected loan losses over 12 months (Bucket 1) to recognition of impairment of expected losses at maturity (Bucket 2), nor does it result in the automatic transfer of outstandings to the doubtful category (Bucket 3).

Similarly, the calculation of the amount of expected losses must take into account the specific circumstances and the support measures put in place by the public authorities.

2.1.4 Credit risk rating measurement

In the context of the health and economic crisis related to COVID-19, the Group has revised its macroeconomic forecasts (forward-looking) for the determination of the year-end credit risk estimate. As a reminder, an initial recognition of the effects of the health crisis and its macro-economic effects has already been included in the Q2 2020 report.

Background of select macroeconomic scenarios

The Group used four scenarios for calculating IFRS 9 provisioning parameters with projections for 2022.

These four scenarios incorporate differentiated hypotheses as to the impacts of the COVID-19 crisis on the economy in faster, slower and full return to normality of mobility, activity and consumption, and largely depend on how the health situation development, which is still very uncertain today (taking into account a second lock-down, but also favourable prospects related to the discovery of vaccines at the end of the year). The strength of customer type confidence is also decisive which – depending on health, economic and employment expectations – results in different levels of wait-and-see and cautious behaviour. This in turn determines the propensity of households to consume the abundant savings they accumulated during the lockdown and the capacity of businesses to invest. The scale, effectiveness and timing of government stimulus support programmes also have a significant impact on the development of activity.

Refer to the glossary on page 681 for the definition of technical terms.

The rebound in Q3 2020, enabled by ending lockdowns in most European countries, was stronger than expected. In France, GDP rebounded by 18.2% in Q3 versus Q2, after a -13.7% decline in Q2 versus Q1. The extent of the second wave led to significant restrictions in Europe in Q4. In France, it seemed likely that the second lockdown would be extended beyond early December, in order to control levels as the virus started to circulate again (target of maximum 5,000 infections per day). With an assumption of a lockdown until mid-December, France's GDP was expected to drop by about -8% in Q4 vs Q3. The average annual growth in 2020 was not expected to be affected much (-10.1% vs. -9.1% forecast in September), but the achieved growth (*i.e.* 2021 annual growth if the quarterly GDP is equal to that of Q4 2020, therefore zero quarterly growth) for 2021 is negative (-1.6%).

- **The first scenario describes a gradual yet not synchronised recovery from the crisis, with the growth profile strongly dependent on health assumptions, for which uncertainty is high. Moreover, health developments and measures taken are not identical among European countries.**

  Scenario 1 assumes the pandemic will persist in 2021 with a 'stop and go' scenario during Q1 and Q2 (alternating relaxation, restrictions and short lock-down periods), but less detrimental than in 2020 (better control of epidemic flows, fewer restrictions on mobility). Even with a vaccine on the market, we assume that a large roll-out would not take place until mid-2021.

  For 2021, a GDP growth forecast for France of +4.6%, compared to the +7.3% forecast used for late June, including a fairly clear rebound for Q1 2021, but more moderate than for Q3 2020, due to a cautious lifting of the lockdown – with ongoing restrictive curfew-type measures likely – and in Q2 2021 a third wave (particularly related to climate issues and insufficient effectiveness of the testing strategy) is assumed to result in a new, shorter episode of lockdown and a decline in GDP. Lastly, in H2 2021 a rebound (lifting of the lockdown) and an improvement in the situation due to vaccination campaigns. But a cautious recovery, despite support measures: some sectors will remain markedly weakened (aeronautics, automotive, trade, tourism, hotels, restaurants, culture, etc.); uncertainty about a resumption of investments despite the stimulus plan; bankruptcies; continued high precautionary savings by households in light of rising unemployment, limiting the use of the savings accumulated during successive lockdowns.

  As a result, the ECB would move towards more easing and more purchases of sovereign debt securities. Indeed, with the outlook for growth and inflation still bleak, future sovereign debt issuance should induce the ECB to do more. We do not expect a rate cut in the foreseeable future. Net asset purchases under the PEPP (€750 billion in March to €1,350 billion in June) are due to end in June 2021. This scenario assumes that the ECB will increase its purchasing programmes during H2 2021 as well as 2022 (via an extension and expansion of the PEPP or a simple increase in the APP).

  Since the peak of risk aversion in March, the yield on the 10-year Bund did try to recover but has been systematically reduced to -0.50%/-0.60%. No view on the evolution of the pandemic, on the growth profile of 2021 and, more generally, a very high degree of uncertainty. Also, the Bund remains at a very low level.

- **The second scenario involves more negative health developments and more severe restrictive measures.**

  The second scenario uses identical forecasts to those of the first scenario for the year 2020. The profile for 2021 is assumed to be fairly comparable to Q1 2021 (cautious lifting of lockdown), but in Q2 2021, a stronger and faster third wave is assumed, resulting in a more serious lockdown of about two months, versus a month in the central scenario. This Scenario 2 would result in a much sharper decline in GDP in Q2, but also followed by a stronger rebound in Q3.

  In this scenario, for 2021: there would be an average GDP increase expected at +3% vs. +4.6% in Scenario 1.

- **The third scenario is slightly more favourable than Scenario 1 and assumes a significantly stronger recovery in 2021 (GDP growth in France of +7.1% due to faster control of the health situation).**
- **The fourth scenario, the least likely, is characterised by a slightly stronger decline in activity in 2021 and an additional shock, in France, that would involve renewed social tensions, blockades, and strikes.**

  In France, in this scenario, domestic demand will fall sharply in H1 2021. There is a persistent circulation of the virus. State support measures will not be renewed in 2021 and, lastly, an increase in unemployment and bankruptcies is observed.

  With no visibility and with excess capacity, there is a marked downward revision of investments.

  Households remain very cautious with few major purchases.

  There are also renewed social tensions and a freezing of the reform programme. Lastly, at the national level, there is a downgrade of the credit rating by a notch.

  In this scenario, in France, gradual recovery is postponed in 2021 (average increase of only +1.9% of GDP), with the activity trend level weighed down by a higher increase in unemployment (12.5% in 2021 after 10% in 2020).

Furthermore, with regard to:

- **support measures:** Note that the risk parameter forecast process has been revised in 2020 to better reflect the impact of government programmes in IFRS 9 forecasts. The effect of this revision is to mitigate the sudden intensity of the crisis and the strength of the recovery, and to spread these over a longer period (three years).

  The variables relating to the interest rates level, and more generally all the variables linked to the capital markets, have not been modified, because their forecasts already structurally include the effects of the support policies;
- **local and subsidiary scenarios:** as noted above, sector complements established at the local level ("forward looking local") by some Group entities can complement the centrally defined macroeconomic scenarios.

At the end of December 2020, including local forward looking scenarios, the share of Bucket 1/Bucket 2 provisions on the one hand (provisioning for performing loans) and Bucket 3 provisions on the other hand (provisioning for proven risks) represented **27% and 73%** respectively as regards **Crédit Agricole S.A.**

At the end of December 2020, net additions to provisions for Bucket 1/ Bucket 2 **represented 32% of Crédit Agricole S.A.'s annual cost of risk** compared to **68%** for the Bucket 3 share of proven risks and other provisions.

Sensitivity analysis of IFRS 9 provisions (Buckets 1 and 2 ECL amounts)

Scenario 1 was weighted at 55% for the calculation of IFRS ECL amounts for Q4-2020. By way of example, the 10-point reduction in the weighting of Scenario 1 in the calculations at Q4-2020 in favour of the more unfavourable Scenario 2, lead to a rise in the ECL stock under "forward looking central" of around **0.8%** for Crédit Agricole S.A. However, such a change in the weight would not necessarily have a significant impact due to "forward looking local" adjustments, which could mitigate the effect.

2.1.5 Decision regarding the 2019 dividend

On 27 March 2020, the European Central Bank issued recommendations asking that the banks under its supervision not pay dividends as long as the coronavirus crisis persists, and until "at least the beginning of October 2020".

This deadline appeared to be incompatible with the French Commercial Code, which stipulates that an annual dividend must be paid no later than 30 September.

Under these conditions, the Board of Directors of Crédit Agricole S.A., which was consulted in writing on 1 April 2020 pursuant to the legal provisions on the functioning of deliberative bodies during the COVID-19 epidemic, decided not to propose to the General Meeting of 13 May 2020 the distribution of a dividend initially set at €0.70 per share for the 2019 financial year, and to allocate the entire profit for 2019 to a reserve account.

On 28 July 2020, the ECB extended its recommendation not to pay dividends until January 2021.

On 15 December 2020, the ECB changed its recommendations, asking all banks to consider not distributing cash dividends and not repurchasing shares, or to limit such distributions, until 30 September 2021. Accordingly, in the event of a distribution, dividends and share buybacks must remain below 15% of the cumulative distributable earnings for financial years 2019 and 2020 and must not exceed 20 basis points of the CET1 ratio, whichever is lower. In addition, banks planning to make distributions should contact their joint prudential supervisory team to determine whether the level of distribution they are contemplating is prudent.

As at 31 December 2020, Crédit Agricole S.A. had not distributed any dividends for the 2019 financial year.

2.1.6 Insurance support scheme for professionals

In the context of the health and economic crisis related to COVID-19 and with the aim of supporting and helping professionals through this crisis, the Crédit Agricole Group decided on 22 April 2020 to implement an unprecedented extra-contractual support scheme for all of its policyholders who have taken out professional multi-risk insurance with business interruption.

This insurance support scheme entails the payment of a sum corresponding to a flat-rate estimate of the loss of income for the relevant economic sector during the period.

As at 31 December 2020, under this scheme, a sum of €237.5 million had been paid to the Group's professional policyholders impacting net banking income, of which:

- €231.5 million was paid by the Crédit Agricole Group:
  - €96.5 million by Pacifica,
  - €96.5 million by the Regional Banks and LCL,
  - €38.5 million by La Médicale de France;
- €6 million outside the Group was paid by the general agents of La Médicale de France.

2.2 MAIN CHANGES IN THE SCOPE OF CONSOLIDATION

2.2.1 Acquisition of Sabadell Asset Management by Amundi

On 21 January 2020, Amundi and Banco Sabadell announced the signing of a 10-year strategic partnership for the distribution of asset management products in the Banco Sabadell network in Spain.

The combination of the strong regional presence of the Banco Sabadell network and Amundi's comprehensive range of savings products and solutions creates significant potential for growth in Spain between the two partners.

Within this framework, Amundi acquires the entire share capital of Sabadell Asset Management, Banco Sabadell's asset management subsidiary, with €22 billion in assets under management at 31 December 2019.

On 30 June 2020, all regulatory authorisations required to complete this transaction had been obtained, and Amundi acquired the entire share capital of Sabadell Asset Management for a cash purchase price of €430 million. An earn-out of up to €30 million could be payable by 2024.

This acquisition, financed exclusively by Amundi's excess share capital, generated the recognition of €335 million in goodwill.

In accordance with IFRS 3R, the goodwill presented in this note is a preliminary measurement and may be revalued in the coming year.

2.2.2 Acquisition of additional Menafinance shares by Crédit Agricole Consumer Finance

Following the ten-year renewal of its partnership with Fnac Darty Group in March 2020, Crédit Agricole Consumer Finance took control of Menafinance, the entity that provides consumer credit to Darty customers. This entity was previously under the joint control of the two partners and was equity-accounted by Crédit Agricole S.A.

As a result, on 30 June 2020, Crédit Agricole Consumer Finance acquired the 50% of Menafinance's share capital held by Fnac Darty Group, *i.e.* 185,358 Menafinance shares for a total amount of €29.3 million.

Since the transaction, Menafinance has been wholly owned by Crédit Agricole Consumer Finance and is fully consolidated by Crédit Agricole S.A.

At 30 June 2020, in accordance with IFRS 3R, this additional acquisition had a positive impact of €12.6 million on profit Group share for the revaluation of shares previously held. In addition, it generated the recognition of goodwill of €25.2 million.

On 1 October 2020, Menafinance was absorbed by Crédit Agricole Consumer Finance.

2.2.3 Full disposal of Crédit Agricole CIB's remaining stake in the share capital of BSF

On 28 September 2020, Crédit Agricole Corporate & Investment Bank (Crédit Agricole CIB) announced the disposal of its remaining 4% stake in the capital of Banque Saudi Fransi (BSF). The buyers were two Saudi government-related institutional investors. They acquired the stake held by Crédit Agricole CIB in BSF at a price of 30.00 Saudi Riyals (SAR) per share, for a total consideration of SAR 1.45 billion equivalent to around €332 million.

BSF shares were accounted in Crédit Agricole CIB balance sheet as Financial assets at fair value through Other Comprehensive Income; thus the transaction will have no impact on P&L.

At 31 December 2020, following the sale, Crédit Agricole CIB no longer holds any interest in the share capital of Banque Saudi Fransi (BSF).

Refer to the glossary on page 681 for the definition of technical terms.

2.2.4 Disposal plans (IFRS 5)

2.2.4.1 Crédit Agricole Bank Romania

Crédit Agricole Bank Romania is a fully-owned subsidiary of Crédit Agricole S.A.

During 2019, Crédit Agricole S.A. initiated a process to put Crédit Agricole Bank Romania up for sale.

Crédit Agricole Bank Romania's assets and liabilities have thus been reclassified under IFRS 5 in the consolidated financial statements at 31 December 2019.

In December 2020, negotiations with the Romanian bank Vista Bank Romania S.A. led to the signing of an agreement to sell Crédit Agricole Bank Romania to Vista Bank Romania S.A. on 4 January 2021. The completion of this transaction, which is subject to the approval of the competent Romanian regulatory authorities (the National Bank of Romania and the National Competition Council), is expected to take place in the first half of 2021.

Crédit Agricole Bank Romania is therefore maintained pursuant to IFRS 5 in the Crédit Agricole S.A. consolidated financial statements at 31 December 2020 for an amount of €521 million in "Non-current assets held for sale" and for an amount of €501 million in "Liabilities associated with non-current assets held for sale".

The net income is classified under "Net income from discontinued operations or being sold" for an amount of -€7.5 million.

2.2.4.2 Crédit Agricole Consumer Finance Nederland (CACF NL)

Crédit Agricole Consumer Finance Nederland is a wholly owned subsidiary of Crédit Agricole S.A.

In October 2019, the Executive Management of Crédit Agricole S.A. and Crédit Agricole Consumer Finance began the process of putting Crédit Agricole Consumer Finance NL up for sale.

A programme to actively search for a potential buyer was launched, leading to the receipt of several offers in the fourth quarter of 2020. The Group decided to enter into exclusive negotiations with one of them.

Therefore, pursuant to IFRS 5, the assets and liabilities of Crédit Agricole Consumer Finance Nederland are classified as at 31 December 2020 in the balance sheet under "Non-current assets held for sale" for the sum of €1,704 million and under "Liabilities associated with non-current assets held for sale" for the sum of €477 million. The net income is classified under "Net income from discontinued operations or being sold" for an amount of -€189.8 million.

The impact on the income statement includes the impact of the reclassification as Non-current assets held for sale of the share of goodwill of the CGU to which Crédit Agricole Consumer Finance NL is attached, as well as the estimated loss on that transaction.

2.2.4.3 Crédit Agricole CIB (Miami) and CA Indosuez Wealth (Brazil) S.A. DTVM

Crédit Agricole CIB (Miami) is a branch of Crédit Agricole CIB (CACIB), which is in turn 97.8% controlled by Crédit Agricole S.A.

CA Indosuez Wealth (Brazil) S.A. DTVM is a subsidiary 97.8% controlled by Crédit Agricole S.A. The shares of this company are wholly owned by Crédit Agricole CIB (CACIB), which in turn is 97.8% controlled by Crédit Agricole S.A.

In 2020, the Executive Management of Crédit Agricole S.A. and Crédit Agricole CIB began the process of putting the entity CA Indosuez Wealth (Brazil) S.A. DTVM and the goodwill associated with outstanding loans to customers of the Crédit Agricole CIB (Miami) branch of Crédit Agricole CIB (CACIB) up for sale.

A programme to actively search for a potential buyer was launched, leading to the receipt in the fourth quarter of 2020 of several binding offers, leading to negotiations of contractual documentation.

Therefore, pursuant to IFRS 5, the assets and liabilities of Crédit Agricole CIB (Miami) and CA Indosuez Wealth (Brazil) are reclassified as at 31 December 2020 in the balance sheet under "Non-current assets held for sale" for the sum of €503.8 million and under "Liabilities associated with non-current assets held for sale" for the sum of €450.9 million.

The impact on the income statement, amounting to -€23.5 million, is classified under "Net income from discontinued operations or being sold".

2.2.5 Creation of a joint venture between Amundi and BOC Wealth Management

Following the 20 December 2019 approval of the China Banking and Insurance Regulatory Commission, Amundi, a subsidiary of Crédit Agricole S.A., and BOC Wealth Management, a subsidiary of Bank of China, obtained a licence on 30 September 2020 for their joint venture in China, Amundi BOC Wealth Management Company Limited.

The new company, registered in the Lingang Free Zone in Shanghai, is owned 55% by Amundi and 45% by BOC Wealth Management. It is the first asset management company with an international majority shareholder to be able to develop and market an offer in China under "asset management" product rules.

The savings solutions offered by the joint venture will benefit from Amundi's expertise in asset allocation and its rigorous risk management processes and tools and from Bank Of China's support in brand strategy and distribution in branches and online.

Amundi BOC Wealth Management Company Limited is under the exclusive control of Amundi and is therefore fully consolidated (FC) by Crédit Agricole S.A.

2.3 BENCHMARK BOND ISSUE ON THE PANDA MARKET

On 11 September 2020, following its inaugural Panda Bond issuance in December 2019, Crédit Agricole S.A. has successfully issued its second CNY 1 billion (equivalent to €125 million) senior preferred bond with a maturity of three years and a 3.5% fixed rate. Crédit Agricole S.A. thus becomes a repeat issuer in the fast paced developing Panda Bond market, with the view to fund its activities in China and further diversify its long-term funding.

The proceeds will be used to finance its wholly-owned banking subsidiary Crédit Agricole CIB (China) Limited in order to support its international client base through financing and capital market transactions.

This successful benchmark issuance was bought by Chinese and International institutional investors on the Chinese bond market and the Hong Kong Bond Connect exchange. The order book was 1.64 times oversubscribed, illustrating the investors' continuous confidence in Crédit Agricole S.A. and recognition to its CNY 5 billion bonds issuance programme, the foremost one issued by a French bank and a European G-SIB (global systemically important banks) financial institution.

Crédit Agricole S.A., the issuer, as the Central Body and member of the Crédit Agricole Network, and its Panda Bonds have obtained a domestic rating of AAA from China Chengxin International Credit Rating.

2.4 SOCIAL BOND ISSUANCE

In the context of the current crisis, which is severely affecting the most fragile, the Crédit Agricole S.A. is resolutely pursuing its mutualist commitment to promote development for all. On 2 December 2020, Crédit Agricole S.A. successfully carried out its first social bond issuance for €1 billion.

The framework of these social bonds issuances aims to reduce social inequalities by revitalising the most vulnerable territories and by promoting employment, solidarity initiatives and access to essential goods and services.

Key issuer in the green bond market, Crédit Agricole S.A. is today naturally broadening the field of its sustainable finance initiatives with this inaugural social bond issue.

This theme-based issuance contributes to the Group's ambition, included in its Societal Project, to pursue its mutualist commitment to promote development for all. This issuance will be focused in particular on financing professionals and SME customers of the Regional Banks and LCL in territories where the unemployment rate is higher than the national average.

2.5 NEW DEFINITION OF DEFAULT

At 31 December 2020, Crédit Agricole S.A. had implemented the new rules relating to the application of the definition of default (EBA Guidelines (EBA/GL/2016/7) and thresholds defined by the European Union (Article 1 of Regulation (EU) 2018/1845 ECB of 21 November 2018).

This change in defaults is classified as a change in accounting estimates. Its impact amounts to -€56 million and is recognised as an expense in the income statement under "Cost of risk".

2.6 "SWITCH" GUARANTEE MECHANISM

The "Switch" guarantee mechanism represents a transfer to the Regional Banks of a share of the regulatory requirements that apply to Crédit Agricole S.A. for its insurance activities in return for a fixed remuneration of the Regional Banks.

2.6.1 Unwinding of 35% of the "Switch" guarantee mechanism

On 2 March 2020, Crédit Agricole S.A. unwound 35% of the "Switch" guarantee mechanism set up between the Regional Banks and Crédit Agricole S.A.

The partial unwinding of this intra-group transaction strengthens Crédit Agricole S.A.'s earning power with an accretive impact of €70 million in 2020. It is in line with the Medium-Term Plan's objective of unwinding 50% of the switch by 2022.

For Crédit Agricole S.A., this transaction resulted in a 35% reduction in commitments given (€3.2 billion) and a 35% reduction in the security deposit received from the Regional banks (approximately €1 billion).

This transaction has no impact on the results nor on the solvency ratios of Crédit Agricole Group.

2.6.2 Triggering of the "Switch" guarantee mechanism

The "Switch" guarantee mechanism hedges the Equity-Accounted Value of Crédit Agricole Assurances. It is activated in the event of a decrease in its value.

If the mechanism is activated, the Regional Banks will be required to pay Crédit Agricole S.A. the proceeds of the half-yearly reduction in the equity-accounted value adjusted by the coverage ratio, which has stood at 44.51% since 2 March 2020, the date on which the 35% guarantee was unwound.

At 30 June 2020, as a result of the tensions in the equity and bond markets in the first half of 2020, the Crédit Agricole Assurances adjusted estimated equity-accounted value had fallen by €147 million in the first half of 2020. It triggered the guarantee mechanism in the amount of €65.4 million. In the Crédit Agricole S.A. financial statements, this resulted in the recognition in the income statement of income under Cost of risk of €65.4 million.

At 30 September 2020, the Crédit Agricole Assurances adjusted final equity-accounted value for the first half of 2020 was determined. As a result, the indemnity received by Crédit Agricole S.A. from the Regional Banks' security deposit, which was immediately reconstituted by a payment of funds, was adjusted.

At 30 September 2020, €37.6 million was recognised in the Crédit Agricole S.A. financial statements as income under cost of risk for the triggering of the Switch guarantee.

2.6.3 "Switch" guarantee mechanism – Claw-back

At 31 December 2020, the increase in the Equity-Accounted Value adjusted for Crédit Agricole Assurances' distributions in the second half of 2020 offset the decline observed in June 2020.

This increase in equity-accounted value resulted in the implementation of a full claw-back of the guarantee in the fourth quarter of 2020, leading to the recognition of an accrued expense of €37.6 million in the Crédit Agricole S.A. financial statements.

As a result, for the whole of 2020, the Switch guarantee was neutral in the Crédit Agricole S.A. financial statements.

2.7 DEPRECIATION OF GOODWILL ON CA ITALIA

As part of the preparing the publication of its consolidated financial statements, Crédit Agricole S.A. conducted the annual valuation tests of the goodwill recorded in its balance sheet during the fourth quarter of 2020. In accordance with IFRS accounting standards, these tests are based on a comparison between the value recorded in the assets of the consolidated balance sheet of Crédit Agricole S.A. and the value in use. The calculation of the value in use is based on discounting the future cash flows.

Due to an anticipated prolonged period of very low interest rates, which is weighing on Crédit Agricole Italia's interest margins and therefore on its value in use for Crédit Agricole S.A. and Crédit Agricole Group, on 15 December 2020, Crédit Agricole S.A.'s Board of Directors decided to impair the goodwill carried on Crédit Agricole Italia. This non-deductible impairment has an impact on net income Group share of €778 million in the consolidated financial statements for the fourth quarter of 2020 of Crédit Agricole S.A.

This charge does not affect the solvency of Crédit Agricole S.A., as the goodwill has already been fully deducted from the prudential capital, nor its liquidity.

Refer to the glossary on page 681 for the definition of technical terms.

2.8 CAPITAL INCREASE RESERVED FOR EMPLOYEES

The capital increase of Crédit Agricole S.A. reserved for employees, with the subscription period running from 12 to 25 November 2020, was completed definitively on 22 December 2020. 47,113 Crédit Agricole Group employees, in France and 17 other countries, subscribed for a total amount of €162.9 million.

The proposed investment scheme was a standard offer with a subscription price including a 30% rebate on the share price. The issue and delivery of the new shares to employees took place on 22 December 2020.

This capital increase created 31,999,928 new shares, thereby bringing the total number of shares comprising the share capital of Crédit Agricole S.A. to 2,916,688,640.

2.9 VOLUNTARY PUBLIC CASH TENDER OFFER BY CRÉDIT AGRICOLE ITALIA FOR ALL SHARES OF CREDITO VALTELLINESE

On 23 November 2020, Crédit Agricole Italia S.p.A. (Crédit Agricole Italia), a 75.6%-owned subsidiary of Crédit Agricole S.A., launched a voluntary public all-cash tender offer (the "Offer") for all ordinary shares of Credito Valtellinese S.p.A. (Credito Valtellinese).

The acquisition of Credito Valtellinese will strengthen Crédit Agricole competitive positioning in Italy, its second domestic market, thus confirming our continued and longstanding commitment in supporting our clients and local communities in Italy.

The Offer price equals to €10.50 for each Credito Valtellinese's share. This corresponds to a total investment of €737 million by Crédit Agricole Italia to acquire 100% of Credito Valtellinese's shares.

In the context of the Offer, Crédit Agricole Assurances (a subsidiary of Crédit Agricole S.A.) will sell to Crédit Agricole Italia its stake in Credito Valtellinese, equal to 9.8% of the share capital. The Offer is conditional upon Crédit Agricole Italia's acquisition of at least 66.67% of the share capital with voting rights of Credito Valtellinese. In addition, Crédit Agricole Italia retains the discretionary right to waive the above condition if at least 50% of the share capital with voting rights of Credito Valtellinese +1 share is acquired.

2.10 CHEQUE IMAGE EXCHANGE DISPUTE

In its judgment of 21 December 2017, the Paris Court of Appeal upheld the decision of the French Competition Authority (ADLC), which in 2010 had fined the major French banks for colluding to fix the price and terms of clearing cheques.

Just as the other banks party to this procedure, the Crédit Agricole Group has filed an appeal with France's Supreme Court *(Cour de cassation)*.

The Supreme Court ruled in favour of the banks in the Cheque Image Exchange case on 29 January 2020 and referred the case back to the Paris Court of Appeal, with a change in the composition of the Court.

This decision returns the case and the parties to their status before the Court of Appeal's decision of 21 December 2017. The banks are therefore once again subject to the French Competition Authority's unfavourable decision of 20 September 2010.

In practice, as a result of the French Supreme Court's decision, Crédit Agricole S.A. will be required to pay the French State Treasury the difference between the fine imposed by the French Competition Authority in September 2010 (€82.9 million) and the reduced fine imposed by the Paris Court of Appeal in December 2017 (€76.5 million), *i.e.* €6.4 million. On 7 April 2020, the sum of €6.4 million was paid to the French State Treasury.

Based on the same principle as the fine paid in December 2017, this additional charge is shared equally between Crédit Agricole S.A. and the Regional Banks and is recognised in the consolidated financial statements.

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 S.A., 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. Nonetheless, the accounting breakdowns are still presented in the financial statements.

3.1 CREDIT RISK

3.1.1 Change in carrying amounts and value adjustments for losses during 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 (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)		Credit-impaired assets (Bucket 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 2019	**72,170**	**(27)**	**380**	**(12)**	**23**	**(15)**	**72,572**	**(53)**	**72,519**
Transfers between buckets during the period	**(18)**	**-**	**18**	**-**	**-**	**-**	**-**	**-**	
Transfers from Bucket 1 to Bucket 2	(20)	-	20	-	-		-	-	
Return from Bucket 2 to Bucket 1	2	-	(2)	-	-		-	-	
Transfers to Bucket 3[1]	-	-	-	-	-	-	-	-	
Return from Bucket 3 to Bucket 2/Bucket 1	-	-	-	-	-	-	-	-	
Total after transfers	**72,152**	**(27)**	**398**	**(12)**	**23**	**(15)**	**72,572**	**(53)**	**72,519**
Changes in gross carrying amounts and loss allowances	**11,403**	**(8)**	**(36)**	**8**	**21**	**(25)**	**11,389**	**(25)**	
New financial production: purchase, granting, origination…[2]	45,500	(29)	324	(3)	-		45,825	(32)	
Derecognition: disposal, repayment, maturity…	(32,169)	20	(358)	10	-	-	(32,527)	30	
Write-offs						-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	1	-	-	-	-	-	1	
Changes in models' credit risk parameters during period		-		1		(26)	-	(25)	
Changes in model/ methodology		-		-		-	-	-	
Changes in scope	-	-	-	-	-	-	-	-	
Other[4]	(1,928)	1	(2)	-	21	1	(1,909)	2	
Total	**83,555**	**(35)**	**362**	**(4)**	**44**	**(40)**	**83,961**	**(78)**	**83,883**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance)[3]	910		-		-		910		
BALANCE AT 31 DECEMBER 2020	**84,465**	**(35)**	**362**	**(4)**	**44**	**(40)**	**84,871**	**(78)**	**84,794**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

(1) Transfers to Bucket 3 correspond to outstanding amounts initially classified as Bucket 1 which, during the year, were downgraded directly to Bucket 3, or to Bucket 2 and later to Bucket 3.

(2) Originations in Bucket 2 could include some originated loans in Bucket 1 reclassified in Bucket 2 during the period.

(3) Includes the impacts of fair value adjustments of micro-hedged instruments, the impacts relating to the use of the EIR method (notably the amortisation of premiums/discounts), the impacts of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset), the changes in related receivables and in the currency impact.

(4) The items in the "Others" line are mainly translation adjustments and reclassifications under IFRS 5.

Refer to the glossary on page 681 for the definition of technical terms.

Financial assets at amortised cost: loans and receivables due from credit institutions (excluding Crédit Agricole internal transactions)

	Performing assets				Credit-impaired assets (Bucket 3)		TOTAL		
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)						
(in millions of euros)	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
Balance at 31 December 2019	**103,931**	**(27)**	**26**	**-**	**505**	**(389)**	**104,464**	**(416)**	**104,048**
Transfers between buckets during the period	**(61)**	**-**	**62**	**-**	**-**	**-**	**-**	**-**	
Transfers from Bucket 1 to Bucket 2	(63)	-	64	-			-	-	
Return from Bucket 2 to Bucket 1	2	-	(2)	-	-	-	-	-	
Transfers to Bucket 3[1]	-	-	-	-	-	-	-	-	
Return from Bucket 3 to Bucket 2/Bucket 1	-	-	-	-	-	-	-	-	
Total after transfers	**103,870**	**(27)**	**88**	**-**	**505**	**(389)**	**104,464**	**(416)**	**104,048**
Changes in gross carrying amounts and loss allowances	**(12,532)**	**2**	**(27)**	**-**	**(100)**	**33**	**(12,659)**	**35**	
New financial production: purchase, granting, origination…[2]	46,595	(21)	9	-			46,604	(21)	
Derecognition: disposal, repayment, maturity…	(58,216)	11	(34)	-	(66)	5	(58,316)	16	
Write-offs					(3)	3	(3)	3	
Changes of cash flows resulting in restructuring due to financial difficulties	-	(4)	-	-	-	-	-	(4)	
Changes in models' credit risk parameters during the period		10		-		(1)	-	9	
Changes in model/ methodology		-		-		-	-	-	
Changes in scope	(180)	-	-	-	-	-	(180)	-	
Other[4]	(731)	6	(2)	-	(31)	26	(764)	32	
Total	**91,338**	**(25)**	**61**	**-**	**405**	**(356)**	**91,805**	**(381)**	**91,424**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance)[3]	1,364		-		2		1,366		
BALANCE AT 31 DECEMBER 2020	**92,702**	**(25)**	**61**	**-**	**407**	**(356)**	**93,171**	**(381)**	**92,790**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

(1) *Transfers to Bucket 3 correspond to outstanding amounts initially classified as Bucket 1 which, during the year, were downgraded directly to Bucket 3, or to Bucket 2 and later to Bucket 3.*

(2) *Originations in Bucket 2 could include some originated loans in Bucket 1 reclassified in Bucket 2 during the period.*

(3) *Includes the impacts of fair value adjustments of micro-hedged instruments, the impacts relating to the use of the EIR method (notably the amortisation of premiums/discounts), the impacts of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset), the changes in related receivables and in the currency impact.*

(4) *The items in the "Others" line are mainly translation adjustments and reclassifications under IFRS 5.*

Financial assets at amortised cost: loans and receivables due from customers

	Performing assets								
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)		Credit-impaired assets (Bucket 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 2019	**360,437**	**(743)**	**30,825**	**(1,277)**	**13,130**	**(7,192)**	**404,392**	**(9,212)**	**395,180**
Transfers between buckets during the period	**(13,335)**	**(20)**	**9,828**	**22**	**3,506**	**(1,273)**	**-**	**(1,270)**	
Transfers from Bucket 1 to Bucket 2	(22,199)	59	22,199	(478)			-	(418)	
Return from Bucket 2 to Bucket 1	10,346	(91)	(10,346)	287	-	-	-	196	
Transfers to Bucket 3[1]	(1,582)	13	(2,372)	238	3,953	(1,376)	-	(1,125)	
Return from Bucket 3 to Bucket 2/Bucket 1	100	(1)	347	(25)	(447)	103	-	77	
Total after transfers	**347,102**	**(765)**	**40,653**	**(1,252)**	**16,636**	**(8,465)**	**404,392**	**(10,482)**	**393,911**
Changes in gross carrying amounts and loss allowances	**16,359**	**(154)**	**(1,440)**	**(472)**	**(4,044)**	**1,528**	**10,875**	**902**	
New financial production: purchase, granting, origination…[2][4]	204,892	(657)	11,317	(796)			216,209	(1,453)	
Derecognition: disposal, repayment, maturity…	(181,558)	482	(11,639)	741	(1,716)	431	(194,913)	1,655	
Write-offs					(2,012)	1,879	(2,012)	1,879	
Changes of cash flows resulting in restructuring due to financial difficulties	(1)	-	(10)	3	(16)	4	(27)	6	
Changes in models' credit risk parameters during the period[6]		(20)		(497)		(1,049)	-	(1,566)	
Changes in model/methodology		-		17		-	-	17	
Changes in scope	272	(3)	28	(3)	40	(31)	340	(37)	
Other[7]	(7,246)	44	(1,136)	63	(340)	294	(8,722)	401	
Total	**363,461**	**(919)**	**39,213**	**(1,724)**	**12,592**	**(6,937)**	**415,267**	**(9,580)**	**405,686**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance)[3]	(565)		3		812		250		
BALANCE AT 31 DECEMBER 2020[5]	**362,896**	**(919)**	**39,216**	**(1,724)**	**13,404**	**(6,937)**	**415,517**	**(9,580)**	**405,937**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

(1) Transfers to Bucket 3 correspond to outstanding amounts initially classified as Bucket 1 which, during the year, were downgraded directly to Bucket 3, or to Bucket 2 and later to Bucket 3.

(2) Originations in Bucket 2 could include some originated loans in Bucket 1 reclassified in Bucket 2 during the period.

(3) Includes the impacts of fair value adjustments of micro-hedged instruments, the impacts relating to the use of the EIR method (notably the amortisation of premiums/discounts), the impacts of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset), the changes in accrued interests.

(4) At 31 December 2020, the amount of French state-guaranteed loans (SGL) granted to customers of the Group as part of measures to support the economy in the wake of the COVID-19 health crisis amounted to €9.5 billion.

(5) Outstanding loans to customers in France with non-contractual due date postponements amounted to €16.6 billion in 2020, including €0.9 billion still outstanding as at 31 December 2020 at Crédit Agricole S.A. level.

(6) Concerning Bucket 3 – this line corresponds to the change in the assessment of the credit risk on files already in default.

(7) The items in the "Others" line are mainly translation adjustments and reclassifications under IFRS 5.

Refer to the glossary on page 681 for the definition of technical terms.

Financial assets at fair value through other comprehensive income: debt securities

	Performing assets							
	Assets subject to 12-month ECL (Bucket 1)		Assets subject to lifetime ECL (Bucket 2)		Credit-impaired assets (Bucket 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 2019	**256,189**	**(135)**	**2,614**	**(34)**	**-**	**(4)**	**258,803**	**(173)**
Transfers between buckets during the period	**(350)**	**-**	**346**	**(5)**			**(4)**	**(4)**
Transfers from Bucket 1 to Bucket 2	(357)	-	353	(5)			(4)	(4)
Return from Bucket 2 to Bucket 1	7	-	(7)	-	-	-	-	-
Transfers to Bucket 3[1]	-	-	-	-	-	-	-	-
Return from Bucket 3 to Bucket 2/Bucket 1	-	-	-	-	-	-	-	-
Total after transfers	**255,839**	**(135)**	**2,960**	**(39)**	**-**	**(4)**	**258,799**	**(177)**
Changes in gross carrying amounts and loss allowances	**6,692**	**43**	**(598)**	**-**	**-**	**-**	**6,094**	**42**
Fair value revaluation during the period	3,605		(34)		-		3,572	
New financial production: purchase, granting, origination…[2]	40,660	(29)	8,353	(9)			49,013	(38)
Derecognition: disposal, repayment, maturity…	(37,171)	29	(8,869)	8	-	-	(46,040)	36
Write-offs					-	-	-	-
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	4	4	-	-	3	3
Changes in models' credit risk parameters during the period		43		(3)		-	-	39
Changes in model/methodology		-		-		-	-	-
Changes in scope	7	-	-	-	-	-	7	-
Other[4]	(409)	-	(52)	-	-	-	(461)	2
Total	**262,531**	**(92)**	**2,362**	**(39)**	**-**	**(4)**	**264,893**	**(135)**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance)[3]	(1,021)		(16)		-		(1,037)	
BALANCE AT 31 DECEMBER 2020	**261,510**	**(92)**	**2,346**	**(39)**	**-**	**(4)**	**263,856**	**(135)**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-	

(1) *Transfers to Bucket 3 correspond to outstanding amounts initially classified as Bucket 1 which, during the year, were downgraded directly to Bucket 3, or to Bucket 2 and later to Bucket 3.*
(2) *Originations in Bucket 2 could include some originated loans in Bucket 1 reclassified in Bucket 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 and reclassifications under IFRS 5.*

Financing commitments (excluding Crédit Agricole internal operations)

	Performing commitments								
	Commitments subject to 12-month ECL (Bucket 1)		Commitments subject to lifetime ECL (Bucket 2)		Provisioned commitments (Bucket 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 2019	**148,020**	**(169)**	**5,097**	**(181)**	**481**	**(58)**	**153,598**	**(409)**	**153,189**
Transfers between buckets during the period	**(3,764)**	**7**	**3,687**	**(52)**	**78**	**(27)**	**-**	**(71)**	
Transfers from Bucket 1 to Bucket 2	(4,745)	19	4,745	(89)			-	(69)	
Return from Bucket 2 to Bucket 1	1,020	(12)	(1,020)	32			-	20	
Transfers to Bucket 3[1]	(61)	-	(62)	5	123	(28)	-	(23)	
Return from Bucket 3 to Bucket 2/Bucket 1	22	-	24	-	(45)	1	-	1	
Total after transfers	**144,256**	**(162)**	**8,784**	**(233)**	**559**	**(85)**	**153,598**	**(480)**	**153,117**
Changes in commitments and loss allowances	**11,216**	**(19)**	**(684)**	**13**	**(242)**	**27**	**10,291**	**21**	
New commitments given[2]	105,568	(322)	2,981	(332)			108,549	(655)	
End of commitments	(96,887)	294	(3,343)	375	(344)	44	(100,573)	714	
Write-offs					(1)	2	(1)	2	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		9		(42)		(20)		(53)	
Changes in model/ methodology		-		-		-		-	
Changes in scope	604	-	2	-	-	-	606	-	
Other[3]	1,931	-	(324)	12	103	1	1,710	13	
BALANCE AT 31 DECEMBER 2020	**155,472**	**(181)**	**8,100**	**(220)**	**317**	**(58)**	**163,889**	**(459)**	**163,430**

(1) Transfers to Bucket 3 correspond to outstanding amounts initially classified as Bucket 1 which, during the year, were downgraded directly to Bucket 3, or to Bucket 2 and later to Bucket 3.

(2) New commitments given in Bucket 2 could include some originations in Bucket 1 reclassified in Bucket 2 during the period.

(3) The items in the "Others" line are mainly translation adjustments and reclassifications under IFRS 5.

Refer to the glossary on page 681 for the definition of technical terms.

Guarantee commitments (excluding Crédit Agricole internal operations)

(in millions of euros)	Performing commitments						TOTAL		
	Commitments subject to 12-month ECL (Bucket 1)		Commitments subject to lifetime ECL (Bucket 2)		Provisioned commitments (Bucket 3)				
	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 2019	**80,129**	**(48)**	**4,578**	**(112)**	**3,094**	**(339)**	**87,800**	**(498)**	**87,304**
Transfers between buckets during the period	**(771)**	**(10)**	**691**	**9**	**80**	**(10)**	**-**	**(11)**	
Transfers from Bucket 1 to Bucket 2	(1,223)	3	1,223	(9)			-	(6)	
Return from Bucket 2 to Bucket 1	495	(13)	(495)	17			-	4	
Transfers to Bucket 3[1]	(107)	-	(38)	1	145	(15)	-	(14)	
Return from Bucket 3 to Bucket 2/Bucket 1	64	-	1	-	(65)	5	-	5	
Total after transfers	**79,358**	**(58)**	**5,269**	**(105)**	**3,174**	**(349)**	**87,801**	**(512)**	**87,289**
Changes in commitments and loss allowances	**(1,406)**	**(5)**	**(584)**	**(22)**	**(76)**	**88**	**(2,066)**	**61**	
New commitments given[2]	48,164	(96)	3,298	(97)			51,462	(193)	
End of commitments	(44,708)	85	(3,717)	75	(737)	170	(49,162)	330	
Write-offs	-	-	-	-	(14)	14	(14)	14	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		6		(3)		(109)	-	(106)	
Changes in model/ methodology		-		-		-	-	-	
Changes in scope	-	-	-	-	-	-	-	-	
Other[3]	(4,862)	-	(165)	3	675	13	(4,352)	16	
BALANCE AT 31 DECEMBER 2020	**77,952**	**(63)**	**4,685**	**(127)**	**3,098**	**(261)**	**85,735**	**(451)**	**85,284**

(1) Transfers to Bucket 3 correspond to outstanding amounts initially classified as Bucket 1 which, during the year, were downgraded directly to Bucket 3, or to Bucket 2 and later to Bucket 3.
(2) New commitments given in Bucket 2 could include some originations in Bucket 1 reclassified in Bucket 2 during the period.
(3) The items in the "Others" line are mainly translation adjustments and reclassifications under IFRS 5.

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 agreements 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 (Bucket 3).

Financial assets not subject to impairment requirements (accounted at fair value through profit or loss)

	31/12/2020					
		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)	**327,258**	**-**	**3,864**	**702**	**112**	**-**
Held for trading financial assets	255,747	-	-	691	-	-
Debt instruments that do not meet the conditions of the "SPPI" test	71,510	-	3,864	11	112	-
Financial assets designated at fair value through profit or loss	1	-	-	-	-	-
Hedging derivative Instruments	**21,745**	**-**	**-**	**1,329**	**-**	**-**
TOTAL	**349,003**	**-**	**3,864**	**2,031**	**112**	**-**

	31/12/2019					
		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)	**296,409**	**-**	**3,327**	**1,798**	**79**	**-**
Held for trading financial assets	223,820	-	-	1,769	-	-
Debt instruments that do not meet the conditions of the "SPPI" test	72,588	-	3,327	29	79	-
Financial assets designated at fair value through profit or loss	1	-	-	-	-	-
Hedging derivative Instruments	**19,368**	**-**	**-**	**1,298**	**-**	**-**
TOTAL	**315,777**	**-**	**3,327**	**3,096**	**79**	**-**

Refer to the glossary on page 681 for the definition of technical terms.

Financial assets subject to impairment requirements

(in millions of euros)	31/12/2020					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Financial guarantees	Credit derivatives
Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	**263,856**	**-**	**-**	**-**	**-**	**-**
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	**263,856**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Financial assets at amortised cost	**583,521**	**12,680**	**81,488**	**9,996**	**132,740**	**700**
of which impaired assets at the reporting date	6,525	76	604	119	1,426	-
Loans and receivables due from credit institutions (excluding Crédit Agricole internal transactions)	**92,790**	**4,632**	**-**	**921**	**3,190**	**700**
of which impaired assets at the reporting date	50	-	-	-	28	-
Loans and receivables due from customers	**405,937**	**8,048**	**81,488**	**9,075**	**129,550**	**-**
of which impaired assets at the reporting date	6,470	76	604	119	1,398	-
Debt securities	**84,794**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	5	-	-	-	-	-
TOTAL	**847,377**	**12,680**	**81,488**	**9,996**	**132,740**	**700**
of which impaired assets at the reporting date	6,525	76	604	119	1,426	-

	31/12/2019					
		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	**258,803**	**-**	**-**	**-**	**-**	**-**
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	**258,803**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Financial assets at amortised cost	**571,730**	**12,087**	**77,551**	**7,564**	**114,228**	**288**
of which impaired assets at the reporting date	6,066	103	703	116	887	-
Loans and receivables due from credit institutions (excluding Crédit Agricole internal transactions)	**104,030**	**4,030**	**-**	**81**	**5,157**	**-**
of which impaired assets at the reporting date	115	-	-	-	77	-
Loans and receivables due from customers	**395,181**	**8,057**	**77,551**	**7,483**	**109,071**	**288**
of which impaired assets at the reporting date	5,942	103	703	116	810	-
Debt securities	**72,519**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	9	-	-	-	-	-
TOTAL	**830,533**	**12,087**	**77,551**	**7,564**	**114,228**	**288**
of which impaired assets at the reporting date	6,066	103	703	116	887	-

Off-balance sheet commitments subject to provision requirements

	31/12/2020					
		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 (excluding Crédit Agricole internal transactions)	**85,284**	**-**	**37**	**408**	**4,360**	**553**
of which provisioned commitments at the reporting date	2,837	-	-	93	14	-
Financing commitments (excluding Crédit Agricole internal transactions)	**163,430**	**-**	**943**	**918**	**17,177**	**7,827**
of which provisioned commitments at the reporting date	259	-	1	5	12	-
TOTAL	**248,714**	**-**	**980**	**1,326**	**21,536**	**8,380**
of which provisioned commitments at the reporting date	3,096	-	1	98	26	-

Refer to the glossary on page 681 for the definition of technical terms.

	31/12/2019					
		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 (excluding Crédit Agricole internal transactions)	**87,302**	**-**	**23**	**434**	**5,980**	**784**
of which provisioned commitments at the reporting date	2,755	-	-	64	14	-
Financing commitments (excluding Crédit Agricole internal transactions)	**153,187**	**2**	**1,146**	**1,173**	**17,315**	**7,785**
of which provisioned commitments at the reporting date	423	-	2	13	61	-
TOTAL	**240,490**	**2**	**1,169**	**1,606**	**23,295**	**8,569**
of which provisioned commitments at the reporting date	3,178	-	2	76	75	-

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 entity 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 (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)
Loans and receivables due from credit institutions	**9**	**-**	**-**
Gross carrying amount before modification	9	-	-
Net gains (losses) resulting from the modification	-	-	-
Loans and receivables due from customers	**7**	**1,189**	**649**
Gross carrying amount before modification	8	1,199	665
Net gains (losses) resulting from the modification	(1)	(10)	(16)
Debt securities	**-**	**4**	**-**
Gross carrying amount before modification	-	-	-
Net gains (losses) resulting from the modification	-	4	-

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 Bucket 2 (performing assets) or Bucket 3 (impaired assets) may go back into Bucket 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 *(Bucket 1)*
Restructured assets previously classified in *Bucket 2* or Bucket 3 and *reclassified* in Bucket 1 during the period	
Loans and receivables due from credit institutions	-
Loans and receivables due from customers	17
Debt securities	-
TOTAL	**17**

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 "Risk Factors and Pillar 3 – Credit Risk Management".

Financial assets at amortised cost (excluding Crédit Agricole internal transactions)

		At 31 December 2020			
		Carrying amount			
		Performing assets			
(in millions of euros)	Credit risk rating grades	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	TOTAL
Retail customers	PD ≤ 0,5%	128,413	628	-	**129,041**
	0,5% < PD ≤ 2%	24,965	1,498	-	**26,463**
	2% < PD ≤ 20%	7,599	8,324	-	**15,923**
	20% < PD < 100%	-	970	-	**970**
	PD = 100%	-	-	4,703	**4,703**
Total Retail customers		**160,977**	**11,420**	**4,703**	**177,100**
Non-retail customers	PD ≤ 0,6%	326,390	5,243	-	**331,633**
	0,6% < PD < 12%	52,697	17,483	-	**70,180**
	12% ≤ PD < 100%	-	5,494	-	**5,494**
	PD = 100%	-	-	9,156	**9,156**
Total Non-retail customers		**379,087**	**28,220**	**9,156**	**416,463**
Impairment		(980)	(1,729)	(7,333)	**(10,042)**
TOTAL		**539,084**	**37,911**	**6,526**	**583,521**

		At 31 December 2019[1]			
		Carrying amount			
		Performing assets			
(in millions of euros)	Credit risk rating grades	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	TOTAL
Retail customers	PD ≤ 0,5%	94,933	339	-	**95,272**
	0,5% < PD ≤ 2%	38,733	844	-	**39,577**
	2% < PD ≤ 20%	20,707	11,430	-	**32,137**
	20% < PD < 100%	-	1,479	-	**1,479**
	PD = 100%	-	-	4,623	**4,623**
Total Retail customers		**154,373**	**14,092**	**4,623**	**173,088**
Non-retail customers	PD ≤ 0,6%	334,149	4,712	-	**338,861**
	0,6% < PD < 12%	48,015	7,993	-	**56,008**
	12% ≤ PD < 100%	-	4,434	-	**4,434**
	PD = 100%	-	-	9,038	**9,038**
Total Non-retail customers		**382,164**	**17,139**	**9,038**	**408,341**
Impairment		(800)	(1,287)	(7,595)	**(9,682)**
TOTAL		**535,737**	**29,944**	**6,066**	**571,747**

(1) The 2019 amounts have been adjusted to take into account the eliminations of Credit Agricole's internal operations and in line with the breakdown principles used in 2020.

Refer to the glossary on page 681 for the definition of technical terms.

Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss

		At 31 December 2020			
		Carrying amount			
		Performing assets			
(in millions of euros)	Credit risk rating grades	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 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%	260,838	1,156	-	**261,994**
	0,6% < PD < 12%	672	1,190	-	**1,862**
	12% ≤ PD < 100%	-	-	-	-
	PD = 100%	-	-	-	-
Total Non-retail customers		**261,510**	**2,346**	**-**	**263,856**
TOTAL		**261,510**	**2,346**	**-**	**263,856**

		At 31 December 2019			
		Carrying amount			
		Performing assets			
(in millions of euros)	Credit risk rating grades	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	TOTAL
Retail customers	PD ≤ 0,5%	49	3	-	**52**
	0,5% < PD ≤ 2%	-	-	-	-
	2% < PD ≤ 20%	-	-	-	-
	20% < PD < 100%	-	-	-	-
	PD = 100%	-	-	-	-
Total Retail customers		49	3	-	**52**
Non-retail customers	PD ≤ 0,6%	255,790	1,188	-	**256,978**
	0,6% < PD < 12%	349	1,424	-	**1,773**
	12% ≤ PD < 100%	-	-	-	-
	PD = 100%	-	-	-	-
Total Non-retail customers		256,139	2,612	-	**258,751**
TOTAL		**256,188**	**2,615**	**-**	**258,803**

Financing commitments (excluding Crédit Agricole internal operations)

		At 31 December 2020			
		Amount of commitment			
		Performing commitments			
(in millions of euros)	Credit risk rating grades	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
Retail customers	PD ≤ 0,5%	15,686	76	-	**15,762**
	0,5% < PD ≤ 2%	2,553	270	-	**2,823**
	2% < PD ≤ 20%	799	411	-	**1,210**
	20% < PD < 100%	-	34	-	**34**
	PD = 100%	-	-	22	**22**
Total Retail customers		**19,038**	**791**	**22**	**19,851**
Non-retail customers	PD ≤ 0,6%	122,971	1,431	-	**124,402**
	0,6% < PD < 12%	13,463	5,032	-	**18,495**
	12% ≤ PD < 100%	-	846	-	**846**
	PD = 100%	-	-	295	**295**
Total Non-retail customers		**136,434**	**7,309**	**295**	**144,038**
Provisions(1)		(181)	(220)	(58)	**(459)**
TOTAL		**155,291**	**7,880**	**259**	**163,430**

(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 2019(2)			
		Amount of commitment			
		Performing commitments			
(in millions of euros)	Credit risk rating grades	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
Retail customers	PD ≤ 0,5%	10,880	29	-	**10,909**
	0,5% < PD ≤ 2%	4,520	63	-	**4,583**
	2% < PD ≤ 20%	3,139	825	-	**3,964**
	20% < PD < 100%	-	45	-	**45**
	PD = 100%	-	-	36	**36**
Total Retail customers		**18,539**	**962**	**36**	**19,537**
Non-retail customers	PD ≤ 0,6%	115,700	1,486	-	**117,186**
	0,6% < PD < 12%	13,780	2,006	-	**15,786**
	12% ≤ PD < 100%	-	643	-	**643**
	PD = 100%	-	-	445	**445**
Total Non-retail customers		**129,480**	**4,135**	**445**	**134,060**
Provisions(1)		(171)	(181)	(58)	**(410)**
TOTAL		**147,848**	**4,916**	**423**	**153,187**

(1) *Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.*
(2) *The 2019 amounts have been adjusted in line with the breakdown principles used in 2020.*

Refer to the glossary on page 681 for the definition of technical terms.

Guarantee commitments (excluding Crédit Agricole internal operations)

		At 31 December 2020			
		Amount of commitment			
		Performing commitments			
(in millions of euros)	Credit risk rating grades	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
Retail customers	PD ≤ 0,5%	910	36	-	**946**
	0,5% < PD ≤ 2%	81	1	-	**82**
	2% < PD ≤ 20%	53	24	-	**77**
	20% < PD < 100%	-	1	-	**1**
	PD = 100%	-	-	87	**87**
Total Retail customers		**1,044**	**62**	**87**	**1,193**
Non-retail customers	PD ≤ 0,6%	71,160	1,831	-	**72,991**
	0,6% < PD < 12%	5,748	1,229	-	**6,977**
	12% ≤ PD < 100%	-	1,563	-	**1,563**
	PD = 100%	-	-	3,011	**3,011**
Total Non-retail customers		**76,908**	**4,623**	**3,011**	**84,542**
Provisions(1)		(63)	(127)	(261)	**(451)**
TOTAL		**77,889**	**4,558**	**2,837**	**85,284**

(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 2019(2)			
		Amount of commitment			
		Performing commitments			
(in millions of euros)	Credit risk rating grades	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
Retail customers	PD ≤ 0,5%	881	18	-	**899**
	0,5% < PD ≤ 2%	160	-	-	**160**
	2% < PD ≤ 20%	19	23	-	**42**
	20% < PD < 100%	-	-	-	**-**
	PD = 100%	-	-	83	**83**
Total Retail customers		**1,060**	**41**	**83**	**1,184**
Non-retail customers	PD ≤ 0,6%	73,213	2,158	-	**75,371**
	0,6% < PD < 12%	5,855	1,154	-	**7,009**
	12% ≤ PD < 100%	-	1,226	-	**1,226**
	PD = 100%	-	-	3,011	**3,011**
Total Non-retail customers		**79,068**	**4,538**	**3,011**	**86,617**
Provisions(1)		(47)	(113)	(339)	**(499)**
TOTAL		**80,081**	**4,466**	**2,755**	**87,302**

(1) *Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.*

(2) *The 2019 amounts have been adjusted in line with the breakdown principles used in 2020.*

Credit risk concentrations by customer type

Financial assets designated at fair value through profit or loss by customer type

	31/12/2020			31/12/2019		
		Amount of changes in fair value resulting from changes in credit risk			Amount of changes in fair value resulting from changes in credit risk	
(in millions of euros)	Carrying amount	During the period	Cumulative	Carrying amount	During the period	Cumulative
General administration	-	-	-	-	-	-
Central banks	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-
Large corporates	1	-	-	1	-	-
Retail customers	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	**1**	**-**	**-**	**1**	**-**	**-**

Financial assets at amortised cost by customer type (excluding Crédit Agricole internal transactions)

	At 31 December 2020			
	Carrying amount			
	Performing assets			
(in millions of euros)	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	TOTAL
General administration	44,308	739	61	**45,108**
Central banks	4,924	-	-	**4,924**
Credit institutions	113,078	61	407	**113,546**
Large corporates	216,776	27,420	8,688	**252,884**
Retail customers	160,978	11,420	4,703	**177,101**
Impairment	(980)	(1,729)	(7,333)	**(10,042)**
TOTAL	**539,084**	**37,911**	**6,526**	**583,521**

	At 31 December 2019			
	Carrying amount			
	Performing assets			
(in millions of euros)	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	TOTAL
General administration	38,062	179	112	**38,353**
Central banks	26,066	-	-	**26,066**
Credit institutions	96,525	27	505	**97,057**
Large corporates	221,511	16,933	8,421	**246,865**
Retail customers	154,373	14,092	4,623	**173,088**
Impairment	(800)	(1,287)	(7,595)	**(9,682)**
TOTAL	**535,737**	**29,944**	**6,066**	**571,747**

Refer to the glossary on page 681 for the definition of technical terms.

Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss by customer type

	At 31 December 2020			
	Carrying amount			
	Performing assets			
(in millions of euros)	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	TOTAL
General administration	124,162	693	-	**124,855**
Central banks	372	378	-	**750**
Credit institutions	65,091	4	-	**65,095**
Large corporates	71,885	1,271	-	**73,156**
Retail customers	-	-	-	**-**
TOTAL	**261,510**	**2,346**	**-**	**263,856**

	At 31 December 2019			
	Carrying amount			
	Performing assets			
	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	TOTAL
General administration	116,377	700	-	**117,077**
Central banks	384	544	-	**928**
Credit institutions	67,951	4	-	**67,955**
Large corporates	71,428	1,363	-	**72,791**
Retail customers	49	3	-	**52**
TOTAL	**256,189**	**2,614**	**-**	**258,803**

Due to customers by customer type

(in millions of euros)	31/12/2020	31/12/2019
General administration	10,550	25,015
Large corporates	279,949	219,466
Retail customers	428,889	402,433
TOTAL AMOUNT DUE TO CUSTOMERS	**719,388**	**646,914**

Financing commitments by customer type (excluding Crédit Agricole internal transactions)

	At 31 December 2020			
	Amount of commitment			
	Performing commitments			
(in millions of euros)	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
General administration	3,113	748	-	**3,861**
Central banks	-	-	-	**-**
Credit institutions	15,009	-	-	**15,009**
Large corporates	118,311	6,561	295	**125,167**
Retail customers	19,039	791	22	**19,852**
Provisions[1]	(181)	(220)	(58)	**(459)**
TOTAL	**155,291**	**7,880**	**259**	**163,430**

(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 2019			
	Amount of commitment			
	Performing commitments			
	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
General administration	2,669	214	31	**2,914**
Central banks	94	-	-	**94**
Credit institutions	12,144	-	1	**12,145**
Large corporates	114,573	3,921	414	**118,908**
Retail customers	18,540	961	35	**19,536**
Provisions[1]	(171)	(181)	(58)	**(410)**
TOTAL	**147,849**	**4,915**	**423**	**153,187**

(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 (excluding Crédit Agricole internal transactions)

(in millions of euros)	At 31 December 2020			
	Amount of commitment			
	Performing commitments			
	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
General administration	230	-	-	**230**
Central banks	465	-	-	**465**
Credit institutions	7,568	32	23	**7,623**
Large corporates	68,645	4,591	2,987	**76,223**
Retail customers	1,044	62	88	**1,194**
Provisions[1]	(63)	(127)	(261)	**(451)**
TOTAL	**77,889**	**4,558**	**2,837**	**85,284**

(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 2019			
	Amount of commitment			
	Performing commitments			
	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
General administration	291	6	-	**297**
Central banks	511	-	-	**511**
Credit institutions	7,874	28	47	**7,949**
Large corporates	70,393	4,504	2,964	**77,861**
Retail customers	1,060	41	83	**1,184**
Provisions[1]	(48)	(113)	(339)	**(500)**
TOTAL	**80,081**	**4,466**	**2,755**	**87,302**

(1) *Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.*

Refer to the glossary on page 681 for the definition of technical terms.

Credit risk concentrations by geographical area

Financial assets at amortised cost by geographical area (excluding Crédit Agricole internal transactions)

	At 31 December 2020			
	Carrying amount			
	Performing assets			
(in millions of euros)	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	TOTAL
France (including overseas departments and territories)	286,538	18,914	4,890	**310,342**
Other European Union countries	146,708	9,078	5,548	**161,334**
Other European countries	17,698	712	259	**18,669**
North America	28,732	3,351	295	**32,378**
Central and South America	6,870	2,075	1,211	**10,156**
Africa and Middle East	17,025	2,492	1,126	**20,643**
Asia-Pacific (ex. Japan)	30,388	1,822	299	**32,509**
Japan	4,328	1,196	231	**5,755**
Supranational organisations	1,777	-	-	**1,777**
Impairment	(980)	(1,729)	(7,333)	**(10,042)**
TOTAL	**539,084**	**37,911**	**6,526**	**583,521**

	At 31 December 2019			
	Carrying amount			
	Performing assets			
(in millions of euros)	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	TOTAL
France (including overseas departments and territories)	273,736	15,968	4,800	**294,504**
Other European Union countries	142,978	7,899	6,015	**156,892**
Other European countries	18,480	750	265	**19,495**
North America	34,898	964	392	**36,254**
Central and South America	9,465	1,219	692	**11,376**
Africa and Middle East	17,289	2,228	1,241	**20,758**
Asia-Pacific (ex. Japan)	31,083	1,717	256	**33,056**
Japan	5,938	486	-	**6,424**
Supranational organisations	2,670	-	-	**2,670**
Impairment	(800)	(1,287)	(7,595)	**(9,682)**
TOTAL	**535,737**	**29,944**	**6,066**	**571,747**

Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss by geographical area

	At 31 December 2020			
	Carrying amount			
	Performing assets			
(in millions of euros)	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	TOTAL
France (including overseas departments and territories)	129,904	747	-	**130,651**
Other European Union countries	97,281	952	-	**98,233**
Other European countries	3,784	-	-	**3,784**
North America	20,465	6	-	**20,471**
Central and South America	371	-	-	**371**
Africa and Middle East	690	641	-	**1,331**
Asia-Pacific (ex. Japan)	5,203	-	-	**5,203**
Japan	1,432	-	-	**1,432**
Supranational organisations	2,380	-	-	**2,380**
TOTAL	**261,510**	**2,346**	**-**	**263,856**

	At 31 December 2019			
	Carrying amount			
	Performing assets			
(in millions of euros)	Assets subject to 12-month ECL (Bucket 1)	Assets subject to lifetime ECL (Bucket 2)	Credit-impaired assets (Bucket 3)	TOTAL
France (including overseas departments and territories)	127,049	893	-	**127,942**
Other European Union countries	96,721	917	-	**97,638**
Other European countries	4,055	-	-	**4,055**
North America	18,695	-	-	**18,695**
Central and South America	333	-	-	**333**
Africa and Middle East	546	804	-	**1,350**
Asia-Pacific (ex. Japan)	5,522	-	-	**5,522**
Japan	634	-	-	**634**
Supranational organisations	2,634	-	-	**2,634**
TOTAL	**256,189**	**2,614**	**-**	**258,803**

Due to customers by geographical area

(in millions of euros)	31/12/2020	31/12/2019
France (including overseas departments and territories)	498,725	442,439
Other European Union countries	135,624	127,097
Other European countries	16,441	14,387
North America	22,844	14,448
Central and South America	5,464	4,435
Africa and Middle East	13,852	17,939
Asia-Pacific (ex. Japan)	13,813	12,889
Japan	12,620	13,271
Supranational organisations	5	9
TOTAL AMOUNT DUE TO CUSTOMERS	**719,388**	**646,914**

Refer to the glossary on page 681 for the definition of technical terms.

Financing commitments by geographical area (excluding Crédit Agricole internal transactions)

	At 31 December 2020			
	Amount of commitment			
	Performing commitments			
(in millions of euros)	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
France (including overseas departments and territories)	63,881	2,376	95	**66,352**
Other European Union countries	48,607	1,381	197	**50,185**
Other European countries	6,383	178	2	**6,563**
North America	22,711	2,483	3	**25,197**
Central and South America	1,941	1,231	1	**3,173**
Africa and Middle East	4,875	433	-	**5,308**
Asia-Pacific (ex. Japan)	6,205	18	20	**6,243**
Japan	869	-	-	**869**
Supranational organisations	-	-	-	**-**
Provisions[1]	(181)	(220)	(59)	**(460)**
TOTAL	**155,291**	**7,880**	**259**	**163,430**

(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 2019			
	Amount of commitment			
	Performing commitments			
(in millions of euros)	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
France (including overseas departments and territories)	57,698	1,912	152	**59,763**
Other European Union countries	41,492	1,493	163	**43,148**
Other European countries	6,565	172	69	**6,806**
North America	26,025	1,102	80	**27,207**
Central and South America	3,391	63	17	**3,471**
Africa and Middle East	5,323	240	-	**5,563**
Asia-Pacific (ex. Japan)	6,566	85	-	**6,651**
Japan	959	29	-	**988**
Supranational organisations	-	-	-	**-**
Provisions[1]	(171)	(181)	(58)	**(410)**
TOTAL	**147,849**	**4,915**	**423**	**153,187**

(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 geographical area (excluding Crédit Agricole internal transactions)

	At 31 December 2020			
	Amount of commitment			
	Performing commitments			
(in millions of euros)	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
France (including overseas departments and territories)	34,143	1,040	353	**35,536**
Other European Union countries	16,272	1,698	2,611	**20,581**
Other European countries	3,254	127	-	**3,381**
North America	11,447	1,268	52	**12,767**
Central and South America	1,341	2	18	**1,361**
Africa and Middle East	2,523	108	46	**2,677**
Asia-Pacific (ex. Japan)	6,945	334	18	**7,297**
Japan	2,027	108	-	**2,135**
Supranational organisations	-	-	-	**-**
Provisions[1]	(63)	(127)	(261)	**(451)**
TOTAL	**77,889**	**4,558**	**2,837**	**85,284**

(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 2019			
	Amount of commitment			
	Performing commitments			
(in millions of euros)	Commitments subject to 12-month ECL (Bucket 1)	Commitments subject to lifetime ECL (Bucket 2)	Provisioned commitments (Bucket 3)	TOTAL
France (including overseas departments and territories)	35,531	1,133	459	**37,123**
Other European Union countries	16,054	1,626	2,132	**19,814**
Other European countries	4,346	697	-	**5,044**
North America	10,243	635	397	**11,275**
Central and South America	1,059	1	29	**1,089**
Africa and Middle East	3,318	66	76	**3,461**
Asia-Pacific (ex. Japan)	6,732	235	-	**6,966**
Japan	2,845	185	-	**3,031**
Supranational organisations	-	-	-	**-**
Provisions[1]	(47)	(113)	(339)	**(500)**
TOTAL	**80,082**	**4,466**	**2,755**	**87,302**

(1) *Expected or proven losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities on the balance sheet.*

Refer to the glossary on page 681 for the definition of technical terms.

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 31/12/2020								
	Assets without significant increase in credit risk since initial recognition (Bucket 1)			Assets with significant increase in credit risk since initial recognition but not impaired (Bucket 2)			Credit-impaired assets (Bucket 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	**577**	**-**	**-**	**-**	**313**	**-**	**-**	**-**	**-**
General administration	-	-	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-	-
Large corporates	577	-	-	-	313	-	-	-	-
Retail customers	-	-	-	-	-	-	-	-	-
Loans and receivables	**1,988**	**320**	**-**	**3,126**	**860**	**13**	**148**	**253**	**3,810**
General administration	20	45	-	19	1	-	-	-	32
Central banks	-	-	-	-	-	-	-	-	-
Credit institutions	6	65	-	-	-	-	-	-	41
Large corporates	1,213	147	-	1,253	425	10	31	145	2,501
Retail customers	749	63	-	1,854	434	3	117	108	1,236
TOTAL	**2,565**	**320**	**-**	**3,126**	**1,173**	**13**	**148**	**253**	**3,810**

	Carrying amount at 31/12/2019								
	Assets without significant increase in credit risk since initial recognition (Bucket 1)			Assets with significant increase in credit risk since initial recognition but not impaired (Bucket 2)			Credit-impaired assets (Bucket 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	**914**	**-**	**-**	**-**	**357**	**-**	**-**	**-**	**-**
General administration	-	-	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-	-
Large corporates	914	-	-	-	357	-	-	-	-
Retail customers	-	-	-	-	-	-	-	-	-
Loans and receivables	**2,793**	**1,058**	**-**	**1,444**	**1,073**	**9**	**129**	**139**	**4,014**
General administration	107	69	-	5	3	-	-	-	45
Central banks	-	-	-	-	-	-	-	-	-
Credit institutions	43	100	-	-	-	-	-	-	59
Large corporates	1,667	760	-	426	468	5	39	24	2,453
Retail customers	976	129	-	1,013	602	4	90	115	1,457
TOTAL	**3,708**	**1,058**	**-**	**1,444**	**1,430**	**9**	**129**	**139**	**4,014**

3.2 MARKET RISK

(See chapter on "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

	31/12/2020						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	**-**	**-**	**-**	**3,956**	**3,993**	**13,318**	**21,267**
Futures	-	-	-	-	-	-	**-**
FRAs	-	-	-	-	-	-	**-**
Interest rate swaps	-	-	-	3,952	3,987	13,312	**21,251**
Interest rate options	-	-	-	-	-	-	**-**
Caps, floors, collars	-	-	-	4	6	6	**16**
Other options	-	-	-	-	-	-	**-**
Currency instruments	**-**	**-**	**-**	**142**	**94**	**14**	**250**
Currency futures	-	-	-	142	94	14	**250**
Currency options	-	-	-	-	-	-	**-**
Other instruments	**-**	**-**	**-**	**15**	**-**	**-**	**15**
Other	-	-	-	15	-	-	**15**
Subtotal	**-**	**-**	**-**	**4,113**	**4,087**	**13,332**	**21,532**
Forward currency transactions	-	-	-	213	-	-	**213**
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – ASSETS	**-**	**-**	**-**	**4,326**	**4,087**	**13,332**	**21,745**

	31/12/2019						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	**-**	**-**	**-**	**2,581**	**4,000**	**12,033**	**18,614**
Futures	-	-	-	-	-	-	**-**
FRAs	-	-	-	-	-	-	**-**
Interest rate swaps	-	-	-	2,553	3,992	12,025	**18,570**
Interest rate options	-	-	-	-	-	-	**-**
Caps, floors, collars	-	-	-	28	8	8	**44**
Other options	-	-	-	-	-	-	**-**
Currency instruments	**-**	**-**	**-**	**150**	**56**	**13**	**219**
Currency futures	-	-	-	150	56	13	**219**
Currency options	-	-	-	-	-	-	**-**
Other instruments	**-**	**-**	**-**	**36**	**-**	**-**	**36**
Other	-	-	-	36	-	-	**36**
Subtotal	**-**	**-**	**-**	**2,767**	**4,056**	**12,046**	**18,869**
Forward currency transactions	-	-	-	498	1	-	**499**
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – ASSETS	**-**	**-**	**-**	**3,265**	**4,057**	**12,046**	**19,368**

Refer to the glossary on page 681 for the definition of technical terms.

Hedging derivative instruments – fair value of liabilities

	31/12/2020						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	**-**	**-**	**-**	**1,932**	**4,813**	**7,827**	**14,572**
Futures	-	-	-	-	-	-	-
FRAs	-	-	-	-	-	-	-
Interest rate swaps	-	-	-	1,929	4,806	7,823	**14,558**
Interest rate options	-	-	-	-	-	-	-
Caps, floors, collars	-	-	-	3	7	4	**14**
Other options	-	-	-	-	-	-	-
Currency instruments	**-**	**-**	**-**	**141**	**10**	**24**	**175**
Currency futures	-	-	-	141	10	24	**175**
Currency options	-	-	-	-	-	-	-
Other instruments	**-**	**-**	**-**	**35**	**-**	**-**	**35**
Other	-	-	-	35	-	-	**35**
Subtotal	**-**	**-**	**-**	**2,108**	**4,823**	**7,851**	**14,782**
Forward currency transactions	-	-	-	436	-	-	**436**
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – LIABILITIES	**-**	**-**	**-**	**2,544**	**4,823**	**7,851**	**15,218**

	31/12/2019						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	**-**	**-**	**-**	**1,664**	**3,985**	**7,174**	**12,823**
Futures	-	-	-	-	-	-	-
FRAs	-	-	-	-	-	-	-
Interest rate swaps	-	-	-	1,664	3,977	7,174	**12,815**
Interest rate options	-	-	-	-	-	-	-
Caps, floors, collars	-	-	-	-	8	-	**8**
Other options	-	-	-	-	-	-	-
Currency instruments	**-**	**-**	**-**	**154**	**3**	**16**	**173**
Currency futures	-	-	-	154	3	16	**173**
Currency options	-	-	-	-	-	-	-
Other instruments	**-**	**-**	**-**	**24**	**-**	**-**	**24**
Other	-	-	-	24	-	-	**24**
Subtotal	**-**	**-**	**-**	**1,842**	**3,988**	**7,190**	**13,020**
Forward currency transactions	-	-	-	273	-	-	**273**
TOTAL FAIR VALUE OF HEDGING DERIVATIVES – LIABILITIES	**-**	**-**	**-**	**2,115**	**3,988**	**7,190**	**13,293**

Derivative instruments held for trading – fair value of assets

	31/12/2020						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	**5**	**-**	**-**	**4,957**	**16,993**	**53,300**	**75,255**
Futures	-	-	-	-	-	-	**-**
FRAs	-	-	-	3	-	-	**3**
Interest rate swaps	-	-	-	4,231	13,651	38,590	**56,472**
Interest rate options	-	-	-	159	2,233	13,430	**15,822**
Caps, floors, collars	-	-	-	564	1,109	1,280	**2,953**
Other options	5	-	-	-	-	-	**5**
Currency instruments and gold	**-**	**-**	**-**	**6,640**	**3,538**	**3,904**	**14,082**
Currency futures	-	-	-	4,349	2,885	3,566	**10,800**
Currency options	-	-	-	2,291	653	338	**3,282**
Other instruments	**724**	**671**	**128**	**1,812**	**5,444**	**1,956**	**10,735**
Equity and index derivatives	724	671	128	1,511	5,298	1,066	**9,398**
Precious metal derivatives	-	-	-	96	2	-	**98**
Commodities derivatives	-	-	-	-	-	-	**-**
Credit derivatives	-	-	-	18	80	51	**149**
Other	-	-	-	187	64	839	**1,090**
Subtotal	**729**	**671**	**128**	**13,409**	**25,975**	**59,160**	**100,072**
Forward currency transactions	-	-	-	14,836	1,154	175	**16,165**
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – ASSETS	**729**	**671**	**128**	**28,245**	**27,129**	**59,335**	**116,237**

	31/12/2019						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	**9**	**2**	**-**	**2,441**	**18,234**	**51,172**	**71,858**
Futures	2	-	-	-	-	-	**2**
FRAs	-	-	-	3	45	-	**48**
Interest rate swaps	-	-	-	1,856	14,315	38,027	**54,198**
Interest rate options	-	-	-	122	2,455	11,868	**14,445**
Caps, floors, collars	-	-	-	460	1,419	1,277	**3,156**
Other options	7	2	-	-	-	-	**9**
Currency instruments and gold	**-**	**-**	**-**	**4,217**	**3,053**	**2,934**	**10,204**
Currency futures	-	-	-	3,366	2,047	2,384	**7,797**
Currency options	-	-	-	851	1,006	550	**2,407**
Other instruments	**352**	**451**	**71**	**1,598**	**4,944**	**1,483**	**8,899**
Equity and index derivatives	352	451	71	1,324	4,815	1,113	**8,126**
Precious metal derivatives	-	-	-	43	-	-	**43**
Commodities derivatives	-	-	-	-	-	-	**-**
Credit derivatives	-	-	-	35	99	54	**188**
Other	-	-	-	196	30	316	**542**
Subtotal	**361**	**453**	**71**	**8,256**	**26,231**	**55,589**	**90,961**
Forward currency transactions	-	-	-	8,672	1,110	52	**9,834**
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – ASSETS	**361**	**453**	**71**	**16,928**	**27,341**	**55,641**	**100,795**

Refer to the glossary on page 681 for the definition of technical terms.

Derivative instruments held for trading – fair value of liabilities

	31/12/2020						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	**-**	**-**	**-**	**3,712**	**16,093**	**54,021**	**73,826**
Futures	-	-	-	-	-	-	**-**
FRAs	-	-	-	-	-	-	**-**
Interest rate swaps	-	-	-	3,211	12,660	36,934	**52,805**
Interest rate options	-	-	-	180	2,370	15,247	**17,797**
Caps, floors, collars	-	-	-	319	1,063	1,840	**3,222**
Other options	-	-	-	2	-	-	**2**
Currency instruments and gold	**1**	**-**	**-**	**4,803**	**3,310**	**3,443**	**11,557**
Currency futures	-	-	-	2,860	2,771	3,254	**8,885**
Currency options	1	-	-	1,943	539	189	**2,672**
Other instruments	**449**	**750**	**185**	**1,431**	**3,332**	**1,011**	**7,158**
Equity and index derivatives	449	750	185	896	2,979	778	**6,037**
Precious metal derivatives	-	-	-	85	2	-	**87**
Commodities derivatives	-	-	-	-	-	-	**-**
Credit derivatives	-	-	-	195	318	30	**543**
Other	-	-	-	255	33	203	**491**
Subtotal	**450**	**750**	**185**	**9,946**	**22,735**	**58,475**	**92,541**
Forward currency transactions		-	-	15,604	1,324	(47)	**16,881**
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – LIABILITIES	**450**	**750**	**185**	**25,550**	**24,059**	**58,428**	**109,422**

	31/12/2019						
	Exchange-traded transactions			Over-the-counter transactions			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	**143**	**-**	**-**	**2,271**	**17,649**	**52,459**	**72,522**
Futures	140	-	-	-	-	-	**140**
FRAs	-	-	-	24	-	-	**24**
Interest rate swaps	-	-	-	1,904	13,788	37,895	**53,587**
Interest rate options	-	-	-	231	2,358	12,696	**15,285**
Caps, floors, collars	-	-	-	112	1,503	1,868	**3,483**
Other options	3	-	-	-	-	-	**3**
Currency instruments and gold	**-**	**-**	**-**	**4,431**	**2,668**	**2,609**	**9,708**
Currency futures	-	-	-	3,500	2,145	2,317	**7,962**
Currency options	-	-	-	931	523	292	**1,746**
Other instruments	**230**	**422**	**102**	**807**	**3,233**	**916**	**5,710**
Equity and index derivatives	230	422	102	355	2,773	802	**4,684**
Precious metal derivatives	-	-	-	30	1	-	**31**
Commodities derivatives	-	-	-	1	-	-	**1**
Credit derivatives	-	-	-	226	406	38	**670**
Other	-	-	-	195	53	76	**324**
Subtotal	**373**	**422**	**102**	**7,509**	**23,550**	**55,984**	**87,940**
Forward currency transactions	-	-	-	8,553	1,704	221	**10,478**
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES – LIABILITIES	**373**	**422**	**102**	**16,062**	**25,254**	**56,205**	**98,418**

Refer to the glossary on page 681 for the definition of technical terms.

Derivative instruments: amount of commitment

(in millions of euros)	31/12/2020 Total notional amount outstanding	31/12/2019 Total notional amount outstanding
Interest rate instruments	**11,804,270**	**11,697,571**
Futures	115,284	155,872
FRAs	2,561,506	2,671,646
Interest rate swaps	7,785,348	7,306,091
Interest rate options	723,595	838,944
Caps, floors, collars	518,130	515,490
Other options	100,407	209,528
Currency instruments and gold	**469,713**	**498,095**
Currency futures	253,263	285,714
Currency options	216,450	212,381
Other instruments	**176,663**	**159,995**
Equity and index derivatives	117,820	104,119
Precious metal derivatives	3,863	3,848
Commodities derivatives	4	21
Credit derivatives	20,620	25,089
Other	34,356	26,918
Subtotal	**12,450,646**	**12,355,661**
Forward currency transactions	1,890,121	2,055,565
TOTAL NOTIONAL AMOUNT	**14,340,767**	**14,411,226**

FOREIGN EXCHANGE RISK

(See chapter on “Risk management – Foreign exchange risk”)

3.3 LIQUIDITY AND FINANCING RISK

(See chapter on “Risk management – Balance sheet management”)

Loans and receivables due from credit institutions and due from customers by residual maturity

						31/12/2020
(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)	82,369	79,813	219,775	81,593	-	**463,550**
Loans and receivables due from customers (including finance leases)	84,957	54,943	149,623	122,481	3,513	**415,517**
Total	**167,326**	**134,756**	**369,398**	**204,074**	**3,513**	**879,067**
Impairment						**(9,961)**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						**869,106**

						31/12/2019
(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)	100,183	94,240	160,197	84,376	-	**438,996**
Loans and receivables due from customers (including finance leases)	95,047	44,711	140,161	119,609	4,865	**404,393**
Total	**195,230**	**138,951**	**300,358**	**203,985**	**4,865**	**843,389**
Impairment						**(9,628)**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS						**833,761**

Refer to the glossary on page 681 for the definition of technical terms.

Due to credit institutions and to customers by residual maturity

	31/12/2020					
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	TOTAL
Due to credit institutions (including Crédit Agricole internal transactions)	96,706	8,684	148,029	11,500	-	**264,919**
Due to customers	663,902	35,835	15,905	3,746	-	**719,388**
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**760,608**	**44,519**	**163,934**	**15,246**	**-**	**984,307**

	31/12/2019					
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	TOTAL
Due to credit institutions (including Crédit Agricole internal transactions)	80,562	18,248	30,550	12,681	-	**142,041**
Due to customers	583,850	40,840	17,212	5,012	-	**646,914**
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**664,412**	**59,088**	**47,762**	**17,693**	**-**	**788,955**

Debt securities and subordinated debt

	31/12/2020					
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	TOTAL
DEBT SECURITIES						
Interest bearing notes	-	-	-	-	-	**-**
Interbank securities	986	300	5,847	1,945	-	**9,078**
Negotiable debt securities	34,140	13,783	1,275	30	-	**49,228**
Bonds	4,387	7,789	49,344	39,860	-	**101,380**
Other debt securities	559	723	1,458	121	-	**2,861**
TOTAL DEBT SECURITIES	**40,072**	**22,595**	**57,924**	**41,956**	**-**	**162,547**
SUBORDINATED DEBT						
Dated subordinated debt	274	1,603	5,942	15,482	-	**23,301**
Undated subordinated debt	1	-	-	-	510	**511**
Mutual security deposits	-	-	-	-	180	**180**
Participating securities and loans	60	-	-	-	-	**60**
TOTAL SUBORDINATED DEBT	**335**	**1,603**	**5,942**	**15,482**	**690**	**24,052**

						31/12/2019
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	TOTAL
DEBT SECURITIES						
Interest bearing notes	-	-	-	-	-	**-**
Interbank securities	706	835	6,195	1,553	-	**9,289**
Negotiable debt securities	52,497	30,249	3,495	31	-	**86,272**
Bonds	3,454	4,904	51,156	42,224	-	**101,738**
Other debt securities	592	794	2,322	-	-	**3,708**
TOTAL DEBT SECURITIES	**57,249**	**36,782**	**63,168**	**43,808**	**-**	**201,007**
SUBORDINATED DEBT						
Dated subordinated debt	229	1,205	1,938	17,450	-	**20,822**
Undated subordinated debt	12	1	-	-	734	**747**
Mutual security deposits	-	-	-	-	167	**167**
Participating securities and loans	60	-	-	1	-	**61**
TOTAL SUBORDINATED DEBT	**301**	**1,206**	**1,938**	**17,451**	**901**	**21,797**

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.

						31/12/2020
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	TOTAL
Financial guarantees given	56	2,439	-	-	-	**2,495**

						31/12/2019
(in millions of euros)	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	TOTAL
Financial guarantees given	110	443	-	-	-	**553**

Contractual maturities of derivative instruments are given in Note 3.2 “Market risk”.

3.4 HEDGE ACCOUNTING

(See chapter 3.2 “Market risk” and chapter on “Risk management – Balance sheet management”)

Fair value hedges

A fair value hedge modifies the risk caused by changes in the fair value of a fixed-rate financial instrument as a result of changes in interest rates. Fair value hedges transform fixed-rate assets or liabilities into floating-rate assets or liabilities.

Items hedged are principally fixed-rate loans, securities, deposits and subordinated debt.

Future cash flow hedges

A cash flow hedge modifies the risk related to variability in cash flows arising from floating-rate financial instruments.

Items hedged are principally floating-rate 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.

Refer to the glossary on page 681 for the definition of technical terms.

Hedging derivatives

(in millions of euros)	31/12/2020 Market value positive	31/12/2020 Market value negative	31/12/2020 Notional amount	31/12/2019 Market value positive	31/12/2019 Market value negative	31/12/2019 Notional amount
Fair value hedges	**19,607**	**15,002**	**807,514**	**17,323**	**13,030**	**820,803**
Interest rate	19,396	14,567	786,419	16,877	12,797	779,632
Foreign exchange	211	435	21,095	446	233	41,171
Other	-	-	-	-	-	-
Cash flow hedges	**2,099**	**210**	**59,025**	**2,035**	**230**	**64,832**
Interest rate	1,872	6	25,059	1,737	25	27,095
Foreign exchange	212	169	33,838	262	181	37,613
Other	15	35	128	36	24	124
Hedges of net investments in foreign operations	**39**	**6**	**2,910**	**11**	**33**	**2,879**
TOTAL HEDGING DERIVATIVE INSTRUMENTS	**21,745**	**15,218**	**869,449**	**19,368**	**13,293**	**888,514**

Derivative instruments: Analysis by residual maturity (notionals)

The breakdown of notionals values of derivative instruments is shown by remaining contractual maturity.

(in millions of euros)	31/12/2020 Exchange-traded ≤ 1 year	Exchange-traded > 1 year up to ≤ 5 years	Exchange-traded > 5 years	Over-the-counter ≤ 1 year	Over-the-counter > 1 year up to ≤ 5 years	Over-the-counter > 5 years	Total notional
Interest rate instruments	**-**	**-**	**-**	**380,520**	**235,074**	**195,884**	**811,478**
Futures	-	-	-	-	-	-	**-**
FRAs	-	-	-	-	-	-	**-**
Interest rate swaps	-	-	-	380,100	234,463	192,821	**807,384**
Interest rate options	-	-	-	-	-	-	**-**
Caps, floors, collars	-	-	-	420	611	3,063	**4,094**
Other options	-	-	-	-	-	-	**-**
Currency instruments	**-**	**-**	**-**	**8,218**	**1,558**	**9**	**9,785**
Currency futures	-	-	-	8,218	1,558	9	**9,785**
Currency options	-	-	-	-	-	-	**-**
Other instruments	**-**	**-**	**-**	**128**	**-**	**-**	**128**
Other	-	-	-	128	-	-	**128**
Subtotal	**-**	**-**	**-**	**388,866**	**236,632**	**195,893**	**821,391**
Forward currency transactions	-	-	-	44,426	1,683	1,949	**48,058**
TOTAL NOTIONAL OF HEDGING DERIVATIVES	**-**	**-**	**-**	**433,292**	**238,315**	**197,842**	**869,449**

Refer to the glossary on page 681 for the definition of technical terms.

	31/12/2019						
	Exchange-traded			Over-the-counter			
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total notional
Interest rate instruments	-	-	-	355,048	221,898	229,781	806,727
Futures	-	-	-	-	-	-	-
FRAs	-	-	-	-	-	-	-
Interest rate swaps	-	-	-	354,994	220,867	226,530	802,391
Interest rate options	-	-	-	-	-	-	-
Caps, floors, collars	-	-	-	54	1,031	3,251	4,336
Other options	-	-	-	-	-	-	-
Currency instruments	-	-	-	9,658	1,051	-	10,709
Currency futures	-	-	-	9,658	1,051	-	10,709
Currency options	-	-	-	-	-	-	-
Other instruments	-	-	-	124	-	-	124
Other	-	-	-	124	-	-	124
Subtotal	-	-	-	364,830	222,949	229,781	817,560
Forward currency transactions	-	-	-	68,264	785	1,905	70,954
TOTAL NOTIONAL OF HEDGING DERIVATIVES	-	-	-	433,094	223,734	231,686	888,514

Note 3.2 "Market risk – Derivative instruments: analysis by residual maturity" breaks down the market value of hedging derivative instruments by remaining contractual maturity.

Fair value hedges

Hedging derivatives

	31/12/2020			
	Carrying amount			
(in millions of euros)	Assets	Liabilities	Changes in fair value during the period (including end of hedges during the period)	Notional Amount
Fair value hedges				
Exchange-traded	-	-	-	-
Interest rate	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Foreign exchange	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Over-the-counter markets	7,132	6,418	379	261,908
Interest rate	6,921	5,983	829	240,813
Futures	6,921	5,983	855	240,813
Options	-	-	(26)	-
Foreign exchange	211	435	(450)	21,095
Futures	211	435	(450)	21,095
Options	-	-	-	-
Other	-	-	-	-
Total Fair value micro-hedging	7,132	6,418	379	261,908
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	12,475	8,584	558	545,606
TOTAL FAIR VALUE HEDGES	19,607	15,002	937	807,514

Refer to the glossary on page 681 for the definition of technical terms.

(in millions of euros)	Carrying amount – Assets	Carrying amount – Liabilities	Changes in fair value during the period (including end of hedges during the period)	Notional Amount
	31/12/2019			
Fair value hedges				
Exchange-traded	**-**	**-**	**-**	**-**
Interest rate	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Foreign exchange	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Over-the-counter markets	**6,111**	**4,781**	**1,867**	**279,122**
Interest rate	5,665	4,548	1,722	237,951
Futures	5,665	4,548	1,756	237,950
Options	-	-	(34)	1
Foreign exchange	446	233	145	41,171
Futures	446	233	145	41,171
Options	-	-	-	-
Other	-	-	-	-
Total Fair value micro-hedging	**6,111**	**4,781**	**1,867**	**279,122**
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	11,212	8,249	1,910	541,681
TOTAL FAIR VALUE HEDGES	**17,323**	**13,030**	**3,777**	**820,803**

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				31/12/2020
	Present hedges		Ended hedges	
(in millions of euros)	Carrying amount	of which accumulated fair value hedge adjustments	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be amortised	Fair value hedge adjustments during the period (including termination of hedges during the period)
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**32,615**	**730**	**-**	**147**
Interest rate	32,615	730	-	147
Foreign exchange	-	-	-	-
Other	-	-	-	-
Debt instruments at amortised cost	**80,931**	**2,286**	**83**	**965**
Interest rate	76,019	2,030	83	664
Foreign exchange	4,912	256	-	301
Other	-	-	-	-
Total Fair value hedges on assets items	**113,546**	**3,016**	**83**	**1,112**
Debt instruments at amortised cost	**153,186**	**5,842**	**1**	**1,493**
Interest rate	142,106	5,800	1	1,640
Foreign exchange	11,080	42	-	(147)
Other	-	-	-	-
Total Fair value hedges on liabilities items	**153,186**	**5,842**	**1**	**1,493**

Micro-hedging				31/12/2019
		Present hedges	Ended hedges	
(in millions of euros)	Carrying amount	of which accumulated fair value hedge adjustments	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be amortised	Fair value hedge adjustments during the period (including termination of hedges during the period)
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**26,669**	**66**	**-**	**38**
Interest rate	26,669	66	-	40
Foreign exchange	-	-	-	(2)
Other	-	-	-	-
Debt instruments at amortised cost	**88,997**	**1,316**	**-**	**668**
Interest rate	75,570	1,307	-	755
Foreign exchange	13,427	9	-	(87)
Other	-	-	-	-
Total Fair value hedges on assets items	**115,666**	**1,382**	**-**	**706**
Debt instruments at amortised cost	**158,351**	**4,578**	**3**	**2,573**
Interest rate	136,324	4,520	3	2,532
Foreign exchange	22,027	58	-	41
Other	-	-	-	-
Total Fair value hedges on liabilities items	**158,351**	**4,578**	**3**	**2,573**

The fair value of the hedged portions of micro-hedged financial instruments at fair value is recognised in the balance sheet item to which it relates. Changes in the fair value of the hedged portions of micro-hedged financial instruments at fair value are recognised under "Net gains (losses) on financial instruments at fair value through profit or loss" in the income statement.

Macro-hedging		31/12/2020
(in millions of euros)	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	5,874	-
Debt instruments at amortised cost	342,226	(3)
Total – Assets	**348,100**	**(3)**
Debt instruments at amortised cost	216,910	58
Total – Liabilities	**216,910**	**58**

Macro-hedging		31/12/2019
(in millions of euros)	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	6,424	-
Debt instruments at amortised cost	292,921	59
Total – Assets	**299,345**	**59**
Debt instruments at amortised cost	244,959	24
Total – Liabilities	**244,959**	**24**

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.

Refer to the glossary on page 681 for the definition of technical terms.

Gains (losses) from hedge accounting

	31/12/2020		
	Net Income (total gains (losses) from hedge accounting)		
(in millions of euros)	Change in fair value of hedging derivatives (including termination of hedges)	Change in fair value of hedged items (including termination of hedges)	Hedge ineffectiveness portion
Interest rate	1,387	(1,411)	(24)
Foreign exchange	(450)	448	(2)
Other	-	-	-
TOTAL	**937**	**(963)**	**(26)**

	31/12/2019		
	Net Income (total gains (losses) from hedge accounting)		
(in millions of euros)	Change in fair value of hedging derivatives (including termination of hedges)	Change in fair value of hedged items (including termination of hedges)	Hedge ineffectiveness portion
Interest rate	3,632	(3,652)	(19)
Foreign exchange	145	(131)	13
Other	-	-	-
TOTAL	**3,777**	**(3,783)**	**(6)**

Cash flow hedges and Hedges of net investments in foreign operation (NIH)

Hedging derivatives

	31/12/2020			
	Carrying amount		Changes in fair value during the period (including termination of hedges during the period)	Notional amount
(in millions of euros)	Assets	Liabilities		
Cash flow hedges				
Exchange-traded	-	-	-	-
Interest rate	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Foreign exchange	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Over-the-counter markets	**946**	**191**	**(189)**	**31,626**
Interest rate	726	3	(229)	3,562
Futures	726	3	(229)	3,561
Options	-	-	-	1
Foreign exchange	205	153	40	27,936
Futures	205	153	40	27,936
Options	-	-	-	-
Other	15	35	-	128
Total Cash flow micro-hedging	**946**	**191**	**(189)**	**31,626**
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	1,146	3	385	21,497
Cash flow hedges of the foreign exchange exposure of a portfolio of financial instruments	7	16	(83)	5,902
Total Cash flow macro-hedging	**1,153**	**19**	**302**	**27,399**
TOTAL CASH FLOW HEDGES	**2,099**	**210**	**113**	**59,025**
Hedges of net investments in foreign operations	**39**	**6**	**45**	**2,910**

(in millions of euros)	Carrying amount – Assets	Carrying amount – Liabilities	Changes in fair value during the period (including termination of hedges during the period)	Notional amount
				31/12/2019
Cash flow hedges				
Exchange-traded	**-**	**-**	**-**	**-**
Interest rate	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Foreign exchange	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Other	-	-	-	-
Over-the-counter markets	**1,237**	**172**	**79**	**37,605**
Interest rate	952	-	90	7,010
Futures	952	-	90	7,010
Options	-	-	-	-
Foreign exchange	249	148	(11)	30,470
Futures	249	148	(11)	30,470
Options	-	-	-	-
Other	36	24	-	125
Total Cash flow micro-hedging	**1,237**	**172**	**79**	**37,605**
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	785	25	163	20,085
Cash flow hedges of the foreign exchange exposure of a portfolio of financial instruments	13	33	(2)	7,142
Total Cash flow macro-hedging	**798**	**58**	**161**	**27,227**
TOTAL CASH FLOW HEDGES	**2,035**	**230**	**240**	**64,832**
Hedges of net investments in foreign operations	**11**	**33**	**(13)**	**2,879**

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.

Gains (losses) from hedge accounting

(in millions of euros)	Other comprehensive income on items that may be reclassified to profit and loss – Effective portion of the hedge recognised during the period	Other comprehensive income on items that may be reclassified to profit and loss – Amount reclassified from other comprehensive income into profit or loss during the period	Net income (hedge accounting income or loss) – Hedge ineffectiveness portion
			31/12/2020
Cash flow hedges	**-**	**-**	**-**
Interest rate	157	-	-
Foreign exchange	(44)	-	-
Other	-	-	-
Total Cash flow hedges	**113**	**-**	**-**
Hedges of net investments in foreign operations	**45**	**-**	**-**
Total cash flow hedges and hedges of net investments in foreign operations	**158**	**-**	**-**

Refer to the glossary on page 681 for the definition of technical terms.

	31/12/2019		
	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	258	-	-
Foreign exchange	(6)	-	-
Other	-	-	-
Total Cash flow hedges	**252**	**-**	**-**
Hedges of net investments in foreign operations	**(10)**	**-**	**-**
Total cash flow hedges and hedges of net investments in foreign operations	**242**	**-**	**-**

3.5 OPERATIONAL RISKS

(See chapter on "Risk management – Operational risks")

3.6 CAPITAL MANAGEMENT AND REGULATORY RATIOS

The Crédit Agricole S.A. Finance department is tasked with ensuring the adequacy of liquidity and capital between the requirements generated by the Group's global operations and its liquidity and capital financial resources. It is responsible for monitoring the prudential and regulatory ratios (solvency, liquidity, leverage, resolution) of Crédit Agricole Group and of Crédit Agricole S.A. To this end, it sets out the principles and ensures a cohesive financial management system throughout the Group.

Information on capital management and compliance with regulatory ratios as required by IAS 1 is presented in the Chapter "Risk factors and Pillar 3".

The Group's management of banking risks is handled by the Group Risk Management and Permanent Controls department. This department reports to the 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 appear in the chapter on "Risk management" in the management report, as allowed by IFRS 7. Nonetheless, the accounting breakdowns are still presented in the financial statements.

NOTE 4 Notes on net income and other comprehensive income

4.1 INTEREST INCOME AND EXPENSES

(in millions of euros)	31/12/2020	31/12/2019
On financial assets at amortised cost	**16,100**	**17,407**
Interbank transactions	1,856	1,702
Crédit Agricole internal transactions	2,790	2,877
Customer transactions	10,196	11,429
Finance leases	700	610
Debt securities	558	789
On financial assets recognised at fair value through other comprehensive income	**4,919**	**5,312**
Interbank transactions	-	-
Customer transactions	-	-
Debt securities	4,919	5,312
Accrued interest receivable on hedging instruments	**2,455**	**2,351**
Other interest income	**60**	**37**
INTEREST AND SIMILAR INCOME[(1)(2)]	**23,534**	**25,107**
On financial liabilities at amortised cost	**(10,734)**	**(12,706)**
Interbank transactions	(1,103)	(1,376)
Crédit Agricole internal transactions	(1,282)	(1,008)
Customer transactions	(4,665)	(6,016)
Finance leases	(194)	(68)
Debt securities	(2,944)	(3,605)
Subordinated debt	(546)	(633)
Accrued interest receivable on hedging instruments	**(908)**	**(872)**
Other interest expenses	**(74)**	**(85)**
INTEREST AND SIMILAR EXPENSES[(3)]	**(11,716)**	**(13,663)**

(1) Of which €185 million for impaired receivables (Bucket 3) at 31 December 2020 versus €136 million at 31 December 2019.

(2) Of which €991 million for negative interest on financial liabilities at 31 December 2020 (€288 million at 31 December 2019).

(3) Of which -€1.08 billion for negative interest on financial assets at 31 December 2020 (-€434 million at 31 December 2019).

4.2 FEES AND COMMISSIONS INCOME AND EXPENSE

			31/12/2020			31/12/2019
(in millions of euros)	Income	Expense	Net	Income	Expense	Net
Interbank transactions	239	(52)	187	261	(43)	218
Crédit Agricole internal transactions	973	(403)	570	803	(477)	326
Customer transactions	1,188	(185)	1,003	1,763	(211)	1,552
Securities transactions	54	(149)	(95)	49	(99)	(50)
Foreign exchange transactions	42	(39)	3	41	(44)	(3)
Derivative instruments and other off-balance sheet items	384	(201)	183	342	(249)	93
Payment instruments and other banking and financial services	2,982	(4,013)	(1,031)	2,506	(3,762)	(1,256)
Mutual funds management, fiduciary and similar operations	4,817	(1,416)	3,401	4,792	(1,616)	3,176
TOTAL FEES AND COMMISSIONS INCOME AND EXPENSE	**10,679**	**(6,458)**	**4,221**	**10,556**	**(6,500)**	**4,057**

Asset Gathering is the main contributor of the commission income from customer transactions and transactions involving payment instruments and other banking and financial services.

Commission income from managing UCITS, trusts and similar activities are mainly related to Asset Gathering.

Refer to the glossary on page 681 for the definition of technical terms.

4.3 NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31/12/2020	31/12/2019
Dividends received	937	1,505
Unrealised or realised gains (losses) on held for trading assets/liabilities	2,853	3,878
Unrealised or realised gains (losses) on equity instruments at fair value through profit or loss	(2,770)	3,462
Unrealised or realised gains (losses) on debt instruments that do not meet the conditions of the "SPPI" test	716	2,860
Net gains (losses) on assets backing unit-linked contracts	1,153	6,440
Unrealised or realised gains (losses) on assets/liabilities designated at fair value through profit or loss[1]	(647)	(1,771)
Net gains (losses) on Foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	40	713
Gains (losses) from hedge accounting	(26)	(6)
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**2,256**	**17,082**

(1) Except spread *of issuer loan for liabilities at fair value through equity non-recyclable.*

Analysis of net gains (losses) from hedge accounting:

			31/12/2020
(in millions of euros)	Gains	Losses	Net
Fair value hedges	**5,208**	**(5,210)**	**(2)**
Changes in fair value of hedged items attributable to hedged risks	2,069	(2,450)	(381)
Changes in fair value of hedging derivatives (including termination of hedges)	3,139	(2,760)	379
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	**6,600**	**(6,624)**	**(24)**
Changes in fair value of hedged items	3,122	(3,704)	(582)
Changes in fair value of hedging derivatives	3,478	(2,920)	558
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	**-**	**-**	**-**
Changes in fair value of hedging instrument – ineffective portion	-	-	-
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**11,808**	**(11,834)**	**(26)**

			31/12/2019
(in millions of euros)	Gains	Losses	Net
Fair value hedges	**6,362**	**(6,363)**	**(1)**
Changes in fair value of hedged items attributable to hedged risks	2,283	(4,151)	(1,868)
Changes in fair value of hedging derivatives (including termination of hedges)	4,079	(2,212)	1,867
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	**10,837**	**(10,842)**	**(5)**
Changes in fair value of hedged items	4,401	(6,316)	(1,915)
Changes in fair value of hedging derivatives	6,436	(4,526)	1,910
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	**-**	**-**	**-**
Changes in fair value of hedging instrument – ineffective portion	-	-	-
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**17,199**	**(17,205)**	**(6)**

Details of gains (losses) from hedge accounting by type of relationship (fair value hedges, cash flow hedges, etc.) are presented in Note 3.4 "Hedge accounting".

4.4 NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(in millions of euros)	31/12/2020	31/12/2019
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss[1]	524	47
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)[2]	62	115
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	**586**	**162**

(1) Excluding realised gains or losses from impaired debt instruments (Bucket 3) mentioned in Note 4.9 "Cost of risk".

(2) Of which €19 million dividends on equity instruments at fair value through non-recyclable equity derecognised during the period.

4.5 NET GAINS (LOSSES) ARISING FROM THE DERECOGNITION OF FINANCIAL ASSETS AT AMORTISED COST

(in millions of euros)	31/12/2020	31/12/2019
Debt securities	29	8
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	-	1
Gains arising from the derecognition of financial assets at amortised cost	**29**	**9**
Debt securities	-	(1)
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	(4)	(17)
Losses arising from the derecognition of financial assets at amortised cost	**(4)**	**(18)**
NET GAINS (LOSSES) ARISING FROM THE DERECOGNITION OF FINANCIAL ASSETS AT AMORTISED COST[1]	**25**	**(9)**

(1) Excluding realised gains or losses from the derecognition of impaired debt instruments (Bucket 3) mentioned in Note 4.9 "Cost of risk".

4.6 NET INCOME (EXPENSES) ON OTHER ACTIVITIES

(in millions of euros)	31/12/2020	31/12/2019
Gains (losses) on fixed assets not used in operations	(18)	(15)
Other net income from insurance activities[1]	5,674	13,800
Change in insurance technical reserves[2]	(4,373)	(26,163)
Net income from investment property	165	140
Other net income (expense)	(46)	100
INCOME (EXPENSE) RELATED TO OTHER ACTIVITIES	**1,402**	**(12,139)**

(1) The €8,126 million decrease in other net income from insurance activities was mainly due to a decrease in net inflows in the amount of €8,100 million on the Retirement Savings activity.

(2) The €21,790 million decrease in insurance company technical reserves is due in the main to the net positive inflows and the adjustments evolution of the value on the unit-linked policies.

4.7 OPERATING EXPENSES

(in millions of euros)	31/12/2020	31/12/2019
Employee expenses	(7,234)	(7,147)
Taxes other than on income or payroll-related and regulatory contributions[1]	(924)	(816)
External services and other operating expenses	(3,590)	(3,749)
OPERATING EXPENSES	**(11,748)**	**(11,713)**

(1) Of which -€439 million recognised in relation to the Single Resolution Fund at 31 December 2020 (-€338 million at 31 December 2019).

Refer to the glossary on page 681 for the definition of technical terms.

Fees paid to Statutory Auditors

The breakdown of fees paid to Statutory Auditors by firm and type of engagement by fully consolidated Crédit Agricole S.A. companies was as follows in 2020:

Board of Auditors of Crédit Agricole S.A.

	Ernst & Young		PricewaterhouseCoopers		
(in millions of euros excluding taxes)	2020	2019	2020	2019	TOTAL 2020
Statutory audit, certification, review of individual and consolidated financial statements	**15.89**	**16.45**	**14.82**	**14.79**	**30.71**
Issuer	2.17	1.90	2.19	1.92	**4.36**
Fully consolidated subsidiaries	13.72	14.55	12.63	12.87	**26.35**
Non audit services	**4.45**	**5.53**	**7.61**	**6.04**	**12.06**
Issuer	0.48	0.46	0.94	0.96	**1.42**
Fully consolidated subsidiaries	3.97	5.07	6.67	5.08	**10.64**
TOTAL	**20.34**	**21.98**	**22.43**	**20.83**	**42.77**

The total sum of fees paid to PricewaterhouseCoopers Audit, Statutory Auditor of Crédit Agricole S.A., appearing in the consolidated income statement for the year, amounts to €10.7 million, of which €9 million relates to the certification of the accounts of Crédit Agricole S.A. and its subsidiaries, and €1.7 million relates to non-audit services (comfort letters, agreed-upon procedures, responsibility statements, services relating to social and environmental information, consultations, etc.).

The total sum of fees paid to Ernst & Young et Autres, Statutory Auditor of Crédit Agricole S.A., appearing in the consolidated income statement for the year, amounts to €7.2 million, of which €6.1 million relates to the certification of the accounts of Crédit Agricole S.A. and its subsidiaries, and €1.1 million relates to non-audit services (comfort letters, agreed-upon procedures, responsibility statements, review of tax returns, consultations, etc.).

Other Statutory Auditors engaged in the audit of fully consolidated Crédit Agricole S.A. subsidiaries

	Mazars		KPMG		Deloitte		Other		
(in millions of euros excluding taxes)	2020	2019	2020	2019	2020	2019	2020	2019	TOTAL 2020
Statutory audit, certification, review of individual and consolidated financial statements	**1.35**	**1.12**	**0.21**	**0.38**	**0.22**	**0.18**	**0.48**	**0.30**	**2.26**
Non audit services[(1)]	0.09	0.06	0.09	0.01	0.01	0.01	0.01	-	**0.20**
TOTAL	**1.44**	**1.18**	**0.30**	**0.39**	**0.23**	**0.19**	**0.49**	**0.30**	**2.46**

(1) Non audit services identified in this table correspond to assignments performed by these firms in the companies where they are Statutory Auditors.

4.8 AMORTISATION OF INTANGIBLE ASSETS AND DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT

(in millions of euros)	31/12/2020	31/12/2019
Depreciation and amortisation	**(1,142)**	**(1,047)**
Property, plant and equipment[(1)]	(744)	(678)
Intangible assets	(398)	(369)
Impairment losses (reversals)	**(1)**	**(1)**
Property, plant and equipment	1	(1)
Intangible assets	(2)	-
DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS	**(1,143)**	**(1,048)**

(1) Of which -€380 million accounted for under the depreciation of the right-of-use asset at 31 December 2020 and -€307 million at 31 December 2019.

4.9 COST OF RISK

(in millions of euros)	31/12/2020	31/12/2019
Charges net of reversals to impairments on performing assets (Bucket 1 or Bucket 2) (A)	**(817)**	**216**
Bucket 1: Loss allowance measured at an amount equal to 12-month expected credit loss	**(246)**	**24**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	(5)	(1)
Debt instruments at amortised cost	(214)	24
Commitments by signature	(27)	1
Bucket 2: Loss allowance measured at an amount equal to lifetime expected credit loss	**(571)**	**192**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	(2)	(1)
Debt instruments at amortised cost	(502)	129
Commitments by signature	(67)	64
Charges net of reversals to impairments on credit-impaired assets (Bucket 3) (B)	**(1,733)**	**(1,326)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-
Debt instruments at amortised cost	(1,780)	(1,195)
Commitments by signature	47	(131)
Other assets (C)	(11)	(164)
Risks and expenses (D)	(13)	(15)
Charges net of reversals to impairment losses and provisions (E) = (A)+(B)+(C)+(D)	**(2,574)**	**(1,289)**
Realised gains (losses) on disposal of impaired debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-
Realised gains (losses) on impaired debt instruments at amortised cost	-	-
Losses on non-impaired loans and bad debt	(184)	(223)
Recoveries on loans and receivables written off	186	345
Recognised at amortised cost	186	345
Recognised in other comprehensive income that may be reclassified to profit or loss	-	-
Discounts on restructured loans	(27)	(29)
Losses on commitments by signature	(1)	-
Other losses	(75)	(74)
Other gains	69	14
COST OF RISK	**(2,606)**	**(1,256)**

4.10 NET GAINS (LOSSES) ON OTHER ASSETS

(in millions of euros)	31/12/2020	31/12/2019
Property, plant and equipment and intangible assets used in operations	**62**	**51**
Gains on disposals	87	59
Losses on disposals	(25)	(8)
Consolidated equity investments	**1**	**22**
Gains on disposals	11	25
Losses on disposals	(10)	(3)
Net income (expense) on combinations	**12**	**(19)**
NET GAINS (LOSSES) ON OTHER ASSETS	**75**	**54**

Refer to the glossary on page 681 for the definition of technical terms.

4.11 INCOME TAX CHARGE

Income tax charge

(in millions of euros)	31/12/2020	31/12/2019
Current tax charge	(1,485)	(464)
Deferred tax charge	254	(43)
Reclassification of current tax charge (income) related to overlay approach	102	51
TOTAL TAX CHARGE	**(1,129)**	**(456)**

Reconciliation of theoretical tax rate and effective tax rate

As at 31 December 2020

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	5,078	32.02%	(1,626)
Impact of permanent differences		(5.30)%	269
Impact of different tax rates on foreign subsidiaries		(2.88)%	146
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		(0.18)%	9
Impact of reduced tax rate		(0.66)%	34
Impact of other items		(0.76)%	39
EFFECTIVE TAX RATE AND TAX CHARGE		**22.23%**	**(1,129)**

The theoretical tax rate is the standard tax rate (including the additional social contribution) on taxable profits in France at 31 December 2020.

At 31 December 2019

(in millions of euros)	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	6,190	34.43%	(2,131)
Impact of permanent differences		(21.87)%	1,354
Impact of different tax rates on foreign subsidiaries		(3.28)%	203
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		(0.10)%	6
Impact of reduced tax rate		(0.99)%	61
Impact of other items		(0.82)%	51
EFFECTIVE TAX RATE AND TAX CHARGE[(1)]		**7.37%**	**(456)**

(1) Excluding Emporiki tax income, the effective tax rate was 24.59% at 31 December 2019.

The theoretical tax rate is the standard tax rate (including the additional social contribution) on taxable profits in France at 31 December 2019.

Refer to the glossary on page 681 for the definition of technical terms.

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)	31/12/2020	31/12/2019
OTHER COMPREHENSIVE INCOME ON ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS NET OF INCOME TAX		
Gains and losses on translation adjustments	**(805)**	**301**
Revaluation adjustment of the period	(805)	301
Reclassified to profit or loss	-	-
Other changes	-	-
Gains and losses on debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**549**	**1,189**
Revaluation adjustment of the period	712	1,181
Reclassified to profit or loss	(121)	(38)
Other changes	(42)	46
Gains and losses on hedging derivative instruments	**323**	**361**
Revaluation adjustment of the period	326	364
Reclassified to profit or loss	-	-
Other changes	(3)	(3)
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	**(197)**	**434**
Revaluation adjustment of the period	(197)	445
Reclassified to profit or loss	-	-
Other changes	-	(11)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	**(136)**	**9**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**(277)**	**(481)**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**-**	**1**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**(10)**	**(12)**
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax	**(553)**	**1,802**
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	(93)	(162)
Other comprehensive income on financial liabilities attributable to changes in own credit risk	**(149)**	**(74)**
Revaluation adjustment of the period	(155)	(86)
Reclassified to reserves	6	12
Other changes	-	-
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	**(81)**	**53**
Revaluation adjustment of the period	(118)	77
Reclassified to reserves	45	20
Other changes	(8)	(44)
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**3**	**(30)**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**94**	**71**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**(2)**	**8**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**-**	**3**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss net of income tax	**(228)**	**(131)**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**(781)**	**1,671**
Of which Group share	(678)	1,620
Of which non-controlling interests	(103)	51

Refer to the glossary on page 681 for the definition of technical terms.

Breakdown of tax impacts related to other comprehensive income

(in millions of euros)	31/12/2019 Gross	31/12/2019 Income tax charges	31/12/2019 Net of income tax	31/12/2019 Net of income tax of which Group share	Changes Gross	Changes Income tax charges	Changes Net of income tax	Changes Net of income tax of which Group share	31/12/2020 Gross	31/12/2020 Income tax charges	31/12/2020 Net of income tax	31/12/2020 Net of income tax of which Group share
OTHER COMPREHENSIVE INCOME ON ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS												
Gains and losses on translation adjustments	57	(4)	53	117	(805)	(2)	(807)	(762)	(748)	(6)	(754)	(645)
Gains and losses on debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	3,666	(954)	2,712	2,699	549	(134)	415	410	4,215	(1,088)	3,127	3,109
Gains and losses on hedging derivative instruments	848	(259)	589	582	323	(41)	282	277	1,171	(300)	871	859
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	587	87	674	674	(197)	(100)	(297)	(298)	390	(13)	377	376
Other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**5,158**	**(1,130)**	**4,028**	**4,072**	**(130)**	**(277)**	**(408)**	**(373)**	**5,028**	**(1,407)**	**3,620**	**3,699**
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	(13)	2	(11)	(8)	(136)	-	(135)	(100)	(149)	3	(146)	(108)
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities on discontinued operations	-	(1)	(1)	(1)	(10)	-	(10)	(10)	(10)	(1)	(11)	(11)
Other comprehensive income on items that may be reclassified subsequently to profit or loss	**5,145**	**(1,129)**	**4,016**	**4,063**	**(276)**	**(277)**	**(553)**	**(483)**	**4,869**	**(1,405)**	**3,463**	**3,580**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS												
Actuarial gains and losses on post-employment benefits	(863)	193	(670)	(624)	(93)	19	(74)	(68)	(956)	212	(744)	(691)
Other comprehensive income on financial liabilities attributable to changes in own credit risk	(214)	57	(157)	(153)	(149)	40	(109)	(106)	(363)	97	(266)	(260)
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	(309)	(45)	(354)	(381)	(81)	35	(46)	(22)	(390)	(10)	(400)	(403)
Other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**(1,386)**	**205**	**(1,181)**	**(1,158)**	**(323)**	**94**	**(229)**	**(196)**	**(1,709)**	**299**	**(1,410)**	**(1,354)**
Other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	(57)	(7)	(63)	(62)	3	(2)	1	1	(54)	(9)	(62)	(61)
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	1	-	1	-	-	-	-	-	1	-	1	-
Other comprehensive income on items that will not be reclassified subsequently to profit or loss	**(1,442)**	**198**	**(1,243)**	**(1,220)**	**(320)**	**92**	**(228)**	**(195)**	**(1,762)**	**290**	**(1,471)**	**(1,415)**
OTHER COMPREHENSIVE INCOME	**3,703**	**(931)**	**2,773**	**2,843**	**(596)**	**(185)**	**(781)**	**(678)**	**3,107**	**(1,115)**	**1,992**	**2,165**

(in millions of euros)	31/12/2018 Gross	31/12/2018 Income tax charges	31/12/2018 Net of income tax	31/12/2018 Net of income tax of which Group share	Changes Gross	Changes Income tax charges	Changes Net of income tax	Changes Net of income tax of which Group share	31/12/2019 Gross	31/12/2019 Income tax charges	31/12/2019 Net of income tax	31/12/2019 Net of income tax of which Group share
OTHER COMPREHENSIVE INCOME ON ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS												
Gains and losses on translation adjustments	(244)	(4)	(248)	(158)	301	-	301	275	57	(4)	53	117
Gains and losses on debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	2,477	(653)	1,824	1,848	1,189	(301)	888	851	3,666	(954)	2,712	2,699
Gains and losses on hedging derivative instruments	487	(143)	344	339	361	(116)	245	243	848	(259)	589	582
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	153	151	304	304	434	(64)	370	370	587	87	674	674
Other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**2,873**	**(649)**	**2,224**	**2,333**	**2,285**	**(481)**	**1,804**	**1,739**	**5,158**	**(1,130)**	**4,028**	**4,072**
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	(22)	1	(21)	(16)	9	1	10	9	(13)	2	(11)	(8)
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities on discontinued operations	12	(1)	11	11	(12)	-	(12)	(12)	-	(1)	(1)	(1)
Other comprehensive income on items that may be reclassified subsequently to profit or loss	**2,863**	**(649)**	**2,214**	**2,328**	**2,282**	**(480)**	**1,802**	**1,735**	**5,145**	**(1,129)**	**4,016**	**4,063**
OTHER COMPREHENSIVE INCOME ON ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS												
Actuarial gains and losses on post-employment benefits	(701)	166	(535)	(504)	(162)	27	(135)	(120)	(863)	193	(670)	(624)
Other comprehensive income on financial liabilities attributable to changes in own credit risk	(140)	37	(103)	(100)	(74)	20	(54)	(53)	(214)	57	(157)	(153)
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	(362)	(69)	(431)	(457)	53	24	77	76	(309)	(45)	(354)	(381)
Other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**(1,203)**	**134**	**(1,069)**	**(1,061)**	**(183)**	**71**	**(113)**	**(97)**	**(1,386)**	**205**	**(1,181)**	**(1,158)**
Other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	(27)	(15)	(42)	(42)	(30)	8	(21)	(21)	(57)	(7)	(63)	(62)
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	(2)	-	(2)	(2)	3	-	3	3	1	-	1	-
Other comprehensive income on items that will not be reclassified subsequently to profit or loss	**(1,232)**	**119**	**(1,112)**	**(1,105)**	**(210)**	**79**	**(131)**	**(115)**	**(1,442)**	**198**	**(1,243)**	**(1,220)**
OTHER COMPREHENSIVE INCOME	**1,631**	**(530)**	**1,102**	**1,223**	**2,072**	**(401)**	**1,671**	**1,620**	**3,703**	**(931)**	**2,773**	**2,843**

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 5 Segment reporting

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 S.A., 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 2020, Crédit Agricole S.A.'s business activities were organised into six operating segments:

- the following five business lines:
  - Asset Gathering,
  - French Retail Banking – LCL,
  - International Retail Banking,
  - Specialised Financial Services,
  - Large Customers;
- as well as the "Corporate Centre".

Presentation of business lines

1. Asset Gathering

This business line brings together:

- insurance activities (savings solutions and property and casualty insurance):
  - life insurance and personal insurance, conducted mainly by Predica in France and CA Vita in Italy,
  - property & casualty insurance, conducted primarily by Pacifica,
  - creditor insurance, conducted by Crédit Agricole Creditor Insurance and group insurance conducted mainly by Predica in France;
- asset management activities of the Amundi Group, offering savings solutions for retail clients and investment solutions for institutionals. Following its acquisition by Amundi, Sabadell Asset Management, Banco Sabadell's asset management subsidiary, was integrated into this division in the third quarter of 2020. In addition, Amundi, and BOC Wealth Management, the subsidiary of Bank of China, announced on 30 September 2020 that they have obtained their license from the China Banking and Insurance Regulatory Commission for their joint venture in China, Amundi BOC Wealth Management Company Limited;
- as well as wealth management activities conducted mainly by Crédit Agricole Indosuez Wealth Management subsidiaries (CA Indosuez Switzerland S.A., CA Indosuez Wealth Europe, CFM Indosuez Wealth, CA Indosuez Wealth France).

2. 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.

3. International Retail Banking

This business line encompasses foreign subsidiaries and investments that are mainly involved in Retail Banking.

These subsidiaries and equity investments are primarily located in Europe: with Gruppo Bancario, CA Italia, Crédit Agricole Polska in Poland and others in Ukraine and Serbia.

Other subsidiaries operate around the Mediterranean, *e.g.* Crédit du Maroc and Crédit Agricole Egypt.

Finally, this division also includes banks that are not significant in size. For this reason, Crédit Agricole Bank Romania is in the process of being sold.

On 4 January 2021, Crédit Agricole S.A. announced that it had signed a sale contract for Crédit Agricole Bank Romania. The completion of this transaction, which is subject to the approval of the competent Romanian regulatory authorities and is expected to take place in the first half of 2021.

Foreign 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.

4. Specialised Financial Services

Specialised Financial Services comprises the Group subsidiaries that provide financial products and services to individual customers, small businesses, corporates and local authorities in France and abroad. These concerns:

- consumer finance companies around Crédit Agricole Consumer Finance in France and through its subsidiaries or partnerships outside France (Agos, FCA Bank, Creditplus Bank, Ribank, Credibom, Interbank Group and Crédit Agricole Consumer Finance Bankia S.A.). Following its acquisition by Crédit Agricole Consumer Finance, Menafinance was integrated into that division in the second quarter of 2020;
- Specialised Financial Services for companies such as factoring and lease finance (Crédit Agricole Leasing & Factoring Group, EFL).

5. Large Customers

The Large Customers division includes the Corporate and Investment bank, which itself consists of two main lines of business most of which are carried out by Crédit Agricole CIB, and Asset servicing for institutions realised by CACEIS:

- financing activities, which include corporate banking in France and internationally and structured finance. Structured Finance consists of originating, structuring and real assets and projects, 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, debt markets), and investment banking activities (mergers and acquisitions consulting and primary equity advisory);
- asset servicing: CACEIS Bank for custody and CACEIS Fund Administration for fund administration. Following its acquisition by CACEIS during the third quarter of 2019, KAS Bank was integrated into this division in September 2019. And as part of the merger of the activities of CACEIS and Santander Securities Services ("S3") finalized in December 2019, S3's activities in Spain and 49.99% of its activities in Latin America were integrated into this division in December 2019.

6. Corporate Centre

This segment encompasses:

- Crédit Agricole S.A.'s central body 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 S.A. companies (including CA Immobilier, Uni-médias, Foncaris, etc.);
- the results from management companies including computing and payment companies and real-estate companies.

The division also includes the technical and volatile impacts related to intragroup transactions.

5.1 OPERATING SEGMENT INFORMATION

Transactions between operating segments are effected at arm's length.

Segment assets are determined based on balance sheet elements for each operating segment.

							31/12/2020
(in millions of euros)	Asset Gathering	French Retail Banking – LCL	International Retail Banking	Specialised Financial Services	Large Customers	Corporate Centre	TOTAL
Revenues	5,735	3,521	2,659	2,526	6,297	(238)	**20,500**
Operating expenses	(2,870)	(2,319)	(1,753)	(1,288)	(3,783)	(878)	**(12,891)**
Gross operating income	**2,865**	**1,202**	**906**	**1,238**	**2,514**	**(1,116)**	**7,609**
Cost of risk	(56)	(390)	(570)	(732)	(829)	(29)	**(2,606)**
Operating income	**2,809**	**812**	**336**	**506**	**1,685**	**(1,145)**	**5,003**
Share of net income of equity-accounted entities	66	-	-	344	7	(4)	**413**
Net gains (losses) on other assets	3	2	72	(3)	1	-	**75**
Change in value of goodwill[1]	-	-	-	-	-	(903)	**(903)**
Pre-tax income	**2,878**	**814**	**408**	**847**	**1,693**	**(2,052)**	**4,588**
Income tax	(770)	(252)	(101)	(69)	(278)	341	**(1,129)**
Net income from discontinued operations	(24)	-	(8)	(134)	-	(55)	**(221)**
Net income	**2,084**	**562**	**299**	**644**	**1,415**	**(1,766)**	**3,238**
Non-controlling interests	378	25	92	85	85	(119)	**546**
NET INCOME GROUP SHARE	**1,706**	**537**	**207**	**559**	**1,330**	**(1,647)**	**2,692**

(1) *Goodwill Crédit Agricole Italia impairment for -€903 million.*

							31/12/2020
(in millions of euros)	Asset Gathering	French Retail Banking – LCL	International Retail Banking	Specialised Financial Services	Large Customers	Corporate Centre	TOTAL
SEGMENT ASSETS							
Of which investments in equity-accounted entities	4,422	72	-	2,642	262	252	**7,650**
Of which goodwill	7,193	4,161	792	1,119	1,394	-	**14,659**
TOTAL ASSETS	**515,737**	**182,304**	**90,472**	**85,375**	**900,834**	**186,340**	**1,961,062**

Refer to the glossary on page 681 for the definition of technical terms.

							31/12/2019
(in millions of euros)	Asset Gathering	French Retail Banking – LCL	International Retail Banking	Specialised Financial Services	Large Customers	Corporate Centre	TOTAL
Revenues	6,077	3,457	2,796	2,716	5,603	(497)	**20,152**
Operating expenses	(2,905)	(2,371)	(1,753)	(1,362)	(3,498)	(872)	**(12,761)**
Gross operating income	**3,172**	**1,086**	**1,043**	**1,354**	**2,105**	**(1,369)**	**7,391**
Cost of risk	(19)	(217)	(335)	(497)	(160)	(28)	**(1,256)**
Operating income	**3,153**	**869**	**708**	**857**	**1,945**	**(1,397)**	**6,135**
Share of net income of equity-accounted entities	46	-	-	295	5	6	**352**
Net gains (losses) on other assets	32	2	2	-	6	12	**54**
Change in value of goodwill[1]	-	-	-	-	22	(611)	**(589)**
Pre-tax income	**3,231**	**871**	**710**	**1,152**	**1,978**	**(1,990)**	**5,952**
Income tax	(881)	(274)	(199)	(233)	(407)	1,538	**(456)**
Net income from discontinued operations	8	-	(46)	-	-	-	**(38)**
Net income	**2,358**	**597**	**465**	**919**	**1,571**	**(452)**	**5,458**
Non-controlling interests	325	27	132	104	33	(7)	**614**
NET INCOME GROUP SHARE	**2,033**	**570**	**333**	**815**	**1,538**	**(445)**	**4,844**

(1) *Goodwill LCL impairment for -€611 million.*

							31/12/2019
(in millions of euros)	Asset Gathering	French Retail Banking – LCL	International Retail Banking	Specialised Financial Services	Large Customers	Corporate Centre	TOTAL
Segment assets							
Of which investments in equity-accounted entities	4,277	-	-	2,344	350	261	**7,232**
Of which goodwill	6,908	4,161	1,698	1,128	1,385	-	**15,280**
TOTAL ASSETS	**501,631**	**164,417**	**80,283**	**77,642**	**826,550**	**117,120**	**1,767,643**

5.2 SEGMENT INFORMATION: GEOGRAPHICAL ANALYSIS

The geographical analysis of segment assets and results is based on the place where operations are booked for accounting purposes.

				31/12/2020				31/12/2019
(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)	1,385	10,888	1,589,508	9,530	2,425	10,688	1,409,567	9,470
Italy	(67)	3,102	110,037	1,201	703	3,158	97,737	2,082
Other European Union countries	600	3,244	92,246	2,712	791	3,023	88,412	2,465
Other European countries	81	699	19,751	705	152	725	20,550	704
North America	271	1,110	65,364	430	210	1,146	61,570	472
Central and South America	74	104	1,391	-	15	50	641	-
Africa and Middle East	85	471	10,126	35	158	490	9,348	38
Asia-Pacific (ex. Japan)	215	590	27,838	25	285	561	26,693	27
Japan	48	292	44,801	21	105	311	53,125	22
TOTAL	**2,692**	**20,500**	**1,961,062**	**14,659**	**4,844**	**20,152**	**1,767,643**	**15,280**

5.3 INSURANCE SPECIFICITIES

(See chapter on "Risk management – Insurance sector risks" on managing this sector risk.)

Gross income from insurance activities

(in millions of euros)	31/12/2020			31/12/2019		
	Income statement prior to reclassification of overlay approach	Reclassification related to overlay approach	Income statement post-reclassification of overlay approach	Recognition in accordance with IFRS 9 excluding effect of overlay approach	Effect of overlay approach	Recognition after effect of overlay approach
Written premium	29,440	-	29,440	36,967	-	36,967
Change in unearned premiums	(224)	-	(224)	(225)	-	(225)
Earned premiums	**29,216**	**-**	**29,216**	**36,742**	**-**	**36,742**
Other operating income	**232**	**-**	**232**	**(124)**	**-**	**(124)**
Investment income	7,154	(6)	7,148	7,737	(4)	7,733
Investment expenses	(588)	2	(586)	(457)	1	(456)
Gains (losses) on disposals of investments net of impairment and amortisation reversals	426	484	910	72	103	175
Change in fair value of investments at fair value through profit or loss	(1,779)	2,422	645	12,405	(4,041)	8,364
Change in impairment on investments	27	(483)	(456)	(39)	(112)	(151)
Investment income net of expenses	**5,242**	**2,419**	**7,661**	**19,718**	**(4,053)**	**15,666**
Claims expenses[(1)]	**(27,996)**	**(2,227)**	**(30,223)**	**(49,154)**	**3,608**	**(45,546)**
Revenue from reinsurance operations	666	-	666	693	-	693
Expenses from reinsurance operations	(842)	-	(842)	(736)	-	(736)
Net reinsurance income (expense)	**(176)**	**-**	**(176)**	**(43)**	**-**	**(43)**
Contract acquisition costs	(2,180)	-	(2,180)	(2,021)	-	(2,021)
Amortisation of investment securities and similar	-	-	-	-	-	-
Administration costs	(2,222)	-	(2,222)	(2,163)	-	(2,163)
Other current operating income (expense)	(491)	-	(491)	(416)	-	(416)
Other operating income (expense)	-	-	-	7	-	7
Operating income	**1,625**	**192**	**1,817**	**2,547**	**(445)**	**2,102**
Financing expenses	(225)	-	(225)	(238)	-	(238)
Share of net income of associates	-	-	-	-	-	-
Income tax charge	(558)	102	(456)	(591)	51	(540)
Net income from discontinued or held-for-sale operations	-	-	-	8	-	8
Consolidated net income	**842**	**294**	**1,136**	**1,726**	**(394)**	**1,332**
Non-controlling interests	**80**	**-**	**80**	**3**	**-**	**3**
NET INCOME GROUP SHARE	**762**	**294**	**1,056**	**1,723**	**(394)**	**1,329**

(1) Including -€23 billion of cost of claims at 31 December 2020 (-€23 billion at 31 December 2019), -€1 billion of changes in policyholder profit-sharing at 31 December 2020 (-€1 billion at 31 December 2019) and -€6 billion of changes in technical reserves at 31 December 2020 (-€21 billion at 31 December 2019).

 Refer to the glossary on page 681 for the definition of technical terms.

Breakdown of insurance company investments

(in millions of euros)	31/12/2020	31/12/2019
Financial assets at fair value through profit or loss	**175,671**	**173,352**
Held for trading financial assets	**936**	**776**
Treasury bills and similar securities	-	-
Bonds and other fixed income securities	-	-
Equities and other variable income securities	-	-
Derivative instruments	936	776
Other financial instruments at fair value through profit or loss	**174,735**	**172,576**
Equity instruments	31,166	33,178
Equities and other variable income securities	11,150	9,774
Non-consolidated equity investments	5,556	4,501
Designated financial assets applying the overlay approach	14,460	18,903
Debt instruments that do not meet the conditions of the “SPPI” test	69,140	70,263
Loans and receivables	831	718
Debt securities	68,309	69,545
Treasury bills and similar securities	175	171
Bonds and other fixed income securities	4,987	4,781
Mutual funds	43,448	44,078
Designated financial assets applying the overlay approach	19,699	20,515
Assets backing unit-linked contracts	74,429	69,135
Treasury bills and similar securities	498	457
Bonds and other fixed income securities	14,912	13,819
Equities and other variable income securities	8,377	6,822
Mutual funds	50,642	48,037
Financial assets designated at fair value through profit or loss	-	-
Loans and receivables	-	-
Debt securities	-	-
Treasury bills and similar securities	-	-
Bonds and other fixed income securities	-	-
Hedging derivative Instruments	**710**	**929**
Financial assets at fair value through other comprehensive income	**229,726**	**227,570**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**229,508**	**227,393**
Debt securities	229,508	227,393
Treasury bills and similar securities	74,462	68,474
Bonds and other fixed income securities	155,046	158,919
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**218**	**177**
Equities and other variable income securities	-	-
Non-consolidated equity investments	218	177
Financial assets at amortised cost	**5,588**	**4,772**
Loans and receivables	4,287	3,815
Debt securities	1,301	957
Treasury bills and similar securities	117	76
Bonds and other fixed income securities	1,185	881
Impairment	(1)	-
Investment property	**6,355**	**6,410**
Investments in associates and joint venture	**4,127**	**4,002**
TOTAL INSURANCE COMPANY INVESTMENTS	**422,177**	**417,035**

As of 31 December 2020, investments in Insurance entities accounted for by the equity method amount to €4,127 million compared with €4,002 million at 31 December 2019.

(in millions of euros)	31/12/2020 Carrying amount	31/12/2020 Unrealised gains	31/12/2020 Unrealised losses	31/12/2019 Carrying amount	31/12/2019 Unrealised gains	31/12/2019 Unrealised losses
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**229,508**	**23,448**	**(24)**	**227,393**	**20,456**	**(128)**
Debt securities	229,508	23,448	(24)	227,393	20,456	(128)
Treasury bills and similar securities	74,462	10,169	-	68,474	7,560	(69)
Bonds and other fixed income securities	155,046	13,279	(24)	158,919	12,896	(59)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**218**	**21**	**(10)**	**177**	**-**	**(23)**
Equities and other variable income securities	-	-	-	-	-	-
Non-consolidated equity investments	218	21	(10)	177	-	(23)
Total of financial assets at fair value through other comprehensive income	**229,726**	**23,469**	**(34)**	**227,570**	**20,456**	**(151)**
Income tax charge		(6,132)	9		(5,354)	39
OTHER COMPREHENSIVE INCOME ON FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (NET OF INCOME TAX)		**17,337**	**(25)**		**15,102**	**(112)**

Reclassification between net income and other comprehensive income for financial assets designated under the overlay approach

(in millions of euros)	31/12/2020 Amount reported for the designated financial assets applying IFRS 9	31/12/2020 Amount that would have been reported for the designated financial assets applying IAS 39	31/12/2020 Amount reclassified in other comprehensive income applying the overlay approach	31/12/2019 Amount reported for the designated financial assets applying IFRS 9	31/12/2019 Amount that would have been reported for the designated financial assets applying IAS 39	31/12/2019 Amount reclassified in other comprehensive income applying the overlay approach
Investment income	756	750	(6)	1,029	1,025	(4)
Investment expenses	(10)	(8)	2	(7)	(6)	1
Gains (losses) on disposals of investments net of impairment and amortisation reversals	(1)	483	484	71	174	103
Change in fair value of investments at fair value through profit or loss	(2,422)	-	2,422	4,041	-	(4,041)
Change in impairment on investments	-	(483)	(483)	-	(112)	(112)
Investment income net of expenses	**(1,677)**	**742**	**2,419**	**5,134**	**1,081**	**(4,053)**
Claims expenses			**(2,227)**			**3,608**
Operating income			**192**			**(445)**
Income tax charge			102			51
NET INCOME GROUP SHARE			**294**			**(394)**

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 6 Notes to the balance sheet

6.1 CASH, CENTRAL BANKS

	31/12/2020		31/12/2019	
(in millions of euros)	Assets	Liabilities	Assets	Liabilities
Cash	1,593		1,656	
Central banks	192,676	864	91,423	1,896
CARRYING AMOUNT	**194,269**	**864**	**93,079**	**1,896**

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)	31/12/2020	31/12/2019
Held for trading financial assets	261,968	230,721
Other financial instruments at fair value through profit or loss	170,494	168,756
Equity instruments	34,183	36,293
Debt instruments that do not meet the conditions of the “SPPI” test	72,410	72,942
Assets backing unit-linked contracts	63,900	59,520
Financial assets designated at fair value through profit or loss	1	1
CARRYING AMOUNT	**432,462**	**399,477**
Of which lent securities	666	615

Held for trading financial assets

(in millions of euros)	31/12/2020	31/12/2019
Equity instruments	**6,221**	**6,901**
Equities and other variable income securities	6,221	6,901
Debt securities	**18,522**	**18,380**
Treasury bills and similar securities	13,081	13,665
Bonds and other fixed income securities	5,389	4,607
Mutual funds	52	108
Loans and receivables	**120,987**	**104,645**
Loans and receivables due from credit institutions	-	61
Loans and receivables due from customers	872	894
Securities bought under repurchase agreements	120,116	103,690
Pledged securities	-	-
Derivative instruments	**116,237**	**100,795**
CARRYING AMOUNT	**261,968**	**230,721**

Securities acquired under repurchase agreements include those that the entity is authorised to use as collateral.

Equity instruments at fair value through profit or loss

(in millions of euros)	31/12/2020	31/12/2019
Equities and other variable income securities	21,898	24,753
Non-consolidated equity investments	12,285	11,540
TOTAL EQUITY INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**34,183**	**36,293**

Debt instruments that do not meet the conditions of the "SPPI" test

(in millions of euros)	31/12/2020	31/12/2019
Debt securities	**68,966**	**68,733**
Treasury bills and similar securities	178	252
Bonds and other fixed income securities	13,660	13,152
Mutual funds	55,128	55,329
Loans and receivables	**3,444**	**4,209**
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	3,444	4,209
Securities bought under repurchase agreements	-	-
Pledged securities	-	-
TOTAL DEBT INSTRUMENTS THAT DO NOT MEET THE CONDITIONS OF THE "SPPI" TEST	**72,410**	**72,942**

Financial assets designated at fair value through profit or loss

(in millions of euros)	31/12/2020	31/12/2019
Loans and receivables	**-**	**-**
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	-	-
Debt securities	**1**	**1**
Treasury bills and similar securities	-	-
Bonds and other fixed income securities	1	1
TOTAL FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	**1**	**1**

Financial liabilities at fair value through profit or loss

(in millions of euros)	31/12/2020	31/12/2019
Held for trading financial liabilities	229,265	206,708
Financial liabilities designated at fair value through profit or loss	35,908	39,961
CARRYING AMOUNT	**265,173**	**246,669**

This table includes liabilities to holders of mutual funds consolidated in Insurance.

Financial liabilities held for trading

(in millions of euros)	31/12/2020	31/12/2019
Securities sold short	37,179	33,472
Securities sold under repurchase agreements	82,662	74,763
Debt securities	2	55
Due to customers	-	-
Due to credit institutions	-	-
Derivative instruments	109,422	98,418
CARRYING AMOUNT	**229,265**	**206,708**

Detailed information on derivative transaction instruments is provided in Note 3.2 relating to market risk, in particular on interest rates.

Refer to the glossary on page 681 for the definition of technical terms.

Financial liabilities designated at fair value through profit or loss

Financial liabilities for which changes in issuer spread are recognised in other comprehensive income and will not be reclassified

					31/12/2020
(in millions of euros)	Carrying amount	Difference between carrying amount and amount contractually required to pay at maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk	Amount realised at derecognition[1]
Deposits and subordinated liabilities	**3,629**	**-**	**-**	**-**	**-**
Deposits	3,629	-	-	-	-
Subordinated liabilities	-	-	-	-	-
Debt securities	**21,637**	**823**	**363**	**154**	**(6)**
Other financial liabilities	**-**	**-**	**-**	**-**	**-**
TOTAL	**25,266**	**823**	**363**	**154**	**(6)**

(1) The amount realised upon derecognition is transferred to consolidated reserves.

					31/12/2019
(in millions of euros)	Carrying amount	Difference between carrying amount and amount contractually required to pay at maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk	Amount realised at derecognition[1]
Deposits and subordinated liabilities	**3,993**	**-**	**-**	**-**	**-**
Deposits	3,993	-	-	-	-
Subordinated liabilities	-	-	-	-	-
Debt securities	**25,942**	**(110)**	**214**	**86**	**(11)**
Other financial liabilities	**-**	**-**	**-**	**-**	**-**
TOTAL	**29,935**	**(110)**	**214**	**86**	**(11)**

(1) The amount realised upon derecognition is transferred to consolidated reserves.

Pursuant to IFRS 9, Crédit Agricole S.A. 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 Crédit Agricole S.A., 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)

Crédit Agricole S.A. 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)

Crédit Agricole S.A. 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

	31/12/2020			
(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	**10,642**	**-**	**-**	**-**
Deposits	10,642	-	-	-
Subordinated liabilities	-	-	-	-
Debt securities	**-**	**-**	**-**	**-**
Other financial liabilities	**-**	**-**	**-**	**-**
TOTAL	**10,642**	**-**	**-**	**-**

	31/12/2019			
(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	**10,026**	**152**	**-**	**-**
Deposits	10,026	152	-	-
Subordinated liabilities	-	-	-	-
Debt securities	**-**	**-**	**-**	**-**
Other financial liabilities	**-**	**-**	**-**	**-**
TOTAL	**10,026**	**152**	**-**	**-**

6.3 HEDGING DERIVATIVES

Detailed information is provided in Note 3.4 on "Hedge accounting".

6.4 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31/12/2020		
(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	263,856	23,689	(379)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	2,216	497	(887)
TOTAL	**266,072**	**24,186**	**(1,266)**

	31/12/2019		
(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	258,803	20,348	(290)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	2,518	617	(938)
TOTAL	**261,321**	**20,965**	**(1,228)**

Refer to the glossary on page 681 for the definition of technical terms.

Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss

(in millions of euros)	31/12/2020 Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	88,142	10,417	(75)
Bonds and other fixed income securities	175,714	13,272	(303)
Total Debt securities	**263,856**	**23,689**	**(378)**
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	**263,856**	**23,689**	**(379)**
Income tax charge		(6,163)	63
OTHER COMPREHENSIVE INCOME ON DEBT INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**17,526**	**(316)**

(in millions of euros)	31/12/2019 Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	82,684	7,806	(151)
Bonds and other fixed income securities	176,119	12,542	(140)
Total Debt securities	**258,803**	**20,348**	**(291)**
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	**258,803**	**20,348**	**(290)**
Income tax charge		(5,341)	81
OTHER COMPREHENSIVE INCOME ON DEBT INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**15,007**	**(209)**

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

(in millions of euros)	31/12/2020 Carrying amount	Unrealised gains	Unrealised losses
Equities and other variable income securities	515	8	(88)
Non-consolidated equity investments	1,701	489	(799)
Total Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**2,216**	**497**	**(887)**
Income tax charge		(29)	17
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**468**	**(870)**

			31/12/2019
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Equities and other variable income securities	802	29	(33)
Non-consolidated equity investments	1,716	588	(905)
Total Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**2,518**	**617**	**(938)**
Income tax charge		(65)	19
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**552**	**(919)**

Equity instruments derecognised during the period

			31/12/2020
(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	332	-	(10)
Non-consolidated equity investments	7	-	(28)
Total Investments in equity instruments	**339**	**-**	**(37)**
Income tax charge		-	6
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)[1]		**-**	**(32)**

(1) Realised gains and losses are transferred to consolidated reserves.

			31/12/2019
(in thousands of euros)	Fair value at the date of derecognition	Cumulative gains realised[1]	Cumulative losses realised[1]
Equities and other variable income securities	(1)	-	(4)
Non-consolidated equity investments	1,058	47	(65)
Total Investments in equity instruments	**1,057**	**47**	**(69)**
Income tax charge		-	-
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)[1]		**47**	**(69)**

(1) Realised gains and losses are transferred to consolidated reserves.

6.5 FINANCIAL ASSETS AT AMORTISED COST

(in millions of euros)	31/12/2020	31/12/2019
Loans and receivables due from credit institutions	463,169	438,580
Loans and receivables due from customers[1]	405,937	395,181
Debt securities	84,794	72,519
CARRYING AMOUNT	**953,900**	**906,280**

(1) Outstanding loans to customers in France with non-contractual due date postponements amounted to €16.6 billion in 2020, including €0.9 billion still outstanding as at 31 December 2020 at Crédit Agricole S.A. level.

Refer to the glossary on page 681 for the definition of technical terms.

Loans and receivables due from credit institutions

(in millions of euros)	31/12/2020	31/12/2019
CREDIT INSTITUTIONS		
Loans and receivables	84,991	98,434
Of which non doubtful current accounts in debit[1]	*6,727*	*7,002*
Of which non doubtful overnight accounts and advances[1]	*173*	*22,484*
Pledged securities	1	1
Securities bought under repurchase agreements	7,466	5,358
Subordinated loans	533	538
Other loans and receivables	180	133
Gross amount	**93,171**	**104,464**
Impairment	(381)	(416)
Net value of loans and receivables due from credit institutions	**92,790**	**104,048**
CRÉDIT AGRICOLE INTERNAL TRANSACTIONS		
Current accounts	1,760	1,294
Securities bought under repurchase agreements	5,085	1,343
Term deposits and advances	363,142	331,504
Subordinated loans	392	392
Total Crédit Agricole internal transactions	**370,379**	**334,533**
CARRYING AMOUNT	**463,169**	**438,580**

(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)	31/12/2020	31/12/2019
LOANS AND RECEIVABLES DUE FROM CUSTOMERS		
Trade receivables	23,623	27,824
Other customer loans	356,955	340,041
Pledged securities	205	232
Securities bought under repurchase agreements	3,713	4,071
Subordinated loans	45	45
Insurance receivables	328	314
Reinsurance receivables	845	770
Advances in associates' current accounts	147	143
Current accounts in debit	12,636	14,670
Gross amount	**398,497**	**388,110**
Impairment	(9,125)	(8,813)
Net value of loans and receivables due from customers	**389,372**	**379,297**
FINANCE LEASES		
Property leasing	5,474	5,512
Equipment leases, operating leases and similar transactions	11,547	10,772
Gross amount	**17,021**	**16,284**
Impairment	(456)	(400)
Net value of lease financing operations	**16,565**	**15,884**
CARRYING AMOUNT	**405,937**	**395,181**

Debt securities

(in millions of euros)	31/12/2020	31/12/2019
Treasury bills and similar securities	29,906	23,590
Bonds and other fixed income securities	54,967	48,983
TOTAL	**84,873**	**72,573**
Impairment	(79)	(53)
CARRYING AMOUNT	**84,794**	**72,519**

Refer to the glossary on page 681 for the definition of technical terms.

6.6 TRANSFERRED ASSETS NOT DERECOGNISED OR DERECOGNISED WITH ON-GOING INVOLVEMENT

Transferred assets not derecognised in full at 31 December 2020

	Transferred assets				
(in millions of euros)	Carrying amount	Of which securitisation (non-deconsolidating)	Of which securities sold/ bought under repurchase agreements	Of which other[1]	Fair value[2]
Held for trading financial assets	**14,130**	**-**	**14,130**	**-**	**14,130**
Equity instruments	3,173	-	3,173	-	3,173
Debt securities	10,957	-	10,957	-	10,957
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	**28,826**	**-**	**28,673**	**154**	**28,766**
Equity instruments	-	-	-	-	-
Debt securities	28,826	-	28,673	154	28,766
Loans and receivables	-	-	-	-	-
Financial assets at amortised cost	**15,054**	**11,406**	**3,642**	**5**	**15,054**
Debt securities	3,647	-	3,642	5	3,647
Loans and receivables	11,407	11,406	-	-	11,407
Total Financial assets	**58,010**	**11,406**	**46,445**	**159**	**57,950**
Finance leases	**-**	**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**58,010**	**11,406**	**46,445**	**159**	**57,950**

(1) Including securities lending without cash collateral.

(2) When the "counterparty (counterparties) to the associated liabilities has (have) recourse only to the transferred assets" (IFRS 7.42D (d)).

Refer to the glossary on page 681 for the definition of technical terms.

	Transferred assets but still fully recognized						Transferred assets recognised to the extent of on the entity's continuing involvement		
				Associated liabilities		Assets and associated liabilities			
	Carrying amount	Of which securitisation (non-deconsolidating)	Of which securities sold/bought under repurchase agreements	Of which other[1]	Fair value[2]	Net fair value[2]	Initial total carrying amount of assets prior to transfer	Carrying amount of assets still recognised (continuing involvement)	Carrying amount of associated liabilities
	13,908	**-**	**13,908**	**-**	**13,908**	**222**	**-**	**-**	**-**
	3,123	-	3,123	-	3,123	50	-	-	-
	10,785	-	10,785	-	10,785	172	-	-	-
	-	-	-	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	28,642	**-**	**28,642**	**-**	**28,642**	**124**	**-**	**-**	**-**
	-	-	-	-	-	-	-	-	-
	28,642	-	28,642	-	28,642	124	-	-	-
	-	-	-	-	-	-	-	-	-
	13,050	**9,456**	**3,594**	**-**	**13,050**	**2,004**	**-**	**-**	**-**
	3,594	-	3,594	-	3,594	53	-	-	-
	9,456	9,456	-	-	9,456	1,951	-	-	-
	55,600	**9,456**	**46,144**	**-**	**55,600**	**2,350**	**-**	**-**	**-**
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	55,600	**9,456**	**46,144**	**-**	**55,600**	**2,350**	**-**	**-**	**-**

Transferred assets not derecognised in full at 31 December 2019

	Transferred assets				
(in millions of euros)	Carrying amount	Of which securitisation (non-deconsolidating)	Of which securities sold/ bought under repurchase agreements	Of which other[1]	Fair value[2]
Held for trading financial assets	**14,139**	**-**	**14,139**	**-**	**14,139**
Equity instruments	3,911	-	3,911	-	3,911
Debt securities	10,228	-	10,228	-	10,228
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	**24,802**	**-**	**24,502**	**300**	**24,437**
Equity instruments	-	-	-	-	-
Debt securities	24,802	-	24,502	300	24,437
Loans and receivables	-	-	-	-	-
Financial assets at amortised cost	**14,620**	**13,261**	**1,271**	**88**	**14,620**
Debt securities	1,359	-	1,271	88	1,359
Loans and receivables	13,261	13,261	-	-	13,261
Total Financial assets	**53,561**	**13,261**	**39,912**	**388**	**53,196**
Finance leases	**-**	**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**53,561**	**13,261**	**39,912**	**388**	**53,196**

(1) Including loans of securities without cash collateral.

(2) In the event that "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 2020, Crédit Agricole Consumer Finance managed 14 consolidated vehicles for securitisation of retail consumer loans and car dealer financing in Europe. Securitisation transactions carried out within Crédit Agricole Consumer Finance Group are not considered to form part of a deconsolidation transaction under IFRS and have therefore been reintegrated into Crédit Agricole S.A. consolidated financial statements.

The carrying amounts of the relevant assets (net of related liabilities) amounted to €2,831 million at 31 December 2020. They include, in particular, outstanding customer loans with a net carrying amount of €4,221 million. The amount of securities mobilised on the market stood at €4,221 million. The value of securities still available to be mobilised stood at €5,301 million.

CA Italia Securitisations

At 31 December 2020, Crédit Agricole Italia managed one home loan securitisation vehicle. This securitisation transaction is not considered to form part of a deconsolidation transaction under IFRS and has therefore been reintegrated into the Crédit Agricole S.A. consolidated financial statements.

The carrying amounts of the relevant assets amounted to €10,611 million at 31 December 2020.

Refer to the glossary on page 681 for the definition of technical terms.

Transferred assets but still fully recognized						Transferred assets recognised to the extent of on the entity's continuing involvement		
			Associated liabilities		Assets and associated liabilities			
Carrying amount	Of which securitisation (non-deconsolidating)	Of which securities sold/bought under repurchase agreements	Of which other[1]	Fair value[2]	Net fair value[2]	Initial total carrying amount of assets prior to transfer	Carrying amount of assets still recognised (continuing involvement)	Carrying amount of associated liabilities
13,331	**-**	**13,331**	**-**	**13,331**	**808**	**-**	**-**	**-**
3,688	-	3,688	-	3,688	223	-	-	-
9,643	-	9,643	-	9,643	585	-	-	-
-	-	-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
24,458	**-**	**24,458**	**-**	**24,458**	**(21)**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
24,458	-	24,458	-	24,458	(21)	-	-	-
-	-	-	-	-	-	-	-	-
12,547	**11,322**	**1,225**	**-**	**12,547**	**2,073**	**-**	**-**	**-**
1,225	-	1,225	-	1,225	134	-	-	-
11,322	11,322	-	-	11,322	1,939	-	-	-
50,336	**11,322**	**39,014**	**-**	**50,336**	**2,860**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-
50,336	**11,322**	**39,014**	**-**	**50,336**	**2,860**	**-**	**-**	**-**

6.7 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 Group's exposure to sovereign risk is as follows:

Banking activity

31/12/2020							Exposures net of impairment
	Other financial instruments at fair value through profit or loss						
(in millions of euros)	Held-for-trading financial assets	Other financial instruments at fair value through profit or loss	Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	Financial assets at amortised cost	Total banking activity before hedging	Hedging	Total banking activity after hedging
Saudi Arabia	-	-	-	890	890	-	**890**
Argentina	-	-	-	44	44	-	**44**
Austria	119	-	-	198	317	(2)	**315**
Belgium	-	14	2,405	1,552	3,971	(209)	**3,762**
Brazil	8	-	112	158	278	-	**278**
China	189	-	34	136	359	(2)	**357**
Egypt	1	7	641	347	996	-	**996**
Spain	-	-	1,303	2,034	3,337	(119)	**3,218**
United States	1,721	-	68	819	2,608	(7)	**2,601**
France	35	285	3,712	12,528	16,560	(706)	**15,854**
Greece	-	-	-	-	-	-	**-**
Hong Kong	58	-	-	880	938	(1)	**937**
Iran	-	-	-	-	-	-	**-**
Ireland	-	-	-	-	-	-	**-**
Italy	-	43	3,066	8,075	11,184	(285)	**10,899**
Japan	-	-	246	1,435	1,681	1	**1,682**
Lebanon	-	-	-	-	-	-	**-**
Lithuania	-	-	-	-	-	-	**-**
Morocco	11	23	244	-	278	-	**278**
Poland	-	-	950	229	1,179	-	**1,179**
United Kingdom	-	-	-	-	-	-	**-**
Russia	-	-	-	-	-	-	**-**
Syria	-	-	-	-	-	-	**-**
Turkey	-	-	-	-	-	-	**-**
Ukraine	-	-	78	208	286	-	**286**
Venezuela	-	-	-	30	30	-	**30**
Yemen	-	-	-	-	-	-	**-**
Other sovereign countries	1,086	195	808	4,401	6,490	(26)	**6,464**
TOTAL	**3,228**	**567**	**13,667**	**33,964**	**51,426**	**(1,356)**	**50,070**

Refer to the glossary on page 681 for the definition of technical terms.

31/12/2019	Exposures Banking activity net of impairment						
	Other financial instruments at fair value through profit or loss						
(in millions of euros)	Held-for-trading financial assets	Other financial instruments at fair value through profit or loss	Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	Financial assets at amortised cost	Total banking activity before hedging	Hedging	Total banking activity after hedging
Saudi Arabia	-	-	-	899	899	-	**899**
Argentina	-	-	-	-	-	-	**-**
Austria	68	4	-	16	88	(1)	**87**
Belgium	-	-	2,412	671	3,083	(206)	**2,877**
Brazil	57	-	77	191	325	-	**325**
China	12	-	36	-	48	-	**48**
Egypt	2	8	804	-	814	-	**814**
Spain	-	7	1,290	612	1,909	(2)	**1,907**
United States	4,083	-	205	2,858	7,146	(21)	**7,125**
France	41	195	4,724	10,559	15,519	(1,015)	**14,504**
Greece	-	-	-	-	-	-	**-**
Hong Kong	46	-	-	890	936	-	**936**
Iran	-	-	-	-	-	-	**-**
Ireland	1	6	-	-	7	-	**7**
Italy	24	96	2,821	4,921	7,862	(452)	**7,410**
Japan	-	-	-	889	889	8	**897**
Lebanon	-	-	-	-	-	-	**-**
Lithuania	-	-	-	-	-	-	**-**
Morocco	68	7	258	-	333	-	**333**
Poland	14	-	722	242	978	-	**978**
United Kingdom	-	-	-	-	-	-	**-**
Russia	1	-	-	-	1	-	**1**
Syria	-	-	-	-	-	-	**-**
Turkey	-	-	-	-	-	-	**-**
Ukraine	-	-	55	148	203	-	**203**
Venezuela	-	-	-	42	42	-	**42**
Yemen	-	-	-	-	-	-	**-**
Other sovereign countries	993	31	699	4,783	6,506	(345)	**6,161**
TOTAL	**5,410**	**354**	**14,103**	**27,721**	**47,588**	**(2,034)**	**45,554**

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)*	31/12/2020	31/12/2019
Saudi Arabia	1	6
Argentina	-	1
Austria	2,484	3,036
Belgium	4,152	3,299
Brazil	-	-
China	-	-
Egypt	-	-
Spain	3,777	1,318
United States	50	131
France	54,004	52,216
Greece	-	4
Hong Kong	-	-
Iran	-	-
Ireland	200	725
Italy	9,103	7,602
Japan	132	97
Lebanon	-	-
Lithuania	77	-
Morocco	-	-
Poland	325	363
United Kingdom	6	15
Russia	-	-
Syria	-	-
Turkey	-	2
Ukraine	-	-
Venezuela	1	1
Yemen	-	-
Other sovereign countries	3,020	2,219
TOTAL EXPOSURES	**77,332**	**71,035**

6.8 FINANCIAL LIABILITIES AT AMORTISED COST

(in millions of euros)	31/12/2020	31/12/2019
Due to credit institutions	264,919	142,041
Due to customers	719,388	646,914
Debt securities	162,547	201,007
CARRYING AMOUNT	**1,146,854**	**989,962**

Refer to the glossary on page 681 for the definition of technical terms.

Due to credit institutions

(in millions of euros)	31/12/2020	31/12/2019
CREDIT INSTITUTIONS		
Accounts and borrowings	179,458	74,133
Of which current accounts in credit[1]	9,167	10,137
Of which overnight accounts and deposits[1]	1,953	2,359
Pledged securities	-	-
Securities sold under repurchase agreements	21,575	27,169
Total	**201,033**	**101,302**
CRÉDIT AGRICOLE INTERNAL TRANSACTIONS		
Current accounts in credit[1]	39,899	18,794
Term deposits and advances	18,903	20,876
Securities sold under repurchase agreements	5,084	1,069
Total	**63,886**	**40,739**
CARRYING AMOUNT	**264,919**	**142,041**

(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)	31/12/2020	31/12/2019
Current accounts in credit	291,807	228,339
Special savings accounts	324,407	302,424
Other amounts due to customers	98,927	112,020
Securities sold under repurchase agreements	1,520	1,569
Insurance liabilities	872	940
Reinsurance liabilities	590	467
Cash deposits received from ceding and retroceding companies against technical insurance commitments	1,265	1,155
CARRYING AMOUNT	**719,388**	**646,914**

Debt securities issued

(in millions of euros)	31/12/2020	31/12/2019
Interest bearing notes	-	-
Interbank securities	9,078	9,289
Negotiable debt securities	49,228	86,272
Bonds[1]	101,380	101,738
Other debt securities	2,861	3,708
CARRYING AMOUNT	**162,547**	**201,007**

(1) Includes issues of Covered Bonds and issues of senior non-preferred bonds.

Debt notes issued by Crédit Agricole S.A. and hold by Insurance entities of Crédit Agricole S.A. group are eliminated for euro contracts. They were eliminated for the portion backing unit-linked contracts with financial risk borne by the policyholder.

6.9 INFORMATION ON THE OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Offsetting – financial assets

	31/12/2020					
	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 assets presented in the financial statements[3]	Gross amounts of financial liabilities covered by master netting agreements	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all offsetting effects
Derivatives[1][2]	138,368	10	138,358	120,742	11,398	6,218
Reverse repurchase agreements[4]	203,785	67,200	136,585	10,600	125,271	714
Securities lent	12,909	-	12,909	-	-	12,909
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS SUBJECT TO OFFSETTING	**355,062**	**67,210**	**287,852**	**131,342**	**136,669**	**19,841**

(1) *Including margin calls but before any XVA impact.*

(2) *96% of derivatives on the asset side at the reporting date were subject to offsetting.*

(3) *The net amount of financial assets shown in the summary statements is equal to the amount shown on the balance sheet as assets.*

(4) *99% of repurchase agreements on the assets side at the reporting date were subject to offsetting.*

At 31 December 2020, 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).

	31/12/2019					
	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 assets presented in the financial statements[2]	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]	120,534	21	120,513	104,711	15,533	269
Reverse repurchase agreements	177,596	62,900	114,696	10,756	103,279	661
Securities lent	2,817	-	2,817	-	-	2,817
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL ASSETS SUBJECT TO OFFSETTING	**300,947**	**62,921**	**238,026**	**115,467**	**118,812**	**3,747**

(1) *Including margin calls but before any XVA impact.*

(2) *The net amount of financial assets shown in the summary statements is equal to the amount shown on the balance sheet as assets.*

At 31 December 2019, 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).

Refer to the glossary on page 681 for the definition of technical terms.

Offsetting – financial liabilities

Type of financial instrument *(in millions of euros)*	31/12/2020					
	Offsetting effects on financial liabilities covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
	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]	124,664	10	124,654	120,742	2,647	1,265
Repurchase agreements[4]	178,064	67,200	110,864	10,600	99,380	884
Securities borrowed	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**302,728**	**67,210**	**235,518**	**131,342**	**102,027**	**2,149**

(1) Including margin calls but before any XVA impact.

(2) 99% 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 2020, derivative instruments were not subject to accounting clearing within the meaning of IAS 32R, but daily settlement (application of the so-called “settlement to market” mechanism).

Type of financial instrument *(in millions of euros)*	31/12/2019					
	Offsetting effects on financial liabilities covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
	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[2]	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]	111,711	-	111,711	103,048	6,819	1,844
Repurchase agreements	167,552	62,900	104,652	10,756	89,108	4,788
Securities borrowed	6,060	-	6,060	-	-	6,060
Other financial instruments	-	-	-	-	-	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**285,323**	**62,900**	**222,423**	**113,804**	**95,927**	**12,692**

(1) Including margin calls mais avant tout impact XVA.

(2) The net amount of financial liabilities shown in the summary statements is equal to the amount shown on the balance sheet as liabilities.

At 31 December 2019, 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).

6.10 CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES

(in millions of euros)	31/12/2020	31/12/2019
Current tax	1,335	1,233
Deferred tax	2,969	3,067
TOTAL CURRENT AND DEFERRED TAX ASSETS	**4,304**	**4,300**
Current tax	1,363	1,626
Deferred tax	1,971	2,140
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**3,334**	**3,766**

Tax audits

Crédit Agricole S.A. tax audit

After an audit of accounts for the 2014 and 2015 financial years, Crédit Agricole S.A. was the subject of adjustments as part of a proposed correction received at the end of December 2018. Crédit Agricole S.A. paid the sums due in this regard and reversed the related provision.

Crédit Agricole CIB Paris tax audit

After an audit of accounts for the 2013, 2014 and 2015 financial years, Crédit Agricole CIB was the subject of adjustments as part of a proposed correction received at the end of December 2018. Crédit Agricole CIB has challenged the proposed adjustments with stated arguments. A provision has been recognised to cover the estimated risk.

Crédit Agricole CIB Milan tax audit regarding transfer pricing

Following audits, Crédit Agricole CIB Milan received adjustment notices from the Italian tax authorities regarding transfer pricing for the 2005 to 2014 financial years. Crédit Agricole CIB has challenged the proposed adjustments with stated arguments. At the same time, the case has been referred to the competent French-Italian authorities for all financial years. 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 the subject of an audit of accounts for the 2016 and 2017 financial years. It received an adjustment notice in late 2019. Crédit Agricole Consumer Finance has recorded a provision in its accounts for the adjustments that have been in dispute since 2018 and an additional provision in 2019.

Earlier, Crédit Agricole Consumer Finance had been the subject of a different audit of accounts for the 2014 and 2015 financial years. A proposed rectification was received at the end of 2017 and a provision was booked for that amount. In 2020, Crédit Agricole Consumer Finance paid the amounts due and reversed the related provision.

Predica tax audit

Predica was the subject of an audit of accounts for the 2015 and 2016 financial years. It received an adjustment notice in early 2019. Predica has recorded a provision in its accounts for the adjustments that are disputed.

Agos Ducato tax audit

Agos Ducato received a rectification proposal for the 2014 financial year from the Italian tax authorities following a tax audit. Agos Ducato is challenging the notified adjustments on grounds. A tax audit is also under way for the 2015 to 2018 financial years. A provision has been recognised to cover the estimated risk.

Net deferred tax assets and liabilities break down as follows:

(in millions of euros)	31/12/2020	31/12/2019
Temporary timing differences – tax	**2,275**	**2,208**
Non-deductible accrued expenses	324	339
Non-deductible provisions for liabilities and charges	2,172	2,163
Other temporary differences(1)	(221)	(294)
Deferred tax on reserves for unrealised gains or losses	**(1,181)**	**(662)**
Financial assets at fair value through other comprehensive income	(1,115)	(551)
Cash flow hedges	(291)	(388)
Gains and losses/Actuarial differences	134	115
Other comprehensive income attributable to changes in own credit risk	91	71
Reclassification of net gains (losses) of designated financial assets applying the overlay approach	-	91
Deferred tax on income and reserves	**(96)**	**(619)**
Of which reclassification of net gains (losses) of designated financial assets applying the overlay approach	-	(91)
TOTAL DEFERRED TAX	**998**	**927**

(1) The portion of deferred tax related to tax loss carryforwards was €361 million for 2020 compared to €380 million for 2019.

Deferred tax assets are netted on the balance sheet by taxable entity.

In order to assess the level of deferred tax assets to be recognised, Crédit Agricole S.A. takes into account for each company or tax group concerned the dedicated tax status and the earnings projections established during the budgetary process.

Refer to the glossary on page 681 for the definition of technical terms.

6.11 ACCRUED INCOME AND EXPENSES AND OTHER ASSETS AND LIABILITIES

Accruals, prepayments and sundry assets

(in millions of euros)	31/12/2020	31/12/2019
Other assets	**33,160**	**31,789**
Inventory accounts and miscellaneous	217	195
Collective management of *Livret de Développement Durable* (LDD) savings account	-	-
Sundry debtors[1]	29,585	27,608
Settlements accounts	706	1,531
Due from shareholders – unpaid capital	29	29
Other insurance assets	327	329
Reinsurer's share of technical reserves	2,296	2,097
Accruals and deferred income	**7,147**	**6,560**
Items in course of transmission	2,702	2,355
Adjustment and suspense accounts	269	230
Accrued income	3,021	2,623
Prepaid expenses	548	525
Other accruals prepayments and sundry assets	607	827
CARRYING AMOUNT	**40,307**	**38,349**

(1) Including €72 million in respect of the contribution to the single resolution Fund in the form of a security deposit at 31 December 2020. The single resolution Fund may use the security deposit to provide funding unconditionally and at any time.

Accruals, deferred income and sundry liabilities

(in millions of euros)	31/12/2020	31/12/2019
Other liabilities[1]	**41,283**	**36,426**
Settlements accounts	1,769	2,504
Sundry creditors	37,541	32,254
Liabilities related to trading securities	204	230
Lease liabilities[3]	1,757	1,407
Other insurance liabilities	12	31
Accruals and deferred income	**11,658**	**12,859**
Items in course of transmission[2]	3,250	3,473
Adjustment and suspense accounts	1,120	1,609
Unearned income	1,233	1,317
Accrued expenses	5,266	5,492
Other accrual prepayments and sundry liabilities	789	968
CARRYING AMOUNT	**52,941**	**49,285**

(1) The amounts shown include related debts.

(2) Net amounts are shown.

(3) Taking into account the effects of first-time adoption of the IFRS IC decision of 26 November 2019 respecting the duration of IFRS 16 leases, the balance of rental liabilities in the balance sheet would have been €1,801 million at 31 December 2019 (see Note 1.1 Applicable standards and comparability).

6.12 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Balance sheet of discontinued or held for sale operations

(in millions of euros)	31/12/2020	31/12/2019
Cash, central banks	50	55
Financial assets at fair value through profit or loss	5	-
Hedging derivative Instruments	-	-
Financial assets at fair value through other comprehensive income	32	40
Financial assets at amortised cost	2,597	370
Revaluation adjustment on interest rate hedged portfolios	-	-
Current and deferred tax assets	26	-
Accruals, prepayments and sundry assets	24	1
Investments in equity-accounted entities	-	-
Investment property	-	-
Property, plant and equipment	13	5
Intangible assets	(13)	4
Goodwill	-	-
Total Assets	**2,734**	**475**
Central banks	-	-
Financial liabilities at fair value through profit or loss	-	-
Hedging derivative Instruments	-	-
Financial liabilities at amortised cost	1,254	420
Revaluation adjustment on interest rate hedged portfolios	-	-
Current and deferred tax liabilities	2	-
Accruals, prepayments and sundry liabilities	25	5
Provisions	16	1
Subordinated debt	-	9
Adjustment to fair value of assets held for sale and discontinued operations (excluding taxes)	133	43
Total Liabilities and equity	**1,430**	**478**
NET ASSET FROM DISCONTINUED OR HELD-FOR-SALE OPERATIONS	**1,304**	**(3)**

Income statement from discontinued operations

(in millions of euros)	31/12/2020	31/12/2019
Revenues	17	12
Operating expenses	(63)	(12)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	(32)	(2)
Cost of risk	4	(1)
Pre-tax income	**(74)**	**(3)**
Share of net income of equity-accounted entities	-	-
Net gains (losses) on other assets	-	-
Change in value of goodwill	(55)	-
Income tax charge	(4)	-
Net income	**(133)**	**(3)**
Income associated with fair value adjustments of discontinued operations	(88)	(43)
Net income from discontinued operations	**(221)**	**(46)**
Non-controlling interests	-	-
NET INCOME FROM DISCONTINUED OPERATIONS – GROUP SHARE	**(221)**	**(46)**

Refer to the glossary on page 681 for the definition of technical terms.

Discontinued operations cash flow statement

(in millions of euros)	31/12/2020	31/12/2019
Net cash flows from (used by) operating activities	97	(23)
Net cash flows from (used by) investment activities	(2)	-
Net cash flows from (used by) financing activities	(125)	7
TOTAL	**(30)**	**(16)**

6.13 JOINT VENTURES AND ASSOCIATES

Financial information of joint ventures and associates

At 31 December 2020:

- the equity-accounted value of joint ventures totalled €3,081 million (€2,845 million at 31 December 2019);
- the equity-accounted value of associates totalled €4,569 million (€4,387 million at 31 December 2019).

FCA Bank is a joint venture created with the Fiat Chrysler Automobiles Group. In 2019, Crédit Agricole S.A., Crédit Agricole Consumer Finance and Fiat Chrysler Automobiles (formerly Fiat Group Automobiles) renewed their agreement to extend their 50/50 joint venture until 31 December 2024. The company operates in 18 European countries and manages all financing operations for dealers and customers of 18 brands: Fiat, Fiat Professional, Lancia, Alfa Roméo, Abarth, Maserati, Chrysler, Jeep, Ferrari, Aston Martin, Morgan, Dodge, RAM, Harley, MV Agusta and Hymer in Europe, Jaguar and Land Rover in Continental Europe. As such, it is strategic for the development of the JV Automobiles business.

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".

						31/12/2020
(in millions of euros)	% of interest	Equity-accounted value	Share of market value	Dividends paid to Group's entities	Share of net income[(1)]	Share of shareholders' equity[(2)]
Joint ventures						
Fca Bank	50.0%	2,117	-	-	307	1,811
S3 Latam Holdco 1	34.8%	262	-	-	7	525
Others		702	-	22	(14)	910
Net carrying amount of investments in equity-accounted entities (Joint ventures)		**3,081**			**300**	**3,246**
Associates						
Icade	19.0%	935	892	56	49	544
Korian	24.3%	768	801	-	18	728
Ramsay Générale de Santé	39.6%	669	785	-	5	401
Altarea	24.7%	583	613	37	5	486
GAC Sofinco Auto Finance Co (ex-GAC Crédit Agricole Consumer Finance)	50.0%	375	-	26	52	375
SCI Heart of La Défense	33.3%	264	230	10	4	264
Frey	19.4%	146	143	7	6	144
ABC-CA Fund Management Co	22.7%	143			16	143
Wafasalaf	49.0%	127	-	-	(9)	71
SBI Funds Management Private Limited	25.2%	123	-	6	39	99
Others		436			16	251
Net carrying amount of investments in equity-accounted entities (Associates)		**4,569**			**200**	**3,506**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**7,650**			**501**	**6,752**

(1) The share of income of Asset gathering and Insurance activities and associates as well as the related share of benefits are classified as Net Banking Income 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.

The market value shown in the table above is the quoted price of the shares on the market at 31 December 2020. 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)	% 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]
						31/12/2019
Joint ventures						
Fca Bank	50.0%	1,818	-	90	232	1,572
S3 Latam Holdco 1	34.8%	234				357
Others		792	-	34	62	1,088
Net carrying amount of investments in equity-accounted entities (Joint ventures)		**2,845**			**294**	**3,016**
Associates						
Icade	19.0%	929	1,372	63	32	539
Ramsay Générale de Santé	39.6%	663	735	-	3	395
Korian	24.4%	650	838	11	29	610
Altarea	24.7%	596	835	51	65	497
GAC Sofinco Auto Finance Co (ex-GAC Crédit Agricole Consumer Finance)	50.0%	358	-	6	51	358
SCI Heart of La Défense	33.3%	269	266	14	11	269
Frey	19.3%	146	156	4	7	113
Wafasalaf	49.0%	139	-	13	15	81
ABC-CA Fund Management Co	22.8%	131	-	-	9	131
SBI Funds Management Private Limited	25.3%	103	-	5	24	76
Others		404			67	184
Net carrying amount of investments in equity-accounted entities (Associates)		**4,387**			**313**	**3,253**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**7,232**			**607**	**6,269**

(1) The share of income of Asset gathering and Insurance activities and associates as well as the related share of benefits are classified as Net Banking Income in the income statement.

(2) Shareholders' equity Group share in the financial statements of the joint venture or associate when the joint venture or associate is a sub-group.

Condensed financial information for the material associates and joint ventures of Crédit Agricole S.A. group is shown below:

(in millions of euros)	Revenues	Net income	Total assets	Total Equity
				31/12/2020
Joint ventures				
Fca Bank	836	501	25,767	3,622
S3 Latam Holdco 1	77	29	1,182	1,049
Associates				
Icade	258	258	12,429	3,715
Korian	74	74	11,884	2,620
Ramsay Générale de Santé	13	13	6,715	1,037
Altarea	19	19	9,114	2,939
GAC Sofinco Auto Finance Co (ex-GAC Crédit Agricole Consumer Finance)	233	104	6,338	789
SCI Heart of La Défense	13	13	1,880	795
Frey	31	31	1,430	743
ABC-CA Fund Management Co	98	48	512	430
Wafasalaf	102	(18)	1,224	145
SBI Funds Management Private Limited	170	104	301	269

Refer to the glossary on page 681 for the definition of technical terms.

(in millions of euros)	Revenues	Net income	Total assets	Total Equity
				31/12/2019
Joint ventures				
Fca Bank	1,018	467	31,582	3,143
S3 Latam Holdco 1	-	-	715	714
Associates				
Icade	175	175	11,828	3,596
Ramsay Générale de Santé	8	8	4,361	1,039
Korian	119	119	10,720	2,478
Altarea	263	263	8,563	3,187
GAC Sofinco Auto Finance Co (ex-GAC Crédit Agricole Consumer Finance)	217	101	5,214	1,471
SCI Heart of La Défense	33	33	1,881	816
Frey	35	35	1,056	583
Wafasalaf	103	30	1,244	332
ABC-CA Fund Management Co	80	28	461	785
SBI Funds Management Private Limited	150	66	254	413

SCI Heart of La Défense entered the scope of consolidation under the equity method in 2018.

Significant restrictions on joint ventures and associates

Crédit Agricole S.A. has the following restrictions:

Regulatory constraints

The subsidiaries of Crédit Agricole S.A. 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 S.A. group.

Legal constraints

The subsidiaries of Crédit Agricole S.A. are subject to legal provisions concerning the distribution of capital and distributable earnings. These requirements limit the ability of the subsidiaries to distribute dividends. In the majority of cases, these are less restrictive than the regulatory limitations mentioned above.

Restriction on assets backing unit-linked contracts for the Insurance business

Assets backing unit-linked contracts of Crédit Agricole S.A. are held for the benefit of policyholders. Assets of the insurance subsidiaries of Crédit Agricole S.A. 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.

6.14 INVESTMENT PROPERTY

(in millions of euros)	31/12/2019	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2020
Gross amount	6,673	-	253	(308)	-	7	**6,625**
Depreciation and impairment	(97)	-	(5)	4	-	(5)	**(103)**
CARRYING AMOUNT[(1)]	**6,576**	**-**	**248**	**(304)**	**-**	**2**	**6,522**

(1) Including investment property let to third parties.

(in millions of euros)	31/12/2018	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2019
Gross amount	6,492	-	555	(388)	-	14	**6,673**
Depreciation and impairment	(84)	-	(4)	7	-	(16)	**(97)**
CARRYING AMOUNT[(1)]	**6,408**	**-**	**551**	**(381)**	**-**	**(2)**	**6,576**

(1) Including investment property let to third parties.

Fair value of investment properties

The market value of investment property recorded at cost, as valued by "expert appraisers", was €9,955 million at 31 December 2020 compared to €9,784 million at 31 December 2019.

(in millions of euros)		31/12/2020	31/12/2019
Quoted prices in active markets for identical instruments	Level 1	-	-
Valuation based on observable data	Level 2	9,823	9,639
Valuation based on unobservable data	Level 3	132	145
MARKET VALUE OF INVESTMENT PROPERTIES		**9,955**	**9,784**

All investment property are recognised at cost in the balance sheet.

6.15 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 and equipment leased under operating leases.

(in millions of euros)	31/12/2019	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustments	Other movements[1]	31/12/2020
PROPERTY, PLANT AND EQUIPMENT USED IN OPERATIONS							
Gross amount	10,249	99	831	(517)	(118)	434	**10,978**
Depreciation and impairment	(4,651)	(30)	(742)	213	60	(49)	**(5,199)**
CARRYING AMOUNT	**5,598**	**69**	**89**	**(304)**	**(58)**	**385**	**5,779**
INTANGIBLE ASSETS							
Gross amount	7,808	84	601	(236)	(27)	(41)	**8,214**
Depreciation and impairment	(4,645)	-	(476)	154	15	(41)	**(5,018)**
CARRYING AMOUNT	**3,163**	**84**	**125**	**(82)**	**(12)**	**(82)**	**3,196**

(1) Taking into account the effects of first-time adoption of the IFRS IC decision of 26 November 2019 respecting the duration of IFRS 16 leases, the balance of rights of use in the balance sheet would have been €1,762 million at 31 December 2019 (versus €1,371 million before application of the IFRS IC decision) (see Note 1.1 "Applicable standards and comparability").

(in millions of euros)	31/12/2018	01/01/2019[1]	Changes in scope[2]	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2019
PROPERTY, PLANT AND EQUIPMENT USED IN OPERATIONS								
Gross amount	8,466	9,968	(190)	769	(575)	56	221	**10,249**
Depreciation and impairment	(4,397)	(4,451)	129	(707)	461	(25)	(58)	**(4,651)**
CARRYING AMOUNT	**4,069**	**5,517**	**(61)**	**62**	**(114)**	**31**	**163**	**5,598**
INTANGIBLE ASSETS								
Gross amount	6,985	6,926	697	586	(411)	11	(1)	**7,808**
Depreciation and impairment	(4,698)	(4,644)	80	(442)	390	(6)	(23)	**(4,645)**
CARRYING AMOUNT	**2,287**	**2,282**	**777**	**144**	**(21)**	**5**	**(24)**	**3,163**

(1) Right of use impact recognised in First Time Application of the IFRS 16 standard.

(2) Essentially related to the entries of Agos S.p.A and Santander Securities Services S.A.

Refer to the glossary on page 681 for the definition of technical terms.

6.16 GOODWILL

(in millions of euros)	31/12/2019 gross	31/12/2019 net	Increases (acquisitions)	Decreases (divestments)	Impairment losses during the period	Translation adjustments	Other movements	31/12/2020 gross	31/12/2020 net
Asset Gathering	**6,908**	**6,908**	**335**	**-**	**-**	**(50)**	**-**	**7,192**	**7,193**
of which insurance	1,214	1,214	-	-	-	-	-	1,213	1,214
of which asset management[1]	4,868	4,868	335	-	-	(51)	-	5,152	5,152
of which international wealth management	826	826	-	-	-	1	-	827	827
French Retail Banking – LCL	**5,263**	**4,161**	**-**	**-**	**-**	**-**	**-**	**5,263**	**4,161**
International Retail Banking	**3,239**	**1,698**	**-**	**-**	**(903)**	**(3)**	**-**	**3,208**	**792**
of which Italy[3]	2,872	1,660	-	-	(903)	-	-	2,871	757
of which Poland	221	-	-	-	-	-	-	207	-
of which Ukraine	39	-	-	-	-	-	-	38	-
of which other countries	97	38	-	-	-	(3)	-	92	35
Specialised Financial Services	**2,819**	**1,128**	**47**	**(55)**	**-**	**(1)**	**-**	**2,810**	**1,119**
of which Consumer finance (excl. Agos)[2]	1,694	956	25	(55)	-	-	-	1,664	926
of which Consumer finance-Agos	672	103	-	-	-	-	-	672	103
of which Factoring[4]	453	69	22	-	-	(1)	-	474	90
Large Customers	**2,610**	**1,385**	**17**	**-**	**-**	**(1)**	**(7)**	**2,620**	**1,394**
of which Corporate and investment banking	1,711	486	-	-	-	(1)	-	1,711	485
of which Asset servicing	899	899	17	-	-	-	(7)	909	909
Corporate Centre	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**20,839**	**15,280**	**400**	**(55)**	**(903)**	**(55)**	**(7)**	**21,093**	**14,659**
Group share	**18,959**	**13,570**	**289**	**(55)**	**(778)**	**(39)**	**(29)**	**19,096**	**12,957**
Non-controlling interests	**1,880**	**1,710**	**111**	**-**	**(125)**	**(16)**	**22**	**1,997**	**1,702**

(1) Goodwill of €335 million at 31 December 2020 following the acquisition of Sabadell Asset Management by the Amundi group.

(2) Goodwill of €25 million at 31 December 2020 following the additional acquisition of Menafinance shares by Crédit Agricole Consumer Finance Group, resulting in a change in consolidation method from equity-accounted to full consolidation.

(3) Following the annual valuation tests of the goodwill recorded in its balance sheet during the fourth quarter of 2020, CA Italia recognised an impairment of €903 million at 31 December 2020.

(4) Goodwill of €21 million at 31 December 2020 following the acquisition of Hama POLSKA by Crédit Agricole Leasing & Factoring Group.

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 (2021-2023) developed for Group management purposes, extrapolated over a fourth and fifth year in order to merge towards a standardized final year integrating the catch-up effects expected after COVID.

Following the evolution of the health situation, the economic scenario serving as a basis for projected financial trajectories was adjusted. However, this remains particularly difficult this year because it depends on how the pandemic evolves, which is still very uncertain.

This scenario is based on an economy heavily impacted by the health crisis in 2020 which resulted in a significant drop in GDP. Business was strongly impacted for almost nine months by periods when entire sections of the economy were brought to a standstill alternating with phases of partial recovery when health constraints were relaxed. The scenario assumes that the epidemic will persist in 2021, prolonging this alternation of restrictions and short periods of confinement and lifting of constraints during the first half of the year, but exerting a less violent impact and penalizing the economy less than in 2020 through better control of the epidemic, less severe restrictions on mobility and production and a generally well preserved productive system. It assumes a gradual and moderate recovery in 2021: i) linked to controlling the spread of the virus through vaccination campaigns, ii) yet limited due to the behaviour of agents who will likely remain more cautious (precautionary savings, postponement of investments) and due to the aftermath of the crisis (rise in unemployment, rise in bankruptcies). Against this backdrop, the growth forecasts are moderately dynamic for 2021 with a very low level of expected inflation.

States will continue to implement policies to support the economy in order to limit damage to the productive apparatus and the labour market, and launch recovery plans to stimulate investment and support household consumption. However, certain sectors will remain weakened and subject to certain restrictions including automotive, commerce, tourism, hotels, restaurants, culture, etc.

To stimulate growth and inflation, while preserving financial stability, central banks will gradually move towards accommodating monetary policies that maintain interest rates at a low level for an extended period of time, negative even for short-term Euro rates. In Europe, asset purchase programmes should help avoid fragmentation (limiting the widening of spreads).Under these conditions, the prospect of a rise in interest rates appears to be more distant than previously anticipated, this having a more significant impact on International CGU Retail Banking – Italy, whose sensitivity to these changes is more marked.

As of 31 December 2020, perpetual growth rates, discount rates and capital allocated rates as a proportion of risk-weighted assets were distributed by business lines as shown in the table below:

In 2020 (for Crédit Agricole S.A. fully consolidated entities)	Perpetual growth rates	Discount rates	Capital allocated
French Retail Banking – LCL	2.0%	7.6%	8.8%
International Retail Banking – Italy	2.0%	8.8%	9.0%
International Retail Banking – Others	5.0%	17.0%	9.5%
Specialised Financial Services(1)	2.0%	7.6% to 9.3%	8.8% to 9.1%
Asset Gathering	2.0%	7.6% to 8.5%	8.9% to 9.1% 80% of the solvency margin (Insurance)
Large Customers	2.0%	8% to 9.4%	8.9%

(1) *The Consumer Credit CGU (excluding Agos) now excludes Crédit Agricole Consumer Finance NL which was classified under IFRS 5 "assets held for sale" last September, resulting in an impairment of the CGU's goodwill in the amount of €55 million.*

The increase by the European Central Bank (ECB) of regulatory prudential requirements under Pillar 1 and Pillar 2 with effect from 2016 led Crédit Agricole S.A. progressively to raise the level of capital allocated to CGUs as a percentage of risk-weighted assets for certain entities. Last year this allowance was between 9.50% and 9.75% of weighted uses for all CGUs including counter-cyclical buffers, a rate to which the various applicable contra-cyclical buffers should be added, in particular the one that the High Council for Financial Stability (HCSF) had set up in France.

Following the health crisis, the High Council for Financial Stability in its decision of 18 June 2020, announced the elimination of certain counter-cyclical buffers. The European Central Bank also announced the early application of article 104a of CRD 5 which authorizes the coverage of requirements Pillar 2 (P2R) with 56.25% of CET1 capital, thus reducing the CET1 requirement for Crédit Agricole S.A. by 66 basis points in both P2R and P2G. Due to a higher P2R requirement in Italy, this gain is 77 basis points for the International Retail Banking CGT – Italy. Certain counter-cyclical cushions imposed by foreign supervisors have also been reduced to zero.

Compared to the previous year all of these measures lead to a reduction in the allocation of CET1 capital of between 77 and 115 bp, depending on the CGU considered.

Valuation parameters, in particular the discount rates, were updated to 31 December 2020.

Perpetual growth rates as of 31 December 2020 remain unchanged from those used as of 31 December 2019.

Refer to the glossary on page 681 for the definition of technical terms.

Sensitivity of the valuation of CGUs to the main valuation parameters

The sensitivity of the value in use of the CGUs comprising each of the major business segments to the variation of certain valuation parameters is presented in the following table:

	Sensitivity to capital allocated	Sensitivity to discount rates		Sensitivity to cost of risk in the final year		Sensitivity to the cost/income ratio in the final year	
In 2020	+100 bp	-50 bp	+50 bp	-10%	+10%	-100 bp	+100 bp
French Retail Banking – LCL	(2.1%)	+8.8%	(7.3%)	+2.7%	(2.7%)	+3.1%	(3.1%)
International Retail Banking – Italy	(5.4%)	+6.4%	(5.5%)	+3.6%	(3.6%)	+2.7%	(2.7%)
International Retail Banking – Others	(2.6%)	+3.9%	(3.6%)	+0.6%	(0.6%)	+1.4%	(1.4%)
Specialised Financial Services	(2.1%)	+9.8%	(8.3%)	+7.7%	(7.7%)	+3.6%	(3.6%)
Asset Gathering	(0.7%)	+8.6%	(7.3%)	NS	NS	+1.4%	(1.4%)
Large Customers	(8.7%)	+7.8%	(6.8%)	+1.1%	(1.1%)	+2.3%	(2.3%)

Sensitivity analysis have been conducted on goodwill – Group share with variations of the main parameters of valuation applied uniformly for all CGU. These tests show that only the International Retail Banking – Italy CGU whose value in use is just equal to the consolidated value after impairment, is sensitive to degradations in the model parameters.

- With regard to financial parameters, the sensitivity scenarios tested would lead to the identification of an impairment charge only for the International Retail Banking – Italy CGU. In fact:
  - a change of +50 basis points in the discount rates would result in an additional impairment charge of around €210 million on the International Retail Banking CGU – Italy. Regarding the Retail Banking CGU in France – LCL, the difference would remain positive at around €370 million.

    Note that a +100 basis point change in discount rates would result in an impairment charge of €340 million for Retail Banking CGU in France – LCL; For the International Retail Banking – Italy CGU, the additional requirement would be €400 million;
  - a change of +100 basis points in the level of equity allocated to banking CGUs would lead to a need for additional depreciation of around €210 million on the International Retail Banking CGU – Italy and would result in no need for depreciation for the other 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 and that of a +100 basis point change in the cost-to-income ratio for the same year, would not result in a negative difference between value in use and the carrying amount for any CGUs other than International Retail Banking – Italy: the scenario of a +100 basis point change of the cost-to-income ratio in the final year of projection would result in a negative difference of about €110 million between value in use and consolidated value, whereas in the case of a +10% change in the cost of risk in the final year, this difference would be around €140 million.

6.17 INSURANCE COMPANY TECHNICAL RESERVES

Breakdown of insurance technical reserves

	31/12/2020				
(in millions of euros)	Life	Non-Life	International	Creditor	TOTAL
Insurance contracts	215,228	6,802	24,857	2,066	**248,953**
Investment contracts with discretionary profit-sharing	67,321	-	16,155	-	**83,476**
Investment contracts without discretionary profit-sharing	2,608	-	1,637	-	**4,245**
Deferred participation benefits (liability)	25,556	-	1,284	-	**26,840**
Other technical reserves	-	-	-	-	**-**
Total Technical reserves	**310,713**	**6,802**	**43,933**	**2,066**	**363,514**
Deferred participation benefits (asset)	-	-	-	-	**-**
Reinsurer's share of technical reserves	(1,255)	(617)	(73)	(351)	**(2,296)**
NET TECHNICAL RESERVES	**309,458**	**6,185**	**43,860**	**1,715**	**361,218**

					31/12/2019
(in millions of euros)	Life	Non-Life	International	Creditor	TOTAL
Insurance contracts	208,188	6,092	24,167	2,005	**240,452**
Investment contracts with discretionary profit-sharing	70,161	-	15,284	-	**85,445**
Investment contracts without discretionary profit-sharing	2,420	-	1,694	-	**4,114**
Deferred participation benefits (liability)	25,824	-	763	-	**26,587**
Other technical reserves	-	-	-	-	**-**
Total Technical reserves	**306,593**	**6,092**	**41,909**	**2,005**	**356,599**
Deferred participation benefits (asset)	-	-	-	-	**-**
Reinsurer's share of technical reserves	(1,151)	(579)	(86)	(280)	**(2,096)**
NET TECHNICAL RESERVES	**305,442**	**5,513**	**41,823**	**1,725**	**354,503**

Reinsurers' share in technical reserves and other insurance liabilities is recognised under "Accruals, prepayments and sundry liabilities". The breakdown of insurance company technical reserves is presented before elimination of issues in euro and in units of account subscribed by insurance companies.

Deferred policyholders' profit sharing, before tax, at 31 December 2020 and 31 December 2019 breaks down as follows:

	31/12/2020	31/12/2019
Deferred participation benefits before tax *(in millions of euros)*	Net deferred participation benefits	Net deferred participation benefits
Deferred participation on revaluation of financial assets at fair value through other comprehensive income and hedging derivatives	(22,768)	(22,550)
of which deferred participation on revaluation of financial assets at fair value through other comprehensive income[1]	(23,371)	(23,322)
of which deferred participation hedging derivatives	603	772
Deferred participation on financial assets at fair value through profit or loss adjustement	(1,611)	(1,783)
Other deferred participation	(2,461)	(2,254)
TOTAL PRE-TAX OTHER DEFERRED PARTICIPATION BENEFITS	**(26,840)**	**(26,587)**

(1) See Note 6.4 "Assets at fair value through other comprehensive income".

6.18 PROVISIONS

(in millions of euros)	31/12/2019	Changes in scope	Additions	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	31/12/2020
Home purchase schemes risks	367	-	78	-	-	-	-	**445**
Execution risks of commitments by signature	910	2	815	(17)	(769)	(28)	(4)	**909**
Operational risks	103	-	53	(23)	(15)	(2)	(16)	**100**
Employee retirement and similar benefits[1]	1,667	-	159	(125)	(89)	(5)	89	**1,696**
Litigation	607	-	66	(55)	(29)	(3)	(3)	**583**
Equity investments	-	-	-	-	-	-	-	**-**
Restructuring	33	-	7	(3)	(9)	-	(1)	**27**
Other risks	677	-	148	(56)	(232)	(3)	(97)	**437**
TOTAL	**4,364**	**2**	**1,326**	**(279)**	**(1,143)**	**(41)**	**(32)**	**4,197**

(1) Of which €1,350 million for post-employment benefits under defined-benefit schemes, as detailed in Note 7.4, including €149 million for the provision for long-service awards.

At 31 December 2020, employee retirement and similar benefits included €71 million (€103 million at 31 December 2019) of provisions arising from social costs of the adaptation plans. The provision for restructuring includes the non-social costs of those plans.

Refer to the glossary on page 681 for the definition of technical terms.

(in millions of euros)	31/12/2018	01/01/2019[1]	Changes in scope	Additions	Reversals, amounts used	Reversals, amounts unused	Translation adjustments	Other movements	31/12/2019
Home purchase schemes risks	245	245	-	122	-	-	-	-	**367**
Execution risks of commitments by signature	872	872	-	776	(41)	(710)	8	5	**910**
Operational risks	68	68	-	35	(11)	(9)	-	20	**103**
Employee retirement and similar benefits	1,709	1,709	(5)	151	(226)	(87)	8	117	**1,667**
Litigation	2,132	521	2	52	(39)	(27)	2	96	**607**
Equity investments	1	1	-	2	(1)	(2)	-	-	**-**
Restructuring	24	24	2	12	(2)	(1)	-	(2)	**33**
Other risks	758	758	3	132	(72)	(120)	-	(24)	**677**
TOTAL	**5,809**	**4,198**	**2**	**1,282**	**(392)**	**(956)**	**18**	**212**	**4,364**

(1) Reclassification of provisions for tax risks relating to income tax from "Provisions" to "Current and deferred tax liabilities" at 1 January 2019 for €1,611 million.

Inquiries and requests for regulatory information

The main files linked to inquiries and requests for regulatory information are:

Strauss/Wolf/Faudem

US citizens and members of their families who were victims of terrorist attacks attributed to Hamas and committed in Israel between 2001 and 2004 have brought proceedings against Crédit Lyonnais and another bank before a New York court.

They claim that these banks gave support to terrorists as they each kept an account opened (in 1990 in the case of Crédit Lyonnais) by a charity providing aid to Palestinians. The plaintiffs allege that the account was used to transfer funds to Palestinian entities accused of financing Hamas. The plaintiffs, who have not put a figure on the damages they have suffered, are claiming compensation for "injury, anguish and emotional pain".

As the matter and the proceedings currently stand, the plaintiffs have not provided proof that the charity was actually linked to terrorists, nor that Crédit Lyonnais was aware that its client could have been involved (if it were to be proven) in financing terrorism. The Court nonetheless demanded that this be demonstrated by the plaintiffs if they are to win their case. Crédit Lyonnais vigorously denies the plaintiffs' allegations.

Under a ruling made on 28 February 2013, the judge issued a Summary Judgement referring Crédit Lyonnais and the plaintiffs to a jury trial on the merits.

In February 2018, Crédit Lyonnais filed a new motion for a summary judgement based on a recent case-law so that the plaintiffs' claims can be dismissed without such a jury trial.

On January 2019 the plaintiffs tried to modify their briefs in order to add new plaintiffs before their action be time-barred. The judge refused this request and two new actions (Fisher and Miller) have been filed before the same court as the one in charge of the procedures Strauss/Wolf. They are similar to the pending actions, their legal analysis are identical and their result will depend on the outcome of the motion for a summary judgement filed by Crédit Lyonnais in February 2018. From a procedural standpoint they will remain outstanding until then.

On 31 March 2019 the court upheld in its entirety the "motion for summary judgement" filed by Crédit Lyonnais in February 2018. It considered that no reasonable jury could find in favour of the plaintiffs and dismissed all their claims. The plaintiffs appealed against this decision.

CIE case (Cheque Image Exchange)

In March 2008, LCL and Crédit Agricole S.A. and ten other banks were served notice of grievances on behalf of the *Conseil de la concurrence i.e.* the French Competition Council (now the *Autorité de la concurrence*).

They are 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 *Autorité de la concurrence,* these fees constitute anti-competitive price agreements in the meaning of Articles 81 paragraph 1 of the treaty establishing the European Community and Article L.420-1 of the French Commercial Code, and allegedly caused damage to the economy.

In their defence, the banks categorically refuted the anticompetitiveness of the fees and contested the legality of the proceedings.

In a decision published on 20 September 2010, the *Autorité de la concurrence* stated that the Cheque Image Exchange fee (CEIC) was anti-competitive by its very aim and that it artificially increased the costs borne by remitting banks, which resulted in an unfavourable impact on the prices of banking services. Concerning one of the fees for related services, the fee for cancellation of wrongly cleared transactions (AOCT), the *Autorité de la concurrence* called on the banks to revise their amount within six months of the notification of the decision.

The accused banks were sanctioned for an overall amount of €384.92 million.

LCL and Crédit Agricole were respectively sentenced to pay €20.7 million and €82.1 million for the CEIC and €0.2 million and €0.8 million for the AOCT.

All of the banks appealed the decision to the Paris Court of Appeal. By a decree of 23 February 2012, the Court overruled the decision, stating that the *Autorité de la concurrence* had not proven the existence of competition restrictions establishing the agreement as having an anti-competitive purpose.

The *Autorité de la concurrence* filed an appeal with the Supreme Court on 23 March 2012.

On 14 April 2015, the French Supreme Court *(Cour de cassation)* overruled the Paris Court of Appeal's decision dated 23 February 2012 and remanded the case to the Paris Court of Appeal with a change in the composition of the Court on the sole ground that the Paris Court of Appeal declared the UFC-Que Choisir and ADUMPE's interventions in the proceedings devoid of purpose without having considered their arguments.

The Supreme Court did not rule on the merits of the case and Crédit Agricole has brought the case before the Paris Court of Appeal.

The Paris Court of Appeal issued a decree on 21 December 2017. It confirmed the decision of the *Autorité de la concurrence* dated 20 September 2010 but reduced from €82,940,000 to €76,560,000 the sanction on Crédit Agricole. LCL's sanction remains unchanged, at an amount of €20,930,000.

As well as the other banks parties to this procedure, LCL and Crédit Agricole filed an appeal with the Supreme Court.

On 29 January 2020, the French Supreme Court *(Cour de cassation)* overruled the Paris Court of Appeal's decision dated 21 December 2017 and referred the case to the same Court with a different composition on the ground that the Paris Court of Appeal had not characterized the existence of restrictions of competition by object.

Office of Foreign Assets Control (OFAC)

In October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US and New York authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008.

Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US and New York authorities in connection with their investigations, have agreed to pay a total penalty amount of $787.3 million (*i.e.* €692.7 million). The payment of this penalty has been allocated to the pre-existing reserve that had already been taken and, therefore, has not affected the accounts for the second half of 2015.

The agreements with the Board of Governors of the Federal Reserve System (Fed) and the New York State Department of Financial Services (NYDFS) are with CASA and Crédit Agricole CIB. The agreement with the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury is with Crédit Agricole CIB. Crédit Agricole CIB also entered into separate deferred prosecution agreements (DPAs) with the United States Attorney's Office for the District of Columbia (USAO) and the District Attorney of the County of New York (DANY), the terms of which are three years. On 19 October 2018 the two deferred prosecution agreements with USAO and DANY ended at the end of the three year period, Crédit Agricole CIB having complied with all its obligations under the DPAs.

Crédit Agricole continues to strengthen its internal procedures and its compliance programs regarding laws on international sanctions and will continue to cooperate fully with the US and New York authorities with its home regulators, the European Central Bank and the French Regulatory and Resolution Supervisory Authority (ACPR), and with the other regulators across its worldwide network.

Pursuant to the agreements with NYDFS and the US Federal Reserve, Crédit Agricole's compliance program is subject to regular reviews to evaluate its effectiveness, including a review by an independent consultant appointed by NYDFS for a term of one year and annual reviews by an independent consultant approved by the Federal Reserve.

Euribor/Libor and other indexes

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into: (i) the calculation of the Libor (London Interbank Offered Rates) in a number of currencies, the Euribor (Euro Interbank Offered Rate) and certain other market indices; and (ii) transactions connected with these rates and indices. These demands covered several periods from 2005 to 2012.

As part of its cooperation with the authorities, Crédit Agricole S.A. and its subsidiaries 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.

Additionally, the Swiss competition authority, COMCO, is conducting 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 transaction, under the terms of which Crédit Agricole S.A. agreed to pay a penalty of CHF 4,465,701 and procedural costs in the amount of CHF 187,012, without any acknowledgement 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 indices. The investigation into certain foreign exchange derivatives (ABS-NDF) has been closed by the KFTC according to a decision notified to Crédit Agricole CIB on 20 December 2018.

Concerning the two class actions in the United States of America in which Crédit Agricole S.A. and Crédit Agricole CIB have been named since 2012 and 2013 along with other financial institutions, both as defendants in one ("Sullivan" for the Euribor) and only Crédit Agricole S.A. as defendant for the other ("Lieberman" for Libor), the "Lieberman" class action is at the preliminary stage that consists in the examination of its admissibility; proceedings are still suspended before the US District Court of New York State. Concerning the "Sullivan" class action, Crédit Agricole S.A. and Crédit Agricole CIB introduced a motion to dismiss the applicants' claim. The US District Court of New York State upheld the motion to dismiss regarding Crédit Agricole S.A. and Crédit Agricole CIB in first instance. On 14 June 2019, the plaintiffs appealed this decision.

Since 1 July 2016, Crédit Agricole S.A. and Crédit Agricole CIB, together with other banks, are also party to a new class action suit in the United States ("Frontpoint") relating to the Sibor (Singapore Interbank Offered Rate) and SOR (Singapore Swap Offer Rate) indices. After having granted a first motion to dismiss filed by Crédit Agricole S.A. and Crédit Agricole CIB, the New York Federal District Court, ruling on a new request by the plaintiffs, excluded Crédit Agricole S.A. from the Frontpoint case on the grounds that it had not contributed to the relevant indexes. The Court considered, however, taking into account recent developments in case law, that its jurisdiction could apply to Crédit Agricole CIB, as well as to all the banks that are members of the Sibor index panel. The allegations contained in the complaint regarding the Sibor/USD index and the SOR index were also rejected by the court, therefore the index Sibor/Singapore dollar alone is still taken into account. On 26 December 2018, the plaintiffs filed a new complaint aimed at reintroducing into the scope of the Frontpoint case the alleged manipulations of the Sibor and SOR indexes that affected the transactions in US dollars. Crédit Agricole CIB, alongside the other defendants, objected to this new complaint at the hearing held on 2 May 2019 before the New York Federal District Court. On July 26, 2019, the Federal Court granted the

Refer to the glossary on page 681 for the definition of technical terms.

defendants' motion to dismiss. The plaintiffs filed a notice of appeal on August 26, 2019.

These class actions are civil actions in which the plaintiffs claim that they are victims of the methods used to set the Euribor, Libor, Sibor and SOR rates, and seek repayment of the sums they allege were unlawfully received, as well as damages and reimbursement of costs and fees paid.

Banque Saudi Fransi

Crédit Agricole Corporate Investment Bank (Crédit Agricole CIB) had received in 2018 a request for arbitration submitted by Banque Saudi Fransi (BSF) before the International Chamber of Commerce (ICC). The dispute related to the performance of a technical services agreement between BSF and Crédit Agricole CIB that is no longer in force. BSF had quantified its claim at SAR 1,023,523,357, the equivalent of about €242 million. Crédit Agricole CIB and BSF have entered into an agreement effectively ending the ICC arbitration proceedings. This agreement has no significant impact on Crédit Agricole CIB's Financial Statements.

SSA Bonds

Several regulators made requests of 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 SSA bonds (Supranational, Sub-Sovereign and Agencies) denominated in American dollars. Through the cooperation with these regulators, Crédit Agricole CIB proceeded to internal inquiries to gather the required information available. On 20 December 2018, the European Commission issued a Statement of Objections to a number of banks including Crédit Agricole S.A. and Crédit Agricole CIB within its inquiry on a possible infringement of rules of European Competition law in the secondary trading of Bonds SSA denominated in American dollars. Crédit Agricole S.A. and Crédit Agricole CIB became aware of these objections and issued a response on 29 March 2019, followed by an oral hearing on 10-11 July 2019.

Crédit Agricole CIB is 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 have been 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 have filed motions to dismiss the amended complaint. As regards Crédit Agricole CIB, the complaint was ruled inadmissible on 30 September 2019 for lack of jurisdiction of the New York court and, in a subsequent decision, the Court ruled that the plaintiffs had in any event failed to establish a violation of US antitrust law. In June 2020 the plaintiffs appealed these two decisions.

On 7 February 2019, another 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 halted the class action but it may be taken up again.

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 action was filed the same day in Federal Court. The action in the Ontario Superior Court of Justice was dismissed on 19 February 2020.

It is not possible at this stage to predict the outcome of these investigations, proceedings or class actions or the date on which they will end.

O'Sullivan and Tavera

On 9 November 2017, a group of individuals, (or their families or estates), who claimed to have been injured or killed in attacks in Iraq filed a complaint ("O'Sullivan I") against several banks including Crédit Agricole S.A., and its subsidiary Crédit Agricole Corporate Investment Bank (Crédit Agricole CIB), in US Federal District Court in New-York.

On 29 December 2018, the same group of individuals, together with 57 new plaintiffs, filed a separate action ("O'Sullivan II") against the same defendants.

On 21 December 2018, a different group of individuals filed a complaint ("Tavera") against the same defendants.

All three complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants conspired with Iran and its agents to violate US sanctions and engage in transactions with Iranian entities in violation of the US Anti-Terrorism Act and the Justice Against Sponsors of Terrorism Act. Specifically, the complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants processed US dollar transactions on behalf of Iran and Iranian entities in violation of sanctions administered by the US Treasury Department's Office of Foreign Assets Control, which allegedly enabled Iran to fund terrorist organizations that, as is alleged, attacked plaintiffs. The plaintiffs are seeking an unspecified amount of compensatory damages.

On 2 March 2018, Crédit Agricole CIB and other defendants filed a motion to dismiss the O' Sullivan I Complaint. On 28 March 2019, the Court granted defendants' motion to dismiss. On 22 April 2019, the plaintiffs filed a motion to amend their complaint. Defendants submitted an opposition to that motion on 20 May 2019 and plaintiffs filed a reply on 10 June 2019. On 25 February 2020 the plaintiffs' motion to amend their complaint was denied and their original complaint dismissed with prejudice.

On 28 May 2020, the plaintiffs filed a new motion for a final decision with right of appeal. On 11 June 2020, the defendants opposed this motion and on 18 June 2020 the plaintiffs responded. The Tribunal has yet to rule on the petition.

Italian Competition Authority

("Crédit Agricole Consumer Finance") and its subsidiary FCA Bank S.p.A. received – together with several other banks and certain car manufacturers – a statement of objections from the *Autorità garante della concorrenza e del mercato* (Italian Competition Authority). It was alleged in this statement of objections that several banks offering financing solutions for vehicles commercialized by certain car manufacturers have restricted competition as a result of certain exchanges of information, in particular within two professional associations.

In a decision notified on 9 January 2019 the *Autorità garante della concorrenza e del mercato* considered that FCA Bank S.p.A. had participated in this alleged infringement and this infringement was also attributable to Crédit Agricole Consumer Finance.

FCA Bank S.p.A. has been fined €178.9 million. FCA Bank S.p.A. and Crédit Agricole Consumer Finance appealed this decision with the Regional Administrative Court (TAR) of Lazio. On 4 April 2019, the TAR of Lazio issued an interim relief order staying the execution of the obligation to pay the fine imposed on FCA Bank S.p.A. subject to the provision by FCA Bank S.p.A. of a guarantee covering the amount of the fine.

The Lazio TAR dismissed the decision of the *Autorità garante della concorrenza e del mercato* in a judgment on 24 November 2020. On 23 December 2020, the *Autorità garante della concorrenza e del mercato* appealed this decision before the Italian Council of State.

Intercontinental Exchange, Inc. ("ICE")

On 15 January 2019 a class action ("Putnam Bank") was filed before a federal court in New York (US District Court Southern District of New York) against the Intercontinental Exchange, Inc. ("ICE") and a number of banks including Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Securities-USA. This action has been filed by plaintiffs who allege that they have invested in financial instruments indexed to the USD ICE Libor. They accuse the banks of having collusively set the index USD ICE Libor at artificially low levels since February 2014 and made thus illegal profits.

On 31 January 2019 a similar action ("Livonia") has been filed before the US District Court Southern District of New York, against a number of banks including Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Securities-USA. On 1 February 2019, these two class actions were consolidated.

On 4 March 2019, a third class action ("Hawaii Sheet Metal Workers retirement funds") was filed against the same banks in the same court and consolidated with the two previous actions on 26 April 2019. On 1 July 2019, the plaintiffs filed a "Consolidated Class Action Complaint".

On 30 August 2019, the Defendants filed a motion to dismiss against this consolidated complaint.

On 26 March 2020, the judge granted the defendants' motion to dismiss. On 14 June 2019, the plaintiffs appealed this decision.

On 30 November 2020, the plaintiffs' lawyers informed the defendants of the wish of the named plaintiffs to desist during the filing phase of the briefs and on 1 December 2020 filed a request for a stay of proceedings which the defendants opposed. On 7 December 2020, the court rejected this request and the plaintiffs responded on 15 December 2020.

On 28 December 2020, DYJ Holdings Inc made a request to intervene to replace the named plaintiffs. On 7 January 2021, the defendants objected and also filed a motion to dismiss the appeal.

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 interests.

On 21 January 2019, in two individual cases concerning two subsidiaries of Crédit Agricole Consumer Finance Nederland BV, the Appeals Committee 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 during 2020 which will take into account the aforementioned decisions of KIFID.

CACEIS Germany

CACEIS Germany has received from the Bavarian tax authorities a request for the reimbursement of taxes on dividends repaid to some of its customers in 2010.

The request amounts to €312 million. In addition, CACEIS is requested to pay €148 million late interest (calculated at a rate of 6% p.a.).

CACEIS Germany vigorously contests this request, which it regards as completely unfounded. Moreover, CACEIS appealed on the merits and has requested a suspension of execution of the payment order pending a ruling in the substantive proceedings. A suspension of execution was granted for the payment of the €148 million late interest but was dismissed for the €312 million principal repayment requested. CACEIS has lodged an appeal against this ruling. As the decision dismissing the appeal was immediately enforceable, CACEIS made the €312 million payment and considering the appeal proceedings in progress, recorded a receivable of an equivalent amount.

Amundi – AMF procedure

Following an investigation conducted from 2017 to 2019, the *Autorité des marchés financiers* (AMF) notified Amundi of grievances on 12 June 2020. The grievances concern the management of certain transactions carried out by two Amundi employees between 2014 and 2015. This file has been transmitted to a reporting judge who will present his findings to the Sanctions Commission upon completion of the investigation of the file. Amundi is cooperating fully under this procedure. To date, no sanction has been imposed on Amundi.

Home purchase savings plan provision

Deposits collected in home purchase savings accounts and plans during the savings phase

(in millions of euros)	31/12/2020	31/12/2019
HOME PURCHASE SAVINGS PLANS		
Under 4 years old	6,398	6,407
Between 4 and 10 years old	52,627	48,251
Over 10 years old	48,490	49,359
Total home purchase savings plans	**107,515**	**104,017**
Total home purchase savings accounts	**12,637**	**11,929**
TOTAL DEPOSITS COLLECTED UNDER HOME PURCHASE SAVINGS CONTRACTS	**120,152**	**115,946**

Customer deposits outstanding, excluding government subsidies, are based on the carrying amount at the end of November 2020 for the financial statements at 31 December 2020 and at the end of November 2019 for the financial statements at 31 December 2019.

Refer to the glossary on page 681 for the definition of technical terms.

Outstanding loans granted to holders of home purchase savings accounts and plans

(in millions of euros)	31/12/2020	31/12/2019
Home purchase savings plans	2	3
Home purchase savings accounts	12	18
TOTAL OUTSTANDING LOANS GRANTED UNDER HOME PURCHASE SAVINGS CONTRACTS	**14**	**21**

Provision for home purchase savings accounts and plans

(in millions of euros)	31/12/2020	31/12/2019
HOME PURCHASE SAVINGS PLANS		
Under 4 years old	1	-
Between 4 and 10 years old	35	35
Over 10 years old	409	332
Total home purchase savings plans	**445**	**367**
Total home purchase savings accounts	**-**	**-**
TOTAL PROVISIONS FOR HOME PURCHASE SAVINGS CONTRACTS	**445**	**367**

(in millions of euros)	31/12/2019	Additions	Reversals	Other movements	31/12/2020
Home purchase savings plans	367	78	-	-	445
Home purchase savings accounts	-	-	-	-	-
TOTAL PROVISIONS FOR HOME PURCHASE SAVINGS CONTRACTS	**367**	**78**	**-**	**-**	**445**

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 Crédit Agricole S.A.

Half of the amount of outstanding loans related to home purchase savings plans and accounts is recognised by Crédit Agricole S.A. 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.

Consequently, the ratio between the provision booked and the outstanding amounts shown on Crédit Agricole S.A.'s balance sheet is not representative of the level of provisioning for home purchase savings risk.

6.19 SUBORDINATED DEBT

(in millions of euros)	31/12/2020	31/12/2019
Dated subordinated debt(1)	23,301	20,822
Undated subordinated debt(2)	511	747
Mutual security deposits	179	167
Participating securities and loans	61	61
CARRYING AMOUNT	**24,052**	**21,797**

(1) Includes issues of dated subordinated notes "TSR".

(2) Includes issues of deeply subordinated notes "TSR" and undated subordinated notes "TSDI".

At 31 December 2020, outstanding deeply subordinated notes amounted to €247 million compared to €472 million at 31 December 2019.

Debt notes issued by Crédit Agricole S.A. and hold by Insurance entities of Crédit Agricole S.A. are eliminated for euro accounts.

They were eliminated for the portion backing unit-linked contracts with financial risk borne by the policyholder.

Subordinated debt

The issue of subordinated debt plays a part in regulatory capital management while contributing to refinancing all of Crédit Agricole S.A.'s operation.

The Capital Requirements Regulation and Directive CRD/CRR1 (as last amended by Directive (EU) 2019/878, called CRD 5, and Regulation (EU) 2019/876 of 20 May 2019, called CRR2) define, among other things, the conditions under which subordinated instruments qualify as regulatory capital and set out the terms and conditions for the phase-out of old instruments that do not meet these requirements, between 1 January 2014 (first effective date of the CRD Directive and the CRR Regulation) and 1 January 2022, and, for instruments issued before 27 June 2019 (date of entry into force of the CRD V Directive and the CRR2 Regulation amending CRD 4 and CRR), until 28 June 2025 and subject to certain criteria.

All subordinated debt issuance, whether new or old, is likely to be subject to Bail-in in certain circumstances, particularly in the event of resolution of the issuing bank, in accordance with applicable French law transposing Directive 2014/59/EU of the European Parliament and of the Council on the reorganisation and resolution of credit institutions and investment firms of 15 May 2014 (as amended, inter alia, by Directive (EU) 2019/879 of 20 May 2019 on the loss-absorption capacity and recapitalisation of credit institutions and investment firms) (the **"BRRD Directive"**).

The different types of subordinated debt issued by Crédit Agricole S.A. and still outstanding are detailed below: these are undated deeply subordinated notes and dated subordinated notes.

Deeply subordinated notes (TSS)

Crédit Agricole has issued several generations of undated deeply subordinated notes, given the various regulations and legislation applicable at the time of their issuance.

The common feature of these securities is that they are all issued for an indefinite period of time. They may be redeemed under the conditions that are contractually defined, subject to certain specific conditions related in particular to their original eligibility as Tier 1 equity.

New issuances of TSS are only made on international markets for institutional investors under English, French or State of New York (United States) law.

TSS differ from other debt securities by virtue of their ranking in liquidation (principal and interest) contractually defined by their deep subordination clause, which refers explicitly to applicable French law, depending on the date on which they were issued.

Dated subordinated notes (TSR) and contingent capital securities

Dated subordinated notes (TSR) issued by Crédit Agricole S.A. are loans with a fixed term (maturity). They may be redeemed prior to maturity under the conditions that are contractually defined, subject to certain conditions related in particular to their original eligibility as Tier 2 equity.

TSR are issued either on the French market under French law or on the international markets under French, UK, State of New York (United States) or Japanese law.

TSR differ from preferred or non-preferred senior bonds by virtue of 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 (TSR are junior to non-preferred and preferred senior bonds).

Early redemption as part of the conditions for all subordinated note issues (TSR or TSS)

Depending on the conditions determined at the time of their issue, the aforementioned TSR or TSS may be the subject of:

- on-market or off-market buy-back transactions or through public takeover bids or exchange offers subject to approval by the competent regulator and/or supervisory authority, and/or at the initiative of Crédit Agricole S.A., in accordance with the contractual clauses applicable to each issuance;
- the exercise of an early redemption option at the initiative of Crédit Agricole S.A. ("call option"), under the conditions and subject to approval by the competent regulator, where appropriate, at the times defined by the contractual terms of the issue, in the event that the issuance agreement for the securities contains such a clause.

Senior non-preferred debt issues

With the law on transparency, the fight against corruption and the modernisation of the economy (also referred to as the "Sapin 2 Law") of 10 December 2016, France created a new category of senior debt – senior "non-preferred" debt – meeting the eligibility criteria of the TLAC and MREL ratios (as they are presently defined) (codified in Articles L.613-30-3-I-4° and R.613-28 of the French Monetary and Financial Code). This category of debt is also covered in the BRRD Directive.

Senior non-preferred securities differ from senior preferred securities by virtue of their ranking in liquidation contractually defined by reference to Articles L.613-30-3-I-4° and R.613-28 of the French Monetary and Financial Code referred to above (senior non-preferred securities are junior to senior preferred securities and senior to subordinated securities [including the TSS and TSR referred to above]).

The outstanding amount of senior non-preferred securities of Crédit Agricole S.A. and Crédit Agricole Group thus stood at €24.1 billion at 31 December 2020, compared to €18.5 billion in euro equivalent at 31 December 2019.

Covered bond-type issues

In order to increase the amount of medium and long-term financing, the Group issues Covered Bonds through two subsidiaries in France, one subsidiary in Italy and one subsidiary in Switzerland:

- **Crédit Agricole Home Loan SFH,** whose initial issue was launched in January 2009. The total amount outstanding, in euro equivalent, was €33 billion at 31 December 2020;
- **Crédit Agricole Public Sector SCF**, whose initial issue was launched in October 2012. The total amount issued and outstanding was €4 billion at 31 December 2020;
- **Crédit Agricole Italia**: the total amount issued and outstanding at 31 December 2020 was €10 billion in OBG (covered bonds), including €1.750 billion held at 31 December 2020;
- **Crédit Agricole Nextbank**, the inaugural issuance of which was in September 2020 for €184 million in euro equivalent.

Refer to the glossary on page 681 for the definition of technical terms.

6.20 CAPITAL

Ownership structure at 31 December 2020

At 31 December 2020, to the knowledge of Crédit Agricole S.A., the distribution of capital and voting rights is as follows:

Shareholders	Number of shares at 31/12/2020	% of the share capital	% of voting rights
SAS Rue La Boétie	1,612,517,290	55.29%	55.30%
Treasury shares	1,090,000	0.04%	-
Employees (ESOP)	169,020,958	5.79%	5.80%
Public	1,134,060,392	38.88%	38.90%
TOTAL	**2,916,688,640**	**100.00%**	**100.00%**

At 31 December 2020, Crédit Agricole S.A.'s share capital stood at €8,750,065,920 divided into 2,916,688,640 fully paid up ordinary shares each with a par value of €3.

SAS Rue La Boétie is wholly-owned by the Crédit Agricole Regional Banks.

Concerning Crédit Agricole S.A. stock, a liquidity agreement was signed on 25 October 2006 with Crédit Agricole Cheuvreux S.A., purchased by Kepler, and renamed Kepler Cheuvreux in 2013.

This agreement is automatically renewed every year. So that the operator can conduct the operations stipulated in the agreement with complete independence, and in accordance with the provisions of Regulations EU 596/2014 and 2016/908 and AMF Decision No. 2018-01, the agreement has been allocated a maximum amount of €50 million.

To the Company's knowledge, no other shareholder owns 5% or more of the share capital or voting rights, either directly or indirectly or with others.

Earning per share

		31/12/2020	31/12/2019
Net income Group share during the period	*(in millions of euros)*	2,692	4,844
Net income attributable to undated deeply subordinated securities	*(in millions of euros)*	(373)	(587)
Net income attributable to holders of ordinary shares	*(in millions of euros)*	**2,319**	**4,257**
Weighted average number of ordinary shares in circulation during the period		2,885,319,047	2,873,414,500
Adjustment ratio		1.000	1.000
Weighted average number of ordinary shares for calculation of diluted earnings per share		2,885,319,047	2,873,414,500
BASIC EARNINGS PER SHARE	*(in euros)*	**0.804**	**1.482**
Basic earnings per share from ongoing activities	*(in euros)*	**0.880**	**1.495**
Basic earnings per share from discontinued operations	*(in euros)*	**(0.077)**	**(0.013)**
DILUTED EARNINGS PER SHARE	*(in euros)*	**0.804**	**1.482**
Diluted earnings per share from ongoing activities	*(in euros)*	**0.880**	**1.495**
Diluted earnings per share from discontinued operations	*(in euros)*	**(0.077)**	**(0.013)**

Net income attributable to subordinated and deeply subordinated securities corresponds to the issuance costs and interest accrued on subordinated and deeply subordinated Additional Tier 1 bond issues. This amounts to -€373 million at 31 December 2020.

Taking into consideration the change in the average price of the Crédit Agricole S.A. share, all Crédit Agricole S.A. stock option plans are non-dilutive.

In the absence of any dilutive issue by Crédit Agricole S.A., basic earnings per share are identical to diluted earnings per share.

Dividends

For the 2020 financial year, Crédit Agricole S.A.'s Board of Directors' meeting of 10 February 2021 decided to recommend to the General Meeting of Shareholders of 12 May 2021 the payment of a dividend of €0.80 per share.

The proposal is to offer each shareholder a choice of payment method for the dividend – in cash or in new Crédit Agricole S.A. share(s). This choice relates to the dividend in its entirety. The price of new shares cannot be less than 90% of the weighted average of the prices listed in the 20 trading days prior to the decision of the General Meeting, less the net amount of the dividend.

Proposal in respect of the year *(in euros)*	2020	2019	2018	2017	2016
Ordinary dividend	0,8	-	0.69	0.63	0.60
Loyalty dividend	N/A	N/A	N/A	0.693	0.660

Dividends paid during the reporting period

In accordance with the decision of the Crédit Agricole S.A. General Meeting of 13 May 2020, all income for the 2019 financial year has been allocated to reserves. There was no vote on a dividend distribution (see Note 2.1.5 “Decision regarding the 2019 dividend”).

Appropriation of net income

The proposed appropriation of net income is set out in the draft resolutions to be presented by the Board of Directors at Crédit Agricole S.A.’s Combined General Meeting on Tuesday 12 May 2021.

Crédit Agricole S.A. parent company posted positive net income of €245,175,099.26 in the 2020 financial year.

The Board of Directors decided to propose that the combined General Meeting of Shareholders agree:

- to record that the profit for the financial year amounts to €245,175,099.26;
- to allocate the amount of €9,599,978.40 to the legal reserve to bring it up to 10% of the share capital, which amounts to €8,750,065,920.00;
- to record that the distributable earnings amounts to €14,832,826,141.94, taking into account retained earnings of €14,597,251,021.08;
- to establish the amount of the regular dividend at €0.80 per share;
- to distribute the dividend paid out of distributable earnings in the amount of €2,332,478,912.00[1];
- to allocate the undistributed balance of €12,500,347,229.94[1] to retained earnings.

Undated subordinated and deeply subordinated debt

At 31 December 2020, Crédit Agricole S.A. reviewed the accounting treatment of coupons paid to investors relating to RT1 (Restricted Tier 1) subordinated financial instruments issued by Crédit Agricole Assurances (CAA) and subscribed by investors outside the Group.

Since the compensation of these instruments is classified as “cumulative”, it is vested in the holders of those instruments, who are thus allocated a portion of the income.

This has the following consequences:

- coupons are allocated to non-controlling interests in the income statement by deducting them from the Group share of income;
- at the time of their payment, coupons are deducted from equity relating to non-controlling interests.

The main issues of undated subordinated and deeply subordinated debt classified in shareholders’ equity Group share are:

								At 31/12/2020
Issue date	Currency	Amount in currency at 31/12/2019 *(in millions of units)*	Partial repurchases and redemptions *(in millions of units)*	Amount in currency at 31/12/2020 *(in millions of units)*	Amount in euros at inception rate *(in millions of euros)*	Cumulated interests paid Group share *(in millions of euros)*	Issuance costs net of taxes *(in millions of euros)*	Shareholders’ equity Group share *(in millions of euros)*
23/01/2014	USD	1,750	-	1,750	1,283	(827)	(8)	448
08/04/2014	GBP	500	-	500	607	(300)	(4)	303
08/04/2014	EUR	1,000	-	1,000	1,000	(436)	(6)	558
19/01/2016	USD	1,250	-	1,250	1,150	(440)	(8)	702
26/02/2019	USD	1,250	-	1,250	1,098	(121)	(7)	970
14/10/2020	EUR		-	750	750	(6)	(5)	739
Crédit Agricole S.A. Issues					5,888	(2,130)	(38)	3,720
Insurance Issues					-	-	-	-
Issues subscribed in-house:								
Group share/Non controlling interests effect					-	89	-	89
Issues subscribed by Crédit Agricole CIB for currency regulation					-	-	-	-
TOTAL					**5,888**	**(2,041)**	**(38)**	**3,809**

(1) This amount will be adjusted where appropriate to reflect the following events: (a) creation of new shares eligible for dividends before the ex-dividend date, (b) change in the number of treasury shares at ex-dividend date.

Refer to the glossary on page 681 for the definition of technical terms.

The main issues of undated subordinated and deeply subordinated debt classified in shareholder's equity – Non controlling interests share (insurance) are:

					At 31/12/2020	
		Amount in currency at 31/12/2019	Partial repurchases and redemptions	Amount in currency at 31/12/2020	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)*
14/10/2014	EUR	745	-	745	745	(203)
13/01/2015	EUR	1,000	-	1,000	1,000	(213)
Insurance Issues					1745	(416)
TOTAL					**1,745**	**(416)**

Changes relating to undated subordinated and deeply subordinated debt affecting shareholders' equity Group share are as follows:

(in millions of euros)	31/12/2020	31/12/2019
Undated deeply subordinated notes		
Interests paid accounted as reserves	(368)	(395)
Changes in nominal amounts	754	123
Income tax savings related to interest paid to security holders recognised in net income	127	145
Issuance costs (net of tax) accounted as reserves	(5)	(7)
Other	-	(109)
Undated subordinated notes		
Interests paid accounted as reserves(1)	-	(76)
Changes in nominal amounts	-	-
Income tax savings related to interest paid to security holders recognised in net income	24	26
Issuance costs (net of tax) accounted as reserves	-	-
Other	-	-

(1) Following the change in accounting method for RT1 coupons on 31 December 2020, these are now recognised in Net profit (loss) for the year attributable to minority interests.

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.

6.21 NON-CONTROLLING INTERESTS

Information on 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.

					31/12/2020
(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	32%	32%	288	2,518	-
Crédit Agricole Italia Group	24%	24%	(71)	1,305	-
CACEIS Group	30%	30%	58	1,030	-
AGOS SPA	39%	39%	82	376	64
CA Égypte	40%	40%	26	145	23
Other entities[(1)]			163	2,904	22
TOTAL			**546**	**8,278**	**109**

(1) Of which €1,745 million related to the issuance of Additional **Tier 1 undated** *subordinated bonds realised on 14 October 2014 and 13 January 2015 by Crédit Agricole Assurances, accounted for in equity of non-controlling interests.*

					31/12/2019
(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%	32%	294	2,186	180
Crédit Agricole Italia Group	24%	24%	83	1,379	40
CACEIS Group	30%	30%	-	1,010	2
AGOS SPA	39%	39%	104	363	106
CA Égypte	40%	40%	43	155	25
Other entities[(1)]			89	2,828	23
TOTAL			**612**	**7,921**	**376**

(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 Crédit Agricole S.A. group on the basis of the IFRS financial statements.

				31/12/2020
(in millions of euros)	Total assets	Revenues	Net income	Net income and other comprehensive income
Amundi Group	28,888	2,521	907	757
Crédit Agricole Italia Group	76,328	1,891	217	240
CACEIS Group	120,695	1,129	189	156
AGOS SPA	17,309	809	223	222
CA Égypte	2,704	197	66	65
TOTAL	**245,924**	**6,547**	**1,602**	**1,440**

Refer to the glossary on page 681 for the definition of technical terms.

(in millions of euros)	Total assets	Revenues	Net income	Net income and other comprehensive income
				31/12/2019
Amundi Group	24,261	2,636	959	966
Crédit Agricole Italia Group	64,231	1,950	326	401
CACEIS Group	88,015	939	158	205
AGOS SPA	18,180	868	267	266
CA Égypte	2,850	216	108	122
TOTAL	**197,538**	**6,609**	**1,818**	**1,960**

6.22 BREAKDOWN OF FINANCIAL ASSETS AND FINANCIAL 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.

Equities and other variable-income securities are by nature without maturity; they are classified "Indefinite".

(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	TOTAL
						31/12/2020
Cash, central banks	194,269	-	-	-	-	**194,269**
Financial assets at fair value through profit or loss	118,218	30,371	41,300	82,034	160,539	**432,462**
Hedging derivative Instruments	1,526	2,799	4,087	13,333	-	**21,745**
Financial assets at fair value through other comprehensive income	8,929	14,559	95,767	144,523	2,294	**266,072**
Financial assets at amortised cost	180,604	147,308	398,885	224,604	2,499	**953,900**
Revaluation adjustment on interest rate hedged portfolios	7,463	-	-	-	-	**7,463**
TOTAL FINANCIAL ASSETS BY MATURITY	**511,009**	**195,037**	**540,039**	**464,494**	**165,332**	**1,875,911**
Central banks	864	-	-	-	-	**864**
Financial liabilities at fair value through profit or loss	108,784	20,661	42,541	93,187	-	**265,173**
Hedging derivative Instruments	1,946	598	4,824	7,850	-	**15,218**
Financial liabilities at amortised cost	800,678	67,115	221,858	57,203	-	**1,146,854**
Subordinated debt	335	1,603	5,942	15,483	689	**24,052**
Revaluation adjustment on interest rate hedged portfolios	10,380	-	-	-	-	**10,380**
TOTAL FINANCIAL LIABILITIES BY MATURITY	**922,987**	**89,977**	**275,165**	**173,723**	**689**	**1,462,541**

(in millions of euros)	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	TOTAL
						31/12/2019
Cash, central banks	93,079					**93,079**
Financial assets at fair value through profit or loss	94,533	25,421	44,405	79,628	155,490	**399,477**
Hedging derivative Instruments	2,831	434	4,057	12,046	-	**19,368**
Financial assets at fair value through other comprehensive income	8,573	16,519	94,771	138,824	2,634	**261,321**
Financial assets at amortised cost	201,912	153,737	326,542	220,653	3,436	**906,280**
Revaluation adjustment on interest rate hedged portfolios	7,145	-	-	-	-	**7,145**
TOTAL FINANCIAL ASSETS BY MATURITY	**408,074**	**196,110**	**469,775**	**451,151**	**161,560**	**1,686,670**
Central banks	1,896	-	-	-	-	**1,896**
Financial liabilities at fair value through profit or loss	100,314	11,579	43,840	90,937	-	**246,669**
Hedging derivative Instruments	1,542	573	3,988	7,190	-	**13,293**
Financial liabilities at amortised cost	721,662	95,870	110,929	61,502	-	**989,962**
Subordinated debt	301	1,206	1,938	17,451	901	**21,797**
Revaluation adjustment on interest rate hedged portfolios	9,182	-	-	-	-	**9,182**
TOTAL FINANCIAL LIABILITIES BY MATURITY	**834,897**	**109,228**	**160,695**	**177,078**	**901**	**1,282,799**

NOTE 7 Employee benefits and other compensation

7.1 ANALYSIS OF EMPLOYEE EXPENSES

(in millions of euros)	31/12/2020	31/12/2019
Salaries[1][2]	(4,987)	(4,899)
Contributions to defined-contribution plans	(402)	(394)
Contributions to defined-benefit plans	(69)	(97)
Other social security expenses	(1,195)	(1,165)
Profit-sharing and incentive plans	(237)	(256)
Payroll-related tax	(343)	(336)
TOTAL EMPLOYEE EXPENSES	**(7,233)**	**(7,147)**

(1) Regarding deferred variable compensation paid to market professionals, Crédit Agricole S.A. booked a charge for share-based payments of €70 million at 31 December 2020 compared to €51 million at 31 December 2019.

(2) Of which retirement-related indemnities amounted to €165 million at 31 December 2020, compared with €132 million at 31 December 2019.

7.2 AVERAGE HEADCOUNT

Average headcount	31/12/2020	31/12/2019
France	35,201	34,980
International	37,319	37,544
TOTAL	**72,520**	**72,524**

7.3 POST-EMPLOYMENT BENEFITS, DEFINED-CONTRIBUTION PLANS

"Employers" contribute to a variety of compulsory pension schemes. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years. Consequently, Crédit Agricole S.A. companies have no liability in this respect other than the contributions payable.

Within the Group, there are several compulsory defined-contribution plans, 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 plans in France

Business Line	Entity	Compulsory supplementary pension plans	Number of employees covered Estimation at 31/12/2020	Number of employees covered Estimation at 31/12/2019
Central Support functions	UES Crédit Agricole S.A.	Agriculture industry plan 1.24%	1,750	1,745
Central Support functions	UES Crédit Agricole S.A.	"Article 83" Group executive managers plan	219	192
French Retail Banking – LCL	LCL	"Article 83" Group executive managers plan	292	303
Large Customers	Crédit Agricole CIB	"Article 83" type plan	5,032	4,925
Asset Gathering and Insurance	CAAS/Pacifica/SIRCA/LA MDF	Agriculture industry plan 1.24%	4,443	4,189
Asset Gathering and Insurance	CAAS/Pacifica/CACI/LA MDF	"Article 83" Group executive managers plan	79	65
Asset Gathering and Insurance	CACI/CA Indosuez Wealth (France)/CA Indosuez Wealth (Group)/Amundi	"Article 83" type plan	3,725	3,456

Refer to the glossary on page 681 for the definition of technical terms.

7.4 POST-EMPLOYMENT BENEFITS, DEFINED-BENEFIT PLANS

Change in actuarial liability

			31/12/2020	31/12/2019
(in millions of euros)	Eurozone	Outside Eurozone	All Zones	All Zones
Actuarial liability at 31/12/N-1	**1,611**	**1,725**	**3,336**	**3,072**
Exchange difference	-	(55)	**(55)**	**66**
Cost of service rended during the period	58	37	**95**	**94**
Financial cost	14	21	**35**	**49**
Employee contributions	1	13	**14**	**16**
Benefit plan changes, withdrawals and settlement	(1)	(17)	**(18)**	**(100)**
Changes in scope	6	-	**6**	**(1)**
Benefits paid (mandatory)	(90)	(75)	**(165)**	**(132)**
Tax, administrative costs and bonuses	-	-	**-**	**-**
Actuarial gains/(losses) arising from changes in demographic assumptions[1]	(23)	33	**10**	**(11)**
Actuarial gains/(losses) arising from changes in financial assumptions[1]	100	87	**187**	**283**
ACTUARIAL LIABILITY AT 31/12/N	**1,676**	**1,769**	**3,445**	**3,336**

(1) Of which actuarial gains/losses related to experience adjustment.

Breakdown of net charge recognised in the income statement

			31/12/2020	31/12/2019
(in millions of euros)	Eurozone	Outside Eurozone	All Zones	All Zones
Service cost	(57)	(21)	**(78)**	**7**
Net interest income (expense)	(7)	(3)	**(10)**	**(11)**
IMPACT ON PROFIT OR LOSS AT 31/12/N	**(64)**	**(24)**	**(88)**	**(4)**

Breakdown of income recognised in OCI that will not be reclassified to profit and loss

			31/12/2020	31/12/2019
(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 31/12/N-1	**512**	**316**	**828**	**674**
Exchange difference	-	(4)	**(4)**	**7**
Actuarial gains/(losses) on assets	(14)	(83)	**(97)**	**(112)**
Actuarial gains/(losses) arising from changes in demographic assumptions[1]	(23)	32	**9**	**(11)**
Actuarial gains/(losses) arising from changes in financial assumptions[1]	100	87	**187**	**283**
Adjustment of assets restriction's	7	1	**8**	**-**
Impact in other comprehensive income at 31/12/N	**70**	**33**	**103**	**167**

(1) Of which actuarial gains/losses related to experience adjustment.

Change in fair value of assets

			31/12/2020	31/12/2019
(in millions of euros)	Eurozone	Outside Eurozone	All Zones	All Zones
Fair value of assets at 31/12/N-1	576	1,477	2,053	1,800
Exchange difference	-	(51)	(51)	60
Interests on asset (income)	5	20	25	35
Actuarial gains/(losses)	14	83	97	112
Employer contributions	35	27	62	102
Employee contributions	-	14	14	16
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	-	-	-	6
Tax, administrative costs and bonuses	-	(1)	(1)	(1)
Benefits paid out under the benefit plan	(16)	(72)	(88)	(77)
FAIR VALUE OF ASSETS AT 31/12/N	**614**	**1,497**	**2,111**	**2,053**

Change in fair value of reimbursement rights

			31/12/2020	31/12/2019
(in millions of euros)	Eurozone	Outside Eurozone	All Zones	All Zones
Fair value of reimbursement rights at 31/12/N-1	338	-	338	337
Exchange difference	-	-	-	-
Interests on reimbursement rights (income)	2	-	2	4
Actuarial gains/(losses)	-	-	-	1
Employer contributions	7	-	7	-
Employee contributions	-	-	-	-
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	7	-	7	5
Tax, administrative costs and bonuses	-	-	-	-
Benefits paid out under the benefit plan	(37)	-	(37)	(9)
FAIR VALUE OF REIMBURSEMENT RIGHTS AT 31/12/N	**317**	**-**	**317**	**338**

Net position

			31/12/2020	31/12/2019
(in millions of euros)	Eurozone	Outside Eurozone	All Zones	All Zones
Closing actuarial liability at end of period	(1,676)	(1,769)	(3,445)	(3,336)
Impact of asset restriction	(7)	(9)	(16)	(9)
Fair value of assets at end of period	614	1,497	2,111	2,053
NET POSITION OF ASSETS/(LIABILITIES) AT END OF PERIOD	**(1,069)**	**(281)**	**(1,350)**	**(1,292)**

Defined-benefit plans: main actuarial assumptions

	31/12/2020		31/12/2019	
(in millions of euros)	Eurozone	Outside Eurozone	Eurozone	Outide Eurozone
Discount rate(1)	0.35%	0.99%	0.84%	1.27%
Actual return on plan assets and on reimbursement rights	2.39%	7.34%	3.83%	8.56%
Expected salary increase rates(2)	1.40%	1.74%	1.36%	1.80%
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 assessment 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).

Refer to the glossary on page 681 for the definition of technical terms.

Information of plan assets: allocation of assets[(1)]

(in millions of euros)	Eurozone %	Eurozone Amount	Eurozone of which listed	Outside Eurozone %	Outside Eurozone Amount	Outside Eurozone of which listed	All Zones %	All Zones Amount	All Zones of which listed
Equities	9.4%	87	86	24.2%	362	362	18.5%	449	448
Bonds	41.1%	382	371	49.9%	746	746	46.5%	1,128	1,117
Property/Real estate	3.2%	30		11.3%	169		8.2%	199	
Other assets	46.4%	432		14.7%	220		26.8%	651	

At 31 December 2020, the sensitivity analysis showed that:

- a 50 basis point increase in discount rates would reduce the commitment by -6.68%;
- a 50 basis point decrease in discount rates would increase the commitment by +7.66%.

The benefits expected to be paid in respect of post-employment plans for 2020 are as follows:

- **benefits paid by the employer or by reimbursement rights funds:** €77 million (compared to €55 million paid in 2019);
- **benefits paid by plan assets:** €88 million (compared to €77 million paid in 2019).

Crédit Agricole S.A.'s policy on covering employee benefit obligations 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 70% covered at 31 December 2020 (including reimbursement rights).

7.5 OTHER EMPLOYEE BENEFITS

In France, the Group's main entities pay long-service awards. The amounts vary according to practices and collective bargaining agreements in place.

The provisions funded by Crédit Agricole S.A. for these other employee benefit obligations amounted to €346 million at 31 December 2020.

7.6 SHARE-BASED PAYMENTS

7.6.1 Stock option plan

No new plan was implemented in 2020.

7.6.2 Deferred variable compensation settled either 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. It is broken down into thirds that are payable in March 2021, March 2022 and March 2023.

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).

7.7 EXECUTIVE COMPENSATION

Senior management includes all members of the Executive Committee, namely the Chief Executive Officer, Deputy Chief Executive Officer, Deputy Chief Executive Officers for the Group's different divisions, Chief Executive Officers of the main subsidiaries and the Heads of the Group's core business activities.

Compensation and benefits paid to the members of the Executive Committee in 2020 were as follows:

- **short-term benefits:** €25.2 million for fixed and variable compensation (of which €3.2 million paid in share-indexed instruments), including social security expenses and benefits in kind;
- **post-employment benefits:** €3.5 million for end-of-career allowances and for the supplementary pension plan for Group executive managers;
- **other long-term employee benefits:** the amount of long-service awards granted was not material;
- **employment contract termination indemnities:** not material;
- **other share-based payment:** not applicable.

Total compensation paid to members of Crédit Agricole S.A.'s Board of Directors in 2020 in consideration for serving as directors of Crédit Agricole S.A. amounted to €1,566,200. After tax deductions, the net amount received was €1,144,990.

These amounts included the compensation and benefits paid to the Chief Executive Officer and Deputy Chief Executive Officer of Crédit Agricole S.A.

(1) Of which fair value of reimbursement rights.

NOTE 8 Lease contracts

8.1 LEASES FOR WHICH THE GROUP IS THE LESSEE

The item "Property, plant and equipment" in the balance sheet consists of own and leased assets that do not meet the definition of investment properties.

(in millions of euros)	31/12/2020	31/12/2019
Owned property, plant and equipment	4,104	4,226
Right-of-use on lease contracts	1,675	1,371
TOTAL PROPERTY, PLANT AND EQUIPMENT USED IN OPERATIONS	**5,779**	**5,597**

Crédit Agricole is also a lessee under lease agreements for IT equipment (photocopiers, computers, etc.) with terms of one to three years. These are low-value and/or short-term leases. Crédit Agricole S.A. has opted to apply the exemptions provided for in IFRS 16 and not to recognise the right-of-use asset and the lease liability for these leases in the balance sheet.

Change in right of use assets

Crédit Agricole is the taker of many assets including offices, agencies and computer equipment.

Information relating to the contracts of which Crédit Agricole S.A. is a taker is presented below:

(in millions of euros)	31/12/2019	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements[1]	31/12/2020
PROPERTY/REAL ESTATE							
Gross amount	1,687	-	463	(294)	(31)	431	2,256
Depreciation and impairment	(344)	-	(332)	69	9	(46)	(644)
Total Property/Real estate	**1,343**	**-**	**131**	**(225)**	**(22)**	**385**	**1,612**
EQUIPMENT							
Gross amount	43	78	10	(24)	(6)	-	101
Depreciation and impairment	(15)	(16)	(14)	4	2	1	(38)
Total Equipment	**28**	**62**	**(4)**	**(20)**	**(4)**	**1**	**63**
TOTAL RIGHT-OF-USE	**1,371**	**62**	**127**	**(245)**	**(26)**	**386**	**1,675**

(1) Taking into account the effects of first-time adoption of the IFRS IC decision of 26 November 2019 respecting the duration of IFRS 16 leases, the balance of rights of use in the balance sheet would have been €1,762 million at 31 December 2019 (see Note 1.1 Applicable standards and comparability).

(in millions of euros)	31/12/2018	01/01/2019	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2019
PROPERTY/REAL ESTATE								
Gross amount	-	1,476	14	269	(74)	10	(8)	1,687
Depreciation and impairment	-	(54)	(2)	(294)	6	-	-	(344)
Total Property/Real estate	**-**	**1,422**	**12**	**(25)**	**(68)**	**10**	**(8)**	**1,343**
EQUIPMENT								
Gross amount	4	31	-	16	(4)	-	-	43
Depreciation and impairment	(2)	(2)	-	(14)	1	-	-	(15)
Total Equipment	**2**	**29**	**-**	**2**	**(3)**	**-**	**-**	**28**
TOTAL RIGHT-OF-USE	**2**	**1,451**	**12**	**(23)**	**(71)**	**10**	**(8)**	**1,371**

Maturity schedule of rental debts

				31/12/2020
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total Lease liabilities
Lease liabilities	316	884	557	**1,757**

Refer to the glossary on page 681 for the definition of technical terms.

				31/12/2019
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total Lease liabilities
Lease liabilities	285	732	390	**1,407**

Details of rental contract income and expenses

(in millions of euros)	31/12/2020	31/12/2019
Interest expense on lease liabilities	(27)	(24)
Total Interest and similar expenses (Revenues)	**(27)**	**(24)**
Expense relating to short-term leases	(15)	(81)
Expense relating to leases of low-value assets	(21)	(28)
Expense relating to variable lease payments not included in the measurement of lease liabilities	(15)	(8)
Income from subleasing right-of-use assets	1	1
Gains or losses arising from leaseback transactions	-	-
Gains or losses arising from lease modifications	1	-
Total Operating expenses	**(49)**	**(115)**
Depreciation for right-of-use	(380)	(308)
Total Depreciation and amortisation of property, plant and equipment	**(380)**	**(308)**
TOTAL EXPENSE AND INCOME ON LEASE CONTRACTS	**(456)**	**(447)**

Cash flow amounts for the period

(in millions of euros)	31/12/2020	31/12/2019
Total Cash outflow for leases	(365)	(407)

8.2 LEASES FOR WHICH THE GROUP IS THE LESSOR

Crédit Agricole S.A. offers its customers leasing activities that take the form of leasing agreements, lease financing with purchase options, finance leasing and long-term leasing arrangements. Lease agreements are classified as finance leases when the terms of the lease transfer substantially all of the risks and benefits inherent in ownership to the lessee.

Other lease agreements are classified as operating leases.

Income from rental contracts

(in millions of euros)	31/12/2020	31/12/2019
Finance leases	**602**	**604**
Selling profit or loss	58	42
Finance income on the net investment in the lease	544	562
Income relating to variable lease payments	-	-
Operating leases	**226**	**251**
Lease income	226	251

Schedule of rent payments to be received

							31/12/2020
(in millions of euros)	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total lease payments receivable	Unearned finance income	Discounted residual value	Financial lease receivables
Finance leases	4,877	8,217	3,491	16,585	1,455	1,614	16,745

							31/12/2019
(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	5,406	7,597	2,934	15,937	1,595	1,658	16,000

Lease agreements expire on their residual maturity date.

The amount by expiry corresponds to the undiscounted contractual amount.

NOTE 9 Commitments given and received and other guarantees

Financing and guarantee commitments and other guarantees include discontinued operations.

COMMITMENTS GIVEN AND RECEIVED

(in millions of euros)	31/12/2020	31/12/2019
COMMITMENTS GIVEN		
Financing commitments	**165,035**	**154,791**
Commitments given to credit institutions	16,155	13,433
Commitments given to customers	148,880	141,358
Confirmed credit lines	120,012	112,825
Documentary credits	*4,543*	*4,282*
Other confirmed credit lines	*115,469*	*108,543*
Other commitments given to customers	28,869	28,533
Guarantee commitments	**85,784**	**87,884**
Credit institutions	8,169	8,542
Confirmed documentary credit lines	2,925	3,372
Other guarantees	5,244	5,170
Customers	77,615	79,342
Property guarantees	1,967	2,168
Other customer guarantees	75,648	77,175
Securities commitments	**4,487**	**4,765**
Securities to be delivered	4,487	4,765
COMMITMENTS RECEIVED		
Financing commitments	**138,092**	**84,102**
Commitments received from credit institutions(1)	133,940	81,155
Commitments received from customers	4,152	2,946
Guarantee commitments	**334,668**	**327,988**
Commitments received from credit institutions	94,136	94,670
Commitments received from customers	240,532	233,318
Guarantees received from government bodies or similar institutions(2)	*33,501*	*25,934*
Other guarantees received	*207,031*	*207,385*
Securities commitments	**4,095**	**4,556**
Securities to be received	4,095	4,556

(1) At 31 December 2020, following the activation of the Switch Assurance guarantee on 30 June 2020 and the claw-back of 31 December, the guarantee amounts to €5.9 billion. The security deposit is €2 billion.

(2) As part of the economic support measures in the wake of the COVID-19 health crisis, Crédit Agricole S.A. granted loans for which it received guarantee commitments from the French State (SGL). At 31 December 2020, these guarantee commitments received amounted to €8.5 billion.

Refer to the glossary on page 681 for the definition of technical terms.

FINANCIAL INSTRUMENTS GIVEN AND RECEIVED AS COLLATERAL

(in millions of euros)	31/12/2020	31/12/2019
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.)	397,564	189,444
Securities lent	12,904	8,874
Security deposits on market transactions	19,087	18,155
Other security deposits	-	-
Securities sold under repurchase agreements	110,863	104,627
TOTAL CARRYING AMOUNT OF FINANCIAL ASSETS PROVIDED AS COLLATERAL	**540,418**	**321,099**
CARRYING AMOUNT OF FINANCIAL ASSETS RECEIVED IN GUARANTEE		
Other security deposits(1)	2,017	3,102
Fair value of instruments received as reusable and reused collateral		
Securities borrowed	7	4
Securities bought under repurchase agreements	434,708	275,463
Securities sold short	37,172	33,468
TOTAL FAIR VALUE OF INSTRUMENTS RECEIVED AS REUSABLE AND REUSED COLLATERAL	**471,887**	**308,935**

(1) As part of the Switch Assurance guarantees, following the partial early termination on 2 March 2020, Crédit Agricole S.A. received a deposit of €2 billion.

RECEIVABLES PLEDGED AS COLLATERAL

At 31 December 2020, Crédit Agricole S.A. deposited €274.2 billion of receivables (mainly on behalf of the Regional Banks and LCL) for refinancing transactions to the Banque de France, compared to €81.9 billion at 31 December 2019.

At 31 December 2020, Crédit Agricole S.A. deposited €12.1 billion of receivables for refinancing transactions to the *Caisse de Refinancement de l'Habitat* on behalf of the Regional Banks, compared to €12.3 billion at 31 December 2019, and €1.2 billion of receivables were deposited directly by LCL.

On 31 December 2020, €2.9 billion receivables of the Regional Banks had been pledged as collateral for the covered bonds issued by European Secured Notes Issuer (ESNI), a French securitisation company formed by five banks including Crédit Agricole Group.

At 31 December 2020, €38.3 billion of Regional Bank and €9.3 billion of LCL receivables had been pledged as collateral for the covered bond issues of Crédit Agricole Home Loan SFH, a financial company wholly owned by Crédit Agricole S.A.

As at 31 December 2020, in the context of transactions with EIB/CEB supranationals, Crédit Agricole S.A. deposited €2.8 billion in receivables on behalf of the Regional Banks.

As at 31 December 2020, in the context of refinancing transactions with CDC, Crédit Agricole S.A. deposited €2.6 billion in receivables on behalf of the Regional Banks.

These processes, for which there is no transfer of contractual cash flows, do not form part of the asset transfers.

GUARANTEES HELD

Guarantees held and assets received as collateral by Crédit Agricole S.A. which it is allowed to sell or to use as collateral are mostly held within Crédit Agricole S.A. for €297,5 billion and within Crédit Agricole CIB for €178 billion. The majority of these are receivables pledged as collateral by the Regional Banks 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 businesses or local authorities) are selected and rated for their quality and retained on the balance sheet of the Regional Banks.

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 S.A. policy is to sell seized collateral as soon as possible. Crédit Agricole CIB and Crédit Agricole S.A. had no such assets at 31 December 2020.

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 10 Reclassification of financial instruments

PRINCIPLES APPLIED BY THE CRÉDIT AGRICOLE S.A. GROUP

Reclassifications are performed only under exceptional circumstances and following a decision by the Executive Management of the entity as a result of internal or external changes: significant changes in the entity's activity.

RECLASSIFICATION PERFORMED BY THE CRÉDIT AGRICOLE S.A. GROUP

In 2020, Crédit Agricole S.A. 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 measurement 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 is used for financial instruments at fair value for which the valuation draws upon, exclusively or for a significant part, unobservable market parameters.

Parameters for which no market information is available, or for which the available market information is considered insufficient, are regarded as unobservable. This qualification may call upon expert opinion. The information examined may include transactions actually concluded, firm or indicative quotations and information resulting from market consensus.

In some cases, market values are close to carrying amounts. These include:

- assets or liabilities at variable rates for which remuneration is frequently adjusted to prevailing 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 for which the prices are set by the public authorities;
- demand assets and liabilities.

Refer to the glossary on page 681 for the definition of technical terms.

11.1 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES RECOGNISED AT AMORTISED COST

Amounts presented below include accruals and prepayments and are net of impairment.

Financial assets recognised at cost and measured at fair value on the balance sheet

(in millions of euros)	Value at 31/12/2020	Estimated fair value at 31/12/2020	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
FINANCIAL ASSETS NOT MEASURED AT FAIR VALUE ON BALANCE SHEET					
Loans and receivables	**869,106**	**912,066**	**-**	**559,762**	**352,304**
Loans and receivables due from credit institutions	**463,169**	**477,113**	**-**	**476,319**	**794**
Current accounts and overnight loans	8,660	8,825	-	8,706	119
Accounts and long-term loans	440,878	454,463	-	454,018	445
Pledged securities	-	-	-	-	-
Securities bought under repurchase agreements	12,551	12,608	-	12,608	-
Subordinated loans	925	1,038	-	808	230
Other loans and receivables	155	179	-	179	-
Loans and receivables due from customers	**405,937**	**434,953**	**-**	**83,443**	**351,510**
Trade receivables	40,064	40,267	-	21,403	18,864
Other customer loans	349,072	376,748	-	46,807	329,941
Pledged securities	205	205	-	205	-
Securities bought under repurchase agreements	3,713	3,713	-	3,460	253
Subordinated loans	44	45	-	6	39
Insurance receivables	328	328	-	4	324
Reinsurance receivables	845	845	-	5	840
Advances in associates' current accounts	146	148	-	18	130
Current accounts in debit	11,520	12,654	-	11,535	1,119
Debt securities	**84,794**	**86,402**	**57,496**	**12,952**	**15,954**
Treasury bills and similar securities	29,887	30,500	25,536	4,735	229
Bonds and other fixed income securities	54,907	55,902	31,960	8,217	15,725
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	**953,900**	**998,468**	**57,496**	**572,714**	**368,258**

Refer to the glossary on page 681 for the definition of technical terms.

(in millions of euros)	Value at 31/12/2019	Estimated fair value at 31/12/2019	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
FINANCIAL ASSETS NOT MEASURED AT FAIR VALUE ON BALANCE SHEET					
Loans and receivables	**833,761**	**858,085**	**-**	**529,155**	**328,930**
Loans and receivables due from credit institutions	**438,580**	**448,243**	**-**	**447,039**	**1,204**
Current accounts and overnight loans	30,780	30,793	-	30,618	175
Accounts and long-term loans	400,063	409,649	-	408,849	800
Pledged securities	1	1	-	-	1
Securities bought under repurchase agreements	6,701	6,707	-	6,707	-
Subordinated loans	929	966	-	738	228
Other loans and receivables	106	127	-	127	-
Loans and receivables due from customers	**395,180**	**409,842**	**-**	**82,116**	**327,726**
Trade receivables	43,563	42,854	-	20,832	22,022
Other customer loans	332,629	346,991	-	44,075	302,916
Pledged securities	232	232	-	232	-
Securities bought under repurchase agreements	4,071	4,073	-	4,073	-
Subordinated loans	44	44	-	4	40
Insurance receivables	314	314	-	9	305
Reinsurance receivables	770	770	-	1	769
Advances in associates' current accounts	142	143	-	10	133
Current accounts in debit	13,415	14,421	-	12,880	1,541
Debt securities	**72,519**	**72,706**	**48,164**	**7,138**	**17,404**
Treasury bills and similar securities	23,578	23,672	21,996	1,435	241
Bonds and other fixed income securities	48,942	49,034	26,169	5,703	17,162
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	**906,280**	**930,791**	**48,164**	**536,293**	**346,334**

Financial liabilities recognised at amortised cost and measured at fair value on the balance sheet

(in millions of euros)	Value at 31/12/2020	Estimated fair value at 31/12/2020	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
FINANCIAL LIABILITIES NOT MEASURED AT FAIR VALUE ON BALANCE SHEET					
Due to credit institutions	**264,919**	**277,020**	**-**	**275,768**	**1,252**
Current accounts and overnight borrowings	51,019	51,055	-	51,055	-
Accounts and term deposits	187,241	199,274	-	198,136	1,138
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	26,659	26,691	-	26,577	114
Due to customers	**719,388**	**719,762**	**-**	**392,282**	**327,480**
Current accounts in credit	291,807	291,822	-	291,822	-
Special savings accounts	324,407	324,408	-	-	324,408
Other amounts due to customers	98,927	99,280	-	98,867	413
Securities sold under repurchase agreements	1,520	1,520	-	1,520	-
Insurance liabilities	872	872	-	67	805
Reinsurance liabilities	590	595	-	6	589
Cash deposits received from ceding and retroceding companies against technical insurance commitments	1,265	1,265	-	-	1,265
Debt securities	**162,547**	**167,751**	**85,192**	**81,912**	**647**
Subordinated debt	**24,052**	**24,626**	**6,650**	**17,870**	**106**
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	**1,170,906**	**1,189,159**	**91,842**	**767,832**	**329,485**

Refer to the glossary on page 681 for the definition of technical terms.

(in millions of euros)	Value at 31/12/2019	Estimated fair value at 31/12/2019	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
FINANCIAL LIABILITIES NOT MEASURED AT FAIR VALUE ON BALANCE SHEET					
Due to credit institutions	**142,041**	**142,755**	**-**	**142,723**	**32**
Current accounts and overnight borrowings	31,290	31,287	-	31,287	-
Accounts and term deposits	82,514	83,207	-	83,175	32
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	28,237	28,261	-	28,261	-
Due to customers	**646,914**	**647,017**	**-**	**341,395**	**305,622**
Current accounts in credit	228,338	228,337	-	228,301	37
Special savings accounts	302,423	302,425	-	281	302,144
Other amounts due to customers	112,020	112,125	-	111,173	952
Securities sold under repurchase agreements	1,569	1,568	-	1,568	-
Insurance liabilities	942	940	-	61	878
Reinsurance liabilities	467	467	-	11	456
Cash deposits received from ceding and retroceding companies against technical insurance commitments	1,155	1,155	-	-	1,155
Debt securities	**201,007**	**204,181**	**71,169**	**132,308**	**703**
Subordinated debt	**21,797**	**22,119**	**5,754**	**16,182**	**183**
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	**1,011,759**	**1,016,071**	**76,922**	**632,609**	**306,540**

11.2 INFORMATION ABOUT FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Valuation mechanism

Financial instruments 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 such as pricing service vendors, market consensus data and brokers;
- 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. These adjustments 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 account by all market participants. These adjustments are always negative:

- input uncertainty reserves seek to incorporate in the valuation of an instrument any uncertainty that might exist as regards one or more of the inputs used;
- model uncertainty reserves seek to incorporate in the valuation of an instrument any uncertainty that might exist due to the choice of model used.

In addition, in accordance with IFRS 13 "Fair value measurement", Crédit Agricole S.A. prices in to the fair value calculated for its OTC derivatives (*i.e.* those traded over the counter) various adjustments linked to:

- default risk or credit rating (Credit Valuation Adjustment/Debit Valuation Adjustment);
- future funding costs and benefits (Funding Valuation Adjustment);
- liquidity risk associated with collateral (Liquidity Valuation Adjustment).

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 market inputs/prices (probabilities of default are derived in priority directly from any existing listed CDS, proxies of listed CDS and other credit instruments where these are deemed sufficiently liquid). This adjustment is always negative and reduces the fair value of the OTC derivative assets held in the portfolio.

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 S.A.may expose its counterparties in the event of default or a deterioration in its creditworthiness) in the value of perfectly collateralised OTC derivatives. This adjustment is calculated by collateral contract type on the basis of negative future exposure profiles of the trading portfolio weighted by default probabilities (Crédit Agricole S.A.) and losses incurred in the event of default.

The methodology used maximises the use of market inputs/prices (use of Crédit Agricole S.A. 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 not collateralised or imperfectly collateralised OTC derivatives. This adjustment is calculated per counterparty based on the future exposure of the trading portfolio (taking into account any netting or collateral agreements, where such exist) weighted by ALM funding spreads.

As regards the scope of "clear" derivatives, an FVA adjustment called IMVA (Initial Margin Value Adjustment) is calculated to take into account the future financing costs and gains of the initial margins to be posted with the main derivatives clearing houses until the portfolio matures.

Liquidity Valuation Adjustment (LVA)

The LVA (Liquidity Valuation Adjustment) is the positive or negative valuation adjustment intended to reflect both the potential absence of collateral payments for counterparties with a CSA (Credit Support Annex), as well as the non-standard remuneration of CSAs.

Therefore, the LVA reflects the profit or loss resulting from additional liquidity costs. It is calculated on the scope of OTC derivatives with CSAs.

Breakdown of financial instruments at fair value by valuation model

Amounts presented below include accruals and prepayments and are net of impairment.

On the asset side, transfers from Level 2 to Level 3 essentially result from a better identification of the level of fair value of transactions present at 31 December 2019 (€138 million). Transfers from Level 3 to Level 2 mainly result from positions of repurchase agreements that have become observable in line with the observability mapping (€1.3 billion).

On the liabilities side, transfers observed from Level 2 to Level 3 mainly result from a more accurate identification of the fair value levels of transactions as at 31 December 2019 (€425 million) and from a review of the mapping of observability (€624 million). Transfers from Level 3 to Level 2 mainly result from positions that have become observable in line with the observability mapping (€500 million).

Refer to the glossary on page 681 for the definition of technical terms.

Financial assets measured at fair value

(in millions of euros)	31/12/2020	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	**261,968**	**22,633**	**233,963**	**5,372**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	872	-	141	731
Securities bought under repurchase agreements	120,116	-	118,489	1,627
Pledged securities	-	-	-	-
Held for trading securities	24,743	22,541	1,775	427
Treasury bills and similar securities	*13,081*	*11,774*	*1,307*	*-*
Bonds and other fixed income securities	*5,389*	*4,767*	*466*	*156*
UCITS	*52*	*52*	*-*	*-*
Equities and other variable income securities	*6,221*	*5,948*	*2*	*271*
Derivative instruments	116,237	92	113,558	2,587
Other financial assets at fair value through profit or loss	**170,494**	**108,855**	**50,714**	**10,925**
Equity instruments at fair value through profit or loss	**34,183**	**21,410**	**7,170**	**5,603**
Equities and other variable income securities	21,898	18,823	2,126	949
Non-consolidated equity investments	12,285	2,587	5,044	4,654
Debt instruments that do not meet the conditions of the "SPPI" test	**72,410**	**43,018**	**24,102**	**5,290**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	3,444	-	3,443	1
Debt securities	68,966	43,018	20,659	5,289
Treasury bills and similar securities	*178*	*4*	*174*	*-*
Bonds and other fixed income securities	*13,660*	*2,003*	*10,951*	*706*
UCITS	*55,128*	*41,011*	*9,534*	*4,583*
Assets backing unit-linked contracts	**63,900**	**44,426**	**19,442**	**32**
Treasury bills and similar securities	498	489	9	-
Bonds and other fixed income securities	4,382	1,145	3,237	-
Equities and other variable income securities	8,378	1,543	6,835	-
UCITS	50,642	41,249	9,361	32
Financial assets designated at fair value through profit or loss	**1**	**1**	**-**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Securities designated at fair value through profit or loss	1	1	-	-
Treasury bills and similar securities	*-*	*-*	*-*	*-*
Bonds and other fixed income securities	*1*	*1*	*-*	*-*
Financial assets at fair value through other comprehensive income	**266,072**	**246,573**	**19,264**	**235**
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	2,216	956	1,025	235
Equities and other variable income securities	*515*	*15*	*460*	*40*
Non-consolidated equity investments[(1)]	*1,701*	*941*	*565*	*195*
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	263,856	245,617	18,239	-
Loans and receivables due from credit institutions	*-*	*-*	*-*	*-*
Loans and receivables due from customers	*-*	*-*	*-*	*-*
Debt securities	*263,856*	*245,617*	*18,239*	*-*
Treasury bills and similar securities	*88,142*	*87,838*	*304*	*-*
Bonds and other fixed income securities	*175,714*	*157,779*	*17,935*	*-*
Hedging derivative Instruments	**21,745**	**16**	**21,729**	**-**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**720,279**	**378,077**	**325,670**	**16,532**
Transfers from Level 1: Quoted prices in active markets for identical instruments			1,532	12
Transfers from Level 2: Valuation based on observable data		154		183
Transfers from Level 3: Valuation based on unobservable data		1	1,319	
TOTAL TRANSFERS TO EACH LEVEL		**155**	**2,851**	**195**

(1) SAS Rue La Boétie shares held by the Caisse régionale de la Corse have been included in Non-consolidated equity investments in Level 2 for €66 million.

Level 1 to Level 2 transfers mainly involve options listed on the underlying equity.

Level 1 to Level 3 transfers involve bonds and other fixed-income securities.

Level 2 to Level 1 transfers mainly involve treasury bills, bonds and other fixed-income securities.

Level 2 to Level 3 transfers mainly involve securities bought/sold under repurchase agreements and trading derivative instruments.

Level 3 to Level 1 transfers involve bonds and other fixed-income securities.

Level 3 to Level 2 transfers mainly involve securities bought/sold under repurchase agreements from credit institutions, from the customers and trading derivative instruments. Several positions can now be observed.

(in millions of euros)	31/12/2019	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	**230,721**	**23,646**	**201,576**	**5,499**
Loans and receivables due from credit institutions	61	-	61	-
Loans and receivables due from customers	894	-	-	894
Securities bought under repurchase agreements	103,690	-	101,771	1,919
Pledged securities	-	-	-	-
Held for trading securities	*25,281*	*22,762*	*1,740*	*779*
Treasury bills and similar securities	*13,665*	*12,494*	*1,170*	*1*
Bonds and other fixed income securities	*4,607*	*3,878*	*568*	*161*
UCITS	*108*	*84*	*-*	*24*
Equities and other variable income securities	*6,901*	*6,305*	*2*	*594*
Derivative instruments	100,795	884	98,004	1,907
Other financial assets at fair value through profit or loss	**168,756**	**113,114**	**46,358**	**9,284**
Equity instruments at fair value through profit or loss	**36,293**	**25,070**	**6,852**	**4,371**
Equities and other variable income securities	24,754	21,726	2,027	1,001
Non-consolidated equity investments	11,539	3,344	4,825	3,370
Debt instruments that do not meet the conditions of the "SPPI" test	**72,942**	**45,690**	**22,535**	**4,717**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	4,209	-	3,847	362
Debt securities	68,733	45,690	18,688	4,355
Treasury bills and similar securities	*252*	*111*	*139*	*2*
Bonds and other fixed income securities	*13,152*	*1,995*	*10,578*	*579*
UCITS	*55,329*	*43,584*	*7,971*	*3,774*
Assets backing unit-linked contracts	**59,520**	**42,352**	**16,972**	**196**
Treasury bills and similar securities	*457*	*444*	*13*	*-*
Bonds and other fixed income securities	*4,204*	*1,218*	*2,986*	*-*
Equities and other variable income securities	*6,822*	*1,287*	*5,351*	*184*
UCITS	*48,037*	*39,403*	*8,622*	*12*
Financial assets designated at fair value through profit or loss	**1**	**1**	**-**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Securities designated at fair value through profit or loss	1	1	-	-
Treasury bills and similar securities	*-*	*-*	*-*	*-*
Bonds and other fixed income securities	*1*	*1*	*-*	*-*
Financial assets at fair value through other comprehensive income	**261,321**	**243,263**	**17,772**	**286**
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	2,518	1,367	884	267
Equities and other variable income securities	*802*	*457*	*309*	*36*
Non-consolidated equity investments(1)	*1,716*	*910*	*575*	*231*
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	258,803	241,895	16,888	20
Loans and receivables due from credit institutions	*-*	*-*	*-*	*-*
Loans and receivables due from customers	*-*	*-*	*-*	*-*
Debt securities	*258,803*	*241,895*	*16,888*	*20*
Treasury bills and similar securities	*82,684*	*82,361*	*323*	*-*
Bonds and other fixed income securities	*176,119*	*159,534*	*16,565*	*20*
Hedging derivative Instruments	**19,368**	**34**	**19,334**	**-**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**680,166**	**380,057**	**285,040**	**15,069**
Transfers from Level 1: Quoted prices in active markets for identical instruments			4,420	106
Transfers from Level 2: Valuation based on observable data		474		2,119
Transfers from Level 3: Valuation based on unobservable data		72	1,820	
TOTAL TRANSFERS TO EACH LEVEL		**546**	**6,240**	**2,225**

(1) SAS Rue La Boétie shares have been included in Non-consolidated equity investments in Level 2 for €70 million.

Level 1 to Level 2 transfers concern the reclassification of derivatives instruments from organised markets to over the counter.

Level 1 to Level 3 transfers involve bonds and other fixed-income securities.

Level 2 to Level 1 transfers mainly involve treasury bills, bonds and other fixed-income securities.

Level 2 to Level 3 transfers mainly involve securities received under repurchase agreements from credit institutions and interest rate swaps.

Level 3 to Level 1 transfers mainly involve treasury bills.

Level 3 to Level 2 transfers mainly involve securities received under repurchase agreements from customers and trading derivatives including -€0,3 billion related to the review of the derivatives observability analysis.

Refer to the glossary on page 681 for the definition of technical terms.

Financial liabilities measured at fair value

(in millions of euros)	31/12/2020	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	**229,265**	**37,022**	**190,351**	**1,892**
Securities sold short	37,179	36,931	248	-
Securities sold under repurchase agreements	82,662	-	81,925	737
Debt securities	2	-	2	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	109,422	91	108,176	1,155
Financial liabilities designated at fair value through profit or loss	**35,908**	**9,943**	**20,255**	**5,710**
Hedging derivative Instruments	**15,218**	**-**	**14,607**	**611**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**280,391**	**46,965**	**225,213**	**8,213**
Transfers from Level 1: Quoted prices in active markets for identical instruments			1,057	-
Transfers from Level 2: Valuation based on observable data		64		1,136
Transfers from Level 3: Valuation based on unobservable data		-	628	
TOTAL TRANSFERS TO EACH LEVEL		**64**	**1,685**	**1,136**

Level 1 to Level 2 transfers mainly involve options listed on the underlying equity.

Level 2 to Level 1 transfers mainly involve negotiable debt securities.

Level 3 to Level 1 transfers had no impact in 2020.

Level 3 to Level 2 transfers mainly involve securities received under repurchase agreements and interest rate swaps. The review of the observability analysis of the derivatives and the financial liabilities measured at fair value by option amounts to €500 million and are relating to repurchase agreements.

Level 2 to Level 3 transfers mainly result from better identification of fair value levels on transactions already present at 31 December 2019 for €425 million and a review of the observability analysis for €624 million.

(in millions of euros)	31/12/2019	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	**206,708**	**34,018**	**171,104**	**1,586**
Securities sold short	33,473	33,259	214	-
Securities sold under repurchase agreements	74,762	-	73,842	920
Debt securities	55	-	55	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	98,418	759	96,993	666
Financial liabilities designated at fair value through profit or loss	**39,961**	**8,763**	**23,683**	**7,515**
Hedging derivative Instruments	**13,293**	**-**	**12,981**	**312**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**259,962**	**42,781**	**207,768**	**9,413**
Transfers from Level 1: Quoted prices in active markets for identical instruments			4,023	-
Transfers from Level 2: Valuation based on observable data		35		605
Transfers from Level 3: Valuation based on unobservable data		241	4,676	
TOTAL TRANSFERS TO EACH LEVEL		**275**	**8,699**	**605**

Level 1 to Level 2 transfers concern the reclassification of derivatives instruments from organised markets to over the counter.

Level 2 to Level 1 transfers concern short sales.

Level 2 to Level 3 transfers mainly involve securities delivered under repurchase agreements to credit institutions.

Level 3 to Level 1 transfers mainly involve short sales of treasury bills.

Level 3 to Level 2 transfers mainly involve securities delivered under repurchase agreements to clients, negotiable debt securities accounted at fair value through profit or loss and trading derivatives. The review of the observability analysis of the derivatives and the financial liabilities measured at fair value by option amounts to -€2.1 billion.

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 covers the bulk of sovereign and agency bonds and corporate securities held. Issuers whose bonds are not quoted are classified in Level 3.

Financial instruments classified in Level 2

The main financial instruments classified in Level 2 are:

- liabilities designated at fair value;

Liabilities designated at fair value. Financial liabilities designated at fair value are classified in Level 2 when their embedded derivative is deemed to be classified in Level 2;

- over-the-counter derivatives.

The main OTC derivatives classified in Level 2 are those valued using inputs considered to be observable and where the valuation technique does not generate any significant exposure to a model risk.

Level 2 therefore mainly includes:

- linear derivative products such as interest rate swaps, currency swaps and forward FX. They are valued using simple models widely used in the market, based either on directly observable inputs (foreign exchange rates, interest rates), or inputs derived from observable market prices (currency swaps);
- non-linear vanilla instruments such as caps, floors, swaptions, currency options, equity options and credit default swaps, including digital options. They are valued using simple models widely used in the market, based either on directly observable inputs (foreign exchange rates, interest rates, share prices) or inputs that can be derived from observable market prices (volatilities);
- certain structured products on which market quotations exist and on an ongoing basis and valued in a market consensus model;
- securities listed on a market deemed inactive and for which independent valuation data are available;
- futures and options listed on shares with insufficient volumes.

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.

All or part of the initial margin on all new transactions classified in Level 3 is reserved at the date of initial recognition. It is written back into the profit or loss account either spread over the period during which the inputs are considered to be unobservable or in full on the date when the inputs become observable, or when the transaction is completed.

Level 3 therefore mainly includes:

Securities

Securities classified in Level 3 mainly include:

- unlisted shares or bonds for which no independent valuation is available;
- ABSs and CLOs for which there are indicative independent quotes but which are not necessarily executable;
- ABSs, CLOs and super senior and mezzanine CDO tranches where it cannot be demonstrated that the market is active.

Liabilities designated at fair value

Financial liabilities designated at fair value are classified in Level 3 when their embedded derivative is deemed to be classified in Level 3.

Over-the-counter derivatives

Unobservable income includes complex financial instruments that are significantly exposed to model risk or that involve parameters that are considered unobservable.

The aggregate of these principles is mapped for observability according to the three levels indicating for each product, currency and maturity the classification used.

The following are classified mainly in Level 3:

- interest rate exposures or very long-dated currency swaps or covering emerging currencies;
- equity exposures, mainly through products traded on overly shallow option markets or indexed to volatility or equity/equity correlations and long-dated;
- exposures to non-linear long-dated products (interest rate or currency) on major currencies/indexes;
- non-linear exposures to emerging market currencies;
- complex derivatives.

The main exposures involved are:

- structured interest rates products known as "path dependent", whose future cash flows depend on past fixings observed on IR swap rates. These products valuation resort to complex models;
- securitisation swaps generating an exposure to the prepayment rate. The prepayment rate is determined on the basis of historical data on similar portfolios. The assumptions and inputs used are checked regularly on the basis of actual prepayments;
- hybrid products: those products flow depend on correlation between two different types of underlying products, such as interest rates, indexes, FX rate, credit spread;
- CDOs based on corporate credit baskets. These are no longer significant;
- certain portfolios of complex equity derivatives;
- securities under repurchase agreements, for long maturities or in emerging currencies, or related to complex underlying securities.

Refer to the glossary on page 681 for the definition of technical terms.

Net change in financial instruments measured at fair value according to Level 3

Financial assets measured at fair value according to Level 3

(in millions of euros)	Total Financial assets measured at fair value according to Level 3	Held for trading financial assets									
						Held for trading securities					
		Loans and receivables due from credit institutions	Loans and receivables due from customers	Securities bought under repurchase agreements	Pledged securities	Treasury bills and similar securities	Bonds and other fixed income securities	Mutual funds	Equities and other variable income securities	Held for trading securities	Derivative instruments
Closing balance (31/12/2019)	**15,069**	**-**	**892**	**1,919**	**-**	**-**	**161**	**23**	**594**	**779**	**1,907**
Gains or losses during the period[1]	**(691)**	-	(46)	84	-	-	(6)	-	(327)	(334)	(7)
Recognised in profit or loss	***(629)***	-	*(21)*	*82*	-	-	*(6)*	-	*(327)*	*(334)*	*(6)*
Recognised in other comprehensive income	***(62)***	-	*(25)*	*2*	-	-	-	-	-	-	*(1)*
Purchases	**5,559**	-	415	748	-	-	12	-	4	17	911
Sales	**(2,159)**	-	(779)	(15)	-	-	(8)	(23)	-	(32)	(190)
Issues	**4**	-	-	-	-	-	-	-	-	-	4
Settlements	**(106)**	-	(21)	(5)	-	-	(1)	-	-	(2)	(16)
Reclassifications	**-**	-	275	-	-	-	-	-	-	-	-
Changes associated with scope during the period	**(19)**	-	-	-	-	-	-	-	-	-	-
Transfers	**(1,125)**	-	(5)	(1,104)	-	-	(2)	-	-	(2)	(22)
Transfers to Level 3	***195***	-	-	*80*	-	-	*6*	-	-	*6*	*97*
Transfers from Level 3	***(1,320)***	-	*(5)*	*(1,184)*	-	-	*(8)*	-	-	*(8)*	*(119)*
CLOSING BALANCE (31/12/2020)	**16,532**	**-**	**731**	**1,627**	**-**	**-**	**156**	**-**	**271**	**427**	**2,587**

(in millions of euros)	Other financial instruments at fair value through profit or loss									
	Equity instruments at fair value through profit or loss		Debt instruments that do not meet the conditions of the "SPPI" test							
							Debt securities			
	Equity and other variable income securities	Non-consolidated equity investments	Loans and receivables due from credit institutions	Loans and receivables due from customers	Securities bought under repurchase agreements	Pledged securities	Treasury bills and similar securities	Bonds and other fixed income securities	Mutual funds	Debt securities
Closing balance (31/12/2019)	**1,000**	**3,374**	**-**	**362**	**-**	**-**	**2**	**579**	**3,774**	**4,354**
Gains or losses during the period[1]	(69)	(220)	-	(12)	-	-	(1)	6	35	41
Recognised in profit or loss	*(68)*	*(214)*	-	-	-	-	*(1)*	*6*	*35*	*41*
Recognised in other comprehensive income	*(1)*	*(6)*	-	*(12)*	-	-	-	-	-	-
Purchases	102	1,816	-	(5)	-	-	2	138	1,468	1,608
Sales	(84)	(311)	-	(18)	-	-	-	(22)	(694)	(716)
Issues	-	-	-	-	-	-	-	-	-	-
Settlements	-	-	-	(42)	-	-	-	-	-	-
Reclassifications	-	-	-	(275)	-	-	-	-	-	-
Changes associated with scope during the period	-	-	-	(10)	-	-	(2)	(7)	-	(9)
Transfers	-	(5)	-	-	-	-	-	12	-	12
Transfers to Level 3	-	-	-	-	-	-	-	*12*	-	*12*
Transfers from Level 3	-	*(5)*	-	-	-	-	-	-	-	-
CLOSING BALANCE (31/12/2020)	**949**	**4,654**	**-**	**-**	**-**	**-**	**1**	**706**	**4,583**	**5,290**

Refer to the glossary on page 681 for the definition of technical terms.

	Other financial instruments at fair value through profit or loss								
	Assets backing unit-linked contracts				Financial assets designated at fair value through profit or loss				
							Debt securities		
(in millions of euros)	Treasury bills and similar securities	Bonds and other fixed income securities	Equities and other variable income securities	Mutual funds	Loans and receivables due from credit institutions	Loans and receivables due from customers	Treasury bills and similar securities	Bonds and other fixed income securities	Debt securities
Closing balance (31/12/2019)	**184**	**-**	**184**	**12**	**-**	**-**	**-**	**-**	**-**
Gains or losses during the period[1]	(184)	-	(184)	-	-	-	-	-	-
Recognised in profit or loss	*(184)*	*-*	*(184)*	*-*	*-*	*-*	*-*	*-*	*-*
Recognised in other comprehensive income	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Purchases	-	-	-	25	-	-	-	-	-
Sales	-	-	-	(5)	-	-	-	-	-
Issues	-	-	-	-	-	-	-	-	-
Settlements	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Changes associated with scope during the period	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Transfers to Level 3	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Transfers from Level 3	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
CLOSING BALANCE (31/12/2020)	**-**	**-**	**-**	**32**	**-**	**-**	**-**	**-**	**-**

(in millions of euros)	Financial assets at fair value through other comprehensive income							
	Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss		Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss					
					Debt Securities			
	Equities and other variable income securities	Non-consolidated equity investments	Loans and receivables due from credit institutions	Loans and receivables due from customers	Treasury bills and similar securities	Bonds and other fixed income securities	Debt securities	Hedging derivative instruments
Closing balance (31/12/2019)	**35**	**231**	**-**	**-**	**-**	**20**	**20**	**-**
Gains or losses during the period[(1)]	(2)	(17)	-	-	21	54	75	-
Recognised in profit or loss	*-*	*-*	*-*	*-*	*21*	*54*	*75*	*-*
Recognised in other comprehensive income	*(2)*	*(17)*	*-*	*-*	*-*	*-*	*-*	*-*
Purchases	7	(10)	-	-	(21)	(54)	(75)	-
Sales	-	(9)	-	-	-	-	-	-
Issues	-	-	-	-	-	-	-	-
Settlements	-	-	-	-	-	(20)	(20)	-
Reclassifications	-	-	-	-	-	-	-	-
Changes associated with scope during the period	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Transfers to Level 3	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Transfers from Level 3	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
CLOSING BALANCE (31/12/2020)	**40**	**195**	**-**	**-**	**-**	**-**	**-**	**-**

(1) This balance includes the gains and losses of the period made on assets reported on the balance sheet at the closing date, for the following amounts:

Gains/losses for the period from Level 3 assets held at the end of the period	**(779)**
Recognised in profit or loss	(762)
Recognised in other comprehensive income	(17)

Refer to the glossary on page 681 for the definition of technical terms.

Financial liabilities measured at fair value according to Level 3

		Held for trading financial liabilities						Financial liabilities designated at fair value through profit or loss	Hedging derivative instruments
(in millions of euros)	TOTAL	Securities sold short	Securities sold under repurchase agreements	Debt securities	Due to credit institutions	Due to customers	Derivative Instruments		
Closing balance (31/12/2019)	**9,413**	**-**	**920**	**-**	**-**	**-**	**666**	**7,514**	**313**
Gains or losses during the period[(1)]	**(381)**	-	(104)	-	-	-	185	(432)	(30)
Recognised in profit or loss	***(378)***	-	*(104)*	-	-	-	*188*	*(432)*	*(30)*
Recognised in other comprehensive income	***(3)***	-	-	-	-	-	*(3)*	-	-
Purchases	**273**	-	129	-	-	-	143	1	-
Sales	**(191)**	-	-	-	-	-	(6)	(185)	-
Issues	**1,868**	-	-	-	-	-	-	1,509	359
Settlements	**(3,277)**	-	-	-	-	-	(77)	(3,169)	(31)
Reclassifications	**-**	-	-	-	-	-	-	-	-
Changes associated with scope during the period	**-**	-	-	-	-	-	-	-	-
Transfers	**508**	-	(208)	-	-	-	244	472	-
Transfers to Level 3	***1,136***	-	*225*	-	-	-	*261*	*650*	-
Transfers from Level 3	***(628)***	-	*(433)*	-	-	-	*(17)*	*(178)*	-
CLOSING BALANCE (31/12/2020)	**8,213**	**-**	**737**	**-**	**-**	**-**	**1,155**	**5,710**	**611**

(1) This balance includes the gains and losses of the period made on liabilities reported on the balance sheet at the closing date, for the following amounts:

Gains/losses for the period from Level 3 assets held at the end of the period	**(348)**
Recognised in profit or loss	(348)
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".

Sensitivity analysis for financial instruments measured using the Level 3 valuation model

The use of unobservable inputs introduces uncertainty, which we have assessed below using a sensitivity calculation on instruments valued using these inputs.

Scope of interest rate derivatives

As regards interest rate derivatives, two key inputs are considered to be unobservable and of such a type that they result in the classification of the associated products in Level 3: correlation and prepayment rates (*i.e.* early redemption).

Correlation

Many products are sensitive to a correlation parameter. However, this parameter is not unique and there are many different types of correlation, including:

- forward correlation between two successive indices in the same currency, *e.g.*: 2-year CMS/10-year CMS;
- interest rate/interest rate correlation (different indices), *e.g.* Libor 3M USD/Libor 3M EUR;
- interest rate/FX correlation (or Quanto), *e.g.* USD/JPY – USD;
- equity/equity correlation;
- equity/FX correlation;
- equity/interest rate correlation;
- FX/FX correlation.

Prepayment rate

The prepayment rate is the rate of early repayment on securitisation portfolios, whether voluntary or involuntary (default). Exposure to this risk factor may stem from two types of source: direct exposure to these asset classes, or certain "securitisation" swaps, *i.e.* where the variations in their nominal amounts are adjusted automatically to the nominal amount of the underlying portfolio, with no mark-to-market payment. The prepayment rate plays a significant part in their valuation.

Calculation of impact

With respect to correlation

The results presented below have been obtained by applying the following distinct risk shocks:

- correlations between successive indices in the same currency (*i.e.* CMS correlations);
- cross assets correlations (*e.g.*: Equity/FX or IR/ Equity) and between two interest-rate curves in different currencies.

The result of the stress test is the sum of the absolute values obtained. For each type of correlation we considered absolute values by currency, maturity and portfolio, thus making a conservative assumption. For the CMS correlations, we considered the various underlyings independently (*e.g.* 1y10y, 2y10y).

As at 31 December 2019, the sensitivity to the parameters used in interest rate derivative models was therefore +/-€12 million.

The quantity expressed is a sensitivity for a normalised market variation assumption that is not intended to measure the impact of extreme variations.

With respect to the prepayment rate

Direct exposure to assets comprising a pre-payment risk concerns securitisations such as RMBS and CLO and mezzanine CDO tranches. These exposures are marginal. They can be taken into account through sensitivity to a 1 bp change in credit spreads. This sensitivity being very low (<€50 thousand/bp), exposure to pre-payment rate is thus considered to be negligible.

The pre-payment rate is not an observable market parameter and the valuation model used for the securitisation swaps is particularly conservative. The valuation used is defined as the lower of the valuation obtained using a very fast pre-payment rate and using a very slow pre-payment rate. A "normal" variation in the pre-payment rate will therefore have no material impact on M-to-M, no Day One thus being used for these products.

11.3 ESTIMATED IMPACT OF INCLUSION OF THE MARGIN AT INCEPTION

(in millions of euros)	31/12/2020	31/12/2019
Deferred margin at 1st January	**66**	**61**
Margin generated by new transactions during the period	61	36
Recognised in net income during the period	-	-
Amortisation and cancelled/reimbursed/matured transactions	(63)	(24)
Effects of inputs or products reclassified as observable during the period	(6)	(7)
Other movements[(1)]	80	
DEFERRED MARGIN AT THE END OF THE PERIOD	**138**	**66**

(1) The amount of €80 million recorded in Other movements is linked to the revision of the historical method for calculating Day One on the non-linear scope during fiscal year 2020.

The first day margin on market transactions falling within Level 3 of fair value is reserved for the balance sheet and recognised in profit or loss as time passes or when unobservable parameters become observable again.

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 12 Scope of consolidation at 31 December 2020

12.1 INFORMATION ON SUBSIDIARIES

12.1.1 Restrictions on entities

Regulatory, legal or contractual provisions may limit Crédit Agricole S.A.'s ability to have free access to the assets of its subsidiaries and to settle the Group's liabilities.

Crédit Agricole S.A. has the following restrictions:

Regulatory constraints

The subsidiaries of Crédit Agricole S.A. 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 S.A.

Legal constraints

The subsidiaries of Crédit Agricole S.A. are subject to legal provisions concerning the distribution of capital and distributable earnings. These requirements limit the ability of the subsidiaries to distribute dividends. In the majority of cases, these are less restrictive than the regulatory limitations mentioned above.

Contractual constraints

Constraints related to guarantees: Crédit Agricole S.A. 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 Crédit Agricole S.A. This mechanism is described in Note 9 "Commitments given and received and other guarantees".

Restriction on assets backing unit-linked contracts for the Insurance business

Assets backing unit-linked contracts of Crédit Agricole S.A. are held for the benefit of policyholders. Assets of the insurance subsidiaries of Crédit Agricole S.A. 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

Crédit Agricole CIB Algérie must subject its dividend distribution to the prior approval of its regulatory authority (Bank of Algeria).

The dividend payment of CA Égypte is subject to the prior approval of the local regulator.

12.1.2 Support for structured entities under Group control

Crédit Agricole CIB has contractual arrangements with some consolidated structured entities that equate to commitments to provide financial support.

To meet its funding needs, Crédit Agricole CIB uses structured debt issuance vehicles to raise cash on financial markets. Securities issued by these entities are fully underwritten by Crédit Agricole CIB. At 31 December 2020, the outstanding volume of these issues was €7 billion.

As part of its third-party securitisation business, Crédit Agricole CIB provides liquidity lines to its ABCP conduits. At 31 December 2020, these liquidity lines totalled €35 billion.

Crédit Agricole S.A. provided no other financial support for any structured entities consolidated at 31 December 2020 and 31 December 2019.

12.1.3 Securitisation transactions and dedicated funds

Various Group entities conduct securitisation operations 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 S.A.

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 on-going involvement".

12.2 COMPOSITION OF THE SCOPE

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
Savings Management									
Banking and financial institutions									
ABC-CA Fund Management CO	▲		China		A	33.3	33.3	22.7	22.8
AMUNDI	■		France		S	68.3	68.6	68.1	68.4
AMUNDI (UK) Ltd.	■		United Kingdom		S	100.0	100.0	68.1	68.4
AMUNDI ASSET MANAGEMENT	■		France		S	100.0	100.0	68.1	68.4
AMUNDI ASSET MANAGEMENT AGENCIA EN CHILE	■		Chile		B	100.0	100.0	68.4	68.4
AMUNDI ASSET MANAGEMENT BELGIUM	■		Belgium		B	100.0	100.0	68.4	68.4
AMUNDI ASSET MANAGEMENT DUBAI (OFF SHORE) BRANCH	■		United Arab Emirates		B	100.0	100.0	68.4	68.4
AMUNDI ASSET MANAGEMENT HONG KONG BRANCH	■		Hong Kong		B	100.0	100.0	68.4	68.4
AMUNDI ASSET MANAGEMENT LONDON BRANCH	■		United Kingdom		B	100.0	100.0	68.1	68.4
AMUNDI ASSET MANAGEMENT MEXICO BRANCH	■		Mexico		B	100.0	100.0	68.4	68.4
AMUNDI ASSET MANAGEMENT NEDERLAND	■		Netherlands		B	100.0	100.0	68.4	68.4
Amundi Asset Management S.A.I S.A.	■		Romania		S	100.0	100.0	68.1	68.4
Amundi Austria GmbH	■		Austria		S	100.0	100.0	68.1	68.4
Amundi BOC Wealth Management Co. Ltd	■	E2	France		S	55.0		37.5	
Amundi Czech Republic Asset Management Bratislava Branch	■		Slovakia		B	100.0	100.0	68.4	68.4
Amundi Czech Republic Asset Management Sofia Branch	■		Bulgaria		B	100.0	100.0	68.4	68.4
Amundi Czech Republic Asset Management, A.S.	■		Czech Republic		S	100.0	100.0	68.1	68.4
Amundi Czech Republic, Investicni Spolecnost, A.S.	■		Czech Republic		S	100.0	100.0	68.1	68.4
Amundi Deutschland GmbH	■		Germany		S	100.0	100.0	68.1	68.4
AMUNDI Finance	■		France		S	100.0	100.0	68.1	68.4
AMUNDI Finance Emissions	■		France		S	100.0	100.0	68.1	68.4
AMUNDI GLOBAL SERVICING	■		Luxembourg		S	100.0	100.0	68.1	68.4
AMUNDI Hellas MFMC S.A.	■		Greece		S	100.0	100.0	68.1	68.4
AMUNDI Hong Kong Ltd.	■		Hong Kong		S	100.0	100.0	68.1	68.4
AMUNDI Iberia S.G.I.I.C S.A.	■		Spain		S	100.0	100.0	68.1	68.4
AMUNDI Immobilier	■		France		S	100.0	100.0	68.1	68.4
AMUNDI India Holding	■		France		S	100.0	100.0	68.1	68.4
AMUNDI Intermédiation	■		France		S	100.0	100.0	68.1	68.4
Amundi Intermédiation Asia PTE Ltd	■		Singapore		S	100.0	100.0	68.1	68.4
Amundi Intermédiation Dublin Branch	■		Ireland		B	100.0	100.0	68.1	68.4
Amundi Intermédiation London Branch	■		United Kingdom		B	100.0	100.0	68.1	68.4
Amundi Investment Fund Management Private Limited Company	■		Hungary		S	100.0	100.0	68.1	68.4
Amundi Ireland Ltd	■		Ireland		S	100.0	100.0	68.1	68.4
AMUNDI Issuance	■		France		S	100.0	100.0	68.1	68.4
AMUNDI Japan	■		Japan		S	100.0	100.0	68.1	68.4
AMUNDI Japan Holding	■	S4	Japan		S		100.0		68.4
Amundi Luxembourg S.A.	■		Luxembourg		S	100.0	100.0	68.1	68.4
AMUNDI Malaysia Sdn Bhd	■		Malaysia		S	100.0	100.0	68.1	68.4
Amundi Pioneer Asset Management Inc	■		United States		S	100.0	100.0	68.1	68.4
Amundi Pioneer Asset Management USA Inc	■		United States		S	100.0	100.0	68.1	68.4
Amundi Pioneer Distributor Inc	■		United States		S	100.0	100.0	68.1	68.4
Amundi Pioneer Institutional Asset Management Inc	■		United States		S	100.0	100.0	68.1	68.4
AMUNDI Polska	■		Poland		S	100.0	100.0	68.1	68.4
AMUNDI Private Equity Funds	■		France		S	100.0	100.0	68.1	68.4
AMUNDI Real Estate Italia SGR S.p.A.	■		Italy		S	100.0	100.0	68.1	68.4
AMUNDI SGR S.p.A.	■		Italy		S	100.0	100.0	68.1	68.4
AMUNDI Singapore Ltd.	■		Singapore		S	100.0	100.0	68.1	68.4
AMUNDI Suisse	■		Switzerland		S	100.0	100.0	68.1	68.4
Amundi Taïwan Limited	■		Taiwan		S	100.0	100.0	68.1	68.4
AMUNDI Tenue de Comptes	■		France		S	100.0	100.0	68.1	68.4
AMUNDI USA Inc	■		United States		S	100.0	100.0	68.1	68.4
AMUNDI Ventures	■		France		S	100.0	100.0	68.1	68.4
BFT INVESTMENT MANAGERS	■		France		S	100.0	100.0	68.1	68.4
CA Indosuez (Switzerland) S.A. Hong Kong Branch	■		France	Switzerland	B	100.0	100.0	97.8	97.8
CA Indosuez (Suisse) S.A. Singapore Branch	■		Singapore	Switzerland	B	100.0	100.0	97.8	97.8
CA Indosuez (Suisse) S.A. Switzerland Branch	■		Switzerland		B	100.0	100.0	97.8	97.8
CA Indosuez (Switzerland) S.A.	■		Switzerland		S	100.0	100.0	97.8	97.8
CA Indosuez Finanziaria S.A.	■		Switzerland		S	100.0	100.0	97.8	97.8
CA Indosuez Gestion	■		France		S	100.0	100.0	97.8	97.8
CA Indosuez Wealth (Brazil) S.A. DTVM	■	D4	Brazil		S	100.0	100.0	97.8	97.8
CA Indosuez Wealth (Europe)	■		Luxembourg		S	100.0	100.0	97.8	97.8
CA Indosuez Wealth (Europe) Belgium Branch	■		Belgium	Luxembourg	B	100.0	100.0	97.8	97.8

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
CA Indosuez Wealth (Europe) Spain Branch	■		Spain	Luxembourg	B	100.0	100.0	97.8	97.8
CA Indosuez Wealth (France)	■		France		S	100.0	100.0	97.8	97.8
CA Indosuez Wealth (Group)	■		France		S	100.0	100.0	97.8	97.8
CA Indosuez Wealth Italy S.P.A.	■		Italy		S	100.0	100.0	97.8	97.8
CA Luxembourg (succursale Italie)	■	S2	France	Luxembourg	B		100.0		97.8
CFM Indosuez Conseil en Investissement	■		France		S	70.2	70.2	67.5	67.5
CFM Indosuez Conseil en Investissement, Succursale de Nouméa	■		France		B	70.2	70.2	67.5	67.5
CFM Indosuez Gestion	■		Monaco		S	70.2	70.2	66.6	66.1
CFM Indosuez Wealth	■		Monaco		S	70.2	70.2	67.5	67.5
CPR AM	■		France		S	100.0	100.0	68.1	68.4
Etoile Gestion	■		France		S	100.0	100.0	68.1	68.4
Fund Channel	■	D2	Luxembourg		S	100.0	50.0	68.1	34.3
Fund Channel Singapore Branch	■	D2	Singapore	Luxembourg	S	100.0	50.0	68.1	34.2
KBI Fund Managers Limited	■		Ireland		S	87.5	87.5	68.1	68.4
KBI Global Investors (North America) Limited	■		Ireland		S	87.5	87.5	68.1	68.4
KBI Global Investors Limited	■		Ireland		S	87.5	87.5	68.1	68.4
LCL Emissions	■		France		S	100.0	100.0	68.1	68.4
NH-AMUNDI ASSET MANAGEMENT	▲		South Korea		A	30.0	30.0	20.4	20.5
Pioneer Global Investments LTD Buenos Aires Branch	■	S1	Argentina		B		100.0		68.4
Pioneer Global Investments LTD Mexico city Branch	■		Mexico		B	100.0	100.0	68.4	68.4
Sabadell Asset Management, S.A., S.G.I.I.C.	■	E3	France		S	100.0		68.1	
Société Générale Gestion (S2G)	■		France		S	100.0	100.0	68.1	68.4
SAS DEFENSE CB3	▲	E1	France		JV	25.0		25.0	
Investment companies									
State Bank of India Fund Management	▲		India		A	37.0	37.0	25.2	25.3
Vanderbilt Capital Advisors LLC	■		United States		S	100.0	100.0	68.1	68.4
WAFA Gestion	▲		Morocco		A	34.0	34.0	23.2	23.3
Insurance									
ASSUR&ME	■		France		CSE	100.0	100.0	100.0	100.0
CA Assicurazioni	■		Italy		S	100.0	100.0	100.0	100.0
CACI DANNI[1]	■		France	Ireland	B	100.0	100.0	100.0	100.0
CACI LIFE LIMITED	■		Ireland		S	100.0	100.0	100.0	100.0
CACI NON LIFE LIMITED	■		Ireland		S	100.0	100.0	100.0	100.0
CACI NON VIE[1]	■		France	Ireland	B	100.0	100.0	100.0	100.0
CACI Reinsurance Ltd.	■		Ireland		S	100.0	100.0	100.0	100.0
CACI VIE[1]	■		France	Ireland	B	100.0	100.0	100.0	100.0
CACI VITA[1]	■		France	Ireland	B	100.0	100.0	100.0	100.0
CALIE Europe Succursale France[1]	■		France	Luxembourg	B	100.0	100.0	100.0	100.0

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
CALIE Europe Succursale Pologne[1]	■		France	Luxembourg	B	100.0	100.0	100.0	100.0
Crédit Agricole Assurances (CAA)	■		France		S	100.0	100.0	100.0	100.0
Crédit Agricole Creditor Insurance (CACI)	■		France		S	100.0	100.0	100.0	100.0
Crédit Agricole Life	■		Greece		S	100.0	100.0	100.0	100.0
Crédit Agricole Life Insurance Company Japan Ltd.	■		Japan		S	100.0	100.0	100.0	100.0
Crédit Agricole Life Insurance Europe	■		Luxembourg		S	100.0	100.0	99.9	99.9
Crédit Agricole Vita S.p.A.	■		Italy		S	100.0	100.0	100.0	100.0
Finaref Risques Divers	■		France		S	100.0	100.0	100.0	100.0
Finaref Vie	■	S5	France		S		100.0		100.0
GNB SEGUROS	■		Portugal		S	100.0	75.0	100.0	75.0
Médicale de France	■		France		S	100.0	100.0	100.0	100.0
Pacifica	■		France		S	100.0	100.0	100.0	100.0
Predica	■		France		S	100.0	100.0	100.0	100.0
Predica – Prévoyance Dialogue du Crédit Agricole[1]	■		France		B	100.0	100.0	100.0	100.0
Space Holding (Ireland) Limited	■		Ireland		S	100.0	100.0	100.0	100.0
Space Lux	■		Luxembourg		S	100.0	100.0	100.0	100.0
Spirica	■		France		S	100.0	100.0	100.0	100.0
UCITS									
37785 QXEURC[1]	■	E2	France		CSE	100.0		100.0	
ACAJOU	■		France		CSE	100.0	100.0	68.4	68.4
AGRICOLE RIVAGE DETTE[1]	■		France		CSE	100.0	100.0	100.0	100.0
AIJPMGBIGOAHE	■	E1	Luxembourg		CSE	82.3		82.3	
AM DESE FIII DS3IMDI[1]	■		France		CSE	100.0	100.0	100.0	100.0
AMUNDI GRD 24 FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
AMUNDI PE Solution Alpha	■		France		CSE	100.0	100.0	68.4	68.4
APLEGROSENIEUHD[1]	■		Luxembourg		CSE	50.9	50.9	50.9	50.9
ARTEMID[1]	■		France		CSE	100.0	100.0	100.0	100.0
BFT CREDIT OPPORTUNITES -I-C[1]	■		France		CSE	100.0	100.0	100.0	100.0
BFT opportunité[1]	■		France		CSE	100.0	100.0	100.0	100.0
BFT VALUE PREM OP CD[1]	■		France		CSE	100.0	100.0	100.0	100.0
CA VITA INFRASTRUCTURE CHOICE FIPS c.I.A.(1)	■		France		CSE	100.0	100.0	100.0	100.0
CA VITA PRIVATE DEBT CHOICE FIPS cl.A[1]	■		France		CSE	100.0	100.0	100.0	100.0
CA VITA PRIVATE EQUITY CHOICE[1]	■		France		CSE	100.0	100.0	100.0	100.0
CAA 2013 COMPARTIMENT 5 A5[1]	■		France		CSE	100.0	100.0	100.0	100.0
CAA 2013 FCPR B1[1]	■		France		CSE	100.0	100.0	100.0	100.0
CAA 2013 FCPR C1[1]	■		France		CSE	100.0	100.0	100.0	100.0
CAA 2013 FCPR D1[1]	■		France		CSE	100.0	100.0	100.0	100.0
CAA 2013-2[1]	■		France		CSE	100.0	100.0	100.0	100.0
CAA 2013-3[1]	■		France		CSE	100.0	100.0	100.0	100.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
CAA 2014 COMPARTIMENT 1 PART A1(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA 2014 INVESTISSMENT PART A3(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA 2015 COMPARTIMENT 1(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA 2015 COMPARTIMENT 2(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA 2016(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA COMMERCES 2(1)	■	E2	France		CSE	100.0		100.0	
CAA INFRASTRUCTURE(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA INFRASTRUCTURE 2017(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA INFRASTRUCTURE 2018 – COMPARTIMENT 1(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA INFRASTRUCTURE 2019(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PR FI II C1 A1(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIV EQY 19 CF A(1)	■	E2	France		CSE	100.0		100.0	
CAA PRIV.FINANC. COMP.1 A1 FIC(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIV.FINANC. COMP.2 A2 FIC(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 BIS(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 FRANCE INVESTISSEMENT(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 MEZZANINE(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2017 TER(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2018 – COMPARTIMENT 1(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2018 – COMPARTIMENT FRANCE INVESTISSEMENT(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2019 COMPARTIMENT 1(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2019 COMPARTIMENT BIS(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA PRIVATE EQUITY 2019 COMPARTIMENT TER(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAA SECONDAIRE IV(1)	■		France		CSE	100.0	100.0	100.0	100.0
CAREPTA R 2016(1)	■		France		CSE	100.0	100.0	100.0	100.0
CEDAR	■		France		CSE	100.0	100.0	68.4	68.4
Chorial Allocation	■		France		CSE	99.7	99.7	68.2	68.2
CNP ACP 10 FCP(1)	■		France		CSE	98.2	100.0	98.2	100.0
COMPARTIMENT DS3 – IMMOBILIER VAUGIRARD(1)	■		France		CSE	100.0	100.0	100.0	100.0
COMPARTIMENT DS3 – VAUGIRARD(1)	■		France		CSE	100.0	100.0	100.0	100.0
CORSAIR 1.52% 25/10/38(1)	■		Luxembourg		CSE	100.0	100.0	100.0	100.0
CORSAIR 1.5255% 25/04/35(1)	■		Ireland		CSE	100.0	100.0	100.0	100.0
CORSAIRE FINANCE IRELAND 0.83% 25-10-38(1)	■		Ireland		CSE	100.0	100.0	100.0	100.0
CORSAIRE FINANCE IRELAND 1.24% 25-10-38(1)	■		Ireland		CSE	100.0	100.0	100.0	100.0
CORSAIRE FINANCE IRELANDE 0.7% 25-10-38(1)	■		Ireland		CSE	100.0	100.0	100.0	100.0
EFFITHERMIE FPCI(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR CAA 2013(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR CAA COMP TER PART A3(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR CAA COMPART BIS PART A2(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR CAA COMPARTIMENT 1 PART A1(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR CAA France croissance 2 A(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR PREDICA 2007 A(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR PREDICA 2007 C2(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR PREDICA 2008 A1(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR PREDICA 2008 A2(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR PREDICA 2008 A3(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR PREDICA SECONDAIRE I A1(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR PREDICA SECONDAIRE I A2(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR PREDICA SECONDAIRES II A(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR PREDICA SECONDAIRES II B(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR UI CAP AGRO(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCPR UI CAP SANTE A(1)	■		France		CSE	99.8	100.0	99.8	100.0
FCT BRIDGE 2016-1(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCT CAA COMPARTIMENT CESSION DES CRÉANCES LCL	■	E2	France		CSE	100.0		100.0	
FCT CAA – Compartment 2017-1(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCT CAREPTA – COMPARTIMENT 2014-1(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCT CAREPTA – COMPARTIMENT 2014-2(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCT CAREPTA – COMPARTIMENT RE-2016-1(1)	■		France		CSE	97.8	100.0	97.8	100.0
FCT CAREPTA – RE 2015 -1(1)	■		France		CSE	100.0	100.0	100.0	100.0
FCT CAREPTA 2-2016(1)	■	S1	France		CSE		100.0		100.0
FCT MID CAP 2 05/12/22(1)	■		France		CSE	100.0	100.0	100.0	100.0
FDA 18 FCP 2 DEC(1)	■	S1	France		CSE		100.0		100.0
FDC A3 P(1)	■		France		CSE	100.0	100.0	100.0	100.0
FEDERIS CORE EU CR 19 MM(1)	■		France		CSE	43.7	43.7	43.7	43.7

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
Federval[1]	■		France		CSE	97.9	97.9	97.9	97.9
FPCI Cogeneration France I[1]	■		France		CSE	100.0	100.0	100.0	100.0
FR0010671958 PREDIQUANT A5[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD 44[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD 44 N3[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD 44 N2[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD 44 N4 PART CD[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD 44 N5[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD 54[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD02[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD03[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD05[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD07[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD08[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD09[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD10[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD11[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD12[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD13[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD14[1]	■		France		CSE	97.8	97.8	97.8	97.8
GRD17[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD18[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD19[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD20[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD21[1]	■		France		CSE	100.0	100.0	100.0	100.0
IAA CROISSANCE INTERNATIONALE[1]	■		France		CSE	100.0	100.0	100.0	100.0
LF PRE ZCP 12 99 LIB[1]	■		France		CSE	72.4	100.0	72.4	100.0
Londres Croissance C16	■		France		CSE	100.0	100.0	68.4	68.4
LRP – CPT JANVIER 2013 0.30 13-21 11/01A[1]	■		Luxembourg		CSE	84.2	84.2	84.2	84.2
OBJECTIF LONG TERME FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
OPCI GHD SPPICAV PROFESSIONNELLE[1]	■		France		CSE	90.0	90.0	90.0	90.0
Peg – Portfolio Eonia Garanti	■		France		CSE	97.2	97.2	66.5	66.5
Predica 2005 FCPR A[1]	■		France		CSE	100.0	100.0	100.0	100.0
Predica 2006 FCPR A[1]	■		France		CSE	100.0	100.0	100.0	100.0
Predica 2006-2007 FCPR[1]	■		France		CSE	100.0	100.0	100.0	100.0
PREDICA 2010 A1[1]	■		France		CSE	100.0	100.0	100.0	100.0
PREDICA 2010 A2[1]	■		France		CSE	100.0	100.0	100.0	100.0
PREDICA 2010 A3[1]	■		France		CSE	100.0	100.0	100.0	100.0
PREDICA SECONDAIRES III[1]	■		France		CSE	100.0	100.0	100.0	100.0
Predicant A1 FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
Predicant A2 FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
Predicant A3 FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
Prediquant Eurocroissance A2[1]	■		France		CSE	100.0	100.0	100.0	100.0

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
Prediquant opportunité[1]	■		France		CSE	100.0	100.0	100.0	100.0
PREDIQUANT PREMIUM[1]	■		France		CSE	100.0	100.0	100.0	100.0
PREMIUM GR 0% 28[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 0.508% 25-10-38[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 0.63% 25-10-38[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 1.24% 25/04/35[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 1.531% 25-04-35[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 1.55% 25-07-40[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.52%06-21 EMTN[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.54%06-13.06.21[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.5575%21 EMTN[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.56%06-21[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.7% EMTN 08/08/21[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.72%12-250927[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN PLC 1.095% 25-10-38[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN PLC 4.30%2021[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN TV 06/22[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN TV 07/22[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN TV 07-22[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN TV 22[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN TV 26/07/22[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN TV2027[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN TV23/05/2022 EMTN[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PREMIUM GREEN 4.33% 06-29/10/21[1] GREEN 4.33% 06-29/10/21[1]	■		Ireland		CSE	100.0	100.0	100.0	100.0
PurpleProtAsset 1,36% 25/10/2038[1]	■		Luxembourg		CSE	100.0	100.0	100.0	100.0
PurpleProtAsset 1.093% 20/10/2038[1]	■		Luxembourg		CSE	100.0	100.0	100.0	100.0
RED CEDAR	■		France		CSE	100.0	100.0	68.4	68.4
UI CAP SANTE 2[1]	■		France		CSE	100.0	100.0	100.0	100.0
Unit-linked funds (Fonds UC)									
58 fonds UC dont le taux de détention est supérieur ou égal à 95%	■		France		CSE	> 95%	> 95%	> 95%	> 95%
0057514 AUC[1]	■		Luxembourg		CSE	59.2	58.1	59.2	58.1
1827 A2EURC[1]	■	E2	Luxembourg		CSE	61.1		61.1	
56055 A5 EUR[1]	■	E2	Luxembourg		CSE	99.5		99.5	
5880 AEURC[1]	■	E2	Luxembourg		CSE	59.2		59.2	

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
5884 AEURC(1)	■	E2	Luxembourg		CSE	30.6		30.6	
5922 AEURHC(1)	■		Luxembourg		CSE	54.0	51.6	54.0	51.6
78752 AEURHC(1)	■		Luxembourg		CSE	41.1	40.2	41.1	40.2
A FD EQ E CON AE (C)(1)	■		Luxembourg		CSE	61.8	58.3	61.8	58.3
A FD EQ E FOC AE (C)(1)	■		Luxembourg		CSE	67.4	76.3	67.4	76.3
ACTICCIA VIE(1)	■		France		CSE	99.1	99.1	99.1	99.1
ACTICCIA VIE 3(1)	■		France		CSE	99.3	99.4	99.3	99.4
ACTICCIA VIE 90 C(1)	■		France		CSE	100.0	100.0	100.0	100.0
ACTICCIA VIE 90 N2(1)	■		France		CSE	100.0	100.0	100.0	100.0
ACTICCIA VIE 90 N3 C(1)	■		France		CSE	100.0	100.0	100.0	100.0
ACTICCIA VIE 90 N4(1)	■		France		CSE	100.0	99.9	100.0	99.9
ACTICCIA VIE 90 N6 C(1)	■		France		CSE	100.0	99.9	100.0	99.9
ACTICCIA VIE N2 C(1)	■		France		CSE	99.3	99.3	99.3	99.3
ACTICCIA VIE N4(1)	■		France		CSE	99.7	99.7	99.7	99.7
ACTIONS 50 3DEC(1)	■		France		CSE	100.0	100.0	100.0	100.0
AF INDEX EQ JAPAN AE CAP(1)	■		Luxembourg		CSE	80.1	17.7	80.1	17.7
AF INDEX EQ USA A4E(1)	■		Luxembourg		CSE	63.0	70.2	63.0	70.2
AFCPRGLLIFEAEC(1)	■		Luxembourg		CSE	42.2	47.3	42.2	47.3
AIMSCIWOAE(1)	■		Luxembourg		CSE	4.6	30.9	4.6	30.9
AM AC FR ISR PC 3D(1)	■		France		CSE	81.9	58.1	81.9	58.1
AM.AC.EU.ISR-P-3D(1)	■		France		CSE	36.0	44.0	36.0	44.0
AM.AC.MINER.-P-3D(1)	■		France		CSE	86.3	73.7	86.3	73.7
AM.AC.USA ISR P 3D(1)	■		France		CSE	58.9	54.5	58.9	54.5
AM.ACT.EMER.-P-3D(1)	■		France		CSE	42.8	43.4	42.8	43.4
AM.RDT PLUS -P-3D(1)	■		France		CSE	48.6	41.3	48.6	41.3
AMIRAL GROWTH OPP A(1)	■	E2	France		CSE	51.1		51.1	
AMUN TRESO CT PC 3D(1)	■		France		CSE	56.2	85.8	56.2	85.8
AMUN.ACT.REST.P-C(1)	■		France		CSE	37.9	70.7	37.9	70.7
AMUN.TRES.EONIA ISR E FCP 3DEC(1)	■		France		CSE	61.8	85.2	61.8	85.2
AMUNDI AC.FONC.PC 3D(1)	■		France		CSE	59.8	56.3	59.8	56.3
AMUNDI ACTIONS FRANCE C 3DEC(1)	■		France		CSE	54.9	56.6	54.9	56.6
AMUNDI AFD AV DURABL P1 FCP 3DEC(1)	■		France		CSE	78.8	78.4	78.8	78.4
AMUNDI ALLOCATION C(1)	■		France		CSE	99.3	97.7	99.3	97.7
AMUNDI B GL AGG AEC(1)	■		Luxembourg		CSE	9.6	55.3	9.6	55.3
AMUNDI BGEB AEC(1)	■		Luxembourg		CSE	49.1	43.7	49.1	43.7
AMUNDI EQ E IN AHEC(1)	■		Luxembourg		CSE	41.2	37.4	41.2	37.4
AMUNDI GBL MACRO MULTI ASSET P(1)	■		France		CSE	70.1	69.6	70.1	69.6
AMUNDI GLB MUL-ASSET-M2EURC(1)	■		Luxembourg		CSE	47.5	67.9	47.5	67.9
AMUNDI GLO M/A CONS-M2 EUR C(1)	■		Luxembourg		CSE	76.2	66.0	76.2	66.0
AMUNDI HORIZON 3D(1)	■		France		CSE	66.3	66.0	66.3	66.0
AMUNDI KBI ACTION PC(1)	■		France		CSE	87.7	87.4	87.7	87.4
AMUNDI KBI ACTIONS C(1)	■		France		CSE	89.9	25.2	89.9	25.2
AMUNDI KBI AQUA C(1)	■	E2	France		CSE	74.3		74.3	
AMUNDI OBLIG EURO C(1)	■		France		CSE	49.6	48.5	49.6	48.5
AMUNDI PATRIMOINE C 3DEC(1)	■		France		CSE	85.7	85.5	85.7	85.5
AMUNDI PULSACTIONS(1)	■		France		CSE	57.5	57.6	57.5	57.6
AMUNDI SONANCE VIE 7 3DEC(1)	■		France		CSE	97.4	97.4	97.4	97.4
AMUNDI SONANCE VIE N8 3DEC(1)	■		France		CSE	98.6	98.7	98.6	98.7
AMUNDI TRANSM PAT C(1)	■		France		CSE	98.6	98.1	98.6	98.1
AMUNDI VALEURS DURAB(1)	■		France		CSE	63.3	67.9	63.3	67.9
AMUNDI-CSH IN-PC(1)	■		France		CSE	78.4	76.0	78.4	76.0
AMUNDI-EUR EQ GREEN IM-IEURC(1)	■		Luxembourg		CSE	65.5	80.2	65.5	80.2
AMUNDI-GL INFLAT BD-MEURC(1)	■		Luxembourg		CSE	57.5	60.4	57.5	60.4
AMUNDIOBLIG-MONDEP(1)	■		France		CSE	70.8	68.3	70.8	68.3
AMUNDI-VOLATILITY WRLD-IUSDC(1)	■	S1	Luxembourg		CSE		69.7		69.7
AMUNDI-VOLATILITY WRLD-OUSDC(1)	■	S1	Luxembourg		CSE		64.5		64.5
ANTINEA FCP(1)	■		France		CSE	37.3	55.2	37.3	55.2
ARC FLEXIBOND-D(1)	■		France		CSE	7.1	49.6	7.1	49.6
ATOUT EUROPE C FCP 3DEC(1)	■		France		CSE	84.7	82.4	84.7	82.4
ATOUT FRANCE C FCP 3DEC(1)	■		France		CSE	41.8	41.9	41.8	41.9
ATOUT PREM S ACTIONS 3DEC(1)	■		France		CSE	99.9	100.0	99.9	100.0
ATOUT VERT HORIZON FCP 3DEC(1)	■		France		CSE	35.2	35.2	35.2	35.2
AXA EUR.SM.CAP E 3D(1)	■		France		CSE	93.0	82.4	93.0	82.4
BA-FII EUR EQ O-GEUR(1)	■		Luxembourg		CSE	51.9	50.7	51.9	50.7
BFT FRAN FUT-C SI.3D(1)	■		France		CSE	50.0	49.2	50.0	49.2
BFT SEL RDT 23 PC(1)	■		France		CSE	99.6	100.0	99.6	100.0
BFT STATERE P (C)(1)	■		France		CSE	42.7	43.6	42.7	43.6
BNP PAR.CRED.ERSC(1)	■	S2	France		CSE		60.8		60.8
CA MASTER EUROPE(1)	■		France		CSE	46.1	46.6	46.1	46.6
CA MASTER PATRIMOINE FCP 3DEC(1)	■		France		CSE	98.6	98.5	98.6	98.5
CADEISDA 2DEC(1)	■		France		CSE	40.0	40.0	40.0	40.0
CALIFORNIA 09(1)	■	E2	France		CSE	67.3		67.3	
CHORELIA N2 PART C(1)	■		France		CSE	87.8	87.8	87.8	87.8
CHORELIA N3 PART C(1)	■		Luxembourg		CSE	86.3	86.5	86.3	86.5
CHORELIA N4 PART C(1)	■		France		CSE	88.5	88.6	88.5	88.6
CHORELIA N5 PART C(1)	■		France		CSE	77.7	77.9	77.7	77.9
CHORELIA N6 PART C(1)	■		France		CSE	81.8	58.9	81.8	58.9
CHORELIA N7 C(1)	■	E2	France		CSE	87.7		87.7	
CHORELIA PART C(1)	■		France		CSE	85.1	85.2	85.1	85.2
CPR CONSO ACTIONNAIRE FCP P(1)	■		France		CSE	51.8	51.8	51.8	51.8
CPR CROIS.REA.-P(1)	■		France		CSE	28.3	39.1	28.3	39.1

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
CPR EUR.HI.DIV.P 3D[1]	■		France		CSE	44.3	43.2	44.3	43.2
CPR EUROLAND ESG P[1]	■	E2	France		CSE	5.4		5.4	
CPR FOCUS INF.-P-3D[1]	■		France		CSE	39.5	19.6	39.5	19.6
CPR GLO SILVER AGE P[1]	■		France		CSE	95.1	96.9	95.1	96.9
CPR I-SM B C-AEURA[1]	■		Luxembourg		CSE	64.0	61.1	64.0	61.1
CPR OBLIG 12 M.P 3D[1]	■		France		CSE	90.2	90.5	90.2	90.5
CPR REF.ST.EP.R.0-100 FCP 3DEC[1]	■		France		CSE	100.0	100.0	100.0	100.0
CPR REFL RESP 0-100 I 3DEC[1]	■		France		CSE	99.3	97.0	99.3	97.0
CPR REFL.RESP.0-100 P FCP 3DEC[1]	■		France		CSE	85.4	85.6	85.4	85.6
CPR REFLEX STRATEDIS 0-100 P 3D[1]	■		France		CSE	99.8	99.8	99.8	99.8
CPR RENAI.JAP.-P-3D[1]	■		France		CSE	35.0	66.1	35.0	66.1
CPR SILVER AGE P 3DEC[1]	■		France		CSE	55.7	52.6	55.7	52.6
CPR-CLIM ACT-AEURA[1]	■		Luxembourg		CSE	43.0	53.3	43.0	53.3
CPRGLODISOPARAC[1]	■		Luxembourg		CSE	43.6	47.0	43.6	47.0
ECOFI MULTI OPPORTUN.FCP 3DEC[1]	■	S2	France		CSE		83.3		83.3
EPARINTER EURO BD[1]	■		France		CSE	54.1	44.7	54.1	44.7
EXAN.PLEI.FD P[1]	■	S1	France		CSE		4.2		4.2
EXANE 1 OVERDR CC[1]	■		Luxembourg		CSE	72.1	63.8	72.1	63.8
FE AMUNDI INC BLDR-IHE C[1]	■		Luxembourg		CSE	80.2	77.8	80.2	77.8
FONDS AV ECHUS FIA A[1]	■		France		CSE	80.9	0.2	80.9	0.2
FONDS AV ECHUS FIA B[1]	■	S2	France		CSE		100.0		100.0
FRANKLIN DIVER-DYN-I ACC EU[1]	■		Luxembourg		CSE	48.0	50.1	48.0	50.1
FRANKLIN GLB MLT-AS IN-IAEUR[1]	■		Luxembourg		CSE	76.1	75.1	76.1	75.1
GRD CAR 39 FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD FCR 99 FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
GRD IFC 97 FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
HASTINGS PATRIM AC[1]	■		France		CSE	42.3	41.0	42.3	41.0
HYMNOS P 3D[1]	■		France		CSE	74.0	46.5	74.0	46.5
IGSF-GBL GOLD FD-I C[1]	■		Luxembourg		CSE	25.9	46.3	25.9	46.3
IND.CAP EMERG.-C-3D[1]	■		France		CSE	42.0	80.6	42.0	80.6
INDO ALLOC MANDAT C[1]	■		France		CSE	92.4	2.0	92.4	2.0
INDO-FII EUR CP-IEUR[1]	■	S2	Luxembourg		CSE		51.7		51.7
INDOFIIFLEXEG[1]	■	E2	Luxembourg		CSE	47.3		47.3	
INDO-GBL TR-PE[1]	■		Luxembourg		CSE	59.4	41.0	59.4	41.0
INDOS.EURO.PAT.PD 3D[1]	■		France		CSE	43.2	43.1	43.2	43.1
INDOSUEZ ALLOCATION[1]	■		France		CSE	99.5	81.6	99.5	81.6
INDOSUEZ EURO DIV G[1]	■	S2	Luxembourg		CSE		75.8		75.8
INDOSUEZ NAVIGATOR G[1]	■		Luxembourg		CSE	42.5	40.9	42.5	40.9
INDOSUEZSWZOPG[1]	■	S1	Luxembourg		CSE		50.8		50.8

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
INVEST RESP S3 3D[1]	■		France		CSE	74.6	74.1	74.6	74.1
JPM US EQY ALL CAP-C HDG[1]	■		Luxembourg		CSE	88.7	88.9	88.7	88.9
JPM US SEL EQ PLS-CA EUR HD[1]	■		Luxembourg		CSE	66.0	57.0	66.0	57.0
JPMORGAN F-JPM US VALUE-CEHA[1]	■		Luxembourg		CSE	84.5	59.3	84.5	59.3
JPMORGAN F-US GROWTH-C AHD[1]	■		Luxembourg		CSE	31.5	49.4	31.5	49.4
LCF CREDIT ERSC 3D[1]	■	S2	France		CSE		54.7		54.7
LCL 3 TEMPO AV 11/16[1]	■		France		CSE	100.0	100.0	100.0	100.0
LCL 6 HORIZ. AV 0615[1]	■		France		CSE	100.0	100.0	100.0	100.0
LCL AC.DEV.DU.EURO[1]	■		France		CSE	87.7	71.3	87.7	71.3
LCL AC.EMERGENTS 3D[1]	■		France		CSE	43.2	54.2	43.2	54.2
LCL AC.MDE HS EU.3D[1]	■		France		CSE	38.1	41.2	38.1	41.2
LCL ACT RES NATUREL[1]	■		France		CSE	45.7	45.3	45.7	45.3
LCL ACT.E-U ISR 3D[1]	■		France		CSE	26.9	55.5	26.9	55.5
LCL ACT.IMMOBI.3D[1]	■	S2	France		CSE		49.3		49.3
LCL ACT.OR MONDE[1]	■		France		CSE	49.5	46.8	49.5	46.8
LCL ACT.USA ISR 3D[1]	■		France		CSE	87.0	85.6	87.0	85.6
LCL ACTIONS EURO C[1]	■		France		CSE	36.7	64.3	36.7	64.3
LCL ACTIONS EURO FUT[1]	■		France		CSE	76.3	73.9	76.3	73.9
LCL ACTIONS MONDE FCP 3 DEC[1]	■		France		CSE	43.3	51.6	43.3	51.6
LCL ALLOCATION DYNAMIQUE 3D FCP[1]	■		France		CSE	95.4	95.4	95.4	95.4
LCL AUTOCALL VIE 17[1]	■	S2	France		CSE		96.6		96.6
LCL DEVELOPPEM.PME C[1]	■		France		CSE	67.9	68.5	67.9	68.5
LCL DOUBLE HORIZON A[1]	■		France		CSE	100.0	100.0	100.0	100.0
LCL FLEX 30[1]	■		France		CSE	49.4	45.7	49.4	45.7
LCL FO.SE.FR.AV(AV11) FCP 3DEC[1]	■	S1	France		CSE		100.0		100.0
LCL INVEST.EQ C[1]	■		France		CSE	93.4	92.9	93.4	92.9
LCL INVEST.PRUD.3D[1]	■		France		CSE	92.7	92.1	92.7	92.1
LCL L.GR.B.AV 17 C[1]	■		France		CSE	100.0	100.0	100.0	100.0
LCL MGEST 60 3DEC[1]	■		France		CSE	88.1	87.9	88.1	87.9
LCL MGEST FL.0-100[1]	■		France		CSE	92.5	92.0	92.5	92.0
LCL OBL.CREDIT EURO[1]	■		France		CSE	84.4	81.4	84.4	81.4
LCL OPTIM II VIE 17[1]	■	S2	France		CSE		97.4		97.4
LCL PREMIUM VIE 2015[1]	■	S1	France		CSE		98.4		98.4
LCL TRI ESC AV 0118[1]	■	S2	France		CSE		100.0		100.0
LCL TRIPLE TE AV OC[1]	■	S2	France		CSE		100.0		100.0
LCL TRIPLE TEMPO AV (FEV.2015)(1)	■		France		CSE	100.0	100.0	100.0	100.0
LCL TRP HOZ AV 0117[1]	■	S2	France		CSE		100.0		100.0
LOUVOIS PLACEMENT[1]	■	E2	France		CSE	40.1		40.1	
M.D.F.89 FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
OBJECTIF DYNAMISME FCP[1]	■		France		CSE	98.3	98.5	98.3	98.5

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
OBJECTIF MEDIAN FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
OBJECTIF PRUDENCE FCP[1]	■		France		CSE	77.3	80.1	77.3	80.1
OPCIMMO LCL SPPICAV 5DEC[1]	■		France		CSE	97.5	97.4	97.5	97.4
OPCIMMO PREM SPPICAV 5DEC[1]	■		France		CSE	95.0	94.7	95.0	94.7
OPTALIME FCP 3DEC[1]	■		France		CSE	99.6	99.6	99.6	99.6
PIMCO GLOBAL BND FD-CURNC EX[1]	■	E2	Ireland		CSE	52.9		52.9	
PORT EX ABS RET P[1]	■	E2	France		CSE	99.6		99.6	
PORT.METAUX PREC.A-C[1]	■		France		CSE	97.7	100.0	97.7	100.0
PORTF DET FI EUR AC[1]	■		France		CSE	98.9	99.8	98.9	99.8
RAVIE FCP 5DEC[1]	■		France		CSE	100.0	100.0	100.0	100.0
RETAH PART C[1]	■		France		CSE	100.0	100.0	100.0	100.0
RSD 2006 FCP 3DEC[1]	■		France		CSE	100.0	100.0	100.0	100.0
SCI TANGRAM[1]	■	E2	France		S	95.7		95.7	
SCI VICQ D'AZIR VELLEFAUX[1]	■		France		CSE	100.0	100.0	100.0	100.0
SCPI LFP MULTIMMO[1]	■		France		CSE	41.6	100.0	41.6	100.0
SOLIDARITE AMUNDI P[1]	■		France		CSE	79.2	68.6	79.2	68.6
SOLIDARITE INITIATIS SANTE[1]	■		France		CSE	79.6	82.1	79.6	82.1
SONANCE VIE 2 FCP 3DEC[1]	■	S1	France		CSE		100.0		100.0
SONANCE VIE 3 3DEC[1]	■	S2	France		CSE		100.0		100.0
SONANCE VIE 3DEC[1]	■	S1	France		CSE		100.0		100.0
SONANCE VIE 4 FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
SONANCE VIE 5 FCP 3DEC[1]	■		France		CSE	100.0	100.0	100.0	100.0
SONANCE VIE 6 FCP[1]	■		France		CSE	100.0	100.0	100.0	100.0
SONANCE VIE 9[1]	■		France		CSE	98.2	98.1	98.2	98.1
TRIAN 6 ANS N10 C[1]	■		France		CSE	82.1	63.2	82.1	63.2
TRIANANCE 6 ANS[1]	■		France		CSE	61.9	61.8	61.9	61.8
TRIANANCE 6 ANS 5 C[1]	■		France		CSE	79.2	79.2	79.2	79.2
TRIANANCE 6 ANS N 11[1]	■	E2	France		CSE	83.2		83.2	
TRIANANCE 6 ANS N 4[1]	■	S1	France		CSE		74.7		74.7
TRIANANCE 6 ANS N 9[1]	■		France		CSE	79.7	79.9	79.7	79.9
TRIANANCE 6 ANS N2 C[1]	■		France		CSE	74.8	75.0	74.8	75.0
TRIANANCE 6 ANS N3[1]	■		France		CSE	70.5	70.7	70.5	70.7
TRIANANCE 6 ANS N6[1]	■		France		CSE	84.6	84.5	84.6	84.5
TRIANANCE 6 ANS N7 C[1]	■		France		CSE	82.1	82.2	82.1	82.2
TRIANANCE 6 ANS N8 C[1]	■		France		CSE	86.6	86.9	86.6	86.9
TRIANANCE 6 AN 12 C	■	E1	France		CSE	84.4		84.4	
UNIPIERRE ASSURANCE (SCPI)[1]	■		France		CSE	100.0	100.0	100.0	100.0
VENDOME INV.FCP 3DEC[1]	■		France		CSE	92.0	91.2	92.0	91.2
Real estate collective investment fund (OPCI)									
Nexus 1[1]	■		Italy		CSE	88.8	98.5	88.8	98.5
OPCI CAA CROSSROADS	■		France		CSE	100.0		100.0	
OPCI Camp Invest[1]	■		France		CSE	80.1	80.1	80.1	80.1
OPCI ECO CAMPUS SPPICAV[1]	■		France		CSE	100.0	100.0	100.0	100.0
OPCI Immanens	■		France		CSE	100.0	100.0	68.4	68.4
OPCI Immo Emissions	■		France		CSE	100.0	100.0	68.4	68.4
OPCI Iris Invest 2010[1]	■		France		CSE	80.1	80.1	80.1	80.1
OPCI MASSY BUREAUX[1]	■		France		CSE	100.0	100.0	100.0	100.0
OPCI Messidor[1]	■		France		CSE	100.0	100.0	100.0	100.0
Predica OPCI Bureau[1]	■		France		CSE	100.0	100.0	100.0	100.0
Predica OPCI Commerces[1]	■		France		CSE	100.0	100.0	100.0	100.0
Predica OPCI Habitation[1]	■		France		CSE	100.0	100.0	100.0	100.0
Non-trading real estate investment company (SCI)									
B IMMOBILIER[1]	■		France		S	100.0	100.0	100.0	100.0
DS Campus[1]	■		France		CSE	100.0	100.0	100.0	100.0
FREY RETAIL VILLEBON	▲		France		JV	47.5	47.5	47.5	47.5
HDP BUREAUX[1]	■		France		S	95.0	95.0	95.0	95.0
HDP HOTEL[1]	■		France		S	95.0	95.0	95.0	95.0
HDP LA HALLE BOCA[1]	■		France		S	95.0	95.0	95.0	95.0
IMEFA 177[1]	■		France		CSE	100.0	100.0	100.0	100.0
IMEFA 178[1]	■		France		CSE	100.0	100.0	100.0	100.0
IMEFA 179[1]	■		France		CSE	100.0	100.0	100.0	100.0
Issy Pont[1]	■		France		CSE	75.0	75.0	75.0	75.0
RUE DU BAC (SCI)	▲		France		JV	50.0	50.0	50.0	50.0
SCI 1 TERRASSE BELLINI	▲		France		JV	33.3	33.3	33.3	33.3
SCI BMEDIC HABITATION[1]	■		France		S	100.0	100.0	100.0	100.0
SCI CAMPUS MEDICIS ST DENIS[1]	■		France		S	70.0	70.0	70.0	70.0
SCI CAMPUS RIMBAUD ST DENIS[1]	■		France		S	70.0	70.0	70.0	70.0
SCI CARPE DIEM	▲		France		JV	50.0	50.0	50.0	50.0
SCI EUROMARSEILLE 1	▲		France		JV	50.0	50.0	50.0	50.0
SCI EUROMARSEILLE 2	▲		France		JV	50.0	50.0	50.0	50.0
SCI FÉDÉRALE PÉREIRE VICTOIRE[1]	■		France		S	99.0	99.0	99.0	99.0
SCI FÉDÉRALE VILLIERS[1]	■		France		S	100.0	100.0	100.0	100.0
SCI FEDERLOG[1]	■		France		S	99.9	99.9	99.9	99.9
SCI FEDERLONDRES[1]	■		France		S	100.0	100.0	100.0	100.0
SCI FEDERPIERRE[1]	■		France		S	100.0	100.0	100.0	100.0
SCI FONDIS	▲		France		A	25.0	25.0	25.0	25.0
SCI GRENIER VELLEF[1]	■		France		CSE	100.0	100.0	100.0	100.0
SCI HEART OF LA DÉFENSE	▲		France		A	33.3	33.3	33.3	33.3
SCI Holding Dahlia[1]	■		France		CSE	100.0	100.0	100.0	100.0
SCI ILOT 13	▲		France		JV	50.0	50.0	50.0	50.0
SCI IMEFA 001[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 002[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 003[1]	■		France		S	100.0	100.0	100.0	100.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
SCI IMEFA 004[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 005[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 006[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 008[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 009[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 010[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 011[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 012[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 013[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 016[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 017[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 018[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 020[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 022[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 025[1]	■		France		CSE	100.0	100.0	100.0	100.0
SCI IMEFA 032[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 033[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 034[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 035[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 036[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 037[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 038[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 039[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 042[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 043[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 044[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 047[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 048[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 051[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 052[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 054[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 057[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 058[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 060[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 061[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 062[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 063[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 064[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 067[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 068[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 069[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 072[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 073[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 074[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 076[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 077[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 078[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 079[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 080[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 081[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 082[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 083[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 084[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 085[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 089[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 091[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 092[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 096[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 100[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 101[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 102[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 103[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 104[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 105[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 107[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 108[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 109[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 110[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 112[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 113[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 115[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 116[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 117[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 118[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 120[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 121[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 122[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 123[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 126[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 128[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 129[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 131[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 132[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 140[1]	■		France		CSE	100.0	100.0	100.0	100.0
SCI IMEFA 148[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 149[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 150[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 155[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 156[1]	■		France		S	90.0	90.0	90.0	90.0
SCI IMEFA 157[1]	■		France		S	90.0	90.0	90.0	90.0
SCI IMEFA 158[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 159[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 164[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 169[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 170[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 171[1]	■		France		CSE	100.0	100.0	100.0	100.0
SCI IMEFA 172[1]	■		France		CSE	100.0	100.0	100.0	100.0
SCI IMEFA 173[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 174[1]	■		France		S	100.0	100.0	100.0	100.0
SCI IMEFA 175[1]	■		France		S	100.0	100.0	100.0	100.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
SCI IMEFA 176[1]	■		France		S	100.0	100.0	100.0	100.0
SCI LE VILLAGE VICTOR HUGO[1]	■		France		S	100.0	100.0	100.0	100.0
SCI MEDI BUREAUX[1]	■		France		S	100.0	100.0	100.0	100.0
SCI PACIFICA HUGO[1]	■		France		S	100.0	100.0	100.0	100.0
SCI PORTE DES LILAS – FRÈRES FLAVIEN[1]	■		France		S	100.0	100.0	100.0	100.0
SCI VALHUBERT[1]	■		France		S	100.0	100.0	100.0	100.0
SCI VAUGIRARD 36-44[1]	■		France		S	100.0	100.0	100.0	100.0
SCI WAGRAM 22/30	▲		France		JV	50.0	50.0	50.0	50.0
SCI WASHINGTON	▲		France		A	34.0	34.0	34.0	34.0
SCI ACADÉMIE MONTROUGE	▲	E2	France		JV	50.0		50.0	
TOUR MERLE (SCI)	▲		France		JV	50.0	50.0	50.0	50.0
Other									
56055 AEURHC	■	E1	Luxembourg		CSE	51.6		51.4	
ALTA VAI HOLDCO P	■		France		S	100.0	100.0	100.0	100.0
ALTAREA	▲		France		A	24.7	24.7	24.7	24.7
AMUNDI EMERG MKT BD-M2EURHC	■	E1	Luxembourg		CSE	63.2		63.2	
AMUNDI IT Services	■		France		S	99.6	99.6	69.1	69.4
ARCAPARK SAS	▲		France		JV	50.0	50.0	50.0	50.0
Azqore	■		Switzerland		S	80.0	80.0	78.2	78.2
Azqore S.A. Singapore Branch	■		Singapore	Switzerland	B	80.0	80.0	80.0	78.2
CA Indosuez Wealth (Asset Management)	■		Luxembourg		S	100.0	100.0	97.8	97.8
Crédit Agricole Assurances Solutions	■		France		S	100.0	100.0	100.0	100.0
EUROPEAN CDT SRI PC	■	E1	France		CSE	44.6		43.8	
EUROPEAN MOTORWAY INVESTMENTS 1[1]	■		Luxembourg		S	60.0	60.0	60.0	60.0
FIXED INCOME DERIVATIVES – STRUCTURED FUND PLC	■	D2	Ireland		CSE	100.0		97.8	
FONCIÈRE HYPERSUD	▲		France		JV	51.4	51.4	51.4	51.4
FREY	▲		France		A	19.4	19.3	19.4	19.3
GRD ACT.ZONE EURO	■	E1	France		CSE	100.0		100.0	
HOLDING EUROMARSEILLE	■		France		S	100.0	100.0	100.0	100.0
Icade	▲		France		A	19.0	19.0	19.0	19.0
INDOSUEZ CAP EMERG.M	■	E1	France		CSE	100.0		100.0	
INFRA FOCH TOPCO	▲		France		A	35.7	36.9	35.7	36.9
IRIS HOLDING FRANCE	■		France		S	80.1	80.1	80.1	80.1
KORIAN	▲		France		A	24.3	24.4	24.3	24.4
PATRIMOINE ET COMMERCE	▲		France		A	20.8	20.3	20.8	20.3
PED EUROPE	■		France		S	100.0		100.0	
PREDICA ÉNERGIES DURABLES[1]	■		France		S	58.8	99.9	58.8	99.9
PREDICA INFRASTRUCTURE S.A.	■		Luxembourg		S	100.0	100.0	100.0	100.0
PREDIPARK[1]	■		France		S	100.0	100.0	100.0	100.0
PREDIWATT[1]	■	E2	France		CSE	100.0		100.0	
RAMSAY – GÉNÉRALE DE SANTÉ	▲		France		A	39.6	39.6	39.6	39.6

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
S.A. RESICO[1]	■		France		S	100.0	100.0	100.0	100.0
SAS CRISTAL	▲		France		A	46.0	46.0	46.0	46.0
SAS PARHOLDING	▲		France		A	50.0	50.0	50.0	50.0
SAS PREDI-RUNGIS[1]	■		France		S	100.0	85.0	100.0	85.0
SH PREDICA ÉNERGIES DURABLES SAS[1]	■		France		S	99.9	99.9	99.9	99.9
VAUGIRARD AUTOVIA SLU[1]	■		Spain		S	100.0	100.0	100.0	100.0
Vaugirard Infra S.L.	■		Spain		S	100.0	100.0	100.0	100.0
VENDOME SEL EURO PC	■	E1	France		CSE	43.6		43.6	
Via Vita	■		France		S	100.0	100.0	100.0	100.0
French Retail Banking									
Banking and financial institutions									
FIMO Courtage	■		France		S	100.0	100.0	94.6	94.6
Interfimo	■		France		S	99.0	99.0	94.6	94.6
LCL	■		France		S	95.6	95.6	95.6	95.6
LCL succursale de Monaco	■		Monaco	France	B	95.6	95.6	95.6	95.6
Bforbank S.A.	▲	E3	France		A	50.0		50.0	
Lease financing companies									
Investment companies									
Tourism – property development									
Angle Neuf	■		France		S	100.0	100.0	95.6	95.6
Other									
C.L. Verwaltungs und Beteiligungsgesellschaft GmbH	■	S3	Germany		S		100.0		95.6
Crédit Lyonnais Développement Économique (CLDE)	■		France		S	100.0	100.0	95.6	95.6
FCT True Sale (Compartiment LCL)	■		France		CSE	100.0	100.0	95.6	95.6
International Retail Banking									
Banking and financial institutions									
Arc Broker	■		Poland		S	100.0	100.0	100.0	100.0
CREDIT AGRICOLE BANK	■		Ukraine		S	100.0	100.0	100.0	100.0
Crédit Agricole Bank Polska S.A.	■		Poland		S	100.0	100.0	100.0	100.0
Crédit Agricole Banka Srbija a.d. Novi Sad	■		Serbia		S	100.0	100.0	100.0	100.0
Crédit Agricole Egypt S.A.E.	■		Egypt		S	60.5	60.5	60.2	60.2
Crédit Agricole Friuladria S.p.A.	■		Italy		S	82.4	81.8	62.3	61.9
Crédit Agricole Group Solutions	■		Italy		CSE	100.0	100.0	74.4	74.4
Crédit Agricole Italia	■		Italy		S	75.6	75.6	75.6	75.6
Crédit Agricole Leasing Italia	■		Italy		S	100.0	100.0	79.3	79.3
Crédit Agricole Polska S.A.	■		Poland		S	100.0	100.0	100.0	100.0
Crédit Agricole Bank Romania	■	D4	Romania		S	100.0	100.0	100.0	100.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
Crédit Agricole Service sp z o.o.	■		Poland		S	100.0	100.0	100.0	100.0
Crédit du Maroc	■		Morocco		S	78.7	78.7	78.7	78.7
SIFIM	■		Morocco		S	100.0	100.0	78.7	78.7
Other									
IUB Holding	■		France		S	100.0	100.0	100.0	100.0
Specialised Financial Services									
Banking and financial institutions									
AD SUCCURSALE	■	D1	Morocco		B	100.0	100.0	100.0	100.0
Agos	■		Italy		S	61.0	61.0	61.0	61.0
Alsolia	■		France		S	100.0	100.0	100.0	100.0
Crédit Agricole Consumer Finance BANKIA sa	▲		Spain		JV	51.0	51.0	51.0	51.0
Crealfi	■		France		S	51.0	51.0	51.0	51.0
Credibom	■		Portugal		S	100.0	100.0	100.0	100.0
Crediet Maatschappij "De Ijssel" B.V.	■	S1	Netherlands		S		100.0		100.0
Crédit Agricole Consumer Finance	■		France		S	100.0	100.0	100.0	100.0
Crédit Agricole Consumer Finance Nederland	■	D4	Netherlands		S	100.0	100.0	100.0	100.0
Crédit LIFT	■		France		S	100.0	100.0	100.0	100.0
Creditplus Bank AG	■		Germany		S	100.0	100.0	100.0	100.0
De Kredietdesk B.V.	■		Netherlands		S	100.0	100.0	100.0	100.0
DE NEDERLANDSE VOORSCHOTBANK BV	■	S1	Netherlands		S		100.0		100.0
EFL Services	■		Poland		S	100.0	100.0	100.0	100.0
EUROFACTOR GmbH	■		Germany		S	100.0	100.0	100.0	100.0
Eurofactor Italia S.p.A.	■		Italy		S	100.0	100.0	100.0	100.0
EUROFACTOR NEDERLAND	■		Netherlands	Germany	B	100.0	100.0	100.0	100.0
EUROFACTOR POLSKA S.A.	■		Poland		S	100.0	100.0	100.0	100.0
Eurofactor S.A. – NV (Benelux)	■		Belgium		B	100.0	100.0	100.0	100.0
Eurofactor S.A. (Portugal)	■	D2	Portugal		B	100.0	100.0	100.0	100.0
HAMA POLSKA	■	E2	Poland		S	70.0		70.0	
Eurofintus Financieringen B.V.	■	S1	Netherlands		S		100.0		100.0
FCA Automotive Services UK Ltd	▲		United Kingdom		JV	50.0	50.0	50.0	50.0
FCA Bank	▲		Italy		JV	50.0	50.0	50.0	50.0
FCA Bank Gmbh, Hellenic Branch	▲		Greece		JV	50.0	50.0	50.0	50.0
FCA Bank Germany GmbH	▲		Germany		JV	50.0	50.0	50.0	50.0
FCA Bank GmbH	▲		Austria		JV	50.0	50.0	50.0	50.0
FCA BANK S.P.A, BELGIAN BRANCH	▲	D1	Belgium		JV	50.0	50.0	50.0	50.0
FCA BANK SPA, IRISH BRANCH	▲		Ireland		JV	50.0	50.0	50.0	50.0
FCA BANK SPA ODDZIAL W POLSCE, Polska Branch	▲	D1	Poland		JV	50.0	50.0	50.0	50.0

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
FCA Capital Danmark A/S	▲		Denmark		JV	50.0	50.0	50.0	50.0
FCA Capital España EFC S.A.	▲		Spain		JV	50.0	50.0	50.0	50.0
FCA CAPITAL France S.A.	▲	D1	France		JV	50.0	50.0	50.0	50.0
FCA Capital Hellas S.A.	▲		Greece		JV	50.0	50.0	50.0	50.0
FCA Capital IFIC	▲		Portugal		JV	50.0	50.0	50.0	50.0
FCA Capital Nederland B.V.	▲		Netherlands		JV	50.0	50.0	50.0	50.0
FCA Capital Norge AS	▲		Norway		JV	50.0	50.0	50.0	50.0
FCA Capital Re Limited	▲	D2	Ireland		JV	50.0	50.0	50.0	50.0
FCA Capital Suisse S.A.	▲		Switzerland		JV	50.0	50.0	50.0	50.0
FCA Capital Sverige	▲		Sweden		JV	50.0	50.0	50.0	50.0
FCA DEALER SERVICES ESPANA S.A., Morocco Branch	▲		Morocco	Spain	JV	50.0	50.0	50.0	50.0
FCA Dealer services España, S.A.	▲		Spain		JV	50.0	50.0	50.0	50.0
FCA Dealer Services Portugal S.A.	▲	D2	Portugal		JV	50.0	50.0	50.0	50.0
FCA Dealer Services UK Ltd	▲		United Kingdom		JV	50.0	50.0	50.0	50.0
FCA Insurance Hellas S.A.	▲		Greece		JV	50.0	50.0	50.0	50.0
FCA Leasing France	▲		France		JV	50.0	50.0	50.0	50.0
FCA Leasing GmbH	▲		Austria		JV	50.0	50.0	50.0	50.0
LEASYS POLSKA	▲	D1	Poland		JV	50.0	50.0	50.0	50.0
FERRARI FINANCIAL SERVICES GMBH	▲		Germany		JV	50.0	50.0	25.0	25.0
FERRARI FINANCIAL SERVICES GMBH, UK Branch	▲		United Kingdom		JV	50.0	50.0	50.0	50.0
FCA CAPITAL DANMARK A/S, Finland Branch	▲	D1	Finland		JV	50.0	50.0	50.0	50.0
Financierings Data Netwerk B.V.	▲		Netherlands		JV	50.0	50.0	50.0	50.0
Finaref Assurances S.A.S.	■		France		S	100.0	100.0	100.0	100.0
Finata Zuid-Nederland B.V.	■		Netherlands		S	98.1	98.1	98.1	98.1
GAC – Sofinco Auto Finance Co.	▲		China		A	50.0	50.0	50.0	50.0
GSA Ltd	■		Mauritius		S	100.0	100.0	100.0	100.0
IDM Finance B.V.	■	S1	Netherlands		S		100.0		100.0
IDM Financieringen B.V.	■	S1	Netherlands		S		100.0		100.0
IDM lease maatschappij B.V.	■		Netherlands		S	100.0	100.0	100.0	100.0
Iebe Lease B.V.	■		Netherlands		S	100.0	100.0	100.0	100.0
INTERBANK NV	■		Netherlands		S	100.0	100.0	100.0	100.0
INTERMEDIAIRE VOORSCHOTBANK BV	■	S1	Netherlands		S		100.0		100.0
Krediet '78 B.V.	■		Netherlands		S	100.0	100.0	100.0	100.0
Leasys	▲	D2	Italy		JV	50.0	50.0	50.0	50.0
LEASYS DANMARK, FILIAL AF LEASYS SPA	▲	E2	Denmark		JV	50.0		50.0	
LEASYS France S.A.S	▲	D2	France		JV	50.0	50.0	50.0	50.0
LEASYS Nederland	▲	D2	Netherlands		JV	50.0	50.0	50.0	50.0
LEASYS SPA Belgian Branch	▲	D2	Belgium		JV	50.0	50.0	50.0	50.0

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
LEASYS SPA GERMAN BRANCH	▲	D2	Germany		JV	50.0	50.0	50.0	50.0
LEASYS SPA, Spanish Branch	▲	D2	Spain		JV	50.0	50.0	50.0	50.0
Leasys UK Ltd	▲	D2	United Kingdom		JV	50.0	50.0	50.0	50.0
Mahuko Financieringen B.V.	■	S1	Netherlands		S		100.0		100.0
Menafinance	■	S5	France		S		50.0		50.0
NL Findio B.V	■		Netherlands		S	100.0	100.0	100.0	100.0
RIBANK NV	■		Netherlands		S	100.0	100.0	100.0	100.0
Sofinco Participations	■		France		S	100.0	100.0	100.0	100.0
Société Européenne de Développement d'Assurances	■		France		S	100.0	100.0	100.0	100.0
Société Européenne de Développement du Financement	■		France		S	100.0	100.0	100.0	100.0
Themis Courtage	▲		Morocco		A	49.0	49.0	48.9	48.9
Ucafleet	▲		France		A	35.0	35.0	35.0	35.0
VoordeelBank B.V.	■	S1	Netherlands		S		100.0		100.0
Wafasalaf	▲		Morocco		A	49.0	49.0	49.0	49.0
LEASYS RENT SPA	▲	D2	Italy		JV	50.0	50.0	50.0	50.0
Lease financing companies									
Auxifip	■		France		S	100.0	100.0	100.0	100.0
Carefleet S.A.	■		Poland		S	100.0	100.0	100.0	100.0
Crédit Agricole Leasing & Factoring	■		France		S	100.0	100.0	100.0	100.0
Crédit Agricole Leasing & Factoring, Sucursal en Espana	■		Spain	France	B	100.0	100.0	100.0	100.0
Crédit du Maroc Leasing & Factoring	■		Morocco		S	100.0	100.0	85.8	85.8
Europejski Fundusz Leasingowy (E.F.L.)	■		Poland		S	100.0	100.0	100.0	100.0
Finamur	■		France		S	100.0	100.0	100.0	100.0
Lixxbail	■		France		S	100.0	100.0	100.0	100.0
Lixxcourtage	■		France		S	100.0	100.0	100.0	100.0
Lixxcredit	■		France		S	100.0	100.0	100.0	100.0
Unifergie	■		France		S	100.0	100.0	100.0	100.0
Investment companies									
Insurance									
ARES Reinsurance Ltd.	■		Ireland		S	100.0	100.0	61.0	61.0
Other									
A-BEST EIGHTEEN	▲	E2	Italy		SJV	50.0		50.0	
A-BEST ELEVEN UG	▲		Germany		SJV	50.0	50.0	50.0	50.0
A-BEST FIFTEEN	▲		Italy		SJV	50.0	50.0	50.0	50.0
A-BEST FOURTEEN	▲		Italy		SJV	50.0	50.0	50.0	50.0
A-BEST SEVENTEEN	▲		Italy		SJV	50.0	50.0	50.0	50.0
A-BEST SIXTEEN	▲		Germany		SJV	50.0	50.0	50.0	50.0
A-BEST THIRTEEN	▲		Spain		SJV	50.0	50.0	50.0	50.0
A-BEST TWELVE	▲		Italy		SJV	50.0	50.0	50.0	50.0
CLICKAR SRL	▲	D2	Italy		SJV	50.0	50.0	50.0	50.0
EFL Finance S.A.	■		Poland		S	100.0	100.0	100.0	100.0

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
EFL Lease Abs 2017-1 Designated Activity Company	■		Ireland		CSE	100.0	100.0	100.0	100.0
ERASMUS FINANCE	▲		Ireland		SJV	50.0	50.0	50.0	50.0
FAST THREE SRL	▲		Italy		SJV	50.0	50.0	50.0	50.0
FCT GINGKO DEBT CONSO 2015-1	■		France		CSE	100.0	100.0	100.0	100.0
FCT GINGKO PERSONAL LOANS 2016-1	■		France		CSE	100.0	100.0	100.0	100.0
FCT GINKGO PERSONAL LOANS 2020-01	■	E2	France		CSE	100.0		100.0	
FCT GINKGO MASTER REVOLVING LOANS	■		France		CSE	100.0	100.0	100.0	100.0
FCT GINGKO SALES FINANCE 2015-1	■		France		CSE	100.0	100.0	100.0	100.0
FCT GINGKO SALES FINANCE 2017-1	■		France		CSE	100.0	100.0	100.0	100.0
GAC – SOFINCO 2014-01	▲		China		S.A.	50.0	50.0	50.0	50.0
HUI JU TONG 2019-1	▲		China		SJV	50.0	50.0	50.0	50.0
HUI TONG 2018-2	▲	E2	China		CSE	50.0		50.0	
HUI TONG 2018-3	▲	E2	China		CSE	50.0		50.0	
HUI TONG 2019-1	▲	E2	China		CSE	50.0		50.0	
HUI JU TONG 2020-2	▲	E2	China		CSE	50.0		50.0	
MAGOI BV	■		Netherlands		CSE	100.0	100.0	100.0	100.0
MATSUBA BV	■		Netherlands		CSE	100.0	100.0	100.0	100.0
NIXES SEVEN SRL	▲		Netherlands		SJV	50.0	50.0	50.0	50.0
NIXES SIX (LTD)	▲		Italy		SJV	50.0	50.0	50.0	50.0
RETAIL AUTOMOTIVE CP GERMANY 2016 UG	■	D1	Germany		CSE	100.0	100.0	100.0	100.0
SUNRISE SPV 20 SRL	■		Italy		CSE	100.0	100.0	61.0	61.0
SUNRISE SPV 30 SRL	■		Italy		CSE	100.0	100.0	61.0	61.0
SUNRISE SPV 40 SRL	■		Italy		CSE	100.0	100.0	61.0	61.0
SUNRISE SPV 50 SRL	■		Italy		CSE	100.0	100.0	61.0	61.0
SUNRISE SPV Z60 SRL	■		Italy		CSE	100.0	100.0	61.0	61.0
SUNRISE SPV Z70 SRL	■		Italy		CSE	100.0	100.0	61.0	61.0
SUNRISE SPV Z80 SRL	■		Italy		CSE	100.0	100.0	61.0	61.0
SUNRISE SPV Z90 SRL	■	E2	Italy		CSE	100.0		61.0	
SUNRISE SRL	■		Italy		CSE	100.0	100.0	61.0	61.0
THETIS FINANCE 2015-1	■		Portugal		CSE	100.0	100.0	100.0	100.0
LEASYS RENT FRANCE SAS	▲	D2	France		JV	50.0		50.0	
CORPORATE AND INVESTMENT BANKING									
Banking and financial institutions									
Banco Crédit Agricole Brasil S.A.	■		Brazil		S	100.0	100.0	97.8	97.8
Banco Santander CACEIS México, S.A., Institución de Banca Múltiple	▲	D1	Mexico		JV	50.0	50.0	34.7	34.7
BTN Förvaltning AB	▲	S2	Sweden	Netherlands	A		19.5		13.6
CACEIS Bank	■		France		S	100.0	100.0	69.5	69.5
CACEIS Bank S.A., Germany Branch	■		Germany		B	100.0	100.0	69.5	69.5

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
CACEIS Bank, Belgium Branch	■		Belgium		B	100.0	100.0	69.5	69.5
CACEIS Bank, Ireland Branch	■		Ireland		B	100.0	100.0	69.5	69.5
CACEIS Bank, Italy Branch	■		Italy		B	100.0	100.0	69.5	69.5
CACEIS Bank, Luxembourg Branch	■		Luxembourg		B	100.0	100.0	69.5	69.5
CACEIS Bank, Netherlands Branch	■	D2	Netherlands		B	100.0	100.0	69.5	69.5
CACEIS Bank, Switzerland Branch	■		Switzerland		B	100.0	100.0	69.5	69.5
CACEIS Bank, UK Branch	■		United Kingdom		B	100.0	100.0	69.5	69.5
CACEIS Belgium	■		Belgium		S	100.0	100.0	69.5	69.5
CACEIS Corporate Trust	■		France		S	100.0	100.0	69.5	69.5
CACEIS Fund Administration	■		France		S	100.0	100.0	69.5	69.5
CACEIS FUND ADMINISTRATION SPAIN S.A.U	■	D1	Spain		S	100.0	100.0	69.5	69.5
CACEIS Ireland Limited	■		Ireland		S	100.0	100.0	69.5	69.5
CACEIS S.A.	■		France		S	69.5	69.5	69.5	69.5
CACEIS Switzerland S.A.	■		Switzerland		S	100.0	100.0	69.5	69.5
Crédit Agriciole CIB (Belgium)	■		Belgium	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (ABU DHABI)	■		United Arab Emirates	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Germany)	■		Germany	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Canada)	■		Canada	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Corée du Sud)	■		South Korea	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Dubai DIFC)	■		United Arab Emirates	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Dubai)	■		United Arab Emirates	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Spain)	■		Spain	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (États-Unis)	■		United States	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Finlande)	■		Finland	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Hong-Kong)	■		Hong Kong	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Inde)	■		India	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Italie)	■		Italy	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Japon)	■		Japan	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Miami)	■	D4	United States	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Royaume-Uni)	■		United Kingdom	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Singapour)	■		Singapore	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Suède)	■		Sweden	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB (Taipei)	■		Taiwan	France	B	97.8	97.8	97.8	97.8
Crédit Agricole CIB Algeria Bank Spa	■		Algeria		S	100.0	100.0	97.8	97.8
Crédit Agricole CIB AO	■		Russia		S	100.0	100.0	97.8	97.8
Crédit Agricole CIB Australia Ltd.	■		Australia		S	100.0	100.0	97.8	97.8
Crédit Agricole CIB China Ltd.	■		China		S	100.0	100.0	97.8	97.8
Crédit Agricole CIB China Ltd. Chinese Branch	■		China		B	100.0	100.0	97.8	97.8
Crédit Agricole CIB S.A.	■		France		S	97.8	97.8	97.8	97.8
Crédit Agricole CIB Services Private Ltd.	■		India		S	100.0	100.0	97.8	97.8
ESTER FINANCE TECHNOLOGIES	■	D1	France		S	100.0	100.0	97.8	97.8
KAS Bank N.V.	■	S4	Netherlands		S		97.4		67.7
KAS Bank N.V. Frankfurt branch	■	S4	Germany	Netherlands	B		97.4		67.7
KAS Bank N.V. London branch	■	S4	United Kingdom	Netherlands	B		97.4		67.7
KAS Trust & Depositary Services B.V. Amsterdam	■	S4	Netherlands		S		97.4		67.7
S3 Latam Holdco 1	▲		Spain		JV	50.0	50.0	34.7	34.7
S3 Latam Holdco 2	▲		Spain		JV	50.0	50.0	34.7	34.7
SANTANDER CACEIS BRASIL DTVM S.A.	▲	D1	Brazil		JV	50.0	50.0	34.7	34.7
SANTANDER CACEIS BRASIL PARTICIPACOES S.A	▲	D1	Brazil		JV	50.0	50.0	34.7	34.7
SANTANDER CACEIS COLOMBIA S.A., SOCIEDAD FIDUCIARIA	▲	D1	Colombia		JV	50.0	50.0	34.7	34.7
CACEIS BANK SPAIN, S.A.U.	■	D1	Spain		S	100.0	100.0	69.5	69.5
UBAF	▲		France		JV	47.0	47.0	46.0	46.0
UBAF (Corée du Sud)	▲		South Korea	France	JV	47.0	47.0	47.0	46.0
UBAF (Japon)	▲		Japan	France	JV	47.0	47.0	47.0	46.0
UBAF (Singapour)	▲		Singapore	France	JV	47.0	47.0	47.0	46.0
Stockbrokers									
Crédit Agricole Securities (Asia) Limited Hong Kong	■		Hong Kong		S	100.0	100.0	97.8	97.8
Crédit Agricole Securities (Asia) Limited Seoul Branch	■		South Korea		B	100.0	100.0	97.8	97.8
Crédit Agricole Securities (USA) Inc	■	D2	United States		S	100.0	100.0	97.8	97.8
Crédit Agricole Securities Asia BV (Tokyo)	■		Japan	Netherlands	B	100.0	100.0	97.8	97.8
Investment companies									
Compagnie Française de l'Asie (CFA)	■		France		S	100.0	100.0	97.8	97.8
Crédit Agricole CIB Air Finance S.A.	■		France		S	100.0	100.0	97.8	97.8
Crédit Agricole CIB Holdings Ltd.	■		United Kingdom		S	100.0	100.0	97.8	97.8
Crédit Agricole Global Partners Inc.	■		United States		S	100.0	100.0	97.8	97.8
Crédit Agricole Securities Asia BV	■		Netherlands		S	100.0	100.0	97.8	97.8
Doumer Finance S.A.S.	■		France		S	100.0	100.0	97.8	97.8
Fininvest	■		France		S	98.3	98.3	96.2	96.1

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/2020	% control 31/12/2019	% interest 31/12/2020	% interest 31/12/2019
Fletirec	■		France		S	100.0	100.0	97.8	97.8
Insurance									
CAIRS Assurance S.A.	■		France		S	100.0	100.0	97.8	97.8
Other									
Atlantic Asset Securitization LLC	■		United States		CSE	100.0	100.0	-	-
Benelpart	■		Belgium		S	100.0	100.0	97.4	95.3
Calixis Finance	■	S4	France		CSE		100.0		97.8
Calliope SRL	■	S2	Italy		CSE		100.0		97.8
Clifap	■		France		S	100.0	100.0	97.8	97.8
Crédit Agricole America Services Inc.	■		United States		S	100.0	100.0	97.8	97.8
Crédit Agricole Asia Shipfinance Ltd.	■		Hong Kong		S	100.0	100.0	97.8	97.8
Crédit Agricole CIB Finance (Guernsey) Ltd.	■		Guernsey		CSE	99.9	99.9	97.7	97.7
Crédit Agricole CIB Finance Luxembourg S.A.	■		Luxembourg		CSE	100.0	100.0	97.8	97.8
Crédit Agricole CIB Financial Solutions	■		France		CSE	99.9	99.9	97.7	97.7
Crédit Agricole CIB Global Banking	■		France		S	100.0	100.0	97.8	97.8
Crédit Agricole CIB Pension Limited Partnership	■		United Kingdom		CSE	100.0	100.0	97.8	97.8
Crédit Agricole CIB Transactions	■		France		S	100.0	100.0	97.8	97.8
Crédit Agricole Leasing (USA) Corp.	■		United States		S	100.0	100.0	97.8	97.8
DGAD International SARL	■	S2	Luxembourg		S		100.0		97.8
Elipso Finance S.r.l	▲	S2	Italy		SJV		50.0		48.9
ESNI (compartiment Crédit Agricole CIB)	■		France		CSE	100.0	100.0	97.8	97.8
Eucalyptus FCT	■		France		CSE	100.0	100.0	-	-
FCT CFN DIH	■		France		CSE	100.0	100.0	-	-
FIC-FIDC	■		Brazil		CSE	100.0	100.0	100.0	97.8
Financière des Scarabées	■		Belgium		S	100.0	100.0	98.7	96.5
Financière Lumis	■		France		S	100.0	100.0	97.8	97.8
Fundo A de Investimento Multimercado	■	D2	Brazil		CSE	100.0	100.0	97.8	97.8
Héphaïstos EUR FCC	■	S1	France		CSE		100.0		-
Héphaïstos GBP FCT	■	S1	France		CSE		100.0		-
Héphaïstos Multidevises FCT	■		France		CSE	100.0	100.0	-	-
Héphaïstos USD FCT	■	S1	France		CSE		100.0		-
Investor Service House S.A.	■		Luxembourg		S	100.0	100.0	69.5	69.5
ItalAsset Finance SRL	■		Italy		CSE	100.0	100.0	97.8	97.8
La Fayette Asset Securitization LLC	■		United States		CSE	100.0	100.0	-	-
La Route Avance	■		France		CSE	100.0	100.0	-	-
Lafina	■		Belgium		S	100.0	100.0	97.7	95.6
LMA S.A.	■		France		CSE	100.0	100.0	-	-
Merisma	■		France		CSE	100.0	100.0	97.8	97.8
Molinier Finances	■		France		S	100.0	100.0	97.1	95.0
Pacific EUR FCC	■		France		CSE	100.0	100.0	-	-
Pacific IT FCT	■		France		CSE	100.0	100.0	-	-
Pacific USD FCT	■		France		CSE	100.0	100.0	-	-
Partinvest S.A.	■		Luxembourg		S	100.0	100.0	69.5	69.5
Placements et réalisations immobilières (SNC)	■	S5	France		S		100.0		95.3
Sagrantino Italy SRL	■	S2	Italy		CSE		100.0		97.8
Shark FCC	■		France		CSE	100.0	100.0	-	-
Sinefinair B.V.	■		Netherlands		S	100.0	100.0	97.8	97.8
SNGI	■		France		S	100.0	100.0	97.8	97.8
SNGI Belgium	■		Belgium		S	100.0	100.0	97.8	97.8
Sococlabecq	■	S5	Belgium		S		100.0		95.6
Sofipac	■		Belgium		S	98.6	98.6	96.0	93.9
Sufinair B.V.	■		Netherlands		S	100.0	100.0	97.8	97.8
TCB	■		France		S	98.7	98.7	97.4	95.3
Triple P FCC	■		France		CSE	100.0	100.0	-	-
TSUBAKI OFF (FCT)	■		France		CSE	100.0	100.0	-	-
TSUBAKI ON (FCT)	■		France		CSE	100.0	100.0	-	-
Vulcain EUR FCT	■	S1	France		CSE		100.0		-
Vulcain Multi-Devises FCT	■	S1	France		CSE		100.0		-
Vulcain USD FCT	■	S1	France		CSE		100.0		-
CACIB Qatar Financial Center Branch	■	E2	Qatar		B	100.0		97.8	
Corporate Centre									
Crédit Agricole S.A.									
Crédit Agricole S.A.	●		France		Parent	100.0	100.0	100.0	100.0
Succursale Crédit Agricole S.A.	■		United Kingdom	France	B	100.0	100.0	100.0	100.0
Banking and financial institutions									
Caisse régionale de Crédit Agricole mutuel de la Corse	■		France		S	99.9	99.9	49.9	49.9
CL Développement de la Corse	■		France		S	99.9	99.9	99.9	99.9
Crédit Agricole Home Loan SFH	■		France		CSE	100.0	100.0	100.0	100.0
Foncaris	■		France		S	100.0	100.0	100.0	100.0
Investment companies									
Crédit Agricole Capital Investissement & Finance (CACIF)	■		France		S	100.0	100.0	100.0	100.0
Delfinances	■		France		CSE	100.0	100.0	100.0	100.0
Sodica	■		France		S	100.0	100.0	100.0	100.0
Other									
CA Grands Crus	■		France		S	77.9	77.9	77.9	77.9
Cariou Holding	■		France		S	71.4	50.0	71.4	50.0
Crédit Agricole – Group Infrastructure Platform	▲		France		JV	57.7	57.7	53.7	53.7

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

Refer to the glossary on page 681 for the definition of technical terms.

Crédit Agricole S.A. group Scope of consolidation	(1)	(a)	Principal place of business	Country of incorporation if different from the principal place of business	(b)	% control 31/12/ 2020	% control 31/12/ 2019	% interest 31/12/ 2020	% interest 31/12/ 2019
Crédit Agricole Agriculture	■		France		S	100.0	100.0	100.0	100.0
Crédit Agricole Immobilier	▲		France		JV	50.0	50.0	50.0	50.0
Crédit Agricole Payment Services	■		France		CSE	51.3	50.2	50.3	50.3
Crédit Agricole Public Sector SCF	■		France		CSE	100.0	100.0	100.0	100.0
Crédit Agricole Régions Développement	■		France		S	73.6	75.7	73.6	75.7
ESNI (compartiment Crédit Agricole S.A.)	■		France		CSE	100.0	100.0	100.0	100.0
FCT Crédit Agricole Habitat 2015 Compartiment Corse	■	S1	France		CSE		100.0		49.9
FCT Crédit Agricole Habitat 2017 Compartiment Corse	■		France		CSE	100.0	100.0	99.9	99.9
FCT Crédit Agricole Habitat 2018 Compartiment Corse	■		France		CSE	100.0	100.0	99.9	99.9
FCT Crédit Agricole Habitat 2019 Compartiment Corse	■		France		CSE	100.0	100.0	99.9	99.9
FCT Crédit Agricole Habitat 2020 Compartiment Corse	■	E2	France		CSE	100.0		99.9	
FIRECA	■		France		S	51.0	51.0	51.0	51.0
Grands Crus Investissements (GCI)	■		France		S	52.1	52.1	52.1	52.1
IDIA	■		France		S	100.0	100.0	100.0	100.0
IDIA DÉVELOPPEMENT	■		France		S	100.0	100.0	100.0	100.0
IDIA PARTICIPATIONS	■		France		S	100.0	100.0	100.0	100.0
S.A.S. Evergreen Montrouge	■		France		CSE	100.0	100.0	100.0	100.0
SCI D2 CAM	▲		France		JV	50.0	50.0	50.0	50.0
SCI Quentyvel	■		France		S	100.0	100.0	100.0	100.0
SNC Kalliste Assur	■		France		S	100.0	100.0	49.9	49.9
Société d'Epargne Foncière Agricole (SEFA)	■		France		S	100.0	100.0	100.0	100.0
Uni-medias	■		France		S	100.0	100.0	100.0	100.0
Tourism – property development									
Crédit Agricole Immobilier Promotion	▲		France		JV	50.0	50.0	50.0	50.0
Crédit Agricole Immobilier Services	▲		France		JV	50.0	50.0	50.0	50.0
SO.GI.CO	▲		France		JV	50.0	50.0	50.0	50.0

(a) Scope changes

Inclusions (E) into the scope of consolidation

E1: Breach of threshold

E2: Creation

E3: Acquisition (including controlling interests)

Exclusions (S) from the scope of consolidation

S1: Discontinuation of business (including dissolution and liquidation)

S2: Sale to non-Group companies or deconsolidation following loss of control

S3: Deconsolidated due to non-materiality

S4: Merger or takeover

S5: Transfer of all assets and liabilities

Other (D)

D1: Change of company name

D2: Change in consolidation method

D3: First time listed in the Note on scope of consolidation

D4: IFRS 5 entities

(b) Nature of control

S: Subsidiary

B: Branch

CSE: Consolidated structured entity

JV: Joint venture

SJV: Structured joint venture

JO: Joint operation

A: Associate

S.A.: Structured associate

(1) UCITS, unit funds and SCIs held by insurance entities.

(1) Consolidation Method: ■ Full ▲ Equity Accounted ● Parent

NOTE 13 Investments in non-consolidated companies and structured entities

13.1 INFORMATION ON SUBSIDIARIES

These securities, which are recorded at fair value through profit or loss or at fair value through other comprehensive income that will not be reclassified to profit or loss, are variable-income securities representing a significant portion of the share capital of the companies that issued them and are intended to be held on a long-term basis.

This line item amounted to €13,986 million at 31 December 2020, compared with €13,256 million at 31 December 2019. At 31 December 2020, the main investment in non-consolidated companies where percentage of control is greater than 20% and which have significant value on the balance sheet is Crédit Logement (shares A and B). The Group's investment represents 32.50% of Crédit Logement's capital and amounts to €509 million but does not confer any significant influence over this entity, which is jointly held by various French banks and companies.

13.1.1 Non-consolidated controlled entities

Information relating to conventional entities under exclusive control, under joint control and subject to significant influence, and to controlled structured entities not included in the scope of consolidation are available on the Crédit Agricole S.A. website at the time of publication of the Universal Registration Document.

13.1.2 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.

13.2 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 2020, Crédit Agricole S.A. 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

Crédit Agricole S.A., 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 S.A., 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 S.A. 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 S.A. Asset Gathering business line invest in companies established to meet investor demand in connection with treasury management and with the investment of insurance premiums received from insurance company customers, in accordance with the regulatory provisions in the French Insurance Code. Insurance company investments cover commitments to policyholders over the life of insurance policies. Their value and returns are correlated to these commitments.

Refer to the glossary on page 681 for the definition of technical terms.

Structured finance

Lastly, Crédit Agricole S.A., via its subsidiaries in the Large Customers business line, is involved in special purpose asset acquisition entities. These entities may take the form of asset financing companies or lease financing companies. In structured entities, the financing is secured by the asset. The Group's involvement is often limited to the financing or to financing commitments.

Sponsored entities

Crédit Agricole S.A. sponsors structured entities in the following instances:

- Crédit Agricole S.A. is involved in establishing the entity and that involvement, which is remunerated, is deemed essential for ensuring the proper completion of transactions;
- structuring takes place at the request of Crédit Agricole S.A. and it is the main user thereof;
- Crédit Agricole S.A. transfers its own assets to the structured entity;
- Crédit Agricole S.A. is the manager;
- the name of a subsidiary or of the parent company of Crédit Agricole S.A. is linked to the name of the structured entity or of the financial instruments issued by it.

Crédit Agricole S.A. has sponsored non-consolidated structured entities in which it does not hold an interest at 31 December 2020.

Gross revenues from sponsored entities mainly comprise interest expense and income in securitisation and investment funds, in which Crédit Agricole Assurances and Crédit Agricole CIB do not hold any interests at the reporting date. For Crédit Agricole Assurances, these amount to €18 million.

Information on the risks related to interests

Financial support for structured entities

In 2020, Crédit Agricole S.A. did not provide financial support to any non-consolidated structured entities.

At 31 December 2020, Crédit Agricole S.A. 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 2020 and 31 December 2019, 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.

	31/12/2020			
	Securitisation			
		Maximum loss		
(in millions of euros)	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure
Financial assets at fair value through profit or loss	6	6	-	6
Financial assets at fair value through other comprehensive income	-	-	-	-
Financial assets at amortised cost	-	-	-	-
Total assets recognised relating to non-consolidated structured entities	**6**	**6**	**-**	**6**
Equity instruments	-	-	-	-
Financial liabilities at fair value through profit or loss	21	1	-	1
Liabilities	11	-	-	-
Total liabilities recognised relating to non-consolidated structured entities	**31**	**1**	**-**	**1**
Commitments given	**-**	**75**	**-**	**75**
Financing commitments	-	18	-	18
Guarantee commitments	-	-	-	-
Other	-	57	-	57
Provisions for execution risks – commitments given	-	-	-	-
Total commitments (net of provision) to non-consolidated structured entities	**-**	**75**	**-**	**75**
TOTAL BALANCE SHEET RELATING TO NON-CONSOLIDATED STRUCTURED ENTITIES	**25**	**-**	**-**	**-**

(1) Non-sponsored structured entities generate no specific risk related to the nature of the entity. Information concerning these exposures is set out in Note 3.1 "Credit risk" and Note 3.2 "Market risk". These are investment funds in which the Group is not a manager, and structured financing entities in which the Group has only granted a loan.

	31/12/2019			
	Securitisation			
		Maximum loss		
(in millions of euros)	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure
Financial assets at fair value through profit or loss	8	8	-	8
Financial assets at fair value through other comprehensive income	-	-	-	-
Financial assets at amortised cost	2,351	2,351	-	2,351
Total assets recognised relating to non-consolidated structured entities	**2,360**	**2,360**	**-**	**2,360**
Equity instruments	-	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-	-
Liabilities	128	-	-	-
Total liabilities recognised relating to non-consolidated structured entities	**128**	**-**	**-**	**-**
Commitments given	**-**	**1,608**	**-**	**1,608**
Financing commitments	-	1,551	-	1,551
Guarantee commitments	-	-	-	-
Other	-	57	-	57
Provisions for execution risks – commitments given	-	-	-	-
Total commitments (net of provision) to non-consolidated structured entities	**-**	**1,608**	**-**	**1,608**
TOTAL BALANCE SHEET RELATING TO NON-CONSOLIDATED STRUCTURED ENTITIES	**2,232**	**-**	**-**	**-**

(1) Non-sponsored structured entities generate no specific risk related to the nature of the entity. Information concerning these exposures is set out in Note 3.1 "Credit risk" and Note 3.2 "Market risk". These are investment funds in which the Group is not a manager, and structured financing entities in which the Group has only granted a loan.

Refer to the glossary on page 681 for the definition of technical terms.

											31/12/2020
Asset management				Investments funds[1]				Structured finance[1]			
	Maximum loss				Maximum loss				Maximum loss		
Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure
3,179	3,179	-	3,179	43,077	43,077	-	43,077	17	17	-	17
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	207	207	-	207	2,007	2,007	-	2,007
3,179	3,179	-	3,179	43,284	43,284	-	43,284	2,024	2,024	-	2,024
-	-	-	-	-	-	-	-	-	-	-	-
799	799	-	799	33	2	-	2	-	-	-	-
-	-	-	-	-	-	-	-	416	-	-	-
799	799	-	799	33	2	-	2	416	-	-	-
-	18,210	399	17,811	-	277	-	277	-	1,044	-	1,044
-	-	-	-	-	-	-	-	-	974	-	974
-	18,242	399	17,843	-	-	-	-	-	70	-	70
-	-	-	-	-	277	-	277	-	-	-	-
-	(32)	-	(32)	-	-	-	-	-	-	-	-
-	18,210	399	17,811	-	277	-	277	-	1,044	-	1,044
113,940	-	-	-	362,928	-	-	-	1,461	-	-	-

											31/12/2019
Asset management				Investments funds[1]				Structured finance[1]			
	Maximum loss				Maximum loss				Maximum loss		
Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure
1,898	1,898	-	1,898	45,705	45,705	-	45,583	20	20	-	20
-	-	-	-	1	1	-	1	-	-	-	-
-	-	-	-	-	-	-	-	2,261	2,261	-	2,261
1,898	1,898	-	1,898	45,706	45,706	-	45,584	2,281	2,281	-	2,281
-	-	-	-	-	-	-	-	-	-	-	-
1,010	1,010	-	1,010	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	492	-	-	-
1,010	1,010	-	1,010	-	-	-	-	492	-	-	-
-	20,311	-	20,336	-	-	-	-	-	1,380	-	1,380
-	-	-	-	-	-	-	-	-	1,216	-	1,216
-	20,336	-	20,336	-	-	-	-	-	164	-	164
-	-	-	-	-	-	-	-	-	-	-	-
-	(25)	-	-	-	-	-	-	-	-	-	-
-	20,311	-	20,336	-	-	-	-	-	1,380	-	1,380
76,800	-	-	-	328,635	-	-	-	2,262	-	-	-

Maximum exposure to losses

The maximum exposure to loss risk on financial instruments corresponds to the value recognised on the balance sheet, with the exception of option sale derivatives and credit default swaps for which the exposure corresponds to assets for the notional amount and to liabilities for the notional amount less the mark-to-market. The maximum exposure to loss risk on commitments given corresponds to the notional amount and the provision for commitments given in the amount recognised on the balance sheet.

NOTE 14 Events subsequent to 31 December 2020

14.1 UNWINDING OF 15% OF THE SWITCH GUARANTEE MECHANISM

On 1 March 2021, Crédit Agricole S.A. unwound 15% of the switch guarantee mechanism set up between the Regional Banks and Crédit Agricole S.A.

For Crédit Agricole S.A., this transaction will result in a decrease in commitments received from the Regional Banks amounting to €1,375 million and a decrease in the security deposit of €465 million.

14.2 REDEMPTION BY CRÉDIT AGRICOLE CONSUMER FINANCE OF 49% OF THE CAPITAL OF THE JOINT VENTURE CRÉDIT AGRICOLE CONSUMER FINANCE BANKIA S.A.

On 3 February 2021, Crédit Agricole Consumer Finance (Crédit Agricole Consumer Finance) entered into a redemption agreement with Bankia for 49% of the capital held by the latter in the joint venture Crédit Agricole Consumer Finance Bankia S.A.

At the close of the transaction, the entity will be wholly owned by Crédit Agricole Consumer Finance and will be fully consolidated in the Crédit Agricole S.A. financial statements.

The transaction is suspended with the agreement of Banco de España (Bank of Spain).

Refer to the glossary on page 681 for the definition of technical terms.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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.

(For the year ended December 31, 2020)

To the Annual General Meeting of Crédit Agricole S.A.,

OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Crédit Agricole S.A. for the year ended December 31st, 2020.

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 Credit Agricole S.A. Group at December 31st, 2020 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 these standards are further described in the Statutory Auditors' Responsibilities for the audit of the consolidated financial statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code *(Code de commerce)* and the French Code of Ethics *(Code de déontologie)* for Statutory Auditors, for the period from January 1st, 2020 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.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

Due to the global crisis related to the COVID-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant 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, underperforming and nonperforming exposures in the context of COVID-19 crisis

Identified risk	Our response
In accordance with IFRS 9, the Crédit Agricole S.A. Group recognises loss allowances in respect of expected credit losses (ECL) on exposures that are performing (Bucket 1), underperforming (Bucket 2) or non-performing (Bucket 3). Given the significant judgement required in determining such loss allowances, especially in the context of COVID-19 crisis on the period and as at December 31st, 2020, we deemed their estimate to be a key audit matter for the following main entities and risk segments: ■ Crédit Agricole CIB: loss allowances on performing (Bucket 1), underperforming (Bucket 2) and nonperforming (Bucket 3) exposures, specifically for financing granted to companies in the transport and energy sectors, due to an uncertain economic environment post-COVID-19, the complexity of identifying exposures where there is a risk of non-recovery and the degree of judgement needed to estimate recovery flows; ■ Retail Banking: loss allowances on exposures in Buckets 1 and 2, particularly for the corporate and professional segments; ■ Consumer Finance: loss allowances on loans in Bucket 1, 2 and 3 in France and in Italy. As at December 31st, 2020, the loss allowances for expected losses related to all eligible exposures (excluding Credit Agricole internal transactions) amounted to € 11.1 billion, including: ■ € 3.4 billion of loss allowances of performing and underperforming exposures (€ 1.3 billion for B1 and € 2.1 billion for B2); ■ € 7.7 billion of loss allowances of nonperforming exposures (B3). *Refer to notes 1.2 and 3.1 to the consolidated financial statements.*	We examined the procedures implemented by the Risk Management department to classify loans (Bucket 1, 2 or 3) and measure the amount of recorded loss allowances. We examined the methods used to take into account the effects of the COVID-19 crisis, the macroeconomic forecasts and the treatment of measures to support the economy used for the calculation of loss allowances, as well as the related financial information. We tested the key controls implemented by the main entities for the annual portfolio reviews, the updating of credit ratings, the identification of sectors impacted by the COVID-19 crisis, underperforming and non-performing exposures, and the measurement of loss allowances. We also read the main findings of the main Crédit Agricole S.A. Group entities' specialised committees in charge of monitoring underperforming and non-performing loans. Regarding loss allowances on Buckets 1 and 2, we: ■ asked experts to assess the economic scenarios used, the methods and measurements for various loss allowances inputs and calculation models; We especially examined the adaptations made to take into account the impacts of measures dedicated to support the economy ; ■ examined the methodology used by the Risk Management to identify significant increase in credit risk ("SICR") and accounting treatments implemented to take into account measures to support the economy ; ■ tested the controls that we deemed to be of key importance in relation to the transfer of the data used to calculate loss allowances or the reconciliations between the bases used for their calculation and the accounting records; ■ carried out independent loss allowance calculations based on samples, compared the calculated amount with the amount booked and examined the adjustments made by management where applicable; ■ assessed the analyses carried out by management on Crédit Agricole CIB's corporate bank's exposures with a negative outlook with a focus on sectors strongly affected by the COVID-19 crisis. Regarding individually calculated loss allowances in Bucket 3, we: ■ For Crédit Agricole CIB : – examined the estimates used for impaired significant counterparties; – examined, based on credit files sample, the factors underlying the main assumptions used to assess expected cash flows, taking into account in particular the collateral value. ■ For Consumer Finance, checked the consistency between data used in the calculation of loss allowances and data available in the management IT systems and based on samples, tested the quality of historical data used in the statistical estimates. Lastly, we examined the disclosures in relation to credit risk coverage provided in the notes to the consolidated financial statements.

Refer to the glossary on page 681 for the definition of technical terms.

Valuation of Goodwill

Identified risk	Our response
Goodwill is tested for impairment whenever there are objective indications of impairment and otherwise at least once a year. These tests are based on a comparison between the carrying amount of each Cash Generating Unit (CGU) and its recoverable amount, defined as the higher of fair value less costs to sell and value in use. Value in use is determined by discounting the estimated future cash flows of the CGU, as 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. The rate of capital allocation is determined by considering any specific requirements set by the regulator (Pillar 2 in particular), when they exist. 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 economic scenarios in a context of COVID-19 crisis, financial forecasts and discount rates. Given the difference between the value in use and the carrying amount, past performance and their sensitivity to the assumptions used by management, we paid particular attention to the tests conducted on the French retail banking – LCL, International retail banking – Italy and International wealth management CGUs. Goodwill recorded in the balance sheet amounts as at December 31st, 2020 to € 14.7 billion, including € 4.2 billion related to French retail banking – LCL, € 792 million related to International retail banking (after an impairment of € 903 million recorded in 2020) and € 827 million to International wealth management. *Refer to notes 1.2 and 6.16 to the consolidated financial statements.*	We obtained an understanding of the processes implemented by the Crédit Agricole S.A. Group to assess the need for impairment of goodwill. We involved in our audit team valuation experts to assess the assumptions used to determine the discount rates and the perpetual growth rates used as well as the models used for calculating discounted cash flows. We tested the calculations and compared the main assumptions (rate of capital allocation, discount rate, perpetual growth rate, *etc.*) with external sources. We examined the financial forecasts prepared by the management of each entity concerned and used in the model to: ■ check their consistency with those that have been presented to the governance bodies (Board of Directors or Supervisory Bord) of the entities or subgroups and the justification of potential adjustments made; ■ assess the main underlying assumptions, including for the extension of forecasts beyond the three-year period. These assumptions were assessed in view of the economic environment affected by the COVID-19 crisis, the former financial forecasts and the actual performance over prior periods; ■ conduct sensitivity analyses of the value in use to some of the assumptions (level of capital allocated, discount rate, cost of risk, cost to income ratio). We also examined the disclosures provided in the notes to the consolidated financial statements on the results of these impairment tests and the level of sensitivity to various measurement parameters.

Legal, tax and compliance risks

Identified risk	Our response
The Crédit Agricole S.A. Group is subject to judicial proceedings and several investigations and requests for regulatory information from different regulators. These are mainly related to the Euribor/Libor and SSA Bonds matters with authorities from various countries (USA, UK) and the European Union. They also concern ongoing actions by the Italian competition authority and the Dutch credit mediator and supervisory body for the consumer finance business line. Various tax investigations are also ongoing in France and some of the countries in which the Group operates (including Germany). The decision to recognise a provision or a receivable and the amount to be recorded requires, by its nature, the use of judgement, due to the difficulty in assessing the outcome of pending litigation or uncertainties regarding certain tax treatments, particularly in the context of some structural transactions. Given the importance of judgment, these assessments carry a significant risk of material misstatement in the consolidated financial statements and are therefore a key audit matter. The various ongoing investigations, requests for information and actions of certain authorities as well as the most important tax inspections at December 31st, 2020 are described in notes 1.2, 2, 6.10 and 6.18 to the consolidated financial statements.	We obtained an understanding of the process implemented by Management to assess the risks arising from these litigations and tax uncertainties, as well as the provisions or receivables, where applicable, through quarterly inquiries with management and more specifically with the Legal, Tax and Compliance departments of the Group and its main subsidiaries. Our work involved: ■ assessing the assumptions made to determine provisions or receivables based on available information (documentation prepared by the Legal or Tax department or external counsel of Crédit Agricole S.A. and main Group entities, correspondence from regulators and minutes of Legal Risks Committee meetings); ■ reading the analyses and conclusions of the Group's legal advisors and their responses to our requests for confirmation; ■ regarding more specifically tax risks, examining, with our tax specialists, the responses provided by the Group to the relevant authorities as well as the risk assessment made by the Group; ■ assessing, accordingly, the level of provisions or receivables as at December 31st, 2020. Lastly, we examined the related disclosures provided in the notes to the consolidated financial statements.

Refer to the glossary on page 681 for the definition of technical terms.

Measurement of certain Crédit Agricole CIB financial assets and liabilities and Crédit Agricole Assurances financial assets classified in level 3

Identified risk	Our response
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 instruments are classified in level 3 when their valuation 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 cartography of the valuation parameters, ■ the use of internal and nonstandard valuation models; ■ the valuation of parameters that are not supported by observable market data; ■ the assessment of valuation adjustments designed to take into account uncertainties in the models, parameters used or counterparty and liquidity risks; Moreover, insurance investments of Credit Agricole Assurances that are classified in level 3 are mostly parts of venture capital funds *("FCPR")* and unlisted equity securities measured through unobservable market inputs. The valuation process of those instruments, which takes into account liquidity and counterparty risks when appropriate, has become more complex in the context of COVID-19 crisis. Taking into account the uncertain economic environment, we consider that the valuation of those financial assets and liabilities of Crédit Agricole CIB and financial assets of Crédit Agricole Assurances which are classified in level 3, to be a key audit matter, due to expert judgement and variety and complexity of methods used for the valuation. Within assets, Crédit Agricole CIB's derivative financial instruments and Credit Agricole Assurances' financial assets are recorded in the balance sheet of the Crédit Agricole S.A. Group as financial assets at fair value which, in level 3, represent € 16.5 billion as at December 31st, 2020. Within liabilities, Crédit Agricole CIB's derivative financial instruments and structured debt issued are recorded in the balance sheet of the Crédit Agricole S.A. Group as financial liabilities at fair value which, in level 3, represent € 8.2 billion as at December 31st, 2020. *See notes 1.2, 6.2 and 11.2 to the consolidated financial statements.*	We obtained an understanding processes and controls implemented by Crédit Agricole CIB to identify, measure and recognise derivative financial instruments and structured debt issued classified in level 3. We examined those controls that we have deemed of key importance and that are mainly performed by Risk Management, such as review of the observability cartography, the independent verification of measurement parameters and the internal approval of valuation models. We also examined the processes and controls for recording valuation adjustments and the accounting classification of financial products. With the support of our specialists in valuation of financial instruments, we carried out independent valuations, analysed those performed by Crédit Agricole CIB as well as the assumptions, inputs, methodologies and models used at December 31st, 2020. More particularly, we have examined the documentation relating to developments in the observability mapping made during the period. We also analysed the main valuation adjustments recorded, and examined the justification provided by management for the main differences observed in margin calls and losses and/or gains in the event of disposal of financial products. For insurance investments of Credit Agricole Assurances classified in level 3, we performed the following procedures: ■ We updated our understanding of the internal control environment and processes of valuation of these financial assets; ■ For assets measures through internal valuation models: – We examined the adequacy of the underlying assumptions, methods and parameters used taking into account market practices and the context of COVID-19 crisis; – We analysed the values determined and recorded at December 31st, 2020 ■ For assets measured by independent asset managers: – We compared the valuation recorded at December 31st, 2020 with the valuation disclosed in asset manager's reports; – For assets directly impacted by the COVID-19 crisis: we examined independent valuation reports and the correct analysis of underlying risks; – For assets which were valued before the closing date : we examined the analyses performed by the Group to prevent any material difference between the recorded values and the values at the closing date; ■ We also examined the appropriateness of disclosures provided in the notes to the consolidated financial statements.

Specific technical reserves in relation to insurance policies

Identified risk

Within the Insurance business line of the Crédit Agricole S.A. Group, insurance liabilities are recognised as technical reserves in compliance with French consolidation standards and the applicable regulations, as permitted under IFRS 4.

These technical reserves include some specific provisions that require judgment in their determination. These include:

- the reserve for increasing risks of dependence, established where the present value of the insurer's commitments in terms of health or disability cover is higher than the projected contributions of policyholders;
- reserves for late claims relating to nonlife insurance policies for which losses have occurred but have not yet been declared or valued.

For Predica's life insurance technical reserves, the Group conducts an annual liability adequacy test to ensure that insurance liabilities are adequate to meet estimated future cash flows after projected management fees.

Considering the sensitivity of the above specific reserves and of the liability adequacy test to the different underlying assumptions used, especially in the context of COVID-19 crisis (asset yield forecasts, policyholders' behaviour, insurer management's decisions, period of independent living or probability of occurrence of a state of dependency, future premiums, statistical models and expert assessments used for valuing late claims, discount rate, etc.), we deemed specific technical reserves and liability adequacy tests to be a key audit matter.

Net insurance technical reserves amount to €361.2 billion as at December 31st, 2020.

See notes 1.2, 4.6, and 6.17 to the consolidated financial statements.

Our response

For the main specific reserves mentioned in the column opposite, we performed the below procedures with the support of our actuaries:

- Obtaining an understanding of the compliance of the Group's methodology for measuring these reserves;
- Obtaining an understanding of the control environment relating to the management or valuation of losses, the design of forecast models or stochastic models and the determination of the main assumptions to the model (asset yield, future premiums, mortality tables, probability of occurrence of a state of dependency, projected period of dependent living, discount rate, etc.);
- Obtaining an understanding of the results of the controls implemented by the Group to check the accuracy of management data used to calculate the reserves;
- analysing certain assumptions or data in the light of market practice, the historical data and the economic context related to the COVID-19 crisis;
- examining the controls that we deemed of key importance in relation to the information systems supporting the processing of technical data and accounting entries;
- recalculating certain reserves.

More specifically for the Predica liability adequacy test, we have examined the sensitivity of the result to scenarios of changes in the main financial and portfolio assumptions in order to check that the provisions remain sufficient in these different scenarios.

Refer to the glossary on page 681 for the definition of technical terms.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement provided for by Article L. 225-102-1 of the French Commercial Code (Code de commerce) is included in the Group's information given in the management report, it being specified that, in accordance with Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein.

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 auditors 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 December 17th, 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.

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 your Annual General Meeting held on May 19th, 2004 for PricewaterhouseCoopers Audit and in 1985 for ERNST & YOUNG et Autres.

As at December 31st, 2020, PricewaterhouseCoopers Audit and ERNST & YOUNG et Autres were in the 17th and 36th 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 of 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 expects to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Refer to the glossary on page 681 for the definition of technical terms.

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 of material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in article L.823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability or quality 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 judgement throughout the audit and furthermore :

- Identifies and assesses the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures in response to those risks and obtains audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 the 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, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are 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 auditors is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit programme 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 judgement, were the most significant for the audit of the consolidated financial statements of the current *period and which are therefore the key audit matters that we are required to describe in this report.*

We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, March 23rd, 2021

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Anik Chaumartin	Olivier Durand

Refer to the glossary on page 681 for the definition of technical terms.

7 PARENT COMPANY FINANCIAL STATEMENTS

Refer to the glossary on page 681 for the definition of technical terms.

Key figures

NET INCOME

€245 m

Revenues

€1,496 m

TOTAL ASSETS

€716,689 m

Crédit Agricole internal transactions (assets)

€372,327 m

Financial investments

€63,744 m

Equity excluding FGBR

€50,748 m

Refer to the glossary on page 681 for the definition of technical terms.

PARENT COMPANY FINANCIAL STATEMENTS

Approved by the Board of Directors of Crédit Agricole S.A. on 10 February 2021 and submitted for the approval of the Ordinary General Meeting o 12 May 2021

BALANCE SHEET AT 31 DECEMBER 2020

Assets

(in millions of euros)	Notes	31/12/2020	31/12/2019
Money market and interbank items		**211,641**	**155,186**
Cash, Central banks		54,426	8,312
Treasury bills and similar securities	5-28	15,567	14,867
Loans and receivables due from credit institutions	3-28	141,648	132,007
Crédit Agricole internal transactions	**3**	**372,327**	**336,348**
Loans and receivables due from customers	**4**	**4,473**	**4,439**
Securities transactions		**46,898**	**37,734**
Bonds and other fixed Income securities	5-28	46,859	37,688
Equities and other variable-income securities	5	39	46
Fixed assets		**63,875**	**64,413**
Equity investments and other long-term securities	6-7	1,023	950
Investments in subsidiaries and affiliates	6-7	62,721	63,334
Intangible assets	7	19	17
Property, plant and equipment	7	112	112
Due from shareholders – unpaid capital		**-**	**-**
Treasury shares	**8**	**11**	**6**
Accruals, prepayments and sundry assets		**17,464**	**18,109**
Other assets	9	5,628	5,581
Accruals and deferred income	9	11,836	12,528
TOTAL ASSETS		**716,689**	**616,235**

Refer to the glossary on page 681 for the definition of technical terms.

Liabilities and equity

(in millions of euros)	Notes	31/12/2020	31/12/2019
Money market and interbank items		**218,200**	**92,565**
Central banks		24	12
Due to credit institutions	11	218,176	92,553
Crédit Agricole internal transactions	**11**	**64,624**	**41,253**
Due to customers	**12-28**	**225,851**	**261,032**
Debt securities	**13**	**103,865**	**118,946**
Accruals, deferred income and sundry liabilities		**25,917**	**25,791**
Other liabilities	14-28	12,758	11,729
Accruals and deferred income	14	13,159	14,062
Provisions and subordinated debt		**26,245**	**25,108**
Provisions	15-16-17	1,242	1,386
Subordinated debt	19	25,003	23,722
Fund for General Banking Risk (FGBR)	**18**	**1,239**	**1,194**
Equity excluding FGBR	**20**	**50,748**	**50,346**
Share capital		8,750	8,654
Share premiums		12,536	12,470
Reserves		14,612	12,597
Revaluation adjustments		-	-
Regulated provisions and investment subsidies		8	12
Retained earnings		14,597	14,597
Net income/(loss) for the financial year		245	2,016
TOTAL LIABILITIES AND EQUITY		**716,689**	**616,235**

OFF-BALANCE SHEET AT 31 DECEMBER 2020

(in millions of euros)	Notes	31/12/2020	31/12/2019
Commitments given		**26,357**	**21,827**
Financing commitments	27	8,267	5,296
Guarantee commitments	27	18,081	16,521
Securities commitments	27	9	10
Commitments received		**137,758**	**77,944**
Financing commitments	27	129,170	65,744
Guarantee commitments	27	8,588	12,200
Securities commitments	27	-	-

Refer to the glossary on page 681 for the definition of technical terms.

INCOME STATEMENT AT 31 DECEMBER 2020

(in millions of euros)	Notes	31/12/2020	31/12/2019
Interest and similar income	29	9,620	9,698
Interest and similar expenses	29	(10856)	(11261)
Income from variable income securities	30	1,952	2,712
Fee and commission income	31	1,177	972
Fee and commission expenses	31	(563)	(596)
Net gains (losses) on trading book	32	139	(26)
Net gains (losses) on short term investment portfolios and similar	33	61	15
Other banking income	34	27	39
Other banking expenses	34	(61)	(52)
Revenues		**1,496**	**1,501**
Operating expenses	35	(770)	(778)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets		(7)	(7)
Gross Operating Income		**719**	**716**
Cost of risk	36	(4)	(13)
Operating income		**715**	**703**
Net gains (losses) on fixed assets	37	(715)	(292)
Pre-tax income on ordinary activities		**-**	**411**
Net extraordinary items		-	-
Income tax charge	38	286	1,644
Net allocation to FGBR and regulated provisions		(41)	(39)
NET INCOME FOR THE FINANCIAL YEAR		**245**	**2,016**

Refer to the glossary on page 681 for the definition of technical terms.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 1 Legal and financial background and significant events during the financial year

1.1 LEGAL AND FINANCIAL BACKGROUND

Crédit Agricole S.A. is a French Public Limited Company (Société Anonyme) with a share capital of €8,750,066 thousand (*i.e.* 2,916,688,640 shares with a par value of €3 each).

At 31 December 2020, the share capital of Crédit Agricole S.A. broke down as follows:

- 55.28% owned by SAS Rue La Boétie;
- 44.68% free float (including employees).

In addition, Crédit Agricole S.A. had 1,090,000 treasury shares at 31 December 2020, *i.e.* 0.04% of its capital, compared with 435,000 treasury shares at 31 December 2019.

Crédit Agricole S.A. coordinates the activities of the Regional Banks, is responsible for exercising administrative, technical and financial control over them and has right of supervision in accordance with the French Monetary and Financial Code. By virtue of its duties as a corporate centre, as confirmed by the banking Law, it is responsible for ensuring the cohesion and proper functioning of the network, as well as each Regional Bank's compliance with operating standards. It guarantees their liquidity and solvency. Moreover, in 1988, the Regional Banks granted a guarantee to third-party creditors of Crédit Agricole S.A. on a joint and several basis up to the aggregate amount of their own funds. This guarantee may be exercised in the event of an asset shortfall at Crédit Agricole S.A. identified in the course of its bankruptcy or dissolution.

1.2 CRÉDIT AGRICOLE INTERNAL TRANSACTIONS

Internal financing mechanisms

Affiliation with the Crédit Agricole network also means being part of a system of financial relationships that operates as described below:

Regional Banks' current accounts

Each Regional Bank holds a current account with Crédit Agricole S.A., which records the financial movements resulting from internal financial transactions within the Group. This account, which may be in credit or debit, is presented in the balance sheet under "Crédit Agricole internal transactions – Current Accounts".

Special savings accounts

Funds held in special savings accounts (popular savings passbook accounts *(Livret d'épargne populaire)*, sustainable development passbook accounts *(Livret de développement durable)*, home purchase savings schemes and accounts, popular savings plans, youth passbook accounts *(Livrets Jeunes)* and passbook savings accounts *(Livret A)* are collected by the Regional Banks on behalf of Crédit Agricole S.A. These funds are required to be transferred to the latter. Crédit Agricole S.A. recognises them on its balance sheet as "Due to customers".

Time deposits and advances

The Regional Banks also collect savings funds (passbook accounts, bonds, warrants, certain term accounts and similar accounts etc.) on behalf of Crédit Agricole S.A. These funds are transferred to Crédit Agricole S.A., and are recognised as such on its balance sheet.

Special savings accounts and time deposits and advances are used by Crédit Agricole S.A. to make "advances" (loans) to the Regional Banks, with a view to funding their medium and long-term loans.

A series of four internal financial reforms has been implemented. These reforms have permitted the transfer back to the Regional Banks, in the form of so-called "mirror advances" (with maturities and interest rates precisely matching those of the savings funds received) of first 15%, 25%, then 33% and, since 31 December 2001, 50% of the savings resources, which they are free to use at their discretion.

Since 1 January 2004, the financial margins generated by the centralised management of funds collected (and not transferred back via mirror advances) are shared by the Regional Banks and Crédit Agricole S.A. and are determined by using replacement models and applying market rates.

Furthermore, the Regional Banks may be refinanced in the form of advances negotiated at market rates with Crédit Agricole S.A.

Transfer of Regional Banks' liquidity surpluses

The Regional Banks may use their "monetary" deposits (demand deposits, non-centralised time deposits and negotiable certificates of deposit) to finance lending to their customers. Surpluses must be transferred to Crédit Agricole S.A. where they are booked as current or time accounts, under "Crédit Agricole internal transactions".

Foreign currency transactions

Crédit Agricole S.A. represents the Regional Banks with respect to the Banque de France and centralises their foreign exchange transactions.

Medium and long-term notes issued by Crédit Agricole S.A.

These are placed mainly on the market or by the Regional Banks with their customers. They are booked by Crédit Agricole S.A. under liabilities either as "Debt instrument" or as "Provisions and subordinated debt", depending on the type of securities issued.

TLTRO III mechanism

The ECB set out a third series of longer-term refinancing operations in March 2019, the terms and conditions of which were reviewed in September 2019 and again in March and April 2020, in connection with the COVID-19 situation.

The TLTRO III mechanism aims to provide longterm refinancing, with a subsidy in the event of reaching a lending performance target based on growth of lending to firms and housholds, which is applied over the three-year maturity of the TLTRO operation, with an additional subsidy, awarding a further and temporary incentive, which is applied over the one-year period between June 2020 and June 2021.

Provided that the level of outstanding amounts giving entitlement to these subsidies allows to consider the subsidies as already granted by the ECB in relation to the support to the economy both in the first year and in subsequent years, the interest accrued with a negative interest rate takes this subsidy into account.

All subsidies are spread over the expected refinancing period from the TLTRO III drawing date. Outstanding amounts that give entitlement to the subsidy already exceed the level required to benefit from the planned levels of subsidies. The additional subsidy for the first year is spread over one year on straight-line basis, starting from June 2020.

Refer to the glossary on page 681 for the definition of technical terms.

For the new subsidy announced by the ECB following its meeting of 10 December 2020, covering the period from June 2021 to June 2022, these principles will continue to apply as long as there is reasonable assurance that the level of eligible amounts outstanding will render it possible to meet the conditions necessary to acquire these subsidies when they become due and payable by the ECB.

As at 31 December 2020, the Group has drawn €133 billion in TLTRO III at the ECB.

Hedging of liquidity and solvency risks, and banking resolution

Under the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the French Monetary and Financial Code (CMF), Crédit Agricole S.A., as the central body 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 solidarity.

The general provisions of the CMF (*Code monétaire et financier* — French Monetary and Financial Code) are 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 aimed at governing internal relations within the Crédit Agricole network. The agreement notably 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 central body 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, ensure the continuity of activities, services and operations of institutions whose failure could significantly impact the economy, protect depositors, and avoid or limit to the greatest extent possible, the use of public financial support as much as possible. In this context, the European Resolution Authorities, including the Single Resolution Board, have been given very broad powers to take all necessary measures in connection with the resolution of all or part of a credit institution or the group to which it belongs.

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 the 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 authority 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 objectives 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 equity holders (shares, mutual shares, CCIs, CCAs) bear losses first, with creditors following up immediately, provided that they are not excluded from bail-in legally speaking or by a decision of the resolution authorities. French law also provides for a protective measure when certain resolution tools or decisions are implemented, such as the principle that equity holders and creditors of an institution in resolution may not incur greater losses than those they would have incurred if the institution had been liquidated in the context of a judicial liquidation procedure under the French Commercial Code (NCWOL principle referred to in Article L. 613-57.I of the CMF). Thus, investors are entitled to claim compensation if the treatment they receive in a resolution is less favourable than the treatment they would have received if the institution had been subject to normal insolvency proceedings.

In the event that the resolution authorities decide to put the Crédit Agricole Group in resolution, they will first write down the CET1 instruments (shares, mutual shares, CCI and CCA), additional Tier 1 and Tier 2 instruments, in order to absorb losses, and then possibly convert the additional Tier 1 and Tier 2 instruments into equity securities[1]. Then, if the resolution authorities decide to use the bail-in tool, the latter would be applied to debt instruments[2], resulting in the partial or total write-down of these instruments or their conversion into equity in order to absorb losses.

With respect to the corporate centre and all affiliated entities, the resolution authorities may decide to implement, in a coordinated manner, impairment or conversion measures and, where applicable, 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 capital requirements at the consolidated level.

Investors must therefore be aware that there is a significant risk that holders of shares, mutual shares, CCIs and CCAs and holders of debt instruments of a member of the network will lose all or part of their investment if a resolution procedure is implemented on the Group, regardless of the entity of which they are a creditor.

The other resolution tools available to the resolution authorities are essentially the total or partial transfer of the activities of the institution to a third party or to a bridge institution and the separation of the assets of the institution.

This resolution framework does not affect the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the 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.

(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.

considers that, in practice, this mechanism should be implemented prior to any resolution procedure.

The implementation of a resolution procedure to the Crédit Agricole Group would thus mean that the legal internal solidarity mechanism had failed to remedy the failure of one or more network entities, and hence of the network as a whole. It would also limit the likelihood that the conditions for triggering the guarantee covering the liabilities of Crédit Agricole S.A. (granted in 1988 to its third-party creditors by the Regional Banks on a joint and several basis, and up to the aggregate amount of their own funds) 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.

Specific guarantees provided by the Regional Banks to Crédit Agricole S.A. (Switch)

The Switch guarantee mechanism, established on 23 December 2011 and supplemented by an initial addendum signed on 19 December 2013 and twice amended in 2016 on 17 February (Amendment no. 2) and 21 July (Amendment no. 3), respectively, forms part of the financial relationship between Crédit Agricole S.A., as corporate centre, and the mutual network of Crédit Agricole Regional Banks. The most recent amendments to these guarantees took effect retroactively on 1 July 2016, replacing the previous guarantees, and expire on 1 March 2027, subject to total or partial early termination or extension in accordance with the terms of the contract. A first partial termination corresponding to 35% of the Switch guarantees took place on 2 March 2020.

The effectiveness of the mechanism is secured by cash deposits paid by the Regional Banks to Crédit Agricole S.A. These security deposits are calibrated to reflect Crédit Agricole S.A.'s capital savings and bear interest at a fixed rate under long-term liquidity conditions.

Accordingly, the Switch Insurance guarantees protect Crédit Agricole S.A. from a decline in the overall equity-accounted value of these equity investments, subject to payment by the Regional Banks of compensation from the cash deposit. Likewise, if the equity-accounted value later recovers, Crédit Agricole S.A. could return previously paid compensation in accordance with a clawback provision.

Guarantees are recognised as off-balance sheet commitments in the same way as first demand guarantees given. Their compensation is recognised in stages in the interest margin under Revenues. In the event of a call of guarantees or following an improvement in fortunes, where applicable, the compensation payment or redemption proceeds are recognised under cost of risk.

It is worth noting that the Switch Insurance guarantees are triggered on a half-yearly basis and are assessed on the basis of half-yearly changes in the equity-accounted value of the CAA equity investments. At each quarterly period-end, the Regional Banks are required to estimate if there is a risk that compensation will be payable and to fund provisions accordingly: where a return to better fortune may or may not occur, no income will be recognised due to such uncertainty. At each half-yearly period-end, and if the conditions have been met, the Regional Banks recognise the effects of triggering the guarantees (call of guarantee or clawback).

1.3 SIGNIFICANT EVENTS IN 2020

Decision regarding the 2019 dividend

On 27 March 2020, the European Central Bank issued recommendations asking that the banks under its supervision not pay dividends as long as the coronavirus crisis persists, and until "at least the beginning of October 2020".

This deadline appeared to be incompatible with the French Commercial Code (Code de commerce), which stipulates that an annual dividend must be paid no later than 30 September.

Under these conditions, the Board of Directors of Crédit Agricole S.A., which was consulted in writing on 1 April 2020 pursuant to the legal provisions on the functioning of deliberative bodies during the COVID-19 epidemic, decided not to propose to the General Meeting of 13 May 2020 the distribution of a dividend initially set at €0.70 per share for the 2019 financial year, and to allocate the entire profit for 2019 to a reserve account.

On 28 July 2020, the ECB extended its recommendation not to pay dividends until January 2021.

On 15 December 2020, the ECB changed its recommendations, asking all banks to consider not distributing cash dividends and not repurchasing shares, or to limit such distributions, until 30 September 2021. Accordingly, in the event of a distribution, dividends and share buybacks must remain below 15% of the cumulative distributable earnings for financial years 2019 and 2020 and must not exceed 20 basis points of the CET1 ratio, whichever is lower. In addition, banks planning to make distributions should contact their joint prudential supervisory team to determine whether the level of distribution they are contemplating is prudent.

During 2020, Crédit Agricole S.A. had not distributed any dividends in respect of 2019.

Capital increase reserved for employees

The capital increase of Crédit Agricole S.A. reserved for employees, with the subscription period running from 12 to 25 November 2020, was completed definitively on 22 December 2020. 47,113 Crédit Agricole Group employees, in France and 17 other countries, subscribed for a total amount of €162.9 million.

The proposed investment scheme was a standard offer with a subscription price including a 30% rebate on the share price. The issue and delivery of the new shares to employees took place on 22 December 2020.

This capital increase created 31,999,928 new shares, thereby bringing the total number of shares comprising the share capital of Crédit Agricole S.A. to 2,916,688,640.

"Switch" guarantee mechanism

The "Switch" guarantee mechanism represents a transfer to the Regional Banks of a share of the regulatory requirements that apply to Crédit Agricole S.A. for its insurance activities in return for a fixed remuneration of the Regional Banks.

Unwinding of 35% of the "Switch" guarantee mechanism

On 2 March 2020, Crédit Agricole S.A. unwound 35% of the "Switch" guarantee mechanism in place between the Regional Banks and Crédit Agricole S.A.

Refer to the glossary on page 681 for the definition of technical terms.

The partial unwinding of this intra-group transaction strengthens Crédit Agricole S.A.'s earning power with an accretive impact of €70 million in 2020. It is in line with the Medium-Term Plan's objective of unwinding 50% of the Switch by 2022.

For Crédit Agricole S.A., this transaction resulted in a 35% reduction in commitments given (€3.2 billion) and a 35% reduction in the security deposit received from the Regional banks (approximately €1 billion).

Triggering of the "Switch" guarantee mechanism

The "Switch" guarantee mechanism hedges the Equity-Accounted Value of Crédit Agricole Assurances. It is activated in the event of a decrease in its value.

If the mechanism is activated, the Regional Banks will be required to pay Crédit Agricole S.A. the proceeds of the half-yearly reduction in the equity-accounted value adjusted by the coverage ratio, which has stood at 44.51% since 2 March 2020, the date on which the 35% guarantee was unwound.

At 30 June 2020, as a result of the tensions in the equity and bond markets in the first half of 2020, the Crédit Agricole Assurances adjusted estimated equity-accounted value had fallen by €147 million in the first half of 2020. It triggered the guarantee mechanism in the amount of €65.4 million. In the Crédit Agricole S.A. financial statements, this resulted in the recognition in the income statement of income under Cost of risk of €65.4 million.

At 30 September 2020, the Crédit Agricole Assurances adjusted final equity-accounted value for the first half of 2020 was determined. As a result, the indemnity received by Crédit Agricole S.A. from the Regional Banks' security deposit, which was immediately reconstituted by a payment of funds, was adjusted.

At 30 September 2020, €37.6 million was recognised in the Crédit Agricole S.A. financial statements as income under cost of risk for the triggering of the Switch guarantee.

"Switch" guarantee mechanism - Claw-back

At 31 December 2020, the increase in the Equity-Accounted Value adjusted for Crédit Agricole Assurances' distributions in the second half of 2020 offset the decline observed in June 2020.

This increase in equity-accounted value resulted in the implementation of a full claw-back of the guarantee in the fourth quarter of 2020, leading to the recognition of an accrued expense of €37.6 million euros in the Crédit Agricole S.A. financial statements.

As a result, for the whole of 2020, the Switch guarantee was neutral in the Crédit Agricole S.A. financial statements.

Debt optimisation operation for Crédit Agricole S.A.

On 28 May 2020, Crédit Agricole S.A. has launched simultaneous cash buyback offers for 15 preferred senior bond strains outstanding, in order to optimise its liability structure and debt management in light of current and future regulations and to provide liquidity to investors in the targeted bond strains. The transaction was carried out between 28 May and 5 June 2020, the aggregate nominal repurchased amount was equivalent to €3.4 billion.

The impact of these redemptions, net of the hedging effect, is a loss of €41 million before tax in the financial statements for the year ended 31 December 2020.

Benchmark bond issue on the Panda market

On 11 September 2020, following its initial Panda Bond issue in December 2019, Crédit Agricole S.A. successfully issued its second CNY one billion (equivalent to €125 million) senior preferred bond with a maturity of 3 years and a 3.5% fixed rate. Crédit Agricole S.A. thus becomes a repeat issuer in the fast paced developing Panda Bond market, with the view to fund its activities in China and further diversifying its long-term funding.

The proceeds will be used to finance its wholly-owned banking subsidiary Crédit Agricole CIB (China) Ltd. in order to support its international client base through financing and capital market transactions.

This successful issuance was bought by Chinese and International institutional investors on the Chinese bond market and the Hong Kong Bond Connect exchange. The order book was 1.64 times oversubscribed, illustrating the investors' continuous confidence in Crédit Agricole S.A. and recognition to its CNY 5 billion bonds issuance programme, the foremost one issued by a French bank and a European G-SIB (global systemically important banks) financial institution.

Crédit Agricole S.A., the issuer, as the Central Body and member of the Crédit Agricole Network, and its Panda Bonds have obtained a domestic rating of AAA from China Chengxin International Credit Rating.

Social bond issuance

In the context of the current crisis, which is severely affecting the most fragile, the Crédit Agricole Group is resolutely pursuing its mutualist commitment to promote development for all. On 2 December 2020, Crédit Agricole S.A. successfully carried out its first social bond issuance for €1 billion.

The framework of these social bonds issuances aims to reduce social inequalities by revitalising the most vulnerable territories and by promoting employment, solidarity initiatives and access to essential goods and services.

A key issuer in the green bond market, Crédit Agricole S.A. is today naturally broadening the field of its sustainable finance initiatives with this inaugural social bond issue.

This theme-based issuance contributes to the Group's ambition, included in its Societal Project, to pursue its mutualist commitment to promote development for all. This issuance will be focused in particular on financing professionals and SME customers of the Regional Banks and LCL in territories where the unemployment rate is higher than the national average.

Depreciation of equity investment on Crédit Agricole Italia

As part of the preparing the publication of its financial statements, Crédit Agricole S.A. conducted the annual valuation tests of the equity investment recorded in its balance sheet during the fourth quarter of 2020. These tests are based on a comparison between the value recorded in the assets of the balance sheet of Crédit Agricole S.A. and the value in use. The calculation of the value in use is based on discounting the future cash flows.

Due to an anticipated prolonged period of very low interest rates, which is weighing on Crédit Agricole Italia's interest margins and therefore on its value in use for Crédit Agricole S.A. and Crédit Agricole Group, on 15 December 2020, Crédit Agricole S.A.'s Board of Directors decided to impair the equity investment carried on Crédit Agricole Italia. This non-deductible impairment charge will impact Crédit Agricole S.A.'s financial statements by €635 million in the fourth quarter of 2020.

Refer to the glossary on page 681 for the definition of technical terms.

BForBank capital increase

BForBank is the 100% online bank of Crédit Agricole's. This entity was 15%-owned by Crédit Agricole S.A. and 85%-owned by the Regional Banks (SACAM Avenir).

Against a backdrop of transformation in the banking sector and the development of digital solutions, Crédit Agricole Group has decided to initiate a transformation plan that requires significant investment, which will be financed by capital increases subscribed by current shareholders.

As a result of the significant investments that will be made, a review of BForBank's shareholder structure has been completed, and Crédit Agricole S.A. will become a 50% shareholder of BForBank.

Cheque Image Exchange dispute

In its judgment on 21 December 2017, the Paris Court of Appeal upheld the decision of the French Competition Authority (Autorité de la concurrence — ADLC), which in 2010 had fined the major French banks for colluding to fix the prices and terms for clearing cheques.

Just as the other banks party to this procedure, Crédit Agricole S.A. has filed an appeal with France's Supreme Court *(Cour de cassation)*.

The Supreme Court ruled in favour of the banks in the Cheque Image Exchange case on 29 January 2020 and referred the case back to the Paris Court of Appeal, with a change in the composition of the Court.

This decision returns the case and the parties to their status before the Court of Appeal's decision of 21 December 2017. The banks are therefore once again subject to the French Competition Authority's unfavourable decision of 20 September 2010.

In practice, as a result of the French Supreme Court's decision, Crédit Agricole S.A. will be required to pay the French State Treasury the difference between the fine imposed by the French Competition Authority in September 2010 (€82.9 million) and the reduced fine imposed by the Paris Court of Appeal in December 2017 (€76.5 million), *i.e.* €6.4 million. On 7 April 2020, the sum of €6.4 million was paid to the French State Treasury.

Based on the same principle as the fine paid in December 2017, this additional charge is shared equally between Crédit Agricole S.A. and the Regional Banks and is recognised in the individual accounts of Crédit Agricole S.A. for an amount of €3.2 million.

1.4 EVENTS AFTER FINANCIAL YEAR 2021

Unwinding of 15% of the “Switch” guarantee mechanism

On 1 March 2021, Crédit Agricole S.A. unwound 15% of the “Switch” guarantee mechanism set up between the Regional Banks and Crédit Agricole S.A.

For Crédit Agricole S.A., this transaction will result in a decrease in commitments received from the Regional Banks amounting to €1,375 million and a decrease in the security deposit of €465 million.

NOTE 2 Accounting policies and principles

Crédit Agricole S.A. prepares its financial statements in accordance with the accounting principles applicable to banks in France.

The presentation of the financial statements of Crédit Agricole S.A. complies with the provisions of ANC Regulation 2014-07, which, for financial years beginning on or after 1 January 2015, combines in a single regulation, on the basis of established law, all accounting standards applicable to credit institutions.

Changes in accounting policies and the presentation of the financial statements compared with the previous financial year relate to the following:

Regulations	Date of first-time application: financial years from
Regulation no. 2020-10 amending ANC Regulation no. 2014-07 relating to the clearing of securities borrowing and centralised savings[(1)]	1 January 2020

(1) Regulation no. 2020-10 of 22 December 2020 amends Regulation ANC 2014-07 of 26 November 2014 pertaining to the accounts of undertakings in the banking sector on the presentation:

– securities borrowings: debts representing the value of borrowed securities are presented net of the value of identical securities classified by the institution as trading securities. These are the amount of securities borrowed and securities received under a financial collateral agreement with a right of re-use (see Note 28.1 Securities borrowings);

– centralised savings: special savings accounts under the “Livret A” passbook savings account, the “Livret de développement durable et solidaire” passbook savings account and the “Livret d'épargne populaire” passbook savings account are presented after deduction of the claim on the savings fund representing the share of the total deposits collected by the institution, centralised by Caisse des Dépôts et Consignations (see Note 28.2 Centralised savings).

2.1 LOANS AND FINANCING COMMITMENTS

Receivables from credit institutions, Crédit Agricole Group entities and customers are governed by ANC Regulation 2014-07.

They are presented according to their residual maturity or their nature:

- demand and time deposits for credit institutions;
- current accounts, term loans and advances for Crédit Agricole internal transactions;
- trade receivables, other facilities and ordinary accounts for customers.

Refer to the glossary on page 681 for the definition of technical terms.

In accordance with regulations, the customers category also includes transactions with financial customers.

Subordinated loans and repurchase agreements (represented by certificates or securities) are included under the various categories of loans and receivables according to counterparty type (interbank, Crédit Agricole, customers).

Loans are recorded on the balance sheet at face value.

Under Article 2131-1 of ANC Regulation 2014-07, the fees and commissions received, and the marginal transaction costs borne are deferred over the effective term of the loan and are thus included in the outstanding amount of the relevant loan.

Accrued interest on loans is recognised on the balance sheet under accrued interest and taken to profit or loss.

Financing commitments recognised off-balance sheet represent irrevocable commitments to cash advances and guarantee commitments that have not resulted in fund movements.

The application of ANC Regulation 2014-07 led Crédit Agricole S.A. to recognise loans with a credit risk in accordance with the rules set out in the following paragraphs.

The use of external and/or internal ratings systems helps assess the level of credit risk.

Loans and financing commitments are divided into performing and doubtful loans.

Performing loans

So long as loans are not classified as doubtful, they are classified as either performing or underperforming and remain as initially classified.

Provisions for credit risk on performing and underperforming loans

For credit exposures, Crédit Agricole S.A. recognises provisions on the liabilities side of its balance sheet to cover the expected credit risks over the next 12 months (sound exposures) and/or over the life of the exposure if the credit quality of the exposure has deteriorated significantly (exposures classified as impaired).

These provisions are determined as part of a specific monitoring process and are based on estimates reflecting changes in the level of expected credit loss.

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 measurement system of provisioning parameters is based on the structures put in place for the Basel system. The Group’s Risk Management Department is responsible for defining the methodological framework and supervising the loan loss provisioning system.

The Crédit Agricole Group primarily relies on the internal rating system and current Basel processes to generate the parameters needed to calculate the ECL. The assessment of changes in credit risk relies on a model for loss anticipation and extrapolation on the basis of reasonable scenarios. All available, relevant, reasonable and documentable information, including forward-looking information, has been used.

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.

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”).

The manner in which ECL is calculated should be assessed on the basis of the type of products: loans and receivables due from customers and financing commitments.

The expected credit losses for the coming 12 months make up a percentage of the lifetime expected credit losses, 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 determined upon initial recognition of the outstanding amount.

Provisioning parameters are measured and updated using the methodologies defined by the Crédit Agricole Group and thereby establishing a first reference level, or shared base, for provisioning.

Backtesting of the models and parameters used is done at least annually.

The forward looking macro-economic data are factored into a methodological framework that is applicable at two levels:

- at the Crédit Agricole Group level, in determining a shared framework for factoring in forward looking inputs when projecting the PD and LGD parameters over the repayment horizon of transactions;
- at the level of each entity in respect of its own portfolios. Crédit Agricole S.A. applies additional forward looking parameters to the performing and underperforming loans and receivables due from customers and financial commitments portfolios that are exposed to additional losses not covered in the scenarios defined at the Group level due to the local economic and/or structural factors.

Significant deterioration in credit risk

Crédit Agricole S.A. assesses, for each loan, the deterioration in credit risk since origination to each period-end. Based on this assessment of the change in credit risk, the entities must classify their exposure into different risk categories (exposures qualified as healthy/exposures qualified as degraded/doubtful exposures).

To assess significant deterioration, the Crédit Agricole Group employs 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 specific to each entity and linked to an expert assessment, based on additional forward looking parameters exposing it to additional losses not covered in the scenarios defined at the Group level through local economic and/or structural factors, of the risk held by each entity in its portfolios that may lead to an adjustment in the Group’s performing to underperforming reclassification criteria (switching a portfolio or sub-portfolio to ECL at maturity).

Each loan is, subject to exceptions, assessed for significant deterioration. Contagion is not required for the downgrading of same-counterparty loans from performing to underperforming. The monitoring of significant deterioration must look at changes in the credit risk of the main debtor without regard to guarantees, including transactions that are guaranteed by the shareholder.

Possible losses in respect of portfolios of small loans with similar characteristics may be estimated on a statistical basis rather than individually assessed.

To measure the significant deterioration of credit risk since initial recognition, it is necessary to look back at the internal rating and PD (Probability of Default) at origination.

Origination means the trading date, on which the entity became bound by the contractual terms of the loan. For financing and guarantee commitments, origination means the date on which the irrevocable commitment was made.

In the absence of an internal rating model, the Crédit Agricole Group uses the absolute threshold of non-payment for over 30 days as the maximum threshold for significant deterioration and classification as underperforming loan.

For loans measured based on an internal rating systems (in particular exposures monitored by an advanced approach), the Crédit Agricole Group considers that all of the information incorporated into such rating systems allows for a more relevant assessment than just the non-payment for over 30 days criterion.

If deterioration since origination is no longer observed, the provision may be reduced to 12-month expected credit losses (reclassification to performing loans).

Where certain significant deterioration factors or indicators may not be identifiable at the level of a loan by itself, the assessment of significant deterioration is made at the level of portfolios, groups of portfolios or parts of outstanding portfolios.

Portfolios can be created for the collective assessment of deterioration for instruments that share common characteristics, such as:

- type of loan;
- credit risk rating (including internal Basel II rating for entities with an internal ratings system);
- type of collateral;
- date of initial recognition;
- remaining term until maturity;
- business sector;
- geographic 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 finance, etc.).

The grouping of outstandings for the purpose of collective credit risk assessment may change over time, as new information becomes available.

Increases and reversals of provisions for credit risk on performing and underperforming loans are recognised under cost of risk.

Doubtful loans

These are loans of all types, including collateralised, with an identified credit risk corresponding to one or more of the following situations:

- a significant arrear in payment, generally more than 90 days past due, unless specific circumstances point to the fact that the delay is due to reasons independent of the debtor's financial situation;
- the entity believes that the debtor is unlikely to settle its credit obligations unless it avails itself of certain measures such as enforcement of collateral security right.

A loan in default is said to be doubtful when one or more events occur which have a negative effect on the estimated future cash flows. The following events are observable data, indicative of doubtful loans:

- 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 growing 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 doubtful nature of an outstanding amount may result from the combined effect of several events.

A defaulting counterparty returns to a sound situation only after a period of observation that makes it possible to confirm that the debtor is no longer doubtful (assessment by the Risk Management Department).

Crédit Agricole S.A. makes a distinction between doubtful loans and irrecoverable loans:

- **Doubtful loans**

  All doubtful loans that do not fall into the irrecoverable loans category are classified as doubtful loans.
- **Irrecoverable doubtful loans**

  Loans for which the prospects of recovery are highly impaired and that are likely to be written off over time.

Interest continues to accrue on doubtful loans but no longer accrues once the loan is classified as irrecoverable.

The classification as doubtful loan may be discontinued and the loan is once again classified as performing loans.

Impairment resulting from credit risk on doubtful loans

Once a loan is doubtful, the likely loss is recognised by Crédit Agricole S.A. by means of impairment losses deducted from the asset on the balance sheet. This impairment represents the difference between the carrying amount of the loan and the estimated future flows discounted at the effective interest rate, having regard to the financial position of the counterparty, its economic outlook as well as any guarantees net of the cost of realising them.

Probable losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.

Loans and advances provided by Crédit Agricole S.A. to the Regional Banks do not represent a direct risk for Crédit Agricole S.A. with respect to the corresponding customer loans made by the Regional Banks. They do, however, represent a potential indirect risk with respect to the financial strength of the Regional Banks. Crédit Agricole S.A. has not made any provisions for such loans and receivables to the Regional Banks.

Refer to the glossary on page 681 for the definition of technical terms.

Accounting treatment of impairments

Impairment losses and reversals for non-recovery of doubtful loans are recognised under cost of risk.

In accordance with Article 2231-3 of ANC Regulation 2014-07, the Group elected to recognise the increase in the carrying amount resulting from the reversal of impairment due to the passage of time under cost of risk.

Write-offs

Decisions as to when to apply a write-off are taken on the basis of expert opinion. Crédit Agricole S.A. makes such determinations in conjunction with its Risk Management department, according to its business knowledge.

Loans that become irrecoverable are written off and the corresponding impairment reversed.

Country risks

Country risks (or risks on international commitments) consist of the total amount of unimpaired loans, both on and off-balance sheet, carried by an institution directly or via hive-off vehicles, involving private or public debtors residing in the countries identified by the French Regulatory and Resolution Supervisory Authority (Autorité de contrôle prudentiel et de résolution — ACPR), or where settlement thereof depends on the position of public or private debtors residing in those countries.

Restructured loans

Loans restructured due to financial difficulties are those for which the entity 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.

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).

This definition of restructuring must be applied to each agreement and not at client level (no contagion).

They consist of loans classified as doubtful and performing loans at the time of restructuring.

Restructured loans do not include loans whose characteristics have been renegotiated on a commercial basis with counterparties not showing any insolvency problems.

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. It represents future loss of cash flow discounted at the original effective rate.

It is equal to the difference between:

- the face value of the loan; and
- the sum of theoretical future cash flows from the restructured loan, discounted at the original effective interest rate (defined at the date of the financing commitment).

The discount recognised when a loan is restructured is accounted for under cost of risk.

Loans restructured due to the debtor's financial position are rated in accordance with Basel rules and are impaired on the basis of the estimated credit risk.

Once the restructuring has been carried out, the exposure continues to be classified as "restructured" for an observation period of at least two years, if the exposure was performing when restructured, and 3 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).

Crédit Agricole S.A. had no restructured loans at 31 December 2020.

2.2 SECURITIES PORTFOLIO

The rules on recognition of securities transactions are defined by Articles 2311-1 to 2391-1 (Part 3 "Recognition of Securities Transactions" of Book II "Special Transactions") and Articles 2211-1 to 2251-13 (Part 2 "Accounting Treatment of Credit Risk" of Book II "Special Transactions") of ANC Regulation 2014-07 of 26 November 2014 for the determination of credit risk and the impairment of fixed-income securities.

These securities are presented in the financial statements according to their asset class: treasury bills (treasury bonds and similar securities), bonds and other fixed-income securities (negotiable debt securities and interbank market instruments), equities and other variable income securities.

They are classified in portfolios defined by regulation (trading, long-term investment, short-term investment, medium term portfolio, fixed assets, other long-term equity investments, equity investments, investments in subsidiaries and affiliates), depending on the management objective of the entity and the characteristics of the instrument at the time the product is subscribed.

2.2.1 Trading securities

Trading securities are those that are originally:

- bought with the intention of selling them in the near future, or sold with the intention of repurchasing them in the near future; or
- held by the institution as a result of its market-making activity. The classification of these securities as trading securities depends on the effective turnover of the securities and on a significant trading volume taking into account market opportunities.

These securities must be tradable on an active market and market prices thus available must represent real transactions regularly undertaken in the market on an arm's length basis.

Trading securities also include:

- securities bought or sold as part of specialised management of a trading portfolio, including forward financial instruments, securities or other financial instruments that are managed collectively and on which there is an indication of recent short term profit taking;
- securities on which there is a commitment to sell as part of an arbitrage transaction on an organised exchange for financial instruments or similar market.

Except as provided in Articles 2381-1 to 2381-5 (Part 3 "Recognition of Securities Transactions" of Book II "Special Transactions") of ANC Regulation 2014-07, trading securities may not be reclassified into another accounting category. They continue to be presented and measured as trading securities until they are removed from the balance sheet after being sold, fully repaid or written off.

Trading securities are recognised on the date they are purchased in the amount of their purchase price, excluding transaction expenses and including accrued interest.

Liabilities relating to securities sold short are recognised on the liabilities side of the institution's balance sheet for the selling price excluding transaction expenses.

At each reporting date, securities are measured at the most recent market price. The overall amount of differences resulting from price changes is recorded in the income statement under “Net gains (losses) on trading books”.

2.2.2 Short-term investment securities

This category consists of securities that do not fall into any other category.

The securities are recorded at purchase price, including transaction expenses.

Crédit Agricole S.A.’s portfolio of short-term investment securities consists mostly of bonds denominated in euros and foreign currencies and mutual investment funds.

Bonds and other fixed Income securities

These securities are recognised at purchase price including interest then accrued. The difference between the purchase price and the redemption value is staggered over the residual maturity of the security on an actuarial basis.

Income is recorded in the income statement under “Interest and similar income from bonds and other fixed-income securities.

Equities and other variable-income securities

Equities are recognised in the balance sheet at purchase value including acquisition costs. The associated dividends are recorded as income under “Income from variable income securities”.

Income from mutual investment funds is recognised when received under the same heading.

At each reporting date, short-term investment securities are measured at the lower of acquisition cost and market value. If the current value of a holding or of a homogeneous set of securities (calculated from market prices at the reporting date, for example) is lower than its carrying amount, an impairment loss is recorded for the unrealised loss without offset against any gains recognised on other categories of securities. Gains from hedging within the meaning of Article 2514-1 of ANC Regulation 2014-07, in the form of purchases or sales of forward financial instruments, are factored in for the purposes of calculating impairment losses. Potential gains are not recorded.

Impairment intended to take into account counterparty risk and recognised under cost of risk is booked on fixed-income securities as follows:

- in the case of listed securities, impairment is based on market value, which intrinsically reflects credit risk. However, if Crédit Agricole S.A. has specific information on the issuer’s financial position that is not reflected in the market value, a specific impairment loss is recorded;
- in the case of unlisted securities, impairment is recorded in the same way as for loans and receivables due from customers based on identified probable losses (see Note 2.1 “Loans and financing commitments – Impairment resulting from identified credit risk”).

Sales of securities are deemed to take place on a first-in, first-out basis.

Impairment losses and reversals and disposal gains or losses on short-term investment securities are recorded under “Net gains (losses) on short-term investment portfolios and similar” in the income statement.

2.2.3 Long-term investment securities

Long-term investment securities are fixed-income securities with a fixed maturity date that have been acquired or transferred to this category with the manifest intention of holding them until maturity.

This category only includes securities for which Crédit Agricole S.A. has the necessary financial ability to continue holding them until maturity and that are not subject to any legal or other restriction that could interfere with its intention to hold them until maturity.

Long-term investment securities are recognised at purchase price, including acquisition costs and accrued interest.

The difference between the purchase price and the repayment price is staggered over the residual maturity of the security.

Impairment is not booked for long-term investment securities if their market value falls below cost. On the other hand, if the impairment arises from a risk relating specifically to the issuer of the security, impairment is recorded under “Cost of risk”, in accordance with Part 2 “Accounting Treatment of Credit Risk” of Book II “Special Transactions” of ANC Regulation 2014-07.

In the case of the sale or reclassification to another category of long-term investment securities representing a material amount, the institution is no longer authorised, during the current financial year and the two subsequent financial years, to classify securities previously bought or to be bought as long-term investment securities, in accordance with Article 2341-2 of ANC Regulation 2014-07.

2.2.4 Medium-term portfolio securities

In accordance with Articles 2351-2 to 2352-6 (Part 3 “Recognition of Securities Transactions” of Book II “Special Transactions”) of ANC Regulation 2014-07, these securities are “investments made on a normal basis, with the sole aim of securing a gain in the medium term, with no intention of investing in the issuer’s business on a long term basis or taking an active part in its management”.

Securities can only be included in this category if the activity is carried out to a significant extent and on an ongoing basis within a structured framework and gives the institution a recurring return mainly in the form of gains on disposals.

Crédit Agricole S.A. meets these conditions and some of its securities can be classified in this category.

Medium term portfolio securities are recorded at purchase price, including transaction expenses.

They are recognised at the end of the reporting period at the lower of historical cost or value in use, which is determined on the basis of the issuer’s general outlook and the estimated residual maturity.

For listed companies, value in use is generally the average market price over a sufficiently long period of time, depending on the estimated time horizon for holding the securities, to mitigate the impact of substantial fluctuations in market prices.

Impairment losses are booked for any unrealised losses calculated for each holding and are not offset against any unrealised gains. They are recorded under “Net gains (losses) on short-term investment portfolios and similar” along with impairment losses and reversals on these securities.

Unrealised gains are not recognised.

Refer to the glossary on page 681 for the definition of technical terms.

2.2.5 Investments in subsidiaries and affiliates, equity investments and other long-term equity investments

- Investments in subsidiaries and affiliates are investments in companies that are under exclusive control and that are or are liable to be fully consolidated into a consolidated unit.
- Equity investments are investments (other than investments in subsidiaries and affiliates), of which the long-term ownership is judged beneficial to the institution, in particular because it allows it to exercise influence or control over the issuer.
- Other long-term equity investments consist of securities held with the intention of promoting long-term business relations by creating a special relationship with the issuer, but with no influence on the issuer's management due to the small percentage of voting rights held.

These securities are recognised at purchase price, including transaction expenses.

At the reporting date, the value of these securities is measured individually, based on value in use, and they are recorded on the balance sheet at the lower of historical cost or value in use.

This represents what the institution would be prepared to pay to acquire them having regard to its reasons for holding them.

The estimation of the value in use may be based on various factors such as the profitability and profitability prospects of the issuing company, its shareholders' equity, economic conditions or the average stock market price in recent months or the mathematical value of the security.

When value in use of securities is lower than historical cost, impairment losses are booked for these unrealised losses and are not offset against any unrealised gains.

Impairment losses and reversals and disposal gains or losses on these securities are recorded under "Net gains (losses) on fixed assets".

2.2.6 Market price

The market price at which the various categories of securities are measured is determined as follows:

- securities traded on an active market are measured at the latest price;
- if the market on which the security is traded is not or no longer considered active or if the security is unlisted, Crédit Agricole S.A. determines the likely value at which the security concerned would be traded using valuation techniques. Firstly, these techniques take into account recent transactions carried out in normal competition conditions. If required, Crédit Agricole S.A. uses valuation techniques commonly used by market participants to price these securities, when it has been demonstrated that these techniques provide reliable estimates of prices obtained in actual market transactions.

2.2.7 Recording dates

Crédit Agricole S.A. records securities classified as long-term investment securities on the settlement date. Other securities, regardless of type or classification, are recognised on the trading date.

2.2.8 Securities sold/bought under repurchase agreements

Securities sold under repurchase agreements are kept on the balance sheet. The amount received, representing the liability to the buyer, is recorded as a liability.

Securities bought under repurchase agreements are not recorded on the balance sheet, but the amount paid, representing the receivable from the seller, is recorded as an asset on the balance sheet.

Securities sold under repurchase agreements are subject to the accounting treatment applying to the portfolio from which they originate.

2.2.9 Reclassification of securities

In accordance with Articles 2381-1 to 2381-5 (Part 3 "Recognition of Securities Transactions" of Book II "Special Transactions") of ANC Regulation 2014-07, the following securities reclassifications are allowed:

- from "trading portfolio" to "long-term investment portfolio" or "short-term investment portfolio" in the case of exceptional market conditions or, for fixed-income securities that are no longer tradable in an active market and if the entity has the intention and ability to hold the securities for the foreseeable future or until maturity;
- from "short-term investment portfolio" to "long-term investment portfolio" in the case of exceptional market conditions or for fixed-income securities that are no longer tradable in an active market.

In 2020, Crédit Agricole S.A. did not carry out any reclassification of securities under ANC Regulation 2014-07.

2.2.10 Treasury shares buy-back

Treasury shares bought back by Crédit Agricole S.A., including shares and stock options held to hedge stock option plans, are recognised as assets under a specific balance sheet heading.

They may, where necessary, be impaired where the current value is below the purchase price, except for transactions connected with employee free share allocation plans and stock option and share subscription plans as per ANC Regulation 2014-03 of 5 June 2014.

2.3 FIXED ASSETS

Crédit Agricole S.A. applies ANC Regulation 2014-03 of 5 June 2014 relating to the depreciation, amortisation and impairment of assets.

Crédit Agricole S.A. applies component accounting for all of its property, plant and equipment. In accordance with the provisions thereof, the depreciable amount takes account of the potential residual value of fixed assets.

ANC Regulation 2015-06 changes the way in which technical merger losses are recognised on the balance sheet and monitored in the parent company financial statements. Losses are no longer required to be comprehensively and systematically recognised under "Goodwill"; they must be recognised in the balance sheet under the asset headings to which they are allocated in "Other property, plant & equipment, intangible assets and financial assets, etc.". Losses are amortised, impaired and written off in the same way as the underlying asset.

The acquisition cost of fixed assets includes the purchase price plus any incidental expenses, namely expenses directly or indirectly incurred in connection with bringing the asset into service or"into inventory".

Land is recorded at acquisition cost.

Property and equipment are measured at 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 amortisation and impairment losses since acquisition.

Proprietary software is measured at cost less accumulated amortisation and impairment losses since completion.

Intangible assets other than software, patents and licences are not amortised. They may be subject to impairment.

Fixed assets are depreciated over their estimated useful lives.

The following components and depreciation periods have been adopted by Crédit Agricole S.A. following the application of the measures on component accounting for fixed assets. These depreciation periods must be 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 (declining or straight-line)
Special equipment	4 to 5 years (declining or straight-line)

Based on available information, Crédit Agricole S.A. has concluded that impairment testing would not lead to any change in the existing depreciable base.

2.4 AMOUNTS DUE TO CUSTOMERS AND CREDIT INSTITUTIONS

Amounts due to credit institutions, Crédit Agricole entities and customers are presented in the financial statements according to their residual maturity or their nature:

- demand and time deposits for credit institutions;
- current accounts, term loans and advances for Crédit Agricole internal transactions;
- special savings accounts and other amounts due to customers (notably including financial customers).

Special savings accounts are presented after offsetting the claim on the savings fund (in respect of regulated savings centralised by the *Caisse des Dépôts et Consignations*).

Repurchase agreements (represented by certificates or securities) are included under these various headings, according to counterparty type.

Accrued interest on these deposits is recognised under accrued interest and taken to profit or loss.

2.5 DEBT SECURITIES

Debt securities are presented according to their form: interest-bearing notes, interbank market instruments, negotiable debt securities, bonds and other debt securities, excluding subordinated securities, which are classified in liabilities under “Subordinated debt”.

Interest accrued but not yet due is recognised under accrued interest and taken to profit or loss.

Issue or redemption premiums on bonds are amortised over the maturity period of each bond. The corresponding charge is recorded under “Interest and similar expenses on bonds and other fixed-income securities”.

Redemption premiums and debt issue premiums represented by securities are amortised using the actuarial amortisation method.

Crédit Agricole also amortises borrowing expenses in its parent company’s financial statements.

Fee and commission expenses on financial services paid to the Regional Banks are recognised as expenses under “Fee and commission expenses”.

2.6 PROVISIONS

Crédit Agricole S.A. applies ANC Regulation 2014-03 of 5 June 2014 for the recognition and measurement of provisions.

Provisions include provisions relating to financing commitments, retirement and early retirement liabilities, litigation and various risks.

The provisions also include country risks. All these risks are reviewed quarterly.

Provisions are set aside for country risks following an analysis of the types of transactions, the term of commitments, their form (receivables, securities, market products) as well as country quality.

Crédit Agricole S.A. partially hedges provisions on these foreign currency-denominated receivables by buying foreign currency to limit the impact of changes in foreign exchange rates on provision levels.

The provision for home purchase savings scheme imbalance risk is designed to cover obligations in the event of unfavourable movements in home purchase savings schemes. These obligations are: i) to pay a fixed interest rate on the savings contract determined at inception for an undefined period of time; and ii) to grant a loan to home purchase savings plan and account savers at a rate fixed at inception of the contract. The provision is calculated for each generation of 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:

- saver behaviour, as well as an estimate of the amount and term of the loans that will be granted in the future. These estimates are based on historical observations over a long period;
- the yield curve for market rates and reasonably foreseeable trends.

This provision is calculated in accordance with Part 6 “Regulated Savings” of Book II “Special Transactions” of ANC Regulation 2014-07.

Refer to the glossary on page 681 for the definition of technical terms.

2.7 FUND FOR GENERAL BANKING RISK (FGBR)

In accordance with Fourth European Directive and CRBF Regulation 90-02 of 23 February 1990 as amended relating to capital, funds for general banking risks are constituted by Crédit Agricole S.A., at the discretion of its management, to meet any charges or risks relating to banking operations but whose incidence is not certain.

Provisions are released to cover any incidence of these risks during a given financial year.

2.8 TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS AND OPTIONS

Hedging and market transactions on forward interest rate, foreign exchange or equity instruments are recorded in accordance with the provisions of Part 5 "Forward Financial Instruments" of Book II "Special Transactions" of ANC Regulation 2014-07.

Commitments relating to these transactions are recorded off-balance sheet at the par value of the contracts: this amount represents the volume of pending transactions.

Gains or losses relating to these transactions are recorded on the basis of the type of instrument and the strategy used:

Hedging transactions

Gains or losses realised on hedging transactions (category "b" Article 2522-1 of ANC Regulation 2014-07) are recorded on the income statement symmetrically with the recognition of income and expenses on the hedged item and under the same accounting heading.

Income and expenses relating to forward financial instruments used to hedge and manage Crédit Agricole S.A.'s overall interest rate risk. (category "c" Article 2522-1 of Regulation ANC 2014-07) are prorated under "Interest and similar income (expense) - Net income (expense) on macro-hedging transactions". Unrealised gains and losses are not recorded.

Market transactions

Market transactions include:

- isolated open positions (category "a" Article 2522-1 of ANC Regulation 2014-07);
- specialised management of a trading portfolio (category "d" Article 2522 of ANC Regulation 2014-07).

They are measured in reference to their market value on the reporting date.

If there is an active market, the instrument is stated at the available market price. In the absence of an active market, fair value is determined using internal valuation techniques and models.

Instruments

- For isolated open positions traded on organised or similar exchanges, all realised and unrealised gains and losses are recognised.
- For isolated open positions traded over the counter, only unrealised losses are recognised, via a provision. Realised gains and losses are taken to profit or loss when the transaction is settled.
- As part of a trading portfolio, all realised and unrealised gains and losses are recognised.

Counterparty risk on derivative instruments

In accordance with Article 2525-3 of ANC Regulation 2014-07, Crédit Agricole S.A. makes a credit valuation adjustment to the market value of its derivative assets to reflect counterparty risk. For this reason, Credit Valuation Adjustments (CVAs) are only made to derivatives recognised as isolated open positions and as part of a trading portfolio (derivatives classified in categories "a" and "d" Article 2522-1 of the aforementioned regulation).

The CVA makes it possible to calculate counterparty losses expected by Crédit Agricole S.A.

The CVA is calculated on the basis of an estimate of expected losses based on the probability of default and loss given default. The methodology used maximises the use of observable market inputs.

It is based:

- primarily on market parameters such as registered and listed CDS (or Single Name CDS) or index-based CDS;
- in the absence of registered CDS on the counterparty, an approximation based on a basket of Single Name CDS of counterparties with the same rating operating in the same sector and located in the same area.

In certain circumstances, historical default data may also be used.

2.9 FOREIGN CURRENCY TRANSACTIONS

At each reporting date, receivables and liabilities as well as foreign exchange contracts included in off-balance sheet commitments denominated in foreign currencies are translated using the exchange rate at the reporting date.

Income received and expenses paid are recorded at the exchange rate on the transaction date. Accrued income and expenses not yet due are translated at the closing rate.

Foreign currency assets held on a long-term basis, including allocations to branches, fixed assets, long-term investment securities, subsidiary securities and equity investments in foreign currencies financed in euros remain converted at the exchange rate on the day of acquisition. A provision may be booked if there is a permanent deterioration in exchange rates affecting Crédit Agricole S.A.'s foreign equity investments.

At each reporting date, forward foreign exchange transactions are measured at the relevant forward exchange rate. Recognised gains or losses are recorded on the income statement under "Net gains (losses) on trading book – Net gains (losses) on foreign exchange transactions and similar financial instruments".

Pursuant to the implementation of Part 7 "Recognition of Foreign Currency Transactions" of Book II "Special Transactions" of ANC Regulation 2014-07, Crédit Agricole S.A. has instituted multi-currency accounting to enable it to monitor its foreign exchange position and to measure its exposure to this risk.

2.10 CONSOLIDATION OF FOREIGN BRANCHES

Branches keep separate accounts that comply with the accounting rules in force in the countries in which they are based.

At each reporting date, the branches' balance sheets and income statements are adjusted according to French accounting rules, translated into euros and integrated with the accounts of their head office after the elimination of intra-group transactions.

The rules for translation into euros are as follows:

- balance sheet items are translated at the closing rate;
- income and expenses paid and received are recorded at the exchange rate on the transaction date, whereas accrued income and expenses are translated at the closing rate.

Gains or losses resulting from this translation are recorded on the balance sheet under "Accruals, prepayments and sundry assets" or "Accruals, deferred income and sundry liabilities".

2.11 OFF-BALANCE SHEET COMMITMENTS

Off-balance sheet items mainly reflect the unused portion of financing commitments and guarantee commitments given and received.

A charge is booked to provisions for commitments given if there is a probability that calling in the commitment will result in a loss for Crédit Agricole S.A.

Reported off-balance sheet items do not mention commitments on forward financial instruments or foreign exchange transactions. Similarly, they do not include commitments received concerning treasury bonds, similar securities and other securities pledged as collateral. However, these items are detailed in Notes 24, 25 and 26 to the financial statements.

2.12 EMPLOYEE PROFIT-SHARING AND INCENTIVE PLANS

Employee profit-sharing is recognised in the income statement in the financial year in which the employees' rights are earned.

Incentive plans are covered by the 21 June 2011 agreement.

The cost of employee profit-sharing and incentive plans is included in "Employee expenses".

2.13 POST-EMPLOYMENT BENEFITS

2.13.1 Retirement, early-retirement and end-of-career allowance commitments – defined-benefit schemes

Since 1 January 2013, Crédit Agricole S.A. has applied ANC recommendation 2013-02 of 7 November 2013 relating to the measurement and recognition of retirement and similar benefit obligations, such recommendation having then been repealed and incorporated in Section 4 of Chapter II of Part III of ANC Regulation 2014-03 of 5 June 2014.

In accordance with this regulation, Crédit Agricole S.A. sets aside provisions to cover its retirement and similar benefit obligations falling within the category of defined-benefit schemes.

These commitments are stated based on a set of actuarial, financial and demographic assumptions, and in accordance with the Projected Unit Credit 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 period. The charge is calculated based on the discounted future benefit.

Crédit Agricole S.A. has opted for method 2 which allows in particular for the recognition of gains or losses arising from changes to defined-benefit schemes when the curtailment or settlement occurs.

The regulation also allows for the recognition of actuarial gains and losses using the "corridor method" or any other method that results in faster recognition in profit or loss.

Crédit Agricole S.A. elected to immediately recognise the actuarial gains and losses in profit or loss, and accordingly the amount of the provision is equal to:

- the present value of the obligation to provide the defined benefits at the reporting date, calculated in accordance with the actuarial method advised by the regulation;
- less, where applicable, the fair value of plan assets. These may be represented by an eligible insurance policy. In the event that the obligation is fully covered by such a policy, the fair value thereof is deemed to be the value of the corresponding obligation — *i.e.* the amount of the corresponding actuarial liability.

2.13.2 Retirement plans – defined-contribution schemes

Employers contribute to a variety of compulsory pension schemes. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years.

Consequently, Crédit Agricole S.A. has no liabilities in this respect other than its on-going contributions.

The amount of contributions under the terms of these pension schemes is shown under "Employee expenses".

Refer to the glossary on page 681 for the definition of technical terms.

2.14 STOCK OPTIONS AND SHARE SUBSCRIPTIONS OFFERED TO EMPLOYEES UNDER THE EMPLOYEE SAVINGS PLAN

Stock option plans

Stock option plans granted to certain categories of employees are recorded when exercised. Exercise gives rise to either an issue of shares, recorded in accordance with requirements relating to capital increases, or the transfer to employees of treasury shares, previously purchased by Crédit Agricole S.A. and recognised in accordance with the terms set out in the “Treasury shares buyback” section.

Share subscriptions under the Employee Savings Plans

Share subscriptions offered to employees under the Employee Savings Scheme, with a maximum discount of 30%, do not have a vesting period but are subject to a five-year lock-up period. These share subscriptions are recognised in accordance with requirements relating to capital increases.

2.15 EXTRAORDINARY INCOME AND EXPENSES

These comprise income and expenses that are extraordinary in nature and relate to transactions that do not form part of Crédit Agricole S.A.’s ordinary activities.

2.16 INCOME TAX CHARGE

In general, only the current tax liability is recognised in the parent company’s financial statements.

The tax charge appearing in the income statement is the corporate income tax due in respect of the financial year. It includes the effect of the 3.3% additional social contribution on profits.

Revenues from loans and securities portfolios are recognised net of tax credits.

Crédit Agricole S.A. has had a tax consolidation mechanism in place since 1990. At 31 December 2020, 1,231 entities had signed tax consolidation agreements with Crédit Agricole S.A. Under these agreements, each company that is part of the tax consolidation mechanism recognises in its financial statements the tax that it would have had to pay in the absence of tax consolidation.

Given that the legislative intent when introducing the tax credit for competitiveness and employment (*(Crédit d’Impôt pour la Compétitivité et l’Emploi – CICE)* was to reduce employee expenses, Crédit Agricole S.A. chose to recognise the CICE (Article 244 quater C of the French General Tax Code) as a reduction in employee expenses and not as a reduction in tax.

NOTE 3 Loans and receivables due from credit institutions – Analysis by residual maturity

(in millions of euros)	≤3 months	>3 months ≤1 year	>1 year ≤5 years	>5 years	Total principal	Accrued interest	31/12/2020 TOTAL	31/12/2019 TOTAL
CREDIT INSTITUTIONS								
Loans and receivables:								
demand	2,017	-	-	-	2,017	1	**2,018**	**2,746**
time	36,796	11,793	65,570	9,273	123,432	749	**124,181**	**113,771**
Pledged securities	-	-	-	-	-	-	**-**	**-**
Securities bought under repurchase agreements	-	-	-	-	-	-	**-**	**-**
Subordinated loans	-	5,348	48	10,025	15,421	28	**15,449**	**15,490**
Total	**38,813**	**17,141**	**65,618**	**19,298**	**140,870**	**778**	**141,648**	**132,007**
Impairment							**-**	**-**
Net carrying amount							**141,648**	**132,007**
CRÉDIT AGRICOLE INTERNAL TRANSACTIONS								
Current accounts	1,817	-	-	-	1,817	2	**1,819**	**1,333**
Time deposits and advances	44,983	75,949	162,937	80,929	364,798	178	**364,976**	**333,255**
Securities bought under repurchase agreements	4,920	193	-	-	5,113	1	**5,114**	**1,342**
Subordinated loans	-	-	-	416	416	2	**418**	**418**
Total	**51,720**	**76,142**	**162,937**	**81,345**	**372,144**	**183**	**372,327**	**336,348**
Impairment							**-**	**-**
Net carrying amount							**372,327**	**336,348**
TOTAL							**513,975**	**468,355**

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 4 Loans and receivables due from customers

4.1 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – ANALYSIS BY RESIDUAL MATURITY

							31/12/2020	31/12/2019
(in millions of euros)	≤3 months	>3 months ≤1 year	>1 year ≤5 years	>5 years	Total principal	Accrued interest	TOTAL	TOTAL
Trade receivables	-	-	-	-	-	-	-	-
Other customer loans	1,092	943	1,710	539	4,284	3	**4,287**	**4,190**
Pledged securities	-	-	-	-	-	-	-	-
Current accounts in debit	186	-	-	-	186	1	**187**	**250**
Impairment							**(1)**	**(1)**
NET CARRYING AMOUNT							**4,473**	**4,439**

4.2 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – ANALYSIS BY GEOGRAPHIC AREA

(in millions of euros)	31/12/2020	31/12/2019
France (including DOM-TOM)	3,203	2,709
Other EU countries	1,261	1,716
Other European countries	6	9
North America	-	-
Central and South America	-	-
Africa and Middle East	-	-
Asia and Oceania (excl. Japan)	-	-
Japan	-	-
Non-allocated and international organisations	-	-
Total principal	**4,470**	**4,434**
Accrued interest	4	6
Impairment	**(1)**	**(1)**
NET CARRYING AMOUNT	**4,473**	**4,439**

4.3 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – DOUBTFUL LOANS AND IMPAIRMENT LOSSES BY GEOGRAPHIC AREA

	31/12/2020					31/12/2019				
(in millions of euros)	Gross outstanding	O/w doubtful loans	O/w irrecoverable loans	Impairment of doubtful loans	Impairment of irrecoverable loans	Gross outstanding	O/w doubtful loans	O/w irrecoverable loans	Impairment of doubtful loans	Impairment of irrecoverable loans
France (including DOM-TOM)	3,207	1	1	(1)	(1)	2,714	1	1	(1)	(1)
Other EU countries	1,261	-	-	-	-	1,717	-	-	-	-
Other European countries	6	-	-	-	-	9	-	-	-	-
North America	-	-	-	-	-	-	-	-	-	-
Central and South America	-	-	-	-	-	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-	-	-
Asia and Oceania (excl. Japan)	-	-	-	-	-	-	-	-	-	-
Japan	-	-	-	-	-	-	-	-	-	-
Non-allocated and international organisations	-	-	-	-	-	-	-	-	-	-
TOTAL	**4,474**	**1**	**1**	**(1)**	**(1)**	**4,440**	**1**	**1**	**(1)**	**(1)**

Refer to the glossary on page 681 for the definition of technical terms.

4.4 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – ANALYSIS BY CUSTOMER TYPE

(in millions of euros)	31/12/2020					31/12/2019				
	Gross outstanding	O/w doubtful loans	O/w irrecoverable loans	Impairment of doubtful loans	Impairment of irrecoverable loans	Gross outstanding	O/w doubtful loans	O/w irrecoverable loans	Impairment of doubtful loans	Impairment of irrecoverable loans
Individual customers	-	-	-	-	-	-	-	-	-	-
Farmers	-	-	-	-	-	-	-	-	-	-
Other small businesses	-	-	-	-	-	-	-	-	-	-
Financial institutions	2,657	-	-	-	-	3,058	-	-	-	-
Corporates	1,815	1	1	(1)	(1)	1,381	1	1	(1)	(1)
Local authorities	2	-	-	-	-	1	-	-	-	-
Other customers	-	-	-	-	-	-	-	-	-	-
TOTAL	**4,474**	**1**	**1**	**(1)**	**(1)**	**4,440**	**1**	**1**	**(1)**	**(1)**

NOTE 5 Trading, short-term investment, long-term investment and medium-term portfolio securities

(in millions of euros)	31/12/2020					31/12/2019
	Trading securities	Investment securities	Medium-term portfolio securities	Long-term investment securities	TOTAL	TOTAL
Treasury bills and similar securities	-	5,049	-	10,401	**15,450**	**14,750**
o/w residual net premium	-	147	-	1,024	**1,171**	**899**
o/w residual net discount	-	(2)	-	(40)	**(42)**	**(44)**
Accrued interest	-	37	-	82	**119**	**119**
Impairment	-	-	-	(2)	**(2)**	**(2)**
Net carrying amount	**-**	**5,086**	**-**	**10,481**	**15,567**	**14,867**
Bonds and other fixed-income securities(1):	-	-	-	-	**-**	**-**
Issued by public bodies	-	4,213	-	4,034	**8,247**	**3,822**
Other issuers	-	14,550	-	23,937	**38,487**	**33,713**
o/w residual net premium	-	204	-	191	**395**	**291**
o/w residual net discount	-	(11)	-	(30)	**(41)**	**(46)**
Accrued interest	-	66	-	59	**125**	**155**
Impairment	-	-	-	-	**-**	**(2)**
Net carrying amount	**-**	**18,829**	**-**	**28,030**	**46,859**	**37,688**
Equities and other variable income securities (including treasury shares)	35	5	-	-	**40**	**46**
Accrued interest	-	-	-	-	**-**	**-**
Impairment	-	(1)	-	-	**(1)**	**-**
Net carrying amount	**35**	**4**	**-**	**-**	**39**	**46**
TOTAL	**35**	**23,919**	**-**	**38,511**	**62,465**	**52,601**
Estimated values	35	24,530	-	38,510	**63,075**	**53,154**

(1) Of which €3,209 million of subordinated debt (excluding accrued interest) at 31 December 2020 and €4,758 million at 31 December 2019.

5.1 TRADING, SHORT-TERM INVESTMENT, LONG-TERM INVESTMENT AND MEDIUM-TERM PORTFOLIO SECURITIES (EXCLUDING TREASURY BILLS) – BREAKDOWN BY MAJOR CATEGORY OF COUNTERPARTY

(in millions of euros)	31/12/2020	31/12/2019
Government and central banks (including central governments)	4,674	2,311
Credit institutions	26,037	20,964
Financial institutions	4,774	4,439
Local authorities	3,574	1,511
Corporates, insurance companies and other customers	7,715	8,356
Other and non-allocated	-	-
Total principal	**46,774**	**37,581**
Accrued interest	125	155
Impairment	**(1)**	**(2)**
NET CARRYING AMOUNT	**46,898**	**37,734**

5.2 BREAKDOWN OF LISTED AND UNLISTED FIXED AND VARIABLE – INCOME SECURITIES

	31/12/2020				31/12/2019			
(in millions of euros)	Bonds and other fixed Income securities	Treasury bills and similar securities	Equities and other variable-income securities	TOTAL	Bonds and other fixed Income securities	Treasury bills and similar securities	Equities and other variable-income securities	TOTAL
Fixed-income and variable income securities	46,734	15,450	40	**62,225**	37,535	14,750	46	**52,331**
o/w listed securities	32,645	15,450	-	**48,096**	26,396	14,750	-	**41,146**
o/w unlisted securities[(1)]	14,089	-	40	**14,129**	11,139	-	46	**11,185**
Accrued interest	125	119	-	**244**	155	119	-	**274**
Impairment	**-**	**(2)**	**(1)**	**(3)**	**(2)**	**(2)**	**-**	**(4)**
NET CARRYING AMOUNT	**46,859**	**15,567**	**39**	**62,466**	**37,688**	**14,867**	**46**	**52,601**

(1) UCITS break down as follows: no foreign UCITS comprising capitalisation UCITS.

Breakdown of UCITS by type at 31 December 2020

(in millions of euros)	Inventory value	Net asset value
Money market UCITS	35	-
UCITS Bonds	-	-
Equity UCITS	4	4
Other UCITS	-	-
TOTAL	**39**	**4**

Refer to the glossary on page 681 for the definition of technical terms.

5.3 TREASURY BILLS, BONDS AND OTHER FIXED-INCOME SECURITIES – ANALYSIS BY RESIDUAL MATURITY

							31/12/2020	31/12/2019
(in millions of euros)	≤3 months	>3 months ≤1 year	>1 year ≤5 years	>5 years	Total principal	Accrued interest	TOTAL	TOTAL
BONDS AND OTHER FIXED INCOME SECURITIES								
Gross amount	2,348	5,851	19,058	19,478	56,827	125	**56,952**	**37,690**
Impairment	-	-	-	-	-	-	**-**	**(2)**
NET CARRYING AMOUNT	**2,348**	**5,851**	**19,058**	**19,478**	**56,827**	**125**	**56,952**	**37,688**
TREASURY BILLS AND SIMILAR SECURITIES								
Gross amount	2,756	3,075	2,012	7,607	15,754	119	**15,873**	**14,869**
Impairment	-	-	-	-	-	-	**(2)**	**(2)**
NET CARRYING AMOUNT	**2,756**	**3,075**	**2,012**	**7,607**	**15,754**	**119**	**15,871**	**14,867**

5.4 TREASURY BILLS, BONDS AND OTHER FIXED-INCOME SECURITIES – ANALYSIS BY GEOGRAPHIC AREA

	31/12/2020		31/12/2019	
(in millions of euros)	Gross outstanding	O/w doubtful loans	Gross outstanding	O/w doubtful loans
France (including DOM-TOM)	36,651	-	31,290	-
Other EU countries	20,493	-	16,297	-
Other European countries	1,592	-	1,457	-
North America	2,628	-	2,430	-
Central and South America	-	-	-	-
Africa and Middle East	306	-	293	-
Asia and Oceania (excl. Japan)	150	-	170	-
Japan	364	-	348	-
Total principal	**62,184**	**-**	**52,285**	**-**
Accrued interest	244	-	274	-
Impairment	(2)	-	(4)	-
NET CARRYING AMOUNT	**62,426**	**-**	**52,555**	**-**

NOTE 6 Equity investments and subsidiary securities

			(in millions of original currency)			(in millions of euro equivalents)		(in millions of euro equivalents)				
			Financial information			Carrying amount of securities held						
Company	Address	Currency	Share capital 31/12/2020	Equity other than share capital 31/12/2020	Percentage of share capital held *(as a %)* 31/12/2020	Gross amount	Net amount	Loans and receivables granted by the Company and not yet paid back	Amount of guarantees and other commitments given by the Company	Revenues or gross revenues (ex VAT) last financial year ended[2]	Net income for last financial year ended 31/12/2020	Dividends received by the Company during financial year
INVESTMENTS WHOSE CARRYING AMOUNT EXCEEDS 1% OF CRÉDIT AGRICOLE S.A.'S SHARE CAPITAL												
1) Investments in banking related parties (more than 50% owned)												
Banco Bisel	Corrientes 832, 1° Piso Rosario, Provincia De Santa Fe, Argentine	ARS	N.A.	N.A.	99	237	-	-	-	N.A.	N.A.	-
BFORBANK	Tour Europlaza, 20 av André Prothin, 92927 Paris Cedex, France	EUR	217	(49)[1]	50	145	125	249	-	34[1]	(29)[1]	-
Crédit Agricole Italia	Via Universita No. 1 43121 Parma, Italy	EUR	979	5,107[1]	76	5,469	3,884	879	-	1,650[1]	302[1]	-
Crédit Agricole Serbia	Brace Ribnikara 4-6, 21000 Novi Sad, Republic of Serbia	RSD	10,661	1,059[1]	100	268	114	176	206	43[1]	9[1]	-
Crédit du Maroc	48-58, boulevard Mohamed V, Casablanca, Morocco	MAD	1,088	3,444[1]	79	377	337	77	2	205[1]	37[1]	12
EFL S.A.	Pl. Orlat Lwowskich 1, 53 605 Wroclaw, Poland	PLN	674	190[1]	100	341	243	1,105	638	135[1]	22[1]	-
Crédit Agricole Ukraine	42/4 Pushkinska Street, Kiev 01004, Ukraine	UAH	1,222	2,203[1]	100	360	170	24	3	103[1]	49[1]	-
Crédit Agricole Polska SA	Pl. Orlat Lwowskich 1, 53 605 Wroclaw, Poland	PLN	1	1,345[1]	100	664	516	84	-	1[1]	1[1]	-
Crédit Agricole Corporate and Investment Bank	12, place des États-Unis, CS 70052, 92547 Montrouge Cedex, France	EUR	7,852	5,591[1]	97	19,053	19,053	47,148	25	3,944[1]	1,329[1]	498
Amundi	91-93, boulevard Pasteur, Immeuble Cotentin, 75015 Paris	EUR	505	3,657[1]	68	4,231	4,231	3,219	3,639	622[1]	567[1]	-
Crédit Agricole Leasing & Factoring	12, place des États-Unis, CS 30002, 92548 Montrouge Cedex, France	EUR	195	240[1]	100	839	839	18,543	4,720	247[1]	109[1]	135
Crédit Agricole Consumer Finance	1, rue Victor Basch CS 7000191068 Massy Cedex, France	EUR	554	3,548[1]	100	7,607	7,607	18,194	8,672	1,077[1]	376[1]	-

Refer to the glossary on page 681 for the definition of technical terms.

			(in millions of original currency)			*(in millions of euro equivalents)*		*(in millions of euro equivalents)*				
			Financial information			Carrying amount of securities held						
Company	Address	Currency	Share capital 31/12/2020	Equity other than share capital 31/12/2020	Percentage of share capital held *(as a %)* 31/12/2020	Gross amount	Net amount	Loans and receivables granted by the Company and not yet paid back	Amount of guarantees and other commitments given by the Company	Revenues or gross revenues (ex VAT) last financial year ended[2]	Net income for last financial year ended 31/12/2020	Dividends received by the Company during financial year
LCL	18, rue de la République, 69002 Lyon, France	EUR	2,038	3,467[1]	95	11,847	9,507	34,528	251	3,232[1]	465[1]	-
Crédit Agricole Home Loan SFH	12, place des États-Unis, 92127 Montrouge Cedex, France	EUR	550	4[1]	100	550	550	-	-	4[1]	-[1]	-
Foncaris	12, place des États-Unis, 92127 Montrouge Cedex, France	EUR	225	107[1]	100	320	320	-	146	30[1]	12[1]	12
Caisse régionale Corse	1, avenue Napoleon III, BP 308, 20193 Ajaccio, France	EUR	99	31	100	99	99	-	4	88	12	-
2) Investments in banking associates (10% to 50% owned)												
Banco Espirito Santo	Avenida de Libertade 195, 1250 Lisbonne, Portugal	EUR	N.A.	N.A.	12	684	-	-	-	N.A.	N.A.	-
Crédit Agricole Egypt SAE	P/O Box 364, 11835 New Cairo, Egypt	EGP	1,243	3,605[1]	47	258	258	25	-	209[1]	121[1]	29
Crédit Logement	50, boulevard Sébastopol, 75003 Paris, France	EUR	1,260	203[1]	16	208	208	-	-	211[1]	103[1]	-
Caisse de refinancement de l'habitat	35, Rue La Boétie, 75008 Paris, France	EUR	540	23[1]	29	165	165	-	-	2[1]	-	-
3) Investments in other subsidiaries and affiliates (more than 50% owned)												
Crédit Agricole Assurances	50-56, rue de la Procession, 75015 Paris, France	EUR	1,490	7,390[1]	100	10,516	10,516	1,382	-	1[1]	1,325[1]	1,185
Crédit Agricole Capital Investissement & Finance	100, boulevard du Montparnasse, 75014 Paris, France	EUR	688	402[1]	100	1,146	1,146	-	-	50[1]	46[1]	20
Crédit Agricole Immobilier	12, place des États-Unis, 92545 Montrouge Cedex, France	EUR	125	79[1]	50	91	91	160	-	38[1]	7[1]	5
Delfinances	12, place des États-Unis, 92127 Montrouge Cedex, France	EUR	151	67[1]	100	171	171	-	-	-[1]	2[1]	30
Evergreen Montrouge	12, place des États-Unis, 92127 Montrouge Cedex, France	EUR	475	(204)[1]	100	475	475	6	1	73[1]	(7)[1]	-

			(in millions of original currency)			*(in millions of euro equivalents)*		*(in millions of euro equivalents)*				
			Financial information			Carrying amount of securities held						
Company	Address	Currency	Share capital 31/12/2020	Equity other than share capital 31/12/2020	Percentage of share capital held *(as a %)* 31/12/2020	Gross amount	Net amount	Loans and receivables granted by the Company and not yet paid back	Amount of guarantees and other commitments given by the Company	Revenues or gross revenues (ex VAT) last financial year ended(2)	Net income for last financial year ended 31/12/2020	Dividends received by the Company during financial year
IUB HOLDING	12, place des États-Unis, 92127 Montrouge Cedex, France	EUR	37	12(1)	100	112	2	-	-	-(1)	(47)(1)	-
CACEIS	1-3, place Valhubert, 75013 Paris, France	EUR	941	1,438(1)	70	1,771	1,771	9,352	3,652	124(1)	107(1)	-
4) Other investments (<50% owned)												
Deposit resolution guarantee fund	65, rue de la Victoire, 75009 Paris, France	EUR	-	2	-	313	313	-	-	-	-	-
INVESTMENTS WHOSE CARRYING AMOUNT IS UNDER 1% OF CRÉDIT AGRICOLE S.A.'S SHARE CAPITAL		**EUR**				**567**	**509**	**-**	**-**	**-**	**-**	**22**
TOTAL SUBSIDIARIES AND ASSOCIATES						**68,884**	**63,220**	**135,151**	**21,959**	**-**	**-**	**1,948**
Fundable advances and accrued interest		EUR				524	524	-	-	-	-	-
CARRYING AMOUNT						**69,408**	**63,744**	**135,151**	**21,959**	**-**	**-**	**1,948**

(1) Data for financial year 2019.

(2) Revenues of subsidiaries other than the Regional Banks.

Determining the value in use of subsidiaries and equity investments

Equity investments were subject to impairment tests based on the assessment of the value in use. Determining the value in use was based on discounting the estimated future cash flows from subsidiaries and equity investments over a period over three years (2021-2023) developed for Group management purposes, extrapolated over a fourth and fifth year in order to merge towards a standardised year-end incorporating the catch-up effects expected after COVID.

The economic scenario on which the projected financial trajectories are based has been adjusted as a result of changes in the public health situation. Nevertheless, this financial year remains particularly difficult due to the dependence of growth on the evolution of the pandemic, which is still very uncertain.

This scenario is based on an economy that has been severely impacted by the public health crisis in 2020, which has led to a significant drop in GDP. For almost nine months, activity was in fact marked by periods in which entire sections of the economy were shut down, alternating with phases of partial recovery as constraints were relaxed. The scenario assumes that the epidemic will persist in 2021, prolonging this succession of alternating restrictions and short periods of lockdown and removal of constraints during the first half of the year, but which should be less drastic and less damaging to the economy than in 2020 (better control of epidemic flows, less severe restrictions on mobility and production, production facilities preserved overall). It envisages a gradual and moderate recovery in 2021: (i) linked to the control of the spread of the virus thanks to vaccination campaigns, (ii) but limited due to the behaviour of agents who should remain more cautious (precautionary savings, postponement of investments) and the after-effects of the crisis (rise in unemployment, increase in insolvencies). In this context, growth forecasts are moderately dynamic for 2021 with a very low level of inflation expected.

States should extend their policies to support the economy in order to limit damage to the productive apparatus and the labour market, and put in place stimulus packages to bolster investment and support household consumption. Certain sectors will however remain fragile and still marked by certain restrictions (automotive, commerce, tourism, hotels, restaurants, culture, etc.).

In order to stimulate growth and inflation while preserving financial stability, central banks will maintain very accommodating monetary policies that keep interest rates low for a prolonged period, and even negative for short-term Euro rates. In Europe, asset purchase programmes should make it possible to avoid fragmentation (limited widening of spreads). Under these conditions, the prospect of a rise in interest rates seems more distant than anticipated until now, having a more significant impact on the value in use of subsidiaries and equity investments in the International Retail Banking business line in Italy, whose sensitivity is greater to these developments.

Refer to the glossary on page 681 for the definition of technical terms.

At 31 December 2020, perpetual growth rates, discount rates and CET1 capital allocation rates as a proportion of risk-weighted assets were distributed by business lines as shown in the table below:

In 2020 (Crédit Agricole S.A. business lines)	Perpetual growth rates	Discount rate	Capital allocated
Retail banking in France – LCL	2.0%	7.6%	8.85%
International retail banking – Italy	2.0%	8.8%	8.99%
International retail banking – Poland	3.0%	8.9%	9.13%
International retail banking – other	5.0%	17.0%	9.50%
Specialised financial services	2.0%	7.6% to 9.3%	8.84% to 9.13%
Asset gathering	2.0%	7.6% to 8.5%	8.89% to 9.13% 80% of the solvency margin (Insurance)
Large customers	2.0%	8% to 9.4%	8.88% to 8.93%

The increase by the European Central Bank (ECB) of regulatory prudential requirements under Pillar 1 and Pillar 2 with effect from 2016 led Crédit Agricole S.A. to gradually raise the level of CET1 capital allocated to equity investments and subsidiaries as a percentage of risk-weighted assets for certain entities. This allocation, including counter-cyclical buffers, ranged last year between 9.50% and 9.75% of risk-weighted assets for all subsidiaries and equity investments, a rate to which the various applicable counter-cyclical buffers should be added, in particular the one set up in France by the High Commission for Financial Stability (HCSF).

Following the public health crisis, the High Commission for Financial Stability, in its decision of 18 June 2020, announced the elimination of certain counter-cyclical buffers. The European Central Bank also announced the early application of Article 104a of CRD 5, which authorises the coverage of Pillar 2 Requirements (P2R) with 56.25% of CET1 capital, thereby reducing the CET1 requirement by 66 basis points in both P2R and P2G for Crédit Agricole S.A. Due to a higher P2R requirement in Italy, this gain is 77 basis points for International Retail Banking equity investments and subsidiaries in Italy. Some counter-cyclical buffers imposed by foreign supervisors have also been reduced to zero.

Compared to the previous year, all of these measures lead to a reduction in the allocation of CET1 capital of between 77 and 115 points, depending on the equity investments and subsidiaries considered.

The valuation parameters, in particular the discount rates, were updated at 31 December 2020.

Perpetual growth rates to infinity at 31 December 2020 remain unchanged from those used at 31 December 2019.

6.1 ESTIMATED VALUES OF EQUITY INVESTMENTS

	31/12/2020		31/12/2019	
(in millions of euros)	Carrying amount	Estimated value	Carrying amount	Estimated value
INVESTMENTS IN SUBSIDIARIES AND AFFILIATES				
Unlisted securities	62,313	80,957	62,217	79,401
Listed securities	4,867	13,178	4,867	12,188
Advances available for consolidation	515	515	508	508
Accrued interest	-	-	-	-
Impairment	(4,974)	-	(4,258)	-
Net carrying amount	**62,721**	**94,650**	**63,334**	**92,097**
EQUITY INVESTMENTS AND OTHER LONG-TERM EQUITY INVESTMENTS				
Equity investments				
Unlisted securities	1,390	1,076	1,426	1,068
Listed securities	-	-	-	-
Advances available for consolidation	9	9	9	9
Accrued interest	-	-	-	-
Impairment	(690)	-	(688)	-
Subtotal equity investments	**709**	**1,085**	**747**	**1,077**
Other long-term equity investments				
Unlisted securities	314	316	203	205
Listed securities	-	-	-	-
Advances available for consolidation	-	-	-	-
Accrued interest	-	-	-	-
Impairment	-	-	-	-
Subtotal other long-term equity investments	**314**	**316**	**203**	**205**
Net carrying amount	**1,023**	**1,401**	**950**	**1,282**
TOTAL EQUITY INVESTMENTS	**63,744**	**96,051**	**64,284**	**93,379**

	31/12/2020		31/12/2019	
(in millions of euros)	Carrying amount	Estimated value	Carrying amount	Estimated value
TOTAL GROSS AMOUNTS				
Unlisted securities	64,017		63,846	
Listed securities	4,867		4,867	
TOTAL	**68,884**		**68,713**	

Estimated values are determined on the basis of the value-in-use of securities; this is not necessarily the market value.

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 7 Movements in fixed assets

7.1 FINANCIAL INVESTMENTS

(in millions of euros)	01/01/2020	Increases (acquisitions)	Decreases (disposals and redemptions)	Other movements[1]	31/12/2020
INVESTMENTS IN SUBSIDIARIES AND AFFILIATES					
Gross amount	67,084	111	(53)	38	67,180
Advances available for consolidation	508	19	(12)	-	515
Accrued interest	-	-	-	-	-
Impairment	(4,258)	(773)	57	-	(4,974)
Net carrying amount	**63,334**	**(643)**	**(8)**	**38**	**62,721**
EQUITY INVESTMENTS AND OTHER LONG-TERM EQUITY INVESTMENTS					
Equity investments					
Gross amount	1,426	2	-	(38)	1,390
Advances available for consolidation	9	-	-	-	9
Accrued interest	-	-	-	-	-
Impairment	(688)	(2)	-	-	(690)
Subtotal equity investments	**747**	**-**	**-**	**(38)**	**709**
Other long-term equity investments					
Gross amount	203	111	-	-	314
Advances available for consolidation	-	-	-	-	-
Accrued interest	-	-	-	-	-
Impairment	-	-	-	-	-
Subtotal other long-term equity investments	**203**	**111**	**-**	**-**	**314**
Net carrying amount	**950**	**111**	**-**	**(38)**	**1,023**
TOTAL	**64,284**	**(532)**	**(8)**	**-**	**63,744**

(1) "Other movements" namely include the impact of foreign exchange rate fluctuations on the value of fixed assets accounted for in foreign currencies.

7.2 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(in millions of euros)	01/01/2020	Increases (acquisitions)	Decreases (disposals and redemptions)	Other movements[1]	31/12/2020
PROPERTY, PLANT AND EQUIPMENT					
Gross amount	157	-	(21)	-	136
Depreciation, amortisation and impairment	(45)	-	21	-	(24)
Technical merger losses on property, plant and equipment	**-**	**-**	**-**	**-**	**-**
Gross amount	-	-	-	-	-
Depreciation, amortisation and impairment	-	-	-	-	-
Net carrying amount	**112**	**-**	**-**	**-**	**112**
INTANGIBLE ASSETS					
Gross amount	105	9	(10)	-	104
Depreciation, amortisation and impairment	(88)	(7)	10	-	(85)
Technical merger losses on intangible losses	**-**	**-**	**-**	**-**	**-**
Gross amount	-	-	-	-	-
Depreciation, amortisation and impairment	-	-	-	-	-
Net carrying amount	**17**	**2**	**-**	**-**	**19**
TOTAL	**129**	**2**	**-**	**-**	**131**

(1) "Other movements" namely include the impact of foreign exchange rate fluctuations on the value of fixed assets accounted for in foreign currencies.

NOTE 8 Treasury shares

				31/12/2020	31/12/2019
(in millions of euros)	Trading securities	Investment securities	Fixed assets	TOTAL	TOTAL
Number	1,090,000	-	-	**1,090,000**	**435,000**
Carrying amounts	11	-	-	**11**	**6**
Market values	11	-	-	**11**	**6**

Par value per share: €3.00.

NOTE 9 Accruals, prepayments and sundry assets

(in millions of euros)	31/12/2020	31/12/2019
OTHER ASSETS[1]		
Financial options bought	12	15
Inventory accounts and miscellaneous	-	-
Miscellaneous debtors[2]	5,613	5,562
Collective management of *Livret de développement durable* (LDD) savings account securities	-	-
Settlement accounts	3	4
Net carrying amount	**5,628**	**5,581**
ACCRUALS AND DEFERRED INCOME		
Items in course of transmission	5,296	5,059
Adjustment and suspense accounts	2,204	2,495
Unrealised losses and deferred losses on financial instruments	-	-
Prepaid expenses	1,834	2,193
Accrued income on commitments on forward financial instruments	2,047	2,285
Other accrued income	92	107
Deferred charges	360	389
Other accruals and deferred income	3	-
Net carrying amount	**11,836**	**12,528**
TOTAL	**17,464**	**18,109**

(1) Amounts including accrued interest.

(2) Of which €63.94 million in respect of the contribution to the Single Resolution Fund in the form of a security deposit. The Resolution Fund may use the security deposit to provide funding, at any time and without condition.

NOTE 10 Impairment losses deducted from assets

(in millions of euros)	Balance at 01/01/2020	Depreciation	Reversals and utilisations	Accretion	Other movements	Balance at 31/12/2020
Interbank and similar items	2	1	(1)	-	-	2
Loans and receivables due from customers	1	-	-	-	-	1
Securities transactions	2	70	(71)	-	-	1
Fixed assets	4,947	775	(58)	-	-	5,664
Other assets	168	-	(2)	-	(3)	163
TOTAL	**5,120**	**846**	**(132)**	**-**	**(3)**	**5,831**

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 11 Due to credit institutions – Analysis by residual maturity

(in millions of euros)	≤3 months	>3 months ≤1 year	>1 year ≤5 years	>5 years	Total principal	Accrued interest	31/12/2020 TOTAL	31/12/2019 TOTAL
CREDIT INSTITUTIONS								
Accounts and borrowings:								
demand	7,140	-	-	-	7,140	2	**7,142**	**5,972**
time	36,673	2,836	142,385	28,596	210,490	524	**211,014**	**85,804**
Pledged securities	-	-	-	-	-	-	**-**	**-**
Securities sold under repurchase agreements	20	-	-	-	20	-	**20**	**777**
Carrying amount	**43,833**	**2,836**	**142,385**	**28,596**	**217,650**	**526**	**218,176**	**92,553**
CRÉDIT AGRICOLE INTERNAL TRANSACTIONS								
Current accounts	40,241	-	-	-	40,241	-	**40,241**	**18,972**
Time deposits and advances	2,453	2,943	8,533	4,941	18,870	400	**19,270**	**21,213**
Securities sold under repurchase agreements	4,920	193	-	-	5,113	-	**5,113**	**1,068**
Carrying amount	**47,614**	**3,136**	**8,533**	**4,941**	**64,224**	**400**	**64,624**	**41,253**
TOTAL	**91,447**	**5,972**	**150,918**	**33,537**	**281,874**	**926**	**282,800**	**133,806**

NOTE 12 Due to customers

12.1 DUE TO CUSTOMERS – ANALYSIS BY RESIDUAL MATURITY

(in millions of euros)	≤3 months	>3 months ≤1 year	>1 year ≤5 years	>5 years	Total principal	Accrued interest	31/12/2020 TOTAL	31/12/2019 TOTAL
Current accounts in credit	555	-	-	-	555	-	**555**	**842**
Special savings accounts:	188,449	24,440	5,601	1,544	220,034	-	**220,034**	**253,756**
demand	114,154	-	-	-	114,154	-	**114,154**	**150,540**
time	74,295	24,440	5,601	1,544	105,880	-	**105,880**	**103,216**
Other amounts due to customers:	634	2,216	1,825	197	4,872	242	**5,114**	**6,258**
demand	291	-	-	-	291	-	**291**	**518**
time	343	2,216	1,825	197	4,581	242	**4,823**	**5,740**
Pledged securities	148	-	-	-	148	-	**148**	**176**
CARRYING AMOUNT	**189,786**	**26,656**	**7,426**	**1,741**	**225,609**	**242**	**225,851**	**261,032**

12.2 DUE TO CUSTOMERS – ANALYSIS BY GEOGRAPHIC AREA

(in millions of euros)	31/12/2020	31/12/2019
France (including DOM-TOM)	222,846	257,409
Other EU countries	2,763	3,143
Other European countries	-	-
North America	-	-
Central and South America	-	-
Africa and Middle East	-	-
Asia and Oceania (excl. Japan)	-	-
Japan	-	-
Non-allocated and international organisations	-	-
Total principal	**225,609**	**260,552**
Accrued interest	242	480
CARRYING AMOUNT	**225,851**	**261,032**

12.3 DUE TO CUSTOMERS – ANALYSIS BY CUSTOMER TYPE

(in millions of euros)	31/12/2020	31/12/2019
Individual customers	181,376	216,803
Farmers	15,007	15,352
Other small businesses	16,770	15,337
Financial institutions	3,013	3,567
Corporates	3,076	2,980
Local authorities	801	1,524
Other customers	5,566	4,989
Total principal	**225,609**	**260,552**
Accrued interest	242	480
CARRYING AMOUNT	**225,851**	**261,032**

NOTE 13 Debt securities

13.1 DEBT SECURITIES – ANALYSIS BY RESIDUAL MATURITY

							31/12/2020	31/12/2019
(in millions of euros)	≤3 months	>3 months ≤1 year	>1 year ≤5 years	>5 years	Total principal	Accrued interest	TOTAL	TOTAL
Interest bearing notes	-	-	-	-	-	-	**-**	**-**
Money-market securities	657	300	5,546	1,458	7,961	159	**8,120**	**8,294**
Negotiable debt instruments[(1)]	2,174	939	-	30	3,143	1	**3,144**	**23,498**
Bonds	715	5,602	39,303	22,149	67,769	629	**68,398**	**68,416**
Other debt securities	-	-	11,587	12,491	24,078	125	**24,203**	**18,738**
NET CARRYING AMOUNT	**3,546**	**6,841**	**56,436**	**36,128**	**102,951**	**914**	**103,865**	**118,946**

(1) Of which €618 million issued abroad.

Refer to the glossary on page 681 for the definition of technical terms.

13.2 BONDS (BY CURRENCY OF ISSUANCE)

				31/12/2020	31/12/2019
	Residual maturity				
(in millions of euros)	≤1 year	>1 year ≤5 years	>5 years	Outstanding amount	Outstanding amount
Euro	**4,944**	**35,053**	**21,473**	**61,470**	**56,663**
Fixed-rate	2,009	32,334	18,526	52,869	47,015
Floating-rate	2,935	2,719	2,947	8,601	9,648
Other European Union currencies	**214**	**215**	**-**	**429**	**657**
Fixed-rate	214	215	-	429	645
Floating-rate	-	-	-	-	12
Dollar	**511**	**1,151**	**81**	**1,743**	**4,913**
Fixed-rate	359	1,151	81	1,591	4,109
Floating-rate	152	-	-	152	804
Yen	**279**	**1,170**	**173**	**1,622**	**2,766**
Fixed-rate	279	1,170	173	1,622	2,766
Floating-rate	-	-	-	-	-
Other currencies	**369**	**1,714**	**422**	**2,505**	**2,610**
Fixed-rate	369	1,480	422	2,271	2,376
Floating-rate	-	234	-	234	234
Total principal	**6,317**	**39,303**	**22,149**	**67,769**	**67,609**
Fixed-rate	3,230	36,350	19,202	58,782	56,911
Floating-rate	3,087	2,953	2,947	8,987	10,698
Accrued interest	-	-	-	629	807
CARRYING AMOUNT	**6,317**	**39,303**	**22,149**	**68,398**	**68,416**

NOTE 14 Accruals, deferred income and sundry liabilities

(in millions of euros)	31/12/2020	31/12/2019
OTHER LIABILITIES(1)		
Counterparty transactions (trading securities)	-	-
Liabilities relating to stock lending transactions	-	-
Financial options sold	-	-
Settlement and negotiation accounts	-	-
Sundry creditors	12,711	11,670
Payments on securities in process	47	59
Carrying amount	**12,758**	**11,729**
ACCRUALS AND DEFERRED INCOME		
Items in course of transmission	5,975	6,548
Adjustment and suspense accounts	3,001	3,038
Unrealised gains and deferred gains on financial instruments	-	-
Unearned income	2,335	2,159
Accrued expenses on commitments on forward financial instruments	1,318	1,707
Other accrued expenses	514	532
Other accruals and deferred income	16	77
Carrying amount	**13,159**	**14,061**
TOTAL	**25,917**	**25,790**

(1) Amounts include accrued interest.

NOTE 15 Provisions

(in millions of euros)	Balance at 01/01/2020	Depreciation	Reversals, amounts used	Reversals, amounts unused	Other movements	Balance at 31/12/2020
Provisions for employee retirement and similar benefits	328	7	-	-	(16)	319
Provisions for other employment-related commitments	6	-	-	(2)	-	4
Provisions for financing commitment execution risks	22	5	-	(5)	-	22
Provisions for tax disputes(1)	221	13	(190)	-	-	44
Provisions for other litigation	36	-	-	(4)	-	32
Provisions for country risk	-	-	-	-	-	-
Provisions for credit risks(2)	17	17	-	(16)	-	18
Provisions for restructuring	-	-	-	-	-	-
Provisions for tax(3)	411	9	-	(12)	-	408
Provisions on equity investments(4)	-	-	-	-	-	-
Provisions for operational risks	-	4	(4)	-	-	-
Provisions for home purchase savings scheme imbalance risks	266	64	-	-	-	330
Other provisions(5)	79	83	(8)	(89)	-	65
CARRYING AMOUNT	**1,386**	**202**	**(202)**	**(128)**	**(16)**	**1,242**

(1) Provisions for already notified tax adjustments.

(2) These provisions are prepared on a collective basis primarily on the basis of estimates drawn from CRR/CRD4 models.

(3) Mainly comprises tax liabilities due to subsidiaries under the tax consolidation mechanism.

(4) Including joint ventures, EIGs, property risks of equity instruments.

(5) Including provisions for economic interest group investment risks.

Crédit Agricole S.A. tax audit

After an audit of accounts for the 2014 and 2015 financial years, Crédit Agricole S.A. was the subject of adjustments as part of a proposed correction received at the end of December 2018. Crédit Agricole S.A. paid the amounts due in this respect and reversed the related provision.

CIE (Cheque Image Exchange) case

In March 2008, LCL and Crédit Agricole S.A. and 10 other banks were served notice of grievances on behalf of the Conseil de la Concurrence, *i.e.* the French Competition Council (now the Autorité de la Concurrence).

They are 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 Autorité de la concurrence, these fees constitute anti-competitive price agreements in the meaning of Articles 81 paragraph 1 of the treaty establishing the European Community and Article L. 420-1 of the French Commercial Code, and allegedly caused damage to the economy.

In their defense, the banks categorically refuted the anticompetitiveness of the fees and contested the legality of the proceedings.

In a decision published on 20 September 2010, the Autorité de la concurrence stated that the Cheque Image Exchange fee (CEIC) was anti-competitive by its very aim and that it artificially increased the costs borne by remitting banks, which resulted in an unfavourable impact on the prices of banking services. Concerning one of the fees for related services, the fee for cancellation of wrongly cleared transactions (AOCT), the *Autorité de la concurrence* called on the banks to revise their amount within six months of the notification of the decision.

The accused banks were sanctioned for an overall amount of €384.92 million.

LCL and Crédit Agricole were respectively sentenced to pay €20.7 million and €82.1 million for the CEIC and €0.2 million and €0.8 million for the AOCT.

All of the banks appealed the decision to the Paris Court of Appeal. By a decree of 23 February 2012, the Court overruled the decision, stating that the Autorité de la concurrence had not proven the existence of competition restrictions establishing the agreement as having an anti-competitive purpose.

The Autorité de la concurrence filed an appeal with the Supreme Court on 23 March 2012.

On 14 April 2015, the French Supreme Court *(Cour de cassation)* overruled the Paris Court of Appeal's decision dated 23 February 2012 and remanded the case to the Paris Court of Appeal with a change in the composition of the Court on the sole ground that the Paris Court of Appeal declared the UFC-Que Choisir and ADUMPE's interventions in the proceedings devoid of purpose without having considered their arguments.

The Supreme Court did not rule on the merits of the case and Crédit Agricole has brought the case before the Paris Court of Appeal.

The Paris Court of Appeal issued a decree on 21 December 2017. It confirmed the decision of the Autorité de la Concurrence dated 20 September 2010 but reduced from €82,940,000 to €76,560,000 the sanction on Crédit Agricole. LCL's sanction remains unchanged, at an amount of €20,930,000.

As well as the other banks parties to this procedure, LCL and Crédit Agricole filed an appeal with the Supreme Court.

On 29 January 2020, the French Supreme Court (Cour de cassation) overruled the Paris Court of Appeal's decision dated 21 December 2017 and referred the case to the same Court with a different composition on the ground that the Paris Court of Appeal had not characterized the existence of restrictions of competition by object.

Euribor/Libor and other indexes

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into: (i) the calculation of the Libor (London Interbank Offered Rates) in a number of currencies, the Euribor (Euro Interbank Offered Rate) and certain other market indices; and (ii) transactions connected with these rates and indices. These demands covered several periods from 2005 to 2012.

Refer to the glossary on page 681 for the definition of technical terms.

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 on which they will be concluded.

Furthermore, Crédit Agricole CIB is currently under investigation opened by the Attorney General of the State of Florida on both the Libor and the Euribor.

Following its investigation and an unsuccessful settlement procedure, on 21 May 2014, the European Commission sent a statement of objection to Crédit Agricole S.A. and to Crédit Agricole CIB pertaining to agreements or concerted practices for the purpose and/or effect of preventing, restricting or distorting competition in derivatives related to the Euribor.

In a decision dated 7 December 2016, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €114,654,000 for participating in a cartel in euro interest rate derivatives. Crédit Agricole S.A. and Crédit Agricole CIB are challenging this decision and have asked the European Court of Justice to overturn it.

The 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 under which Crédit Agricole S.A. agreed to pay a penalty of CHF 4,465,701 and costs of proceedings amounting to CHF 187,012, without any admission of guilt.

Concerning the two class actions in the United States of America in which Crédit Agricole S.A. and Crédit Agricole CIB have been named since 2012 and 2013 along with other financial institutions, both as defendants in one ("Sullivan" for the Euribor) and only Crédit Agricole S.A. as defendant for the other ("Lieberman" for Libor), the "Lieberman" class action is at the preliminary stage that consists in the examination of its admissibility; proceedings are still suspended before the US District Court of New York State. Concerning the "Sullivan" class action, Crédit Agricole S.A. and Crédit Agricole CIB introduced a motion to dismiss the applicants' claim. The US District Court of New York State upheld the motion to dismiss regarding Crédit Agricole S.A. and Crédit Agricole CIB in first instance. On 14 June 2019, the plaintiffs appealed this decision.

Since 1 July 2016, Crédit Agricole S.A. and Crédit Agricole CIB, together with other banks, are also party to a new *class action* suit in the United States ("Frontpoint") relating to the SIBOR *(Singapore Interbank Offered Rate)* and SOR *(Singapore Swap Offer Rate)* indices. After having granted a first motion to dismiss filed by Crédit Agricole S.A. and Crédit Agricole CIB, the New York Federal District Court, ruling on a new request by the plaintiffs, excluded Crédit Agricole S.A. from the Frontpoint case on the grounds that it had not contributed to the relevant indices.

These class actions are civil actions in which the plaintiffs claim that they are victims of the methods used to set the Euribor, Libor, Sibor and SOR rates, and seek repayment of the sums they allege were unlawfully received, as well as damages and reimbursement of costs and fees paid.

SSA Bonds

Several regulators have requested information from Crédit Agricole S.A. and Crédit Agricole CIB for investigations relating to the activities of a number of banks involved in the secondary trading of Bonds SSA (Supranational, Sub-Sovereign and Agencies) denominated in American dollars. Through the cooperation with these regulators, Crédit Agricole CIB proceeded to internal inquiries to gather the required information available. On 20 December 2018, the European Commission issued a Statement of Objections to a number of banks including Crédit Agricole S.A. and Crédit Agricole CIB within its inquiry on a possible infringement of rules of European Competition law in the secondary trading of Bonds SSA denominated in American dollars. Crédit Agricole S.A. and Crédit Agricole CIB became aware of these objections and issued a response on 29 March 2019, followed by an oral hearing on 10-11 July 2019.

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.

It is not possible at this stage to predict the outcome of these investigations, proceedings or class actions or the date on which they will end.

Intercontinental Exchange, Inc. ("ICE")

On 15 January 2019 a class action ("Putnam Bank") was filed before a federal court in New York (US District Court Southern District of New York) against Intercontinental Exchange, Inc. ("ICE") and a number of banks including Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Securities-USA. This action was filed by plaintiffs who allege that they have invested in financial instruments indexed to the USD ICE Libor. They accuse the banks of having collusively set the index USD ICE Libor at artificially low levels since February 2014 and made thus illegal profits.

On 31 January 2019 a similar action ("Livonia") was filed before the US District Court Southern District of New York, against a number of banks including Crédit Agricole S.A., Crédit Agricole CIB and Crédit Agricole Securities-USA. On 1 February 2019, these two class actions were consolidated for pre-trial purposes.

On 4 March 2019, a third class action ("Hawaii Sheet Metal Workers retirement funds") was filed against the same banks in the same court and consolidated with the two previous actions on 26 April 2019. On 1 July 2019, the plaintiffs filed a consolidated class action complaint.

On 30 August 2019, the defendants filed a motion to dismiss against this consolidated complaint.

On 26 March 2020, a judgment granted the defendants' motion to dismiss. On 24 April 2020 the plaintiffs filed a notice of appeal.

On November 30, 2020, during briefing of the appeal, Plaintiffs' lawyers informed Defendants that all of the named Plaintiffs wished to withdraw from the case and, on December 1, 2020, Plaintiffs' counsel filed the motion to stay the appeal, which Defendants opposed. The court denied the motion on December 7, 2020 and Plaintiffs filed their reply brief on December 15, 2020.

On 28 December 2020, DYJ Holdings Inc. filed a motion for leave to intervene to replace the currents named plaintiffs. On 7 January 2021, defendants filed a brief in opposition to DYJ Holdings' motion and also filed a motion to dismiss the appeal.

NOTE 16 Home purchase savings

DEPOSITS COLLECTED IN HOME PURCHASE SAVINGS ACCOUNTS AND PLANS DURING THE SAVINGS PHASE

(in millions of euros)	31/12/2020	31/12/2019
HOME PURCHASE SAVINGS SCHEMES		
Seniority of less than 4 years	5,725	5,728
Seniority of more than 4 and less than 10 years	48,700	44,635
Seniority of more than 10 years	44,322	45,108
Total home purchase savings schemes	**98,747**	**95,471**
Total home purchase savings accounts	**11,293**	**10,635**
TOTAL CUSTOMER ASSETS UNDER HOME PURCHASE SAVINGS CONTRACTS	**110,040**	**106,106**

PROVISION FOR HOME PURCHASE SAVINGS ACCOUNTS AND PLANS

(in millions of euros)	31/12/2020	31/12/2019
HOME PURCHASE SAVINGS SCHEMES		
Seniority of less than 4 years	-	-
Seniority of more than 4 and less than 10 years	-	-
Seniority of more than 10 years	331	266
Total home purchase savings schemes	**331**	**266**
Total home purchase savings accounts	**-**	**-**
TOTAL PROVISIONS FOR HOME PURCHASE SAVINGS CONTRACTS	**331**	**266**

(in millions of euros)	01/01/2020	Depreciation	Reversals	31/12/2020
Home purchase savings schemes	266	65	-	331
Home purchase savings accounts	-	-	-	-
TOTAL PROVISIONS FOR HOME PURCHASE SAVINGS CONTRACTS	**266**	**65**	**-**	**331**

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 17 Employment-related commitments – post-employment benefits, defined-benefit plans

CHANGE IN ACTUARIAL LIABILITY

(in millions of euros)	31/12/2020	31/12/2019
Actuarial liability at 31/12/2019	**328**	**327**
Current service cost	11	14
Financial cost	2	4
Employee contributions	-	-
Benefit plan changes, withdrawals and settlement	2	(31)
Changes in scope	6	3
Severance payments	-	-
Benefits paid (mandatory)	(36)	(9)
Actuarial (gains)/losses	5	20
ACTUARIAL LIABILITY AT 31/12/2020[1]	**318**	**328**

(1) The actuarial liability excludes commitments for long-service awards.

BREAKDOWN OF CHARGE RECOGNISED IN THE INCOME STATEMENT

(in millions of euros)	31/12/2020	31/12/2019
Service cost	11	14
Financial cost	2	3
Expected return on assets	-	-
Past service cost	-	-
Net actuarial (gains)/losses	5	17
(Gains)/losses on plan withdrawals and settlements	-	(31)
(Gains)/losses due to changes in asset restrictions	-	-
NET EXPENSE RECOGNISED IN INCOME STATEMENT	**18**	**3**

CHANGES IN FAIR VALUE OF PLAN ASSETS

(in millions of euros)	31/12/2020	31/12/2019
Fair value of assets/reimbursement rights at 31/12/2019	**303**	**305**
Expected return on assets	-	-
Actuarial gains/(losses)[1]	2	3
Employer contributions	7	-
Employee contributions	-	-
Benefit plan changes, withdrawals and settlement	-	-
Changes in scope	6	4
Severance payments	-	-
Benefits paid out under the benefit plan	(36)	(9)
FAIR VALUE OF ASSETS/REIMBURSEMENT RIGHTS AT 31/12/2020	**282**	**303**

(1) Interest on reimbursement rights.

NET POSITION

(in millions of euros)	31/12/2020	31/12/2019
Actuarial liability at 31/12/2020	(318)	(328)
Impact of asset restriction	-	-
Fair value of assets at end of period	283	303
NET POSITION (LIABILITIES)/ASSETS AT 31/12/2020	**(35)**	**(25)**

NOTE 18 Fund for General Banking Risk (FGBR)

(in millions of euros)	31/12/2020	31/12/2019
Fund for general banking risk	1,239	1,194
CARRYING AMOUNT	**1,239**	**1,194**

NOTE 19 Subordinated debt – Analysis by residual maturity

	31/12/2020							31/12/2019
(in millions of euros)	≤3 months	>3 months ≤1 year	>1 year ≤5 years	>5 years	Total principal	Accrued interest	TOTAL	TOTAL
Fixed-term subordinated debt	**-**	**736**	**5,969**	**12,070**	**18,775**	**193**	**18,968**	**17,826**
Euro	-	736	4,002	8,285	13,023	123	13,146	12,950
Other European Union currencies	-	-	417	-	417	1	418	443
Swiss Franc	-	-	111	-	111	-	111	111
Dollar	-	-	1,220	2,033	3,253	50	3,303	2,495
Yen	-	-	219	998	1,217	5	1,222	1,226
Other currencies	-	-	-	754	754	14	768	601
Participating securities and loans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other subordinated term loans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Undated subordinated debt[(1)]	**-**	**-**	**-**	**6,006**	**6,006**	**29**	**6,035**	**5,896**
Euro	-	-	-	1,933	1,933	4	1,937	1,255
Other European Union currencies	-	-	-	553	553	1	554	724
Swiss Franc	-	-	-	-	-	-	-	-
Dollar	-	-	-	3,520	3,520	24	3,544	3,917
Yen	-	-	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-	-	-
Investment of own funds of Local Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Mutual security deposits	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CARRYING AMOUNT	**-**	**736**	**5,969**	**18,076**	**24,781**	**222**	**25,003**	**23,722**

(1) *Residual maturity of undated subordinated debt classified by default in >5 years.*

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 20 Changes in equity (before appropriation)

CHANGES IN EQUITY

	Total equity							
(in millions of euros)	Share capital	Legal reserve	Statutory reserve	Share premiums, other reserves and retained earnings	Translation/ revaluation adjustments	Regulated provisions and investment subsidies	Net income	TOTAL EQUITY
Balance at 31/12/2018	**8,599**	**854**	**341**	**37,610**		**15**	**2,740**	**50,159**
Dividends paid in respect of 2018	-	-	-	(1,976)	-	-	-	**(1,976)**
Change in share capital	55	-	-	-	-	-	-	**55**
Change in share premiums and reserves	-	6	-	90	-	-	-	**96**
Appropriation of 2018 parent company net income	-	-	-	2,740	-	-	(2,740)	**-**
Retained earnings	-	-	-	-	-	-	-	**-**
Net income/(loss) for 2019	-	-	-	-	-	-	2,016	**2,016**
Other changes	-	-	-	(1)	-	(3)	-	**(4)**
Balance at 31/12/2019	**8,654**	**860**	**341**	**38,463**		**12**	**2,016**	**50,346**
Dividends paid in respect of 2019	-	-	-	-	-	-	-	**-**
Change in share capital[(1)]	96	-	-	-	-	-	-	**96**
Change in share premiums and reserves	-	5	-	60	-	-	-	**65**
Appropriation of 2019 parent company net income	-	-	-	2,016	-	-	(2,016)	**-**
Retained earnings	-	-	-	-	-	-	-	**-**
Net income/(loss) for 2020	-	-	-	-	-	-	245	**245**
Other changes	-	-	-	-	-	(4)	-	**(4)**
BALANCE AT 31/12/2020	**8,750**	**865**	**341**	**40,539**	**-**	**8**	**245**	**50,748**

(1) €96 million capital increase reserved for employees on 22 December 2020.

NOTE 21 Composition of capital

(in millions of euros)	31/12/2020	31/12/2019
Total equity	50,748	50,346
Fund for general banking risk	1,239	1,194
Subordinated debt and participating securities	25,003	23,722
Mutual security deposits	-	-
TOTAL CAPITAL	**76,990**	**75,262**

NOTE 22 Transactions with subsidiaries and affiliates and equity investments

(in millions of euros)	31/12/2020	31/12/2019
Loans and receivables	**532,281**	**458,909**
Credit and other financial institutions	524,691	450,312
Customers	2,229	1,769
Bonds and other fixed Income securities	5,361	6,828
Liabilities	**200,170**	**170,107**
Credit institutions and other financial institutions	197,681	167,641
Customers	2,489	2,466
Debt securities and subordinated debt	-	-
Commitments given	**15,732**	**12,909**
Financing commitments given to credit institutions	446	402
Financing commitments given to customers	-	-
Guarantees given to credit institutions	8,743	6,184
Guarantees given to customers	6,543	6,323
Securities acquired with repurchase options	-	-
Other commitments given	-	-

NOTE 23 Foreign currency denominated transactions

ANALYSIS OF THE BALANCE SHEET BY CURRENCY

	31/12/2020		31/12/2019	
(in millions of euros)	Assets	Liabilities	Assets	Liabilities
Euro	686,862	669,054	582,709	559,075
Other European Union currencies	3,248	2,124	3,615	3,764
Swiss Franc	7,813	4,964	7,474	5,207
Dollar	10,234	16,130	12,733	22,509
Yen	164	6,970	353	7,332
Other currencies	1,157	1,889	1,208	1,849
Gross amount	**709,478**	**701,131**	**608,092**	**599,736**
Receivables, related liabilities and accruals and deferred income	13,043	15,558	13,262	16,499
Impairment	(5,832)	-	(5,119)	-
TOTAL	**716,689**	**716,689**	**616,235**	**616,235**

NOTE 24 Foreign exchange transactions, foreign currency loans and borrowing

	31/12/2020		31/12/2019	
(in millions of euros)	To be received	To be delivered	To be received	To be delivered
Spot foreign exchange transactions	**155**	**155**	**66**	**66**
■ Foreign currencies	139	151	30	36
■ Euros	16	4	36	30
Forward currency transactions	**17,741**	**18,024**	**23,547**	**23,318**
■ Foreign currencies	15,601	4,022	20,938	3,894
■ Euros	2,140	14,002	2,609	19,424
Foreign currency denominated loans and borrowings	**25**	**259**	**19**	**118**
TOTAL	**17,921**	**18,438**	**23,632**	**23,502**

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 25 Transactions involving forward financial instruments

			31/12/2020	31/12/2019
(in millions of euros)	Hedging transactions	Non-hedging transactions	TOTAL	TOTAL
Futures and forwards	**530,437**	**356,904**	**887,341**	**863,833**
Exchange-traded[1]	-	-	-	-
Interest rate futures	-	-	-	-
Currency forwards	-	-	-	-
Equity and stock index forwards	-	-	-	-
Other forwards	-	-	-	-
Over-the-counter[1]	**530,437**	**356,904**	**887,341**	**863,833**
Interest rate swaps	526,429	356,800	**883,229**	**859,359**
Other interest rate forwards	-	-	-	-
Currency forwards	2,838	104	**2,942**	**3,258**
FRAs	-	-	-	-
Equity and stock index forwards	1,170	-	**1,170**	**1,216**
Other forwards	-	-	-	-
Options	**1,365**	**-**	**1,365**	**1,365**
Exchange-traded	-	-	-	-
■ Interest rate futures	-	-	-	-
– Bought	-	-	-	-
– Sold	-	-	-	-
■ Equity and stock index futures	-	-	-	-
– Bought	-	-	-	-
– Sold	-	-	-	-
■ Currency forwards	-	-	-	-
– Bought	-	-	-	-
– Sold	-	-	-	-
■ Other options	-	-	-	-
– Bought	-	-	-	-
– Sold	-	-	-	-
Over-the-counter	**1,365**	**-**	**1,365**	**1,365**
■ Interest rate swap options	-	-	-	-
– Bought	-	-	-	-
– Sold	-	-	-	-
■ Interest rate forwards	-	-	-	-
– Bought	1,365	-	**1,365**	**1,365**
– Sold	-	-	-	-
■ Currency forwards	-	-	-	-
– Bought	-	-	-	-
– Sold	-	-	-	-
■ Equity and stock index forwards	-	-	-	-
– Bought	-	-	-	-
– Sold	-	-	-	-
■ Other options	-	-	-	-
– Bought	-	-	-	-
– Sold	-	-	-	-
Credit derivatives	**-**	**-**	**-**	**-**
■ Credit derivative contracts	-	-	-	-
– Bought	-	-	-	-
– Sold	-	-	-	-
TOTAL	**531,802**	**356,904**	**888,706**	**865,198**

(1) The amounts shown in respect of futures and forwards correspond to aggregate long and short positions (interest rate swaps and interest rate swap options), or to aggregate purchases and sales of contracts (other contracts).

25.1 TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS – NOTIONAL OUTSTANDING BY RESIDUAL MATURITY

	Total 31/12/2020			o/w over-the-counter			o/w exchange-traded and equivalent		
(in millions of euros)	≤1 year	>1 year ≤5 years	>5 years	≤1 year	>1 year ≤5 years	>5 years	≤1 year	>1 year ≤5 years	>5 years
Futures	-	-	-	-	-	-	-	-	-
Currency options	-	-	-	-	-	-	-	-	-
Interest rate options	-	-	-	-	-	-	-	-	-
Currency futures	1,783	1,159	-	1,783	1,159	-	-	-	-
FRAs	-	-	-	-	-	-	-	-	-
Interest rate swaps	501,731	208,244	173,254	501,731	208,244	173,254	-	-	-
Caps, floors, collars	420	610	335	420	610	335	-	-	-
Interest rate forwards	-	-	-	-	-	-	-	-	-
Equity and index forwards	241	651	278	241	651	278	-	-	-
Equity and index options	-	-	-	-	-	-	-	-	-
Equity, equity index and precious metal derivatives	-	-	-	-	-	-	-	-	-
Credit derivatives	-	-	-	-	-	-	-	-	-
Subtotal	**504,175**	**210,664**	**173,867**	**504,175**	**210,664**	**173,867**	**-**	**-**	**-**
Currency swaps	2,147	11,438	12,269	2,147	11,438	12,269	-	-	-
Forward currency transactions	9,911	-	-	9,911	-	-	-	-	-
Subtotal	**12,058**	**11,438**	**12,269**	**12,058**	**11,438**	**12,269**	**-**	**-**	**-**
TOTAL	**516,233**	**222,102**	**186,136**	**516,233**	**222,102**	**186,136**	**-**	**-**	**-**

	Total 31/12/2019			o/w over-the-counter			o/w exchange-traded and equivalent		
(in millions of euros)	≤1 year	>1 year ≤5 years	>5 years	≤1 year	>1 year ≤5 years	>5 years	≤1 year	>1 year ≤5 years	>5 years
Futures	-	-	-	-	-	-	-	-	-
Currency options	-	-	-	-	-	-	-	-	-
Interest rate options	-	-	-	-	-	-	-	-	-
Currency futures	1,679	1,579	-	1,679	1,579	-	-	-	-
FRAs	-	-	-	-	-	-	-	-	-
Interest rate swaps	484,588	191,089	183,682	484,588	191,089	183,682	-	-	-
Caps, floors, collars	-	1,030	335	-	1,030	335	-	-	-
Interest rate forwards	-	-	-	-	-	-	-	-	-
Equity and index forwards	-	651	565	-	651	565	-	-	-
Equity and index options	-	-	-	-	-	-	-	-	-
Equity, equity index and precious metal derivatives	-	-	-	-	-	-	-	-	-
Credit derivatives	-	-	-	-	-	-	-	-	-
Subtotal	**486,267**	**194,349**	**184,582**	**486,267**	**194,349**	**184,582**	**-**	**-**	**-**
Currency swaps	2,392	11,342	12,607	2,392	11,342	12,607	-	-	-
Forward currency transactions	20,524	-	-	20,524	-	-	-	-	-
Subtotal	**22,916**	**11,342**	**12,607**	**22,916**	**11,342**	**12,607**	**-**	**-**	**-**
TOTAL	**509,183**	**205,691**	**197,189**	**509,183**	**205,691**	**197,189**	**-**	**-**	**-**

Refer to the glossary on page 681 for the definition of technical terms.

25.2 FORWARD FINANCIAL INSTRUMENTS – FAIR VALUE

(in millions of euros)	Fair value positive at 31/12/2020	Fair value negative at 31/12/2020	Notional outstanding at 31/12/2020	Fair value positive at 31/12/2019	Fair value negative at 31/12/2019	Notional outstanding at 31/12/2019
Futures	-	-	-	-	-	-
Currency options	-	-	-	-	-	-
Interest rate options	-	-	-	-	-	-
Currency futures	-	-	2,942	-	-	3,258
FRAs	-	-	-	-	-	-
Interest rate swaps	18,433	10,308	883,229	16,697	10,589	859,359
Caps, floors, collars	15	14	1,365	16	8	1,365
Interest rate forwards	-	-	-	-	-	-
Equity and index forwards	-	-	1,170	134	-	1,216
Equity and index options	-	-	-	-	-	-
Equity, equity index and precious metal derivatives	142	-	-	-	-	-
Credit derivatives	-	-	-	-	-	-
Subtotal	**18,590**	**10,322**	**888,706**	**16,847**	**10,597**	**865,198**
Currency swaps	150	121	25,854	169	95	26,341
Forward currency transactions	11	21	9,911	5	25	20,524
Subtotal	**161**	**142**	**35,765**	**174**	**120**	**46,865**
TOTAL	**18,751**	**10,464**	**924,471**	**17,021**	**10,717**	**912,063**

NOTE 26 Information on counterparty risk on derivative products

(In thousands of euros)	31/12/2020			31/12/2019		
	Market value	Potential credit risk[1]	Total counterparty risk	Market value	Potential credit risk	Total counterparty risk
Risk regarding OECD governments, central Banks and similar organisations	-	-	-	-	-	-
Risk regarding OECD financial institutions and similar organisations	18,750	1,921	20,671	17,020	1,805	18,825
Risk on other counterparties	-	-	-	-	-	-
Total before impact of netting contracts	**18,750**	**1,921**	**20,671**	**17,020**	**1,805**	**18,825**
O/w risk on:						
■ interest rate, exchange rate and commodities contracts	18,608	1,839	20,447	16,886	1,725	18,611
■ equity and index derivative contracts	142	82	224	134	80	214
Total before impact of netting contracts	**18,750**	**1,921**	**20,671**	**17,020**	**1,805**	**18,825**
Impact of netting and collateralisation contracts	-	-	-	-	-	-
TOTAL AFTER IMPACT OF NETTING AND COLLATERALISATION CONTRACTS	**18,750**	**1,921**	**20,672**	**17,020**	**1,805**	**18,825**

(1) Calculated under CRR/CRD4 regulatory standards.

NOTE 27 Commitments and guarantees given and received

(in millions of euros)	31/12/2020	31/12/2019
COMMITMENTS GIVEN		
Financing commitments	**8,267**	**5,296**
Commitments given to credit institutions	8,267	5,296
Commitments given to customers	-	-
■ Confirmed credit lines	-	-
– Documentary credits	-	-
– Other confirmed credit lines	-	-
■ Other commitments given to customers	-	-
Guarantee commitments	**18,081**	**16,521**
Credit institutions	8,909	6,357
■ Confirmed documentary credit lines	-	-
■ Other	8,909	6,357
Customers	9,172	10,164
■ Property guarantees	-	-
■ Other customer guarantees	9,172	10,164
Securities commitments	**9**	**10**
Securities acquired with repurchase options	-	-
Other commitments to be given	9	10
COMMITMENTS RECEIVED		
Financing commitments	**129,170**	**65,744**
Commitments received from credit institutions	129,170	65,744
Commitments received from customers	-	-
Guarantee commitments	**8,588**	**12,200**
Commitments received from credit institutions	8,586	12,198
Commitments received from customers	2	2
■ Guarantees received from government bodies or similar institutions	-	-
■ Other guarantees received	2	2
Securities commitments	**-**	**-**
Securities sold with repurchase options	-	-
Other commitments received	-	-

NOTE 28 Clearing of securities borrowings and centralised savings

28.1 SECURITIES BORROWING

	31/12/2020			31/12/2019		
(In thousands of euros)	Gross liabilities relating to stock lending transactions (a)	Borrowed trading securities (b)	Liabilities relating to stock lending transactions (c) = (a) - (b)	Gross liabilities relating to stock lending transactions (a)	Borrowed trading securities (b)	Liabilities relating to stock lending transactions (c) = (a) - (b)
Treasury bills and similar securities	304	304	-	-	-	-
■ o/w borrowed securities	-	-	-	-	-	-
Bonds and other fixed income securities	10,093	10,093	-	-	-	-
■ o/w borrowed securities	-	-	-	-	-	-
Equities and other variable-income securities	-	-	-	-	-	-
■ o/w borrowed securities	-	-	-	-	-	-

Refer to the glossary on page 681 for the definition of technical terms.

28.2 CENTRALISED SAVINGS

(in millions of euros)	31/12/2020	31/12/2019
Loans and receivables from Caisse des Dépôts et Consignations savings funds	53,542	41,878
Deposits collected in respect of special savings accounts	167,696	150,540
AMOUNTS OF DEPOSITS MADE BY CUSTOMERS NET OF LOANS TO SAVINGS FUNDS	**114,154**	**108,662**

NOTE 29 Net interest and similar income

(in millions of euros)	31/12/2020	31/12/2019
Interbank transactions	2,481	2,167
Crédit Agricole internal transactions	2,634	2,713
Customer transactions	173	176
Bonds and other fixed-income securities	1,109	1,105
Net gains on macro-hedging transactions	640	769
Debt securities	2,528	2,677
Other interest income	55	91
Interest and similar income	**9,620**	**9,698**
Interbank transactions	(1,743)	(1,549)
Crédit Agricole internal transactions	(1,290)	(1,013)
Customer transactions	(3,842)	(4,191)
Net losses on macro-hedging transactions	-	-
Bonds and other fixed-income securities	(908)	(726)
Debt securities	(3,075)	(3,745)
Other interest expense	2	(37)
Interest and similar expenses	**(10,856)**	**(11,261)**
TOTAL NET INTEREST AND SIMILAR INCOME	**(1,236)**	**(1,563)**

NOTE 30 Income from variable-income securities

(in millions of euros)	31/12/2020	31/12/2019
Investments in subsidiaries and affiliates, equity investments and other long-term equity investments	1,952	2,712
Short-term investment securities and medium-term portfolio securities	-	-
Other securities transactions	-	-
TOTAL INCOME FROM VARIABLE-INCOME SECURITIES	**1,952**	**2,712**

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 31 Net fee and commission income

	31/12/2020			31/12/2019		
(in millions of euros)	Income	Expense	Net	Income	Expense	Net
Interbank transactions	168	(50)	118	128	(21)	107
Crédit Agricole internal transactions	976	(404)	572	805	(479)	326
Customer transactions	-	-	-	-	-	-
Securities transactions	-	(3)	(3)	-	(2)	(2)
Foreign exchange transactions	-	-	-	-	-	-
Forward financial instruments and other off-balance sheet transactions	-	-	-	-	-	-
Financial services	33	(106)	(73)	39	(94)	(55)
Provision for fee and commission risks	-	-	-	-	-	-
TOTAL NET FEE AND COMMISSION INCOME	**1,177**	**(563)**	**614**	**972**	**(596)**	**376**

NOTE 32 Net gains (losses) on trading books

(in millions of euros)	31/12/2020	31/12/2019
Net gains (losses) on trading securities	-	11
Net gains (losses) on foreign exchange transactions and similar financial instruments	128	(46)
Net gains (losses) on other forward financial instruments	11	9
NET GAINS (LOSSES) ON TRADING BOOK	**139**	**(26)**

NOTE 33 Gains (Losses) on short-term investment portfolios and similar

(in millions of euros)	31/12/2020	31/12/2019
INVESTMENT SECURITIES		
Impairment losses	(72)	(3)
Reversal of impairment losses	72	8
Net impairment losses/reversals	**-**	**5**
Gains on disposals	61	10
Losses on disposals	-	-
Net gains (losses) on disposals	**61**	**10**
Net gains (losses) on short-term investment securities	**61**	**15**
MEDIUM-TERM PORTFOLIO SECURITIES		
Impairment losses	-	-
Reversal of impairment losses	-	-
Net impairment losses/reversals	**-**	**-**
Gains on disposals	-	-
Losses on disposals	-	-
Net gains (losses) on disposals	**-**	**-**
Net gains (losses) on medium term portfolio securities	**-**	**-**
GAINS (LOSSES) ON SHORT TERM INVESTMENT PORTFOLIOS AND SIMILAR	**61**	**15**

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 34 Other banking income and expenses

(in millions of euros)	31/12/2020	31/12/2019
Other income	7	6
Share of joint ventures	-	-
Charge-backs and expense reclassifications	17	28
Reversal of provisions	3	5
Other banking income	**27**	**39**
Sundry expenses	(53)	(43)
Share of joint ventures	(8)	(8)
Charge-backs and expense reclassifications	-	(1)
Additions to provisions	-	-
Other banking expenses	**(61)**	**(52)**
TOTAL OTHER BANKING INCOME AND EXPENSES	**(34)**	**(13)**

NOTE 35 Operating expenses

(in millions of euros)	31/12/2020	31/12/2019
EMPLOYEE EXPENSES(1)		
Wages and salaries	(172)	(177)
Social security costs	(99)	(112)
o/w contributions to defined-contribution post-employment benefit plans	(32)	(32)
Profit-sharing and incentive plans	(14)	(14)
Payroll-related tax	(31)	(28)
Total employee expenses	**(316)**	**(331)**
Charge-backs and reclassification of employee expenses	22	29
Net employee expenses	**(294)**	**(302)**
ADMINISTRATIVE EXPENSES(2)		
Taxes other than on income or payroll-related	(30)	(29)
External services, other administrative expenses and regulatory contributions(3)	(511)	(518)
Total administrative costs	**(541)**	**(547)**
Charge-backs and reclassification of administrative costs	65	71
Net administrative expenses	**(476)**	**(476)**
OPERATING EXPENSES	**(770)**	**(778)**

(1) At 31 December 2020, the compensation of members of the Board of Directors and the Executive Committee paid by Crédit Agricole S.A. amounted to €27.5 million, €3.6 million of which in post-employment benefits.

(2) Information on fees paid to Statutory Auditors is indicated in the notes to the consolidated financial statements of Crédit Agricole S.A.

(3) Of which €85.7 million in respect of the contribution to the Single Resolution Fund.

Headcount by category

(Average number of active employees in proportion to activity)

Employee categories	31/12/2020	31/12/2019
Managers	1,574	1,585
Non managers	144	117
TOTAL AVERAGE HEADCOUNT	**1,718**	**1,702**
Of which:		
■ France	1,700	1,685
■ Abroad	18	17
Of which: detached employees	121	139

NOTE 36 Cost of risk

(in millions of euros)	31/12/2020	31/12/2019
Additions to provisions and impairment losses	**(31)**	**(166)**
Impairment for doubtful loans	-	-
Other provisions and impairment	(31)	(166)
Reversal of provisions and impairment losses	**32**	**121**
Reversal of impairment of doubtful loans	-	-
Other reversals of provisions and impairment losses	32	121
Change in provisions and impairment losses	**1**	**(45)**
Losses on non-impaired irrecoverable loans	(38)	(11)
Losses on impaired irrecoverable loans	-	(119)
Discounts on restructured loans	-	-
Recoveries on loans written off	-	162
Other losses	(4)	-
Other gains	37	-
COST OF RISK	**(4)**	**(13)**

NOTE 37 Net gains (losses) on fixed assets

(in millions of euros)	31/12/2020	31/12/2019
FINANCIAL INVESTMENTS		
Impairment losses	**(775)**	**(550)**
Long-term investment securities	-	-
Investments in subsidiaries and affiliates, equity investments and other long-term equity investments	(775)	(550)
Reversal of impairment losses	**58**	**231**
Long-term investment securities	-	-
Investments in subsidiaries and affiliates, equity investments and other long-term equity investments	58	231
Net impairment losses/reversals	**(717)**	**(319)**
Long-term investment securities	-	-
Investments in subsidiaries and affiliates, equity investments and other long-term equity investments	(717)	(319)
Gains on disposals	**10**	**85**
Long-term investment securities	6	3
Investments in subsidiaries and affiliates, equity investments and other long-term equity investments	4	82
Losses on disposals	**(8)**	**(60)**
Long-term investment securities	-	-
Investments in subsidiaries and affiliates, equity investments and other long-term equity investments	(8)	(60)
Losses on receivables from equity investments	-	-
Net gains (losses) on disposals	**2**	**25**
Long-term investment securities	6	3
Investments in subsidiaries and affiliates, equity investments and other long-term equity investments	(4)	22
Net gains (losses)	**(715)**	**(294)**
PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS		
Gains on disposals	-	2
Losses on disposals	-	-
Net gains (losses)	**-**	**2**
NET GAINS (LOSSES) ON FIXED ASSETS	**(715)**	**(292)**

Refer to the glossary on page 681 for the definition of technical terms.

NOTE 38 Income tax charge

(in millions of euros)	31/12/2020	31/12/2019
Income tax charge[1]	106	730
Net reversal of tax provisions under the tax consolidation scheme	180	915
NET BALANCE	**286**	**1,644**

(1) The tax gain mainly consists of the taxes that Crédit Agricole S.A., as head of the tax consolidation group, collected from the subsidiaries included in the tax consolidation scheme.

NOTE 39 Presence in non-cooperative States and territories

At 31 December 2020, Crédit Agricole S.A. had no direct or indirect presence in non-cooperative States or territories within the meaning of Article 238-0A of the French General Tax Code.

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to the shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

(Year ended December 31, 2020)

To the General Meeting of Shareholders of Crédit Agricole S.A.,

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 financial statements of Crédit Agricole S.A. for the year ended December 31st, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31st, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Statutory Auditor's Responsibilities for the Audit of the 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 2020 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.

EMPHASIS OF MATTER

We draw attention to the matter described in note 2 "Accounting policies and principles" to the annual financial statements regarding the ANC Regulation n°2020-10 amending ANC Regulation n°2014-07 relating to the accounts of banking sector companies on the presentation of securities borrowings and centralised savings.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

Due to the global crisis related to the COVID-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the 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 financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Refer to the glossary on page 681 for the definition of technical terms.

Risks concerning the measurement of equity investments and subsidiaries whose valuation requires judgement

Identified risk	Our response
Equity investments and subsidiaries are recognised at cost and impaired based on their value in use, corresponding to the price that the Company would be willing to pay to acquire them in line with its ownership objectives. Value in use can be determined by different aspects, among which profitability and the profitability outlook of the company concerned. In that case, 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. The percentage of capital allocation is determined by taking into account, when they exist, specific requirements set by the regulator (in particular Pillar 2). We deemed the measurement of equity investments and subsidiaries, to be a key audit matter. Indeed, determining value in use requires management to make decisions concerning key assumptions to use in particular to determine economic scenarios in a context of COVID-19 crisis, financial forecasts and discount rates. We paid particular attention to the determination of the values in use of LCL and CA Italia, given their sensitivity to the assumptions used by management. Equity investments and subsidiaries recorded in the balance sheet amounted to a net value of €63,7 billion, including €5,7 billion in impairment at December 31st, 2020. The carrying amount of LCL amounted to €9,5 billion and that of CA Italia €3,9 billion. See Notes 2.2.5 and 6 to the annual financial statements.	We obtained an understanding of the processes implemented to determine value in use and related impairments of equity investments and subsidiaries whose valuation requires judgement. We involved in our audit valuation experts team to assess the assumptions used to determine the discount rates and the perpetual growth rates used as well as the models used for calculating discounted cash flows. We tested the calculations and compared the main assumptions (rate of capital allocation, discount rate, perpetual growth rate, *etc.*) with external sources. We examined the financial forecasts prepared by the management of each entity concerned and used in the model to: ■ check their consistency with those that have been presented to the governance bodies (Board of Directors or Supervisory Board) of the entities or sub-groups, and the justification of potential adjustments made; ■ assess the main underlying assumptions, including for the extension of forecasts beyond the three-year period. These assumptions were assessed in view of the economic environment affected by the COVID-19 crisis, the former financial forecasts and the actual performance over prior periods; ■ conduct sensitivity analyses of the value in use to some of the assumptions (level of capital allocated, discount rate, cost of risk, cost to income ratio). We also examined the disclosures provided in the notes to the annual financial statements on the value in use of equity investments and subsidiaries whose valuation requires judgement.

Legal, compliance and tax risks

Identified risk	Our response
Crédit Agricole S.A. is subject to judicial proceedings and several investigations and requests for regulatory information from different regulators. These are mainly related to the Euribor/Libor and SSA Bonds matters with authorities from various countries (USA, UK) and the European Union. Various tax investigations are also ongoing. The decision to recognise a provision or a receivable and the amount to be recorded requires, by its nature, the use of judgement, due to the difficulty in assessing the outcome of pending litigation or uncertainties regarding certain tax treatments, particularly in the context of some structural transactions. Given the importance of judgment, these assessments carry a significant risk of material misstatement in the annual financial statements and are therefore a key audit matter. The various ongoing investigations, requests for information and actions of certain authorities as well as the most important tax inspections at December 31st, 2020, are described in Notes 1.3 and 15 to the annual financial statements.	We obtained an understanding of the process set up by Management for collecting and measuring the risks resulting from those disputes, the tax uncertainties as well as, where applicable, the provisions and debts associated with these matters, through quarterly exchanges with management and in particular the Legal, Compliance and Tax departments of the bank. Our work involved: ■ assessing the assumptions made to determine provisions or receivables based on available information (documentation prepared by the Legal or Tax department or external counsel of Crédit Agricole S.A., correspondence from regulators and minutes of Legal Risks Committee meetings); ■ reading the analyses and conclusions of the bank'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 bank to the relevant authorities as well as the risk assessment madet by the bank; ■ assessing, accordingly, the level of provisions or receivables as at December 31st, 2020. Lastly, we examined the related disclosures provided in the notes to the annual financial statements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the Company's financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

With respect to the fair presentation and the consistency with the financial statements of the information relating to the payment deadlines mentioned in Article D.441-6 of the French Commercial Code, we draw your attention to the following matter: as indicated in the management report, this information does not include banking and related transactions as the Company considers that such information is not part of the scope of information to be provided.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L. 225-37-4 et L. 22-10-10 and L. 22-10-9 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (Code de commerce) relating to remunerations and benefits received by, or allocated to the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlled thereby, included in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (Code de commerce), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of presentation of the 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 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 December 17, 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF 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 your Annual General Meeting held on May 19th, 2004 for PricewaterhouseCoopers Audit and in 1985 for ERNST & YOUNG et Autres.

As at December 31st, 2020, PricewaterhouseCoopers Audit and ERNST & YOUNG et Autres were in the 17th and the 36th of total uninterrupted engagement, respectively.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Refer to the glossary on page 681 for the definition of technical terms.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it 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 financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free 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 financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercices professional judgement throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the 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 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 financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, 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 financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, March 23rd, 2021

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Anik Chaumartin	Olivier Durand

8

GENERAL INFORMATION

Refer to the glossary on page 681 for the definition of technical terms.

General Meeting of Crédit Agricole S.A. Wednesday May 12th 2021 at 9:30 a.m.

WARNING

At its meeting of 10 February 2021, the Board of Directors of Crédit Agricole S.A., called the shareholders and *"Crédit Agricole Classique"* FCPE fund unitholders to an Ordinary and Extraordinary General Meeting to be held on Wednesday May 12th 2021 at 9:30 a.m. at the Maison de la Mutualité located at 24, rue Saint-Victor, 75005, Paris, but granted all powers to the Chairman to decide whether to hold the meeting behind closed doors in light of the health situation and the associated legislation in force, and to ensure that the information for shareholders included in the notice of meeting is amended accordingly.

The Chairman, having considered the difficulty of foreseeing the state of the current health crisis in France on May 12th 2021 and having determined, in any case, the unlikelihood of a return to normalcy by this date, has decided that the Combined General Meeting of May 12th 2021 will be held at 9:30 a.m. without the physical presence of its shareholders. All the factual and legal considerations justifying this decision are described in the press release of 24 March 2021.

This decision is based on the provisions of the Order of 25 March 2020 with regard to the holding of General Meetings, made by the government in accordance with the rights conferred to it by the State of Emergency Law of 23 March 2020 in order to combat the Covid-19 epidemic, as amended and extended by the Order of 20 December 2020 and Decree of 9 March 2021.

The notice of the meeting published on 24 March 2021 in the *Bulletin des Annonces Légales Obligatoires* (BALO), includes the special processes for shareholder participation in the General Meeting of May 12th 2021.

These processes are subject to regulatory provisions as well as the recommendations of the *Autorité des Marchés Financiers* in the exceptional context of the fight against the Covid-19 epidemic.

Determined to allow shareholders to exercise their rights under the best possible conditions in the present circumstances, **Crédit Agricole S.A. is making every effort to ensure that these processes are in accordance with best practices, notably in terms of the use of the Internet to carry out formalities, to express their choices on the resolutions proposed via remote voting and, finally, to ask questions in written form.**

Crédit Agricole S.A. invites its shareholders to regularly consult the page dedicated to the General Meeting on the company website www.credit-agricole.com, which will be updated to reflect these decisions. It also reminds them that, as every year and independent of the exceptional measures taken in the context of this health crisis, the General Meeting will be broadcast on the company website.

WRITTEN QUESTIONS

Shareholders or unitholders of the FCPE fund "Crédit Agricole Classique" wishing to ask any **questions in writing** may, from the date of the Meeting Notice until the end of the second business day preceding the date of the Meeting, namely **Monday, 10 May 2021**, send them by registered letter with return receipt requested to the Chairman of the Board of Directors of Crédit Agricole S.A. at the address of its registered office, or by email to: assemblee.generale@credit-agricole-sa.fr, along with a **certificate of account registration**.

The answers to such written questions will be published directly on the website of Crédit Agricole S.A., at the following address:

www.credit-agricole.com/finance/finance/espace-actionnaires/assemblees-generales

To follow the General Meeting in real time on the Internet, visit our website at www.credit-agricole.com from 9:30 a.m. (CET)

ARTICLES OF ASSOCIATION – UPDATED VERSION ON 22 DECEMBER 2020

CRÉDIT AGRICOLE S.A.

Société anonyme au capital de €8,750,065,920

784 608 416 RCS Nanterre

Headquarters:

12, place des États-Unis – 92127 Montrouge Cedex

Article 1 – Form

Crédit Agricole S.A. (the **"Company"**) is a French company *("société anonyme")* with a Board of Directors *("Conseil d'administration")* governed by ordinary corporate law, notably Book II of the French Commercial Code.

Crédit Agricole S.A. is also subject to the provisions of the Monetary and Finance Code, in particular Articles L.512-47 *et seq.*, and those provisions of former Book V of the Rural Code which have not been repealed.

Prior to the Extraordinary General Meeting of 29 November 2001, the Company was called "Caisse Nationale de Crédit Agricole", abbreviated "C.N.C.A."

The Company was born of the transformation of the Caisse Nationale de Crédit Agricole, an *"Établissement Public Industriel et Commercial"*, following the merger of the Mutual Guarantee Fund of the *Caisses régionales de Crédit Agricole Mutuel* (the Regional Banks); it continues to hold all of the rights, obligations, guarantees and security interests of those legal entities prior to their transformation; it exercises all rights relating to mortgages granted in favour of the State.

Article 2 – Name

The name of the Company is: Crédit Agricole S.A.

In all deeds and documents of the Company that are intended for third parties, the corporate name shall be immediately preceded or followed by the words *"Société Anonyme"* or the initials "S.A.", *"régie par le livre deuxième du Code de commerce et par les dispositions du Code monétaire et financier"* ("governed by Book II of the French Commercial Code and the provisions of the Monetary and Finance Code") and by the amount of the share capital.

Article 3 – Object

Crédit Agricole S.A. has for object to facilitate and promote the activities and development of the *Caisses régionales de Crédit Agricole Mutuel* and the Crédit Agricole Group. In furtherance of this purpose:

1. Crédit Agricole S.A. operates as a central financial institution and ensures that the Group acts as a single financial unit in its dealings with third parties with the object of optimising the financial management of funds and, in return, the allocation of the financial resources so collected.

   Crédit Agricole S.A. collects and manages the excess deposits and savings of the Regional Banks, as well as savings collected by such Banks on its behalf.

   Crédit Agricole S.A. grants facilities to the Regional Banks to permit the funding of their medium and long-term loans. It ensures that the transformation risks pertaining to the Company, its subsidiaries and the Regional Banks are assumed. It implements the mechanisms for guaranteeing transactions by the *Caisses régionales de Crédit Agricole mutuel*. In its own name and on behalf of the companies in the Crédit Agricole Group, Crédit Agricole S.A. negotiates and enters into domestic and international agreements which may affect the credit of the Group. It executes all nation-wide agreements with the State.
2. In France and abroad, Crédit Agricole S.A. performs all types of banking, financial, credit, investment or securities transactions and related services under the Monetary and Finance Code, guaranty, arbitrage, brokerage and commission transactions, whether for its own account or for the account of others, without infringing on the remit of the *Caisses Régionales de Crédit Agricole Mutuel*.
3. In accordance with the provisions of the Monetary and Finance Code, as the Central Organ of Crédit Agricole Mutuel, Crédit Agricole S.A. ensures the cohesion of the Crédit Agricole Mutuel network, the proper operation of the credit institutions that are a part thereof, and compliance by such institutions with the applicable laws and regulations by exercising administrative, technical and financial supervision thereof; it guarantees the liquidity and solvency of the entire network and all institutions affiliated therewith.

And, as a general matter, Crédit Agricole S.A. engages in all types of commercial, financial, personal and real property transactions and provides all services directly or indirectly related to its purpose, provided that they are in furtherance thereof.

Article 4 – Registered office

The registered office of the Company is situated at 12, place des États-Unis, 92127 Montrouge Cedex.

Article 5 – Duration

The Company, born out of the transformation described in the last paragraph of Article 1 of these Articles of Association, shall terminate on 31 December 2086 unless extended or dissolved in advance by the Shareholders at an Extraordinary General Meeting.

Article 6 – Share capital

The share capital of the Company is €8,750,065,920 divided into 2,916,688,640 shares with a par value of €3, all of them paid up in full.

For purposes of these Articles of Association:

- **"General Meeting"** means the General Meeting of Shareholders;
- **"Extraordinary General Meeting"** means the General Meeting convened to vote on extraordinary business;
- **"Ordinary General Meeting"** means the General Meeting convened to vote on ordinary business.

Article 7 – Changes in the share capital: capital increases, reductions and redemptions

A. Capital increases

1. The share capital may be increased by any method and in any manner authorised by law.
2. The Extraordinary General Meeting shall have exclusive authority to decide whether to increase the share capital or to authorise such a decision.
3. Pursuant to the applicable laws and regulations, holders of shares have a pre-emptive right to subscribe for shares and securities granting rights to shares in the Company, in proportion to the quantity of shares that they own.
4. In-kind contributions must be approved by the Extraordinary General Meeting, pursuant to the applicable laws and regulations.

B. Capital reductions

1. Capital reductions are decided or authorised by the Extraordinary General Meeting, which may delegate to the Board of Directors all powers for purposes of carrying out capital reductions.

Refer to the glossary on page 681 for the definition of technical terms.

2. Any capital reduction due to losses is allocated to the share capital among the different shares in proportion to the percentage of share capital they represent.

   Losses shall first be charged against the following accounts, in the following order: 1) retained earnings, 2) distributable reserves, 3) other reserves, 4) statutory reserves, 5) any share premiums, 6) the legal reserve, and 7) equity.

3. The Company may carry out capital reductions for reasons other than losses under the conditions stipulated by laws and regulations.

C. Redemption of the share capital

The share capital may be redeemed in accordance with Articles L.225-198 *et seq.* of the French Commercial Code.

Article 8 – Form of shares

The shares may be in registered or bearer form, at the holders' election, subject to applicable statutory and regulatory provisions.

They shall be registered in shareholders' accounts on the terms and conditions provided for by law. They may be transferred from account to account.

Article 9 – Declarations regarding reaching thresholds and shareholder identification

A. Declarations regarding reaching thresholds

Without prejudice to the ownership threshold disclosures provided by law, any person or legal entity, acting solely or with others, who directly or indirectly comes into possession of a number of shares representing 1% of the share capital or voting rights must inform the Company, by recorded delivery with advice of delivery, at its registered office, within five days of the date on which the shares enabling such person to reach or breach said threshold were registered, of the total number of shares and the number of voting rights it owns, as well as the total number of securities which may grant rights to the Company's equity in the future, any voting rights which may be attached thereto.

The said declaration must be renewed as set forth above each time that the number of shares or voting rights attains a multiple of a 1% threshold (through either a purchase or sale of shares) of the total shares or voting rights.

If a Shareholder has not issued the required declarations as set forth above, he shall lose his right to vote on the shares exceeding the level which should have been reported, as provided for by law, if one or more holders of shares representing at least 2% of the shares or voting rights so request during a General Meeting.

B. Shareholder identification

In accordance with applicable laws and regulations, and in order to identify the holders of bearer securities, the Company shall have the right to request at any time, at its expense, that the central custodian of its securities account provide the name, nationality, year of birth or formation, and the address of the holders of securities which provide a present or future right to vote at its General Meetings, as well as the number of securities held by each and the restrictions, if any, which may apply to the said securities.

Based on the list provided by the central custodian, and subject to the same terms and conditions, the Company shall have the right to request, either from said central custodian or directly from the persons on the list who the Company feels may be acting as intermediaries on behalf of third party, the information regarding said securities holders set forth in the preceding paragraph.

If they are intermediaries, said persons must disclose the identity of the holders of said securities. The information should be provided directly to the financial intermediary that maintains the account and said entity must then transmit the information to the Company or to the central custodian.

For registered securities, the Company shall also have the right at any time to request that the intermediary that has registered on behalf of third parties disclose the identity of the holders of said securities and the number of securities held by each of them.

For so long as the Company feels that certain holders of securities (whether registered or bearer), the identity of which has been provided to it, are holding said securities on behalf of third parties, it shall have the right to request said holders to disclose the identity of the owners of the securities as set forth above and the number of securities held by each of them.

After the information set forth above has been requested, the Company shall have the right to request any legal entity which holds more than one-fortieth of the share capital or voting rights of the Company to disclose to the Company the identity of the persons who directly or indirectly hold more than one-third of the share capital or voting rights (which are exercised at the legal entity's general meetings) of the said legal entity.

If a person who has been the subject of a request in accordance with the provisions of the present Article 9.B. fails to disclose the requested information within the legally required period or discloses incomplete or incorrect information regarding its capacity or the holders of the securities, or the number of securities held by each of them, the shares or securities which give rise to present or future rights to the Company's share capital which said person has registered, shall immediately lose their voting rights at any General Meeting until complete information has been provided. Dividend payments shall also be suspended until that date.

In addition, in the event that the registered person deliberately misconstrues the above provisions, the court which has territorial jurisdiction over the Company's registered office may, at the request of the Company or of one or more shareholders holding at least 5% of the share capital, revoke in whole or in part the voting rights regarding which the information was requested and, possibly, the corresponding dividend payment of the shares, for a period which may not exceed five years.

Article 10 – Voting rights – Indivisibility of the shares – Rights and obligations attached to the shares

A. Voting rights

The voting rights attached to the Company's shares are proportional to the share capital that they represent and each share entitles its holder to one vote. The Company's shares (including any that might be freely allocated as part of a capital increase via a capitalisation of reserves, profits or issue premiums) do not carry double voting rights in accordance with the last sub-paragraph of article L.225-123 of the French Commercial Code.

B. Indivisibility of the shares

The shares are indivisible with regard to the Company.

Voting rights attached to each share are exercised by the beneficial owner at Ordinary General Meetings and by the legal owner at Extraordinary General Meetings.

The joint owners of indivisible shares are represented at General Meetings by one of them or by a single representative. In the event of a dispute, their representative shall be appointed by the Court at the request of the first joint owner to refer this matter to the Court.

The right to the award of new shares following the capitalisation of reserves, profits or any share premiums belongs to the legal owner, subject to the rights of the beneficial owner.

C. Rights and obligations attached to the shares

1. Ownership of a share automatically entails compliance with the Articles of Association and with resolutions duly adopted by General Meetings.
2. Each share gives the holder the same right of ownership in the Company's assets and profits, as defined in Article 31 "Dissolution – Liquidation" and Article 30 "Determination, allocation and distribution of profit" herein.

   Each share gives the holder the right to attend General Meetings and to vote therein, under the conditions set forth by law and by the Articles of Association. Each share shall give the holder the right to cast one vote at General Meetings.
3. Whenever it is necessary to hold several shares to exercise a given right, such as in the case of an exchange, consolidation or allocation of shares, or as a result of an increase or reduction of the share capital regardless of whether this is due to accumulated losses, or in the case of a merger or other corporate transaction, the holders of individual shares, or those who do not own the required number of shares, may exercise such rights only if they personally arrange for the consolidation of the shares and purchase or sell the required number of shares or fractional shares, where necessary.

Article 11 – Board of Directors

1. The Company shall be governed by a Board of directors composed of:

- **at least 3 and no more than 18** directors shall be elected by the General Meeting in accordance with the provisions of Article L.225-18 of the French Commercial Code;
- **one director representing the professional agricultural organisations,** shall be appointed in accordance with the provisions of Article L.512-49 of the Monetary and Finance Code; and
- **two directors shall be elected by the staff** in accordance with Articles L.225-27 to L.225-34 of the French Commercial Code;
- **one director representing employee shareholders,** in accordance with Article L.225-23 of the French Commercial Code, elected by the General Meeting upon the proposal of the shareholders as referred to in Article L.225-102.

The following individuals may also attend Board Meetings in an advisory capacity:

- non-voting Board Members appointed in accordance with Article 12 of these Articles of Association; and
- one member of the Works Council designated thereby.

In the event that one of the positions held by the directors elected by the staff or by the director who represents the professional agricultural organisations becomes vacant, the Board of directors whose Board Members are elected by the General Meeting may validly deliberate.

The age limit for Directors is 65. When a director reaches the age of 65, he will be deemed to have resigned at the end of the next Ordinary General Meeting of Shareholders.

2. Directors elected by the General Meeting of Shareholders

Directors elected by the General Meeting of Shareholders shall be natural persons or legal entities.

The term of office of directors is three years. However, a director appointed to replace another director whose term of office has not yet expired shall remain in office only for the balance of his predecessor's term.

Directors who are natural persons may not be elected to more than four consecutive terms of office. However, if a director is appointed to replace an outgoing director whose term of office has not yet expired, the director appointed for the remainder of the outgoing director's term may seek a fifth term, for a period not exceeding four consecutive terms of office. He will be deemed to have resigned at the end of the next Ordinary General Meeting following the twelfth anniversary of his first appointment.

A director's duties shall terminate at the end of the Ordinary General Meeting called to consider the accounts for the previous financial year that is held during the year in which such director's term expires.

With the exception of the directors elected by the staff and the director who represents the professional agricultural organisations, the renewal of the directors elected by the General Meeting of Shareholders shall be carried out in such a way as to ensure, to the extent possible, a gradual and balanced expiry of terms of office.

3. Director representing the professional agricultural organisations

The term of office of the director representing the professional agricultural organisations is three years. He may be re-appointed or removed at any time by the authority that appointed him.

4. Directors elected by the staff

The status and procedures for the election of the directors elected by the staff are set out in L.225-27 *et seq.* of the French Commercial Code in the following provisions:

The term of office of the two directors elected by the staff is three years. Their duties terminate on the third anniversary of the date of their election and the Company shall take all steps necessary to hold a new election within the three-month period prior to the expiration of the term of said directors.

They may not be elected to more than four consecutive terms.

One of the directors is elected by the managerial staff, whilst the other is elected by the other employees of the Company.

In the event that the seat of a director elected by the staff falls vacant as a result of his death, resignation, removal or the termination of his employment contract, his successor shall take office immediately. If there is no successor able to carry out the director's duties, a new election shall be held within three months.

The first ballot of the election of directors by the staff shall be conducted in accordance with the following procedures:

The lists of voters, indicating their respective surnames, given names, dates and places of birth and domiciles, are prepared by the Chief Executive Officer and posted at least five weeks prior to the election date. One list of voters is prepared for each of the two groups. Within fifteen days after the lists are posted, any voter may submit a request to the Chief Executive Officer either that another voter who was omitted be registered, or that another voter who was erroneously registered be removed from the list. Within the same time period, any person whose name was omitted may also submit a request for registration.

The candidates must belong to the group whose votes they are seeking.

In each group of voters, each announcement of a candidacy must specify not only the name of the candidate, but also the name of any successor.

The Chief Executive Officer closes and posts the lists of candidates at least three weeks prior to the election date.

In the absence of a candidate for a given group, the seat of the director representing such group shall remain vacant for the entire term for which it would have been filled.

Results are recorded in minutes which shall be posted no later than three days after voting is closed. The Company shall keep a copy of the minutes in its records.

Refer to the glossary on page 681 for the definition of technical terms.

The organisation of elections and their requirements are determined by the Chief Executive Officer and shall be posted no less than five weeks prior to the date of the election.

Voting procedures are determined by Articles L.225-28 *et seq.* of the French Commercial Code. Any voter may vote either in person at the locations provided for that purpose, or by mail.

If no candidate for a given group obtains a majority of the votes cast on the first ballot, a second ballot shall be held within fifteen days.

5. Director representing employee shareholders

a. Procedures for appointing the candidate for the position of Director representing employee shareholders

Under the conditions defined in Article L.225-102 of the French Commercial Code, the candidate for appointment as Director representing employee shareholders is designated:

1. on the one hand, by all the elected members of the Supervisory Boards of the said FCPEs for unitholders of company mutual funds (FCPE) invested mainly in Crédit Agricole S.A. shares; and
2. on the other hand, by electors elected by all employee shareholders when they directly exercise the voting rights attached to the shares that they own directly (it being specified that the employees referred to in this paragraph 2) and are those referred to in Article L.225-102 of the French Commercial Code, *i.e.* employee shareholders of the Company and of entities or groupings related or affiliated to the Company pursuant to Article L.225-180 of the French Commercial Code).

The members of the Supervisory Boards referred to in paragraph 1) and the electors referred to in paragraph 2) shall meet within a college *(Collège)* responsible for electing from among themselves the candidate for the position of Director representing employee shareholders and his or her substitute with a view to their election by the General Meeting. The conditions for appointing the electors and the candidate, which are not specified in these Articles of Association, shall be determined by the Board of Directors, and shall be implemented by any person and/or management of Crédit Agricole S.A. to whom it has delegated authority, in agreement with the Chief Executive Officer.

In any event,

- the Board of Directors, when determining the conditions for eligibility to stand for election as a candidate for the positions of electors, must ensure that the number of electors will be such that the composition of the College will be reasonably representative of the respective weighting of shares whose voting rights are exercised directly by employee shareholders and shares whose voting rights are exercised by the Supervisory Boards of the FCPEs;
- the candidate and his/her substitute having received the absolute majority of the votes cast within the College will be proposed to the General Meeting; if, at the end of the vote, no candidate has obtained an absolute majority, then the two candidates having obtained the most votes will have to present themselves for a second round, at the end of which the one having obtained the absolute majority of the votes cast will be proposed to the General Meeting. The identity of the candidate and that of his or her substitute must be included in the Notice to the General Meeting called to decide on his or her appointment.

b. Status of the Director representing employee shareholders

The term of office of the Director representing employee shareholders is identical to that of the Directors elected by the General Meeting in accordance with Article L.225-18 of the French Commercial Code. However, such Director's term of office shall terminate automatically and the Director representing employee shareholders shall be deemed to have resigned automatically in the event of loss of capacity as a shareholder (individually or through an FCPE), or as an employee of the Company or of a company or economic interest grouping related to the Company within the meaning of Article L.225-180 of the French Commercial Code.

All candidates must present themselves with a substitute, who is called upon to replace them in the event of the definitive termination, during their term of office, of the duties as Director of the holder with whom they have been appointed. In this case, the substitute is co-opted by the Board of Directors to serve as Director representing employee shareholders until the term set. The co-optation of the substitute by the Board of Directors shall be subject to ratification by the next Ordinary General Meeting. Until the co-optation of the Substitute Director, the Board of Directors will be able to meet and deliberate validly.

If the substitute is definitively unable to attend, the replacement of the latter will be carried out under the conditions provided for in paragraph a. for the appointment of the candidate, at the latest before the Meeting of the next Ordinary General Meeting or, if this Meeting is held less than four months after the definitive impediment of the substitute, before the next Ordinary General Meeting. Until the co-optation of the alternate Director, the Board of Directors will be able to meet and deliberate validly.

In the event that, during the term of office, the report presented annually by the Board of Directors to the General Meeting pursuant to Article L.225-102 of the French Commercial Code establishes that the shares held within the scope of said article represent a percentage of less than 3% of the Company's share capital, the term of office of the member of the Board of Directors representing employee shareholders shall end at the close of the General Meeting at which the report of the Board of Directors establishing this fact is presented.

Article 12 – Non-voting Directors

Upon recommendation from the Chairman, the Board of Directors may appoint one or more non-voting directors.

Non-voting directors shall be notified of and participate at meetings of the Board of Directors in an advisory capacity.

They are appointed for a term of three years and may not be reappointed for more than four terms. They may be dismissed by the Board at any time.

In consideration of services rendered, they may be remunerated as determined by the Board of Directors.

Article 13 – Directors' shares

Each Director must own at least one share. If, on the date of his appointment or during his term of office, a director does not own or no longer owns at least one share and fails to correct this situation within three months, he will be deemed to have resigned.

Article 14 – Deliberations of the Board of Directors

1. The Board of Directors shall meet as often as the interests of the Company so require, upon notice by its Chairman, by any person authorised for that purpose by the Board of Directors, or by at least one-third of its members to address a specific agenda if the last meeting was held more than two months previously.

   If necessary, the Chief Executive Officer may request the Chairman to call a meeting of the Board of Directors to address a specific agenda.

   Meetings may be held at the registered office or at any other place specified in the notice of the meeting.

   Generally, notice of a meeting shall be given at least three days in advance by letter or by any other means. However, if all of the directors so agree, notice may be given orally and need not be in advance.

Notices of meetings shall set forth the principal items of business on the agenda.

2. The physical presence of at least one half of the directors is required for deliberations to be valid.

   At the Chairman's request, employees in positions of responsibility in the group may attend Board Meetings.

   A majority of the votes of the directors present or represented is required for a resolution to pass. Each director has one vote and is not authorised to represent more than one of his fellow directors.

   The Chairman shall have the casting vote in the event of a tie.

   The directors and any individuals requested to attend the Board of Directors' Meetings must exercise discretion with respect to the Board's deliberations and any confidential information and documents described as such by the Chairman of the Board of Directors.

3. Decisions falling within the Board's remit relating to the appointment of Directors on a provisional basis, the compliance of the Articles of Association with the regulations and legislation, the calling of the General Meeting and the relocation of the registered office within the same department may be taken by written consultation with the Directors.

Article 15 – Powers of the Board of Directors

The Board of Directors determines and ensures compliance with the business focus of the Company.

Except for the powers expressly reserved to the General Meeting of Shareholders and within the limits established by the Company's purpose, the Board of Directors is responsible for all issues related to the Company's operations and business and deliberates on such issues. In its relations with third parties, the Company may be bound by the acts of the Board of Directors which fall outside the Company's object unless the Company can prove that the said third party knew that the act was *ultra vires* or that it could not have been unaware, in light of the circumstances, that the act was *ultra vires.* The publication of the Articles of Association shall not constitute proof thereof.

The Board of Directors may conduct any inspections or audits that it deems necessary. Each director shall receive the information necessary to accomplish the Board's duties; management shall furnish to any director those documents that the said director deems necessary or appropriate.

The Board may decide to set up various committees to examine issues raised by itself or its Chairman and render an opinion.

The Board shall be responsible for determining the composition and powers of committees which do their work under its authority.

Article 16 – Chairmanship of the Board of Directors

In accordance with Article L.512-49 of the Monetary and Finance Code, the Board of Directors shall elect a Chairman from among its members who are directors of a *Caisse régionale de Crédit Agricole Mutuel* and shall fix his term of office, which may not exceed his term of office as a director.

The Board of Directors shall elect one or more Vice-Chairmen whose term shall also be established by the Board, but which may not exceed his (their) term of office as a director.

The Chairman of the Board of Directors represents the Board of Directors. He organises and directs the activities thereof and reports to the General Meeting on its activities.

He is responsible for the proper operation of the Company's entities, and, in particular, insures that directors are able to fulfil their duties.

As an exception to the provisions of the last paragraph of Article 11-1, the age limit for serving as Chairman of the Board of Directors is 67. Subject to this age limit, and as an exception to the provisions of Article 11-2, paragraph 3 of the Articles of Association, a serving Chairman may seek a fifth consecutive term of office.

Article 17 – General Management

A. Chief Executive Officer

In accordance with Article L.512-49 of the Monetary and Finance Code, the Board of Directors appoints the Chief Executive Officer of the Company, it may also terminate his appointment.

The Chief Executive Officer shall enjoy the broadest powers to act in all cases on behalf of the Company. He may exercise his authority within the limits of the Company's object and subject to that authority expressly reserved to General Meetings and to the Board of Directors.

He represents the Company in its relations with third parties.

The Company shall be bound by those actions of the Chief Executive Officer which are *ultra vires* unless the Company can prove that the said third party knew that the act was *ultra vires* or that it could not have been unaware, in light of the circumstances, that the act was *ultra vires.* Publication of the Articles of Association shall not constitute proof thereof.

Provisions of the Articles of Association and decisions of the Board of Directors that limit the Chief Executive Officer's powers are not binding on third parties.

He shall attend the meetings of the Board of Directors.

He shall appoint all employees and fix their compensation, in accordance with the provisions of the Monetary and Finance Code.

He may delegate part of his authority to as many individuals as he deems advisable.

B. Deputy Chief Executive Officers

Upon recommendation of the Chief Executive Officer, the Board of Directors appoints one or more persons responsible for assisting the Chief Executive Officer who shall have the title "Deputy Chief Executive Officer" *("Directeur général délégué").*

With the consent of the Chief Executive Officer, the Board of Directors shall determine the scope and term of the authority granted to the Deputy Chief Executive Officers.

Deputy Chief Executive Officers shall have the same authority as the Chief Executive Officer with respect to third parties.

In the event that the Chief Executive Officer ceases or is unable to perform his duties, the Deputy Chief Executive Officers shall continue to perform their duties until the appointment of a new Chief Executive Officer, unless the Board of Directors decides otherwise.

Article 18 – General provision on age limits

Any officer or director who reaches the age limit set by the Articles of Association or the law shall be deemed to have resigned at the close of the Annual Ordinary General Meeting of Shareholders that follows said anniversary date.

Article 19 – Directors' compensation

The Ordinary General Meeting determines and approves the directors' compensation package.

Article 20 – Statutory Auditors

Audits of the accounts shall be exercised in accordance with the law by two Statutory Auditors appointed by the Ordinary General Meeting of Shareholders.

The term of office of the Statutory Auditors shall be six financial years.

Statutory Auditors whose term of office expires may be re-appointed in compliance with the legal and regulatory provisions relating to their terms of office and turnover rates.

Refer to the glossary on page 681 for the definition of technical terms.

The Statutory Auditors may act jointly or separately, but must submit a joint report on the Company's accounts. They shall report to the Annual Ordinary General Meeting of Shareholders.

Article 21 – Shareholders' General Meetings

Collective resolutions shall be adopted at General Meetings which are either ordinary or extraordinary depending on the decisions they are called upon to take.

Article 22 – Notice and venue of Shareholders' General Meetings

General Meetings of Shareholders shall be convened and shall deliberate in accordance with the applicable laws and regulations.

General Meetings of Shareholders may be held at the registered office or at any other place specified in the notice of the meeting.

Article 23 – Agenda and minutes of General Meetings

The person calling the General Meeting shall draft the agenda for the General Meeting in accordance with the applicable laws and regulations.

Minutes must be drawn up and copies or extracts of the deliberations shall be issued and certified in accordance with the law.

Article 24 – Access to General Meetings

A. Proxies

Any Shareholder, regardless of the number of shares he/she owns, has the right to attend General Meetings, either in person or by proxy, subject to the conditions laid down by law and in these Articles of Association, by providing proof of identity and ownership of the shares, provided that the shares have been registered, either in his/her name or in the name of the intermediary registered on his/her behalf, by 12 midnight Paris time, on the second business day before the General Meeting:

- holders of registered shares must register their shares in the registered share accounts kept in the Company's registers;
- holders of bearer shares must deposit their shares in the bearer share accounts held by the authorised intermediary. This entry or filing is evidenced by a certificate of share ownership delivered by the intermediary or electronically, as applicable.

If a Shareholder cannot attend the General Meeting in person or by proxy, he/she may participate in one of the following two ways:

- cast a vote remotely;

or

- forward a proxy to the Company without naming a proxy holder,

in accordance with the applicable laws and regulations.

B. Participation in General Meetings

If the Shareholder has requested an admission card or a certificate of share ownership, or has cast his/her vote remotely or sent a proxy, he/she may no longer choose to take part in the General Meeting in another manner. However, he/she may sell all or part of his/her shares at any time.

If ownership is transferred before 12 midnight CET on the second business day before the General Meeting, the Company shall invalidate or make the necessary changes to the remote vote, the proxy, the admission card or the certificate of share ownership, as appropriate. To that end, the authorised intermediary, acting as account holder, shall notify the Company or its agent of such a transfer and forward the necessary information to it.

The authorised intermediary shall not issue a notification of transfer of ownership taking place after 12 midnight CET on the second business day before the General Meeting, nor shall the Company take such a transfer into consideration.

Shareholders in the Company who are not domiciled in France may be registered in an account and represented at General Meetings by any intermediary that has been registered on their behalf and given a general power of attorney to manage the shares. When opening its account, however, the intermediary must have declared its status, as an intermediary holding shares on behalf of third parties, to the Company or the financial intermediary acting as account holder, in accordance with the applicable and regulatory provisions.

Following a decision by the Board of Directors published in the notice convening the Meeting, Shareholders may participate in General Meetings by videoconferencing, or by any other means of telecommunication or remote transmission, including the internet, in accordance with the legal and regulatory provisions in force. The Board of Directors shall determine the terms governing participation and voting, ensuring that the procedures and technologies used meet the technical criteria required to ensure that the General Meeting's deliberations are continuously and simultaneously relayed and that the votes are accurately recorded.

Provided that they comply with the relevant deadlines, Shareholders who use the electronic voting form provided on the website set up by the entity in charge of the General Meeting's formalities shall be counted as being present or represented at the General Meeting. The electronic form may be completed and signed directly online using any procedure, including a username and password combination that has been approved by the Board of Directors and complies with the requirements set out in the first sentence of the second sub-paragraph of Article 1367 of the French Civil Code.

A proxy or vote issued before the General Meeting using such electronic means and the subsequent acknowledgement of receipt thereof shall be deemed to be irrevocable and enforceable against all parties, it being understood that if the ownership of shares is transferred before 12 midnight CET on the second business day before the General Meeting, the Company shall invalidate or make the necessary changes to the proxy or vote issued before that time and date, as appropriate.

Article 25 – Attendance list – Officers of the General Meeting

1. An attendance list setting out the information required by law is kept for each General Meeting of Shareholders.

   This list, which must be duly initialled by all shareholders present or their proxies, and to which are attached all proxy forms given to each of the proxies and any ballots cast remotely, shall be certified as accurate by the officers of the General Meeting.

2. The Chairman of the Board, or in his absence a Vice-Chairman or a Director expressly authorised for that purpose by the Board of Directors, shall chair General Meetings of Shareholders.

   If a General Meeting of Shareholders is convened at the request of one or more Statutory Auditors, one of the Statutory Auditors shall chair the General Meeting.

   Whenever the person entitled or designated to chair is absent, the General Meeting of Shareholders shall elect its Chairman.

   The officers of the General Meeting appoint a secretary who needs not be a Shareholder.

   The officers of the General Meeting are in charge of verifying, certifying and signing the attendance list, ensuring that the debate is conducted in good order, resolving problems which may arise during the General Meeting, checking the ballots cast and verifying that they are not void, and ensuring that minutes of the General Meeting are drawn up.

Article 26 – Quorum – Voting – Number of votes at General Meetings

The quorum at General Meetings is calculated on the basis of the total number of shares, less those shares not entitled to vote in accordance with the provisions of the law or of the Articles of Association.

In the case of remote voting, only ballots received by the Company prior to the General Meeting within the time periods and under the conditions prescribed by the applicable laws and regulations shall be counted.

In the event of a proxy vote without naming a proxy holder, the Chairman shall add a vote in favour of the resolutions presented or approved by the Board of Directors and a vote against all other resolutions.

Except in the special cases provided for by law, each Shareholder at a General Meeting shall have the right to cast as many votes as shares he holds for which all capital calls have been met.

The Company shall have the right to request from an intermediary registered on behalf of a Shareholder who is not domiciled in France, but which has a general power of attorney to manage the securities of that Shareholder, to provide a list of shareholders which it represents and whose votes will be exercised at a General Meeting.

The votes or proxies exercised by an intermediary which has not disclosed that it is acting in that capacity in accordance with applicable laws and regulations or the Articles of Association, or which has not disclosed the identity of the securities holders, shall not be counted.

Article 27 – Ordinary General Meetings

1. All decisions which do not amend the Articles of Association are taken by the Ordinary General Meeting of Shareholders.

   The Ordinary General Meeting must meet at least once a year within the period prescribed by the applicable laws and regulations to consider and vote on the accounts for the prior financial year.

   Its powers include the following:

   - to approve, modify or reject the accounts submitted to it;
   - to decide on the distribution and allocation of profit in accordance with the Articles of Association;
   - to discharge or refuse to discharge directors;
   - to appoint and dismiss directors;
   - to approve or reject temporary appointments of directors by the Board of Directors;
   - to authorise the purchase of shares under share buyback programmes established under the conditions stipulated by Articles L.225-209 *et seq.* of the French Commercial Code (or equivalent regulations applicable as of the date of the relevant transaction);
   - to appoint the Statutory Auditors;
   - to consider and vote on the special report of the Statutory Auditors concerning transactions subject to prior authorisation by the Board of Directors.
2. The deliberations of the Ordinary General Meeting of Shareholders convened following the first notice shall be valid only if the Shareholders present, represented or voting remotely at the General Meeting hold, in the aggregate, at least one fifth of all voting shares.

   There is no quorum requirement for the General Meeting following the second notice.

   In order to pass, resolutions require a majority of the votes of the shareholders present, represented or voting remotely.

Article 28 – Extraordinary General Meetings

1. The Extraordinary General Meeting of Shareholders shall have exclusive authority to amend any of the provisions of the Articles of Association. However, it shall not increase the obligations of the shareholders other than through transactions, duly authorised and carried out, which are the result of an exchange or consolidation of shares.
2. The deliberations of the Extraordinary General Meeting of Shareholders convened following the first notice shall be valid only if the holders of shares present, represented or voting remotely at the General Meeting hold, in the aggregate, at least one fourth of all voting shares, or one fifth of all voting shares following the second notice. If this last quorum is not met, the second Extraordinary General Meeting may be postponed to a date not later than two months after the date for which it was scheduled.

   In order to pass, resolutions require a two-thirds majority of the votes of the holders of shares present, represented or voting remotely.
3. Notwithstanding the foregoing provisions, and as permitted by law, an Extraordinary General Meeting which approves a capital increase through the capitalisation of reserves, profits or share premiums shall be subject to the same quorum and majority voting requirements as an Ordinary General Meeting.

Article 29 – Financial year

The financial year shall begin on 1 January and end on 31 December of each year.

Article 30 – Determination, allocation and distribution of profit

1. Five per cent of the profit for a financial year less any accumulated losses shall be posted to the legal reserve until the reserve reaches one-tenth of the share capital.
2. The balance, increased by retained earnings, if any, shall constitute the distributable profit which the Ordinary General Meeting of Shareholders shall:

   - allocate to one or more ordinary or extraordinary, optional reserve accounts, with or without a specific purpose;
   - distribute to the shareholders as a dividend.

   The Ordinary General Meeting may also decide to distribute amounts from reserves distributable by the Shareholders.
3. The Ordinary General Meeting or, in the case of an interim dividend, the Board of Directors, may, for a given financial period, decide to pay or not to pay a dividend to the Shareholders, in order to comply with the Company's prudential requirements.

Refer to the glossary on page 681 for the definition of technical terms.

Article 31 – Dissolution – Liquidation

1. The Company shall be in liquidation as from the time that it is dissolved, for any reason whatsoever. Its legal personality shall subsist for purposes of such liquidation and until completion thereof.

   The shares may continue to be traded until liquidation has been completed.

   Dissolution of the Company shall be effective as against third parties only as from the date on which the notice of dissolution is published in the Paris Trade and Company Registry.

   At the end of the life of the Company or if it is dissolved in advance by an Extraordinary General Meeting of Shareholders, said Meeting shall fix the rules governing liquidation. Voting in accordance with the quorum and majority voting requirements applicable to Ordinary General Meetings, it shall appoint one or more liquidators whose powers it shall determine, and who shall carry out their responsibilities in accordance with the law. Upon appointment of the liquidators, the functions of the Directors, the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officers shall cease.

   Throughout the duration of liquidation, the General Meeting of Shareholders shall continue to exercise the same powers as it did during the life of the Company.

2. The liquidator shall represent the Company. He shall be vested with the broadest powers to dispose of its assets, even informally. He is authorised to pay creditors and distribute the remaining balance.

   The General Meeting may authorise the liquidator to continue pending business or to undertake new business for the purpose of the liquidation.

   The par value of the shares shall be reimbursed proportional to their share of the Company's share capital, and any liquidation dividend shall be distributed.

Article 32 – Disputes

Courts having jurisdiction under ordinary law shall resolve any dispute which may arise during the life of the Company or during liquidation following dissolution, either among the Shareholders, the managing and governing bodies and the Company, or among the shareholders themselves, in connection with corporate business or compliance with the provisions of the Articles of Association.

INFORMATION ON THE COMPANY

ACQUISITIONS MADE BY CRÉDIT AGRICOLE S.A. OVER THE PAST THREE FINANCIAL YEARS

Main acquisitions completed

Date	Country	Investments	Financing
03/05/2018	Italy	Indosuez Wealth Management finalised the acquisition of 94.1% of Banca Leonardo.	The acquisition was financed by core own funds generated and retained during the year.
27/07/2018	Italy	Crédit Agricole Assurances finalised the acquisition of 5% of the share capital of Credito Valtellinese S.p.A.	The acquisition was financed by core own funds generated and retained during the year.
21/12/2018	Portugal	Crédit Agricole Assurances finalised the acquisition of a 25% interest in GNB Seguros, bringing its total stake to 75%.	The acquisition was financed by core own funds generated and retained during the year.
28/06/2019	Italy	AGOS finalised the acquisition of 100% of the share capital of ProFamily S.p.A.	The acquisition was financed by core own funds generated and retained during the year.
08/07/2019	Spain	ABANCA and Crédit Agricole Assurances announced the signing of a partnership agreement to form a non-life company for the Spanish and Portuguese markets. The new joint-venture is held at 50% by Crédit Agricole Assurances.	The acquisition was financed by core own funds generated and retained during the year.
07/10/2019	Netherlands	CACEIS finalised the acquisition of 97.4% of the share capital of KAS Bank.	The acquisition was financed by core own funds generated and retained during the year.
20/12/2019	Spain	Crédit Agricole S.A. and Santander entered a Master Agreement to combine their institutional custody and asset servicing activities. The new entity, which shall keep the name CACEIS, is held by Crédit Agricole S.A. and by Santander for 69.5% and 30.5%, respectively.	The acquisition was carried out through a capital increase by CACEIS, underwritten by Santander through its asset servicing activities in Spain and Latin America.
21/01/2020	Spain	Acquisition by Amundi AM of 100% of Sabadell Asset Management.	The acquisition was financed by core own funds generated and retained during the year.
18/06/2020	France	Acquisition by CACF of 50% of Menafinance.	The acquisition was financed by core own funds generated and retained during the year. The acquired entity has been absorbed.
17/06/2020	France	CAPS finalised the acquisition of 55.56% of Linxo Group.	The acquisition was financed by core own funds generated and retained during the year.
30/09/2020	China	Amundi and BOC Wealth Management launched Amundi BOC Wealth Management Company Limited, held for 55% by Amundi and 45% by BOC Wealth Management.	The acquisition was financed by core own funds generated and retained during the year.
05/10/2020	Luxembourg	Amundi, the founding shareholder of Fund Channel, announced the purchase of 49.96% of the company's share capital, making it the sole shareholder of 100% of the capital since early 2021.	The acquisition was financed by core own funds generated and retained during the year.
09/10/2020	Portugal	Crédit Agricole Assurances announced the signing of an agreement with Novo Banco to acquire 25% of GNB Seguros, increasing its investment in the company to 100%.	The acquisition was financed by core own funds generated and retained during the year.

N.B. : we cannot disclose certain information about investment amounts without violating confidentiality agreements or revealing information to our competitors that could be detrimental to the Group.

Acquisitions in progress

On 23 November 2020, Crédit Agricole Italia launched a voluntary public tender offer in cash for all shares of Credito Valtellinese. The launch of this public tender offer is scheduled for the second quarter of 2021, after the necessary regulatory approvals are obtained.

NEW PRODUCTS AND SERVICES

The Group entities regularly offer new products and services to customers. Information is available on the Group’s websites, including through press releases that can be accessed via this site: www.credit-agricole.com.

Refer to the glossary on page 681 for the definition of technical terms.

MATERIAL CONTRACTS

In the framework of the initial public offering of Crédit Agricole S.A. in 2001, CNCA (now Crédit Agricole S.A.) signed an agreement with the Regional Banks aiming to govern internal relations within the Crédit Agricole Group. The main provisions of the agreement are set out in Chapter IV of the Registration Document filed by Crédit Agricole S.A. with the *Commission des opérations de bourse* on 22 October 2001 under number R. 01-453. The agreement notably provided for the creation of 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 affiliated members that may be experiencing difficulties. To allow for changes in the way the FRBLS works following Crédit Agricole Corporate and Investment Bank's affiliation to the Crédit Agricole network, Crédit Agricole S.A. approved new regulations at its 13 December 2011 Board of Directors Meeting, which set new rules for the contributions paid by Crédit Agricole S.A. on behalf of its affiliates.

The fund was originally allocated €610 million in assets. At 31 December 2020, it totalled €1,239 million, having been increased by €45 million in the course of the year.

Furthermore, since CNCA's reorganisation as a mutual company in 1988, the Regional Banks have committed to making up any shortfall suffered by creditors should Crédit Agricole S.A. become insolvent or experience similar financial difficulties as a result of a court-supervised liquidation, or once dissolution-related formalities are complete. The Regional Banks' potential commitment under this guarantee is equal to the sum of their share capital and reserves.

Switch guarantee

The Switch mechanism was implemented on 23 December 2011 as part of the financial relationship framework between Crédit Agricole S.A., as corporate centre, and the mutualist network of Crédit Agricole Regional Banks.

It initially enabled the transfer of the regulatory prudential requirements applying to Crédit Agricole S.A.'s interests in the Regional Banks, which were accounted for under the equity method in the consolidated financial statements of Crédit Agricole S.A. before the Eurêka operation[(1)] was carried out.

By amendment signed on 19 December 2013, Crédit Agricole S.A. and the Regional Banks decided to extend the guarantee base granted by the Regional Banks to Crédit Agricole S.A. on 23 December 2011 to Crédit Agricole S.A.'s equity investment in Crédit Agricole Assurances (CAA). The new guarantees came into effect on 2 January 2014 and subsequently allowed the transfer of regulatory prudential requirements applying to Crédit Agricole S.A.'s interests both in the Regional Banks (CCI/CCA) and in CAA.

As part of the "Eurêka" Crédit Agricole Group structure simplification operation, the Switch guarantee mechanism was amended in 2016 by two supplemental agreements, signed respectively on 17 February (Supplemental agreement No. 2) and 21 July (Amendment No. 3).

With these supplemental agreements, Crédit Agricole S.A. and the Regional Banks decided: (i) to limit the scope of application of the guarantees previously granted by the Regional Banks to Crédit Agricole S.A. exclusively to Crédit Agricole S.A.'s interest in Crédit Agricole Assurances (CAA), following the transfer of Crédit Agricole S.A.'s interest in the Regional Banks to Sacam Mutualisation; (ii) to change the conditions of expiry of the coverage obligation for insurance entities to enable the beneficiary to gradually reduce the guaranteed amount; (iii) to replace the quarterly calculation with a half-yearly calculation. The new scope and guarantee terms came into effect on 1 July 2016.

The effectiveness of the mechanism is guaranteed by a security deposit paid by the Regional Banks to Crédit Agricole S.A.

The guarantee transfers to the Regional Banks the risk of a fall in the equity-accounted value of Crédit Agricole S.A.'s interests in CAA.

As soon as a drop in value is observed, the guarantee mechanism is activated and Crédit Agricole S.A. receives compensation drawn from the security deposit. If the equity-accounted value later recovers, Crédit Agricole S.A. can return previously paid compensation in accordance with a clawback provision.

The guarantee expires on 1 March 2027, when it may be extended automatically. The guarantee may be terminated early, under certain circumstances and subject to prior notification of the ACPR.

The security deposit is remunerated at a fixed rate based on conditions prevailing for long term liquidity. The guarantee attracts a fixed remuneration covering the present value of the risk and cost of capital of the Regional Banks.

Under the Ambitions MTP 2022 as adopted by the Board of Directors on 5 June 2019, the Group has undertaken to unwind at least half of the Switch guarantee by the end of 2022. In this context, under the authorisation of the Board of Directors on 17 December 2019, a first tranche of 35% was unwound in the first quarter of 2020. In addition, on 8 January 2021, the Board of Directors authorized the unwinding of a second 15% tranche of the Switch guarantee as of the first quarter of 2021.

MATERIAL CHANGES

The financial statements for financial year 2020 were approved by the Board of Directors at its meeting of 10 February 2021. Crédit Agricole CIB has received information after the financial statements were approved by its Board of Directors, specifying the tax treatment of transactions carried out abroad. The estimate of these uncertain tax positions will be reviewed in the first quarter of 2021. The favourable impact of this review on Crédit Agricole S.A.'s effective tax rate in 2021 would, on a 2020 basis and all other things being equal, be between 1% and 2%.

PUBLICLY AVAILABLE DOCUMENTS

This document is available on the website at www.credit-agricole.com/en/finance/finance and on the website of the French Financial Market Authority (Autorité des marchés financiers – AMF), www.amf-france.org.

All regulated information as defined by the AMF (in Title II of Book II of the AMF's General Regulations) is available from the Company's website: www.credit-agricole.com/en/finance/finance under "Regulated information". Crédit Agricole S.A. Articles of Association are reproduced, in full, in this document.

(1) "Eurêka" operation described on page 528 of the 2016 Registration Document.

GENERAL MEETING OF SHAREHOLDERS OF 12 MAY 2021

The agenda and draft resolutions presented to the Ordinary and Extraordinary General Meeting on Wednesday 12 May 2021 are available at www.credit-agricole.com/en/finance/finance/individual-shareholders/annual-general-meeting.

INFORMATION ON INACTIVE BANK ACCOUNTS

Under articles L. 312-19 and L. 312-20 of the French Monetary and Financial Code, based on Law No. 2014-617 of 13 June 2014 relative to unclaimed assets on inactive bank accounts, named Law Eckert which came into force on 1 January 2016, every credit institution is required to publish annual information on inactive bank accounts. At end-2020, Crédit Agricole S.A. had two inactive bank accounts for an estimated total amount of €63,681. No transfer to the *Caisse des Dépôts et Consignations has* been made.

INFORMATION ON ACCOUNTS PAYABLE AND RECEIVABLES

Under article L. 441-6-1 of the French Commercial Code *(Code de commerce)*, companies whose annual financial statements are certified by a Statutory Auditor are required to disclose in their management report the balance of amounts due to suppliers by payment term, as set out in article D. 441-4 of Decree No. 2008-1492.

This information does not include any banking operations neither related transactions.

Accounts payable payment terms

(in millions of euros)	2020	2019
Past due	**-**	**-**
Current	**-**	**-**
<30 days	-	7
>30 days <45 days	-	-
>45 days	-	-
TOTAL	**-**	**7**

Customer payment terms

The number of invoices issued by Crédit Agricole S.A. outside its banking activity and related transactions is considered immaterial.

INFORMATION ON THE CRÉDIT AGRICOLE S.A. ENTITIES

The information about Crédit Agricole S.A. entities required by article 7 of Law No. 2013-672 of 26 July 2013 on the separation and regulation of banking activities and by Order No. 2014-158 of 20 February 2014 supplemented by Implementing Decree No. 2014-1657 of 29 December 2014 implementing article L. 511-45 of the French Monetary and Financial Code, are detailed below.

Consolidated entities included in this reporting are the parent company, the subsidiaries and the branches. Held-for-sale operations or discontinued operations under IFRS 5, as well as equity-accounted entities, are excluded.

Revenues from international entities correspond to their territorial contribution to the consolidated financial statements prior to elimination of reciprocal intragroup transactions.

Headcount corresponds to the average number of employees of the reporting period.

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	10,542	35,201	1,957	(782)	304	-
France DOM-TOM	-	-	-	-	-	-
OTHER EU COUNTRIES						
Germany	527	1,331	39	(21)	9	-
Austria	48	119	25	(8)	1	-
Belgium	55	116	31	(7)	(1)	-
Bulgaria	-	2	-	-	-	-
Denmark	-	-	-	-	-	-
Spain	264	488	122	(38)	11	-
Finland	10	12	9	(1)	(1)	-
Greece	-	19	(2)	-	-	
Hungary	3	19	-	-	-	-
Ireland	155	591	79	(8)	(3)	-
Italy	3,081	12,209	(235)	(154)	(1)	-

Refer to the glossary on page 681 for the definition of technical terms.

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
Luxembourg	823	1,481	452	(88)	5	-
Netherlands	91	80	(3)	(2)	6	-
Poland	359	5,177	(15)	(7)	2	-
Portugal	144	512	54	(14)	-	-
Czech Republic	23	95	10	(2)	1	-
Romania	1	9	-	-	-	-
United Kingdom	1,044	886	639	(98)	(35)	-
Slovakia	1	4	-	-	-	-
Sweden	28	46	15	(3)	-	-
OTHER EUROPEAN COUNTRIES						
Monaco	135	443	34	(6)	-	-
Russia	17	173	2	(1)	-	-
Serbia	47	870	10	(1)	-	-
Switzerland	327	1,150	(25)	3	6	-
Ukraine	110	2,399	70	(7)	1	-
Guernsey	1	-	-	-	-	-
NORTH AMERICA						
Canada	11	13	8	(2)	-	-
United States	1,100	1,115	402	(88)	5	-
Mexico	1	5	-	-	-	-
CENTRAL AND SOUTH AMERICA						
Argentina	-	-	-	-	-	-
Brazil	104	95	78	-	(6)	-
Chile	4	2	3	(1)	-	-
AFRICA AND MIDDLE EAST						
Algeria	4	23	2	-	-	-
Egypt	197	2,488	123	(32)	-	-
United Arab Emirates	58	106	22	-	-	-
Morocco	216	2,557	28	(21)	11	-
Mauritius	-	120	1	-	-	-
Qatar	-	1	-	-	-	-
ASIA AND OCEANIA (EXCL. JAPAN)						
Australia	50	32	34	(10)	-	-
China	66	176	23	(11)	4	-
South Korea	60	92	22	(4)	(1)	-
Hong Kong	244	703	53	(11)	1	-
India	39	190	22	(5)	-	-
Malaysia	9	22	6	(1)	-	-
Singapore	156	809	(9)	(3)	3	-
Taiwan	53	114	25	(13)	9	-
Vietnam						
JAPAN						
Japan	292	429	64	(38)	25	-
TOTAL	**20,500**	**72,520**	**4,175**	**(1,485)**	**356**	**-**

At 31 December 2020, Crédit Agricole S.A. had the following entities:

Scope of consolidation of Crédit Agricole S.A.

Operation Name	Type of business	Geographic location
AMUNDI	AG	France
AMUNDI (UK) Ltd.	AG	United Kingdom
AMUNDI ASSET MANAGEMENT	AG	France
AMUNDI ASSET MANAGEMENT AGENCIA EN CHILE	AG	Chile
AMUNDI ASSET MANAGEMENT BELGIUM	AG	Belgium
AMUNDI ASSET MANAGEMENT DUBAI (OFF SHORE) BRANCH	AG	United Arab Emirates
AMUNDI ASSET MANAGEMENT HONG KONG BRANCH	AG	Hong Kong
AMUNDI ASSET MANAGEMENT LONDON BRANCH	AG	United Kingdom
AMUNDI ASSET MANAGEMENT MEXICO BRANCH	AG	Mexico
AMUNDI ASSET MANAGEMENT NEDERLAND	AG	Netherlands
Amundi Asset Management S.A.I. S.A.	AG	Romania
Amundi Austria GmbH	AG	Austria
Amundi BOC Wealth Management Co. Ltd	AG	China
Amundi Czech Republic Asset Management Bratislava Branch	AG	Slovakia
Amundi Czech Republic Asset Management Sofia Branch	AG	Bulgaria
Amundi Czech Republic Asset Management, A.S.	AG	Czech Republic
Amundi Czech Republic, Investicni Spolecnost, A.S.	AG	Czech Republic
Amundi Deutschland GmbH	AG	Germany
AMUNDI Finance	AG	France
AMUNDI Finance Emissions	AG	France
AMUNDI GLOBAL SERVICING	AG	Luxembourg
AMUNDI Hellas MFMC S.A.	AG	Greece
AMUNDI Hong Kong Ltd.	AG	Hong Kong
AMUNDI Iberia S.G.I.I.C S.A.	AG	Spain
AMUNDI Immobilier	AG	France
AMUNDI India Holding	AG	France
AMUNDI Intermédiation	AG	France
Amundi Intermédiation Asia PTE Ltd	AG	Singapore
Amundi Intermédiation Dublin Branch	AG	Ireland
Amundi Intermédiation London Branch	AG	United Kingdom
Amundi Investment Fund Management Private Limited Company	AG	Hungary
Amundi Ireland Ltd	AG	Ireland
AMUNDI Issuance	AG	France
AMUNDI Japan	AG	Japan
AMUNDI Japan Holding	AG	Japan
Amundi Luxembourg S.A.	AG	Luxembourg
AMUNDI Malaysia Sdn Bhd	AG	Malaysia
Amundi Pioneer Asset Management Inc	AG	United States
Amundi Pioneer Asset Management USA Inc	AG	United States
Amundi Pioneer Distributor Inc.	AG	United States
Amundi Pioneer Institutional Asset Management Inc	AG	United States
AMUNDI Polska	AG	Poland
AMUNDI Private Equity Funds	AG	France

Operation Name	Type of business	Geographic location
AMUNDI Real Estate Italia SGR S.p.A.	AG	Italy
AMUNDI SGR S.p.A.	AG	Italy
AMUNDI Singapore Ltd.	AG	Singapore
AMUNDI Suisse	AG	Switzerland
Amundi Taïwan Limited	AG	Taiwan
AMUNDI Tenue de Comptes	AG	France
AMUNDI USA Inc.	AG	United States
AMUNDI Ventures	AG	France
BFT INVESTMENT MANAGERS	AG	France
CA Indosuez (Switzerland) S.A. Hong Kong Branch	AG	Hong Kong
CA Indosuez (Switzerland) S.A. Singapore Branch	AG	Singapore
CA Indosuez (Switzerland) S.A. Switzerland Branch	AG	Switzerland
CA Indosuez (Switzerland) S.A.	AG	Switzerland
CA Indosuez Finanziaria S.A.	AG	Switzerland
CA Indosuez Gestion	AG	France
CA Indosuez Wealth (Europe)	AG	Luxembourg
CA Indosuez Wealth (Europe) Belgium Branch	AG	Belgium
CA Indosuez Wealth (Europe) Spain Branch	AG	Spain
CA Indosuez Wealth (France)	AG	France
CA Indosuez Wealth (Group)	AG	France
CA Indosuez Wealth Italy S.P.A.	AG	Italy
CA Luxembourg (succursale Italie)	AG	Italy
CFM Indosuez Conseil en Investissement	AG	France
CFM Indosuez Conseil en Investissement, Succursale de Nouméa	AG	France
CFM Indosuez Gestion	AG	Monaco
CFM Indosuez Wealth	AG	Monaco
CPR AM	AG	France
Etoile Gestion	AG	France
Fund Channel	AG	Luxembourg
Fund Channel Singapore Branch	AG	Singapore
KBI Fund Managers Limited	AG	Ireland
KBI Global Investors (North America) Limited	AG	Ireland
KBI Global Investors Limited	AG	Ireland
LCL Emissions	AG	France
Pioneer Global Investments LTD Buenos Aires Branch	AG	Argentina
Pioneer Global Investments LTD Mexico city Branch	AG	Mexico
Sabadell Asset Management, S.A., S.G.I.I.C.	AG	Spain
Société Générale Gestion (S2G)	AG	France
Vanderbilt Capital Advisors LLC	AG	United States
ASSUR&ME	AG	France
CA Assicurazioni	AG	Italy
CACI DANNI	AG	Italy
CACI LIFE LIMITED	AG	Ireland
CACI NON LIFE LIMITED	AG	Ireland
CACI NON VIE	AG	France
CACI Reinsurance Ltd.	AG	Ireland
CACI VIE	AG	France

Refer to the glossary on page 681 for the definition of technical terms.

Operation Name	Type of business	Geographic location
CACI VITA	AG	Italy
CALIE Europe Succursale France	AG	France
CALIE Europe Succursale Pologne	AG	Poland
Crédit Agricole Assurances (CAA)	AG	France
Crédit Agricole Creditor Insurance (CACI)	AG	France
Crédit Agricole Life	AG	Greece
Crédit Agricole Life Insurance Company Japan Ltd.	AG	Japan
Crédit Agricole Life Insurance Europe	AG	Luxembourg
Crédit Agricole Vita S.p.A.	AG	Italy
Finaref Risques Divers	AG	France
Finaref Vie	AG	France
GNB SEGUROS	AG	Portugal
Médicale de France	AG	France
Pacifica	AG	France
Predica	AG	France
Predica - Prévoyance Dialogue du Crédit Agricole	AG	Spain
Space Holding (Ireland) Limited	AG	Ireland
Space Lux	AG	Luxembourg
Spirica	AG	France
37785 QXEURC	AG	Luxembourg
ACAJOU	AG	France
AGRICOLE RIVAGE DETTE	AG	France
AIJPMGBIGOAHE	AG	Luxembourg
AM DESE FIII DS3IMDI	AG	France
AMUNDI GRD 24 FCP	AG	France
AMUNDI PE Solution Alpha	AG	France
APLEGROSENIEUHD	AG	Luxembourg
ARTEMID	AG	France
BFT CREDIT OPPORTUNITES -I-C	AG	France
BFT opportunité	AG	France
BFT VALUE PREM OP CD	AG	France
CA VITA INFRASTRUCTURE CHOICE FIPS c.I.A.	AG	France
CA VITA PRIVATE DEBT CHOICE FIPS cl.A	AG	France
CA VITA PRIVATE EQUITY CHOICE	AG	France
CAA 2013 COMPARTIMENT 5 A5	AG	France
CAA 2013 FCPR B1	AG	France
CAA 2013 FCPR C1	AG	France
CAA 2013 FCPR D1	AG	France
CAA 2013-2	AG	France
CAA 2013-3	AG	France
CAA 2014 COMPARTIMENT 1 PART A1	AG	France
CAA 2014 INVESTISSMENT PART A3	AG	France
CAA 2015 COMPARTIMENT 1	AG	France
CAA 2015 COMPARTIMENT 2	AG	France
CAA 2016	AG	France
CAA COMMERCES 2	AG	France
CAA INFRASTRUCTURE	AG	France
CAA INFRASTRUCTURE 2017	AG	France
CAA INFRASTRUCTURE 2018 – COMPARTIMENT 1	AG	France
CAA INFRASTRUCTURE 2019	AG	France
CAA PR FI II C1 A1	AG	France
CAA PRIV EQY 19 CF A	AG	France

Operation Name	Type of business	Geographic location
CAA PRIV.FINANC.COMP.1 A1 FIC	AG	France
CAA PRIV.FINANC.COMP.2 A2 FIC	AG	France
CAA PRIVATE EQUITY 2017	AG	France
CAA PRIVATE EQUITY 2017 BIS	AG	France
CAA PRIVATE EQUITY 2017 FRANCE INVESTISSEMENT	AG	France
CAA PRIVATE EQUITY 2017 MEZZANINE	AG	France
CAA PRIVATE EQUITY 2017 TER	AG	France
CAA PRIVATE EQUITY 2018 – COMPARTIMENT 1	AG	France
CAA PRIVATE EQUITY 2018 – COMPARTIMENT FRANCE INVESTISSEMENT	AG	France
CAA PRIVATE EQUITY 2019 COMPARTIMENT 1	AG	France
CAA PRIVATE EQUITY 2019 COMPARTIMENT BIS	AG	France
CAA PRIVATE EQUITY 2019 COMPARTIMENT TER	AG	France
CAA SECONDAIRE IV	AG	France
CAREPTA R 2016	AG	France
CEDAR	AG	France
Chorial Allocation	AG	France
CNP ACP 10 FCP	AG	France
COMPARTIMENT DS3 - IMMOBILIER VAUGIRARD	AG	France
COMPARTIMENT DS3 - VAUGIRARD	AG	France
CORSAIR 1.52% 25/10/38	AG	Luxembourg
CORSAIR 1.5255% 25/04/35	AG	Ireland
CORSAIRE FINANCE IRELAND 0.83% 25-10-38	AG	Ireland
CORSAIRE FINANCE IRELAND 1.24% 25-10-38	AG	Ireland
CORSAIRE FINANCE IRELANDE 0.7% 25-10-38	AG	Ireland
EFFITHERMIE FPCI	AG	France
FCPR CAA 2013	AG	France
FCPR CAA COMP TER PART A3	AG	France
FCPR CAA COMPART BIS PART A2	AG	France
FCPR CAA COMPARTIMENT 1 PART A1	AG	France
FCPR CAA France croissance 2 A	AG	France
FCPR PREDICA 2007 A	AG	France
FCPR PREDICA 2007 C2	AG	France
FCPR PREDICA 2008 A1	AG	France
FCPR PREDICA 2008 A2	AG	France
FCPR PREDICA 2008 A3	AG	France
FCPR PREDICA SECONDAIRE I A1	AG	France
FCPR PREDICA SECONDAIRE I A2	AG	France
FCPR PREDICA SECONDAIRES II A	AG	France
FCPR PREDICA SECONDAIRES II B	AG	France
FCPR UI CAP AGRO	AG	France
FCPR UI CAP SANTE A	AG	France
FCT BRIDGE 2016-1	AG	France
FCT CAA COMPARTIMENT CESSION DES CREANCES LCL	AG	France
FCT CAA – Compartment 2017-1	AG	France
FCT CAREPTA – COMPARTIMENT 2014-1	AG	France
FCT CAREPTA – COMPARTIMENT 2014-2	AG	France

Operation Name	Type of business	Geographic location
FCT CAREPTA – COMPARTIMENT RE-2016-1	AG	France
FCT CAREPTA – RE 2015 -1	AG	France
FCT CAREPTA 2-2016	AG	France
FCT MID CAP 2 05/12/22	AG	France
FDA 18 FCP 2 DEC	AG	France
FDC A3 P	AG	France
FEDERIS CORE EU CR 19 MM	AG	France
Federval	AG	France
FPCI Cogeneration France I	AG	France
FR0010671958 PREDIQUANT A5	AG	France
GRD 44	AG	France
GRD 44 N°3	AG	France
GRD 44 N2	AG	France
GRD 44 N4 PART CD	AG	France
GRD 44 N5	AG	France
GRD 54	AG	France
GRD02	AG	France
GRD03	AG	France
GRD05	AG	France
GRD07	AG	France
GRD08	AG	France
GRD09	AG	France
GRD10	AG	France
GRD11	AG	France
GRD12	AG	France
GRD13	AG	France
GRD14	AG	France
GRD17	AG	France
GRD18	AG	France
GRD19	AG	France
GRD20	AG	France
GRD21	AG	France
IAA CROISSANCE INTERNATIONALE	AG	France
LF PRE ZCP 12 99 LIB	AG	France
Londres Croissance C16	AG	France
LRP - CPT JANVIER 2013 0.30 13-21 11/01A	AG	Luxembourg
OBJECTIF LONG TERME FCP	AG	France
OPCI GHD SPPICAV PROFESSIONNELLE	AG	France
Peg - Portfolio Eonia Garanti	AG	France
Predica 2005 FCPR A	AG	France
Predica 2006 FCPR A	AG	France
Predica 2006-2007 FCPR	AG	France
PREDICA 2010 A1	AG	France
PREDICA 2010 A2	AG	France
PREDICA 2010 A3	AG	France
PREDICA SECONDAIRES III	AG	France
Predicant A1 FCP	AG	France
Predicant A2 FCP	AG	France
Predicant A3 FCP	AG	France
Prediquant Eurocroissance A2	AG	France
Prediquant opportunité	AG	France
PREDIQUANT PREMIUM	AG	France
PREMIUM GR 0% 28	AG	Ireland
PREMIUM GREEN 0.508% 25-10-38	AG	Ireland

Operation Name	Type of business	Geographic location
PREMIUM GREEN 0.63% 25-10-38	AG	Ireland
PREMIUM GREEN 1.24% 25/04/35	AG	Ireland
PREMIUM GREEN 1.531% 25-04-35	AG	Ireland
PREMIUM GREEN 1.55% 25-07-40	AG	Ireland
PREMIUM GREEN 4.52%06-21 EMTN	AG	Ireland
PREMIUM GREEN 4.54%06-13.06.21	AG	Ireland
PREMIUM GREEN 4.5575%21 EMTN	AG	Ireland
PREMIUM GREEN 4.56%06-21	AG	Ireland
PREMIUM GREEN 4.7% EMTN 08/08/21	AG	Ireland
PREMIUM GREEN 4.72%12-250927	AG	Ireland
PREMIUM GREEN PLC 1.095% 25-10-38	AG	Ireland
PREMIUM GREEN PLC 4.30%2021	AG	Ireland
PREMIUM GREEN TV 06/22	AG	Ireland
PREMIUM GREEN TV 07/22	AG	Ireland
PREMIUM GREEN TV 07-22	AG	Ireland
PREMIUM GREEN TV 22	AG	Ireland
PREMIUM GREEN TV 26/07/22	AG	Ireland
PREMIUM GREEN TV2027	AG	Ireland
PREMIUM GREEN TV23/05/2022 EMTN	AG	Ireland
PREMIUM GREEN4.33%06-29/10/21	AG	Ireland
PurpleProtAsset 1.36% 25/10/2038	AG	Luxembourg
PurpleProtAsset 1.093% 20/10/2038	AG	Luxembourg
RED CEDAR	AG	France
UI CAP SANTE 2	AG	France
0057514 AUC	AG	Luxembourg
1827 A2EURC	AG	Luxembourg
56055 A5 EUR	AG	Luxembourg
5880 AEURC	AG	Luxembourg
5884 AEURC	AG	Luxembourg
5922 AEURHC	AG	Luxembourg
78752 AEURHC	AG	Luxembourg
A FD EQ E CON A E (C)	AG	Luxembourg
A FD EQ E FOC AE (C)	AG	Luxembourg
ACTICCIA VIE	AG	France
ACTICCIA VIE 3	AG	France
ACTICCIA VIE 90 C	AG	France
ACTICCIA VIE 90 N2	AG	France
ACTICCIA VIE 90 N3 C	AG	France
ACTICCIA VIE 90 N4	AG	France
ACTICCIA VIE 90 N6 C	AG	France
ACTICCIA VIE N2 C	AG	France
ACTICCIA VIE N4	AG	France
ACTIONS 50 3DEC	AG	France
AF INDEX EQ JAPAN AE CAP	AG	Luxembourg
AF INDEX EQ USA A4E	AG	Luxembourg
AFCPRGLLIFEAEC	AG	Luxembourg
AIMSCIWOAE	AG	Luxembourg
AM AC FR ISR PC 3D	AG	France
AM.AC.EU.ISR-P-3D	AG	France
AM.AC.MINER.-P-3D	AG	France
AM.AC.USA ISR P 3D	AG	France
AM.ACT.EMER.-P-3D	AG	France
AM.RDT PLUS -P-3D	AG	France
AMIRAL GROWTH OPP A	AG	France
AMUN TRESO CT PC 3D	AG	France

Refer to the glossary on page 681 for the definition of technical terms.

Operation Name	Type of business	Geographic location
AMUN.ACT.REST.P-C	AG	France
AMUN.TRES.EONIA ISR E FCP 3DEC	AG	France
AMUNDI AC.FONC.PC 3D	AG	France
AMUNDI ACTIONS FRANCE C 3DEC	AG	France
AMUNDI AFD AV DURABL P1 FCP 3DEC	AG	France
AMUNDI ALLOCATION C	AG	France
AMUNDI B GL AGG AEC	AG	Luxembourg
AMUNDI BGEB AEC	AG	Luxembourg
AMUNDI EQ E IN AHEC	AG	Luxembourg
AMUNDI GBL MACRO MULTI ASSET P	AG	France
AMUNDI GLB MUL-ASSET-M2EURC	AG	Luxembourg
AMUNDI GLO M/A CONS-M2 EUR C	AG	Luxembourg
AMUNDI HORIZON 3D	AG	France
AMUNDI KBI ACTION PC	AG	France
AMUNDI KBI ACTIONS C	AG	France
AMUNDI KBI AQUA C	AG	France
AMUNDI OBLIG EURO C	AG	France
AMUNDI PATRIMOINE C 3DEC	AG	France
AMUNDI PULSACTIONS	AG	France
AMUNDI SONANCE VIE 7 3DEC	AG	France
AMUNDI SONANCE VIE N8 3DEC	AG	France
AMUNDI TRANSM PAT C	AG	France
AMUNDI VALEURS DURAB	AG	France
AMUNDI-CSH IN-PC	AG	France
AMUNDI-EUR EQ GREEN IM-IEURC	AG	Luxembourg
AMUNDI-GL INFLAT BD-MEURC	AG	Luxembourg
AMUNDIOBLIGMONDEP	AG	France
AMUNDI-VOLATILITY WRLD-IUSDC	AG	Luxembourg
AMUNDI-VOLATILITY WRLD-OUSDC	AG	Luxembourg
ANTINEA FCP	AG	France
ARC FLEXIBOND-D	AG	France
ATOUT EUROPE C FCP 3DEC	AG	France
ATOUT FRANCE C FCP 3DEC	AG	France
ATOUT PREM S ACTIONS 3DEC	AG	France
ATOUT VERT HORIZON FCP 3 DEC	AG	France
AXA EUR.SM.CAP E 3D	AG	France
BA-FII EUR EQ O-GEUR	AG	Luxembourg
BFT FRAN FUT-C SI.3D	AG	France
BFT SEL RDT 23 PC	AG	France
BFT STATERE P (C)	AG	France
BNP PAR.CRED.ERSC	AG	France
CA MASTER EUROPE	AG	France
CA MASTER PATRIMOINE FCP 3DEC	AG	France
CADEISDA 2DEC	AG	France
CALIFORNIA 09	AG	France
CHORELIA N2 PART C	AG	France
CHORELIA N3 PART C	AG	Luxembourg
CHORELIA N4 PART C	AG	France
CHORELIA N5 PART C	AG	France
CHORELIA N6 PART C	AG	France
CHORELIA N7 C	AG	France
CHORELIA PART C	AG	France
CPR CONSO ACTIONNAIRE FCP P	AG	France
CPR CROIS.REA.-P	AG	France
CPR EUR.HI.DIV.P 3D	AG	France

Operation Name	Type of business	Geographic location
CPR EUROLAND ESG P	AG	France
CPR FOCUS INF.-P-3D	AG	France
CPR GLO SILVER AGE P	AG	France
CPR I-SM B C-AEURA	AG	Luxembourg
CPR OBLIG 12 M.P 3D	AG	France
CPR REF.ST.EP.R.0-100 FCP 3DEC	AG	France
CPR REFL RESP 0-100 I 3DEC	AG	France
CPR REFL.RESP.0-100 P FCP 3DEC	AG	France
CPR REFLEX STRATEDIS 0-100 P 3D	AG	France
CPR RENAI.JAP.-P-3D	AG	France
CPR SILVER AGE P 3DEC	AG	France
CPR-CLIM ACT-AEURA	AG	Luxembourg
CPRGLODISOPARAC	AG	Luxembourg
ECOFI MULTI OPPORTUN.FCP 3DEC	AG	France
EPARINTER EURO BD	AG	France
EXAN.PLEI.FD P	AG	France
EXANE 1 OVERDR CC	AG	Luxembourg
FE AMUNDI INC BLDR-IHE C	AG	Luxembourg
FONDS AV ECHUS FIA A	AG	France
FONDS AV ECHUS FIA B	AG	France
FRANKLIN DIVER-DYN-I ACC EU	AG	Luxembourg
FRANKLIN GLB MLT-AS IN-IAEUR	AG	Luxembourg
GRD CAR 39 FCP	AG	France
GRD FCR 99 FCP	AG	France
GRD IFC 97 FCP	AG	France
HASTINGS PATRIM AC	AG	France
HYMNOS P 3D	AG	France
IGSF-GBL GOLD FD-I C	AG	Luxembourg
IND.CAP EMERG.-C-3D	AG	France
INDO ALLOC MANDAT C	AG	France
INDO-FII EUR CP-IEUR	AG	Luxembourg
INDOFIIFLEXEG	AG	Luxembourg
INDO-GBL TR-PE	AG	Luxembourg
INDOS.EURO.PAT.PD 3D	AG	France
INDOSUEZ ALLOCATION	AG	France
INDOSUEZ EURO DIV G	AG	Luxembourg
INDOSUEZ NAVIGATOR G	AG	Luxembourg
INDOSUEZSWZOPG	AG	Luxembourg
INVEST RESP S3 3D	AG	France
JPM US EQY ALL CAP-C HDG	AG	Luxembourg
JPM US SEL EQ PLS-CA EUR HD	AG	Luxembourg
JPMORGAN F-JPM US VALUE-CEHA	AG	Luxembourg
JPMORGAN F-US GROWTH-C AHD	AG	Luxembourg
LCF CREDIT ERSC 3D	AG	France
LCL 3 TEMPO AV 11/16	AG	France
LCL 6 HORIZ. AV 0615	AG	France
LCL AC.DEV.DU.EURO	AG	France
LCL AC.EMERGENTS 3D	AG	France
LCL AC.MDE HS EU.3D	AG	France
LCL ACT RES NATUREL	AG	France
LCL ACT.E-U ISR 3D	AG	France
LCL ACT.IMMOBI.3D	AG	France
LCL ACT.OR MONDE	AG	France
LCL ACT.USA ISR 3D	AG	France
LCL ACTIONS EURO C	AG	France

Operation Name	Type of business	Geographic location
LCL ACTIONS EURO FUT	AG	France
LCL ACTIONS MONDE FCP 3 DEC	AG	France
LCL ALLOCATION DYNAMIQUE 3D FCP	AG	France
LCL AUTOCALL VIE 17	AG	France
LCL DEVELOPPEM.PME C	AG	France
LCL DOUBLE HORIZON A	AG	France
LCL FLEX 30	AG	France
LCL FO.SE.FR.AV (AV11) FCP 3DEC	AG	France
LCL INVEST.EQ C	AG	France
LCL INVEST.PRUD.3D	AG	France
LCL L.GR.B.AV 17 C	AG	France
LCL MGEST 60 3DEC	AG	France
LCL MGEST FL.0-100	AG	France
LCL OBL.CREDIT EURO	AG	France
LCL OPTIM II VIE 17	AG	France
LCL PREMIUM VIE 2015	AG	France
LCL TRI ESC AV 0118	AG	France
LCL TRIPLE TE AV OC	AG	France
LCL TRIPLE TEMPO AV (FEV.2015)	AG	France
LCL TRP HOZ AV 0117	AG	France
LOUVOIS PLACEMENT	AG	France
M.D.F.89 FCP	AG	France
OBJECTIF DYNAMISME FCP	AG	France
OBJECTIF MEDIAN FCP	AG	France
OBJECTIF PRUDENCE FCP	AG	France
OPCIMMO LCL SPPICAV 5DEC	AG	France
OPCIMMO PREM SPPICAV 5DEC	AG	France
OPTALIME FCP 3DEC	AG	France
PIMCO GLOBAL BND FD-CURNC EX	AG	Ireland
PORT EX ABS RET P	AG	France
PORT.METAUX PREC.A-C	AG	France
PORTF DET FI EUR AC	AG	France
RAVIE FCP 5DEC	AG	France
RETAH PART C	AG	France
RSD 2006 FCP 3DEC	AG	France
SCI TANGRAM	AG	France
SCI VICQ D'AZIR VELLEFAUX	AG	France
SCPI LFP MULTIMMO	AG	France
SOLIDARITE AMUNDI P	AG	France
SOLIDARITE INITIATIS SANTE	AG	France
SONANCE VIE 2 FCP 3DEC	AG	France
SONANCE VIE 3 3DEC	AG	France
SONANCE VIE 3DEC	AG	France
SONANCE VIE 4 FCP	AG	France
SONANCE VIE 5 FCP 3DEC	AG	France
SONANCE VIE 6 FCP	AG	France
SONANCE VIE 9	AG	France
TRIAN 6 ANS N10 C	AG	France
TRIANANCE 6 ANS	AG	France
TRIANANCE 6 ANS 5 C	AG	France
TRIANANCE 6 ANS N 11	AG	France
TRIANANCE 6 ANS N 4	AG	France
TRIANANCE 6 ANS N 9	AG	France
TRIANANCE 6 ANS N2 C	AG	France
TRIANANCE 6 ANS N3	AG	France

Operation Name	Type of business	Geographic location
TRIANANCE 6 ANS N6	AG	France
TRIANANCE 6 ANS N7 C	AG	France
TRIANANCE 6 ANS N8 C	AG	France
TRIANANCE 6 AN 12 C	AG	France
UNIPIERRE ASSURANCE (SCPI)	AG	France
VENDOME INV.FCP 3DEC	AG	France
Nexus 1	AG	Italy
OPCI CAA CROSSROADS	AG	France
OPCI Camp Invest	AG	France
OPCI ECO CAMPUS SPPICAV	AG	France
OPCI Immanens	AG	France
OPCI Immo Emissions	AG	France
OPCI Iris Invest 2010	AG	France
OPCI MASSY BUREAUX	AG	France
OPCI Messidor	AG	France
Predica OPCI Bureau	AG	France
Predica OPCI Commerces	AG	France
Predica OPCI Habitation	AG	France
B IMMOBILIER	AG	France
DS Campus	AG	France
HDP BUREAUX	AG	France
HDP HOTEL	AG	France
HDP LA HALLE BOCA	AG	France
IMEFA 177	AG	France
IMEFA 178	AG	France
IMEFA 179	AG	France
Issy Pont	AG	France
SCI BMEDIC HABITATION	AG	France
SCI CAMPUS MEDICIS ST DENIS	AG	France
SCI CAMPUS RIMBAUD ST DENIS	AG	France
SCI FEDERALE PEREIRE VICTOIRE	AG	France
SCI FEDERALE VILLIERS	AG	France
SCI FEDERLOG	AG	France
SCI FEDERLONDRES	AG	France
SCI FEDERPIERRE	AG	France
SCI GRENIER VELLEF	AG	France
SCI Holding Dahlia	AG	France
SCI IMEFA 001	AG	France
SCI IMEFA 002	AG	France
SCI IMEFA 003	AG	France
SCI IMEFA 004	AG	France
SCI IMEFA 005	AG	France
SCI IMEFA 006	AG	France
SCI IMEFA 008	AG	France
SCI IMEFA 009	AG	France
SCI IMEFA 010	AG	France
SCI IMEFA 011	AG	France
SCI IMEFA 012	AG	France
SCI IMEFA 013	AG	France
SCI IMEFA 016	AG	France
SCI IMEFA 017	AG	France
SCI IMEFA 018	AG	France
SCI IMEFA 020	AG	France
SCI IMEFA 022	AG	France
SCI IMEFA 025	AG	France

Refer to the glossary on page 681 for the definition of technical terms.

Operation Name	Type of business	Geographic location
SCI IMEFA 032	AG	France
SCI IMEFA 033	AG	France
SCI IMEFA 034	AG	France
SCI IMEFA 035	AG	France
SCI IMEFA 036	AG	France
SCI IMEFA 037	AG	France
SCI IMEFA 038	AG	France
SCI IMEFA 039	AG	France
SCI IMEFA 042	AG	France
SCI IMEFA 043	AG	France
SCI IMEFA 044	AG	France
SCI IMEFA 047	AG	France
SCI IMEFA 048	AG	France
SCI IMEFA 051	AG	France
SCI IMEFA 052	AG	France
SCI IMEFA 054	AG	France
SCI IMEFA 057	AG	France
SCI IMEFA 058	AG	France
SCI IMEFA 060	AG	France
SCI IMEFA 061	AG	France
SCI IMEFA 062	AG	France
SCI IMEFA 063	AG	France
SCI IMEFA 064	AG	France
SCI IMEFA 067	AG	France
SCI IMEFA 068	AG	France
SCI IMEFA 069	AG	France
SCI IMEFA 072	AG	France
SCI IMEFA 073	AG	France
SCI IMEFA 074	AG	France
SCI IMEFA 076	AG	France
SCI IMEFA 077	AG	France
SCI IMEFA 078	AG	France
SCI IMEFA 079	AG	France
SCI IMEFA 080	AG	France
SCI IMEFA 081	AG	France
SCI IMEFA 082	AG	France
SCI IMEFA 083	AG	France
SCI IMEFA 084	AG	France
SCI IMEFA 085	AG	France
SCI IMEFA 089	AG	France
SCI IMEFA 091	AG	France
SCI IMEFA 092	AG	France
SCI IMEFA 096	AG	France
SCI IMEFA 100	AG	France
SCI IMEFA 101	AG	France
SCI IMEFA 102	AG	France
SCI IMEFA 103	AG	France
SCI IMEFA 104	AG	France
SCI IMEFA 105	AG	France
SCI IMEFA 107	AG	France
SCI IMEFA 108	AG	France
SCI IMEFA 109	AG	France
SCI IMEFA 110	AG	France
SCI IMEFA 112	AG	France
SCI IMEFA 113	AG	France

Operation Name	Type of business	Geographic location
SCI IMEFA 115	AG	France
SCI IMEFA 116	AG	France
SCI IMEFA 117	AG	France
SCI IMEFA 118	AG	France
SCI IMEFA 120	AG	France
SCI IMEFA 121	AG	France
SCI IMEFA 122	AG	France
SCI IMEFA 123	AG	France
SCI IMEFA 126	AG	France
SCI IMEFA 128	AG	France
SCI IMEFA 129	AG	France
SCI IMEFA 131	AG	France
SCI IMEFA 132	AG	France
SCI IMEFA 140	AG	France
SCI IMEFA 148	AG	France
SCI IMEFA 149	AG	France
SCI IMEFA 150	AG	France
SCI IMEFA 155	AG	France
SCI IMEFA 156	AG	France
SCI IMEFA 157	AG	France
SCI IMEFA 158	AG	France
SCI IMEFA 159	AG	France
SCI IMEFA 164	AG	France
SCI IMEFA 169	AG	France
SCI IMEFA 170	AG	France
SCI IMEFA 171	AG	France
SCI IMEFA 172	AG	France
SCI IMEFA 173	AG	France
SCI IMEFA 174	AG	France
SCI IMEFA 175	AG	France
SCI IMEFA 176	AG	France
SCI LE VILLAGE VICTOR HUGO	AG	France
SCI MEDI BUREAUX	AG	France
SCI PACIFICA HUGO	AG	France
SCI PORTE DES LILAS – FRERES FLAVIEN	AG	France
SCI VALHUBERT	AG	France
SCI VAUGIRARD 36-44	AG	France
56055 AEURHC	AG	Luxembourg
ALTA VAI HOLDCO P	AG	France
AMUNDI EMERG MKT BD-M2EURHC	AG	Luxembourg
AMUNDI IT Services	AG	France
Azqore	AG	Switzerland
Azqore S.A. Singapore Branch	AG	Singapore
CA Indosuez Wealth (Asset Management)	AG	Luxembourg
Crédit Agricole Assurances Solutions	AG	France
EUROPEAN CDT SRI PC	AG	France
EUROPEAN MOTORWAY INVESTMENTS 1	AG	Luxembourg
FIXED INCOME DERIVATIVES – STRUCTURED FUND PLC	AG	Ireland
GRD ACT.ZONE EURO	AG	France
HOLDING EUROMARSEILLE	AG	France
INDOSUEZ CAP EMERG.M	AG	France
IRIS HOLDING FRANCE	AG	France
PED EUROPE	AG	France
PREDICA ENERGIES DURABLES	AG	France

Operation Name	Type of business	Geographic location
PREDICA INFRASTRUCTURE S.A.	AG	Luxembourg
PREDIPARK	AG	France
PREDIWATT	AG	France
S.A. RESICO	AG	France
SAS PREDI-RUNGIS	AG	France
SH PREDICA ENERGIES DURABLES SAS	AG	France
VAUGIRARD AUTOVIA SLU	AG	Spain
Vaugirard Infra S.L.	AG	Spain
VENDOME SEL EURO PC	AG	France
Via Vita	AG	France
FIMO Courtage	FRB	France
Interfimo	FRB	France
LCL	FRB	France
LCL succursale de Monaco	FRB	Monaco
Angle Neuf	FRB	France
C.L. Verwaltungs und Beteiligungsgesellschaft GmbH	FRB	Germany
Crédit Lyonnais Développement Économique (CLDE)	FRB	France
FCT True Sale (Compartiment LCL)	FRB	France
Arc Broker	IRB	Poland
CREDIT AGRICOLE BANK	IRB	Ukraine
Crédit Agricole Bank Polska S.A.	IRB	Poland
Crédit Agricole Banka Srbija a.d. Novi Sad	IRB	Serbia
Crédit Agricole Egypt S.A.E.	IRB	Egypt
Crédit Agricole Friuladria S.p.A.	IRB	Italy
Crédit Agricole Group Solutions	IRB	Italy
Crédit Agricole Italia	IRB	Italy
Crédit Agricole Leasing Italia	IRB	Italy
Crédit Agricole Polska S.A.	IRB	Poland
Credit Agricole Service sp z o.o.	IRB	Poland
Crédit du Maroc	IRB	Morocco
SIFIM	IRB	Morocco
IUB Holding	IRB	France
AD SUCCURSALE	SFS	Morocco
Agos	SFS	Italy
Alsolia	SFS	France
Crealfi	SFS	France
Credibom	SFS	Portugal
Crediet Maatschappij “De Ijssel” B.V.	SFS	Netherlands
Crédit Agricole Consumer Finance	SFS	France
Crédit LIFT	SFS	France
Creditplus Bank AG	SFS	Germany
De Kredietdesk B.V.	SFS	Netherlands
DE NEDERLANDSE VOORSCHOTBANK BV	SFS	Netherlands
EFL Services	SFS	Poland
EUROFACTOR GmbH	SFS	Germany
Eurofactor Italia S.p.A.	SFS	Italy
EUROFACTOR NEDERLAND	SFS	Netherlands
EUROFACTOR POLSKA S.A.	SFS	Poland
Eurofactor S.A. – NV (Benelux)	SFS	Belgium
Eurofactor S.A. (Portugal)	SFS	Portugal
HAMA POLSKA	SFS	Poland
Eurofintus Financieringen B.V.	SFS	Netherlands
Finaref Assurances S.A.S.	SFS	France
Finata Zuid-Nederland B.V.	SFS	Netherlands

Operation Name	Type of business	Geographic location
GSA Ltd	SFS	Mauritius
IDM Finance B.V.	SFS	Netherlands
IDM Financieringen B.V.	SFS	Netherlands
IDM lease maatschappij B.V.	SFS	Netherlands
Lebe Lease B.V.	SFS	Netherlands
INTERBANK NV	SFS	Netherlands
INTERMEDIAIRE VOORSCHOTBANK BV	SFS	Netherlands
Krediet ‘78 B.V.	SFS	Netherlands
Mahuko Financieringen B.V.	SFS	Netherlands
Menafinance	SFS	France
NL Findio B.V	SFS	Netherlands
RIBANK NV	SFS	Netherlands
Sofinco Participations	SFS	France
Société Européenne de Développement d’Assurances	SFS	France
Société Européenne de Développement du Financement	SFS	France
VoordeelBank B.V.	SFS	Netherlands
Auxifip	SFS	France
Carefleet S.A.	SFS	Poland
Crédit Agricole Leasing & Factoring	SFS	France
Crédit Agricole Leasing & Factoring, Sucursal en Espana	SFS	Spain
Crédit du Maroc Leasing et Factoring	SFS	Morocco
Europejski Fundusz Leasingowy (E.F.L.)	SFS	Poland
Finamur	SFS	France
Lixxbail	SFS	France
Lixxcourtage	SFS	France
Lixxcredit	SFS	France
Unifergie	SFS	France
ARES Reinsurance Ltd.	SFS	Ireland
EFL Finance S.A.	SFS	Poland
EFL Lease Abs 2017-1 Designated Activity Company	SFS	Ireland
FCT GINKGO DEBT CONSO 2015-1	SFS	France
FCT GINKGO PERSONAL LOANS 2016-1	SFS	France
FCT GINKGO PERSONAL LOANS 2020-01	SFS	France
FCT GINKGO MASTER REVOLVING LOANS	SFS	France
FCT GINKGO SALES FINANCE 2015-1	SFS	France
FCT GINKGO SALES FINANCE 2017-1	SFS	France
MAGOI BV	SFS	Netherlands
MATSUBA BV	SFS	Netherlands
RETAIL AUTOMOTIVE CP GERMANY 2016 UG	SFS	Germany
SUNRISE SPV 20 SRL	SFS	Italy
SUNRISE SPV 30 SRL	SFS	Italy
SUNRISE SPV 40 SRL	SFS	Italy
SUNRISE SPV 50 SRL	SFS	Italy
SUNRISE SPV Z60 Srl	SFS	Italy
SUNRISE SPV Z70 Srl	SFS	Italy
SUNRISE SPV Z80 Srl	SFS	Italy
SUNRISE SPV Z90 Srl	SFS	Italy
SUNRISE SRL	SFS	Italy
THETIS FINANCE 2015-1	SFS	Portugal
Banco Crédit Agricole Brasil S.A.	LC	Brazil
CACEIS Bank	LC	France
CACEIS Bank S.A., Germany Branch	LC	Germany

Refer to the glossary on page 681 for the definition of technical terms.

Operation Name	Type of business	Geographic location
CACEIS Bank, Belgium Branch	LC	Belgium
CACEIS Bank, Ireland Branch	LC	Ireland
CACEIS Bank, Italy Branch	LC	Italy
CACEIS Bank, Luxembourg Branch	LC	Luxembourg
CACEIS Bank, Netherlands Branch	LC	Netherlands
CACEIS Bank, Switzerland Branch	LC	Switzerland
CACEIS Bank, UK Branch	LC	United Kingdom
CACEIS Belgium	LC	Belgium
CACEIS Corporate Trust	LC	France
CACEIS Fund Administration	LC	France
CACEIS FUND ADMINISTRATION SPAIN S.A.U	LC	Spain
CACEIS Ireland Limited	LC	Ireland
CACEIS S.A.	LC	France
CACEIS Switzerland S.A.	LC	Switzerland
Crédit Agriciole CIB (Belgique)	LC	Belgium
Crédit Agricole CIB (ABU DHABI)	LC	United Arab Emirates
Crédit Agricole CIB (Allemagne)	LC	Germany
Crédit Agricole CIB (Canada)	LC	Canada
Crédit Agricole CIB (Corée du Sud)	LC	South Korea
Crédit Agricole CIB (Dubai DIFC)	LC	United Arab Emirates
Crédit Agricole CIB (Dubai)	LC	United Arab Emirates
Crédit Agricole CIB (Espagne)	LC	Spain
Crédit Agricole CIB (United States)	LC	United States
Crédit Agricole CIB (Finlande)	LC	Finland
Crédit Agricole CIB (Hong-Kong)	LC	Hong Kong
Crédit Agricole CIB (Inde)	LC	India
Crédit Agricole CIB (Italie)	LC	Italy
Crédit Agricole CIB (Japon)	LC	Japan
Crédit Agricole CIB (Royaume-Uni)	LC	United Kingdom
Crédit Agricole CIB (Singapour)	LC	Singapore
Crédit Agricole CIB (Suède)	LC	Sweden
Crédit Agricole CIB (Taipei)	LC	Taiwan
Crédit Agricole CIB Algérie Bank Spa	LC	Algeria
Crédit Agricole CIB AO	LC	Russia
Crédit Agricole CIB Australia Ltd.	LC	Australia
Crédit Agricole CIB China Ltd.	LC	China
Crédit Agricole CIB China Ltd. Chinese Branch	LC	China
Crédit Agricole CIB S.A.	LC	France
Crédit Agricole CIB Services Private Ltd.	LC	India
ESTER FINANCE TECHNOLOGIES	LC	France
KAS Bank N.V.	LC	Netherlands
KAS Bank N.V. Frankfurt branch	LC	Germany
KAS Bank N.V. London branch	LC	United Kingdom
KAS Trust & Depositary Services B.V. Amsterdam	LC	Netherlands
CACEIS BANK SPAIN, S.A.U.	LC	Spain
Credit Agricole Securities (Asia) Limited Hong Kong	LC	Hong Kong
Credit Agricole Securities (Asia) Limited Seoul Branch	LC	South Korea
Crédit Agricole Securities (USA) Inc	LC	United States
Crédit Agricole Securities Asia BV (Tokyo)	LC	Japan

Operation Name	Type of business	Geographic location
Compagnie Française de l'Asie (CFA)	LC	France
Crédit Agricole CIB Air Finance S.A.	LC	France
Crédit Agricole CIB Holdings Ltd.	LC	United Kingdom
Crédit Agricole Global Partners Inc.	LC	United States
Crédit Agricole Securities Asia BV	LC	Netherlands
Doumer Finance S.A.S.	LC	France
Fininvest	LC	France
Fletirec	LC	France
CAIRS Assurance S.A.	LC	France
Atlantic Asset Securitization LLC	LC	United States
Benelpart	LC	Belgium
Calixis Finance	LC	France
Calliope SRL	LC	Italy
Clifap	LC	France
Crédit Agricole America Services Inc.	LC	United States
Crédit Agricole Asia Shipfinance Ltd.	LC	Hong Kong
Crédit Agricole CIB Finance (Guernsey) Ltd.	LC	Guernsey
Crédit Agricole CIB Finance Luxembourg S.A.	LC	Luxembourg
Crédit Agricole CIB Financial Solutions	LC	France
Crédit Agricole CIB Global Banking	LC	France
Crédit Agricole CIB Pension Limited Partnership	LC	United Kingdom
Crédit Agricole CIB Transactions	LC	France
Crédit Agricole Leasing (USA) Corp.	LC	United States
DGAD International SARL	LC	Luxembourg
ESNI (compartiment Crédit Agricole CIB)	LC	France
Eucalyptus FCT	LC	France
FCT CFN DIH	LC	France
FIC-FIDC	LC	Brazil
Financière des Scarabées	LC	Belgium
Financière Lumis	LC	France
Fundo A De Investimento Multimercado	LC	Brazil
Héphaïstos EUR FCC	LC	France
Héphaïstos GBP FCT	LC	France
Héphaïstos Multidevises FCT	LC	France
Héphaïstos USD FCT	LC	France
Investor Service House S.A.	LC	Luxembourg
ItalAsset Finance SRL	LC	Italy
La Fayette Asset Securitization LLC	LC	United States
La Route Avance	LC	France
Lafina	LC	Belgium
LMA S.A.	LC	France
Merisma	LC	France
Molinier Finances	LC	France
Pacific EUR FCC	LC	France
Pacific IT FCT	LC	France
Pacific USD FCT	LC	France
Partinvest S.A.	LC	Luxembourg
Placements et réalisations immobilières (SNC)	LC	France
Sagrantino Italy SRL	LC	Italy
Shark FCC	LC	France
Sinefinair B.V.	LC	Netherlands
SNGI	LC	France
SNGI Belgium	LC	Belgium
Sococlabecq	LC	Belgium

Operation Name	Type of business	Geographic location
Sofipac	LC	Belgium
Sufinair B.V.	LC	Netherlands
TCB	LC	France
Triple P FCC	LC	France
TSUBAKI OFF (FCT)	LC	France
TSUBAKI ON (FCT)	LC	France
Vulcain EUR FCT	LC	France
Vulcain Multi-Devises FCT	LC	France
Vulcain USD FCT	LC	France
CACIB Qatar Financial Center Branch	LC	Qatar
Crédit Agricole S.A.	CC	France
Succursale Credit Agricole S.A.	CC	United Kingdom
Caisse régionale de Crédit Agricole mutuel de la Corse	CC	France
CL Développement de la Corse	CC	France
Crédit Agricole Home Loan SFH	CC	France
Foncaris	CC	France
Crédit Agricole Capital Investissement et Finance (CACIF)	CC	France
Delfinances	CC	France
Sodica	CC	France
CA Grands Crus	CC	France
Cariou Holding	CC	France
Crédit Agricole Agriculture	CC	France
Crédit Agricole Payment Services	CC	France
Crédit Agricole Public Sector SCF	CC	France
Crédit Agricole Régions Développement	CC	France
ESNI (compartiment Crédit Agricole S.A.)	CC	France
FCT Crédit Agricole Habitat 2015 Compartiment Corse	CC	France
FCT Crédit Agricole Habitat 2017 Compartiment Corse	CC	France
FCT Crédit Agricole Habitat 2018 Compartiment Corse	CC	France
FCT Crédit Agricole Habitat 2019 Compartiment Corse	CC	France
FCT Crédit Agricole Habitat 2020 Compartiment Corse	CC	France
FIRECA	CC	France
Grands Crus Investissements (GCI)	CC	France
IDIA	CC	France
IDIA DEVELOPPEMENT	CC	France
IDIA PARTICIPATIONS	CC	France
S.A.S. Evergreen Montrouge	CC	France
SCI Quentyvel	CC	France
SNC Kalliste Assur	CC	France
Société d'Epargne Foncière Agricole (SEFA)	CC	France
Uni-medias	CC	France

FRB: French Retail Banking.

AG: Asset Gathering.

IRB: International Retail Banking.

SFS: Specialised Financial Services.

LC: Large customers.

CC: Corporate Centre.

Excluded are:

- entities consolidated using the equity method, except for equity accounted Insurance entities, which contribute to revenues (financial investments);
- IFRS 5.

TRANSACTIONS WITH RELATED PARTIES

The main transactions entered into with related parties are disclosed in the consolidated financial statements as at 31 December 2020 in the "General framework – Related parties" section.

In addition, in accordance with paragraph 13 of article L. 225-102-1 of the French Commercial Code *(Code de commerce)*, please note that no agreements were entered into, directly or through intermediaries, between, (i) on the one hand, the Chief Executive Officer, any one of the Deputy Chief Executive Officers or Directors or shareholders of Crédit Agricole S.A. with more than 10% of the voting rights, and (ii) on the other, another company in which Crédit Agricole S.A. has, directly or indirectly, more than a 50% share capital interest unless, where appropriate, these agreements relate to ordinary arm's length transactions.

Refer to the glossary on page 681 for the definition of technical terms.

STATUTORY AUDITORS' REPORT ON RELATED PARTY AGREEMENTS

This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Annual General Meeting held to approve the financial statements for the year ended 31 December 2020

To the General Meeting of Shareholders of Crédit Agricole S.A.,

In our capacity as statutory auditors of your Company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code *(Code de commerce)*, to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code *(Code de commerce)* of the continuation of the implementation, during the year ended 31 December 2020, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors *(Compagnie nationale des commissaires aux comptes)* relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

AGREEMENTS SUBMITTED FOR APPROVAL TO THE ANNUAL GENERAL MEETING

Agreements authorized during the year ended 31 December 2020

In accordance with Article L. 225-40 of the French Commercial Code *(Code de commerce)*, we have been notified of the following related party agreements which received prior authorization from your Board of Directors.

Loan agreement with Crédit du Maroc

Person concerned

Mr. Gérard OUVRIER-BUFFET, director or member of the Supervisory Board of the entities concerned and / or indirectly interested in the Loan Agreement through his functions within the Crédit Agricole Group.

Nature and purpose

The purpose of the Loan Agreement is to:

- meet the expectations expressed by Bank Al-Maghrib to strengthen the regulatory capital and solvency ratios of Crédit du Maroc;
- define the specific terms by which Crédit Agricole SA grants to Crédit du Maroc, as indefinite debt, a loan the amount of which corresponds to the amount of dividends, i.e. one hundred and thirty-six million one hundred and sixteen thousand two hundred and sixty Dirhams and twenty-eight cents (136,116,260.28 MAD) (the "Principal Amount of the Loan") and repayable at the sole initiative of Crédit du Maroc, under the conditions provided below.

Crédit Agricole S.A. has made the Principal Amount of the Loan available to Crédit du Maroc in one go, by transfer of the Principal Amount of the Loan on December 14, 2020.

Conditions

The applicable annual interest rate would be revised in an annual basis and calculated by retaining (i) the interpolated rate determined from the reference rate curve of the secondary market of Moroccan Treasury Bills as published by Bank Al-Maghrib five (5) Business Days before each interest payment date (with the exception of the interpolated rate for the first year calculated on October 21, 2020), between the Treasury Bill maturity date immediately preceding the corresponding interest payment date and the date maturity of the Treasury Bill immediately following the same date of interest payment (this linear interpolation being carried out after conversion of the rates on an actuarial basis into equivalent money market rates) (ii) increased by a margin of 235 basis points.

For the first year, this interpolated rate is 1.625% plus the margin of 235 bp.

The loan is granted for an indefinite period.

The interest payment date is set for November 15th of each year.

Crédit Agricole S.A. has no right to request reimbursement of the Principal Amount of the Loan.

The loan will only be repayable in the event of the liquidation of Crédit du Maroc, or at the option of Crédit du Maroc, subject to obtaining prior authorization from Bank Al-Maghrib

Reasons justifying why the Company benefits from this agreement

Your board justified this agreement as follows:

The Loan Agreement allows to meet the expectations of the maroccan Central Bank, Bank Al-Maghrib, to strengthen the equity of Crédit du Maroc in the context of the health crisis.

Amendment to the Shareholder's agreement with Crédit Agricole Technologies and Services (CATS), Crédit Agricole Assurances Solutions (CAAS), CA Consumer Finance (CACF), Crédit Agricole Corporate and Investmank Bank (CACIB), Crédit Agricole Group Solutions (CAGS), Crédit Agricole Payment Services (CAPS), Crédit Lyonnais (LCL) and the National Federation of Credit Agricole (FNCA)

Persons concerned

MM. Philippe BRASSAC and Xavier MUSCA, Chief Executive Officer and Deputy Chief Executive Officer of Crédit Agricole S.A., Ms Françoise GRI, Catherine POURRE, and MM. Dominique LEFEBVRE, Raphaël APPERT, Pierre CAMBEFORT, Daniel EPRON, Jean-Pierre GAILLARD, and Gérard OUVRIER-BUFFET, directors of Crédit Agricole SA, joint directors with entities concerned and / or indirectly interested in the Loan Agreement through his functions at within the Crédit Agricole Group.

Nature and Purpose

Approved by the Board of Directors on May 14, 2018, the plan to create CAGIP was accompanied by two related party agreements authorized by the Board of Crédit Agricole SA at the same meeting, one relating to the Memorandum of Understanding, the other on the Shareholder's Agreement.

Crédit Agricole S.A., CAAS, CACF, CACIB, CAGS, CAPS, CATS, LCL and FNCA signed the Shareholder's Agreement on June 8, 2018, which notably concerned CAGIP's governance rules.

The signatory partners and CAGIP have agreed to conclude a draft amendment to the Shareholder's Agreement in order to make changes to the rules of governance.

Conditions

The amendment increases the number of CAGIP directors from 10 to 12 while respecting the Crédit Agricole SA / Regional Banks parity rules, with corresponding modification of the quorum, or even introduces flexibility in the appointment of the Chairmen of the specialized committees, in particular of the Audit and Finance Committee, by decorrelating them from the exercise of an ès-quality function. The changes also aim to reflect the establishment of Technical Committees for the Board of Directors (the steering committee, for example, had never been set up) and to increase the number of members of the Risk and Safety Committee from 4 to 6 and the Audit and Finance Committee.

Reasons justifying why the Company benefits from this agreement

Your board justified this agreement as follows:

The proposed changes facilitate the functioning of the Board of Directors of CAGIP and provide flexibility in the appointment of Chairs of specialized committees.

Amendment to the business transfer agreement made on January 1, 2018 with CA-CIB

Persons concerned

Ms Françoise GRI and Ms Catherine POURRE, joint directors of Crédit Agricole S.A. and CA-CIB.

Nature and purpose

CA-CIB and Crédit Agricole S.A. have come together to negotiate an addendum which modifies the terms and conditions of the amendment to the business transfer agreement made on January 1, 2018.

Conditions

The business transfer agreement would be partially canceled, with retroactive effect from January 1, 2018, in order to expressly exclude the continued activities, as defined in the agreement, from the scope of the sale, as well as all the rights and obligations attached thereto as they existed at the time of sale on the transfer date, and to include them in the excluded activities with retroactive effect to the transfer date.

The partial cancellation of the business transfer agreement would not give rise to the retrocession by Crédit Agricole SA to CA-CIB of a share of the sale price relating to the continuing activities, the latter having been valued at zero in the context of determining the sale price.

The deadline for the transitional period would be extended until a date on which Crédit Agricole SA and CA-CIB would mutually agree when the IT migration was effective and the other operational constraints had been lifted, and no later than December 31, 2022. Crédit Agricole SA and CA-CIB could also agree by mutual agreement to modify the cut-off date at any time during the transitional period.

Reasons justifying why the Company benefits from this agreement

Your board justified this agreement as follows:

The purpose of modifying the scope of the initial sale contract is to ensure better consistency in the Group's liquidity management and monitoring processes concerning:

- the minimum reserve accounts of the Regional Banks and Amundi. In fact, maintaining these accounts at Crédit Agricole SA makes it possible in particular to ensure consistency with the treatment adopted for LCR cash accounts (which are excluded from the initial contract and therefore maintained at Crédit Agricole S.A). Minimum reserve accounts are similar in nature to LCR cash accounts in that their management is part of Crédit Agricole SA's mandate as a central body and they also provide liquidity to the ECB;
- Bforbank's refinancing and investment accounts for which, maintaining at Crédit Agricole SA ensures consistency between the remuneration / invoicing by Crédit Agricole S.A and the long-term liquidity qualification of this resource for Crédit Agricole SA.

 Refer to the glossary on page 681 for the definition of technical terms.

The agreement allows Crédit Agricole SA to maintain non-transferable accounts from a technical point of view. These are two accounts of Syrian banks which are subject to restrictive measures; an account of a deceased natural person whose inheritance is still in progress; two technical accounts allowing Crédit Agricole SA to record its security deposits with the ABE and STET payment systems, which by design cannot be integrated into a business.

Agreements with no prior authorization

In accordance with Article L. 225-42 et L. 823-12 of the French Commercial Code *(Code de commerce)*, we inform you that these agreements did not receive prior authorization from your Board of Directors.

Our role is to inform you of the reasons why the authorization procedure was not followed.

Tax consolidation agreement with the Regional Banks of Crédit Agricole

Persons concerned

MM. Dominique LEFEBVRE, Raphaël APPERT, Pierre CAMBEFORT, Daniel EPRON, Jean-Pierre GAILLARD, Ms. Nicole GOURMELON, MM. Jean-Paul KERRIEN, Pascal LHEUREUX, Gérard OUVRIER-BUFFET, Louis TERCINIER and Philippe de WAAL, Chairman or directors of Crédit Agricole S.A. and chairmen, general managers of the aforementioned entities.

Nature and purpose

The Board of Directors meeting on February 10, 2021 authorized the renewal of the group tax regime agreement under the same terms and principles as those concluded in 2016, for a period of five years from January 1, 2020.

In its meeting of January 21, 2010, the Board authorized the expansion of the Crédit Agricole S.A. tax group, on the basis of paragraph 5 of article 223 A of the General Tax Code, this expansion necessarily applying to the all of the Regional Banks and Local Banks subject to corporation tax at the common law rate as well as, optionally, to their subsidiaries.

The system was framed by an agreement binding the central body and each of the entities entering the group due to its enlargement, as of January 1, 2010. The agreements are renewable by joint and express agreement of all the entities concerned for successive five-year periods.

Conditions

The overall amount of the 2020 tax savings due to intra-group dividends, which are subject to payment under the agreements between Crédit Agricole S.A. and the companies referred to above, amounts to 27.1 million euros.

Reasons justifying why the Company benefits from this agreement

Your board justified this agreement as follows:

The extension of the scope of the Crédit Agricole tax group is based on a principle of sharing between Crédit Agricole SA and these entities, dictated by a common social, economic and financial interest specific to each of the member entities of the Crédit Agricole Fiscal Group, and in particular by the reallocation of certain tax savings made by the Crédit Agricole tax group.

Tax consolidation agreement with SACAM Mutualisation

Persons concerned

MM. Dominique LEFEBVRE and Raphaël APPERT, Chairman or director of Crédit Agricole S.A. and managers of Sacam Mutualisation.

Nature and Purpose

The Board of Directors meeting on February 10, 2021 authorized the renewal of the group tax regime agreement under the same terms as the agreement signed in 2016, for a period of five years from January 1, 2020, between Crédit Agricole SA and the Sacam Mutualisation company which provides that the tax savings made by the group as a result of the intra-group dividends received by this entity were fully reallocated to it.

Conditions

The amount of the 2020 tax savings paid under the agreement between Crédit Agricole S.A. and the company SACAM Mutualisation amounts to 3.1 million euros.

Reasons justifying why the Company benefits from this agreement

Your board justified this agreement as follows:

Following the sale by Crédit Agricole SA of CCI / CCA to Sacam Mutualisation on August 1, 2016, Crédit Agricole SA and Sacam Mutualisation agreed to the terms of a tax consolidation agreement renewed in November 2020 governing the relations between these companies and specifying in particular the sharing rules via the reallocation of certain tax savings generated by the tax group.

Tax consolidation agreement with the companies SAS Rue La Boëtie, SAS Ségur, SAS Miromesnil, SACAM Avenir, SACAM Développement, SACAM International, SACAM Participations, SACAM FIA-NET Europe, SACAM Fireca, SACAM Immobilier, SACAM Machinisme, SACAM Assurance Caution, SARL Adicam and SAS Crédit Agricole Logement et Territoires

Persons concerned

MM. Dominique LEFEBVRE, Raphaël APPERT, Daniel EPRON, MM. Jean-Pierre GAILLARD, Pascal LHEUREUX, Gérard OUVRIER-BUFFET and Philippe de WAAL, Chairman or directors of Crédit Agricole S.A. and Chairmen, general managers or directors of the aforementioned entities.

Nature and Purpose

The Board of Directors authorized at its meeting of January 21, 2010, and renewed at its meeting of December 15, 2015, the tax consolidation agreements between Crédit Agricole SA and the companies SAS Rue La Boétie, SAS Ségur, SAS Miromesnil and the federal holding companies (Sacam Avenir, Sacam Développement, Sacam International, Sacam Participations, Sacam Fia-net Europe, Sacam Fireca, Sacam Immobilier, Sacam Machinisme, and Sacam Assurance Caution).

These agreements, concluded for a period of five years, provided for half of the tax savings made on dividends received by these entities to be reallocated to them.

The Board of Directors, in its meeting of December 13, 2016, authorized the signing of the addendum to the tax consolidation agreements concluded with the aforementioned entities, henceforth providing for the full reallocation of tax savings.

The Board of Directors meeting on February 10, 2021 authorizes the renewal of the tax consolidation agreements under the same terms as those signed in 2016 for a period of five years from January 1, 2020 with the aforementioned entities and by adding the new companies to them. integrated into the tax group in 2020, SARL Adicam and SAS Crédit Agricole Logement et Territoires.

Conditions

The overall amount of 2020 tax savings due to intragroup dividends paid under agreements between Crédit Agricole S.A. and the companies concerned, amounts to 3.3 million euros.

Reasons justifying why the Company benefits from this agreement

Your board justified this agreement as follows:

Following the sale by Crédit Agricole SA of the CCI / CCA to Sacam Mutualisation on August 1, 2016, Crédit Agricole SA and the Sacams agreed to the terms of a tax consolidation agreement renewed in November 2020 governing the relations between these companies and specifying in particular the sharing rules via the reallocation of certain tax savings generated by the tax group.

Tax consolidation agreement with CA-CIB

Persons concerned

Ms Françoise GRI and Catherine POURRE, Mr Philippe BRASSAC, chief executive officer or directors of Crédit Agricole S.A. and Chairman or directors of CA-CIB.

Nature and Purpose

The Board of Directors at its meeting of February 10, 2021, renewed the tax consolidation agreement concluded in 1996 Crédit Agricole SA and CA-CIB, the purpose of which is to determine the relations between Crédit Agricole SA, on the one hand , and CA-CIB and its integrated subsidiaries, on the other hand, and in particular the distribution of the corporate tax charge. This tax consolidation agreement is renewed for the period from 2020 to 2024 and renews the relationship between Crédit Agricole SA and CA-CIB and its consolidated subsidiaries from January 1, 2020.

The tax consolidation agreement allowed CA-CIB to collect the tax savings made by the Crédit Agricole Group up to its individual tax loss result actually charged by the Group. The Board of Directors, in its meeting of November 15, 2016, authorized the signing of the amendment to the tax consolidation agreement between Crédit Agricole SA and CA-CIB in order to provide for the extension of monetization for the benefit of CA -CIB, of the entire deficit of the sub-group charged by Crédit Agricole SA as the head of the group.

Conditions

The provisional amount of tax savings for the year 2020 due to the agreement amounts to 40.7 million euros. The amount of final compensation for the previous year is 13.1 million euros.

Reasons justifying why the Company benefits from this agreement

Your board justified this agreement as follows:

The essential motivation of this tax consolidation agreement is to determine the distribution of the corporate tax charge between Crédit Agricole SA and CA-CIB, in particular through the reallocation of the tax savings relating to the generated deficit. by the CA-CIB subgroup and transmitted and used by the tax group.

Refer to the glossary on page 681 for the definition of technical terms.

Amendment to the modifying loan agreement of October 10, 2017 with the Caisse Régionale Normandie

Person concerned

Mr. Daniel EPRON, Chairman of Caisse Régionale Normandie and director of Crédit Agricole S.A.

Nature and Purpose

The Board of Directors, in its meeting of May 19, 2016, authorized the signing of the loan contracts granted as part of the "Eureka" transaction between Crédit Agricole S.A. and the Regional Banks. At its meeting of August 2, 2017, the Board of Directors authorized the signing of amendments to these loan agreements. The amendments to the senior loan contracts have changed the structure of the financing granted by Crédit Agricole S.A. which has offered the Regional Banks to buy back the early repayment option. On December 18, 2020, Crédit Agricole S.A. and Caisse Régionale Normandie decided on the partial early repayment of 16% of the principal remaining due.

Conditions

Crédit Agricole S.A. and Caisse Régionale Normandie have agreed to repay the sum of € 49,660,339.95 (forty-nine million six hundred and sixty thousand three hundred and thirty nine euros and ninety-five cents) corresponding, from the partial early repayment date, to the principal amount remaining due under the loan of € 47,904,320 (forty-seven million nine hundred four thousand three hundred and twenty euros), increased by the amount of accrued and unmatured interest calculated on the amount repaid up to the early repayment date partial (included) and an early repayment indemnity in accordance with the provisions below. At the same time, Crédit Agricole S.A. and Caisse Régionale Normandie agreed to modify the provisions relating to the calculation and payment of late payment interest in order to replace the EONIA index with the € STR index.

Reasons justifying why the Company benefits from this agreement

Your board justified this agreement as follows:

The nature of the early repayment option appears in the senior loan contracts signed in 2016. The amendment to the EUREKA loan contract formalizes the already existing legal possibility of repaying the loan by mutual agreement between Crédit Agricole S.A. and Caisse Régionale Normandie, at a price of market.

Due to an omission by your board of directors, the above agreements have not been subject to the prior authorization provided for in Article L. 225-38 of the French Commercial Code.

We hereby specify that your Board of Directors, at its meeting held on February 10, 2021 decided to subsequently authorize this agreement.

Agreements previously approved by the Annual General Meeting

In accordance with Article R. 225-30 of the French Commercial Code *(Code de commerce)*, we have been notified that the implementation of the following agreements, which were approved by the Annual General Meeting in prior years, continued during the year ended 31 December 2020.

Shareholder's agreement with Shareholder's agreement with CAAS, CACF, CACIB, CAGS, CAPS, CATS, LCL and FNCA

Persons concerned

MM. Philippe BRASSAC and Xavier MUSCA, Chief Executive Officer and Deputy Chief Executive Officer of Crédit Agricole S.A., Ms Véronique FLACHAIRE (until the 2020 AGM), Françoise GRI, Catherine POURRE, and MM. Dominique LEFEBVRE, Raphael APPERT, Daniel EPRON, Jean-Pierre GAILLARD, Gérard OUVRIER-BUFFET, François THIBAULT (until the 2020 AGM) directors of Crédit Agricole S.A., directors or joint managers in common with the entities concerned.

Nature and purpose

Under the terms of the memorandum of understanding cited above, some of the parties have agreed to set up a new company, Crédit Agricole Group Infrastructure Platform, which carries the project relating to the merger of certain infrastructure and IT production activities of the Group. Agricultural credit.

The company was formed to acquire on January 1, 2019, SILCA and the IT production activities of CATS, CACIB in France and CAAS. It is intended to accommodate the IT production activities of other Crédit Agricole Group entities. The associated parties together hold 100% of the Company's share capital and voting rights.

In this context, the parties wished, through this shareholders' agreement:

- complete the rules of governance of the company provided for in the articles of association;
- organize their relationships as Partners;
- determine the conditions they intend to comply with in the event of a Transfer of all or part of their stake in the Company's capital.

The shareholders' agreement relating to Crédit Agricole Group Infrastructure Platform sets out, in particular, the following specific governance rules for Crédit Agricole Group Infrastructure Platform: a Board of Directors made up 50/50 between the Regional Banks and their subsidiaries or production entities IT and the Crédit Agricole SA Group with a Chairman of the SAS, also Chairman of the Board of Directors appointed on the proposal of the Regional Banks and a Chief Executive Officer appointed on the proposal of the Crédit Agricole SA Group.

Noting, in addition to the presence of common Managers and Directors, that the governance rules described above do not reflect the planned capital distribution between the Regional Banks and their subsidiaries (36%) and the Crédit Agricole SA group (64%), this Agreement was considered to constitute a regulated agreement within the meaning of the provisions of the French Commercial Code. It was authorized by the Board of Directors at its meeting on May 14, 2018.

Conditions

The shareholders' agreement specifies the governance rules of Crédit Agricole Group Infrastructure Platform, both as regards the management body in its executive functions and in its supervisory functions, as well as of the subsidiary to be set up provided for in the memorandum of understanding. agreement. It organizes, in particular, the rules relating to the financing of the company and the transfer of securities, as well as the possible conditions of exit of a partner and the conditions under which the services of the company will be provided.

The Shareholder's Agreement was signed on June 8, 2018.

Guarantee agreement with SILCA

Persons concerned

Ms Véronique FLACHAIRE (until the 2020 AGM) Françoise GRI and Catherine POURRE, and MM. Philippe BRASSAC, Xavier MUSCA and Jean-Pierre GAILLARD, François THIBAULT (until the 2020 AGM) Joint chairmen and directors with the entities concerned.

Nature and purpose

At its meeting of May 14, 2018 during which it authorized the signing of the Protocol, the Board of Directors was informed that the signatory parties would agree that the contracts for the contribution or sale of activities will include guarantee clauses. assets and liabilities relating to management prior to the completion date and that, regarding SILCA, a particular mechanism must be studied insofar as this entity will be the subject of a merger-absorption before the expiry of the guarantees of liabilities.

The terms of this guarantee were presented to the Board of Directors, which authorized the signing of the related agreement at its meeting on November 6, 2018.

Its purpose is to specify the declarations and guarantees granted by the Guarantors for the benefit of CAGIP under the merger-absorption operation of SILCA by CAGIP, as well as the respective rights and obligations of the parties in the event of violation or inaccuracy of one or more of these statements.

Conditions

For a period of 36 months from January 1, 2019, the Guarantors undertake, each up to their share in the capital of SILCA on the date of completion of the merger-absorption, to indemnify CAGIP:

- any increase in liabilities or any decrease in assets resulting from or originated in a fact or event prior to January 1, 2019;
- any damage suffered by CAGIP as a result of the inaccuracy or insincerity of a declaration relating to the assets transferred as part of the merger-absorption;
- any damage suffered by CAGIP following a third-party claim for acts attributable to SILCA and prior to January 1, 2019.

The 36-month period is replaced by the duration of the legal prescription with regard to any damage suffered by CAGIP as a result of the inaccuracy or insincerity of a declaration relating to SILCA. The indemnification commitment for damage suffered by CAGIP in tax matters will end after a period of 10 working days from the expiration of the statutory limitation period.

A unit threshold of 10,000 (ten thousand) euros is set for the consideration of a complaint. No overall ceiling has been set by the parties.

The guarantee agreement was signed on November 21, 2018. For the year 2019, no guarantee was activated.

Loan agreement with the Regional Banks of Crédit Agricole of Languedoc, Lorraine, Val de France, Centre-Est, Sud Rhône Alpes, Finistère, Loire Haute-Loire, Charente-Maritime Deux Sèvres and Centre Loire

Persons concerned

Ms Véronique FLACHAIRE (until the AGM 2020) Renée TALAMONA (August 2020), MM. Dominique LEFEBVRE, Raphaël APPERT, Jean-Pierre GAILLARD, Jean-Paul KERRIEN, Gérard OUVRIER-BUFFET, Louis TERCINIER, François THIBAULT (until the 2020 AGM) Chairman or directors of Crédit Agricole SA and Chairmen, general managers of the above-mentioned entities.

Nature and purpose

The Board of Directors, at its meeting of May 19, 2016, authorized the signing of the loan contracts granted as part of the "Eureka" transaction between Crédit Agricole SA and the Regional Banks, with the choice for them between different options, reimbursement, clarification being made regardless of the option chosen by a Regional Bank, the average cost of its financing remained equal to 2.15% per annum under the following conditions.

The Regional Banks thus benefited from financing under the following conditions:

- total loan of 11 billion euros at a fixed rate of 2.15% over 10 years;
- semi-annual early repayment option from the 4th year, with 12 months notice.

At its meeting of August 2, 2017, the Board of Directors authorized the signing of amendments to these loan agreements. The amendments to the senior loan contracts modified the structure of the financing granted by Crédit Agricole SA, which offered the Regional Banks to buy back the early repayment option, this buyback taking the form of a rate reduction in return. the setting by each Regional Bank of a firm repayment schedule.

Conditions

The refinancing schedule offered to the Regional Banks has been the subject of a fairness certificate from an external firm.

Refer to the glossary on page 681 for the definition of technical terms.

The Regional Banks had the option of keeping the initial financing structure or replacing it with one or more financing on the maturities of their choice from the table below (depending on the market conditions in force on July 4, 2017). The proposed yield drop was between 35bp and 56bp, corresponding to the estimated management cost of 50bp for Crédit Agricole S.A. from the outset.

Loan maturity	Bullet fixed rate
03/08/2020	1.8
03/08/2021	1.64
03/08/2022	1.59
03/08/2023	1.60
03/08/2024	1.67
03/08/2025	1.75
03/08/2026	1.84

The amendments were signed on October 10, 2017. The total amount of financing offered to the regional banks concerned by the regulated nature of these agreements is € 3.391 billion.

Guarantee agreement with the Regional Banks of Crédit Agricole of Languedoc, Lorraine, Val de France, Normandie, Sud Rhône-Alpes, Finistère, Loire Haute-Loire and Centre-Loire

Persons concerned

Ms Véronique FLACHAIRE (until the AGM 2020) Renée TALAMONA (August 2020) and MM. Dominique LEFEBVRE, Daniel EPRON, MM. Jean-Pierre GAILLARD, Jean-Paul KERRIEN and Gérard OUVRIER-BUFFET, François THIBAULT (until the 2020 AGM) Chairman or directors of Crédit Agricole S.A. and Chairmen, General Managers of the above-mentioned entities.

Nature and purpose

The Board of Directors, in its meeting of May 19, 2016, authorized the signing of addendum no.3 to the Switch guarantee agreement between Crédit Agricole S.A. and the Regional Banks.

As part of the "Eureka" transaction, the parties decided to modify certain terms of the Switch agreement for the Insurance part, under which the Regional Banks guarantee Crédit Agricole SA against a drop in the equity-accounted value of stakes that it holds in the capital of Crédit Agricole Assurances, and to adjust the conditions for the return of the amount of cash collateral relating to the Guarantee applicable to CCI / CCA.

This rider makes the following changes to the Switch guarantee relating to Crédit Agricole S.A.'s participation in Crédit Agricole Assurances:

- introduction of a mechanism for partial termination of the Switch Assurances which would be implemented by decision of Crédit Agricole S.A. by gradually reducing the guaranteed amount;
- replacement of the quarterly calculation periodicity by a half-yearly periodicity.

Conditions

The signing of addendum n° 3 to the Switch guarantee agreement took place on July 21, 2016, with effect from July 1, 2016. The amount of guarantees provided by the Regional Mutuals under the Insurance part amounts to MEUR. 1,274.51 and their guarantee deposits of MEUR 431.42 as of December 31, 2020. The remuneration paid or to be paid by your company to the regional guarantee funds mentioned above, for the 2020 financial year amounts to MEUR 44, 42.

MSI Activity transfer agreement with CA-CIB

Persons concerned

Ms Françoise GRI and Catherine POURRE and MM. Philippe BRASSAC and François THIBAULT (until the 2020 AGM), Chief Executive Officer or directors of Crédit Agricole S.A. and Chairman or directors of CA-CIB.

Nature and purpose

CA-CIB and Crédit Agricole SA have come together in order to negotiate and decide on the terms and conditions of the sale of the business transferred under the terms of an agreement (hereinafter referred to as the "Sale of Business Agreement").

Conditions

The transfer of ownership of the business transferred as well as the rights, risks and enjoyment resulting therefrom would be effective on January 1, 2018 (hereinafter referred to as the "Transfer Date"). However, for operational reasons, and in particular for IT migration, CA-CIB would not be able, on the transfer date, to open accounts for DSB customers. Consequently, the accounts opened by customers would be maintained at Crédit Agricole SA during a transitional period and opened at CA-CIB, during and at the end of this transitional period, according to a schedule which would depend on the progress of the work. to be carried out at CA-CIB and which should end no later than December 31, 2020. During this transitional period, Crédit Agricole SA would retrocede to CA-CIB the income from the activities of the business transferred that Crédit Agricole SA would have received from DSB customers. At the same time, all charges, costs and liabilities incurred by Crédit Agricole S.A. in respect of the business transferred would be borne by CA-CIB.

As of the transfer date, CA-CIB would operate the business transferred with the human and material resources that would have been transferred to it.

Agreement relating to the strengthening of equity capital with the company CA-CIB

Persons concerned

Ms Françoise GRI and Ms Catherine POURRE, MM. Philippe BRASSAC and François THIBAULT (until the 2020 AGM) Chief Executive Officer of Crédit Agricole, directors of Crédit Agricole S.A. and Chairmen or directors of the aforementioned entities.

Nature and purpose

Following the merger of the corporate and investment banking activities of the Crédit Agricole SA and Crédit Lyonnais groups, a partial transfer of assets from Crédit Lyonnais to Crédit Agricole Indosuez (now Calyon then CA-CIB) was realized.

Conditions

Within the framework of this authorization, Crédit Agricole S.A. notably subscribed in 2004 to an issue of super-subordinated securities, for an amount of US $ 1,730 million. During fiscal year 2014, one of the issues amounting to US $ 1,260 million was prepaid on February 28, 2014.

The second issue for an amount of $ 470 million was partially reimbursed in early 2019 (up to $ 270 million) and the notional outstanding for fiscal 2020 is $ 200 million. The total coupon amount due for 2020 is $ 7,280,267 excluding late interest.

Temporary shared fine agreement with Crédit Agricole CIB

Persons concerned

Ms Françoise GRI and Ms Catherine POURRE, MM. Philippe BRASSAC and François THIBAULT (until the 2020 AGM), Chief Executive Officer of Crédit Agricole S.A. and Chairman of CA-CIB, joint directors of Crédit Agricole S.A. and CA-CIB.

Nature and purpose

On December 7, 2016, the European Commission condemned Crédit Agricole SA and CA-CIB jointly and severally to a fine of 114,654 million euros following a Commission investigation concluding that there was an agreement between seven institutions. banking on interest rate derivatives in euros by agreeing on the determination of the reference interest rate that is EURIBOR.

The charges allegedly took place between September 2005 and May 2008.

As soon as the Commission's decision was delivered, Crédit Agricole announced that it would appeal to the General Court of the European Union. The motion to quash was filed on February 17, 2017.

As the appeal was not suspensive, Crédit Agricole had to pay the full amount of the fine before March 5, 2017.

Under the terms of an agreement concluded with CA-CIB, Crédit Agricole SA has agreed to pay the entire penalty on behalf of the two jointly condemned institutions and deferring the distribution between them of the payment of the fine to the decision of the judicial authorities of the European Union.

Conditions

At its meeting of January 20, 2017, the Board of Directors authorized the draft agreement between Crédit Agricole S.A. and CA-CIB under the terms of which:

- pending the intervention of a decision having the authority of res judicata in the last instance, Crédit Agricole S.A. assumed and paid the sum of 114,654,000 euros for the penalty;
- the final terms of distribution of the final amount of the possible penalty to be agreed at a later date by mutual agreement between Crédit Agricole SA and CA-CIB, once a decision having the force of res judicata in the last instance has been adopted.

The agreement was authorized in identical terms by the Board of CA-CIB on February 10, 2017. It constitutes a formal measure to organize the distribution of the joint and several sentences, without prejudging the results of the appeals initiated.

In accordance with the delegation granted by their respective boards, it was signed on February 27, 2017 by the Chief Executive Officer of Crédit Agricole S.A. and the Chief Executive Officer of CA-CIB. The penalty was settled within the legal deadlines, ie before March 5, 2017. No decision having been taken on the appeal initiated by Crédit Agricole, the situation between Crédit Agricole SA and CA-CIB is identical to that observed at the end of 2017.

Refer to the glossary on page 681 for the definition of technical terms.

Billing and collecting agreement with Crédit Agricole CIB

Persons concerned

Mmes Françoise GRI And Catherine POURRE, MM. Philippe BRASSAC and François THIBAULT (until the 2020 AGM) Chief Executive Officer of Crédit Agricole S.A. and Chairman of CA-CIB, joint directors of Crédit Agricole S.A. and CA-CIB.

Nature and purpose

The Board of Directors, in its meeting of December 19, 2017, authorized the transfer of the IT activities of Crédit Agricole S.A. (MSI), to Global IT (GIT), which performs the same missions within the scope of CA-CIB.

The transfer of activity in itself does not constitute a regulated agreement but, within the framework of this operation, Crédit Agricole SA and CA-CIB have set up an invoicing and collection mandate which falls within the scope of this transaction. the provisions of paragraph 2 of article L. 225-38 of the French Commercial Code relating to regulated agreements. As such, this mandate was authorized by the Board of Directors at a meeting of December 19, 2017, separately from the overall authorization for the transfer of activity.

Conditions

Some Crédit Agricole Group entities benefit from MSI's services, through signed quotes. Invoicing and recovery of services are carried out by Crédit Agricole SA within the framework of the invoicing and recovery mandate which includes, in particular, the guarantee from Crédit Agricole SA to CA-CIB relating to recovery, from the entities benefiting from these services, sums invoiced by Crédit Agricole SA in the name and on behalf of CA-CIB.

Neuilly-sur-Seine and Paris-La Défense, 23 March 2021

The Statutory Auditors
French original signed by:

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Anik Chaumartin	Olivier Durand

PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT OF CRÉDIT AGRICOLE S.A.

Mr Philippe Brassac, Chief Executive Officer of Crédit Agricole S.A.

STATEMENT BY THE PERSON RESPONSIBLE

I hereby certify that, to my knowledge and after all due diligence, the information contained in the present Universal registration document is true and accurate and contains no omission likely to affect the import thereof.

I hereby certify that, to my knowledge, the consolidated financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets liabilities, financial position and results of the Company and all entities included in the consolidated Group, and the management report, made up of the sections indicated in the cross-reference table at the end of this document, provides a true and fair view of the development and performance of the business, profit or loss and financial position of the Company and all the entities included in the consolidated Group, and that it describes the principal risks and uncertainties that they face.

Montrouge, 24 March 2021

Chief Executive Officer of Crédit Agricole S.A.

Philippe Brassac

STATUTORY AUDITORS

STATUTORY AUDITORS

Ernst & Young et Autres	PricewaterhouseCoopers Audit
Company represented by Olivier Durand	Company represented by Anik Chaumartin
1-2, place des Saisons 92400 Courbevoie, Paris – La Défense 1	63, rue de Villiers 92208 Neuilly-sur-Seine
Statutory Auditors, Member, *Compagnie régionale des Commissaires aux comptes de Versailles*	Statutory Auditors, Member, *Compagnie régionale des Commissaires aux comptes de Versailles*

Ernst & Young et Autres was appointed Statutory Auditor under the name Barbier Frinault et Autres by the Ordinary General Meeting of 31 May 1994. This term of office was renewed for a further six years at the Combined General Meeting of 16 May 2018.

Ernst & Young et Autres is represented by Olivier Durand.

PricewaterhouseCoopers Audit was appointed Statutory Auditor by the Ordinary General Meeting of 19 May 2004. This term of office was renewed for a further six years at the Combined General Meeting of 16 May 2018.

PricewaterhouseCoopers Audit is represented by Anik Chaumartin.

The Crédit Agricole S.A. Board of Statutory Auditors remained unchanged in 2011/2012/2013/2014/2015/2016/2017/2018 and 2019. The signatories remained unchanged in 2011/2012/2013 and 2014, namely Valérie Meeus for Ernst & Young et Autres and Catherine Pariset for PricewaterhouseCoopers Audit. Since 2015, the signatory for PricewaterhouseCoopers Audit has been Anik Chaumartin, replacing Catherine Pariset. Since 2017, the signatory for Ernst & Young et Autres has been Olivier Durand, replacing Valérie Meeus.

DEPUTY STATUTORY AUDITORS

Picarle et Associés	Jean-Baptiste Deschryver
Company represented by Marc Charles	
1-2, place des Saisons 92400 Courbevoie, Paris – La Défense 1	63, rue de Villiers 92208 Neuilly-sur-Seine
Statutory Auditors, Member, *Compagnie régionale des Commissaires aux comptes de Versailles*	Statutory Auditors, Member, *Compagnie régionale des Commissaires aux comptes de Versailles*

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 by the Combined General Meeting of 16 May 2018.

Refer to the glossary on page 681 for the definition of technical terms.

GLOSSARY

ACRONYMS

ACPR
French Regulatory and Resolution Supervisory Authority.

AFEP/MEDEF
French Business and Employers' Associations.

AMF
French financial markets authority.

CSR
Corporate and Social Responsibility.

EBA
European Banking Authority.

ECB
European Central Bank.

ESG
Environment, Social, Governance.

GOI
Gross Operating Income.

IFRS
International Financial Reporting Standards.

MSE
Medium-sized Enterprise.

MTP
Medium-Term Plan.

SME
Small and Medium-sized Enterprise.

SREP
Supervisory Review and Evaluation Process.

VSB
Very Small Business.

DEFINITIONS

Accretion
A transaction is described as "accretive" when it increases the portion of net asset value (e.g. net book value per share) or earnings (e.g. earnings per share) attributable to each share in the company.

ALM *Asset and Liability Management*
Management of the financial risks borne by an institution's balance sheet (interest rate, currency, liquidity) and its refinancing policy in order to protect the bank's asset value and/or its future profitability.

Asset encumbrance
Asset encumbrance corresponds to assets used to secure, collateralise or back up a credit facility for any type of transaction.

Asset management
Management of negotiable or other assets, for the manager's own account or for third-party (institutional or retail) investors. In third-party asset management, assets are adapted via funds or in the framework of management mandates. Specialised products are offered to meet the range of customer expectations in terms of geographical and sector diversification, short-term or long-term investing and the desired level of risk.

Assets under management
Operating activity indicator not reflected in the Group's consolidated financial statements, reflecting the assets marketed by the Group, whether they are managed, advised or delegated to an external fund manager. Assets under management are measured for each fund by multiplying net asset value per unit (as calculated by an external appraiser in line with the regulations in force) by the number of units/shares outstanding. Amundi fully consolidates all the assets under management by its joint ventures.

AT1 *Additional Tier 1 capital*
Additional Tier 1 capital eligible under Basel 3 made up of perpetual debt instruments without any redemption incentive or obligation. It is subject to a loss absorption mechanism where the CET1 ratio falls below a given threshold, fixed in their prospectus.

Basel 3
Regulatory standards for banks, which replace the previous Basel 2 agreements by increasing the quality and quantity of the minimum capital that banks are required to hold against the risk they take. It also introduces minimum standards for liquidity risk management (quantitative ratios), defines measures attempting to curb the financial system's pro-cyclicality (capital buffers varying according to the economic cycle) and tightens the requirements on institutions considered as systemically important. In the European Union, these regulatory standards were introduced under directive 2013/36/EU (CRD 4 – Capital Requirements Directive) and regulation (EU) No. 575/2013 (CRR – Capital Requirements Regulation).

Basis point (bp)
A basis point is equal to 0.01% or 1/10,000.

Benchmark rate
Interest rate set by a country's or currency zone's central bank to regulate economic activity. Principal tool in a central bank's arsenal for fulfilling its role of regulating economic activity: inflation, stimulation of growth.

CCA *Cooperative Associate Certificate – Certificat coopératif d'associés*
Unlisted securities, which may be traded over the counter and may be issued only by cooperative companies. They may be subscribed by members of the issuing Regional Banks and affiliated Local Banks. A CCA does not carry voting rights but gives its holders rights to a share of the net assets and to receive dividends.

CCI *Cooperative Investment Certificate – Certificat coopératif d'investissement*
Securities quoted on the stock exchange that do not carry voting rights and may be issued only by cooperative companies. A CCI gives its holders rights to a share of the net assets and to receive a dividend payment.

Collateral
A transferable asset or a guarantee that provides security for the repayment of a loan, should the recipient of the loan fail to meet their repayment obligations.

Corporate governance
Any mechanism that can be implemented to achieve transparency, equality between shareholders and a balance of powers between management and shareholders. These mechanisms encompass the methods used to formulate and implement strategy, the operation of the Board of Directors, the organisation framework between different governing bodies and the compensation policy for directors and executive managers.

Cost/income ratio
The cost/income ratio is calculated by dividing operating expenses by revenues, indicating the proportion of revenues needed to cover operating expenses.

Cost of risk
The cost of risk reflects allocations to and reversals from provisions for credit and counterparty risk (loans, securities, and off-balance sheet commitments).

Cost of risk/outstandings(1)
Calculated by dividing the cost of credit risk (over four quarters on a rolling basis) by outstandings (over an average of the past four quarters, beginning of the period). Can also be calculated by dividing the annualised cost of credit risk for the quarter by outstandings at the beginning of the quarter. Similarly, the cost of risk for the period can be annualised and divided by the average outstandings at the beginning of the period.

Since the first quarter of 2019, the outstandings taken into account are the customer outstandings, before allocations to provisions.

The calculation method for the indicator is specified each time the indicator is used.

Crédit Agricole Group
This include Crédit Agricole S.A., Regional Banks and Local Banks.

Crédit Agricole S.A.
Listed company of the Credit Agricole Group. Its parent company is "Crédit Agricole S.A. Parent Company". Its consolidation perimeter includes subsidiaries, joint ventures and associated companies that it holds directly or indirectly.

Crédit Agricole S.A. Parent Company
Legal entity that acts as central body and head of Crédit Agricole network and that guarantees the financial unity of the Group.

Credit rating
Measurement of credit quality in the form of an opinion issued by a rating agency (Standard & Poor's, Moody's, Fitch Ratings, etc.). The rating may apply to a specific issuer (business, government, public-sector authority) and/or specific issues (bonds, securitised notes, secured bonds, etc.). The credit rating may influence an issuer's borrowing terms (interest rate it pays, its access to funding) and its market image (see Rating agency).

Credit spread
Actuarial margin (difference between a bond's yield to maturity and that on a risk-free borrowing with an identical maturity).

CVA *Credit Valuation Adjustment*
Expected loss arising from the risk of a counterparty default which aims at building in the possibility that the full positive market value of instruments may not be recovered. The methodology used to determine the CVA is based largely on the same type of market parameters that market participants use.

Dilution
A transaction is described as "dilutive" when it reduces the portion of net asset value (e.g. net book value per share) or earnings (e.g. earnings per share) attributable to each share in the company.

Dividend
Portion of net income or reserves paid out to shareholders. The Board of Directors proposes the dividend to be voted on by shareholders at the Annual General Meeting, after the financial statements for the year ended have been approved.

Doubtful loan
Defaulting loan. The debtor is considered to be in default when at least one of the following conditions has been met:

- a payment generally more than ninety days past due, unless specific circumstances point to the fact that the delay is due to reasons independant 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 secutirty right.

DVA *Debit Valuation Adjustment*
Symmetrical to the CVA and represents the expected loss from the counterparty's perspective on passive valuations of financial instruments. It reflects the impact of the entity's own credit risk on the valuation of these instruments.

EAD *Exposure At Default*
Exposure at default: this is the Group's exposure should the 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).

EL *Expected Loss*
Loss likely to be incurred depending on the quality of the counterparty in view of the structure of the transaction and any risk mitigation measures, such as collateral. It is computed by multiplying the exposure at default (EAD) by the probability of default (PD) and by the loss given default (LGD).

EPS *Earnings Per Share*(1)
This is the net income Group share, from which the AT1 coupon has been deducted, divided by the average number of shares in issue excluding treasury shares. It indicates the portion of profit attributable to each share (not the portion of earnings paid out to each shareholder, which is the dividend). It may decrease, assuming the net income Group share remains unchanged, if the number of shares increases (see Dilution).

FCP *Fonds commun de placement – mutual fund*
Type of UCITS that issues units and does not have legal personality. By acquiring units, investors gain co-ownership of the securities, but do not have any voting rights. They are not shareholders. An FCP mutual fund is represented and managed from an administrative, financial and accounting perspective by a single management company, which may delegate these tasks.

FCPE *Fonds commun de placement d'entreprise – corporate mutual fund*
Employee savings vehicle used by companies offering this type of arrangement to their employees. Savers hold units in FCP mutual funds that are allotted in return for their payments and any top-up payments made by their employer (employer contribution).

FinTech *Finance, Technology*
A FinTech is a non-banking company that uses information and communication technologies to deliver financial services.

(1) APM indicator.

Refer to the glossary on page 681 for the definition of technical terms.

FReD *Fides, Respect, Demeter*

Initiative to implement, manage and measure the progress made by the Corporate Social Responsibility (CSR) programme. FReD has three pillars with 19 commitments that aim to bolster trust *(Fides)*, grow individuals and the corporate ecosystem *(Respect)* and protect the environment *(Demeter)*. Every year since 2011, the FReD index has provided a measure of the progress made by the CSR programme being pursued by Crédit Agricole S.A. and its subsidiaries. PricewaterhouseCoopers conducts an annual audit of this index.

Free float

Percentage of a listed company's share capital held by non-core shareholders. Non-core shareholders means any shareholders likely to buy or sell the shares at any time without having to worry about the effects of their decision on the control of the business and not bound by a contract limiting their right of disposal (e.g. shareholders' agreement). Shares held by retail investors (including employees) and by institutional investors (SICAV and FCP mutual funds, pension funds, and insurance companies) are included in the free float. In contrast, the investment held by a majority shareholder is not included in the free float.

FSB *Financial Stability Board*

The Financial Stability Board's remit is to identify vulnerabilities in the global financial system and establish principles serving as a basis for the regulation and oversight of financial stability. It is made up of the governors, finance ministers and supervisors of G20 countries. Its primary objective is to coordinate at international level the work of the national financial authorities and of the international standard-setters in the regulation and supervision of financial institutions. Founded at the G20 meeting in London in April 2009, the FSB is the successor to the Financial Stability Forum set up by the G7 in 1999.

GOI *Gross Operating Income*

Calculated as revenues less operating expenses (general operating expenses, such as employee expenses and other administrative expenses, depreciation and amortisation).

Goodwill

Amount by which the acquisition cost of a business exceeds the value of the net assets revalued at the time of acquisition. Every year, goodwill has to be tested for impairment, and any reduction in its value is recognised in the income statement.

Green bonds

Bonds issued by an approved entity (business, local authority or international organisation) to finance an eco-friendly and/or sustainability-driven project or activity. These instruments are often used in connection with the financing of sustainable agriculture, the protection of ecosystems, renewable energy and organic farming.

HPSP *Home Purchase Saving Plans*

The Home Purchase Saving Plan provision represents the provision set up for payment into housing savings plans that benefit from an attractive interest rate and may be closed in the short term by their holders.

HQLA *High-Quality Liquid Assets*

Assets are categorised as High-Quality Liquid Assets (HQLA), as defined by Capital Requirements Directive IV, if they can be converted into cash quickly and easily without – or with minimum – loss of value, and, in general, if they can be mobilised in the central bank to obtain financing. The main characteristics of High-Quality Liquid Assets are: 1) low risk and volatility, 2) ability to be valued with ease and certainty, 3) low correlation with higher-risk assets, and 4) listed on a recognised and sizeable developed market. The High-Quality Liquid Assets that are not already being used as collateral form the numerator of the one-month Liquidity Coverage Ratio (LCR) for stress scenarios, according to the same regulation.

Impaired loan

Loan which has been provisioned due to a risk of non-repayment.

Impaired (or non-performing) loan coverage ratio

This ratio divides the outstanding provisions by the impaired gross customer outstandings.

Impaired (or non-performing) loan ratio

This ratio divides the gross customer outstandings depreciated on an individual basis, before provisions, by the total gross customer outstandings.

Institutional investors

Businesses, public-sector bodies and insurance companies involved in securities investment, for example, investing in the shares of listed companies. Pension funds and asset management and insurance companies come under this heading.

Issuer spread

Actuarial margin representing the difference between the actuarial rate of return at which the Group can borrow and that of a risk-free loan of identical duration.

LCR *Liquidity Coverage Ratio – 1 month Liquidity Ratio*

This one-month ratio aims to enhance the short-term resilience of a bank's liquidity risk profile. The LCR obliges banks to hold sufficient risk-free, highly liquid assets (see HQLA) to cover outflows, net of inflows, assessed under stressed assumptions, to see it through a crisis period of 30 days without relying on any support from Central banks.

Leverage ratio

A voluntarily simple ratio that is intended to control the size of banks' total assets. The leverage ratio establishes a link between Tier 1 regulatory capital and on-/off-balance sheet assets, after restatement of given items.

LGD *Loss Given Default*

Ratio between the loss experienced on an exposure on a counterparty at default and the size of the exposure at default.

Loan Portfolio Hedges (Credit Portfolio Management - CPM)

The impact of loan portfolio hedges of the Large Customer DIvision is based on market movements in credit risk hedging and the level of reserves linked to the market movements.

Mutual shareholders
Holders of mutual shares, which make up the capital of the Local Banks. The Local Banks own the share capital of the Regional Bank with which they are affiliated. They receive returns in respect of their mutual shares, the interest rate of which is capped by law. The members come together once a year at the Annual General Meeting at which they approve the financial statements of the Local Banks and elect its directors. Each individual member has one vote at these General Meetings, irrespective of the number of mutual shares that she/he owns.

Mutual shares
Portion of the capital of a Local Bank or Regional Bank. Mutual shares receive an annual interest payment. Ownership units are reimbursed at their nominal value and give no right to reserves or to liquidation proceeds.

MREL *Minimum Requirement for own funds and Eligible Liabilities*
Ratio defined in the European Bank Recovery and Resolution Directive indicating the minimum requirement for own funds and eligible liabilities that have to be available to absorb losses in the event of resolution (see chapter 5 on Risks and Pillar 3/Regulatory indicators and ratios).

NBV *Net Book Value not revaluated*[1]
The Net Book Value not revaluated corresponds to the shareholders' equity Group share from which the amount of the AT1 issues, the unrealised gains and/or losses on OCI Group share and the pay out assumption on annual results have been deducted.

NBV per share *Net Book Value per share*/ NTBV per share *Net Tangible Book Value per share*[1]
One of the methods for calculating the value of a share. This represents the Net Book Value (see below) divided by the number of shares in issue at end of period, excluding treasury shares.

Net Tangible Book Value per share represents the Net Book Value after deduction of intangible assets and goodwill, divided by the number of shares in issue at end of period, excluding treasury shares.

Net income Group share *NIGS*
Net income/(loss) for the financial year (after corporate income tax). Equal to net income less the share attributable to non-controlling interests in fully consolidated subsidiaries.

NIGS attributable to ordinary shares[1]
The net income Group share attributable to ordinary shares represents the net income Group share from which the AT1 coupon has been deducted, including issuing costs before tax.

Non-financial rating agency
Organisation specialised in qualitatively and quantitatively assessing corporates according to social and environmental criteria, following specifications related to sustainable development and using a specific form of rating.

NPS *Net Promoter Score*
Index measuring how likely customers are to recommend their bank to their family and friends. Based on polling conducted every quarter, this index reflects the number of customers who are critical of, neutral on or willing to promote the bank.

NSFR *Net Stable Funding Ratio – 1 year Liquidity Ratio*
Ratio intended to promote longer-term resilience through the introduction of additional incentives for banks to fund their activities using more stable resources of finance (namely with longer maturities). This structural liquidity ratio covering a one-year period has been designed to limit the funding of long term assets by short term resources.

Operating income
Calculated as gross operating income less the cost of risk.

P/E ratio *Price/Earnings ratio*
Ratio of the share price to earnings per share. For shareholders, it represents the number of years' earnings needed to recoup their initial investment. It is an indicator used to compare the value of different stocks, for example, within the same sector of activity. A high P/E rating reflects expectations of strong earnings growth or a situation where a company's value is not fully reflected in its earnings (e.g. it may have substantial cash holdings). If a company has a P/E of 15x, it is said to capitalise its earnings 15 times.

Raison d'Être
The *Raison d'Être* of Crédit Agricole Group was formulated in the Group project and MTP 2022. It engages and irrigates all the Group's activities and businesses. It does not fall within the scope of article 1835 of the Civil Code according to which "the articles of association may specify a *Raison d'Être,* consisting of the principles which the company adopts and for the respect of which it intends to allocate resources in carrying out its activity".

Rating agency
Organisation specialised in assessing the solvency of issuers of debt securities, *i.e.* their ability to honour their repayment obligations (principal repayments and interest payments over the contractual period).

Resolution
Shortened form of "resolution of crises and bank failures". In practice, two types of plan need to be drawn up for every European bank: 1) a preventative recovery plan prepared by the bank's senior managers, and 2) a preventative resolution plan put in place by the competent supervisory authority. Resolution occurs before bankruptcy of the bank, to plan its ordered dismantling and avoid systemic risk.

Risk appetite
Level of risk that the Group is willing to assume in pursuit of its strategic objectives. It is determined by type of risk and by business line. It may be stated using either quantitative or qualitative criteria. Establishing the risk appetite is one of the strategic management tools available to the Group's governing bodies.

Revenues
Difference between banking income (interest income, fee income, capital gains from market activities and other income from banking operations) and banking expenses (interest paid by the bank on its funding sources, fee expenses, capital losses arising on market activities and other expenses incurred by banking operations).

(1) APM indicator.

Refer to the glossary on page 681 for the definition of technical terms.

RoTE *Return on Tangible Equity*[1]
The RoTE *(Return on Tangible Equity)* measures the return on tangible capital by dividing the NIGS by the group's NBV (see above) net of intangibles and goodwill.

RWA *Risk-Weighted Assets*
Assets and risk commitments (loans, etc.) held by a bank weighted by a prudential factor and based on the risk of loss and used, when added together, as the denominator for major solvency ratios.

SDG *Sustainable Development Goals*
The UN Sustainable Development Goals are a list of 17 targets for 2030.

SICAV *(Société d'investissement à capital variable) – open-ended investment company*
A type of UCITS which enables investors to invest in a portfolio of financial assets without holding them directly and to diversify their investments. It manages a portfolio of stocks or other assets and may specialise in a specific market, an asset class, an investment profile, or a specific sector. From a tax perspective, a SICAV unit is like a share.

Social Bonds
Bonds issued by an approved entity (business, local authority or international organisation) to finance a social or society-driven project or activity. These instruments are often used in connection with the financing of projects relating to regional economic development, social inclusion and autonomy, and access to healthcare services.

Solvency
Measures the ability of a business or an individual to repay its debt over the medium to long term. For a bank, solvency reflects its ability to cope with the losses that its risk profile is likely to trigger. Solvency analysis is not the same as liquidity analysis. The liquidity of a business is its ability to honour its payments in the normal course of its business, to find new funding sources and to achieve a balance at all times between its incomings and outgoings. For banks, solvency is governed by the CRD 4 directive and CRR regulation. For an insurance company, solvency is covered by the Solvency 2 directive (see Solvency 2).

Solvency 2
European directive on insurance and reinsurance undertakings intended to ensure that they comply at all times with their commitments towards policyholders in view of the specific risks incurred by such businesses. It aims to achieve an economic and prospective assessment of solvency based on three pillars – quantitative requirements (Pillar 1), qualitative requirements (Pillar 2) and information for the public and the supervisor (Pillar 3). Adopted in 2014, it was transposed into national law in 2015 and came into force on 1 January 2016.

SRI *Socially Responsible Investing*
Systematic and clearly documented incorporation of environmental, social and governance criteria in investment decisions.

Stress tests
Exercise to study the ramifications on banks' balance sheets, profit and loss and solvency in order to measure their ability to withstand these kinds of situations.

Subordinated notes
Issues made by a company, the returns on and/or redemption of which are contingent upon an event (conditional upon payment of a dividend or achievement of an outcome).

Systemically important bank
Crédit Agricole Group, but not Crédit Agricole S.A., appears on the list of the 30 global systemically important banks (G-SIBs) published by the Financial Stability Board (FSB) in November 2012 and updated in November 2016. A systemically important bank has to put in place a basic capital buffer of between 1% and 3.5% in relation to Basel 3 requirements.

TCFD *Task Force on Climate-related Financial Disclosures*
The TCFD was created by the G20 at COP21 and defines 11 recommendations concerning the financial transparency of companies in terms of managing climate risk.

TLAC *Total Loss Absorbing Capacity*
Designed at the G20's request by the Financial Stability Board. It aims to provide an indication of the loss-absorbing capacity and of the ability to raise additional capital of the systemically important banks (G-SIBs) (see chapter 5 on Risks and Pillar 3/ Regulatory indicators and ratios).

Treasury shares
Shares held by a company in its own capital. Shares held in treasury do not carry a voting right and are not used in EPS or NBV per share calculations as they receive no dividend and have no right to reserves.

TSDI *Undated subordinated notes*
Undated subordinated notes have no specified maturity date, with redemption being at the behest of the issuer beyond a certain date.

TSS *Deeply subordinated notes*
Undated subordinated issue giving rise to perpetual returns. Their perpetual maturity arises from the fact that they do not have a contractual redemption date, with redemption taking place at the option of the issuer. Should the issuer be liquidated, these notes are redeemed after all the other creditors have been repaid.

UCITS *Undertakings for Collective Investment in Transferable Securities*
An UCITS is a portfolio of negotiable securities (equities, bonds, etc.) managed by professionals (management companies) and held collectively by retail or institutional investors. There are two types of UCITS – SICAVs (open-ended investment companies) and FCPs (mutual investment funds).

Underlying NIGS (Net Income Group Share)[1]
The underlying net income Group share represents the stated net income Group share from which specific items have been deducted (*i.e.* non-recurring or exceptional items).

VaR *Value-at-Risk*
Synthetic indicator used to track on a day-to-day basis the market risks taken by the Group, particularly in its trading activities (VaR is calculated using a 99% on 10 days-confidence interval, over one day, in line with the regulatory internal model). Reflects the largest exposure obtained after eliminating 1% of the most unfavourable occurrences over a one-year history.

(1) APM indicator.

CROSS-REFERENCE TABLES

CROSS REFERENCE TABLE OF THE UNIVERSAL REGISTRATION DOCUMENT

This cross-reference table contains the headings provided for in Annex 1 (as referred to in Annex 2) of the Commission Delegated Regulation (EU) 2019/980 of the Commission as 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 Directive, said "Prospectus". It refers to the pages of this Universal registration document where the information relating to each of these headings is mentioned.

		Page number of this Universal registration document
Section 1	**Persons responsible, third party information, experts' reports and competent authority approval**	**680**
1.1	Identify all persons responsible for the information or any parts of it, given in the Registration document with, in the latter case, an indication of such parts. In the case of natural persons, including members of the issuer's administrative, management or supervisory bodies, indicate the name and function of the person; in the case of legal persons indicate the name and registered office.	680
1.2	A declaration by those responsible for the Registration document that to the best of their knowledge, the information contained in the Registration document is in accordance with the facts and that the Registration document makes no omission likely to affect its import. Where applicable, a declaration by those responsible for certain parts of the Registration document that, to the best of their knowledge, the information contained in those parts of the Registration document for which they are responsible is in accordance with the facts and that those parts of the Registration document make no omission likely to affect their import.	680
1.3	Where a statement or report attributed to a person as an expert, is included in the Registration document, provide the following details for that person: (a) name; (b) business address; (c) qualifications; (d) material interest if any in the issuer. If the statement or report has been produced at the issuer's request, state that such statement or report has been included in the Registration document with the consent of the person who has authorised the contents of that part of the Registration document for the purpose of the prospectus.	N/A
1.4	Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.	N/A
1.5	A statement that: (a) the [Registration document/prospectus] has been approved by the [name of the competent authority], as competent authority under Regulation (EU) 2017/1129; (b) the [name of competent authority] only approves this [registration document/prospectus] as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129; (c) such approval should not be considered as an endorsement of the issuer that is the subject of this [registration document/prospectus].	N/A
Section 2	**Statutory auditors**	**680**
2.1	Names and addresses of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).	680
2.2	If auditors have resigned, been removed or have not been re-appointed during the period covered by the historical financial information, indicate details if material.	N/A
Section 3	**Risk factors**	**256 to 268**
3.1	A description of the material risks that are specific to the issuer, in a limited number of categories, in a section headed "Risk Factors". In each category, the most material risks, in the assessment undertaken by the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence shall be set out first. The risks shall be corroborated by the content of the Registration document.	256 to 268
Section 4	**Information about the issuer**	**410, 650 to 657**
4.1	The legal and commercial name of the issuer.	410, 650
4.2	The place of registration of the issuer, its registration number and legal entity identifier ("LEI").	410, 650
4.3	The date of incorporation and the length of life of the issuer, except where the period is indefinite.	410, 650
4.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.	41, 650 to 657, 692

 Refer to the glossary on page 681 for the definition of technical terms.

		Page number of this Universal registration document
Section 5	**Business overview**	
5.1	Principal activities.	14 to 28, 497 to 498
5.1.1	A description of, and key factors relating to, the nature of the issuer's operations and its principal activities, stating the main categories of products sold and/or services performed for each financial year for the period covered by the historical financial information.	14 to 28, 497 to 498, 230-231, 234 to 244
5.1.2	An indication of any significant new products and/or services that have been introduced and, to the extent the development of new products or services has been publicly disclosed, give the status of their development.	446 and 658
5.2	Principal markets A description of the principal markets in which the issuer competes, including a breakdown of total revenues by operating segment and geographic market for each financial year for the period covered by the historical financial information.	11, 16 to 28, 497-498, 614 to 615
5.3	The important events in the development of the issuer's business.	29 to 32, 446 to 451
5.4	Strategy and objectives A description of the issuer's business strategy and objectives, both financial and non-financial (if any). This description shall take into account the issuer's future challenges and prospects.	249 to 252
5.5	If material to the issuer's business or profitability, summary information regarding the extent to which the issuer is dependent, on patents or licences, industrial, commercial or financial contracts or new manufacturing processes.	315
5.6	The basis for any statements made by the issuer regarding its competitive position.	10
5.7	Investments.	29 to 31, 422 to 423, 448 and 449, 565 to 579, 658
5.7.1	A description, (including the amount) of the issuer's material investments for each financial year for the period covered by the historical financial information up to the date of the Registration document.	29 to 31, 448 and 449, 658
5.7.2	A description of any material investments of the issuer that are in progress or for which firm commitments have already been made, including the geographic distribution of these investments (home and abroad) and the method of financing (internal or external).	658
5.7.3	Information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.	523 to 525
5.7.4	A description of any environmental issues that may affect the issuer's utilisation of the tangible fixed assets.	45 to 50
Section 6	**Organisational structure**	
6.1	If the issuer is part of a group, a brief description of the group and the issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.	5
6.2	A list of the issuer's significant subsidiaries, including name, country of incorporation or residence, the proportion of ownership interest held and, if different, the proportion of voting power held.	414-415, 566 to 579, 618 to 621
Section 7	**Operating and financial review**	
7.1	Financial condition.	416 to 423, 596 to 598
7.1.1	To the extent not covered elsewhere in the Registration document and to the extent necessary for an understanding of the issuer's business as a whole, a fair review of the development and performance of the issuer's business and of its position for each year and interim period for which historical financial information is required, including the causes of material changes. The review shall be a balanced and comprehensive analysis of the development and performance of the issuer's business and of its position, consistent with the size and complexity of the business. To the extent necessary for an understanding of the issuer's development, performance or position, the analysis shall include both financial and, where appropriate, non-financial Key Performance Indicators relevant to the particular business. The analysis shall, where appropriate, include references to, and additional explanations of, amounts reported in the annual financial statements.	230 to 248
7.1.2	To the extent not covered elsewhere in the Registration document and to the extent necessary for an understanding of the issuer's business as a whole, the review shall also give an indication of: (a) the issuer's likely future development; (b) activities in the field of research and development. The requirements set out in item 7.1 may be satisfied by the inclusion of the management report referred to in Articles 19 and 29 of Directive 2013/34/EU of the European Parliament and of the Council[1].	248 to 252
7.2	Operating results.	416, 598
7.2.1	Information regarding significant factors, including unusual or infrequent events or new developments, materially affecting the issuer's income from operations and indicate the extent to which income was so affected.	230 to 234
7.2.2	Where the historical financial information discloses material changes in net sales or revenues, provide a narrative discussion of the reasons for such changes.	N/A

		Page number of this Universal registration document
Section 8	**Capital resources**	
8.1	Information concerning the issuer's capital resources (both short term and long term).	9, 33 to 40, 233, 250, 318 to 335, 419 to 421, 537 to 539, 597 and 633
8.2	An explanation of the sources and amounts of and a narrative description of the issuer's cash flows.	422-423
8.3	Information on the borrowing requirements and funding structure of the issuer.	233-234, 297 to 302, 478 to 480
8.4	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	318 to 324, 448, 565
8.5	Information regarding the anticipated sources of funds needed to fulfil commitments referred to in item 5.7.2.	658 to 660
Section 9	**Regulatory environment**	
9.1	A description of the regulatory environment that the issuer operates in and that may materially affect its business, together with information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	425 to 442, 446 to 448
Section 10	**Trend information**	
10.1	A description of: (a) the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the Registration document; (b) any significant change in the financial performance of the group since the end of the last financial period for which financial information has been published to the date of the Registration document, or provide an appropriate negative statement.	248-252, 659
10.2	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	248-252, 659
Section 11		
11.1	Where an issuer has published a profit forecast or a profit estimate (which is still outstanding and valid) that forecast or estimate shall be included in the Registration document. If a profit forecast or profit estimate has been published and is still outstanding, but no longer valid, then provide a statement to that effect and an explanation of why such forecast or estimate is no longer valid. Such an invalid forecast or estimate is not subject to the requirements in items 11.2 and 11.3.	N/A
11.2	Where an issuer chooses to include a new profit forecast or a new profit estimate, or a previously published profit forecast or a previously published profit estimate pursuant to item 11.1, the profit forecast or estimate shall be clear and unambiguous and contain a statement setting out the principal assumptions upon which the issuer has based its forecast, or estimate. The forecast or estimate shall comply with the following principles: (a) there must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies; (b) the assumptions must be reasonable, readily understandable by investors, specific and precise and not relate to the general accuracy of the estimates underlying the forecast; (c) in the case of a forecast, the assumptions shall draw the investor's attention to those uncertain factors which could materially change the outcome of the forecast.	N/A
11.3	The prospectus shall include a statement that the profit forecast or estimate has been compiled and prepared on a basis which is both: (a) comparable with the historical financial information; (b) consistent with the issuer's accounting policies.	N/A
Section 12	**Administrative, management and supervisory bodies and senior management**	
12.1	Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them outside of that issuer where these are significant with respect to that issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership with a share capital; (c) founders, if the issuer has been established for fewer than five years; (d) any senior manager who is relevant to establishing that the issuer has the appropriate expertise and experience for the management of the issuer's business. Details of the nature of any family relationship between any of the persons referred to in points (a) to (d). In the case of each member of the administrative, management or supervisory bodies of the issuer and of each person referred to in points (b) and (d) of the first subparagraph, details of that person's relevant management expertise and experience and the following information: (a) the names of all companies and partnerships where those persons have been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, indicating whether or not the individual is still a member of the administrative, management or supervisory bodies or partner. It is not necessary to list all the subsidiaries of an issuer of which the person is also a member of the administrative, management or supervisory bodies; (b) details of any convictions in relation to fraudulent offences for at least the previous five years; (c) details of any bankruptcies, receiverships, liquidations or companies put into administration in respect of those persons described in points (a) and (d) of the first subparagraph who acted in one or more of those capacities for at least the previous five years; (d) details of any official public incrimination and/or sanctions involving such persons by statutory or regulatory authorities (including designated professional bodies) and whether they have ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years. If there is no such information required to be disclosed, a statement to that effect is to be made.	115 to 129, 148 to 176

		Page number of this Universal registration document
12.2	Administrative, management and supervisory bodies and senior management conflicts of interests. Potential conflicts of interests between any duties to the issuer, of the persons referred to in item 12.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made. Any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any person referred to in item 12.1 was selected as a member of the administrative, management or supervisory bodies or member of senior management. Details of any restrictions agreed by the persons referred to in item 12.1 on the disposal within a certain period of time of their holdings in the issuer's securities.	125 to 127, 177
Section 13	**Remuneration and benefits**	
In relation to the last full financial year for those persons referred to in points (a) and (d) of the first subparagraph of item 12.1:		
13.1	The amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to such persons by the issuer and its subsidiaries for services in all capacities to the issuer and its subsidiaries by any person. That information must be provided on an individual basis unless individual disclosure is not required in the issuer's home country and is not otherwise publicly disclosed by the issuer.	119 to 121, 136 to 137, 178 to 218, 542 to 545, 641
13.2	The total amounts set aside or accrued by the issuer or its subsidiaries to provide for pension, retirement or similar benefits.	136-137, 191-193, 203, 207-216, 542 to 545, 612
Section 14	**Board practices**	
In relation to the issuer's last completed financial year, and unless otherwise specified, with respect to those persons referred to in point (a) of the first subparagraph of item 12.1:		
14.1	Date of expiration of the current term of office, if applicable, and the period during which the person has served in that office.	148-176
14.2	Information about members of the administrative, management or supervisory bodies' service contracts with the issuer or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate statement to the effect that no such benefits exist.	177
14.3	Information about the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committee operates.	134 to 137
14.4	A statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer. In the event that the issuer does not comply with such a regime, a statement to that effect must be included together with an explanation regarding why the issuer does not comply with such regime.	116 to 147, 219 to 225
14.5	Potential material impacts on the corporate governance, including future changes in the board and committees composition (in so far as this has been already decided by the board and/or shareholders meeting).	N/A
Section 15	**Employees**	
15.1	Either the number of employees at the end of the period or the average for each financial year for the period covered by the historical financial information up to the date of the Registration document (and changes in such numbers, if material) and, if possible and material, a breakdown of persons employed by main category of activity and geographic location. If the issuer employs a significant number of temporary employees, include disclosure of the number of temporary employees on average during the most recent financial year.	2, 14, 98, 99, 100, 101, 102, 542, 641
15.2	Shareholdings and stock options With respect to each person referred to in points (a) and (d) of the first subparagraph of item 12.1 provide information as to their share ownership and any options over such shares in the issuer as of the most recent practicable date.	151-174, 203 to 216, 545, 631
15.3	Description of any arrangements for involving the employees in the capital of the issuer.	37-38, 612-613
Section 16	**Major shareholders**	
16.1	In so far as is known to the issuer, the name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's national law, together with the amount of each such person's interest, as at the date of the Registration document or, if there are no such persons, an appropriate statement to that that effect that no such person exists.	33-34, 151-174
16.2	Whether the issuer's major shareholders have different voting rights, or an appropriate statement to the effect that no such voting rights exist.	33, 34
16.3	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.	7, 33, 34
16.4	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.	N/A

		Page number of this Universal registration document
Section 17	**Related party transactions**	
17.1	Details of related party transactions that the issuer has entered into during the period covered by the historical financial information and up to the date of the Registration document, must be disclosed in accordance with the respective standard adopted under Regulation (EC) No 1606/2002 if applicable. If such standards do not apply to the issuer the following information must be disclosed: (a) the nature and extent of any transactions which are, as a single transaction or in their entirety, material to the issuer. Where such related party transactions are not concluded at arm's length provide an explanation of why these transactions were not concluded at arm's length. In the case of outstanding loans including guarantees of any kind indicate the amount outstanding; (b) the amount or the percentage to which related party transactions form part of the turnover of the issuer.	410-413, 523-525, 600-602, 634
Section 18	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**	
18.1	Historical financial information.	
18.1.1	Audited historical financial information covering the latest three financial years (or such shorter period as the issuer has been in operation) and the audit report in respect of each year.	253, 408-592, 596-647
18.1.2	Change of accounting reference date If the issuer has changed its accounting reference date during the period for which historical financial information is required, the audited historical information shall cover at least 36 months, or the entire period for which the issuer has been in operation, whichever is shorter.	N/A
18.1.3	Accounting standards the financial information must be prepared according to International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002. If Regulation (EC) No 1606/2002 is not applicable, the financial information must be prepared in accordance with: (a) a Member State's national accounting standards for issuers from the EEA, as required by Directive 2013/34/EU; (b) a third country's national accounting standards equivalent to Regulation (EC) No 1606/2002 for third country issuers. If such third country's national accounting standards are not equivalent to Regulation (EC) No 1606/2002 the financial statements shall be restated in compliance with that Regulation.	425-445, 604-613
18.1.4	Change of accounting framework The last audited historical financial information, containing comparative information for the previous year, must be presented and prepared in a form consistent with the accounting standards framework that will be adopted in the issuer's next published annual financial statements having regard to accounting standards and policies and legislation applicable to such annual financial statements. Changes within the accounting framework applicable to an issuer do not require the audited financial statements to be restated solely for the purposes of the prospectus. However, if the issuer intends to adopt a new accounting standards framework in its next published financial statements, at least one complete set of financial statements (as defined by IAS 1 Presentation of Financial Statements as set out in Regulation (EC) No 1606/2002), including comparatives, must be presented in a form consistent with that which will be adopted in the issuer's next published annual financial statements, having regard to accounting standards and policies and legislation applicable to such annual financial statements.	N/A
18.1.5	Where the audited financial information is prepared according to national accounting standards, it must include at least the following: (a) the balance sheet; (b) the income statement; (c) a statement showing either all changes in equity or changes in equity other than those arising from capital transactions with owners and distributions to owners; (d) the cash flow statement; (e) the accounting policies and explanatory notes.	596-643
18.1.6	Consolidated financial statements If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the Registration document.	408-584
18.1.7	Age of financial information The balance sheet date of the last year of audited financial information may not be older than one of the following: (a) 18 months from the date of the Registration document if the issuer includes audited interim financial statements in the Registration document; (b) 16 months from the date of the Registration document if the issuer includes unaudited interim financial statements in the Registration document.	11, 416-423, 596-598
18.2	Interim and other financial information.	
18.2.1	If the issuer has published quarterly or half-yearly financial information since the date of its last audited financial statements, these must be included in the Registration document. If the quarterly or half-yearly financial information has been audited or reviewed, the audit or review report must also be included. If the quarterly or half-yearly financial information is not audited or has not been reviewed, state that fact. If the Registration document is dated more than nine months after the date of the last audited financial statements, it must contain interim financial information, which may be unaudited (in which case that fact must be stated) covering at least the first six months of the financial year. Interim financial information prepared in accordance with the requirements of Regulation (EC) No 1606/2002. For issuers not subject to Regulation (EC) No 1606/2002, the interim financial information must include comparative statements for the same period in the prior financial year, except that the requirement for comparative balance sheet information may be satisfied by presenting the year's end balance sheet in accordance with the applicable financial reporting framework.	N/A

Refer to the glossary on page 681 for the definition of technical terms.

		Page number of this Universal registration document
18.3	Auditing of historical annual financial information.	
18.3.1	The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with the Directive 2014/56/EU of the European Parliament and Council and Regulation (EU) No 537/2014 of the European Parliament and of the Council. Where Directive 2014/56/EU and Regulation (EU) No 537/2014 do not apply: (a) the historical annual financial information must be audited or reported on as to whether or not, for the purposes of the Registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard; (b) If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full and the reasons given.	587-592, 644-647
18.3.2	Indication of other information in the Registration document that has been audited by the auditors.	N/A
18.3.3	Where financial information in the Registration document is not extracted from the issuer's audited financial statements state the source of the information and state that the information is not audited.	N/A
18.4	Pro forma financial information.	
18.4.1	In the case of a significant gross change, a description of how the transaction might have affected the assets, liabilities and earnings of the issuer, had the transaction been undertaken at the commencement of the period being reported on or at the date reported. This requirement will normally be satisfied by the inclusion of pro forma financial information. This pro forma financial information is to be presented as set out in Annex 20 and must include the information indicated therein. Pro forma financial information must be accompanied by a report prepared by independent accountants or auditors.	N/A
18.5	Dividend policy.	9, 35-36
18.5.1	A description of the issuer's policy on dividend distributions and any restrictions thereon. If the issuer has no such policy, include an appropriate negative statement.	35, 537-538
18.5.2	The amount of the dividend per share for each financial year for the period covered by the historical financial information adjusted, where the number of shares in the issuer has changed, to make it comparable.	35, 253, 537-538
18.6	Legal and arbitration proceedings.	
18.6.1	Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	312-315, 530-534, 628-629
18.7	Significant change in the issuer's financial position.	
18.7.1	A description of any significant change in the financial position of the group which has occurred since the end of the last financial period for which either audited financial statements or interim financial information have been published, or provide an appropriate negative statement.	228 to 252, 659
Section 19	**Additional information**	
19.1	Share capital the information in items 19.1.1 to 19.1.7 in the historical financial information as of the date of the most recent balance sheet.	
19.1.1	The amount of issued capital, and for each class of share capital: (a) the total of the issuer's authorised share capital; (b) the number of shares issued and fully paid and issued but not fully paid; (c) the par value per share, or that the shares have no par value; and (d) a reconciliation of the number of shares outstanding at the beginning and end of the year. If more than 10 % of capital has been paid for with assets other than cash within the period covered by the historical financial information, state that fact.	33-34, 36, 537, 633, 650-652
19.1.2	If there are shares not representing capital, state the number and main characteristics of such shares.	N/A
19.1.3	The number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by subsidiaries of the issuer.	33-34, 37, 38 and 39
19.1.4	The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription.	N/A
19.1.5	Information about and terms of any acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital.	N/A
19.1.6	Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate.	N/A
19.1.7	A history of share capital, highlighting information about any changes, for the period covered by the historical financial information.	33-34, 537, 633
19.2	Memorandum and Articles of Association.	
19.2.1	The register and the entry number therein, if applicable, and a brief description of the issuer's objects and purposes and where they can be found in the up to date memorandum and articles of association.	650-657
19.2.2	Where there is more than one class of existing shares, a description of the rights, preferences and restrictions attaching to each class.	N/A
19.2.3	A brief description of any provision of the issuer's articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer.	34, 650-657

		Page number of this Universal registration document
Section 20	**Material contracts**	
20.1	A summary of each material contract, other than contracts entered into in the ordinary course of business, to which the issuer or any member of the group is a party, for the two years immediately preceding publication of the Registration document. A summary of any other contract (not being a contract entered into in the ordinary course of business) entered into by any member of the group which contains any provision under which any member of the group has any obligation or entitlement which is material to the group as at the date of the Registration document.	410-413, 600-602, 659, 671-679
Section 21	**Documents available**	
21.1	A statement that for the term of the Registration document the following documents, where applicable, can be inspected: (a) the up to date memorandum and articles of association of the issuer; (b) all reports, letters, and other documents, valuations and statements prepared by any expert at the issuer's request any part of which is included or referred to in the Registration document. An indication of the website on which the documents may be inspected.	659

N.A.: not applicable.

(1) In accordance with Annex I of European Regulation 2017/1129 the following are incorporated by reference:

– the annual and consolidated financial statements for the year ended 31 December 2018 and the corresponding Statutory Auditors' Reports, as well as the Group's management report, appearing respectively on 518 to 559 and 346 to 510, on pages 560 to 563 and 511 to 517 and on pages 178 to 203 of the Crédit Agricole S.A. Registration document 2018 registered by the AMF on 26 March 2019 under number D.19-0198. The information is available via the following link: https://www.credit-agricole.com/en/pdfPreview/173593;

– the annual and consolidated financial statements for the year ended 31 December 2019 and the corresponding Statutory Auditors' Reports, as well as the Group's management report, appearing respectively on pages 566 to 614 and 388 to 556, on pages 612 to 615 and 557 to 564 and on pages 216 to 239 of the Crédit Agricole S.A. Registration document 2019 registered by the AMF on 25 March 2020 under number D.20-0168. The information is available via the following link: https://www.credit-agricole.com/en/pdfPreview/180684.

The sections of the Registration documents number D.19-0198 and number D.20-0168 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 headquarters 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/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.

Refer to the glossary on page 681 for the definition of technical terms.

REGULATED INFORMATION WITHIN THE MEANING OF THE AMF'S GENERAL REGULATIONS CONTAINED IN THIS UNIVERSAL REGISTRATION DOCUMENT CAN BE FOUND ON THE PAGES SHOWN IN THE CORRESPONDENCE TABLE BELOW

This Universal registration document, which is published in the form of an annual report, includes all components of the 2020 Annual Financial Report referred to in Article L. 451-1-2 of the French Monetary and Financial Code as well as in Article 222-3 of the AMF's General Regulations and Order No. 2017-1162 of 12/07/2017 (Sapin 2 law):

Photos credits: Getty images
Interview pictures: Seignette Lafontan
Cover and chapter openings conception: Lonsdale

Design and production: côtécorp.
Tel.: +33 (0)1 55 32 29 74

CRÉDIT AGRICOLE
S.A.

A French limited company with share capital of 8,750,065,920
Nanterre Trade and Company Registry No. 784 608 416 RCS
12 place des États-Unis • 92127 Montrouge Cedex • France
Individual sharholders relations (France only): 0 800 000 777
Institutional sharholders relations: + 33 (0) 1 43 23 04 31
Tel. + 33 (0) 1 43 23 52 02 • www.credit-agricole.com