ANNUAL FINANCIAL REPORT

Universal Registration Document

2022

CRÉDIT AGRICOLE
CORPORATE & INVESTMENT BANK

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Universal Registration Document 2022

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The Universal Registration Document has been filed on 29th March 2023 with AMF, as competent authority under Regulation (UE) 2017/1129, without prior approval pursuant to Article 9 of the said regulation.

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

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

S

Rankings and key figures

NO. 1

provider of financing to the French economy[1]

Number 1

retail bank in the European Union based on number of customers

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

Number 1

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

Number 1

European asset manager[5]

53 million customers

Number 1

cooperative mutual bank in the world[6]

11.5 million

mutual shareholders

46 Countries

8,700 branches

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

(1) Internal source: ECO 2022.
(2) The Banker, 2022.
(3) L'Argus de l'Assurance 2022 (in revenues).
(4) CA Assurances, end 2022: 11.8 GW installed renewable energy capacity via CAA investments.
(5) IPE (Investment & Pensions Europe) 2022 Asset Management Guide.
(6) World Cooperative Monitor, November 2021 (in revenues).

Crédit Agricole Group

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

REGIONAL BANKS

11.5 m
Mutual Shareholders
who hold mutual shares in:

2,401
Local Banks

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

100% — Sacam Mutualisation

≃ 25%

Political link — Fédération Nationale du Crédit Agricole (FNCA)

Holding

56.8%[3]

FLOAT

29.6%
Institutional Investors

7%
Individual Shareholders

6%
Employee Share Ownership Plans (ESOP)

NS%[1]
Treasury Shares

Holding

43.2%

CRÉDIT AGRICOLE S.A.

ASSET GATHERING AND INSURANCE
- Crédit Agricole Assurances
- Amundi
- Indosuez Wealth Management

RETAIL BANKING[4]
- LCL
- Crédit Agricole Italia
- Crédit Agricole Poland, Ukraine, Egypt

SPECIALISED FINANCIAL SERVICES
- Crédit Agricole Consumer Finance
- Crédit Agricole Leasing & Factoring

LARGE CUSTOMERS
- Crédit Agricole Corporate & Investment Bank
- Caceis Investor Services

SPECIALISED ACTIVITIES AND SUBSIDIAIRIES
- Crédit Agricole Group Infrastructure Platform
- Crédit Agricole Capital Investissement & Finance
- IDIA Capital Investissement
- Crédit Agricole Payment Services
- Crédit Agricole Immobilier
- BforBANK
- Uni-médias

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

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

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

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

OUR BUSINESS MODEL:
ACTING FOR TOMORROW BY SUPPORTING OUR CLIENTS IN THEIR TRANSITION CHALLENGES

CRÉDIT AGRICOLE CORPORATE & INVESTMENT BANK

OUR RESOURCES

OUR CAPITAL

11.4%
Crédit Agricole CIB's fully loaded CET1

€28.3 Bn
Crédit Agricole CIB equity

STRONG VALUES

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

RECOGNISED EXPERTISE

- **Historical franchise in value added financing activities:** shipping, infrastructure, real estate,…
- Advisory and discretionary management
- Recognised expertise in advisory and structuring with a strong positioning on environmental projects

3 - All Bonds in EUR Worldwide [1]

1 - Green, Social & Sustainable bonds EUR [2]

1 - Syndicated loans in France [1]

2 - Syndicated loans in EMEA [1]

4 - Project finance loans worldwide [1]

(1) Source: Refinitiv - (2) Source: Bloomberg in EUR

A HIGHLY DIVERSE STAFF

12,503
including **3,008** in Wealth management

43.4%
women

56%
international

SATISFACTORY LONG-TERM RATINGS

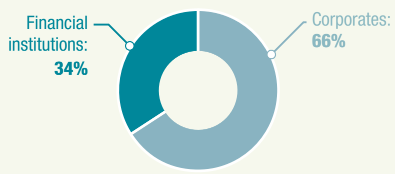
S&P	Moody's	Fitch
A+	**Aa3**	**AA-**
Stable, 10/19/2022	Stable, 12/15/2021	Stable, 10/19/2022

OUR STRATEGIC CHOICES

A CORPORATE AND INVESTMENT BANK...

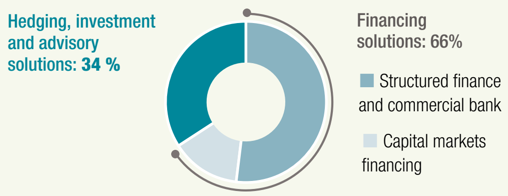
oriented towards corporate finance...

Distribution of 2022 commercial revenues by client segment

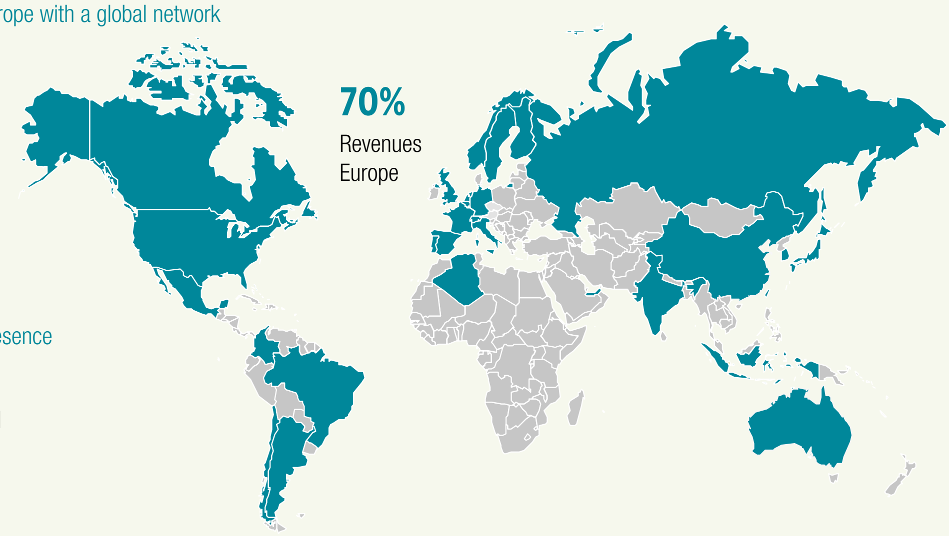


... with 2/3 of its revenues from financing solutions...

Distribution of 2022 commercial revenues by solution type



... and focused on Europe with a global network



Wide international presence with more than...

30 markets covered

A WEALTH MANAGEMENT

Proposing a tailor-made approach that enables each of our customers to manage, protect and transfer their wealth as closely as possible to their aspirations

€130 Bn
assets under management in wealth management

OUR VALUE CREATION

OUR ROLE

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

OUR AMBITIONS (2025 STRATEGIC AMBITION)

Enhancing our offer and transform ourselves to support all our customers in the energy and environmental transition:

- Become the key player in the energy transition, by supporting our clients and society towards low-carbon energy sources
- Commit to the conservation of the environment and biodiversity
- Stand as a responsible employer and commit to attracting, retaining and developing our employees
- Digitise our processes and our services offer to gain client proximity and overall efficiency
- Maintain a balanced and diversified model in a prudent risk framework
- Invest in our Business Lines to further develop our leading franchise
- Develop our penetration with major European corporate issuers, Financial Sponsors of ETI customers
- Industrialize our flow business

OUR ACHIEVEMENTS WITH OUR STAKEHOLDERS

CLIENTS

3,599 Clients
(in Corporate and Investment Banking)

2,081	1,518	€263 Bn
Corporate clients	Financial institution clients	in real-asset financing

AWARDS

★ **Best Trade Finance Bank in Western Europe** (Global Trade Review)

★ **Global Bank of the Year** (Infrastructure Investor)

★ **Investment Bank of the Year for Private Placements** (The Banker)

★ **EMEA ESG Financing House of the Year** (IFR)

★ **Most Impressive Bank for Financial Institution Green/SRI Markets and Most Impressive Bank for SSA Green/SRI Capital Markets** (Global Capital)

★ **Hong Kong House of the Year** (Asia Risk)

★ **Best Bank in Monaco for CFM Indosuez Wealth Management** (Global Finance)

EMPLOYEES

COMMITMENT AND RESPONSIBILITY
(in Corporate and Investment Banking)

89%	83%	76%
of employees are proud to work for Crédit Agricole CIB	recommend Crédit Agricole CIB as a good employer	are motivated and ready to excel in their work

227,546
HOURS OF TRAININGS in 2022

COMMUNITY-MINDED PHILANTHROPY

With the "Solidaires" programme, we financially support our employees who volunteer for organisations

ACTIVE POLICY FOR YOUNG PEOPLE AND WORK/STUDY PARTICIPANTS
(end 2022)

438	242	45
trainees	work/study contracts	VIE

SHAREHOLDER: CREDIT AGRICOLE GROUP

- **SOLID FINANCIAL RESULTS**

€1,838 M	€6,697 M	30%
Net income group share Crédit Agricole CIB Group	Net Banking Income Crédit Agricole CIB Group	Crédit Agricole CIB Group's contribution to Crédit Agricole S.A. Net income goup share

- **A MODERATE RISK PROFILE**

Average VaR 2022 **€15 M**

- **AND STRONG GROUP SYNERGIES**

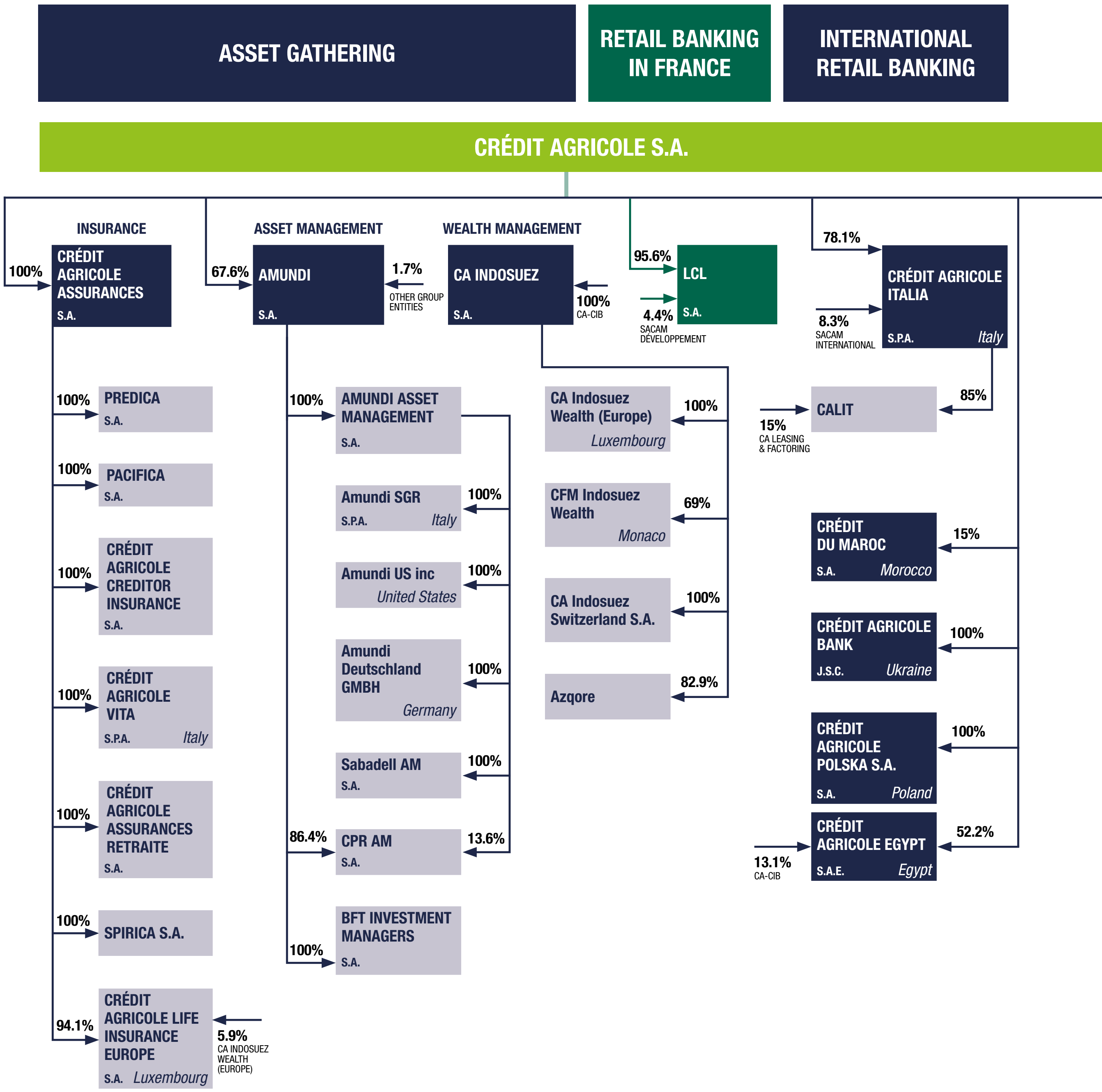
CIVIL SOCIETY

- **MUTUAL ENRICHMENT WITH THE VILLAGE BY CA START-UPS**
- **1ST BOOKRUNNER ON GREEN SOCIAL AND SUSTAINABLE BONDS IN EUROS (1)**
- **100% OF CORPORATE CLIENTS GIVEN A CSR SCORE**
- **AN INNOVATIVE APPROACH IN SERVICE TO OUR CUSTOMERS**

(1) Source: Bloomberg

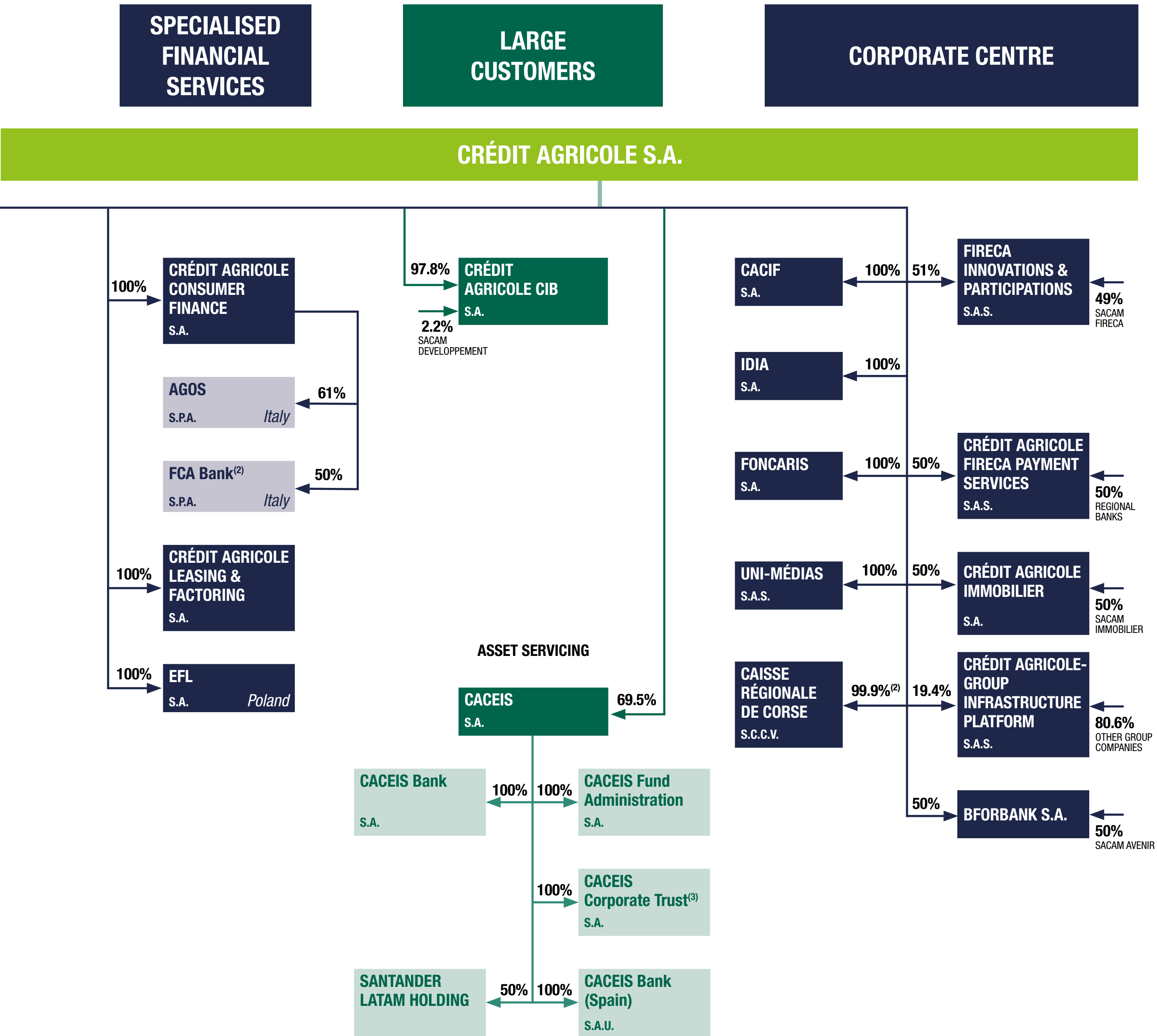
CRÉDIT AGRICOLE S.A.

% OF OWNERSHIP INTEREST[1]



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

AT 31 DECEMBER 2022



(2) During the first half of 2023, CACF will acquire 100% of FCA Bank and will launch a joint venture with Stellantis formed from the merger of the Leasys and Free2Move businesses, in which it will hold a 50% stake.

(3) On 1 January 2023, the issuer services of CACEIS and BNP Paribas in France will be combined into a new structure, Uptevia, owned equally by the two banks.

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

MESSAGE FROM THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

PHILIPPE BRASSAC

Chairman of Crédit Agricole CIB's Board of Directors

Crédit Agricole S.A. Chief Executive Officer

Crédit Agricole Group's results for 2022 once again strengthen our position as a leading bank in France and in Europe: our capital, profitability, operational efficiency and risk coverage ratios demonstrate our strength and competitiveness. These results are remarkable given the environment in which we operate.

The current period remains characterised by uncertainties due to the return of inflation, the energy crisis and monetary policies. All these crises have left their mark on this year, the most dramatic being of course the conflict in Ukraine which has upset the geopolitical situation. In spite of the lack of visibility created by these short term changes, our long term future has never been so clear, nor has there ever been so much consensus surrounding it.

All over the world, a growing number of voices are calling for a low-carbon economy, better preservation of the environment and biodiversity, and greater social inclusion. In this specific context, our roadmap, revealed last June with our new strategic plan, sets a clear course and demonstrates our ambitions to truly facilitate, and even amplify, these transitions. It reaffirms our usefulness.

Our universal customer-focused banking model allows us to support our clients and to help them face all the transformations they have to deal with. At its own level, Crédit Agricole CIB cultivates our mission to be useful in all the regions in which the Bank operates: useful to the Group and its clients, by providing its expertise throughout the world, whether to midcaps companies or to large international groups. Useful to the economy, by supporting all sectors of activity and building long-term relationships with its clients, based on trust and transparency. Useful to society, by being a key player in financing the energy transition.

Our Group project is powerful because it is inspired by the conviction that our business development has a specific purpose, to serve the environment in which we operate. In this sense, it is consistent with our Mission, which is to act every day in the interest of our clients and society.

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XAVIER MUSCA

Chief Executive Officer
of Crédit Agricole CIB

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

> **We are restating our commitment to serve our clients and society to the best of our abilities by accompanying them in their main transitions: environmental, human and digital.**

In spite of a difficult environment impacted by the conflict in Ukraine, the health crisis, and greater market volatility partly due to changes in monetary policy, Crédit Agricole CIB generated outstanding revenues in 2022. Our CIB reported a Net Income Group Share of EUR 1,645 million, up 6% compared to 2021. We have achieved all the goals set for the year in our strategic plan. Once again, we have shown our ability to overcome crises thanks to the strength of our business model. Our Bank demonstrated its agility and was able to carry out great transactions in all its business lines and regions.

In 2023, we will remain vigilant in order to face the ongoing economic and geopolitical uncertainties. We have defined a trajectory: the "2025 Ambitions" strategic plan which is part of the Group project. With this new roadmap we are restating our commitment to serve our clients and society to the best of our abilities by accompanying them in their main transitions: environmental, human and digital.

Indeed, for many years we have been committed to the fight against climate change and are keen to help our clients and society move towards a low-carbon economy through our financings and advisory services. This year, with the commitments announced in December 2022 by the Crédit Agricole Group, Crédit Agricole CIB has defined ambitious goals to reduce its carbon footprint by 2030 in the most carbon-intensive sectors of its portfolio. They will be completed in 2023 by new commitments in new sectors, with the constant ambition to follow a net zero trajectory reducing our direct and indirect footprint.

We also want to be a responsible employer and support all our stakeholders in their transitions, by encouraging autonomy and empowerment and by accompanying the transformation of our organisations.

Finally, we are putting digital transformation at the centre of our strategy. We want to offer a unique client experience and modernise our product offering and processes to improve our efficiency and agility.

For this we can count on our pioneering position in the area of sustainable finance, on the long-term expertise of our teams, especially in the financing of real assets, and of course on the strength of Crédit Agricole Group's universal banking model.

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PRESENTATION OF CRÉDIT AGRICOLE CIB

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INCOME STATEMENT HIGHLIGHTS SUMMARY

€ million	31.12.2022		31.12.2021		31.12.2020	
	Crédit Agricole CIB	Underlying CIB [1]	Crédit Agricole CIB	Underlying CIB [1]	Crédit Agricole CIB	Underlying CIB [1]
Net banking income	**6,697**	**5,764**	5,913	5,109	5,934	5,076
Gross operating income	**2,593**	**2,433**	2,219	2,113	2,435	2,265
Net income Group Share	**1,838**	**1,645**	1,691	1,553	1,341	1,224

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

BALANCE SHEET AND FINANCIAL STRUCTURE

BALANCE SHEET

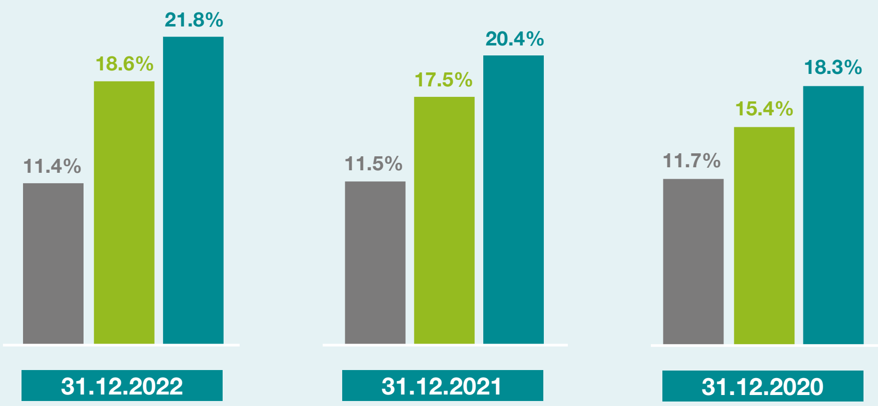
€ billion	31.12.2022	31.12.2021	31.12.2020
Total assets	**728.2**	599.7	593.9
Gross loans to customers	**182.2**	168.4	144.7
Assets under management (in Wealth Management)	**129.9**	134.6	128

FINANCIAL STRUCTURE

€ billion	31.12.2022	31.12.2021	31.12.2020
Shareholder's equity (including income)	**28.3**	26.5	22.6
Fully-loaded Tier one capital	**16.2**	15.4	14.5
Basel III risk-weighted assets	**141.7**	133.5	124.1

SOLVENCY RATIO

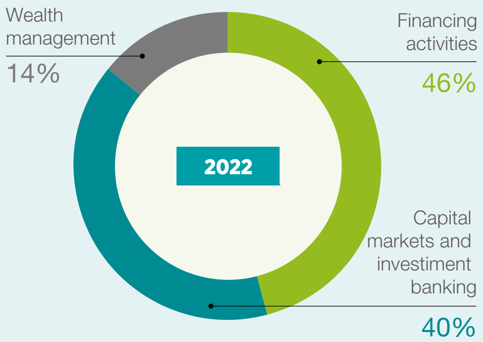
- Fully-loaded CET 1 ratio
- Fully-loaded Tier one solvency ratio
- Fully-loaded Overall solvency ratio



RATINGS

	Short-term	Long-term	Last rating action
Moody's	Prime-1	Aa3 [Stable]	15 December 2021
Standard & Poor's	A-1	A+ [Stable]	19 October 2022
Fitch Ratings	F1+	AA- [Stable]	19 October 2022

BREAKDOWN OF NET BANKING INCOME [1]



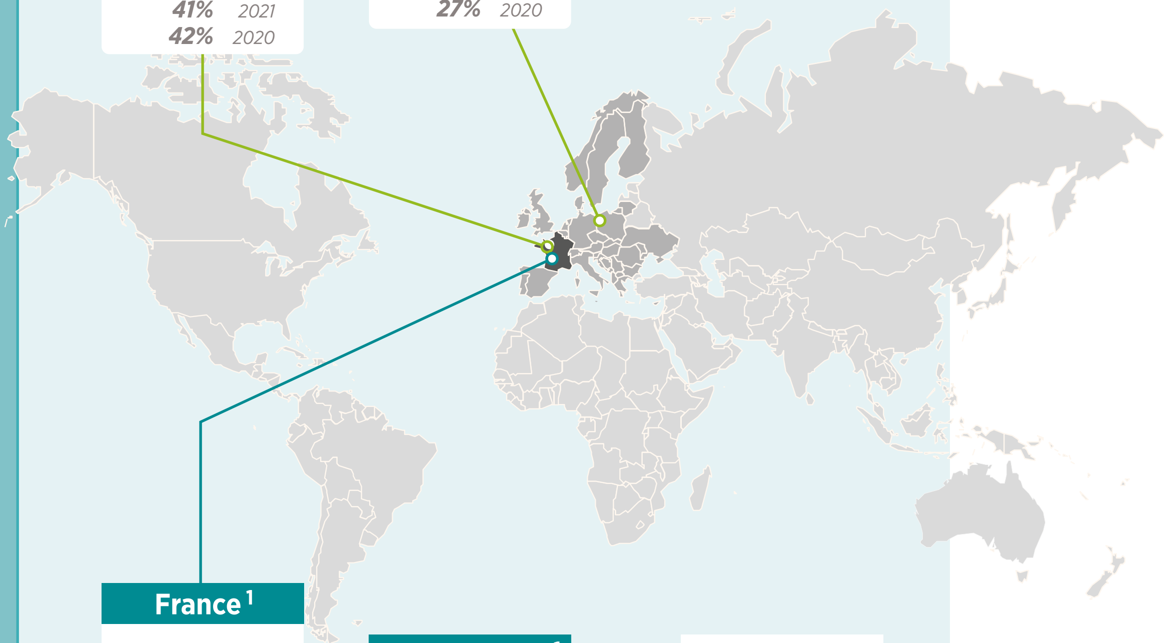
	2021	2020
Financing activities	47%	43%
Capital markets and investment banking	39%	43%
Wealth management	14%	14%

[1] *Restated in NBI for loan hedges and DVA impacts, FVA liquidity cost, and for Secured lending.*

A GLOBAL PRESENCE

BREAKDOWN OF NET BANKING INCOME BY GEOGRAPHICAL AREA

	France	Europe excluded France	International
2022	39%	31%	30%
2021	41%	30%	29%
2020	42%	27%	31%



	France [1]	International [1]	TOTAL
2022	5,507	6,996	12,503
2021	5,176	6,828	12,003
2020	5,042	6,636	11,678

HEADCOUNT AT END OF PERIOD FULL-TIME EQUIVALENT

[1] *Wealth Management contributes overall to 3,008 FTE in 2022, 3,063 in 2021, 3,074 in 2020.*

1. COMPANY HISTORY

1863
Creation of **Crédit Lyonnais**

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

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

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

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

1945
Nationalisation of Crédit Lyonnais

1959
Creation of **Banque de Suez**

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

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

1996
Acquisition of Banque Indosuez by Crédit Agricole one of the world's top 5 banking groups, to create **international investment banking arm**

1997
The Caisse nationale de Crédit Agricole consolidates within **Crédit Agricole Indosuez** its existing international, capital markets and corporate banking activities

1999
Privatisation of Crédit Lyonnais

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

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

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

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

2. 2022 HIGHLIGHTS

2022 recorded several different yet impactful types of events for the world's economies.

First of all, the advent and subsequent perpetuation of the Russia-Ukraine war, affecting not only countries close to the conflict, but also more distant countries due to higher energy and commodity food prices, or the risk of shortages in these same commodities. Although countries were affected differently by this new shock, none escaped the acceleration and spread of inflation, leading to early and more massive monetary tightening moves and to the downward revision of actual and expected levels of growth. China was the only notable exception in avoiding inflation. As inflation accelerated and spread, generating the risk of seeing it become more entrenched, central banks hardened both their tone and subsequent actions. The focus on fighting inflation led to aggressive monetary tightening. In the United States, the Fed Funds rate shot up +425 basis points over the year. In the Eurozone, after ten years of uninterrupted monetary accommodation, the ECB initiated a rate hike cycle in July. In addition, net purchases were also halted, starting with the Pandemic Emergency Purchase Programme (PEPP) in March and followed by the Asset Purchase Programme (APP) in July, alongside the tightening of liquidity conditions with the end of TLTRO-3 operations in June. Finally, 2022 was a challenging year on the financial markets, with interest rates rising sharply and equity markets on the decline. These various factors altered the behaviour of economic players and generated high volatility on the markets, creating risks and opportunities for Crédit Agricole CIB's activities.

In this context, Crédit Agricole CIB earned very strong revenues, up +13% [(1)] compared to 2021. The excellent commercial performance delivered by all financing activities product lines (+12% year-on-year) and market activities (+14% year-on-year) once again illustrated how well the two Crédit Agricole CIB business lines complement one another. Crédit Agricole CIB reaffirmed its leading positions in bond issues, taking the No. 1 spot in the world for Global Green and Sustainability Bonds in EUR [(2)], No. 3 in the world for All Bonds in EUR [(3)], and No. 2 in the EMEA for syndication activities [(4)]. Once again this year, Crédit Agricole CIB demonstrated the complementarity of its business lines and the relevance of its business model as a bank serving its clients and the economy as a whole.

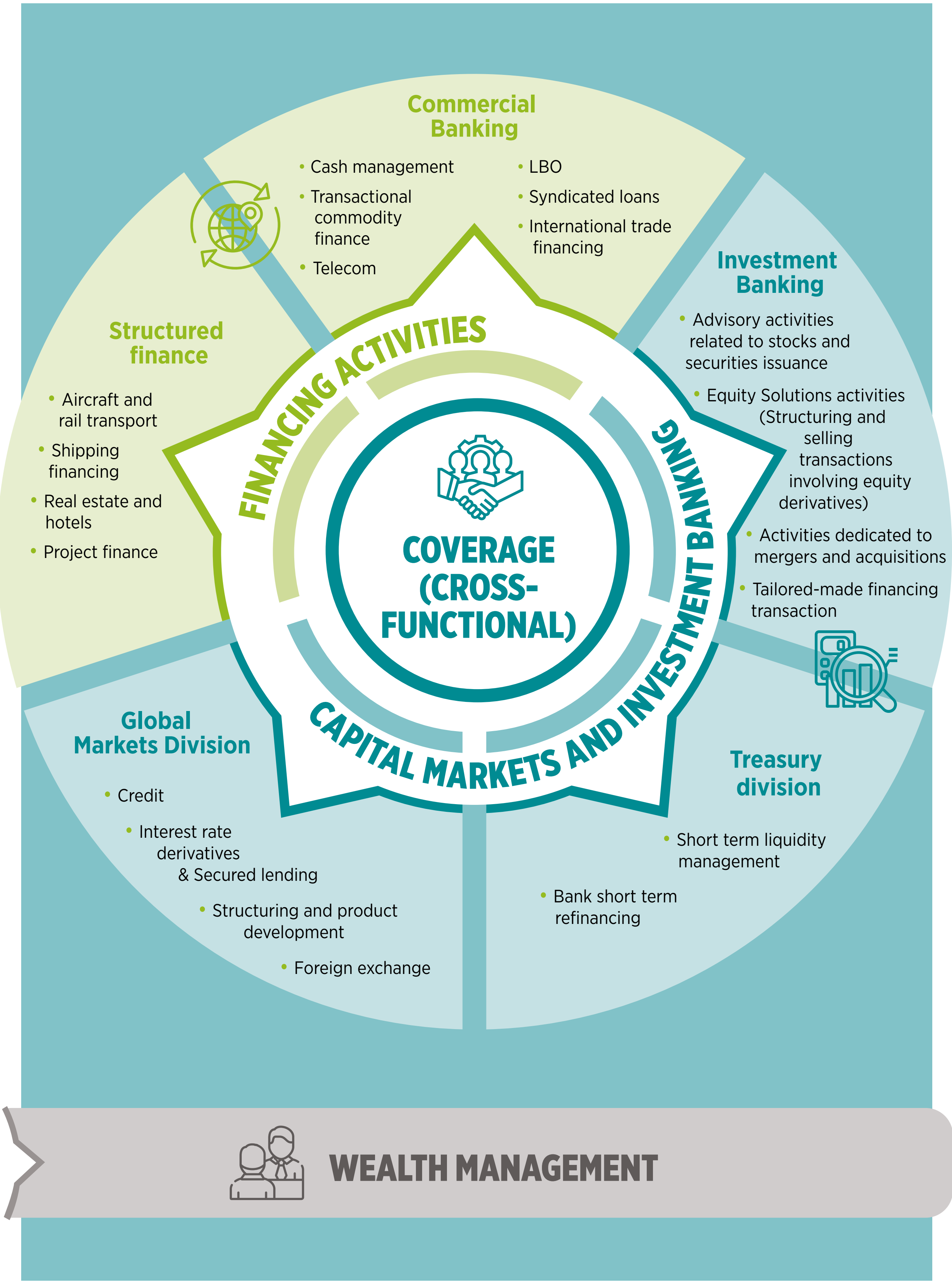
In 2022, the bank maintained its organic growth and investment strategies, thus posting a cost/income ratio (excluding the SRF contribution) of 51.1% [(5)], below the 2022 target set in the 2019-2022 MTP (< 55%).

Furthermore, in June 2022, Crédit Agricole S.A. presented its new strategic plan, “Ambitions 2025”, in which Crédit Agricole CIB reaffirmed its commitment to serve its customers and society to the best of its abilities by helping them achieve their own energy transition, in particular by drawing on a community of around 250 experts (the "sustainability community") to expand its advisory offer, and continuing to develop its expertise on new technologies (e.g. hydrogen, offshore wind, carbon capture). Furthermore,the bank is continuing this customer-centric strategy by also ramping up its activities in Europe, with an extensive sector and product offer coupled with the industrialisation of its business lines, in particular in the debt financing offer.

Lastly, during a dedicated investor presentation on 6 December 2022 ("Climate Workshop"), Crédit Agricole S.A. set out its intermediate targets and action plans in five sectors with the goal of achieving carbon neutrality by 2050, in connection with the Net Zero Banking Alliance. To that end, Crédit Agricole CIB is heavily involved in these five sectors: oil and gas, electricity, automotive, commercial real estate and cement.

(1) Underlying revenues, excluding the impact of specific items (see details provided in Chapter 4 of this Universal Registration Document).
(2) Source: Bloomberg.
(3) Source: Refinitiv N1.
(4) Source: Refinitiv R17.
(5) CIB business line (underlying view).

3. CRÉDIT AGRICOLE CIB'S BUSINESS LINES



3.1. Financing activities

The Financing activities includes the activities of Structured Finance and Commercial Banking. In 2022, it recorded underlying net banking income [(1)] of €3,105 million, i.e. 53.9% of CIB's underlying net banking income.

Structured Finance

The Structured Finance business line's underlying net banking income reached €1,110 million in 2022.

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

During the second quarter of 2022, Leveraged and Telecom Finance's activities were transferred from the Structured Finance division to the Corporate & Leveraged Finance division.

In 2022, while actively managing risks in a deteriorated economic environment that had a significant impact on certain sectors, structured financing activities maintained their positions on their markets. Crédit Agricole CIB ranks #4 in project finance worldwide [(2)] and #1 in the EMEA region [(3)].

ASSET FINANCE GROUP

◆ Air and rail transport

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

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

◆ Shipping finance

For over forty years, Crédit Agricole CIB has financed ships for French and foreign shipowners, building up solid expertise and a global reputation in the industry as an arranger and agent. The business line supports a modern and diversified fleet of more than 1,450 ships for international shipowners.

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

◆ Real Estate and hotel

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

ENERGY & INFRASTRUCTURE GROUP

◆ Natural Resources, Infrastructure and Electricity

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

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

Commercial Banking

For full year 2022, Commercial Banking posted underlying net banking income [(1)] of €1,995 million.

INTERNATIONAL TRADE & TRANSACTION BANKING (ITB)

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

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

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

(1) Restated for loan hedges for +€21 million in Financing activities and DVA impacts, FVA liquidity cost and secured lending for -€19 million, in Capital Markets and investment banking.
(2) Sources Refinitiv X02.
(3) Source Refinitiv X15.

CORPORATE & LEVERAGED FINANCE (CLF)

Created in 2022, this division combines Leverage & Telecom activities (formerly part of the Structured Finance division) with Corporate debt origination activities (formerly Debt Optimisation and Distribution, DOD). Its main tasks are to originate, structure, arrange and manage the portfolio of syndicated loans and bilateral lines for corporate clients (large corporates and intermediate sized enterprises). This division also includes acquisition financing, arrangement, the structuring of these offers and the coordination of the execution of transactions.

At the end of 2022, Crédit Agricole CIB continued to post leading positions in these activities, making it number two in syndicated loans in the EMEA zone[1] and retained its leading position in France [2].

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

3.2. Capital markets and investment banking

Capital Markets and Investment Banking encompasses the capital markets and investment banking business lines. It generated underlying net banking income[3] of €2,659 million in full year 2022, i.e. 46.1% of CIB's underlying net banking income.

Global Markets Division

The Global Markets business line recorded underlying net banking income of €2,075 million in 2022.

This division covers all market product origination, sales, structuring and *trading* activities for corporates, financial institutions and major issuers.

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

The Global Markets Division (GMD) is centred on the following activities:

- Hedging & Investment Solutions, which corresponds to the Global Markets Trading business line, which offers hedging and investment solutions to Corporates and Financial Institutions and is structured around two areas of expertise:
  - Macro trading (rates, currencies, credit and commodities for the G10 and emerging markets);
  - Non-linear trading (trading equity, non-linear bonds and foreign exchange options);
- Secured Funding Solutions, corresponding to the Global Repo & Indexing business line, which offers Repo & Secured Funding, Equity Finance and Delta One products.
- Financing & Funding Solutions, corresponding to the Capital Markets Funding business line, dedicated to private and public financing solutions for clients, which includes transactions on the Primary Credit Market (origination and bond syndication), securitisation and refinancing by leads, as well as Strategic Equity Transactions origination activities. In this segment, Crédit Agricole CIB is positioned #3 in All Bonds [4] in euros.

The GMD division also includes cross-business units that support the business line:

- Global Market Sales: bringing together the sales teams, experts in bonds and equities and serving all clients, structured around Financial Institutions and Corporates, while also integrating the GMD research teams;
- Global Markets Structuring combining skills in the area of innovation and supporting the bank's clients by offering them various underlying solutions;
- Chief Operating Officer in charge of monitoring cross-functional topics (operational risk monitoring, IT services, Onboarding activities, Transaction Management & Clearing);
- Transversal Functions Group (TFG) integrating the Business Transformation, Transversal Monitoring, XVA and scare resources Management teams, Global Markets Data and Quants.

Treasury Division

The Treasury business line's underlying net banking income [3] reached €132 million for full year 2022.

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

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

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

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

(1) Source: Refinitiv R17.
(2) Source: Refinitiv.
(3) Restated for loan hedges for +€21 million in Financing activities and DVA impacts, FVA liquidity cost and secured lending for -€19 million in Capital Markets and investment banking.
(4) Source: Refinitiv N1.

Treasury is structured around 3 liquidity hubs (Paris, New York, Hong Kong), 11 Treasury departments and a federal division for private banking, allowing the bank to continuously optimise its short-term funding requirements recycle surplus liquidity, primarily by placing it with central banks. Its geographic structure provides access to broad and diversified short-term financing in addition to the long-term funding ensured by the ALM team.

Investment Banking

In 2022, Investment Banking posted underlying net banking income[(1)] of €452 million. Investment Banking comprises all "equity and long-term" financing activities for Crédit Agricole CIB's corporate clients and is structured around three main divisions:

PRIMARY EQUITY CAPITAL MARKETS

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

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

GLOBAL CORPORATE FINANCE

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

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

STRUCTURED AND FINANCIAL SOLUTIONS (SFS)

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

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

3.3. Cross-functional

Unique coverage: CIB

Drawing on Crédit Agricole CIB's client-centric approach, the CIB division ensures coverage for all of the bank's clients.

At the centre of the bank's organisational structure, the division is responsible for client income and profitability, manages client relations for the entire bank worldwide, promotes all of the bank's business lines, as well as Crédit Agricole S.A. Group's business lines, and manages the bank's overall exposure by client.

Within this division, a dedicated Sustainable Investment Banking team advises clients on responsible financing. Crédit Agricole CIB is a world leader in the green, social & sustainability bond market. The bank ranked #1 in green, social & sustainability bond issues in euros [(2)] in 2022. In addition, in terms of Islamic financing, Crédit Agricole CIB facilitates access to Shariah-compliant solutions in many segments with a dedicated team in the Gulf.

3.4. Wealth management

The Wealth Management business has operated under the global brand name Indosuez Wealth Management since January 2016, it offers a tailored approach that enables each of its clients to preserve and develop their financial assets and real assets to meet their needs as closely as possible. With a global vision, its multi-disciplinary teams offer them tailor-made, sustainable solutions, combining excellence, experience and expertise.

Since 2012, Wealth Management has been part of a fully global and cross-business organisation. It not only optimally combines employee expertise, but also leverages all their synergies in order to improve the convenience and experience of an increasingly international client base.

With the constant ambition of consolidating the quality of its services and strengthening its efficiency, Indosuez Wealth Management is actively pursuing the digitisation of its offering and processes.

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

In France, the partnership between Indosuez Wealth Management France and the Regional Banks is based on complementary approaches and is a clear asset when it comes to meeting the ever-changing expectations of Crédit Agricole Group's high net worth clients.

(1) Restated for loan hedges for +€21 million in Financing activities and DVA impacts, FVA liquidity cost and secured lending for -€19 million, in Capital Markets and investment banking.
(2) Source Bloomberg.

ECONOMIC, SOCIAL AND ENVIRONMENTAL INFORMATION

2

2
CONTENTS

ENERGY TRANSITION

79%

OF RENEWABLE ENERGY

in the financing of electricity generation in terms of number of projects in 2022

16.2

BILLION EUROS

of green loans as at 31 December 2022

HUMAN RESOURCES

43.4%

OF WOMEN

among the worldwide employees of Crédit Agricole CIB

76%

OF EMPLOYEES

of employees feel motivated every day and ready to go the extra mile in their work

COMPLIANCE

31

E-LEARNING TRAININGS

7 general trainings and 24 dedicated trainings

1. OUR CSR STRATEGY: PROGRESSIVE ACTIONS DRIVEN BY EMPLOYEES' INVOLVEMENT

Some of the information not included in this document can be found in the Crédit Agricole CIB Corporate Social Responsibility (CSR) policy, which is published on the Bank's website. There, you will find details about Crédit Agricole CIB's approach, its financing and investment policies and their implementation, the protection of client interests and respect for ethics in business, its undertakings and actions as a responsible and committed employer, the management of the impacts of the Bank's operations and its policy on charities, sponsorship and supporting university research.

The following pages focus on the actions taken in 2022.

Although the developments below illustrate, for Crédit Agricole CIB, the implementation of the Crédit Agricole Group S.A. Vigilance Plan and the group's non-financial performance, this chapter is neither a report on the implementation of the Vigilance Plan, nor a declaration on the non-financial performance, both of which are presented in the Crédit Agricole S.A. Universal Registration Document.

1.1. Our approach

Crédit Agricole CIB

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

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

For several years now, these aspects have been tackled by a four-part initiative:

- to reduce its direct environmental footprint;
- to measure and reduce environmental and social risks related to its financing activity (notably based on the Equator Principles, the CSR sector policies, and the introduction of CSR scoring of corporate clients);
- to increase the positive impacts of its business through Sustainable Finance;
- membership of the Net Banking Zero Alliance and the gradual establishment of sectoral decarbonisation trajectories for our financing activities.

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

Indosuez Wealth Management

Since 2020, Indosuez Wealth Management's CSR approach has been supported by a global business line dedicated to offers and business development. It is structured around its Human Project, its Client Project and its Societal Project.

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

- inspire and support its clients in the sustainable transformation of the economy;
- offer products and services aligned with Crédit Agricole Group's net-zero commitment by 2050;
- instil the societal project in the day-to-day lives of employees so that everyone is an agent of change. To that end, at each entity, including Azqore, a two-person team consisting of the local CSR manager and a front office employee is responsible for promoting the convictions and societal dynamics of the Group and its geographical regions. Their roles and responsibilities are clearly defined; the projects are overseen centrally and are operationally managed by the entities with a view to complying with the strategy implemented.

1.2. A governance strengthened by employees' involvement

Governance

Sustainable development challenges are taken into account by Crédit Agricole CIB in accordance with the general guidelines proposed by Crédit Agricole S.A.'s Societal Project division and validated by the Crédit Agricole Group's Group Societal Project Committee. These challenges, the action plans put in place and the results are described in Chapter 2 "Non-financial performance" of the Crédit Agricole S.A. Group's 2022 URD.

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

The Environmental & Social Risks department, which reports to the Risk and Permanent Controls Division, works on integrating CSR scoring practices into loan approval processes, implements tools and metrics to improve the extent to which climate risks are taken into account at Crédit Agricole CIB and organises the Committee for the Assessment of Transactions presenting Environmental or Social Risk (CERES) for which it carries out secretarial functions.

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

An ad hoc Committee, the Committee for the Assessment of Transactions with an Environmental or Social Risk (CERES), chaired by the head of the Compliance function, acts as a top-level Committee for evaluating and managing environmental and social risks related to the Bank's activities. More specifically, this Committee issues recommendations prior to the Credit Committee meeting for all transactions whose environmental or social impact it feels needs close monitoring. The CERES Committee validates the ratings of the transactions in accordance with the Equator Principles, issues opinions and recommendations on transactions classified as sensitive in respect of environmental and social aspects, and approves significant modifications to processes, methodologies and governance texts relating to sustainable development.

The CERES Committee met eight times in 2022 to discuss topics such as the review of transactions signed-off during the year, the approval of ratings according to the Equator Principles, the monitoring of sensitive transactions, and the review of sector policies and methodologies linked to environmental and social risks.

In 2022, the CERES Committee specifically reviewed 124 files before they were sent to the Credit Committee or commercial decision, given their importance and the sensitivity of the potential environmental or social impacts identified. In eight cases, it recommended not continuing a commercial opportunity and in thirty-five cases, it recommended imposing specific conditions for the management of environmental and social risks.

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

Employees at the heart of the implementation

The model developed by Crédit Agricole CIB is based on the daily involvement of all employees as agents of sustainable development in their work, in order to assess and manage direct or indirect environmental risks.

Client managers and senior bankers are responsible for analysing environmental and social aspects related to their client portfolio. They are supported by Sustainable Investment Banking experts and, where necessary, the ESR (Environmental and Social Risks) division. The most complex transactions from an environmental or social point of view are submitted to the CERES Committee.

An ESG Regulation and Commitments Project was launched, in order to ensure the compliance with European Sustainable Finance regulations and is being rolled out across the bank as a whole, involving all divisions of the Bank and Executive Management, acting as sponsor.

The gradual incorporation of sustainable development priorities into our operations (widening the scope of application of the Equator Principles, sector CSR policies, scoring of corporate clients, etc.) and our decision to make employees a central part of the strategy has led the Bank to step up training for employees to raise their awareness of CSR matters. For example, "Climate Fresk" workshops are being rolled out at Crédit Agricole CIB France and international entities. In addition, in line with the needs of the business lines in terms of skills development in these areas, a training and certification programme, the ESG Academy, was developed in 2022 and will be improved in 2023.

In order to comply with the regulatory requirements under Directive 2014/65/EU and its implementing texts ("MiFID"), specific training was provided in 2022 to raise awareness of sustainability aspects and preferences among staff who provide investment advice.

Indosuez Wealth Management's employees are constantly learning about and being trained on CSR issues and the Societal Project. The quarterly web conference for all staff is at least partially dedicated to these issues, and regular events and newsletters (launched in 2022) are exclusively dedicated to this topic. For example, in 2022, the members of the Executive Management Committee and employees (via a lunch & learn) were able to attend climate change training sessions prepared in conjunction with IFCAM based on scientific data from the IPCC's reports.

2022 Highlights

A new organization has been put in place to develop synergies between all Crédit Agricole CIB's divisons in order to continue improving the accompaniment given to our clients in meeting their environmental and social challenges. Within the Sustainability scope:

- the Sustainable Investment Banking team, which supports its clients on sustainable finance and energy transition aspects, has grown. It operates in a larger number of sectors and in all Crédit Agricole CIB's main regions;
- The Climate & Sustainability Strategy team has been created and focuses on energy transition and decarbonisation of Crédit Agricole CIB;
- the network of sustainable finance coordinators has been expanded in most of business lines and support functions.

1.3. An approach focusing on ongoing progress and listening to our stakeholders

The FReD approach

Crédit Agricole CIB and CA Indosuez are fully involved in the Crédit Agricole Group's FReD progress-driven approach. For each participating entity, this process, which seeks to define and organise CSR activities within the Group has been focused on Medium-Term Plan CSR objectives since 2020, and consists of 6 action plans focused on three key areas involving clients (Fides), employees (Respect) and the environment (Demeter). Specific and measurable objectives are defined for each plan. The desire to link FReD actions more closely with strategic challenges leads to the selection of longer-term plans. Since this review, the average annual growth target has been 1.3 on a progress scale comprising 4 levels.

In 2022, the average level of progress recorded by the 6 action plans of Crédit Agricole CIB was 1.5.

In 2022, the average level of progress recorded by the action plans of the Indosuez Wealth Management Group was 1.67.

Relationships with stakeholders

Crédit Agricole CIB believes that listening to its stakeholders is the way forward. Crédit Agricole CIB plays an active role in sharing best practices with its peers and has been a member of the *Mainstreaming Climate Action within Financial Institutions* initiative for several years.

2. PROMOTING AN ETHICAL CULTUREE

The Crédit Agricole CIB Group has adopted the Crédit Agricole Group's approach to positioning ethics as one of its priorities. It promotes Group initiatives which aim to exceed regulatory standards and establish an ethical culture.

2.1. Developing an ethical dimension in business

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

The code of conduct

Crédit Agricole CIB has a code of conduct that implements all the themes of the Crédit Agricole Group Ethics Charter. This Code of Conduct consists of a common foundation of 7 principles intended to align behaviours with the Bank's values and thus guide employees on a daily basis. Its purpose is to:

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

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

Training of directors and company administrators

In accordance with the guidelines of the European Banking Authority and the provisions of the French Monetary and Financial Code, Compliance officers train and regularly inform members of the Board of Directors about current regulatory issues.

Members of the Crédit Agricole CIB Board of Directors are thus trained in compliance issues on a yearly basis. At the same time, a number of compliance courses are made available to them so that they can have access to concise information on compliance issues. Newly appointed directors meet with the Head of Compliance when they take up their role.

In terms of Financial Security, the directors were kept informed throughout 2022 of any changes to the measures imposed against Russia by the authorities, particularly in France, Europe and the United States. They were also given details of US compliance requirements in the areas of anti-money laundering, counter-terrorist financing and sanctions.

The Indosuez Wealth Management Group has also rolled out the system proposed by the Crédit Agricole Group. The members of the Board of Directors of Indosuez, as well as the directors of the entities, receive an annual update on all regulatory developments required for fully understanding compliance issues.

Deploying a responsible compliance policy

FIGHTING AGAINST CORRUPTION

The Crédit Agricole CIB Group applies, at the highest level, a zero-tolerance policy for any unethical behaviour in general, and any risk of corruption in particular. This policy illustrates the group's long-standing commitment to business ethics, a key element of its corporate social responsibility policy. It integrates in the compliance and financial security programmes of the Crédit Agricole Group, aiming to ensure transparency and loyalty to clients, suppliers and all types of counterparties with relationships with the Bank, to contribute to the integrity of financial markets and to combat money laundering and fraud.

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

Against the backdrop of increased legal obligations for fighting corruption, in 2018 Crédit Agricole CIB implemented "Measures aimed at preventing and detecting corrupt practice", as referred to in article 17 of the so-called Sapin 2 law of 9 December 2016 on transparency, fighting corruption and the modernisation of the economy. Existing systems for fighting corruption have been strengthened by the implementation of the recommendations of the French Anti-Corruption Agency (AFA).

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

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

PREVENTING FRAUD

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

Correspondents of the fight against fraud within business lines and support functions are regularly trained to increase their awareness with regard to elements of risk. Warning and vigilance messages are sent to all employees, primarily via the Crédit Agricole CIB Intranet site. Targeted prevention actions are undertaken to advise and support employees in their choices and to help them to reconcile issues relating to ethics, professional behaviour, objectives and obligations. These actions allow the deep and wide spread of a culture of probity; the controls and procedures associated with any lapses provide an appropriate management of any behaviours which may harm, directly or indirectly, clients, the Bank and its employees.

FIGHTING MONEY LAUNDERING AND THE FINANCING OF TERRORISM

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

The Crédit Agricole CIB Group has taken into account the requirements of the transposition into French law of the fifth European directive 2018/843, approved by the European Parliament on 30 May 2018, on preventing the use of the financial system for money laundering and the financing of terrorism. Crédit Agricole CIB has devised a vigilance system and aligned it to the specific nature of its clientele, its business and its network abroad. Therefore, when entering into any relationship, the required client ID checks are a first filter to prevent money laundering and the financing of terrorism. This preventative measure relies on knowledge of the client and of the ultimate beneficial owners, completed by research through specialised databases. It also takes into account the purpose and intended nature of the business transaction. Throughout the business relationship, there is an appropriate vigilance proportionate to the identified level of risks. For that purpose, the Group's employees may use computer tools to analyse clients' risk levels and to detect unusual transactions.

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

Despite the performance of the computer tools available, human vigilance remains essential, so all employees exposed to these risks are periodically trained in the fight against money laundering and the financing of terrorism, and compliance with international sanctions.

Lastly, Crédit Agricole CIB has a dedicated governance system and tools in place allowing it to regularly monitor risks of money laundering, terrorist financing and international sanctions at the highest level.

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

The Bank continuously ensures that the rules on the integrity of the financial markets and those relating to market abuse are respected by all Group employees. Thus, strict ethical standards, procedures and rules have therefore been put in place to prevent:

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

These obligations are reiterated on an ongoing basis by the various Compliance teams across all of the Bank's activities as well as through its training programme covering the various compliance topics.

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

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

SIGNALLING BEHAVIOURS AND PRACTICES THAT GENERATE A RISK OF NON-COMPLIANCE

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

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

The centralisation of incidents through the reporting process, described in a specific governance text, makes it possible to measure, at the highest level of the company, the Crédit Agricole CIB Group's exposure to the non-compliance risk. Therefore, when an employee reasonably establishes the existence of an incident related to compliance concerns, he must tell his supervisor who informs the operational heads and the Compliance, Permanent Control and Legal functions, depending on the subject. The system is supplemented by a whistleblowing mechanism allowing any employee, if they find an abnormality in the treatment of a malfunction which they consider is due to a deficiency of, or pressure exercised by, their manager, or if they think they are being submitted to pressure, active or passive, that may lead them to cause a dysfunction or to conceal it, to inform their compliance manager and/or, if they so wish, their manager's direct superior of the situation. Crédit Agricole CIB Group has deployed a secure reporting tool across all its entities, selected by Crédit Agricole S.A. for the entire Crédit Agricole Group, accessible to employees and any external third parties via the Internet. This tool enables the confidentiality of the facts reported, any people involved and conversations which may occur between the whistleblower and the officer responsible for processing the alert.

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

DISSEMINATING THE COMPLIANCE CULTURE

The Crédit Agricole S.A. Compliance Division has developed a training programme covering Compliance issues. This programme has been replicated by Crédit Agricole CIB's Compliance and Human Resources Division and supplemented with training courses specific to its business activities.

At the same time, each Compliance pole of expertise provide both e-learning and classroom/remote training in their area of expertise to targeted groups.

A continuous training action plan improves employee awareness of all Compliance and Financial Security issues, which are constantly evolving. Training on general subjects is usually provided in the form of e-learning, while training targeting at-risk populations is preferred for face-to-face/remote training.

Finally, the compliance criteria, which are regularly updated and expanded, form part of each employee's annual appraisal.

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

MANAGEMENT OF ACTIVITIES AND DISTRIBUTED PRODUCTS

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

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

Implementing a transparent representation of interests policy

Crédit Agricole CIB acts within the framework of the Crédit Agricole Group policy.

The Crédit Agricole CIB Group applies the provisions of the Sapin II law on the reporting obligations of its managers and its interest representatives.

2.2. Supporting our clients over the long term

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

In terms of protecting the interests of clients, the Bank has a Conflict of Interest Management Policy and detailed, annually updated procedures, as well as strict rules to identify, prevent and manage all conflicts of interest that may arise. Actions to increase the awareness of the First Line of Defence were again carried out in 2022 and will continue in 2023.

Moreover, the Group also implements all measures to protect its clients' data and take client opinions into account.

Protecting data

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

Thus, in 2017 the Crédit Agricole CIB Group adopted the Charter on the "Use of Personal Data", which has been endowed by the Crédit Agricole Group. The following year it adapted its system in France and abroad in accordance with the General Data Protection Regulations which came into force in May 2018.

Another strong signal of this commitment is Crédit Agricole CIB's deployment, in France and its main entities abroad, of its NSU (New Solutions and Uses) set-up. This system enables to proactively manage the regulatory, legal, operational and IT security risks associated with the implementation of new solutions or new uses concerning data, in an ethical approach focused on the interests of third parties or persons concerned. It offers all of the Bank's Business Lines and Support Functions a secure framework for the digital transformation (Cloud computing, New ways of working, etc.), innovation and the use of new technologies (Artificial Intelligence, Quantum Computing, Blockchain, etc.).

Ensuring quality relationships

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

In this regard, Crédit Agricole CIB has implemented a secure process for initiating these relationships and managing the sale of market-based products. The protection of clients is based on a comprehensive client classification system which not only involves applying the MiFID rules applicable in the European Economic Area, but also worldwide after an internal process called "Internal suitability rating". This set-up forms part of the sales process, in particular so that the financial instruments offered to clients are in line with their risk awareness.

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

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

Complaints

The Bank constantly strives to improve its client protection measures by continuing to fine tune its complaints follow-up system. These complaints have to be systematically recorded, communicated to a Complaint Correspondent appointed within each division of the Bank, then replied to within the following time frames:

- ten days from the receipt of the complaint to acknowledge receipt, unless the response itself has been given to the client within this period;
- two months between the receipt of the complaint and the date the response was sent to the client (this period will run from the date on which the complaint is sent, from 1 January 2023 onwards).

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

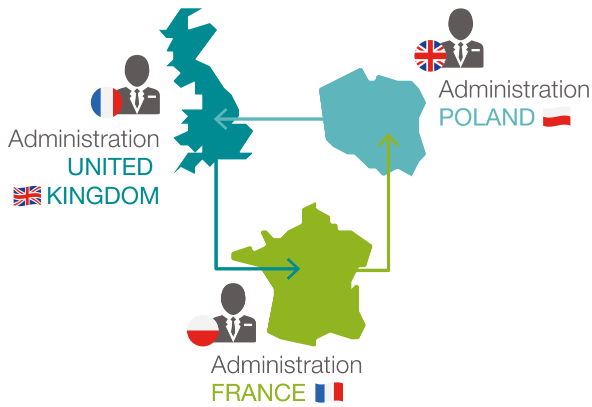
2.3. Tax policy

The Crédit Agricole CIB Group monitors the commitments made by the Crédit Agricole S.A. Group in the area of prevention of the risk of tax fraud by its clients, prospects or suppliers, since tax practices represent an important element of corporate social responsibility.

In this regard, the Crédit Agricole CIB Group:

- on the one hand, ensures compliance with all countries' fiscal regulations (FATCA, AEOI, etc.);
- also provides no help or encouragement to clients, prospects and suppliers with infringing tax laws and regulations, nor does it facilitate or support transactions where tax efficiency is based on the non-disclosure of facts to the tax authorities.

In addition, pursuant to the OECD standard on the automatic exchange of information as part of tackling tax evasion, adopted by around one hundred States and transposed by the European Union, the Crédit Agricole CIB Group identifies the holders of accounts who are resident for tax purposes in countries with which an exchange agreement has been concluded and sends information about those clients to their local tax authorities, which forwards them to the tax authorities of the relevant States of residence.



In line with its global strategy, the Indosuez Wealth Management Group has a basic rule of only working with clients who meet their tax obligations. Wealth Management therefore intends to base itself primarily on the systems in place in the different countries (the Automatic Information Exchange systems in particular) to deal with the issue of client Tax Compliance (booking centres available to AEI countries only, selection of clients living in these countries).

Being responsible along the entire chain

A governance document, updated in 2022, describes the procurement function's general operating principles at Crédit Agricole CIB Group, within the framework of Crédit Agricole S.A. Group's Procurement Business Line. These rules apply to all purchases made by Crédit Agricole CIB units. This document emphasises the need to include, to the extent possible, a company from the disability friendly sector in the list of subcontractors and suppliers. The consideration of CSR issues applied to purchases made by the Crédit Agricole Group has made it possible to manage legal, financial and reputational risks by applying best practices in order to forge balanced relationships with suppliers. The following practices are now followed:

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

In addition, the centralisation and processing of supplier invoices in an electronic workflow brought improvements in our suppliers' invoice payment chain and faster invoice processing times.

All the buyers have had training on the issue of human rights in the value chain.

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

The Indosuez Wealth Management group is continuing its policy launched in 2016 consisting of a "Responsible Purchasing" governance and policy which is clear, homogeneous and in line with the Crédit Agricole Group's strategy.

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

3. INCORPORATING THE CHALLENGES OF CLIMATE CHANGE

Since 2016, the steps taken to integrate climate change challenges are presented each year according to the five "*Main-streaming Climate Action within Financial Institutions*" principles signed at the COP21 climate conference in Paris by a group of multilateral, development and commercial banks, which included Crédit Agricole.

These five principles provide encouragement to:

- **pursue a climate friendly strategy;**
- **managing climate risks;**
- **promote smart climate objectives;**
- **improve climate related results;**
- **report on climate action.**

3.1. Pursuing a climate friendly strategy

2022 **Highlights**

On 6 December 2022, Crédit Agricole S.A. presented its vision of the energy transition and set ambitious targets in five sectors with a view to accelerating the pace of transition to carbon neutrality by 2050:

- Oil and gas: Reduce our absolute financed CO_2e emissions by 30%(1) for clients involved in oil and gas activities across the value chain (usptream, midstream and downstream);
- Electricity generation: reduce by 58%(2) the financed emissions intensity of our electricity generation financings (in gCO_2e/kWh);
- Automotive: Reduce by 50%(3) the financed emissions intensity of our automotive financings of CACF, CAL&F and CACIB (in gCO_2/km);
- Commercial real estate: reduce by 40%(4) our financed emissions intensity of the commercial real estate portfolio (in $kgCO_2e/m^2$);
- Cement: reduce by 20%(5) the financed emissions intensity (gross) of our cement production financings (in kgCO2e/tonne of cementitious materials).

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

The scientific reference scenario is the IEA NZE 2050 scenario for the Oil and Gas, Electricity Generation, Automotive and Cement sectors. For the Commercial Real Estate sector, the reference scenario is the CRREM (Carbon Risk Real Estate) 2021 scenario of 1.5°C

(1) Including scope 1 and 2 emissions of all counterparties and scope 3 emissions of upstream operators, our on-balance sheet exposure.
(2) Scope 1 emissions of electricity producers. On- and off-balance sheet exposures taken into account for the reference base.
(3) Scope 3 Tank-to-wheel emissions of manufacturers and scope 1 emissions of end users, excluding heavy goods vehicles. On- and off-balance sheet exposures taken into account for the reference base.
(4) Scopes 1 and 2. Including the use of the building, excluding construction. On- and off-balance sheet exposures taken into account for the reference base.
(5) Scope 1 and 2 gross CO_2 emissions. On- and off-balance sheet exposures taken into account for the reference base.

The Crédit Agricole CIB climate policy reflects the different climate challenges identified:

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

The policy was published in 2017 in the document setting out the CSR policy "Crédit Agricole CIB, a useful and responsible Corporate and Investment Bank" and is reinforced by the Crédit Agricole Group Climate strategy published in June 2019.

At the occasion of COP26, Crédit Agricole CIB once again strengthened its commitment to climate change and to supporting its clients in the energy transition and their decarbonisation strategies. As the first milestones in its strategy to achieve carbon neutrality by 2050, Crédit Agricole CIB committed in 2021 to reducing its exposure to oil extraction by 20% between 2020 and 2025 and increasing its exposure to low carbon energies (production and storage) by 60% over the same period.

In 2022, as part of its membership of the Net Zero Banking Alliance, the Crédit Agricole Group set 2030 decarbonisation trajectories for five priority sectors (oil and gas, automotive, commercial real estate, electricity generation and cement).

Crédit Agricole CIB has made a significant contribution to the Crédit Agricole Group's work and has also strengthened its commitment to reduce its exposure to oil extraction and production by increasing its target to 25% between 2020 and 2025 (versus 20%).

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

3.2. Managing our climate risks

Climate risks are risk factors that influence the Bank's main risks (credit risk, market risk, etc.), i.e. resulting from our exposure to counterparties that may be affected by climatic events:

- physical risks: damage caused directly by acute climate change (natural disasters) or chronic climate change (long-term average rise in temperatures, rises in sea level, etc.);
- transition risks: impacts of the transition to a low-carbon economy that is resilient to climate change or ecologically sustainable. They cover regulatory risks or changes in climate and environmental policies, risks related to behavioural changes, technological risks and reputational risks.

For example, climate risks can have a medium-term effect on the credit risk of companies that are lagging behind in their energy transition through credit rating downgrades in certain sectors (energy, automotive, real estate, aeronautical and maritime sectors).

For a number of years, Crédit Agricole CIB has undertaken work designed to better understand and manage climate risks:

- by evaluating the carbon footprint caused by its financing and investment portfolio and defining the sector policies for sectors which account for a large proportion of this footprint (initially over 80% of this footprint on a cumulative basis and approximately 70% at the end of 2022);
- by seeking to identify the materiality of the climate risks and by gradually introducing additional analyses for clients or portfolios appearing to present the highest risk.
- by setting credit limits for portfolios subject to material climate risks over the horizon of Crédit Agricole CIB's exposures.

This approach was reinforced in 2022 by collecting new data and estimating credit losses under various scenarios as part of the climate stress test carried out by the European Central Bank.

Measuring and mapping climate challenges

Since 2011, Crédit Agricole CIB has used a procedure to calculate greenhouse gas emissions said to be financed by a financial institution. The procedure was developed at its request by the Chair in Quantitative Finance and Sustainable Development at Paris Dauphine University and *École Polytechnique*. This innovative methodology, originally known as P9XCA but renamed SAFE (Single Accounting of Financed Emissions), has, since 2014, been recommended for corporate and investment banks in the financial sector guide to "Conducting a greenhouse gas emissions audit" published by the Agency for Environment and Energy Management (ADEME), the Observatory on Corporate Social Responsibility and the *Bilan Carbone Association*.

It enables Crédit Agricole CIB to calculate, without multiple counting, the order of magnitude of the emissions financed and map them according to sector and geographical location. Greenhouse gas emissions are allocated to economic players according to their capacity (and their economic interest) to reduce them according to an allocation described "by issue" as opposed to the usual allocation "by scope" (see sectoral guide). This methodology gives us a sectoral and geographical mapping of the carbon issue which has guided the choice of sectors of the bank for the development of sectoral CSR policies and has been used in methodologies for calculations linked to the transition climate risks presented below. Some methodological adjustments were made in 2018 in parallel with the revision of emission factors.

Furthermore, the challenges linked to physical climate risk are assessed on a scale of 1 to 15 using a method that combines sector sensitivity indices (vulnerability on a three-step scale that covers around twenty major identified sectors) and geographical sensitivity (based on three variables: share of the population living lower than 5 metres, above sea level agriculture's share of GDP and vulnerability index).

Scenario and materiality of climate risks

In line with the recommendations of the Task force on Climate related Financial Disclosures (TCFD), sensitivity to climate risks was assessed in 2017 within the framework of various scenarios.

The four scenarios tested in 2017 stand out due to the scope of the mitigation measures and the gradual nature of their implementation. These scenarios identify three time-scales: short term (before 2020), medium term (from 2020 to 2030) and long term (after 2030). They are outlined briefly below.

Each scenario led to a climate trajectory and to a carbon price level in line with the scope of the mitigation measures. Research has therefore been carried out into the potential impact on the profitability of companies which are Investment Banking clients both as regards the physical climate risk and the transition climate risk.

Regarding the physical risk, the average potential impact on the added value of companies has been considered to directly reflect the impact of global warming on global revenues as generally estimated (without taking into account, at this stage, the different impacts according to sector and country).

For the transition risk, the potential vulnerability of companies was assessed using the emissions allocated to the economic players in the sectors and countries defined in SAFE (in the "by issue" version) and correlated with their added value. Valued at the carbon price selected for each scenario, these emissions make it possible to provide an initial economic assessment of the carbon challenge for each macro sector and country. Based on several studies concluding that a controlled energy transition would not damage growth (see below), it was believed that the carbon challenge would impact companies differently depending on their ability to anticipate and therefore the rate of progress to implement measures to adapt to this risk.

These calculations are by necessity approximate but provide insight into the orders of magnitude and make it possible to compare the potential impacts on sectors and countries depending on the scenarios and time-scales used. The calculations show the transition climate risk in the "sudden progress" scenario as the main medium-term risk, while underlining the strong increase in the physical climate risk over time, notably in the scenario involving no new mitigation measures.

They also provide an initial macroeconomic insight into climate risks by highlighting the main risk areas (sectors and countries) according to the various scenarios and time-scales. For the medium-term transition risk, identified as the main potential risk, a complementary microeconomic approach has been developed which seeks to differentiate it at individual counterparty level.

Transition risk index

For financial players, the transition climate risk arises mainly from the uncertain return from their clients' investments and changes in the financial models which result from the changes in the economic environment brought by initiatives against global warming (introduction of a carbon price, regulatory changes).

An OECD study published in May 2017, "Investing in Climate, Investing in Growth", concluded that a controlled energy transition is favourable to the economic growth of the G20 countries, backing up the conclusions of a study by the French Environment and Energy Management Agency (ADEME) in 2016, "An electricity mix from 100% renewable sources? Technical summary and macroeconomic evaluation summary" for France. It would seem, therefore, that the impact of the energy transition will not necessarily be negative for economic players. Rather, it will be important to be able to identify the winners and the losers in this major change.

The potential impact of the energy transition on the financial performance of a company would therefore seem to depend on both the potential sensitivity of the company to the transition (due to its business sector and geographical location) and its ability to manage the transition (level of anticipation and strategy).

The economic player's potential sensitivity to the transition challenge depends on how much pressure it is under. This, in turn, depends on the extent to which it operates independently of the measures it puts in place. It is a measure of the extent of the potential positive or negative impact of the energy transition for the economic player, which can be described as a combination of two factors: the sector impact (the sector's carbon intensity) and how committed the country is to reducing its greenhouse gas emissions.

The ability to manage the transition challenge determines whether or not the economic player has the right strategy and has taken the right measures to enable it to gain from the energy transition. It seems to us that this level of "maturity" should be assessed relative to the business sector, across all geographical locations.

A medium-term transition risk index has therefore been calculated since 2017 for the Bank's corporate client groups using a combination of three factors:

- the extent to which the issues will impact financing in the sector, as calculated by the SAFE methodology adopting an issue-based approach;
- the importance the country places on reducing greenhouse gas emissions as defined in the Intended Nationally Determined Contributions (INDC);
- the maturity of the client when faced with climate challenges and its ability to adapt, as evaluated by a nonfinancial agency or estimated on the geographic average.

For each client group, the transition risk index is calculated by adding together these three factors. The index is positive when the counterparty demonstrates a level of preparedness above the average and is negative if it does not. The more the client stands out from its peers, the more the sector is considered to be at risk, and the more the country has committed to a rapid energy transition, the higher the absolute value of the index.

Thus, a player in the Energy or Transport sectors in a country committed to significantly lowering emissions will have more to gain or lose than a player in a sector which is less affected in a country with lower greenhouse gas reduction demands. The extent to which this actor is affected will depend on its ability to adapt its strategy and economic model to the new situation.

Reducing climate risks

2022 Highlights

Participation in the ECB's climate stress test

Crédit Agricole CIB participated in the climate stress test carried out by the European Central Bank in the first half of 2022. This stress test resulted in the collection of a significant volume of climate data on clients: energy performance analyses were obtained from clients of the commercial real estate portfolio in France and Italy, and greenhouse gas emissions were extracted from major clients' annual reports or CSR reports, or approximated on an ad hoc basis where such information was not available. In addition, Crédit Agricole CIB simulated losses in a number of scenarios with different time horizons. The scenarios proposed by the ECB are the result of the work of the NGFS and are broken down into orderly scenarios, disorderly scenarios and scenarios with no transition, incorporated into the trajectories of the sectoral added values of the scope of analysis via the price of CO_2. The estimated impacts of the various transition and physical hazard scenarios are contained at Crédit Agricole CIB level.

Since the beginning of 2021, Crédit Agricole CIB has regularly evaluated and improved its system for assessing and managing environmental and climate risks in light of the recommendations published by the European Central Bank in November 2020.

Crédit Agricole CIB has adopted a pragmatic approach involving making adjustments to its actions based on the intensity of environmental risks projected over the time horizon of the activities of Crédit Agricole CIB that generate these risks. In particular, Crédit Agricole CIB has selected pilot sectors and regions for which the metrics previously developed (see the paragraph on the transition risk index) have been deployed at the portfolio level at meetings of the Strategy and Portfolio Committee.

Climate risks are reputational risk factors. This risk has been identified and managed for more than 10 years. The CSR sector policies are the first line tool for managing environmental and social risks, particularly the transition climate risk. These policies cover the macrosectors of energy and transport, which account for over 70% of the carbon footprint caused by our financing. In particular, the policies on fossil fuels do not usually include transactions relating to activities which seem the least compatible with the developments expected in light of the energy transition and thus potentially the most risky as regards the transition climate risk.

The transition risk index and the analysis of controversies supplement this approach by making it possible to identify clients for which additional analyses seem necessary in view of their exposure to the transition risk and management of this risk. This approach applies to all sectors and all countries.

Climate risks are also credit risk factors for certain portfolios. In the short term, the main risk is refinancing risk for companies in the most carbon-intensive sectors. There is also a risk that ratings will be downgraded in certain sectors (energy, automotive, real estate, aeronautical and maritime sectors) for companies that are lagging behind in their energy transition. A global framework is inappropriate due to the diversity of transmission channels and maturities of exposures. However, for the risk frameworks most sensitive to climate risks, Crédit Agricole CIB carried out materiality analysis on climate factors over the exposure horizon, using the transition risk index and physical risk index metrics.

The Risk Division issues an opinion covering these aspects. An appropriate framework has been defined for some of these portfolios, where required as a result of the materiality of climate factors over the portfolio's exposure horizon.

The materiality of climate factors on operational, market and liquidity risks is currently limited for Crédit Agricole CIB. Accordingly, Crédit Agricole CIB actively monitors the market and regulations to adapt its system where necessary.

3.3. Promoting climate smart objectives

Crédit Agricole CIB actively contributes to meeting this objective:

- by developing its financing of climate-friendly projects and green bond issuances;
- and seeking for relevant partnerships.

Project finance

Financing renewable energies is an integral part of Crédit Agricole CIB's strategy, and the Bank is a leading provider of such project financing. The Bank first entered this sector in 1997 by financing the first wind farms, and in 2008 it financed a solar energy project in Spain. The project funding business line has financed in total more than 59.200 MW of installed wind farm capacity and over 22.600 MW of installed solar panel capacity.

Green Bonds, Green Loans, Sustainability-Linked Bonds, Sustainability-Linked Loans

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

Green Loans have developed along the same principles of transparency and the link between the financial income/financial products and the assets required for the energy transition.

Sustainability-Linked Bonds and Sustainability-Linked Loans are financial products whose cost is indexed against the issuer's environmental performance. Crédit Agricole CIB innovated in 2022 by offering Sustainability Linked Bonds with a Step-up and Step-Down coupon mechanism.

Committed to the development of climate finance since 2010, with its own dedicated Sustainable Banking team, Crédit Agricole CIB has confirmed its leading position as arranger on the Green Bonds, Social Bonds and Sustainability Bonds market worldwide and helps its clients structure ambitious and innovative environmental transactions.

In 2022 Crédit Agricole CIB was involved in the following transactions:

- the first ever inflation-linked green bond issued by *Agence France Trésor* (OAT€i of €4bn with a maturity of 15 years). Total demand for this transaction was €27bn. Crédit Agricole CIB acted as lead manager on this innovative transaction;
- the largest financing indexed on environmental objectives carried out to date (US$17.2 billion) for Ford Motor Company as the principal structuring agent;
- the first bond whose coupons are indexed to improvements and deteriorations in the issuer's environmental performance. This 12-year bonds of approximately USD 1.5 billion was issued by the Oriental Republic of Uruguay and coupons are indexed on its environmental performance: (i) reduction of greenhouse gas emissions and (ii) protection of areas of primary forest. Crédit Agricole CIB acted as co-structurer and lead manager on this innovative transaction;
- a sustainability-linked loan to a leading Indian microfinance institution. Crédit Agricole CIB and the Grameen Crédit Agricole Foundation have granted a sustainability-linked loan of INR 35 million (€4.5 million) to Annapurna Finance, an Indian non-banking financial institution specialised in microloans to low-income population.

2022 was once again marked by major changes from a regulatory point of view, in particular with the publication of the final text of the CSRD (Corporate Sustainability Reporting Directive), which seeks to harmonise the publication of sustainability information by companies, as part of the European Commission's Action Plan for Sustainable Finance. In addition, the regulatory sustainability obligations arising under Delegated Regulation 2021/1253 and Delegated Directive 2021/1269 supplementing MiFiD (known as "MiFiD 2 ESG") came into force on 2 August 2022, requiring Crédit Agricole CIB to obtain information about its clients' sustainability preferences and adjust its product governance based on those new criteria.

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

Liquidity green supporting factor

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

Successfully applied for many years within Crédit Agricole CIB, it has now been extended to other Crédit Agricole Group entities.

Indosuez Wealth Management

After the launch in November 2019 of the Indosuez Objectif Terre international equity fund, which offers investments in securities of companies involved in tackling global warming and protecting natural resources, Indosuez Wealth Management is continuing to roll out its responsible offering across all asset classes.

ESG criteria are now integrated into its various support models (advisory/discretionary management), its processes for developing and selecting financial products (direct securities, investment funds, structured products).

For example, in Q4 2022, Indosuez Wealth Management offered its clients an innovative responsible investment solution in the form of a structured product with a maximum term of 8 years based on three pillars:

- Crédit Agricole CIB's green note issuance programme;
- indexation to the performance of the MSCI Europe Select Blue Cycle 50 5% Decrement index, a market index that aims to contribute to global efforts by investing in companies that use efficient water processes, that recycle water or that use alternative water sources;
- a solidarity component in the form of a total donation of €430,000 to support the utility and the projects of three foundations and associations: *Fondation de la Mer*, Plastic Odyssey and the Monaco Oceanographic Institute.

A little earlier in the year, Indosuez Wealth Management entered into a partnership with Repsol Fundación and Portobello Capital to launch the first reforestation investment fund in Spain, which reforests burnt or abandoned land in Spain and Portugal in order to increase the offsetting of CO_2 emissions.

In addition, Indosuez Wealth Management offers its clients and wealthy clients of the Regional Banks management guidance on environmental and societal issues.

2

3.4. Improving our climate performance

Since 2011, in addition to the standard greenhouse gas (GHG) calculations shown in the “Limiting our direct environmental footprint” section, an estimation of the Bank's financing and investment carbon footprint is in place, using the SAFE methodology.

This calculation showed an indirect carbon footprint about one thousand times higher than the total operating emissions estimated for Crédit Agricole CIB, reflecting the carbon intensity of activities financed and corresponding to the Bank's active role in the financing of the world economy.

The order of magnitude, on the basis of the amounts outstanding at 31 December 2022, was 62 Mt equivalent of CO_2, i.e. a carbon intensity of around 200 t of CO_2 per million euros of financing, significantly less than in 2021.

The CSR sector policies and the transition risk index help both reduce the climate risks of Crédit Agricole CIB (see above) and improve climate related results. The transition risk index makes it possible to develop a generalised consideration of this matter across all sectors and countries. Reflecting the positioning of each client as regards the energy transition, this approach appears to be both more precise and more relevant than one that is only based on successive sector-based exclusions.

The good performances achieved in climate finance reflect Crédit Agricole CIB's positive action in this area:

- The exposure to low-carbon energies covers the activities of production and storage. This includes renewable energy (wind, solar, biomass, geothermal, hydroelectric, wave/tidal), nuclear energy, and biofuels. This exposure is calculated in EAD (Exposure At Default), based on dedicated financing (i.e. financing of dedicated assets and projects) and non-dedicated financing. For dedicated financing, the amounts are related to the share of low-carbon electricity production associated with each project or asset, calculated from installed capacity data by technology associated with the project or asset. Non-dedicated financing is related to the share of low-carbon energies in the turnover of each client. This calculation is made using customer data and data purchased from external data providers, using the latest available data as a priority (the most recent data).

  Crédit Agricole CIB's exposure to low-carbon energies was €10.5 billion at the end of 2022.
- In 2022, Crédit Agricole CIB acted as bookrunner on €26.3 billion of responsible bond issues for its major clients[1]. The Bank is regularly recognised by the IFR, the Banker and Global Capital magazine for its role in the sustainable finance market, as well as the transactions in which it participates.
- Since 2019, CACIB has calculated its exposure to the thermal coal. Aware of the coverage limits of portfolio of the previously used data, CACIB has carried out a major data collection work in 2022, which made it possible to identify more customers exposed to coal and to obtain more precise data. On these basis, the calculation methodology was refined. Thus, calculated in EAD (Exposure At Default), exposure to thermal coal takes into account both dedicated financing of coal assets and non-dedicated financing, compared to the share of thermal coal in the turnover of each customer (note that in the absence of revenue data for the thermal coal business only, the revenue for the overall coal business, i.e. thermal and metallurgical, is used). In addition, customers whose share of thermal coal represents strictly less than 1% of their turnover are not taken into account in the calculation of CACIB's coal exposure. Declining since 2020, this exposure stood at €557m at the end of 2022.

(1) Source: Bloomberg.

3.5. Reporting on our climate action

Financial institutions, particularly in the private sector, are faced with a major dilemma regarding the disclosure of their actions. On the one hand, they are bound by a duty of confidentiality towards their clients. On the other, public interest groups continue to demand greater transparency and comparability. Other major hindrances to accurate reporting of actions performed are the large numbers of clients and transactions, the low relevance of international economic classifications to climate issues and the wide range of bank loans.

Crédit Agricole CIB is nevertheless making major efforts in terms of transparency by publishing its environmental and social evaluation and exclusion criteria in its sector CSR policies and presenting its climate risk assessment approach and tools. In a spirit of Corporate Social Responsibility, this transparent approach meets the recommendations of TCFD and the requirements of Article 173 of the law on energy transition for green growth.

Crédit Agricole CIB encourages its clients to also engage in this transparency approach. This is embodied in the Equator Principles, which contain an obligation for clients to publish certain information. This is also true through the Green Bond Principles and Social Bond Principles, which aim to increase transparency on these markets by encouraging issuers to regularly publish their reporting on fund allocation and on environmental and social impact measures for financed projects.

At dedicated events, Indosuez Wealth Management shares its initiatives to promote a more responsible economy and the tangible results it has achieved. They are also included in its CSR report, which is made public each year.

In the interests of transparency and to support its clients in making responsible investment choices, the ESG ratings produced using Amundi's methodology are included in all Indosuez Wealth Management clients' periodic statements.

4. HELPING OUR CLIENTS TO MEET THEIR SOCIAL, ENVIRONMENTAL AND SOLIDARITY RELATED CHALLENGES

Helping our clients to meet their social, environmental and solidarity challenges is an essential component of our CSR approach. This is primarily achieved by:

- **offering dedicated funds to finance environmental projects: Green and Social notes;**
- **advising our clients on social and environmental projects;**
- **promoting Socially Responsible Investment in Wealth Management;**
- **assessing and managing the risks inherent in the environmental and social impacts of our financing.**

4.1. Offering dedicated funds to finance environmental and social projects: green and social notes

Concept - Description

In 2013, Crédit Agricole CIB developed a new product: the "Crédit Agricole CIB Green Notes". The Green Notes are bonds or any other financial instrument issued by Crédit Agricole CIB whose funds raised is dedicated to funding environmental projects.

In 2018, Crédit Agricole put in place a Green Bond Framework to serve as a common framework for all the Group's issuing entities, including Crédit Agricole CIB, for their respective Green Bond and Green Note issues. In November 2020, Crédit Agricole published a Group Social Bond Framework covering all the Group's issuing entities, including Crédit Agricole CIB. This Framework allowed Crédit Agricole S.A. to successfully launch its inaugural €1 billion Social Bond issue on 2 December 2020.

For its Green and Social Notes, Crédit Agricole CIB follows the principles laid down by the Green and Social Bond Principles which are voluntary principles for the formulation of Green and Social Bonds and allowed to guide the market development. The Green and Social Bond Principles are offered by the major green bond and social bond arranging banks, including Crédit Agricole CIB.

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

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

The implementation of the Green Bond Principles is described on the Bank's website (www.ca-cib.com). Second opinion

Crédit Agricole CIB's "Green and Social Notes" issued under the Group's Green and Social Bond Framework benefit from a second opinion from the extra-financial rating agency Moody's IS (previously Vigeo Eiris). Moody's IS (previously Vigeo Eiris) experts approved the relevance and soundness of the Group's Green and Social Bond Frameworks, the methodology used to select the projects to be included in the green and social portfolio as well as its alignment with the Green and Social Bond Principles.

Inventory

GREEN NOTES OUTSTANDINGS

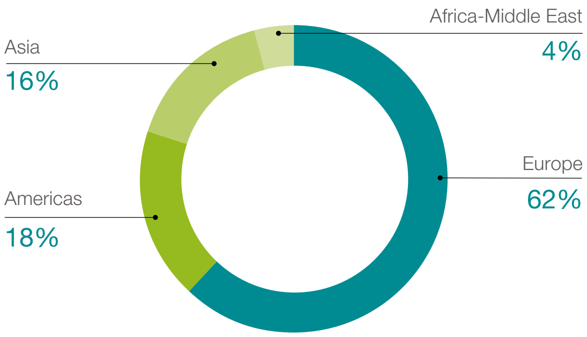
At 31 December 2022, the amount outstanding of Green Notes and similar debt products issued by Crédit Agricole CIB enabling the financing of green loans according to the eligibility criteria of the Group's Green Bond Framework, was €4.7 billion.

Details of Green Note outstandings are available on Crédit Agricole CIB's website: Regulated information | Crédit Agricole CIB (ca-cib.com)

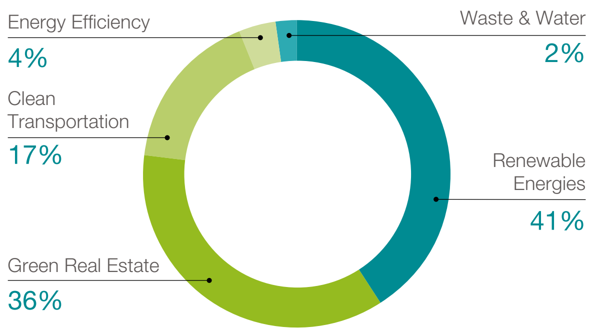
COMPOSITION OF THE GREEN NOTE PORTFOLIO

As of 31 December 2022, the breakdown of the green portfolio is as follows. It is well diversified, both geographically and sectorially, in line with Crédit Agricole CIB's conviction that the transition to a greener economy will involve numerous industrial sectors, around the world.

▶ **Geographic distribution**



▶ **Breakdown by sector**



SOCIAL NOTES OUTSTANDINGS

At 31 December 2022, the amount outstanding of Social Notes and similar debt products issued by Crédit Agricole CIB enabling the financing of social impact loans according to the eligibility criteria of the Group's Social Bond Framework, was €88.6 million. Crédit Agricole CIB's social portfolio consists of telecommunications projects in rural areas (as to 50%), infrastructure projects in developing countries (as to 34%) and investments in public hospitals (as to 16%).

4.2. Advising our clients on social and environmental projects

Since 2010, the Sustainable Banking team has been supporting clients with their social or environmental projects.

As said above, Crédit Agricole CIB has thus supported, during the course of 2022, some of its clients in the financing of their environmental and/or social projects thanks to a new offer of dedicated loans: Green Loans, Sustainability-Linked Loans, Green Bonds and Sustainability-Linked Bonds.

Indosuez is confident in its ability to redirect savings towards responsible and/or impact projects, and throughout the year, offers its clients structured investment solutions, most of which are built on Crédit Agricole CIB's green note issuance programme, including Indosuez Blue Cycle.

In 2022, Indosuez Wealth Management entered into a partnership with Repsol Fundación and Portobello Capital to launch the first reforestation investment fund in Spain, which reforests burnt or abandoned land in Spain and Portugal in order to increase the offsetting of CO_2 emissions.

In France, Indosuez Wealth Management supports its clients who wish to dedicate part of their time and sometimes their wealth to a public interest cause as part of their philanthropic initiatives (structuring an appropriate philanthropic vehicle).

4.3. Raising our clients' awareness of sustainable finance

In 2022, the Sustainable Banking team organised the thirteenth edition of its annual Sustainable Finance conference. It brought together major investors and issuers over three days in a remote format. This edition was attended by a record number of international experts, key players in ESG or Sustainable Finance (company managers, economists, regulators, etc.) and comprised 12 round table discussions and speeches, some of which had a geographical dimension. This conference was also an opportunity for issuers to hold discussions with investors at bilateral meetings (with more than 200 meetings held).

In October 2022, Indosuez Wealth Management's clients around the world were invited to a conference on climate change issues prepared in conjunction with IFCAM based on scientific data set out in the IPCC's reports. Awareness-raising articles are also regularly included in the bank's periodic publications and dedicated materials are made available to clients.

4.4. Promoting socially responsible investment (SRI) in wealth management

The Indosuez Wealth Management Group has established an action plan aimed primarily at promoting CSR and providing a complete wealth management offering that seeks to achieve carbon neutrality by 2050. It aims at achieving the following objectives:

- measuring ESG appetite and the including ESG criteria over the entire client journey;
- the introduction of a 100% ESG advisory service;
- the creation of a socially responsible financing and investment offering;
- the ESG rating of all client portfolios.

The work carried out has already resulted in the enhancement of the value proposition of the ESG offering, with client events, the launch of funds, structured products, management mandates and green financing at the heart of Indosuez Wealth Management's offering.

The support provided to its clients is combined with the solidarity of its employees through, for example, their skills-based sponsorship of the Indosuez Foundations in France and Switzerland or the "Citizen Days" company volunteering programme.

As part of its "Ambitions 2025" medium-term plan, Indosuez has committed to promoting philanthropy among its clients through the alignment of its solidarity initiatives with its areas of commitment (water, education and the circular economy).

4.5. Assessing and managing the risks inherent in the environmental and social impacts of our financing

Crédit Agricole CIB has developed a system to assess and manage the risks arising from the environmental and social impacts relating to both transactions and clients, by factoring in the main sustainable development issues, i.e. combating climate change, biodiversity protection and respect for human rights.

Consideration of sustainable development aspects

CLIMATE CHANGE

The consideration of this issue is detailed in Part 3 "Integrating climate change issues".

2022 Highlights

Biodiversity indices

Two biodiversity-related indices were developed in 2022 with the intention to being deployed in 2023:

- To assess clients' dependence on biodiversity (dependency index) and clients' impact on biodiversity (impact index), leading to enhanced due diligence beyond a certain threshold;
- The metrics have been defined at country-sector level (comprising a geographical component common to both indices and a specific sector component);
- They include a geographical component common to the two indices based on the following risk factors:
  - the two main factors of permanent deforestation according to the World Resources Institute (WRI): expansion of commercial agriculture and urbanisation (the "Tree cover loss by dominant driver" index of the WRI's Global Forest Watch platform);
  - the presence of primary forests or mangroves (data from the WRI's Global Forest Watch platform);
  - the lack of a national policy for protecting sensitive regions (no registration of protected areas at international level: RAMSAR, UNESCO World Heritage).

These two indices also include a sector-based component:

- dependency index: the sectors most vulnerable to biodiversity loss were identified based on various studies (World Economic Forum, PRI, UNEP, KPMG) listing sectors that are highly dependent on ecosystem services;
- impact index: the sectors responsible for the greatest impacts on biodiversity loss have been identified based on various studies (Portfolio Earth, PRI, UNEP and VigeoEiris) listing the sectors with the most significant impacts on biodiversity.

BIODIVERSITY PROTECTION

Since it exercises a services activity and is located in urban environments, the Bank does not have a significant direct impact on biodiversity.

However, the activities it finances may in some cases affect biodiversity. In its CSR sectoral policies, Crédit Agricole CIB therefore introduced analytical and exclusionary criteria based on biodiversity protection, with particular attention paid to important areas based on this criterion. Critical adverse impacts on the most sensitive protected areas, such as and wetlands covered by the Ramsar Convention, constitute exclusionary criteria under these policies, for example.

Since 2016, Crédit Agricole CIB has been mapping the sectors and geographical regions which are most exposed to water access and pollution issues. Crédit Agricole CIB has included this criterion of analysis in its CSR scoring system described below. An artificial intelligence tool was developed in 2021 to help account managers read the documents published by clients and identify their responses to this issue.

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

In 2022 Crédit Agricole CIB worked on defining two biodiversity-related indices. The purpose of these indices is to assess clients' dependence on biodiversity and clients' impact on biodiversity for corporate portfolios. In 2023 enhanced due diligence will be introduced above a threshold. The metrics have been defined at country/sector level (comprising a geographical component common to both indices and a specific sector component). This work on biodiversity complements the initial work carried out previously on water and pollution.

Water is a scarce and strategic resource that Indosuez Wealth Management has placed at the heart of its priorities and integrated into its entire value chain, from the commitment of its employees to the products and services offered to its clients. As such, Indosuez Wealth Management is actively continuing its sponsorship of Under the Pole (scientific research on the seabed), Coral Gardeners (research on coral in French Polynesia), 1001 Fontaines (access to drinking water in Africa). Its Indosuez Blue Cycle investment solution, co-developed with Crédit Agricole CIB, was accompanied by a donation of €430,000 to promote water conservation and protect the oceans through the projects run by the *Fondation de la mer*, Plastic Odyssey and the Oceanographic Institute of Monaco. For example, the projects run by the *Fondation de la mer* in the Mediterranean seek to protect the bottlenose dolphin, a victim its prey being overfished, the giant devil ray and the basking shark, which are at risk of extinction. Loggerhead turtles, which are classified as a vulnerable species by the IUCN due to plastic pollution and urbanisation, are also the subject of a specific programme.

OTHER ACTIONS TO PROMOTE HUMAN RIGHTS

Crédit Agricole CIB fully endorses the values of the United Nations Global Compact, of which Crédit Agricole is a signatory. This particularly concerns human rights and labour standards. These general principles have been supplemented by a number of specific charters signed by Crédit Agricole S.A.: the Diversity Charter in 2008, the Human Rights Charter in 2009 and the Responsible Purchasing Charter in 2010.

Actions concerning employees are covered in "Ambition in terms of human Resources" and those concerning sub-contractors and suppliers are discussed in "Being responsible along the entire chain".

As with climate and biodiversity matters, however, the indirect impacts involving the financed activities appear as most significant. They are assessed and managed as shown below. The Bank's CSR sector policies refer specifically to the International Labour Organisation fundamental conventions, and the International Finance Corporation performance standards.

Since 2016, Crédit Agricole CIB maps the sectors and geographical regions which are most exposed to risks of human rights violations in both their own operations and within their supply chains. Crédit Agricole CIB has included this criterion of analysis in its CSR scoring system described below.

Assessing and managing the risks arising from the environmental and social impacts of financing

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

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

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

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

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

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

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. Although they cannot always be applied in their current state to other types of financing, they nevertheless represent a useful and globally recognised methodological framework for recognising and preventing environmental and social impacts in cases where the financing appears to be linked to the construction of a specific industrial asset (plant, transport infrastructure, etc.).

The implementation of the Equator Principles is described in detail on the Bank's website.

Statistics

13 finance project loans have been signed [(1)] in 2022 and were ranked into category A, B and C of the International Finance Corporation. At 31 December 2022, 457 projects in the portfolio had been ranked. The classification of projects breaks down as follows:

- 38 projects classified as A, 5 of them in 2022;
- 359 were classified as B, 8 of them in 2022;
- and 60 projects classified as C, none of them in 2022.

The 2022 breakdown by sector and region is as follows:

	Category A	Category B	Category C
Total	**5**	**8**	**-**
Sector			
Mining	1	-	-
Infrastructure	-	4	-
Oil & Gas	3	-	-
Energy	1	4	-
O/w renewable energy	-	3	-
Other	-	-	-
Region			
North America	3	3	-
Latin America	-	-	-
Asia-Pacific	1	2	-
Europe	-	3	-
Middle East/Africa	1	-	-
Designation of countries			
Designated	3	7	-
Non-designated	2	1	-
Independent review			
Yes	5	8	-
No	-	-	-

NB: Countries classified as "Designated" are high-income OECD countries as per the World Bank indicators. Independent Review means that the environmental and social information has been reviewed by a consultant not related to the client.

At 31 December 2022, there were 38 Project-Related Corporate Loans (PRCL) in the portfolio. Ten PRCLs were signed [(1)] in 2022 and ranked as category A, B or C, as follows:

- 6 were classified as A;
- 4 were classified as B;
- no projects were classified as C.

The sector-specific and geographic distributions are as follows:

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

CSR sector policies

The CSR sector policies published by Crédit Agricole CIB and Crédit Agricole Group explain the social and environmental criteria included in the Bank's financing policies. These criteria mainly reflect the aspects of concern to civil society that appear to be the most relevant for a corporate and investment bank, particularly those relating to human rights, fighting against climate change and preserving biodiversity. The goal of the CSR sector policies is therefore to clarify the non-financial principles and rules relating to financing and investments in the corresponding sectors, in accordance with the Crédit Agricole S.A. Group policy.

The current sector policies and their implementation are described on the Bank's website.

Sensitivity analysis

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

(1) In accordance with the agreement entered into by the Equator Principles association (project closed).

Client CSR scoring

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

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

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

5. AMBITION IN TERMS OF HUMAN RESOURCES: STRENGTHENING AUTONOMY AND ACCOUNTABILITY

Crédit Agricole CIB's Human Project places its employees at the heart of its strategy to make them the key players in its performance and transformation. By developing an empowering managerial culture and by offering a working environment that promotes autonomy, collaboration, trust and initiative, the Bank aims to strengthen each person's accountability and commitment to clients and society at large.

The Human Project, at the heart of Crédit Agricole CIB's strategic plan "*Ambitions* 2025", is based on 6 levers consistent with the Group's objectives:

- Sharing values, notably through incentives, personal protection and equal pay for men and women
- Offering new, more agile working methods using flexibility as a performance driver
- Ensuring sustainable employability for all, through continuous development and a predictive approach to skills requirements
- Tapping into development potential, through mentoring, companionship, feedback culture and promotion of mobility
- Fostering a stronger sense of community by having employees become ambassadors of the Bank's values both internally and externally
- Encouraging social engagement through the promotion of diversity and social inclusion

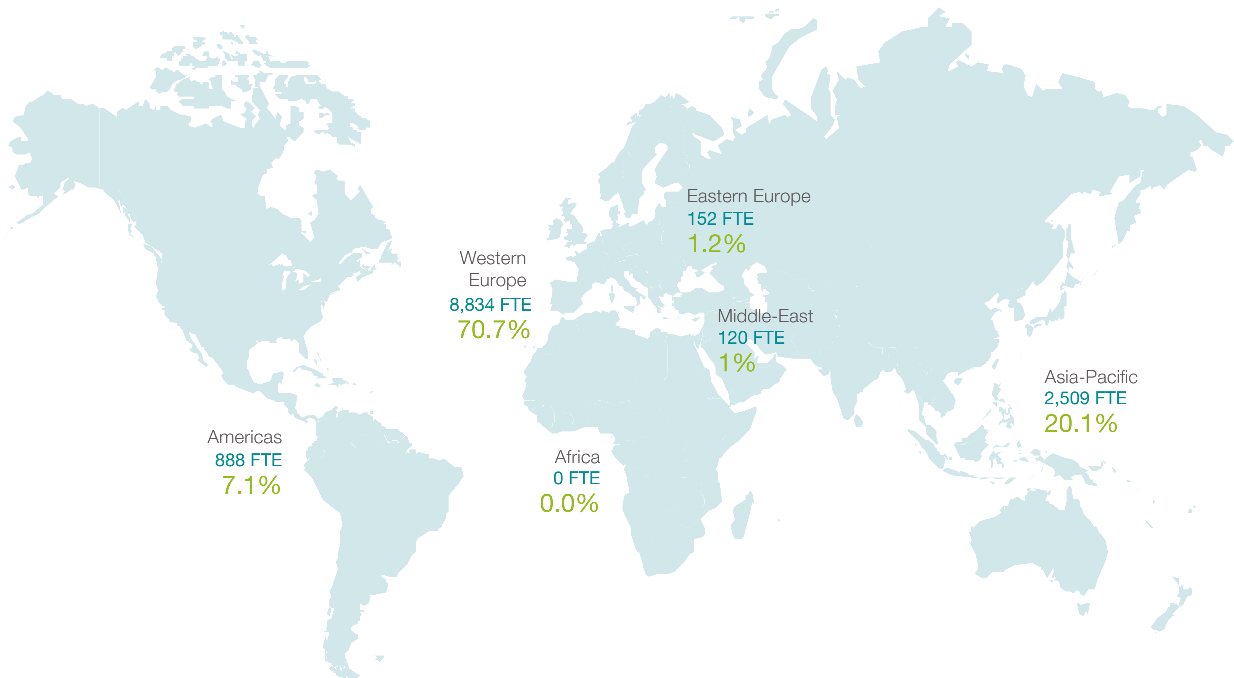
To drive this project, the Bank encourages accountability at all levels of its organisation, allowing everyone to express their potential. Crédit Agricole CIB has implemented an accountability approach since 2020. This approach, which involves employees, managers and management teams, promotes the development of authentic leadership and employee accountability by relying on a strengths-based management approach and the involvement of teams through dialogue circles.

KEY FIGURES

▶ Headcount by area of activity (FTE: Full time equivalent)

▶ Headcount by region

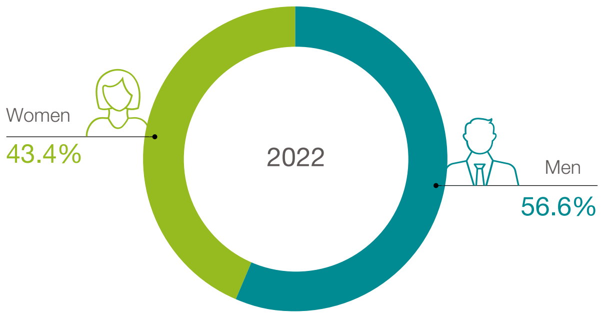
At the end of 2022, Crédit Agricole CIB had 12,503 full-time equivalent (FTE) employees and a presence in more than 30 countries.



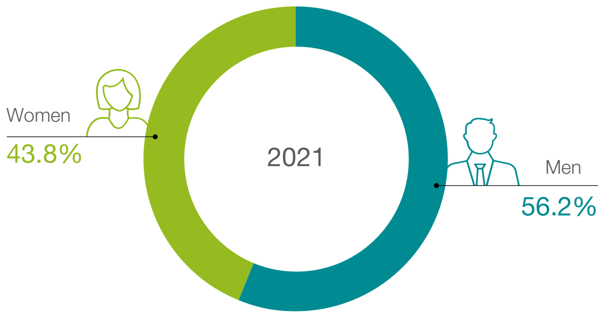
▶ Headcount by type of contract (FTE: Full-time equivalent)

	2022			2021		
	France	International	TOTAL	France	International	TOTAL
Permanent contract	5,468	6,604	12,072	5,130	6,367	11,497
Fixed-term contract	39	391	430	46	460	506
Total active headcount	5,507	6,996	12,503	5,176	6,828	12,003
Number of permanent employees on leave of absence	105	33	138	89	28	117
TOTAL	**5,612**	**7,029**	**12,641**	**5,265**	**6,856**	**12,120**

▶ Breakdown of workforce by gender



Scope covered: 100%

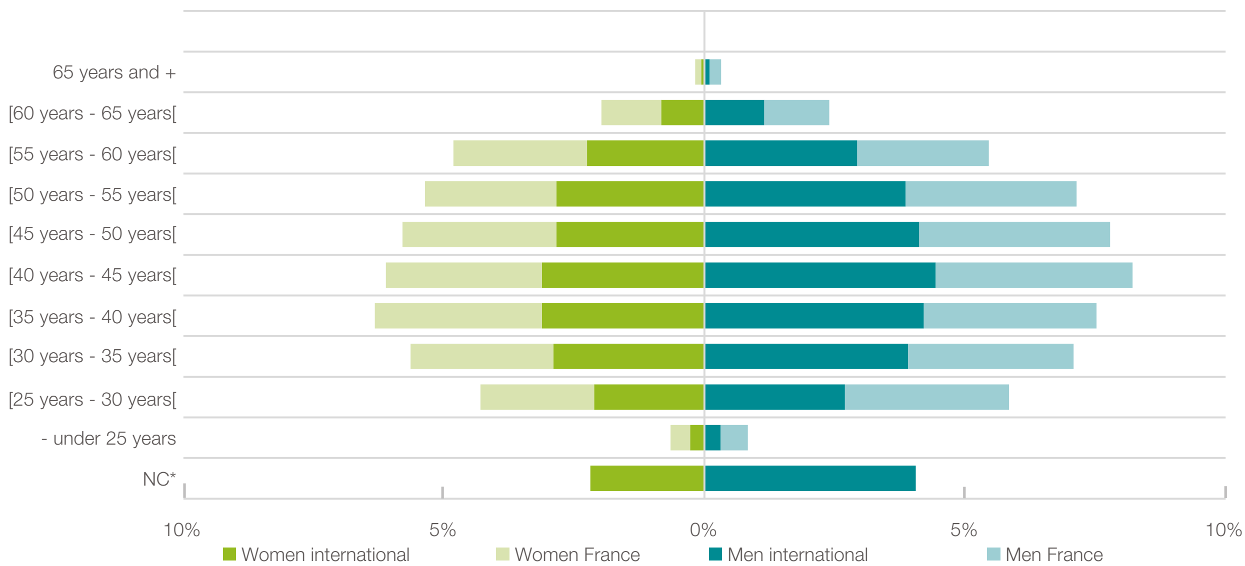


Scope covered: 100%

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

	2022		2021	
As a %	Executives	Non-executives	Executives	Non-executives
Headcount in France	96.6	3.4	95.8	4.2
O/w women (%)	94.3	5.7	92.9	7.1
O/w men (%)	98.5	1.5	98.3	1.7
Scope covered in France		**100%**		**100%**

▶ Age pyramid as of 31 December 2022



**For regulatory reasons, some entities (particularly in Americas) do not disclose "age" data.*

▶ Average age and average length of service

	2022			2021		
	France	International	TOTAL	France	International	TOTAL
Average Age	43 years 3 months	43 years 2 months	43 years 3 months	43 years 6 months	43 years 5 months	43 years 5 months
Average length of service	13 years 1 month	9 years 2 months	11 years	13 years 2 months	9 years 7 months	11 years 2 months

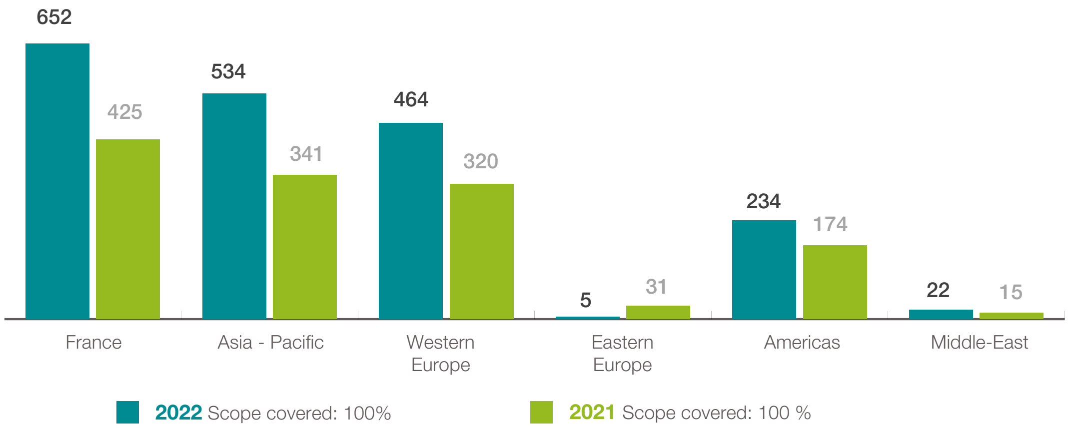
▶ Departures of permanent employees by reason

	2022				2021			
	France	International	TOTAL	%	France	International	TOTAL	%
Resignations	174	711	885	76.0	99	530	629	69.8
Retirements and early retirements	78	44	122	10.5	67	55	122	13.5
Dismissals	6	72	78	6.7	9	71	80	8.9
Deaths	3	5	8	0.7	6	3	9	1
Other departures	29	42	71	6.1	38	23	61	6.8
TOTAL DEPARTURES OF PERMANENT EMPLOYEES	**290**	**874**	**1,164**	**100**	**219**	**682**	**901**	**100**
Scope covered				**100%**				**100%**

▶ Promotions in France

	2022			2021		
	Women	Men	TOTAL	Women	Men	TOTAL
Promotion within the non-executive category	1	2	3	1	3	4
Promotion from non-executive to executive	26	3	29	22	9	31
Promotion within the executive category	238	307	545	188	190	378
TOTAL	**265**	**312**	**577**	**211**	**202**	**413**
%	45.9	54.1	100	51.1	48.9	100
France scope covered			**99%**			**99%**

▶ Recruitment by geographic area [(1)] (permanent contracts)



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

▶ Proportion of part-time employees

	2022			2021		
	Women	Men	TOTAL	Women	Men	TOTAL
Part-time headcount	647	111	758	675	97	772
% part-time headcount	12.5	1.6	6.3	13.2	1.5	6.6
% women in part-time headcount	-	-	85.4	-	-	87.4
Scope covered			**100%**			**100%**

5.1. Multiple opportunities

5.1.1. Attracting talent, developing our employees, preparing succession plans

5.1.1.1 PROMOTING THE EMPLOYER BRAND AND GROWING OUR TALENT

Crédit Agricole CIB has an active recruitment and talent identification policy, in France and abroad, to meet the needs of its business lines. By strengthening its partnerships with universities and schools as well as its presence on campuses, the Bank aims to promote its expertise and its international network in order to attract future talents. It also aims to strengthen connections between the academic and business spheres. In 2022, 113 forums (digital and in-person) were organised, including 93 in France, in partnership with schools and universities. Over 100 managers and employees joined the HR teams again in France in 2022 for these events to share their experience with students and receive applications for the various positions to be filled.

The Bank is setting up specific educational partnerships in France and internationally. In 2022, Crédit Agricole CIB continued coordinating its various strategic partnerships with schools and universities. In order to enhance its appeal to engineering students, the Bank also entered into a new partnership with ENSIMAG, and has teams up with Crédit Agricole Group entities to launch a partnership with EFREI.

Mindful of reaching out to as many people as possible, the Employer Brand of Crédit Agricole CIB spreads out on the Bank's social media, LinkedIn and Twitter. With 76 publications in 2022, the Bank was able to promote its commitments, share experiences from recently recruited employees and display career opportunities to potential candidates.

5.1.1.2 EMPLOYEE INDUCTION

In 2016, Crédit Agricole CIB rolled out its Global Induction Programme, to help new employees integrate into the company. The programme allows new entrants to learn about all Crédit Agricole CIB business lines and to receive all the useful information they need when they arrive.

The Bank's intranet has a dedicated area wherein a large number of documents helping the integration process are available. Digital resources are also available on the Bank's international training portal, HRE-Learning. An individual programme of mandatory training courses is in place to develop and promote compliance and risk culture, helping new employees to adopt the correct behaviours expected of them in regulatory matters. Depending on the business line, new employees may also take additional training courses to help them ease into their new position.

During their first year at the Bank, newcomers are also invited to attend Induction Day to gain a better understanding of the interaction between the Bank's different business lines and to meet their peers who recently joined Crédit Agricole CIB teams. Since its inception in 2016, nearly 3,000 employees have taken part in this induction event.

In 2022, the 1,200 employees who began working at Crédit Agricole CIB's locations around the world were invited to the same event, which was held remotely and digitally to comply with restrictions imposed by the health crisis. These Induction Days brought together participants from more than 25 countries. The history of an emblematic deal was presented by experts from the Bank's various business lines; the experiences they shared allowed new joiners to better understand how the Corporate and Investment Banking Division operates.

Depending on their location and business line, new hires may also be invited to participate in specific integration programmes. This is the case in the United States, where videos presenting the various divisions are offered to new staff, allowing them to familiarise themselves with the Bank's organisation.

As part of its digitisation transformation, Crédit Agricole CIB offers a digital onboarding process giving employees online access to their digital HR documents from both their personal and professional computers. In order to facilitate the search for information, the HR intranet in France has a chatbot that answers employee questions.

5.1.1.3 DEVELOPING AND SUPPORTING OUR TALENT

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

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

Since 2017, Crédit Agricole CIB has implemented the Corporate Mentoring Programme which allows Crédit Agricole CIB's talent at various locations worldwide to benefit from the support of members of the Executive Committees or Business Line and Country Management Committees. This experience-sharing programme also aims to promote greater diversity within the teams.

Leadership programmes dedicated to female talent are also being rolled out at Crédit Agricole CIB to promote diversity throughout our organisation.

In addition, at Indosuez Wealth Management and Azqore, the annual Together seminar is attended by around fifty participants each year, giving them an opportunity to strengthen their knowledge of the Group, its business lines and ambitions, and to develop the internal network of participants. Through collaborative reflections on its strategic challenges and projects, each of them contributes to Indosuez's transformation.

5.1.1.4 PROMOTING EMPLOYEE MOBILITY

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

In a world where businesses and skills are changing rapidly, Crédit Agricole CIB gives all employees the opportunity to become the leading player in their development by encouraging them to take the initiative in increasing their employability.

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

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

In addition to these measures, in 2022 Crédit Agricole CIB finalised the worldwide deployment of the 365Talents digital solution within all divisions.

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

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

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

365Talents is also being progressively deployed in several group entities.

To promote its mobility support solutions, the Bank also held its fourth Mobility Week in France, attended by 500 participants both digitally and in-person. This year, the opening conference was offered to Crédit Agricole CIB employees internationally and was attended by more than 800 staff members worldwide. This event allows the business lines to present their opportunities and enables participants to speak to the HR teams in order to receive personalised advice.

In 2022, the *Déclic Mobilité* programme, organised with a firm that specialises in providing professional mobility support, was again held remotely. This programme combines one-on-one interviews and group sessions to encourage the sharing of experiences, and has enabled 183 employees since its creation in 2017 to discuss their mobility plans and to get them under way.

In addition, 88 employees took part this year in remote mobility workshops organised each month and received advice to help them reflect on their career plan, write their CVs and prepare their recruitment interviews.

In addition to these solutions, a new personalised support programme was launched in 2021. By joining this programme, employees can focus 100% on their mobility research, with the help of a coach and the sponsorship of a member of Crédit Agricole CIB's Executive Committee. Thanks to this "Oxygene" programme, more than 10 employees have taken advantage of this programme since it was launched.

Indosuez Wealth Management is also very committed to promoting, encouraging and developing mobility, particularly through the use of internal communication tools. For example, in France, 60% of open positions were filled by applicants from Indosuez internal transfers or from the Crédit Agricole Group.

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

5.1.2. Employee training and collective development

5.1.2.1 TRAINING

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

Developing cross-functional and behavioural and skills

The training offer at Crédit Agricole CIB is designed to encourage curiosity. All employees are involved in determining their own training and can freely access the HRE-Learning online portal, which offers thousands of modules. In line with the Bank's digital transformation over the past few years, Crédit Agricole CIB is continuing to expand its digital training offer to enable all its employees to continue developing their behavioural, linguistic and managerial skills (soft skills).

At Indosuez Wealth Management, a monthly communication was put in place to invite employees to develop their Soft Skills. Each month, they receive dedicated information, shared between all regions and referred to as the "My Learning Corner" allowing them to discover the tools, training and events available to them. These tools include the Indosuez Wealth Management Digital Academy, a library of content and online tools launched two years ago and regularly expanded. Employees are able to work at their own pace, at the time and place that suits them best, on a variety of topics: languages, office automation, new technologies, CSR, etc. Themed lunch&learn events are also organised and are often hosted by external professionals.

Developing employee skills and adapting HR tools to transformation challenges

Crédit Agricole CIB has an active training policy to meet current and future strategic challenges. The Bank encourages all employees to continuously adapt their skills to the fast and complex changes in the economic, regulatory and technological environment.

In 2022, Crédit Agricole CIB continued to support the business lines in their transformation centred on data and environmental and societal issues. Awareness-raising initiatives were conducted through "Climate Fresk" workshops in France, Canada, Great Britain and the United States in order to raise employee awareness on the subject of climate change. In addition, in line with the needs of the business lines in terms of skills development in these areas, a training and certification programme, the "ESG Academy", was developed in 2022 and will be expanded in 2023. This programme allows everyone to complete their training based on their needs and level of knowledge. Indosuez Wealth Management also provides ESG certification training to the portfolio managers of the Group's asset management companies.

Innovative modules such as Data Management training were also introduced.

Finally, in order to meet regulatory requirements and in line with the accountability approach, "My Mandatory Learning Camp" was once again offered in 2022, allowing employees to manage their training schedule independently, with quarterly deadlines to complete all their regulatory and mandatory training.

The overall training approach, in conjunction with Strategic Workforce Planning and the Human Pillar of the Medium-Term Plan, pursues the following objectives:

- meet the needs and challenges of the business lines in order to develop the skills of their employees;
- meet the Bank's regulatory and security requirements;
- support mobility and career changes through dedicated training plans;
- implement the training and awareness-raising measures required under the various collective bargaining agreements in place;
- use available new technologies and educational methods to promote access to training;
- incorporate training reform into the Crédit Agricole CIB policy.

In 2022, training hours for France were mainly spent on compliance, Banking-Finance and personal development and communication.

The progress of the transformation will be measured in particular through the evolution of the RMI (Accountability Index).

Adapting business lines and skills to technological changes

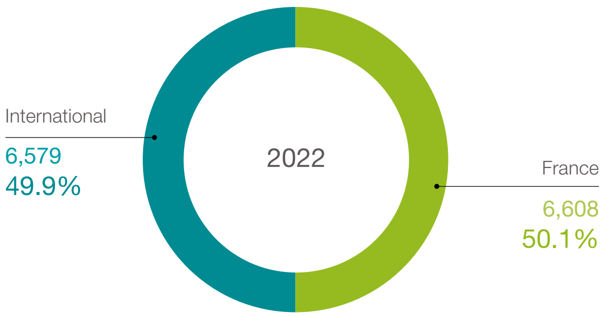
In order to guide employees as they navigate the technological changes in their working environment and raise their awareness of innovation, Crédit Agricole CIB rolled out new systems in 2022: Through its partnership with the innovation team and drawing on the success of the Machine Learning training course (already completed by 60 employees), the data training offer was expanded in 2022 with digital modules produced internally, tailored modules produced by our internal employees and external offers. In order to support the Bank's transformation projects, the partnership with the Pluralsight platform was renewed, thereby allowing more than 400 employees to receive training in web development, IT security, data and various other IT fields. This partnership was also used to prepare AWS certifications.

Furthermore, training programmes specific to each business line have been set up to help Crédit Agricole CIB experts develop their information security skills and thus better anticipate and manage risks.

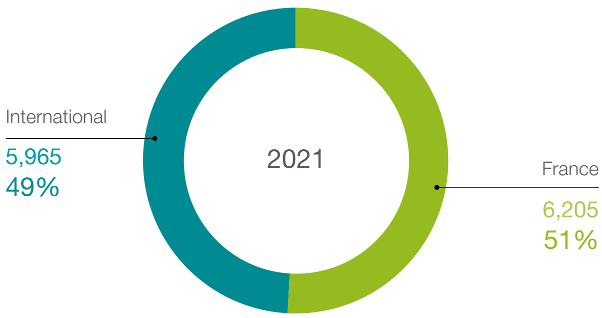
To adapt its business lines to technological developments, Indosuez Wealth Management conducts around twenty strategic structuring projects led by Product Owners. The role of these volunteer employees is to coordinate all the participants needed to create the value of their project and, aided by a product team (developers, designers, production, etc.), obtain user feedback in order to develop more value-added functionalities. They frequently use the "Innovation Lab" opened in 2020 to carry out co-creation workshops, getting clients and prospects involved in innovation processes and projects.

In addition, more than 150 employees took part in an agile method training programme in 2022. Building on this investment, an agile coach is now available to offer support on certain projects in progress, with the aim of embedding these new working methods within Indosuez teams.

Number of employees trained



Scope covered: 98%



Scope covered: 97%

▶ Training themes

In number of hours

	2022				2021	
Topics	TOTAL	%	O/w France	O/w International	TOTAL	%
Knowledge of Crédit Agricole S.A.	4,518	2.0	2,104	2,414	5,814	2.8
Management of people and activities	9,758	4.3	3,404	6,354	7,340	3.5
Banking, law, economy	36,260	15.9	11,363	24,897	25,124	12.0
Insurance	2,913	1.3	2,293	620	1,360	0.7
Financial Management (accounting, tax, etc.)	9,338	4.1	6,382	2,956	9,795	4.7
Risks	4,910	2.2	2,104	2,806	3,500	1.7
Compliance	80,807	35.5	36,649	44,158	80,541	38.6
Method, structure, quality	5,060	2.2	2,547	2,513	4,429	2.1
Purchasing, marketing, distribution	300	0.1	85	215	207	0.1
IT, networks, telecoms	11,401	5.0	5,578	5,823	7,183	3.4
Languages	20,553	9.0	4,179	16,374	24,091	11.6
Office automation, software, NICT	10,759	4.7	4,823	5,936	12,265	5.9
Personal development, communication	16,709	7.3	9,641	7,068	16,247	7.8
Health and safety	10,527	4.6	7,179	3,348	5,088	2.4
Human Rights and Environment	1,672	0.7	591	1,081	3,502	1.7
Human resources	2,061	0.9	1,085	976	2,091	1.0
TOTAL	**227,546**	**100**	**100,007**	**127,539**	**208,577**	**100**
Scope covered	**98%**					**97%**

5.1.2.2 DEVELOPING AND EMPOWERING EMPLOYEES BY OFFERING THEM A PROFESSIONAL PATHWAY – CO-PREPARED WITH THEIR LINE MANAGER AND HR MANAGER

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

In 2022, a new MyDev app was, used to formalise annual appraisals, development goals and targets for the coming year. This new responsibility assessment enables employees to meet their expectations through more regular dialogue, more individualised support and enhanced professional development.

94.6% of annual employee-manager appraisals were carried out through the 2022 global campaign. Once again this year, all employees in France, with at least 6 years' service at Crédit Agricole CIB, were given a Recap Professional Interview to address career development issues and training needs.

The system is supplemented with a 360° campaign dedicated to members of the Management Committee and their N-1 subordinates. This individual development tool allows them to collect feedback from their managers, peers and N-1 subordinates. In order to promote accountability for all employees, participants can choose to share some or all of the results of their 360° report with their manager, the Human Resources divisions or their teams.

Firmly believing that feedback is a tool for individual development and collective performance improvement, Indosuez Wealth Management also has a dedicated system called "5Feedback" which became "COSS PRO" in 2022. It allows all employees to request and receive personal development feedback within minutes. This tool helps to foster a new, more collaborative corporate culture that encourages initiative and accountability at all levels of the company.

◆ Managerial transformation

As key players in developing their employees' skills and implementing the Bank's strategy, managers – regardless of their level of experience – receive specific support. Since 2012, Crédit Agricole CIB has implemented its Management Academy training programme in France and abroad, in order to develop a shared managerial culture. The Management Academy is divided into 3 levels. The Novice Learners level is open to all employees who then have free access to digital modules on managerial topics via the Bank's international training portal. The Expert Learners and Master Learners levels are offered to operational managers and managers of managers. Sessions covering different sectors are organised, such as "Manager & the Law" in the United States, completed by 100 managers. Redesigned in 2021 in terms of both content and format, the Management Academy was redeployed worldwide in 2022 with around twenty sessions rolled out in all Hubs for expert and master learners.

Furthermore, Crédit Agricole CIB has also adopted an accountability approach since 2020, involving employees, managers and senior management with the aim of promoting the development of authentic leadership and employee empowerment by relying on strengths-based management and having teams participate in dialogue circles.

The accountability approach, which is key to the human project, continued in 2022 for the teams of International Trade & Transaction Banking, Risk and Permanent Control, Legal and Corporate and Leveraged Finance France, as well as in Europe, particularly in Germany and the United Kingdom.

The managerial transformation undertaken by Indosuez Wealth Management meets its ambition to always improve its customer service, strengthen the engagement and performance of its teams, and improve its efficiency. Phase 1 ended in 2022 with the training of 240 managers who received individualised support with an external coach in order to identify areas for improvement in terms of relational and human capital. They also took workshops to help them embody the principles of action of the human project on a daily basis (responsibility, discernment, trust and initiative).

Phase 2 also began in November with the implementation of mini-company experiments at team level in order to form a basis for changes in operating methods and interactions. The teams work with a coach to help them collectively brainstorm how to improve operations in order to increase customer satisfaction (internal or external).

A compensation policy based on equality

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

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

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

	2022			2021		
	Women	Men	OVERALL	Women	Men	OVERALL
Executives	5,466	7,155	6,403	5,195	6,816	6,081
Non-executives	3,230	3,212	3,225	3,055	2,989	3,042
TOTAL	**5,343**	**7,099**	**6,299**	**5,042**	**6,753**	**5,953**
France scope covered			**99%**			**99%**

5.2. Diversity of human capital, accelerating our managerial and cultural transformation

5.2.1. An inclusive company

Because imbuing employees with a sense of belonging also means recognising what makes them unique, Crédit Agricole CIB is committed to creating a tolerant and open working environment allowing everyone to express their potential. In order to combat all forms of discrimination, regular awareness-raising actions are deployed. An annual diversity event has been organised since 2011 and represents a key moment in communication, reflection and awareness among Crédit Agricole CIB employees. In 2022, Diversity Month, which took place in November, offered an opportunity to create forums for discussion around inclusion via conferences, informative materials, events and presentations by members of the Executive Committee and role models.

With nearly half of employees working abroad, the internationalisation of its teams is a key goal for the Bank. To step up the internationalisation of its management bodies, Crédit Agricole CIB conducted a global review of its strategic talent pool in 2022 as a source to expand its succession plan. As a result of a special focus on diversity criteria, 35% of identified talents are international.

To meet the objectives set by Crédit Agricole S.A., Crédit Agricole CIB aims to see its talent pool comprise 50% women and 40% foreign nationals by the end of 2025.

Indosuez Wealth Management Group is very international, with only 15% of its workforce in France. Employees of more than 55 nationalities are represented. International employees are encouraged to gain access to global responsibility positions. For example, in 2022, the Head of the Asset Management business line was based in Switzerland, with the heads of Wealth Structuring and Advisory providing world oversight of their activities from Luxembourg.

5.2.2. Gender equality at work

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

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

For several years now, the Bank has implemented action plans to promote gender equality at work. The main focuses of the professional gender equality agreement, renewed in France in 2021 for a period of three years, are to ensure balanced job recruitment and equal pay, train employees on the principles of professional equality and non-discrimination, help all employees to boost their employability, and roll out initiatives in favour of parenthood.

The Bank also supports its female talent, both in France and abroad, through a range of leadership development programmes. The programmes' objectives are to provide women with the keys to strengthening their strategic positioning, developing their networks and progressing within management bodies. A new programme was rolled out in 2022, aimed at young female talents, allowing young women to identify and anticipate the stages of building a career as soon as possible and understand how to navigate the critical balance between skills, visibility and networking.

In line with these action plans and in order to accelerate the feminisation and internationalisation of its management bodies, in 2022 Crédit Agricole CIB conducted a review of its pool of strategic talent to enhance its short-, medium- and long-term succession plans for Circle 1 positions. As a result of a special focus on diversity criteria, particularly gender diversity, 32% of potential successors identified are women. To meet the objectives set by Crédit Agricole S.A., Crédit Agricole CIB aims to see its talent pool comprise 30% women by the end of 2025.

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

Crédit Agricole CIB also offers its employees in paris region and provinces 40 nursery spots, in partnership with the Babilou network of nurseries, and 30 nursery spots in the *Petits Chaperons Rouges* nursery near the SQY Park campus. Allocation of nursery spots is based on social criteria. Crédit Agricole CIB also offers its employees emergency or occasional childcare arrangements in over 450 nurseries for children from four months to three years, also in partnership with the Babilou network.

The effects of all these initiatives and these devices are reflected in Crédit Agricole CIB's gender equality index in France, which once again stood at 85 out of 100 in 2022.

Lastly, Crédit Agricole CIB also supports the networks created by female employees, such as CWEEN launched in 2008 in India, Potentielles in France, Crédit Agricole CIB Women's Network (CWN) in New York in 2010, SPRING in London in 2015, RISE in Hong Kong in 2016, WING in Tokyo in 2017, CARE in South Korea, MORE in Taiwan, Gulf Women's Network in Dubai in 2018 and EQUAL launched in Singapore in 2020. In Italy, the partnership with PWN Milan (Professional Women Network) allows employees to access a specific mentoring programme, participate in remote workshops and training, and discuss their careers with other women.

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

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

The variety, consistency and results of the measures adopted have now been recognised, with for example - for France - a gender professionnal equality index of 93 for 2021 (published in 2022), i.e. 7 points higher than the national average of 86 points. The results obtained were also recognised by the "Women in Wealth Management 2022" (WealthBriefing Swiss) award in Switzerland and the "Diversity & Inclusion" award (WealthBriefing Asia). These awards testify to the relevance and effectiveness of the action plan deployed under the Human Project to ensure fairness, diversity (development of potential, creation of networks, career development and succession planning, compensation) and make the team as a whole a source of value in which individuality can be expressed.

In early 2022, a new Mentoring promotion was launched by the members of the Executive Management Committee of Indosuez Wealth Management, with the creation of 14 paired executive managers and female employees from all entities and reflecting the diversity of the business lines.

The aim of this initiative is to help experienced female employees reflect on how to move forward with their professional development while benefiting from the advice and experience of the Group's senior managers, building bigger networks within Indosuez, and expanding knowledge of the various business lines and organisation on both sides. Indosuez's MTP, Ambitions 2025, aims to step up diversity, with 40% women in senior management bodies (vs. 32% at 31/12/22).

▶ Proportion of women (%)

	2022		2021	
As a %	%	Scope covered	%	Scope covered
Among all employees	43.4	100%	43.9	100%
Among permanent contract staff	40.1	100%	40.1	100%
Among CACIB Executive Committee	18.2	100%	9.1	100%
Among CACIB management circles 1 and 2 [1]	20.9	100%	20.1	100%
Among the top 10% of highest-earning employees in each subsidiary (fixed compensation)	19.6	99%	18.8	99%

[1] The managerial Circles group the members of the Executive Committees and the members of the Management Committees at each entity into two circles.

5.2.3. Disability policy

For many years, Crédit Agricole S.A. Group in France has promoted the employment of persons with disabilities through job retention and awareness initiatives and also through recruitment from the sheltered and disability-friendly sectors. The seventh agreement, signed in January 2022, is a logical continuation of the efforts made over the last fifteen years and covers all Group entities.

To that end, Crédit Agricole CIB implements a policy of integrating and recruiting persons with disabilities in France and abroad.

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

To support employees with disabilities, Crédit Agricole CIB plans to adapt workstations and the working environment: ergonomics studies, specially adapted computer equipment (screens, special software for employees with visual impairment), use of the Tadéo and Roger Voice telephone support for hearing-impaired employees, introduction of additional telework days, additional paid leave for doctors' appointments, and use of sign language translation for conferences and training courses. This individual support can also take the form of tailored training, psychological monitoring, or coaching.

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

In China, Crédit Agricole CIB launched the Mentorship Program to Youth with Disabilities: it is a mentoring program for youth with disabilities which offers coaching to improve the skills and professional confidence of these young persons with disabilities before they join the work force.

Indosuez Wealth Management also has a support system dedicated to persons with disabilities or employees returning to work after an extended sick leave. The Integration & Disability Manager works on a confidential basis to raise awareness among employees and managers on how to recognise disability and on measures to maintain employment which may be implemented. During Employee Disability Employment Week, events were organised with employees on various topics related to disability.

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

5.2.4. Engagement with young people

INCLUSION OF YOUNG PEOPLE AND ACCESS TO EMPLOYMENT (WORK-STUDY EMPLOYEES AND TRAINEES)

Keen to support young people in finding employment, Crédit Agricole CIB pursues an active policy in favour of their occupational integration in France and abroad. In 2022, the Bank maintained an ambitious policy on the recruitment of young people to prepare for the future, integrate new generations and attract talent. As a result, the number of work-study employees and trainees hired in France picked up. In 2022, 438 trainees, 242 work-study employees and 45 VIEs (International Volunteers in Business) joined the Bank.

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

Through its internships, work-study placements and VIE positions, Crédit Agricole CIB identifies the highest-potential employees and creates a Global Junior Pool. In 2022 in France, 21% of young people at the end of their studies, and having just completed an internship or work-study programme at Crédit Agricole CIB, stayed on at the Bank as VIEs or under a fixed-term or permanent contract.

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

In accordance with Group policy, Crédit Agricole CIB participates in numerous activities promoting the diversity of new hires. To that end, the Bank renewed its partnership with Handiformafinance, initiated by the French Management Association (AFG), which offers persons with disabilities the chance to train for back-office jobs in capital markets, while also studying to earn a professional degree from *Université de Versailles* Saint-Quentin-en-Yvelines. The Bank also organised several disability awareness workshops with the Kialatok association on the theme of cooking, inviting the community of its young trainees and work-study participants as well as their tutors.

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

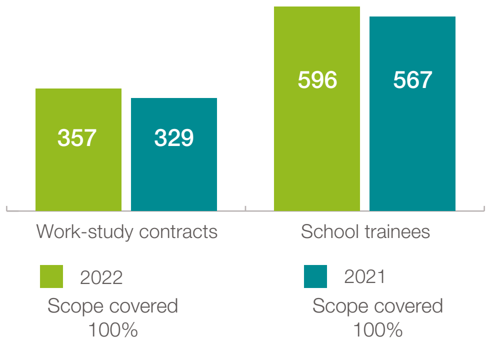
As part of the Human Project and their societal commitments, the Group and Crédit Agricole CIB are committed as a responsible employer to fostering diversity and integrating young people and individuals excluded from employment. In 2022, the Bank strengthened its partnerships with key players such as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

During the health crisis, Indosuez Wealth Management Group continued to support the integration of young people in the world of work. The number of work-study and VIE contracts has thus increased steadily since 2019 (34 work-study participants and 23 VIEs in 2019 versus 54 work-study participants and 63 VIEs in 2022). Indosuez Group (Azqore & Indosuez Switzerland) is now the No. 1 employer of VIEs in Switzerland.

In addition, Indosuez tripled the number of permanent contract in VIE hires between 2021 and 2022 with 23 hires at end-September 2022 versus 7 in 2021.

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

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



5.3. An attractive and secure working environment

5.3.1. Employee feedback and engagement

In 2022, initiatives aimed at encouraging employee listening and participation were ramped up to reflect the numerous transformational challenges linked to the development of the company and our organisational methods.

For example, the Accountability Index was rolled out to all Crédit Agricole CIB employees in France and abroad, replacing the Commitment and Recommendation Index (ERI) in place since 2016.

For the launch of the Ambitions 2025 strategic plan, the IMR aims to measure the deployment of managerial, organisational and cultural transformations initiated by the Human Project and to assess employee engagement in our social, societal and environmental commitments.

The new IMR comprises two pillars: the Quantitative IMR, based on a questionnaire on strategy, managerial culture, CSR commitments, pride in employment, employer recommendation and quality of life in the workplace, and the Qualitative IMR, calculated through the analysis of employee testimonials.

In 2022, Crédit Agricole CIB achieved an IMR score of 80% positive responses with a high participation rate of 71%.

The results of this survey showed strong employee engagement and pride in employment at Crédit Agricole CIB. Employees recommend Crédit Agricole CIB as a good employer, highlighting career development opportunities, the corporate culture centred on people, and the meaning given to their daily responsibilities.

5.3.2. Implementation of the new telework under Project NOW

By signing the telecommuting agreement on 4 October 2021, Crédit Agricole CIB introduced hybrid work as a fully-fledged way of working at the company. In 2022, nearly 87% of employees submitted a telework request in France and obtained their manager's approval. This agreement is a key step in the construction of new ways of working at Crédit Agricole CIB. It sets out the telework rules applicable in France and offers a common foundation in tune with the DNA of the Group and Crédit Agricole CIB, serving as a framework for the international entities while respecting their local culture and regulations. It makes telework a lever for efficiency and collective performance. The telework agreement was deployed under the "New ways of working" project. A major component of the company's Human project aimed at establishing a working environment that promotes collaboration, trust and accountability, notably by relying on hybrid work organisation, rethinking workspaces and deploying new tools and applications to encourage collaboration.

The hybridisation of work is based in part on telework, currently rolled out in all of the Bank's regions of operation, and in part on reorganisation of workspaces with the Smart Office project. This project aims to offer employees the most suitable spaces for their activities when they are on-site. Smart Office is also implemented at all Bank locations, as soon as the teams are large enough. This hybridisation of work is supported by the continuous improvement of the IT infrastructure needed for employees to be able to work under the same conditions even when away from the office.

5.3.3. Occupational Health & Safety/Quality of Life in the Workplace

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

Crédit Agricole CIB's occupational health and prevention division, consisting of the occupational physician and nurses, plays a preventive role in protecting the health of the company's employees. The medical staff provide information and carry out preventive exams, provide care in emergency situations and organise prevention campaigns.

Throughout the year, Crédit Agricole CIB organises health-related events at its various locations: ergonomics advice, free screening, vaccination campaigns, flu and COVID etc. In particular, special support was given to Chinese employees at the height of the COVID crisis, with the provision of food kits and health equipment.

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

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

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

In 2022, Health Month was once again organised by Indosuez Wealth Management at all Group entities in Luxembourg as well as Indosuez branches in Belgium, Spain and Italy. A hybrid edition was offered to employees, with videoconferences and athletic classes given in person and online. For the first time, a focus on tobacco reduction was offered, along with a "biodiversity discovery" day for the whole family in an orchard.

Absenteeism in calendar days

	2022					2021		
	TOTAL				Average number of days of absence per employee	TOTAL		Average number of days of absence per employee
	Women	Men	No. Of days	%		No. Of days	%	
Sickness	42,056	29,208	71,264	51.5	6.0	54,492	45.5	4.5
Accident	828	528	1,356	1.0	0.1	1,115	0.9	0.1
Maternity, paternity, breastfeeding leave	44,513	4,406	48,919	35.3	4.1	48,176	40.2	4
Authorised leave	5,939	6,888	12,827	9.3	1.1	10,537	8.8	0.9
Other	2,386	1,695	4,081	2.9	0.3	5,427	4.5	0.5
TOTAL	**95,722**	**42,725**	**138,447**	**100**	**11.6**	**119,746**	**100**	**10**
Rate of absenteeism					**2.5%**			**2.7%**
Rate of absenteeism excl. Maternity					**1.8%**			**1.6%**
Scope covered					**97%**			**97%**

5.3.4. Work-life balance

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

As of 1 January 2021, the International Framework Agreement offers 16 weeks of maternity leave, recommending that entities introduce adoption or paternity leave to reflect the different possible forms of parenthood.

Crédit Agricole CIB also strives to promote parenthood at its locations. In France, paternity leave was increased from 11 to 25 days in 2021, with employees continuing to receive 100% of their salary in addition to the compensation paid by Social Security.

Under Project NOW, Crédit Agricole CIB offers flexible organisation of hybrid work, while ensuring that the right to disconnect is respected. In France, employees providing care to family members also have the option of receiving 20 additional telework days per year.

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

In 2017, Crédit Agricole CIB set up a system for employees to donate rest days to colleagues who need to care for a sick family member (child, spouse, civil-union partner or ascendants). In 2022, donations amounted to 178 available days that could be allocated to employees where necessary.

Furthermore, in 2022, 368 employees on average participated in the salary donation scheme, thanks to the contribution of the Bank, pay €36,699 to partner associations. Since the implementation of the scheme in May 2020, a total of €89,281.09 has been collected via the MicroDon tool.

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

5.3.5. Employee benefits

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

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

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

2022 saw individual health consultations with employees in Taiwan, improvement of healthcare costs in Singapore and Hong Kong, implementation of an employee support programme in Singapore and new health and well-being initiatives in the United States. Italy set up a platform for all employees to manage some of their benefits related to health, education and care for the elderly.

Ensuring family protection in the event of death or a work stoppage is also important to Crédit Agricole CIB, which fully funds the schemes put in place by its entities. In terms of preparing for retirement, Crédit Agricole CIB has been a pioneer in many countries by helping its employees build up savings. In France, Spain, Italy, the United Kingdom and the United States, this type of scheme has been in place for over 20 years.

Through its employee savings schemes, employees share in the Bank's results and performance. Worldwide, employees are regularly offered the opportunity to take part in capital increases. In 2022, this programme covered 9 countries (including France) in which Crédit Agricole CIB is located.

Special events are offered in the United States to support employees in matters related to savings, investment and retirement.

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

Since 2016 in France, the profit-sharing agreement has incorporated the Bank's CSR indicator, FReD, to reflect the joint commitment of the Bank and its employees to the success of the CSR policy. In 2022, the Bank wanted to involve employees in its commitments to the ecological transition by setting up a "Sustainable Mobility" package. This package aims to encourage more environmentally friendly modes of transport by providing financial support to employees regularly travelling to work by bike, carpooling, or using any other eligible mode of transport.

5.3.6. Anti-harassment measures

International Labour Organization (ILO) Convention No. 190, ratified by France on 8 November 2021, is the first international treaty to recognise the right of all people to employment free from violence and harassment. This condemnation of violence and harassment is formalised in the International Framework Agreement signed on 31 July 2019, the Group's Code of Conduct and the internal rules of its constituent entities. The Group also has a whistleblowing system guaranteeing the anonymity of the whistleblower. The whistleblowing system allows any employee to raise the alert, in particular through an encrypted and secure tool. This system, accessible to Group employees on the company website, was presented to the social partners.

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

5.3.7. Sharing value creation

◆ Employee share ownership and capital increases

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

At Crédit Agricole CIB in 2022, the capital increase reserved for employees with a 20% discount involved nearly 2 million newly issued shares.

More than 1,500 subscribers (compared with 2,165 subscribers during the 2021 offer) invested nearly €14 million in Crédit Agricole S.A. shares.

At the end of 2022, Crédit Agricole Group employees and former employees held 6% of Crédit Agricole S.A.'s share capital (5.1% of the share capital in 2021).

◆ Incentive and profit-sharing schemes

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

	2022			2021		
	Total amount (thousands of euros)	Number of beneficiaries	Average amount (euros)	Total amount (thousands of euros)	Number of beneficiaries	Average amount (euros)
Profit-sharing	3,730	605	6,165	1,540	524	2,939
Incentive plans	32,587	6,226	5,234	34,203	5,917	5,780
Employer's additional contribution	17,704	6,254	2,831	16,506	5,673	2,910
TOTAL	**54,021**	**-**	**-**	**52,249**	**-**	**-**
France scope covered			**99%**			**99%**

5.3.8. Social progress

◆ Ensuring constructive social dialogue within the Group

The Group promotes dynamic and constructive social dialogue with its employees and their representatives where such representatives exist locally.

The international framework agreement signed by Crédit Agricole S.A. Group with UNI Global Union on 31 July 2019 lays the foundations of the social pact which globally recognises the right to freedom of association and collective bargaining and the prioritisation of social dialogue which supports the Group's growth and performance.

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

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

Throughout 2022, the Bank continued working with its social bodies and conducting discussions with employee representative bodies on all social issues, particularly issues relating to purchasing power.

In addition to meetings of the Social and Economic Committee (CSE) and the work of the three committees (Social Policy Committee, Economic and Strategic Committee and Committee on Health, Safety and Working Conditions), negotiations took place and resulted, in 2022, in eight agreements relating to compensation, the sustainable mobility package, and support for the transition to employment and retirement.

▶ Number of agreements signed during the year by subject

	2022			2021		
	France	International	TOTAL	France	International	TOTAL
Compensation and benefits	12	6	18	17	4	21
Training	0	0	0	0	0	0
Employee representative institutions	0	2	2	0	0	0
Employment	0	1	1	1	2	3
Working hours	0	3	3	4	3	7
Diversity and equality at work	0	1	1	3	0	3
Health and safety	0	0	0	2	0	2
Other	6	0	6	2	1	3
TOTAL	**18**	**13**	**31**	**29**	**10**	**39**
Scope covered	**-**	**-**	**98%**	**-**	**-**	**97%**

6. PROMOTING THE ECONOMIC, CULTURAL AND SOCIAL DEVELOPMENT OF THE HOST COUNTRY

6.1. Direct and indirect impacts

Crédit Agricole CIB's main economic and social impacts on local areas are indirect, through its financing activity, and do not come directly from its sites. Its business services, therefore, do not have a significant impact on neighbouring and local populations.

Crédit Agricole CIB's indirect impacts reflect its role as a major financier of the global economy and a major player in debt markets.

The principles listed under the "General Environmental policy" heading are therefore intended to maximise the positive effects and minimise the negative impacts of Crédit Agricole CIB's business by:

- implementing its system to assess and manage environmental or social client and transaction related risks;
- promoting so-called "responsible" financing transactions, in which issuers and investors factor social and environmental considerations into their investment decisions.

One of Wealth Management's objectives is to provide clients with a diverse range of socially responsible investments.

6.2. Employees' involvement in solidarity initiatives

Crédit Agricole CIB actively encourages the commitment of its employees to social causes in the fields of social solidarity and inclusion. Accordingly, in 2022 the Bank celebrated the 10th anniversary of its "Solidarity by Crédit Agricole CIB" programme and launched its first Solidarity Week, a global event involving the teams in France and internationally.

Solidarity initiatives in France and abroad

During regular events or one-off assignments, employees shared some very rewarding moments in the service of the cause of public interest. These experiences of solidarity, organised in several countries where Crédit Agricole CIB operates, give employees opportunities to engage with and help charities to present their projects to other Bank employees.

In France, employees donated their time to holding sporting events, such as the Financial Community Telethon. More than 300 employees ran more than 1,500 km during the event held on 9 December 2022 in Paris. Thanks to the United Heroes connected app, employees from various Crédit Agricole S.A. Group entities were also able to participate online in this event and walked or ran individually to collect donations for the AFM-Téléthon.

Since April 2020, the salary donation program has enabled French employees to make a donation to a selected charity by donating cents from their salary via a monthly deduction made when preparing their pay. Employees can also add between €1 and €5 per month to their donation, with Crédit Agricole CIB adding to each donation made. In 2022, €36,700 was raised through employee donations, including a contribution from the Bank. 100% of these donations were donated to one of the 5 selected associations: *Hôpital Necker-Enfants malades*, *Institut Pasteur, Le Cartable Fantastique*, *Pure Océan* and *Entourage*.

Through its *Coups de Pouce* programmes, the Bank provides financial support for charitable projects to which employees are personally committed. The designated fields of activity are social solidarity, social inclusion, the environment, education and health in France and abroad. In 2022, 15 employees in France and 11 abroad benefited from these "*Coups de Pouce*" to help carry out their projects.

In total, since 2013, 344 charitable projects supported by employees have been supported by the Bank, including 119 outside France.

In the United States, Crédit Agricole CIB is supporting The Bowery Mission, to help vulnerable people, as well as New York Cares, which works in the field of education and children.

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

In Hong Kong, Crédit Agricole CIB supports Food Angel, with employees helping to prepare meals for the homeless and disadvantaged people.

In Cambodia, the Bank continues its partnership with the *Enfants du Mékong* (Children of the Mekong) association.

In 2022, the Bank contributed to the Group's solidarity initiates through its three foundations: *Crédit Agricole Solidarité et Développement* (Solidarity and Development Foundation), *Fondation Pays de France* (French Regions Foundation) and FARM.

In 2022, Indosuez Wealth Management continued its sustainable and responsible commitment, driven in particular by the concrete solidarity initiatives of its employees:

- since 2012, the Indosuez Foundation in France, under the auspices of the *Fondation de France*, has been involved in concrete charitable initiatives to support vulnerable people: elderly people, disabled people, teenagers or young adults who are victims of addiction or high-risk behaviour. Almost 80 associations, including around fifteen social impact start-ups, have thus benefited from skills sponsorship and donations of professional time by more than a third of staff in France.
- since its establishment in 2012, the Indosuez Foundation in Switzerland has funded 30 environmental projects with a high economic and social impact on vulnerable communities in

Switzerland and around the world. They aim to support local communities through projects that promote the dissemination of knowledge, the emancipation of young people and the protection of natural heritage.

- each year, the Citizen Days company volunteering programme offers employees in Switzerland (Indosuez and Azqore), Monaco and Luxembourg have the opportunity to enhance their multidisciplinary skills and/or devote time to helping rigorously selected local associations.
- in partnership with *Planète Urgence*, Indosuez Wealth Management offers its employees the opportunity to take solidarity leave and actively participate in projects created and managed by local players in different countries around the world. For 2 weeks (over the period of their leave), the selected employees provide technical assistance (transfer of skills) to solidarity projects, and projects involving cooperation, development or protection of the environment, thereby helping to strengthen the autonomy of the populations concerned.
- since 2016, CFM Indosuez, a subsidiary of Indosuez in Monaco, has worked with AMADE Mondiale (World Association of Children's Friends), which was established more than 50 years ago by Princess Grace of Monaco.
- Since 2019, CFM Indosuez has also supported projects aimed at children and young people in Monaco and France (PACA region), led by associations recognised for their professionalism and the relevance of their actions. They are selected by a decision-making committee from among the applications received following a call for projects, with the final candidates selected in advance by employee volunteers under a standardised selection and instruction process.
- The Bank is also committed to protecting the oceans. In Q4 2022, Indosuez Wealth Management offered its clients an innovative responsible investment solution in the form of a structured product with a solidarity component in the form of a donation of €430,000 to the *Fondation de la Mer*, Plastic Odyssey and the Oceanographic Institute of Monaco, depending on the country in which the product was marketed.
- In line with the theme of the sea selected for the launch of Indosuez Blue Cycle and more generally Indosuez's markers of commitment, the members of the Solidarity Committee, at a meeting held in early July, selected three projects: The farming transplantation of coral in French Polynesia in partnership with and using the unique method introduced by Coral Gardener, the installation of drinking water access points in partnership with the Zeine Association (Gorom-Gorom, Burkina Faso) via the Cuomo Foundation, to help displaced people in Burkina Faso by creating settlements, raising awareness of the protection of the oceans through scientific information shared on board a "caravan" that will travel around schools and the general public in partnership with Under The Pole.
- Indosuez Wealth Management is committed to inclusion. In 2022, Indosuez Wealth Management's employees in Luxembourg gave up their working time and shared their knowledge with local associations that promote inclusion through skills-based sponsorship workshops. A number of projects have been carried out, including training in collaboration with the ABBL (the Luxembourg Bankers' Association) and designed to teach children the basics of responsible financial management, a project to inform migrants who need to open a professional bank account about anti-money laundering and anti-terrorism regulations in cooperation with the Touchpoints association, and training on accessing employment for refugees aimed at helping them to understand the labour market in Luxembourg, in collaboration with CARITAS. Indosuez Wealth Management has also entered into a partnership with the WILLA incubator to support its JUMP programme, a 100% digital acceleration programme, accessible to all French-speaking women with an innovative project to confirm that their service or product is appropriate to the market and to enable them to grow. Indosuez Wealth Management also supports the Fondation de la vocation, which provides young people aged 18 to 30 and selected based on the authenticity and intensity of their vocation with financial support to achieve that vocation.
- In 2021, CFM Indosuez sought to consolidate its collective commitments as well as its societal and environmental initiatives through a Social Charter that was rolled out to its employees in January 2022.

Employees' awareness of sustainable development issues was also raised in 2022 through, for example, a competition, a clothing collection and workshops in various regions. European waste reduction week also offers an opportunity to raise awareness among employees, who are invited to take concrete action.

6.3. Cultural Sponsorship

Crédit Agricole CIB France continues to actively pursue a policy of cultural sponsorship supporting projects that encourage artistic creation, the discovery of the world's cultures and the transmission of cultural heritage. Crédit Agricole CIB is continuing its sponsorship of the *Opéra National de Paris* and the *Festival d'Aix en Provence*.

Internationally, Crédit Agricole CIB supports various cultural institutions: including the National Gallery in London, the Royal Opera in Madrid, the Museum of Modern Art (MoMA) and the Metropolitan Museum of Art (MET) in New York.

Indosuez Wealth Management in France is a partner of the 2023 Balzac Prize, a major French artistic prize.

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

In Hong Kong, Indosuez sponsors the Hong Kong Philharmonic Orchestra and, in 2022, was a Maestro Circle Platinum partner.

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

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

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

6.4. Links with schools and support for university research

- Crédit Agricole CIB maintains a strong presence with schools through various types of partnerships.
- Since 2006, Crédit Agricole CIB has been a partner of the Chair of Quantitative Finance and Sustainable Development at the *Université Paris Dauphine* and *École Polytechnique*. This multidisciplinary project, supported from its inception by Crédit Agricole CIB, is unique in that it brings together specialists in quantitative finance, mathematics and sustainable development. One research area studied by this Chair since 2010 involves the quantification of indirect impacts of the financing and investment activities, particularly greenhouse gas emissions induced by the activities of the Bank's clients. This partnership was renewed at the end of 2021 for 5 years.
- One of the solid achievements of this research is the SAFE (previously, P9XCA) methodology referred to above. Crédit Agricole CIB has played an important role in disseminating this work to other financial institutions. In 2014, the Bank took an active role in the sector approach recommended by French organisations promoting corporate social responsibility ORSE, ADEME and ABC. This approach seeks to produce a practical guide listing the methodologies and tools to help the various financial stakeholders (banks, insurance companies, asset managers) assess their direct and indirect GHG emissions.
- A PhD that was begun in 2018 and supported in 2021, concerned the climate risks that could affect banks, particularly in relation to the assessment of scenarios and country risk. This work is focused on assessing the transition risk by country category based on quantitative data and qualitative analysis and aims to go beyond the contributions taken into account at the national level (NDC).
- Since 2019, Crédit Agricole CIB has also been a partner of the FinTech/Digital Finance Chair at *Université Paris Dauphine* through a partnership agreement aimed at the emergence of an ecosystem combining research, teaching and entrepreneurship on the topic of digital finance. This agreement also enhances relations between partners, academic institutions and students from *Paris Dauphine*.
- Crédit Agricole CIB is also a partner of the HEC Foundation on a "Corporate Initiative" dedicated to mergers and acquisitions. Thanks to the Corporate Initiative (M&A certificate), HEC Paris students acquire new skills and have access to new professional opportunities. HEC Paris's teaching enriches exchanges with Crédit Agricole CIB within an innovative and unique academic ecosystem. Most of the training is provided by professionals who cover all areas of M&A. In 2021, Crédit Agricole CIB became a partner of the "*La Physique autrement*" Chair at Paris-Saclay University, which explores new ways of popularising and teaching physics, with a view to communicating with the general public.
- In 2021, Crédit Agricole also became a partner of the EDHEC Business School's "Climate Change & Sustainable Finance" Master of Science programme. This course, developed jointly by the EDHEC Business School and Mines ParisTech, aims to train future finance professionals in sustainable finance objectives and integrate environmental, social and governance factors into their future decisions.
- In 2022, Crédit Agricole CIB became a partner of the "Probabilities, Statistics and Modelling" Laboratory at the University of Paris funding a Research Chair on "Modelling and Calculation for the Investment Bank of Tomorrow" which aims to meet the need for an increased number of calculations to be carried out by investment banks following the increase in regulation and the development of machine learning techniques.
- Crédit Agricole CIB, as part of its sustained policy of recruiting young people, is promoting "Campus management" partnerships with other target institutions such as Dauphine University, *Centrale Supélec*, the University of Versailles St Quentin en Yvelines, EFREI and ENSIMAG.

7. LIMITING OUR DIRECT ENVIRONMENTAL IMPACT

7.1. Key commitments in relation to our direct footprint

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

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

These reduction targets are ambitious and go beyond the minimum requirements required under the SBTi methodology.

Under its Medium Term Plan, Indosuez Wealth Management is committed to reducing its carbon footprint from energy consumption, its vehicle fleet and business travel.

7.2. Management of buildings

The Montrouge and Saint-Quentin-en-Yvelines campuses again received the "HQE Exploitation" label in 2021 with a very good level of performance. The Saint-Quentin-en-Yvelines campus has had its EcoJardin label renewed and a LPO (*Ligue pour la Protection des Oiseaux* - French bird protection league) refuge was established on the site.

Initiatives have been taken to contribute to sobriety and the reduction of energy consumption. For example, lighting and temperature standards have been aligned with those recommended by ADEME. Thus, savings in energy consumption have already been observed in buildings and data centers, renewable electricity supply contracts have been concluded, low-energy light bulbs have been multiplied, lights and printers are switched off at night.

7.3. Pollution and waste management

Crédit Agricole CIB does not generate significant pollution directly. The Bank nevertheless devotes substantial effort to waste recycling.

Several actions have been implemented to reduce environmental impacts on the campuses of Montrouge and Saint-Quentin-en-Yvelines: zero phytosanitary products, eco-products for interior maintenance, and limitation of food waste (display, self-service for fruit and vegetables). Service providers were asked to reduce the amount of waste by prioritising wholesale purchases without overwrapping (HEQ approach and internal "clean worksite" charter). Actions to raise awareness amongst employees are also regularly organised (energy saving, waste management). A composter was installed on Evergreen campus.

The creation of waste sorting centres in Saint-Quentin-en-Yvelines has improved waste monitoring, sorting and recycling rates. In 2022, 80% of the 739 tonnes of waste collected were reused, recovered or recycled.

The Indosuez Wealth Management Group is also determined to reduce its direct impact on the environment and continues to take action to raise the awareness of its employees of eco-friendly behaviour and the implementation of resource management activities and recycling.

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

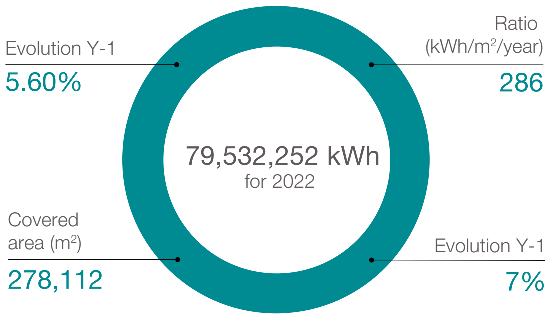
7.4. Sustainable use of resources

Energy

The indicators relate to consumption of electricity and gas:

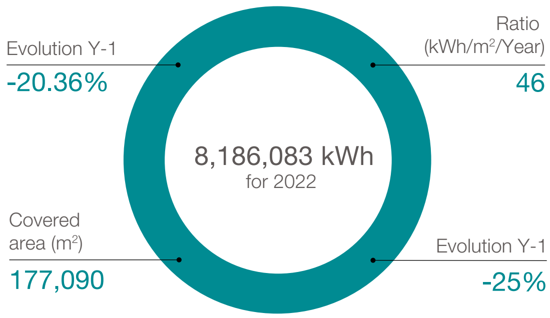
- **Electricity in kWh**

2022 consumption of 79,532,252 kWh.



- **Gas in kWh**

2022 consumption of 8,186,083 kWh.



ELECTRICITY

The data published by Crédit Agricole CIB covers the electricity consumption of all Crédit Agricole CIB Group entities, including Indosuez Wealth Management entities and the data centres, over a total area of 278,112 m^2.

For Crédit Agricole CIB in the Paris region, the buildings in Montrouge and Saint-Quentin-en-Yvelines consume 100% "green" electricity, meaning that it is generated by renewable hydroelectric sources of energy. Internationally, almost 36% of electricity consumption is "green" for Crédit Agricole CIB (UK, Germany, Spain and Brazil). For Indosuez Wealth Management, it represents almost 57% (Italy, Switzerland, Luxembourg and Monaco).

The gradual return to office-based work after the Covid-19 pandemic resulted in an increase in energy consumption of approximately 5.6%.

GAS

The data published by Crédit Agricole CIB covers the gas consumption of all Crédit Agricole CIB Group entities, including those of Indosuez Wealth Management.

The 20% fall in consumption between 2021 and 2022 is due to the milder climate in 2022. However, consumption was around 30% lower than in 2019, as a result of moves to buildings that do not use gas for heating.

HEAT OR STEAM NETWORKS AND URBAN NETWORK

This source of heating is mainly used in North America, Russia and Luxembourg. On a constant perimeter, an almost 32% drop in consumption was recorded in 2022.

Water consumption

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

With the return of employees to buildings in France and internationally in 2022, the water consumption increased by 32%.

7.5. Travel footprint

Company travel plan and mobility plan

On the Montrouge and Saint-Quentin-en-Yvelines campuses, there are many initiatives in place to raise employee awareness. A car-sharing solution has been introduced, the bicycle park has been expanded and electric charging terminals have been installed.

In compliance with its obligations, on the one hand, under the Energy Transition Act and the filing of a Mobility Plan and, on the other hand, under the objectives set by the Crédit Agricole Group to reduce its greenhouse gas emissions, Crédit Agricole CIB actively participated in the launching, monitoring and completion of work covered in the Mobility Plan.

Business travel

In 2022, business travel picked up but at a slower pace.

The widespread use of remote meetings and remote working by the business lines at which such practices are possible helped to reduce the carbon footprint of business travel. 37 million km were travelled by employees by train and airplane.

Offsetting operational greenhouse gas emissions

In addition to the action plans that seek to reduce emissions, Crédit Agricole CIB's Executive Committee decided, in 2021, to offset all of its operational emissions. In 2022, the bank purchased carbon credits in addition to cancelling VCU (Verified Carbon Units) certificates corresponding to dividends received in 2022 in connection with its investment in the Livelihoods Fund.

Crédit Agricole CIB offset 41 K teqCO_2 equivalent by cancelling Verified Carbon Units (VCU) certificates corresponding to dividends received in 2022 in connection with its investment in the Livelihoods Fund. The Livelihoods Carbon Fund gives investors carbon credits which have a major social impact and help to promote biodiversity. The Fund also finances large scale projects in the areas of reforestation, sustainable agriculture and clean energy generation. These projects are implemented for and by deprived rural agricultural communities in developing countries in Asia, Africa and Latin America.

Certificates were received for five projects in 2022:

- In Burkina Faso, with the NGO Tiipaalga, providing 30,000 families with improved wood stoves built by women themselves. Rolled out in 9 municipalities covering 222 villages in the north of the country, this project started in 2014 will save 40,000 tonnes of wood and avoid the emission of 689,000 tonnes of CO_2 into the atmosphere over 10 years. In addition to having a real impact on women's health by reducing exposure to toxic smoke and improving their daily lives, this project improves the status of women in their villages by putting them at the centre of the project. The 2,000 project participants benefit from self-managed microcredit that allows them to develop income-generating activities such as fattening sheep. The project also strengthens the food security of villagers in a region where malnutrition affects nearly 20% of the population;
- in Kenya, the "Hifadhi" project, which means "preserving" in Swahili, has made it possible to distribute 60,000 cooking stoves in three districts at the foot of Mount Kenya. These improved stoves are made from highly energy-efficient local ceramic, allowing a significant 60% reduction in wood consumption compared with traditional stoves. This will save 13,000 tonnes of wood and avoid emissions of more than one million tonnes of CO_2 over the 10-year duration of the project;
- a similar project, launched in 2016 in the Huancavelica and Ayacucho regions in Peru, involves equipping 30,000 households with improved stoves, which will also save emissions of one million tonnes of CO_2. The local NGO partner, ITYF, also provides communities with kits and training to raise awareness among families and children of health and hygiene issues (hand washing, consumption habits such as drinking clean water);
- the project in the Araku Valley began in the 2000s under the leadership of the NGO, Naandi. 3 million fruit trees and 3 million coffee bushes have been planted by the villagers to reforest the land, working alongside forestry experts. Diverse varieties of crops (18 varieties of fruit trees) have helped to increase food security and generate new income with the sale of surplus produce. The 6 million trees planted will eventually sequester 1 million tonnes of CO_2;
- in Kenya, with the NGO Vi Agroforestry, the project involves 30,000 farmers and aims to restore 20,000 hectares of land through agroforestry. The project seeks to disseminate expertise about agricultural methods (diversification of crops, feed given to cows, etc.) to sustainably increase milk production. Finally, a partnership was signed with a local dairy company in relation to the sale of milk produced by farmers over a 10-year period. The project, which was launched in 2016, will avoid emissions of one million tonnes of CO_2.

CORPORATE GOVERNANCE

3

3
CONTENTS

GENERAL DIRECTION AND EXECUTIVE COMITEE OF CREDIT AGRICOLE CIB AT 31 DECEMBER 2022

CHIEF EXECUTIVE OFFICER

1

XAVIER MUSCA

Xavier
MUSCA

DEPUTY CHIEF EXECUTIVE OFFICERS

3

JEAN-FRANÇOIS BALAŸ
OLIVIER BELORGEY
PIERRE GAY

Jean-François
BALAŸ

Olivier
BELORGEY

Pierre
GAY

EXECUTIVE COMITEE
(Chief executive officer and Deputy chief executive officers included)

7

JEAN-FRANÇOIS DEROCHE
STÉPHANE DUCROIZET
PIERRE DULON
DIDIER GAFFINEL
NATACHA GALLOU
GEORG ORSSICH
ANNE-CATHERINE ROPERS

Jean-François
DEROCHE
Senior Regional Officer

Stéphane
DUCROIZET
Senior Regional Officer

Pierre
DULON
Deputy General Manager

Didier
GAFFINEL
Deputy General Manager

Natacha
GALLOU
Head of Risk and Permanent Control

Georg
ORSSICH
Senior Regional Officer

Anne-Catherine
ROPERS
Deputy General Manager

BOARD OF DIRECTORS

BOARD OF DIRECTORS' MEETINGS

7

in 2022

SPECIALISED COMMITTEES

4

- Audit Committee
- Risk Committee
- Compensation Committee
- Appointments and Compensation Committee

ATTENDANCE RATE

96.69%

at the meetings in 2022

1. BOARD OF DIRECTORS' REPORT ON CORPORATE GOVERNANCE

To the shareholders,

Pursuant to the last paragraph of Article L. 225-37 of the French Commercial Code, the report on corporate governance was prepared by the Board of Directors as a supplement to the management report. It notably presents the information which is required under Articles L.22-10-10, L.22-10-11 and L. 225-37-4 of the French Commercial Code, particularly the information concerning the composition of the management bodies (Executive Management and Board of Directors), the conditions for preparing and organising the work of the Board of Directors and its Committees and compensation.

It was prepared on the basis of the work of the Board of Directors and its Committees, the Secretary of the Board of the Board of Directors, the Human Resources Department and the procedures and documentation on internal governance existing at Crédit Agricole CIB.

This report was previously presented to the Appointments and Governance Committee and to the Compensation Committee with respect to the sections which are covered by their respective areas of expertise. It was approved by the Board of Directors at its meeting on 7 February 2023.

Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) applies the AFEP-MEDEF Corporate Governance Code, updated in December 2022, available at: http://www.afep.com/ or http://www.medef.com/fr/

Note - Abbreviations used in the Board of Directors' report on corporate governance:
GM: General Meeting
Board: Board of Directors

1.1. Organisation of the corporate governance bodies

1.1.1. Separation of the functions of Chairman of the Board of Directors and Chief Executive Officer

On 15 May 2002, the Board of Directors decided to separate the position of Chairman of the Board of Directors from the position of Chief Executive Officer, in accordance with Article 13 paragraph 5 of the Company's articles of association (see Chapter 8 of the present Universal Registration Document), Articles L.225-51-1 and seq. of the French Commercial Code and Article L.511-58 of the French Monetary and Financial Code [(1)].

This choice followed the resolution passed at the 15 May 2002 General Meeting to change the Crédit Agricole CIB's structure from a French *société anonyme* (public limited company) governed by a Supervisory Board and Management Board to a French *société anonyme* governed by a Board of Directors.

Function	Name	Appointment	Term of office	Powers
Chairman	Philippe BRASSAC	Appointed Chairman of the Board of Directors from 20 May 2015	- Reappointed for the duration of his directorship by the Board of Directors meeting on 3 May 2022, i.e. until the conclusion of the Ordinary General Meeting which will rule on the financial statements for 2024 financial year.	- He organises and directs the work of the Board of Directors. - He ensures that Crédit Agricole CIB's corporate bodies function correctly. - In particular, he ensures that the directors are able to carry out their duties. - In general, the Chairman possesses all the powers attributed to him by the legislation in force. (Art. 15 of the articles of association)
Chief Executive Officer	Xavier MUSCA [1]	Appointed Chief Executive Officer from 1 September 2022	- Appointed Chief Executive Officer by the Board of Directors on 28 July 2022 with effect from 1 September 2022 for an indefinite period.	- He is vested with the broadest powers to act in all circumstances on behalf of Crédit Agricole CIB, within the limits of the company's purpose and subject to the powers expressly granted by law to shareholders at general meetings and to the Board of Directors. - He represents Crédit Agricole CIB in its dealings with third parties. (Art. 16.1 of the articles of association)

[1] Jacques Ripoll announced his resignation as Chief Executive Officer of Crédit Agricole CIB with effect from 1 September 2022. With the favourable opinion of the Appointments and Governance Committee and after deliberation by the Board of Directors on 28 July 2022, Xavier Musca was appointed Chief Executive Officer of Crédit Agricole CIB with effect from 1 September 2022 for an indefinite period, replacing Jacques Ripoll.

Information on the composition of the Executive Management is available in Section 1.1.4 of this report.

(1) Article L.511-58 of the French Commercial Code provides that the role of Chairman of the Board of Directors of a credit institution cannot be carried out by the Chief Executive Officer.

1.1.2. Composition of the Board of Directors

COMPOSITION OF THE BOARD OF DIRECTORS AT 31 DECEMBER 2022

Philippe BRASSAC
(Chairman)

Laure BELLUZZO

Sonia BONNET-BERNARD
(Independent)

Paul CARITE

Françoise GRI
(Independent)

Guy GUILAUMÉ

Luc JEANNEAU

Jean-Guy LARRIVIÈRE
(Elected by employees)

Abdel-Liacem LOUAHCHI
(Elected by employees)

Meritxell MAESTRE CORTADELLA
(Independent)

Anne-Laure NOAT
(Independent)

Catherine POURRE
(Independent)

Odet TRIQUET

Emmanuel VEY

Claude VIVENOT

Émile LAFORTUNE
(Non-voting advisory member of the Board)

Christian ROUCHON
(Non-voting advisory member of the Board)

REMINDER OF PROVISIONS OF THE ARTICLES OF ASSOCIATION

Number of directors on the Board of Directors	The Board of Directors is made up of between six and twenty directors: - at least six of whom are appointed by the general shareholders' meeting and - two of whom elected by employees in accordance with the provisions of Articles L. 225-27 to L. 225-34 of the French Commercial Code. *(Art. 9 of the articles of association)*
Period of office as directors appointed by shareholders	The period of office as Director appointed by the General Meeting is three years. *(Art. 9.1 of the articles of association)*
Directors representing employees	The directors representing the employees, of whom there are two, are elected for a period expiring on the same day: - either at the close of the Annual Shareholders meeting held in the third calendar year following their election, - or upon completion of the elections organized during this third calendar year when these take place after the annual shareholders meeting. *(Art. 9.2 of the articles of association)*
Age of the directors	Any Director reaching the age of sixty-five is considered to have automatically resigned at the end of the Annual General Meeting that follows the date of the anniversary in question. However, the term of office of a Director appointed by the General Meeting who has reached the age limit may be renewed for a maximum of five subsequent one-year periods, provided the total number of Directors aged sixty-five or over at no time exceeds one-third of the total number of Directors in office. *(Art. 10 of the Articles of association).*
Non-voting advisory members of the Board and members of the Economic and Social Committee	The following individuals may also attend meetings of the Board of Directors in an advisory capacity: - the non-voting advisory member(s) of the Board appointed by the Board of Directors; - one member of the Economic and Social Committee, appointed by that Committee. *(Art. 9 of the articles of association)*

DIRECTORS AND NON-VOTING ADVISORY MEMBERS OF THE BOARD AT 31 DECEMBER 2022

Directors/Non-voting advisory members of the board at 31 December 2022	Year of first appointment	Date of last reappointment	End of current term of office	Chairman or Member of a Committee
Philippe BRASSAC *(Chairman of the Board of Directors)*	23 February 2010 [1]	3 May 2022	2025 GM	
Laure BELLUZZO	2 November 2021 [1]	3 May 2022	2025 GM	
Sonia BONNET-BERNARD	3 May 2022		2025 GM	Member of the Audit Committee
Paul CARITE	7 May 2019	4 May 2020	2023 GM	Member of the Risk Committee
Françoise GRI	4 May 2017	4 May 2020	2023 GM	Member of the Risk Committee
Guy GUILAUME	3 May 2021		2024 GM	Member of the Audit Committee
Luc JEANNEAU	4 May 2017	4 May 2020	2023 GM	Member of the Compensation Committee Member of the Appointments and Governance Committee
Jean-Guy LARRIVIERE [4]	25 November 2020		2023	Member of the Compensation Committee
Abdel-Liacem LOUAHCHI [4]	25 November 2020		2023	
Meritxell MAESTRE CORTADELLA	4 May 2020		2023 GM	Chairwoman of the Appointments and Governance Committee Member of the Audit Committee and the Risk Committee
Anne-Laure NOAT	30 April 2014	4 May 2020	2023 GM	Chairwoman of the Risk Committee and the Compensation Committee Member of the Audit Committee
Catherine POURRE [3]	4 May 2017	3 May 2022	2023 GM	Chairwoman of the Audit Committee Member of the Audit Committee, the Appointments and Governance Committee and the Compensation Committee
Odet TRIQUET	4 May 2018	3 May 2021	2024 GM	Member of the Risk Committee
Emmanuel VEY	9 December 2022 [1]		2025 GM	Member of the Audit Committee
Claude VIVENOT	3 May 2021	3 May 2022	2025 GM	
Émile LAFORTUNE *(Non-voting advisory member of the board)*	4 May 2020 [2]		2023	
Christian ROUCHON *(Non-voting advisory member of the board)*	7 May 2019 [2]	3 May 2022 [5]	2025	

[1] Co-opted by the Board of Directors.
[2] Appointed by the Board of Directors in accordance with Article 17 of the Articles of Association.
[3] Given that Catherine Pourre has reached the age limit for Directors (Article 10, paragraph 1 of the Articles of Association), her term of office as Director will expire at the General Meeting to be held on 3 May 2023.
[4] Director elected by employees.
[5] Renewal by the Board of Directors

CHANGES TO THE COMPOSITION OF THE BOARD OF DIRECTORS IN 2022

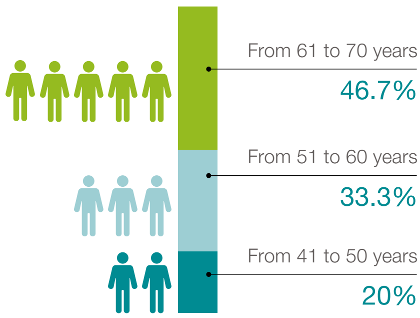
Directors/Non-voting advisory members of the Board	Appointment	Reappointment	End of term of office
Philippe BRASSAC		GM of 3 May 2022	
Laure BELLUZZO		GM of 3 May 2022	
Sonia BONNET-BERNARD [1]	GM of 3 May 2022		
Claire DORLAND CLAUZEL [1]			GM of 3 May 2022
Michel GANZIN [2]			10 November 2022
Olivier GAVALDA [2]		GM of 3 May 2022	1 November 2022
Catherine POURRE		GM of 3 May 2022	
Christian ROUCHON		3 May 2022	
Emmanuel VEY [2]	Co-opted by the Board of Directors on 9 December 2022		
Claude VIVENOT		GM of 3 May 2022	

[1] The term of office of Claire Dorland Clauzel as Director has expired. Her replacement, Sonia Bonnet-Bernard, was appointed as a director as from the Ordinary General Meeting of 3 May 2022 for a term of 3 years.

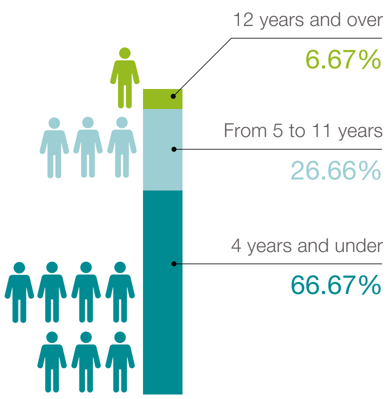
[2] Olivier Gavalda and Michel Ganzin took on new positions within the Crédit Agricole Group and decided to resign from their directorship at Crédit Agricole CIB. Olivier Gavalda was replaced by Emmanuel Vey as of 9 December 2022 (co-opted). M. Michel Ganzin is replaced by Mrs. Valérie Wanquet as of February 7th 2023.

AVERAGE AGE OF DIRECTORS AT 31 DECEMBER 2022

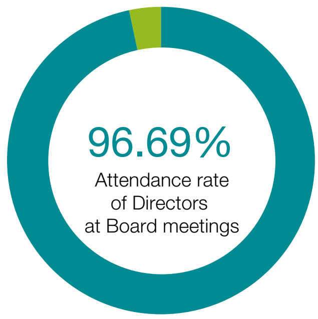
At 31 December 2022, the average age of the Directors on the Crédit Agricole CIB Board of Directors was 58.



SENIORITY IN OFFICE AT 31 DECEMBER 2022 (DIRECTORS)

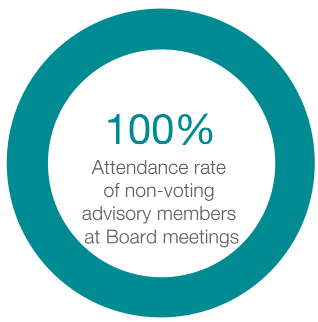


ATTENDANCE RATE OF DIRECTORS AT BOARD OF DIRECTORS' MEETINGS IN 2022



The average rate of attendance of members at Board of Directors' meetings, including members whose term of office expired during the year, was 96.69% for all Board meetings in 2022.

ATTENDANCE RATE OF NON-VOTING ADVISORY MEMBERS OF THE BOARD AT BOARD OF DIRECTORS' MEETINGS IN 2022

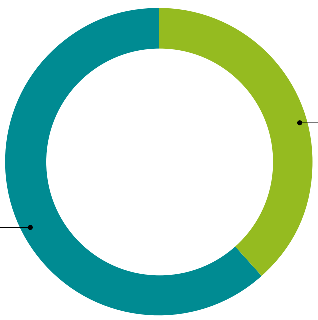


The average attendance rate of Non-voting advisory members of the Board was 100% for all Board of Directors' meetings in 2022.

	Number of Board meetings that the Director should have attended in 2022	Number of Board meetings attended by the Director in 2022	Attendance rate
Philippe BRASSAC	7	7	100.00%
Laure BELLUZZO	7	7	100.00%
Sonia BONNET BERNARD [3]	5	5	100.00%
Paul CARITE	7	7	100.00%
Claire DORLAND CLAUZEL [2]	2	2	100.00%
Michel GANZIN [1]	6	5	83.33%
Olivier GAVALDA [1]	5	5	100.00%
Françoise GRI	7	7	100.00%
Guy GUILAUME	7	7	100.00%
Jean-Guy LARRIVIERE	7	7	100.00%
Abdel-Liacem LOUAHCHI	7	7	100.00%
Luc JEANNEAU	7	7	100.00%
Meritxell MAESTRE CORTADELLA	7	7	100.00%
Anne-Laure NOAT	7	7	100.00%
Catherine POURRE	7	7	100.00%
Odet TRIQUET	7	6	85.71%
Emmanuel VEY [4]	1	1	100.00%
Claude VIVENOT	7	5	71.42%

[1] *Olivier Gavalda and Michel Ganzin took on new positions within the Crédit Agricole Group and decided to resign from their directorship at Crédit Agricole CIB.*
[2] *The term of office of Claire Dorland Clauzel ended on 3 May 2022.*
[3] *Sonia Bonnet Bernard was appointed as a director by the Ordinary General Meeting of 3 May 2022, replacing Claire Dorland Clauzel, for a three years period.*
[4] *Emmanuel Vey was co-opted by the Board of Directors on 9 December 2022, replacing Olivier Gavalda.*

INDEPENDENT DIRECTORS ON THE BOARD OF DIRECTORS AT 31 DECEMBER 2022 (IN ACCORDANCE WITH THE RECOMMENDATIONS OF THE AFEP-MEDEF CODE)



* *Percentage computed according to Recommendation 10.3 of the AFEP-MEDEF Code. The calculation does not include directors elected by employees*

Upon recommendations of the Appointments and Governance Committee, the Board of Directors reviewed the list of Independent Directors at its meeting of 7th February 2023. Based on the information available, there were five Independent Directors at 31 December 2022: Mmes Bonnet-Bernard, Gri, Maestre Cortadella, Noat and Pourre.

At 31 December 2022, the proportion of Independent Directors on the Board of Directors was more than one third of the total number of Directors appointed by the General Meeting of Shareholders. This complies with Recommendation 10.3 of the AFEP-MEDEF Code, which states that at least one third of the Directors appointed by the General Meeting of Shareholders, in companies whose capital is held by a majority shareholder, must be Independent Directors.

The composition of the Board of Directors reflects Crédit Agricole CIB's positioning within the Crédit Agricole Group and the goal of fostering synergies between its constituent entities. 61.54% of directors are Chairmen or Chief Executive Officers of Crédit Agricole Regional Banks or Heads of subsidiaries. Because they come from within the Crédit Agricole Group, in which they perform their duties, these directors are not considered independent.

TABLE OF INDEPENDENT DIRECTORS (AFEP-MEDEF CRITERIA) AT 31 DECEMBER 2022

Note: ✓ indicates that the criterion was met / x indicates that the criterion was not met

31 December 2022 (revised on 7th February 2023)	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7	Criterion 8	Criterion 9
Sonia BONNET-BERNARD	x*	✓	✓	✓	✓	✓	✓	N/A	(*) Criterion 1: Ms Bonnet-Bernard is also: An Independent Director of Crédit Agricole S.A. Her position was examined by the Appointments and Governance Committee and the Board of Directors which, pursuant to criterion 9 below, decided that she could be considered as independent.
Françoise GRI	x*	✓	✓	✓	✓	✓	✓	N/A	(*) Criterion 1: Ms Gri is also: An Independent Director of Crédit Agricole S.A. Her position was examined by the Appointments and Governance Committee and the Board of Directors which, pursuant to criterion 9 below, decided that Ms Gri could be considered as independent.
Meritxell MAESTRE CORTADELLA	✓	✓	✓	✓	✓	✓	✓	N/A	
Anne-Laure NOAT	✓	✓	✓	✓	✓	✓	✓	N/A	
Catherine POURRE	x**	✓	✓	✓	✓	✓	✓	N/A	(**) At 31 December 2022, Ms Pourre no longer held a corporate office within Crédit Agricole S.A.

For each director, this assessment was based on the independence criteria in points 10.5 to 10.7 of the AFEP-MEDEF Code, as set out below:

Criterion 1

Employee corporate officer within the past five years (see § 10.5.1 of the AFEP-MEDEF Code)

Not to be and not to have been within the previous five years:

- an employee or Executive Officer of the Company;
- an employee, Executive Officer or Director of a company consolidated within the corporation;
- an employee, Executive Officer or Director of the company's parent company or a company consolidated within this parent company.

Criterion 2

Cross-directorships (see § 10.5.2 of the AFEP-MEDEF Code)

Not to be an executive officer of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the corporation (currently in office or having held such office within the last five years) holds a directorship.

Criterion 3

Significant business relationships (see § 10.5.3 of the AFEP-MEDEF Code)

Not to be a costumer, supplier, commercial banker, investment banker or consultant:

- that is significant to the corporation or its group;
- or for which the corporation or its group represents a significant portion of its activity.

Criterion 4

Family ties (see § 10.5.4 of the AFEP-MEDEF Code)

Not to be related by close family ties to a corporate officer.

Criterion 5

Statutory auditor (see § 10.5.5 of the AFEP-MEDEF Code)

Has not been a Statutory Auditor of the Company in the last five years.

Criterion 6

Period of office exceeding 12 years (see § 10.5.6 of the AFEP-MEDEF Code)

Not to have been a director of the corporation for more than 12 years. Loss of the status of independent director occurs on the date of the 12th anniversary.

Criterion 7

Non-executive officer status (see § 10.6 of the AFEP-MEDEF Code)

A non-executive officer cannot be considered independent if he or she receives variable compensation in cash or in the form of securities or any compensation linked to the performance of the corporation group.

Criterion 8

Major shareholder status (see § 10.7 of the AFEP-MEDEF Code)

Directors representing major shareholders in the Company or its parent company may be deemed independant providing that the shareholders do not participate in the control of the Company. However, should the shareholder own more than 10% of the capital or voting rights, the Board, based on a report by the Appointments Committee, must systematically query the Director's independence, taking into account the Company's ownership structure and the existence of a potential conflict of interest.

Criterion 9

Discretion of the Board of Directors in determining independence (see § 10.4 of the AFEP-MEDEF Code)

The Board of Directors may take the view that a Director who fulfils the aforementioned criteria should not be deemed independent because of his or her particular situation or that of the Company, given the Company's ownership structure or for any other reason. Conversely the Board may consider that a Director although not satisfying the above criteria is however independent.

The situation of three Independent Directors (Sonia Bonnet-Bernard and Françoise Gri) was examined with respect to the first criterion.

Sonia Bonnet Bernard and Françoise Gri hold a directorship at Crédit Agricole S.A. and are also Chairwoman of the Audit Committee and Chairwoman of the Risk Committee, respectively. The Appointments and Governance Committee and the Board of Directors of Crédit Agricole CIB considered that the combination of these offices did not call into question their status as independent directors. On the contrary, this dual position allows them to better understand the issues they have to address in fulfilling their duties within the Crédit Agricole Group and to ensure continuity in their roles at both Crédit Agricole S.A. and Crédit Agricole CIB. Mrs. Pourre has been considered independent since her appointment at Crédit Agricole CIB, despite the positions she held elsewhere at Crédit Agricole S.A. until May 24, 2022. The end of her mandate in this entity has no impact on the position previously adopted with regard to her independence.

The situation of the five female Independent Directors was examined with regards to the third criterion.

The Appointments and Governance Committee and the Board of Directors noted that the companies with which the five Directors have dealings of any kind (employees, corporate officers, service level agreements, etc.) are not considered to be suppliers or significant advisors of Crédit Agricole CIB, or that the commercial NBI generated by Crédit Agricole CIB with these entities is insignificant and unlikely to jeopardise their independence.

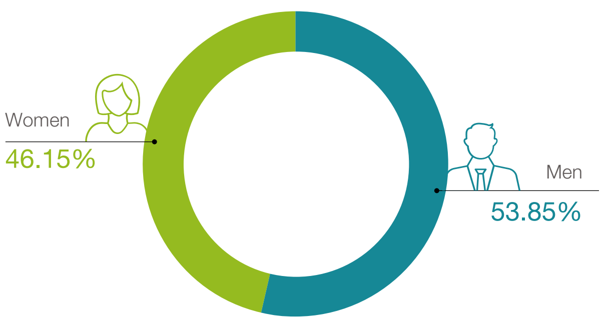
This review was carried out for:

- CVC Capital Partners, APRIL Group, RGI, Andromeda Holdings and ENCLAR Conseil (Meritxell Maestre Cortadella),
- Eurogroup Consulting (Anne-Laure Noat),
- Edenred, WNS Services, Omnes Education and Française des Jeux (Françoise Gri),
- SEB, Bénéteau and Unibail Rodamco Westfield NV (Catherine Pourre).

1.1.3. Diversity within the Board of Directors and the governing bodies

DIVERSITY WITHIN THE BOARD OF DIRECTORS

Balanced representation of men and women on the Board of Directors at 31 December 2022



At 31 December 2022, the Board of Directors had six female members, i.e. 46.15% of the Directors appointed by the General Meeting of Shareholders.

In accordance with Article 435[2 c] of EU Regulation No. 575/2013 and Article L. 511-99 of the French Monetary and Financial Code, the Appointments and Governance Committee reviewed the objective of a balance between the genders on the Board of Directors and the policy required to achieve it.

It is recalled that pursuant to Article L. 225-17 of the French Commercial Code, there must be a balanced representation of women and men on the Board of Directors. In accordance with Article L. 225-18-1 of the French Commercial Code, this balanced representation must be established for the Board of Directors of Crédit Agricole CIB at a proportion that cannot be less than 40% of directors for each gender (in accordance with Article L.225-27 par. 2 of the French Commercial Code, directors elected by employees are not included in the calculation).

Crédit Agricole CIB has an objective of maintaining this ratio at 40% minimum for each sex. The policy developed involves actively seeking suitable high-quality candidates – both men and women – in order to ensure that this ratio is respected if the members of the Board of Directors changes, whilst ensuring complementarity between the Directors' careers, experiences and skills.

Diversity policy within the Board of Directors

In keeping with its Social Responsibility policy, Crédit Agricole CIB aims to promote diversity at all levels, particularly among members of its Board of Directors.

SELECTION OF CANDIDATES FOR DIRECTORSHIPS

Career path, experience, skills

When considering new appointments, the Board of Directors ensures that a sufficient range of qualities and skills, allowing a variety of points of view relevant to the decision-making process, is taken into account. The objective is to prioritise candidates ability to propose a group of candidates that will maintain complementarity in terms of career paths, experiences and skills within the Board of Directors, in particular by taking into account their knowledge of the banking sector as defined by the guidelines of the European Banking Authority on internal governance (EBA/GL/2021/12 of 02/07/2021) and the European Central Bank Guide of December 2021 on the fit and proper evaluation, or any other text replacing or supplementing them.

Suggestions from the Board of Directors and the Crédit Agricole Group

The search for Director candidates is carried out by gathering suggestions from the members of the Board of Directors and the Crédit Agricole Group.

This approach aims to ensure that the composition of the Board of Directors reflects the shareholding structure of Crédit Agricole CIB, which is 100% owned by Crédit Agricole Group companies, as well as to attract Directors with diversified and complementary profiles in terms of training, skills and professional experience while respecting the legal minimum proportions in terms of gender equality (40% representation for each sex) and the number of Independent Directors (one third of board members) pursuant to the AFEP-MEDEF Code.

No age limit

The Appointments and Governance Committee and the Board of Directors have no policy concerning the age limit of the members of the Board of Directors since priority is given to examining their experience and competence.

DIRECTORS ELECTED BY EMPLOYEES

The Board of Directors of Crédit Agricole CIB, in accordance with the provisions of Articles L. 225-27 and seq. of the French Commercial Code and Article 9 of the Company's Articles of Association (see Chapter 8 of this Universal Registration Document), must include at least two directors elected by employees.

These provisions help to enhance diversity within the Board of Directors.

Jean-Guy Larrivière (management salaried employees representative) and Abdel-Liacem Louahchi (non-management salaried employees representative) were elected on 25 November 2020 as directors representing employees in accordance with the aforementioned provisions.

NON-VOTING ADVISORY MEMBER OF THE BOARD

The Board of Directors of Crédit Agricole CIB, in accordance with Article 17 of the Company's Articles of Association (see Chapter 8 of this Universal Registration Document) may appoint one or more non-voting advisory members of the board

Émile Lafortune and Christian Rouchon were appointed as Non-voting advisory members of the board by the Board of Directors, on 4 May 2020 and 7 May 2019 respectively, for a term of three years each, to assist the development of Crédit Agricole CIB's relations with the Regional Banks, particularly with regard to the oversight of Intermediate-Sized Enterprises (ISEs). In addition, with Christian Rouchon's term of office set to expire, he was reappointed as a non-voting advisory member of the board for a term of three years by the Board of Directors on 3 May 2022.

NATIONALITY OF DIRECTORS

At 31 December 2022 fourteen of Crédit Agricole CIB's Directors are French nationals and one Director is an Andorran national, expanding the international scope of the Board of Directors.

DIVERSITY WITHIN THE GOVERNING BODIES

Convinced that diversity is a powerful driver of performance and innovation, Crédit Agricole CIB has for several years now been following a proactive diversity policy so its corporate culture becomes more inclusive.

To identify the main issues and measure the effectiveness of its diversity policy, Crédit Agricole CIB regularly analyses its gender distribution indicators within its management.

At 31 December 2022, women accounted for 43.4% of the global workforce and 33.3% of Crédit Agricole CIB managers. The Executive Committee and the Management Committee were made up of 18.2% and 20% women respectively.

Moreover, in terms of gender diversity within the top 10% of high-level positions of responsibility, the results show that female members of Circle 1, comprising 29 people, make up 17.2% and Circle 2, comprising 129 people, make up 21.7%.

For several years, Crédit Agricole CIB has been rolling out an action plan aimed at increasing the number of women sitting on its management bodies:

- The main areas of the professional gender equality agreement renewed in France in 2021 for a period of 3 years are: to ensure balanced job recruitment and equal pay, train employees in and raise their awareness of, the principles of professional equality and non-discrimination, support all employees in the promotion of their careers with particular attention paid to women, to continue to offer support for women on their return to work after maternity leave and to promote paternity and childcare leave.
- Crédit Agricole CIB supports its female talent, both in France and abroad, through a range of leadership development programmes. The programmes' objectives are to provide women with the keys to strengthening their strategic positioning, developing their networks and progressing within management bodies.
- In 2017, Crédit Agricole CIB also launched its "Corporate Mentoring Programme" on a global scope, enabling Crédit Agricole CIB's talents to be supported by members of the Executive Committees or Business Line and Country Management Committees. This experience-sharing programme's aim is to promote greater diversity within the teams. As such, since its launch, Crédit Agricole CIB has set itself gender equality targets when selecting mentees, ensuring that women represent more than 50% of the participants. In addition, each year female employees of Crédit Agricole CIB are selected to participate in the Crédit Agricole Group's mentoring programme.
- Awareness-raising initiatives for all employees are also organised as part of Diversity Month and throughout the year with the Diversity Academy. Crédit Agricole CIB's teams work closely with the "*Potenti'elles*" network and the diversity promotion networks created at its various sites.

In addition to this action plan and fully in line with the ambition of the Rixain Act, Crédit Agricole CIB is committed to developing its pool of female talent and has set a goal for women to account for 30% of members of its Management Committee by 2025. To achieve this, Crédit Agricole CIB will:

- Systematically include a woman in the candidates for management and Circle 1 or Circle 2 roles, it being specified that, above, all, Crédit Agricole CIB looks for candidates with the requisite experience and skills for the position to be filled.

- Implement a systematic succession plan approach for all of the Bank's strategic positions incorporating diversity and diversity objectives.
- Align all HR processes (recruitment, mobility, etc.) with these objectives.
- Develop the visibility of these female and international talents with the bank's Executive Committee and Management Committee.

In order to accelerate the feminisation and internationalisation of its management bodies (EXCOM and MANCOM, Circle 1), in 2022, Crédit Agricole CIB conducted a review of its strategic talent pool with the aim of enriching its short-, medium- and long-term Circle 1 succession plans. As a result of a special focus on diversity criteria, particularly gender diversity, 32% of potential successors identified are women.

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

Finally, under the terms of Article L. 225-37-1 of the French Commercial Code, the Board of Directors deliberates annually on Crédit Agricole CIB's policy in the area of equal pay and opportunity and the implementation of the gender equality plan. On this occasion, it reviews the results achieved and particularly the gender equality index. In France, Crédit Agricole CIB's gender equality index was 85 out of 100 in 2022.

1.1.4. Composition of the Executive Management and limitations on the Chief Executive Officer's powers

COMPOSITION OF THE EXECUTIVE MANAGEMENT AT 31 DECEMBER 2022

	Position	Appointment	Reappointment	End of term of office
Xavier MUSCA*	Chief Executive Officer	1 September 2022		Indefinite
Jean-François BALAŸ	Deputy Chief Executive Officer	1 January 2021	1 September 2022**	Indefinite
Olivier BELORGEY	Deputy Chief Executive Officer	1 January 2021	1 September 2022**	Indefinite
Pierre GAY	Deputy Chief Executive Officer	1 January 2021	1 September 2022**	Indefinite

** Mr. Jacques Ripoll announced his resignation as Chief Executive Officer of Crédit Agricole CIB with effect from 1 September 2022. With the favourable opinion of the Appointments and Governance Committee and after deliberation by the Board of Directors on 28 July 2022, Mr. Xavier Musca was appointed Chief Executive Officer of Crédit Agricole CIB with effect from 1 September 2022 for an indefinite period, replacing Mr. Jacques Ripoll.*

***In addition, the French Commercial Code (Art. L.225-55 par.2) provides that, when the Chief Executive Officer ceases or is prevented from performing his duties, the Deputy Chief Executive Officers shall, unless otherwise decided by the Board of Directors, retain their duties and powers until the new Chief Executive Officer is appointed. Accordingly, at the proposal of Mr. Musca and with the favourable opinion of the Appointments and Governance Committee, the Board of Directors (28 July 2022) approved the reappointment of Mr. Jean-François Balaÿ, Mr. Olivier Bélorgey and Mr. Pierre Gay as Deputy Chief Executive Officers, for an indefinite period, with effect from 1 September 2022.*

The Chief Executive Officer and Deputy Chief Executive Officers are also the effective senior corporate executives within the meaning of the French Monetary and Financial code and the regulation which apply to credit institutions.

LIMITATIONS ON THE POWERS OF THE CHIEF EXECUTIVE OFFICER

The limitations on the Chief Executive Officer's powers are specified below, as well as in the presentation of the powers of the Board of Directors in Section 1.2.2. "Powers of the Board of Directors".

The rules of procedure of the Board of Directors stipulate that, in the performance of his duties, the Chief Executive Officer is required to comply with the internal control rules that apply within the Crédit Agricole Group and the strategies defined and decisions, which under the law or according to the aforementioned rules are the responsibility of the Board of Directors or the General Meeting.

These rules of procedure also stipulate that the Chief Executive Officer is required to refer all significant projects concerning Crédit Agricole CIB's strategic decisions, or that may affect or alter its financial structure or scope of activity, to the Board of Directors, requesting instructions. In addition, as mentioned in the "Powers of the Board of Directors" in Section 1.2.2, as a purely internal limitation that is not binding on third parties, the Chief Executive Officer is required to obtain prior authorisation from the Board of Directors or its Chairman before entering into certain types of transactions.

1.2. Performance, preparatory conditions and organisation of the work of the Board of Directors

The performance, preparatory conditions and organisation of the work of the Board of Directors comply with the laws and regulations currently in force, Crédit Agricole CIB's Articles of Association (see Chapter 8 of the present Universal Registration Document), the rules of procedure applicable to the Board of Directors and internal governance directives.

1.2.1. Meetings of the Board of Directors

MEETING FREQUENCY

The Articles of Association (see Chapter 8 of this Universal Registration Document) state that the Board of Directors shall meet as often as the interests of Crédit Agricole CIB require, at the request of the Chairman or at least one third of the Directors. The Rules of Procedure of the Board of Directors (art.1.1) specify that the Board meets at least four times a year.

TELECOMMUNICATION METHODS

The Board's rules of procedure state that, unless otherwise decided by the Chairman, the Board of Directors may hold its meeting using telecommunication methods that allow for the identification of Directors and ensure their full participation (Article 11 of the Articles of Association – see Chapter 8 of this Universal Registration Document) provided that, as required by law, the proceedings do not concern the preparation and approval of the annual corporate accounts and consolidated financial statements or the management reports.

1.2.2. Powers of the Board of Directors

The powers of the Board of Directors are listed in Article L. 225-35 of the French Commercial Code and are detailed in the Board of Directors' rules of procedure.

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS – ARTICLE 2

"I-a- As part of the mission entrusted to it by law, the Board of Directors:

- *defines the Company's strategies and general policies, in accordance with its corporate interest, taking into account the social and environmental stakes and challenges of its activity;*
- *approves, as necessary and as proposed by the Chief Executive Officer and/or each of the Deputy Chief Executive Officers, the resources, structures and plans allocated for the implementation of the general strategies and policies it has defined;*
- *decides on all matters related to the administration of the Company submitted by the Chairman and the Chief Executive Officer.*

The usual duties of the Board of Directors notably are as follows:

- *it approves the budget;*
- *it approves the annual parent company and consolidated financial statements;*
- *it approves the management report and the corporate governance report;*
- *it decides to convene the Company's General Meetings. It defines their agenda and the text of the resolutions; it sends or makes available to the shareholders the necessary documents to enable them making an informed decision and to make an informed judgement on the management and operation of the Company's business;*
- *it appoints the Chairman and Chief Executive Officer and at the proposal of the Chief Executive Officer(s) and the Deputy Chief Executive Officer(s), it sets any limitations on the powers of the Chief Executive Officer and the Deputy Chief Executive Officer(s);*
- *it has the authority to dismiss the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officers as provided for by law;*
- *it appoints directors on a provisional basis in the event of a vacancy, due to death or resignation, of one or more directors' seats, as provided for by law;*
- *it determines the remuneration of the Chairman, the Chief Executive Officer, the Deputy Chief Executive Officer(s) and determines the distribution among the directors of the sum allocated by the General Meeting as compensation for their activity;*
- *it deliberates annually on the company's policy governing gender equality and equal pay;*
- *it ensures that a diversity policy, particularly in terms of the representation of women and men in senior management bodies, is implemented;*
- *it deliberates on any related party agreements subject to its prior authorisation, pursuant to Articles L. 225-38 et seq. of the French Commercial Code; each year, it examines the agreements entered into and authorised during previous financial years whose performance has been continued;*
- *it carries out all checks and verifications it considers appropriate;*
- *it decides or authorises the issue of bonds, unless the articles of association reserve this power for the General Meeting or if the General Meeting decides to exercise it; it may delegate, to any person of its choice, the necessary powers to carry out, within one year, the issue of bonds and determine the terms thereof;*
- *it reviews the governance system, periodically assesses its effectiveness and ensures that corrective measures have been taken to remedy any shortcomings; as such, it is regularly informed about risk conditions, compliance issues and the conclusions of audit reports;*
- *it reads the audit charter and approves the audit plan and oversees its performance;*
- *in particular, it ensures compliance with banking regulations regarding internal control and the fight against money laundering and the financing of terrorism;*
- *it is notified by the Executive Directors of any significant risks, risk management policies and changes made thereto;*
- *it oversees the publication and communication process and the quality and reliability of the information intended to be published and communicated by the Company;*

- *it approves and regularly reviews the risk appetite framework, sector policies, strategies and policies governing decision-making, management, oversight and reduction of the risks to which the Company is or could be exposed;*
- *it approves the business continuity management system aimed at ensuring that the Company can continue to operating, in particular maintaining IT services, on an ongoing basis and to limit its losses in the event of serious disruption;*
- *it approves the IT strategy and information system security policy in order to comply with the business strategy and to ensure that the resources allocated to the management of IT operations, information system security and business continuity are sufficient for the Company to carry out its duties;*
- *it regularly adopts and reviews the general principles of the remuneration policy and oversees its implementation, particularly with regard to staff whose activities have a significant impact on the risk profile of the Company or of the Crédit Agricole Corporate and Investment Bank Group, as defined by applicable French and European regulations (hereinafter "identified staff");*
- *it decides on the main principles of variable remuneration for the Company's employees (composition, base, form and date of payment) and on the amount of the budget set aside for this remuneration, after examination by the Compensation Committee;*
- *it determines the guidelines and controls the implementation by the Executive Directors of the supervisory mechanisms in order to guarantee the effective and prudent management of the Company's activities, in particular the separation of functions within the organisation and the prevention of conflicts of interest;*
- *it is informed beforehand when the heads of the compliance, risk management and internal audit functions are removed from their duties. Where applicable, it gives prior approval before the Head of the Risk Management function is removed from his duties, after consulting the Appointments and Governance Committee;*
- *it ensures the existence and implementation of a code of conduct, or similar and effective policies aimed in particular at detecting, managing and mitigating actual and potential conflicts of interest and preventing and detecting acts of corruption and influence peddling;*

[…]

I-b- In addition to the above powers and those generally determined by law, the Board of Directors, at the proposal of the Chief Executive Officer and/or each of the Deputy Chief Executive Officers, decides:

1. on any external growth and downsizing operation through the:

- *creation, acquisition or disposal of any subsidiaries or equity investments (excluding entities created for one or more credit, specific risk-taking or carry transactions),*
- *opening or closure of any branch abroad,*
- *acquisition, disposal, exchange or integration of new businesses or parts of businesses,*

likely to lead to an investment or disposal amounting to more than €50 million;

2. and the provision of collateral to guarantee the Company's commitments (except for financial market transactions), when the guarantee concerns Company assets with a value of more than €50 million. However, the Chief Executive Officer and/or each of the Deputy Chief Executive Officers are authorised to provide unlimited collateral to central banks in the European Economic Area and/or the G10 alone, in exchange for very short-term advances, in accordance with cash or securities settlement-delivery mechanisms.

In addition, at the proposal of the Chief Executive Officer and/or the Deputy Chief Executive Officers, the Board of Directors authorises the purchase or sale of real estate made in the name or on behalf of the Company, when the amounts of these transactions exceed €30 million."

The Board of Directors also has specific powers regarding other legal and regulatory provisions applicable to credit institutions and companies whose securities are traded in a regulated market in terms of corporate governance, compliance, risk management and internal control.

1.2.3. Referral procedure, information procedure and terms of the Board's intervention – Conflicts of Interest

CONDITIONS OF INTERVENTION OF AND THE MEANS OF REFERRAL TO THE BOARD OF DIRECTORS

In order to enable the Secretary of the Board of Directors to prepare for Board meetings, an internal Crédit Agricole CIB governance document sets out the conditions of intervention of and the means of referral to the Board of Directors. This document notably stipulates the conditions under which the head office or branch departments must inform the Secretary, within the scope of the schedule for the Board of Directors' meetings, of the points which are liable to be added to the draft agenda for each meeting as well as the information documents. The draft agenda is then sent for approval to the Chairman of the Board of Directors.

CORPORATE GOVERNANCE PRINCIPLES AND BEST PRACTICES

The Board of Directors' rules of procedure specify the roles of the Board of Directors' Committees. They also contain a reminder of the principles and best practices for corporate governance that help to raise the quality of the work undertaken by the Board of Directors, including the provision of the information necessary for the Directors to usefully contribute to the issues entered into the agenda, the obligations of confidentiality and the obligations and recommendations regarding privileged information and conflicts of interest, the details of which are restated in Section 1.3.3 "Rights and duties of directors, non-voting advisory members of the Board and members of Executive Management".

PROCEDURE ON RELATED-PARTY AGREEMENTS

The Board of Directors, in accordance with Articles L. 225-38 et seq. of the French Commercial Code, authorises related-party agreements prior to their signature. The Directors and Managers directly or indirectly involved in the agreement do not take part in the deliberations and the voting.

Information relating to the agreements for the 2022 financial year (new agreements, concluded and authorised, as well as those entered into previously which continued in 2022) is sent to the Statutory Auditors, who will present their special report to the General Meeting of Shareholders (see Section 3 of Chapter 7 "Parent-company financial statements at 31 December 2022").

At its meeting held on 7 February 2023, the Board reviewed the related-party agreements previously entered into and approved and still in force in 2022, in accordance with the provisions of Article L. 225-40-1 of the French Commercial Code.

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1.2.4. Activities of the Board of Directors in 2022

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met seven times during the 2022 financial year.

PROCEDURES FOR MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met either in person or remotely via telecommunication methods in 2022.

PRIOR TRANSMISSION OF DOCUMENTS TO THE BOARD OF DIRECTORS

For almost all the items on the agenda of Board meetings, supporting documentation is broadcast several days before the meeting.

PRINCIPAL MATTERS EXAMINED DURING BOARD MEETINGS, FOLLOWING ANY NECESSARY INITIAL ANALYSIS BY THE SPECIALISED COMMITTEES, WERE AS FOLLOWS:

◆ Concerning business and strategy

The Board of Directors was given a quarterly presentation on Crédit Agricole CIB's commercial activity. It approved the budget and the 2025 Medium-Term Plan including a section dedicated to the challenges of energy transition and respect of the environment and in relation with Human pillar of the Group project.

In addition, a seminar on the Bank's activity and strategy was organized in September 2022.

◆ Concerning the financial statements, the financial position and the relations with the statutory auditors

In accordance with regulatory requirements, the Board of Directors approved the corporate and consolidated financial statements for the 2021 financial year and examined the half-yearly and quarterly results during 2022. The Chairwoman of the Audit Committee presented a report on the work of the Audit Committee each time the Board of Directors examined these financial statements and the Statutory Auditors informed the Board of their observations.

◆ Concerning risks and internal control

After hearing the Risk Committee, the Board of Directors examined the following on a quarterly basis:

- the position of Crédit Agricole CIB with regard to the different risks to which it is exposed (market risks, counterparty risks, operational risks, cost of risk and provisions, credit risk, broken down by country and by segment) and with regard to the previously approved risk appetite;
- the position of Crédit Agricole CIB in terms of compliance with regular updates on the implementation of the OFAC remediation plan following the commitments given to US authorities;
- the position regarding liquidity.

Half-yearly updates were also presented to the Board of Directors:

- on periodic control assignments (Control and Audit);
- on the report on internal control (annual report and half-year information, RACI).

The following were also presented to the Board of Directors:

- the annual report by the Chief Compliance Officer on Investment Services (RCSI);
- the communications from the supervisory authorities, the answers provided and the actions implemented to address the observations made.
- several items related to the impacts of the Russian-Ukrainian conflict and the exposures of Crédit Agricole CIB in Russia;
- the results of the ECB stress tests related to climate risk.

The Board of Directors also approved:

- the 2023 audit plan and the audit charter;
- updates to the risk appetite and the related statement;
- the liquidity risk management and control system and the procedures, systems and tools for measuring this risk as well as the emergency liquidity plan;
- the list of major risks and the stress tests programme;
- on a quarterly basis, Crédit Agricole CIB's risk strategies (risk frameworks) approved by the Strategy and Portfolio Committee (CSP) or the Group Risk Committee (CRG) including several sectorial ESG policies (aeronautic, maritime sector, Oil and Gas, Oil and shale gas);
- a review of the criteria and thresholds used to define significant incidents detected by the internal control procedures which remain unchanged compared to last year;
- the statement on the adequacy of the risk control mechanism and the quality of the information given to the Board;
- the ICAAP and ILAAP statements;
- the statement on the fight against modern slavery, pursuant to the Modern Slavery Act 2015 (UK);
- internal control reports (corporate and consolidated) dedicated to the fight against money laundering and the financing of terrorism.
- IT strategy
- the outsourcing policy and the security and business continuity policy

Concerning governance, compensation and human resources

After hearing the Appointments and Governance Committee, the Board of Directors then:

- reviewed its composition as well as that of the specialised Committees;
- put forward the appointments of new members of the Board of Directors and the renewal of various others at the General Meeting;
- reviewed the qualification of Independent Directors within the scope of the criteria in the AFEP-MEDEF Code;
- carried out the collective and individual self-assessment of the Board of Directors and the self-assessment of the independence of five directors;
- reviewed the independence, potential conflicts of interest, reputation and good integrity of the directors;
- acknowledged the policy adopted by the Appointments and Governance Committee in terms of the balanced representation of men and women within its membership;
- approved the update to the diversity policy for the Board of Directors;
- reviewed the Rules of Procedure of the Board of Directors to accommodate account legislative and regulatory changes in particular : (i) the Board of Directors defines the strategies and the general policies of the company, in accordance with its social interest, taking into account the social and environmental challenges of its activity ; (ii) the Risk Committee examines in particular the way in which risks related to the climate and the environment are integrated into the overall operational strategy, into the risk strategies and policies, into the risk management and monitoring system and into the Company's risk appetite and makes all recommendations to the Board of Directors).

After hearing the Compensation Committee, the Board of Directors then:

- approved the budget for the variable compensation of the employees;
- approved Crédit Agricole CIB's compensation policy;
- examined the report required by the French Prudential Supervision Authority presenting information regarding Crédit Agricole CIB's compensation policy and practices;
- acknowledged the social audit and the international workforce statistics;
- reviewed the methodology for determining identified staff;
- discussed Crédit Agricole CIB's policies on gender equality and equal pay.

The Board of Directors approved the terms of the Corporate Governance report, the terms of the management report, approved the agenda and the resolutions of the Annual Ordinary General Meeting of 3 May 2022 and the terms of its report to this General Meeting.

It regularly reviewed the list of people authorised for bond issues and approved the arrangements for the training of the Directors elected by employees.

Concerning related-party agreements

In accordance with the provisions of Article L. 225-38 of the French Commercial Code, the Board of Directors authorised the following related-party agreements:

- Letters of guarantee for two new directors and the new Chief Executive Officer;
- Renewal of the letters of guarantee for the Deputy Chief Executive Officers;
- Agreement for the sale of SODICA shares between Crédit Agricole Capital Investissement & Finance and Crédit Agricole CIB;
- Agreement between Crédit Agricole SA and Crédit Agricole CIB on the distribution of the indemnity paid in connection with the transaction regarding the dispute over contributions at the Euribor interbank rate;
- Amendment No. 2 to the business transfer agreement relating to the transfer of Banking Services Division activities from Crédit Agricole S.A. to Crédit Agricole CIB, in order to negotiate and determine the terms and conditions of the change in the transitional period and the deadline to take into account the delay in the migration schedule.

Detailed information on related party agreements is presented by the Statutory Auditors in their special report, provided in Chapter 8 of this Universal Registration Document.

In accordance with the provisions of Article L. 225-40-1 of the French Commercial Code, the Board of Directors re-examined the agreements entered into and authorised during previous financial years that continued to be executed in the course of the financial year 2022.

Concerning the organisation of at least one meeting each year not attended by the executive corporate officers

In accordance with § 12.3 of the AFEP-MEDEF Code, an initial meeting was held without executive corporate officers on 23 June 2022. In particular, the members of the Board of Directors discussed how upcoming meetings would take place without the executive corporate officers and the matters they would like to see examined in greater depth at Board meetings.

1.2.5. Assessment of the expertise and performance of the Board of Directors

ASSESSMENT OF THE COLLECTIVE AND INDIVIDUAL EXPERTISE OF THE DIRECTORS - ARTICLE L.511-98 OF THE FRENCH MONETARY AND FINANCIAL CODE

The Appointments and Governance Committee carried out an assessment of the collective and individual expertise of Directors based on a self-assessment undertaken in the fourth quarter of 2022.

Areas of expertise

The directors were asked to assess themselves in sixteen areas of expertise: financial markets, legal and regulatory requirements, banking activities, strategic planning, risk management, internal audit, financial accounting, bank governance, prevention of money laundering and the financing of terrorism, interpretation of financial information, information technology and security and IT risk management, corporate management, experience abroad, corporate social responsibility, climate and environmental risks, human resources/compensation.

The conclusions of this assessment, which were presented to the Board of Directors, found that all areas of expertise, both banking and non-banking, are covered.

The Directors have self-assessed their contribution to the collective skill of the Board of Directors :

- twelve directors consider their contribution as significant regarding legal and regulatory requirements, banking activities, prevention of money laudering and the financing of terrorism;
- ten directors consider their contribution as significant regarding risk management, bank governance, corporate management, human resources/compensation, financial markets, interpretation of financial information;
- nine directors consider their contribution as significant regarding corporate social responsability.

Conflicts of interest

The directors have not declared any situation involving proven conflicts of interest.

Reputation

The directors have not declared the existence of any pending proceedings or judicial, administrative or disciplinary rulings liable to jeopardise their reputation.

Availability

The directors consider that they arrive well prepared for Board meetings.

Independence

In addition, the five independent directors completed the questionnaire asking them to assess themselves on the basis of the seven independence criteria of the AFEP-MEDEF Code.

The directors were also invited to vote on various topics, such as their understanding of Crédit Agricole CIB's business lines and challenges, or their training goals.

ASSESSMENT OF THE PERFORMANCE OF THE BOARD OF DIRECTORS - §11 OF THE AFEP-MEDEF CODE

Assessment conducted during the fourth quarter of 2022

A self-assessment of the performance of the Board of Directors was conducted during the fourth quarter of 2022, based on a collective questionnaire consisting of 72 questions accessible electronically by Board members. The questions concerned: the organisation of the Board of Directors, its operation, its composition and the quality of relationships within it, the work of the various Committees of the Board of Directors and the training and information provided for the Directors. The self-assessment was administered by the Appointments and Governance Committee and presented to the Board.

Results

The results obtained in 2022 were satisfactory and stable overall compared to those obtained in 2021.

The quality of relations within the Board of Directors and with the Executive Management and the various stakeholders of Crédit Agricole CIB, as well as the quality of the documents transmitted, are appreciated.

This self-assessment represented an opportunity for directors to share their expectations and proposals on improving the performance of the Board of Directors and the quality of the discussions. Their feedback uncovered some areas calling for improvement. Accordingly, the Appointments and Governance Committee and the Board of Directors noted:

- interest in opening up the agenda of Board meetings to strategic issues, information on current projects or the competitive environment,
- converging expectations on the organisation of Board meetings to encourage discussions,
- interest in receiving Board of Directors documents as soon as possible.

1.2.6. Training of directors

TRAINING OF NEW DIRECTORS

Provision of a welcome booklet

A procedure established in 2013 to welcome new Directors consists of a welcome booklet, which includes the main documents covering the governance and social bodies of Crédit Agricole CIB, its strategy and its budget, the Universal Registration Document and the activity report of the previous year.

Meetings

When a new Director first joins the Board, meetings can also be organised between the new Director and Executive Management members, the Head of Risk Management, the Chief Financial Officer, the Chief Compliance Officer and the Head of the internal audit function.

Crédit Agricole S.A. Group training

In addition, newly appointed Directors can also, if they so choose, receive training organised by the Crédit Agricole S.A. Group on governance and compliance issues.

TRAINING PROVIDED TO ALL DIRECTORS

In addition to the programme established for new Directors, training measures for all Directors continued during the 2022 financial year.

Seminar

A seminar for Directors, held abroad in September 2022, provided an opportunity to gain a better understanding of the expectations of Crédit Agricole CIB's clients by meeting a client and improving their knowledge of Crédit Agricole CIB's activities and discussing of the Crédit Agricole CIB's strategy.

Technical training

Two technical training sessions were held:

- the first dedicated to Basel IV and IT risk, at the head office on 28 March 2022;
- the second dedicated to compliance (US regulatory requirements), markets (main market product lines: positioning of Crédit Agricole CIB) and risks (IFRS 9 provisioning models), at the head office on 2 November 2022.

E-learning

Directors also benefit from permanent access to an e-learning programme offering various courses on the theme of compliance.

Individualised training path

If deemed appropriate, Directors can receive individual training, especially on taking up new functions on the Board of Directors or its Committees.

TRAINING FOR DIRECTORS ELECTED BY EMPLOYEES

In accordance with the provisions of Articles L. 225-30-2 and R. 225-34-3 of the French Commercial Code, the Board of Directors determined, after consulting the directors elected by the employees in question, their required training courses for 2022. Additional training was offered in order to acquire and expand the knowledge and techniques necessary to carry out their duties.

1.2.7. Specialised Committees of the Board of Directors at 31 December 2022

BOARD OF DIRECTORS

AUDIT COMMITTEE
Catherine POURRE
Chairwoman
Sonia BONNET-BERNARD
Guy GUILAUMÉ
Meritxell MAESTRE CORTADELLA
Anne-Laure NOAT
Emmanuel VEY

RISK COMMITTEE
Anne-Laure NOAT
Chairwoman
Paul CARITE
Françoise GRI
Meritxell MAESTRE CORTADELLA
Catherine POURRE
Odet TRIQUET

APPOINTMENTS AND GOVERNANCE COMMITTEE
Meritxell MAESTRE CORTADELLA
Chairwoman
Luc JEANNEAU
Catherine POURRE

COMPENSATION COMMITTEE
Anne-Laure NOAT
Chairwoman
Luc JEANNEAU
Jean-Guy LARRIVIÈRE
Catherine POURRE

There are four specialised Committees of the Board of Directors: Audit Committee, Risk Committee, Appointments and Governance Committee and Compensation Committee.

The members of these Committees are appointed by the Board of Directors in accordance with its rules of procedure.

The specialised Committees:

- assist the Board of Directors in its duties and in preparing for discussions. They may, for example, conduct studies or submit opinions or recommendations to the Board;
- interact where appropriate to ensure consistency in their work. Each Committee reports on its work to the Board of Directors so that members can be fully informed when participating in discussions.
- carry out the duties that are assigned by the law and the regulations in force, as well as by the rules of procedure of the Board of Directors;
- meet periodically and as necessary, in order to review any subject within their remit;
- in carrying out their duties, may request access to all the information they deem relevant;

- base their work mainly on the summary information provided by the departments and on the interviews or meetings that they hold with Company people deemed useful for the performance of their duties; if they so wish, these interviews or meetings can be held without the presence of the Executive Management;
- after informing the Chairman of the Board of Directors and in order to report to the Board of Directors, they can have any studies required to assist the Board's deliberations drawn up at Crédit Agricole CIB's costs, after verifying the objectivity of the expert selected.

AUDIT COMMITTEE

6 Number of directors

67% Independent Board members' rate

67% Representation of women

7 Number of meetings in 2022

100% Average attendance rate in 2022

RISK COMMITTEE

6 Number of directors

67% of independent directors

67% Representation of women

7 Number of meetings in 2022

100% Average attendance rate in 2022

APPOINTMENTS AND COMPENSATION COMMITTEE

3 Number of directors

67% of independent directors

67% Representation of women

5 Number of meetings in 2022

100% Average attendance rate in 2022

COMPENSATION COMMITTEE

4 Number of directors

67% of independent directors[1]

50% Representation of women

2 Number of meetings in 2022

1 written consultation

87.50% Average attendance rate in 2022

[1] *Calculation excluding employee directors in accordance with the AFEP-MEDEF Code.*

3

AUDIT COMMITTEE

Composition of the Audit Committee at 31 December 2022

The rules of procedure of the Board of Directors stipulate that the Audit Committee is composed of at least four Directors. In accordance with the AFEP-MEDEF Code (§17.1), Independent Directors account for two-thirds of members.

MEMBERS OF THE AUDIT COMMITTEE AT 31 DECEMBER 2022

Catherine POURRE	Independent Director Chairwoman of the Committee	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 4 May 2017 Appointed Chairwoman of the Audit Committee by the Board of Directors at its meeting held on 4 May 2020
Sonia BONNET-BERNARD	Independent Director	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 3 May 2022.
Guy GUILAUMÉ	Director	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 3 May 2021
Meritxell MAESTRE CORTADELLA	Independent Director	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 4 May 2020
Anne-Laure NOAT	Independent Director	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 30 April 2015
Emmanuel VEY	Director	Appointed a member of the Audit Committee by the Board of Directors at its meeting held on 9 December 2022

Short biographies of members of the Committee are available in Section 1.3 "Other information about the corporate officers" of this report.

Duties of the Audit Committee

The Committee meets as and when necessary and at least quarterly.

It liaises with the Statutory Auditors as often as required and for the preparation of the interim and annual financial statements.

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 3.2.4

"The Committee's primary purpose is to oversee management issues related to the development and review of the corporate and consolidated financial statements, the effectiveness of the internal control and risk management systems with respect to the procedures in the preparation and treatment of accounting and financial information, overseeing the work of the Statutory Auditors on these issues and their independence.

Without prejudice to the powers of the Board of Directors, its powers are in particular:

<u>To oversee the process of compiling financial information</u>

It oversees the process for preparing the financial information and if necessary, makes recommendations to guarantee the integrity of this information. It checks the relevance and performance of the accounting principles adopted by the Company to prepare the parent company's financial statements and the consolidated financial statements.

<u>To review the corporate and consolidated financial statements</u>

It examines the draft corporate and consolidated annual, half-yearly and quarterly financial statements, before submission to the Board of Directors.

<u>To review and oversee the effectiveness of the internal control and risk management systems relating to financial and accounting information</u>

It examines and oversees, without its independence being impaired, the effectiveness of the internal control and risk management systems, regarding the procedures related to the preparation and treatment of accounting and financial information. In this, it makes an assessment of the quality of the internal control, proposes complementary actions if and as necessary, oversees the work of the teams who are responsible for internal control, including internal audit.

<u>To oversee the independence and objectivity of the Statutory Auditors - Approves the provision by the Statutory Auditors of the services mentioned in Article L. 822-11-2 of the French Commercial Code</u>

In accordance with the legal provisions and regulations applicable,

- *It conducts the selection procedure when appointing the Statutory Auditors and makes a recommendation to the Board of Directors on their appointment or reappointment,*
- *To ensure compliance by the Statutory Auditors on the conditions of independence defined by the French Commercial Code and tracks all related issues. Where applicable, in consultation with the Statutory Auditors, it determines measures to preserve their independence,*
- *It approves the provision by the Statutory Auditors of the services mentioned in Article L. 822-11-2 of the French Commercial Code.*

<u>To oversee the fulfilment of the Statutory Auditors' duties</u>

- *It oversees how the Statutory Auditors perform their duties and in particular examines their work programme, findings and recommendations. It receives their additional annual report on the results of the statutory audit of the financial statements,*
- *It takes account of the findings and conclusions of the Statutory Auditors Audit Council (Haut conseil du Commissariat aux Comptes) if controls are carried out in accordance with the provisions of the French Commercial Code.*

The Committee can make any recommendation concerning its duties and powers.

It may review all questions particularly of an accounting or financial nature that are submitted to it by the Chairman of the Board of Directors or Chief Executive Officer.

It regularly reports to the Board of Directors on the performance of its duties and the results of the audit of the financial statements, the way in which such mission contributed to the integrity of the financial information and the role it played in such process.

It immediately informs the Board of Directors of any difficulties encountered."

Activities of the Audit Committee during 2022

Number of meetings

The Audit Committee met seven times during 2022, including three joint sessions with the Risk Committee.

Preparatory meetings

Each Committee meeting was systematically preceded by conference calls with the Finance Department and the Risk Department, as well as a conference call with the Statutory Auditors. Certain situations relating to the financial statements or the duties of the Statutory Auditors were able to be clarified during telephone discussions.

During these meetings, the Committee examined [certain topics were presented at the joint meetings of the Audit Committee and the Risk Committee]:

- the quarterly, half-yearly and yearly corporate and consolidated financial statements;
- the work of the Statutory Auditors as well as the duties falling "outside the scope of the financial audit" they performed;
- the 2022 and 2023 budgets, including the IT budget;
- the strategy and the 2023 budget for the Wealth Management business line;
- the information published in the Universal Registration Document;
- the documents and information expected by the Committee in accordance with Article 241 of the Decree of 3 November 2014 on internal control.

Reports

Each of these meetings was reported to the Board of Directors.

Attendance rate of Audit Committee members

The attendance rate of Audit Committee members was 100% in 2022.

	Number of Audit Committee meetings that each member should have attended in 2022	Number of Audit Committee meetings attended by each member in 2022	Attendance rate
Sonia BONNET-BERNARD	4	4	100.00%
Claire DORLAND CLAUZEL [2]	3	3	100.00%
Olivier GAVALDA	6	6	100.00%
Guy GUILAUME	7	7	100.00%
Meritxell MAESTRE CORTADELLA	7	7	100.00%
Anne-Laure NOAT	7	7	100.00%
Catherine POURRE	7	7	100.00%
Emmanuel VEY [1]	N/A [1]	N/A [1]	N/A [1]

[1] Emmanuel Vey was appointed as a member of the Audit Committee by the Board of Directors on 9 December 2022. The last Audit Committee meeting of 2022 was held on 7 December 2022.
[2] The Claire Dorland Clauzel's mandate ended on 3 May 2022.

RISK COMMITTEE

Composition of the Risk Committee at 31 December 2022

The rules of procedure of the Board of Directors stipulate that the Risk Committee must be composed of at least four Directors.

MEMBERS OF THE RISK COMMITTEE AT 31 DECEMBER 2022

Anne-Laure NOAT	Independent Director Chairwoman of the Committee	Appointed a member of the Risk Committee by the Board of Directors on 13 October 2015 Appointed Chairwoman of the Risk Committee by the Board of Directors on 4 May 2020
Paul CARITE	Director	Appointed a member of the Risk Committee by the Board of Directors on 7 May 2019
Françoise GRI	Independent Director	Appointed a member of the Risk Committee by the Board of Directors on 4 May 2017
Meritxell MAESTRE CORTADELLA	Independent Director	Appointed a member of the Risk Committee by the Board of Directors on 4 May 2020
Catherine POURRE	Independent Director	Appointed a member of the Risk Committee by the Board of Directors on 4 May 2017
Odet TRIQUET	Director	Appointed a member of the Risk Committee by the Board of Directors on 3 May 2021

Short biographies of members of the Committee are available in Section 1.3 "Other information about the corporate officers" of this report.

Duties of the Risk Committee

The Risk Committee meets whenever necessary and at least once a quarter. It is fully informed about Crédit Agricole CIB's risks. If necessary, it may call on the services of the Head of Risk Management or external experts.

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 3.2.3

"The main duties of the Risk Committee are as follows:

To advise the Board of Directors on the overall strategy of the Company and on risk appetite and to assist it with the implementation of the strategy by the Executive Managers and the Head of Risk Management:

- *to examine and review regularly the strategies and policies governing decision-making, management, oversight and reduction of the risks to which the Company is or could be exposed,*
- *to review the way in which climate and environmental risks are integrated into the overall operational strategy, into risk strategies and policies, into the risk management and supervision system and into the Company's risk appetite and to make any recommendations to the Board of Directors,*
- *to review and oversee the risk management policy, procedures and systems in force within the Company and its consolidated group,*
- *to assess the consistency of measurement, risk supervision and management systems and propose related actions, as necessary;*
- *to monitor any incident, whether fraudulent or not, revealed by the internal control procedures, according to the criteria and significance thresholds set by the Board of Directors or which presents a major risk to the Bank's reputation. The Chairman of the Committee must be informed of any incident, whether fraudulent or not, revealed by the internal control procedures, which exceeds an amount set by the Board of Directors or which presents a major risk to the Bank's reputation;*

To assist the Board of Directors with the IT strategy and information systems security policy in order to comply with the business strategy and to ensure that the resources allocated to the management of IT operations, information system security and business continuity are sufficient for the Company to carry out its duties;

To consider whether the prices of the products and services offered to clients are in line with the risk strategy and, if this is not the case, to submit an action plan to the Board of Directors to remedy the situation;

Without prejudice to the responsibilities of the Compensation Committee, to examine whether the incentives offered by the Company's compensation policy and practices are compatible with its situation with regard to the risks it is exposed to, its capital, its liquidity and the probability and timing of the implementation of the benefits expected;

To review the effectiveness of internal control systems, excluding the financial reporting and accounting information process covered by the Audit Committee:

- *it examines the internal control system implemented within the Company and its consolidated group,*
- *it assesses the quality of internal control and proposes, as necessary, complementary actions,*
- *it oversees the work of the Statutory Auditors on the Company's financial statements and of the internal audit teams;*

To examine issues relating to liquidity risk and solvency;

To examine issues relating to disputes and provisions;

To review the audit plan and the audit charter before they are presented to the Board of Directors."

Activities of the Risk Committee in 2022

Number of meetings

The Risk Committee met seven times during 2022, including three joint sessions with the Audit Committee.

Preparatory meetings

- a preparatory meeting before each Risk Committee meeting with the Head of Risk & Permanent Control and the introduction of a mid-quarter review;
- an ad hoc operational risk meeting with the Head of Risk & Permanent Control and the Head of Operational Risk Management;
- a meeting with the Internal Audit Department on the preparation of the 2023 audit plan;
- a meeting with the Global Head of IT/OPC to prepare IT topics;
- a meeting with Crédit Agricole CIB's Executive Management team.

During these meetings, the Committee examined [certain topics were presented at the joint meetings of the Audit Committee and the Risk Committee]:

- the risk position (quarterly review);
- liquidity (quarterly review);
- the liquidity emergency plan and the liquidity risk management and management system;
- Crédit Agricole CIB's risk appetite;
- risk strategies (risk frameworks) (quarterly review);
- compliance reviews, including implementation of the OFAC remediation plan (quarterly review);
- the periodic control assignments, including the 2023 audit plan;
- the appointment of the new Head of Internal Audit (IGE);
- the appointment of the new Head of Risk Management (RPC)
- the appointment of the Head of AML/CFT Periodic Control;
- the appointment of the executive director responsible for the consistency and effectiveness of permanent control and periodic control;
- internal control review (half-yearly review);
- a summary of the work on the harmonised ICAAP and ILAAP and related declarations;
- the summary risk appetite statement;
- the criteria and thresholds applicable to significant incidents;
- the risk appetite statement;
- the 2022 stress-tests programme and the list of major risks;
- the statement on the suitability of the risk management mechanisms implemented;
- the IT strategy;
- the outsourcing policy;
- the security and business continuity policy;
- the documents and information expected by the Committee in accordance with Article 241 of the Decree of 3 November 2014 on internal control;
- the audit charter;
- an update on the recommendations of the Internal Audit Department concerning the Wealth Management business line;
- the main legal disputes;
- internal control reports (corporate and consolidated) dedicated to the fight against money laundering and the financing of terrorism.

In addition, the following presentations were made to the Committee:

- the impacts of the Russian-Ukraine war;
- presentation of analyses on the sector impacts of inflation;
- presentation of the independence of the audit function;
- incorporation of water scarcity and biodiversity in Crédit Agricole CIB's CSR policy;
- LBO activity;
- the geopolitical situation in China, Hong Kong, Taiwan;
- presentation of Level 3 assets.

Reports

Each of these meetings was reported to the Board of Directors.

◆ Attendance rate of the members comprising the Risk Committee

The attendance rate of the Risk Committee members was 100% in 2022.

	Number of Risk Committee meetings that each member should have attended in 2022	Number of Risk Committee meetings attended by each member in 2022	Attendance rate
Paul CARITE	7	7	100.00%
Françoise GRI	7	7	100.00%
Meritxell MAESTRE CORTADELLA	7	7	100.00%
Anne-Laure NOAT	7	7	100.00%
Catherine POURRE	7	7	100.00%
Odet TRIQUET	7	7	100.00%

APPOINTMENTS AND GOVERNANCE COMMITTEE

Composition of the Appointments and Governance Committee at 31 December 2022

The Appointments and Governance Committee has a majority of Independent Directors (at least two-thirds) in accordance with the provisions of the AFEP-MEDEF Code (§18.1).

The Chief Executive Officer is invited to meetings of this Committee.

MEMBERS OF THE APPOINTMENTS AND GOVERNANCE COMMITTEE AT 31 DECEMBER 2022

Meritxell MAESTRE CORTADELLA	Independent Director Chairwoman of the Committee	Appointed as a member of the Appointments and Governance Committee by the Board of Directors on 4 May 2020 Appointed as Chairwoman of the Appointments and Governance Committee by the Board of Directors on 3 May 2022.
Luc JEANNEAU	Director	Appointed as a member of the Appointments and Governance Committee by the Board of Directors on 4 May 2018
Catherine POURRE	Independent Director	Appointed as a member of the Appointments and Governance Committee by the Board of Directors on 3 May 2022.

Short biographies of members of the Committee are available in Section 1.3 "Other information about the corporate officers" of this report.

Duties of the Appointments and Governance Committee

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 3.2.1

"The main duties of the Appointments and Governance Committee are:

- *to assist the Board of Directors on matters relating to corporate governance in order to maintain a high level of requirements in this area;*
- *to identify and recommend suitable candidates, as Directors or Non-voting advisory members of the board, to the Board of Directors;*
- *to recommend to the Board of Directors candidates for the position of Chairman of the Board;*
- *to annually assess the balance, diversity of knowledge, skills and experiences that the Directors possess individually and collectively, as well as their integrity and any conflicts of interest, at least once a year and when recommendations are made to the Board for the appointment or reappointment of Directors;*
- *to define the qualifications needed to serve on the Board of Directors and estimate how much time should be set aside for the associated duties;*
- *to assist the Board of Directors with the strategies and objectives applicable to Directors;*
- *to set a diversity target for the Board of Directors and develop a diversity policy. This objective, the policy and the resources implemented are made public;*
- *to assist the Board of Directors in determining a selection process ensuring that at least one person of each gender is considered for the position of Deputy Chief Executive Officer;*
- *to assess the performance, structure, size, composition and effectiveness of the Board of Directors at least once a year and to submit any relevant recommendations to the Board of Directors. This assessment is made public;*
- *to periodically review and make recommendations regarding the policies of the Board of Directors for selection and appointment of Executive Directors of the Company and other members of the Executive Management, as well as the Head of the Risk Management function;*
- *to ensure that the Board of Directors is not dominated by one person or by a small group of people in conditions that could be detrimental to the Bank's interests;*
- *to conduct a prior review of the proposed appointment made by the Executive Management, the Head of Compliance, the Head of the Risk Management function and the Head of the Internal Audit function, which is then forwarded to the Board of Directors for its opinion;*
- *to be notified in advance when the Head of the Compliance Function, the Head of the Risk Management Function or the Head of the Internal Audit function is removed from office, it being specified that the Head of the Risk Management Function may not be removed from office without the prior consent of the Board."*

Activities of the Appointments and Governance Committee during 2022

Number of meetings

The Appointments and Governance Committee met five times in 2022.

Preparatory meetings

Several preparatory meetings were held with the Chairwoman of the Committee and the Secretary's Office of the Board of Directors.

At its meetings, the Committee:

- identified and recommended to the Board of Directors suitable candidates for directorships and examined reappointments for the position of director ahead of the General Meeting and for the position of non-voting advisory member of the Board;
- reviewed and recommended the reappointment of the Chairman of the Board of Directors;
- reviewed the proposal of application for the position of Chief Executive Officer;
- reviewed the proposal of renewal of the mandates of the Deputy Chief Executive Officers;
- examined the composition of the Board of Directors' specialised Committees;
- reviewed the application for the Head of the Internal Audit function;
- reviewed the application for the Head of the Risk Management function;
- examined the planned appointment of the executive director responsible for the consistency and effectiveness of permanent control and periodic control;
- reviewed the planned designation of the Head of AML/CFT Periodic Control;
- determined the objective and policy in terms of balanced representation of men and women on the Board of Directors as well as diversity;
- reviewed the qualification of Independent Directors and changes in the composition of the Board of Directors and its Committees;

- examined updates to the rules of procedure of the Board of Directors;
- examined the Directors' training programme for 2022, the proposed training courses for Directors elected by employees and the annual seminar programme;
- organised the self-assessment of the Board of Directors' performance for 2022 and the self-assessment of the individual and collective expertise of Directors, conflicts of interest and reputation. It analysed and summarised the results of the self-assessments in order to determine the actions to be taken;
- conducted an annual assessment of the time spent by each Director on the performance of their duties;
- checked, in accordance with Article L. 511-101 of the French Monetary and Financial Code, that the Board of Directors was not dominated by one person or by a group of people in conditions that could be detrimental to Crédit Agricole CIB's interests;
- reviewed the governance section of the draft 2021 corporate governance report;
- examined the allocation of a guarantee letter subject to the related-party agreement scheme in favour of new executive and non-executive corporate officers;
- examined the documents and information expected by the Committee in accordance with Article 241 of the Decree of 3 November 2014 on internal control;
- discussed the organisation of an annual meeting not attended by the executive corporate officers.

In addition, the following presentations were made to the Committee:

- Rixain law of 24 December 2021

Reports

Each of these meetings was reported to the Board of Directors.

◆ Attendance rate of the members of the Appointments and Governance Committee

The attendance rate of the members of the Appointments and Governance Committee was 100% in 2022.

	Number of meetings of the Appointments and Governance Committee that each member should have attended in 2022	Number of Appointments and Governance Committee meetings attended by each member in 2022	Attendance rate
Claire DORLAND CLAUZEL	2	2	100.00%
Luc JEANNEAU	5	5	100.00%
Meritxell MAESTRE CORTADELLA	5	5	100.00%
Catherine POURRE	3	3	100.00%

COMPENSATION COMMITTEE

Composition of the Compensation Committee at 31 December 2022

The rules of procedure of the Board of Directors stipulate that the Compensation Committee is composed of at least four Directors and includes a Director representing the employees and one Director in common with the Risk Committee.

The Compensation Committee, chaired by an Independent Director, has a total of four Directors, including two Independent Directors, a Director representing employees and a Director of the Crédit Agricole Group. The Committee has a majority of Independent Directors in accordance with the provisions of the AFEP-MEDEF Code (§16.1 and 19.1).

The Compensation Committee's duties fall within the framework of the Group's compensation policy. With a view to harmonising Crédit Agricole S.A. Group's compensation policies, the Group Human Resources Director [(1)] or his or her representative, as well as the Chairman of the Board of Directors of Crédit Agricole CIB and the Chief Executive Officer of Crédit Agricole S.A., are invited to the meetings of the Compensation Committee.

MEMBERS OF THE COMPENSATION COMMITTEE AT 31 DECEMBER 2022

Anne-Laure NOAT	Independent Director Chairwoman of the Committee	Appointed as a member of the Compensation Committee by the Board of Directors on 11 December 2015 Appointed as Chairwoman of the Compensation Committee by the Board of Directors on 11 December 2015
Luc JEANNEAU	Director	Appointed as a member of the Compensation Committee by the Board of Directors on 4 May 2018
Jean-Guy LARRIVIÈRE	Director elected by employees	Appointed as a member of the Compensation Committee by the Board of Directors on 10 December 2020
Catherine POURRE	Independent Director	Appointed as a member of the Compensation Committee by the Board of Directors on 3 May 2022.

Short biographies of members of the Committee are available in Section 1.3 "Other information about the corporate officers" of this report.

Duties of the Compensation Committee

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 1.2.2.2

"The Compensation Committee prepares the decisions of the Board of Directors regarding compensation, in particular those having an impact on risk and risk management in the Company. It assists with the development of compensation policies and the supervision of their implementation.

It makes recommendations to the Board including:

- *the total amount of compensation allocated to the members of the Board of Directors, to be submitted to the General Meeting of Shareholders for approval,*
- *the distribution of such compensation among the members of the Board of Directors,*
- *ordinary and exceptional compensation, defined in Article 14 of the Articles of Association as "Directors' Compensation" paid to the members of the Board of Directors, its Chairman and its Vice-Chairmen.*

At least annually, it reviews:

- *the principles of the Company's compensation policy,*
- *the compensation, allowances, benefits in kind, pension commitments and financial entitlements granted to the Chief Executive Officer and to the Deputy General Managers at the proposal of the CEO,*
- *the principles of variable compensation of all employees of the Company including those identified personnel defined in compliance with European regulations, as well as the members of Executive Management (composition, base, ceiling, conditions, form and payment date) and the total amount allocated as part of this compensation. The Compensation Committee is informed of the breakdown of this total at individual level, beyond a threshold proposed by Executive Management and subject to approval by the Board of Directors.*

It also carries out the following:

- *it ensures that the compensation system takes account of all types of risks and that the levels of liquidity and equity and the overall compensation policy is consistent, that it promotes healthy and effective risk management and that it conforms to the financial strategy, to the goals, to Company values and to the long-term interests of the Company,*
- *it prepares the work and decisions of the Board of Directors to identify staff defined in compliance with the European identification rules,*
- *it reports to the Board of Directors on its annual review of the compensation policy and principles, as well as the verification of their compliance with applicable regulations and proposes changes as necessary,*
- *it oversees the compensation of the Head of Risk Management, the Chief Compliance Officer and the Head of Periodic Control,*
- *regarding deferred variable compensation, it evaluates the achievement of performance targets and the need for an adjustment to the ex-post risk, including the application of penalties and recovery plans, in compliance with the regulations in force,*
- *it ensures that the Company's policy and compensation practices are subject to an assessment by periodic control at least once per year, it reviews the results of this evaluation and the corrective measures implemented and it makes any recommendation,*
- *it examines draft reports on compensation including the compensation of Corporate Officers and Executive Corporate Officers, prior to their approval by the Board of Directors."*

(1) General oversight of the compensation policy applicable across all Crédit Agricole S.A. Group entities is carried out within Crédit Agricole S.A. This oversight is presented to the Board of Directors of Crédit Agricole S.A. and includes proposals for the principles used to determine the amounts of variable compensation, the examination of the impact of the risks and the capital requirements inherent to the activities concerned, as well as an annual review, by the Compensation Committee of the Crédit Agricole S.A. Board of Directors, of compliance with regulatory provisions and professional standards on compensation.

Activities of the Compensation Committee during 2022

Number of meetings

The Compensation Committee met twice during 2022 and a written consultation was also organised.

These meetings focused primarily on the following matters:

- review of the methodology for determining identified staff;
- determination of the overall variable compensation budget;
- examination of the compensation of managers of Executive Corporate Officers;
- examination of the compensation of managers of control functions;
- review of the reports required by law presenting the information on the compensation policy and practices at Crédit Agricole CIB;
- review of the part of the management report and draft resolutions concerning compensation to be presented to the General Meeting of Shareholders;

Minutes

The minutes of each of these meetings were submitted to the Board of Directors.

Attendance rate of members of the Compensation Committee

The attendance rate of the Compensation Committee members was 87.50% in 2022.

	Number of meetings of the Compensation Committee that each member should have attended in 2022	Number of Compensation Committee meetings attended by each member in 2022	Attendance rate
Claire DORLAND CLAUZEL	2	2	100.00%
Luc JEANNEAU	2	2	100.00%
Jean-Guy LARRIVIÈRE	2	2	100.00%
Anne-Laure NOAT	2	1	50.00%

1.3. Other information about the Corporate Officers

1.3.1. List of the functions and offices held by the Corporate Officers at 31 December 2022

MEMBERS OF THE EXECUTIVE MANAGEMENT

Xavier MUSCA

Office held at Crédit Agricole CIB: **Chief Executive Officer**

Business address: 12, place des États-Unis - CS 70052 - 92547 Montrouge Cedex - France

› **BORN IN 1960**

NATIONALITY

French

› **BRIEF BIOGRAPHY**

An honoree of the Paris Institute of Political Studies and the *École Nationale d'Administration*, Xavier Musca began his career at the *Inspection Générale des Finances* in 1985. In 1989, he joined the Treasury Department, where he became Head of the European Affairs Bureau in 1990. In 1993, he was called to the Prime Minister's office and then returned to the Treasury Department in 1995. Between 2002 and 2004, he was Chief of Staff for Francis Mer, Minister of the Economy, Finance and Industry and was appointed Treasury Director in 2004. He became Deputy Secretary General to the President of the French Republic in 2009, in charge of economic affairs, then Secretary General to the President of the French Republic in 2011. In 2012, Xavier Musca was appointed Deputy Chief Executive Officer of Crédit Agricole S.A., in charge of International Retail Banking, Asset Management and Insurance.

He joined the Crédit Agricole group in 2012 as Deputy Chief Executive Officer of Crédit Agricole S.A.

Since September 2022, he has been Deputy Chief Executive Officer of Crédit Agricole S.A. in charge of Large Customers and effective manager of Crédit Agricole S.A. He is also Chief Executive Officer of Crédit Agricole CIB.

YEAR OF FIRST APPOINTMENT

2022

END OF TERM OF OFFICE

Indefinite term of office

Does not own any shares in Crédit Agricole CIB

› **OFFICES HELD AT 31 DECEMBER 2022**

In Crédit Agricole Group companies

- Deputy Chief Executive Officer: Crédit Agricole SA
- Director: CACEIS (Chairman: Board of Directors and Appointments Committee); CACEIS Bank (Chairman: Board of Directors and Appointments Committee)
- Chairman: IDIA

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

- Director: Capgemini (Chairman: Audit Committee)

In other entities outside the Crédit Agricole Group

- Director: Association pour le rayonnement de l'Opéra - AROP (as of 2023)

› **POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)**

In Crédit Agricole Group companies

- Director: Crédit Agricole Assurances (2022); Pacifica (Permanent Representative of Crédit Agricole S.A.) (2022); Amundi (Chairman) (2022); CA Consumer Finance (Chairman) (2022); Predica (Vice-Chairman, Permanent Representative of Crédit Agricole S.A.) (2022); Crédit Agricole Italia (Vice-Chairman) (2022)

In entities outside the Crédit Agricole Group

—

Jean-François BALAŸ

Office held at Crédit Agricole CIB: **Deputy Chief Executive Officer**
Business address: 12, place des États-Unis - CS 70052 - 92547 Montrouge Cedex - France

› **BORN IN 1965**

NATIONALITY

French

› BRIEF BIOGRAPHY

Jean-François Balaÿ began his career at Crédit Lyonnais (now LCL) in 1989, where he held various managerial positions in the Corporate market in London, Paris and Asia. From 2001 to 2006, he was Head of Origination and Structuring for Europe at Credit Syndication at LCL, then at Calyon (now Crédit Agricole CIB). In 2006, he became Deputy Head of the EMEA team before taking over responsibility in 2009 of Global Loan Syndication Group. In 2012, he was appointed Head of Debt Optimisation & Distribution. In 2016, Jean-François Balaÿ was appointed Head of Risk and Permanent Control. He was appointed Deputy General Manager in July 2018, overseeing structured finance, the distribution and debt optimisation division, the impaired assets division and international trade and commercial banking. Jean-François Balaÿ was appointed Deputy Chief Executive Officer on 1 January 2021.

Jean-François Balaÿ holds a postgraduate degree in Banking and Finance from Université Lumière Lyon II and a Master's degree in Economic Sciences from Université Lumière Lyon II.

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

Indefinite term of office

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Director: Crédit Agricole CIB China; Crédit Agricole Payment Services
- Member of the Management Committee: Crédit Agricole S.A.

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

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In other entities outside the Crédit Agricole Group

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› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

- Director: UBAF (2020)

In entities outside the Crédit Agricole Group

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3

Olivier BÉLORGEY

Office held at Crédit Agricole CIB: **Deputy Chief Executive Officer and Chief Financial Officer**
Business address: 12, place des États-Unis – CS 70052 - 92547 Montrouge Cedex - France

› **BORN IN 1964**

NATIONALITY

French

› BRIEF BIOGRAPHY

Olivier Bélorgey began his career at Crédit Lyonnais in 1991 in the Capital Markets Department. In 1995, he joined the Asset/Liability Management unit of the Finance Department as head of interest rate risk. In 1999, he joined the retail banking network as Head of Individual and Professional Customers before joining the Human Resources Department as Head of HR Policies in 2001. He became Head of Finance Control at Crédit Agricole CIB (formerly Calyon) in 2004 and in 2007 became Head of Asset/Liability Management at Crédit Agricole CIB, which was extended to Credit Portfolio Management in 2009. In 2011, Olivier Bélorgey took over responsibility of the Financial Management Department of Crédit Agricole S.A., before becoming Chief Financial Officer of Crédit Agricole CIB in 2017. He also became responsible for purchasing in September 2020. Olivier Bélorgey was appointed Deputy Chief Executive Officer on January 1, 2021.

Olivier Bélorgey graduated from Ecole Polytechnique and holds a Master's degree in Condensed Material Physics and a doctorate in Science.

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

Indefinite term of office

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Head of Finance and Treasury: Crédit Agricole Group
- Member of the Management Committee: Crédit Agricole S.A.
- Supervisor: Crédit Agricole CIB China

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Chairman: Crédit Logement

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

—

Pierre GAY

Office held at Crédit Agricole CIB: **Deputy Chief Executive Officer and Global Head of Capital Markets**
Business address: 12, place des États-Unis – CS 70052 - 92547 Montrouge Cedex - France

› **BORN IN 1963**

NATIONALITY

French

› BRIEF BIOGRAPHY

Pierre Gay joined the Group in 1990, where he held various positions at Crédit Lyonnais, Calyon and Crédit Agricole Indosuez. He became Chief Executive Officer Asia for Calyon Financial Hong Kong in August 2005. In 2008, he became Chief Executive Officer Asia Pacific based in Hong Kong at Newedge. In 2011, he was named as Treasurer of the Newedge Group before becoming Treasurer of Crédit Agricole CIB in 2014. In 2016, he was appointed Head of Global Markets in France, which extended to Europe (excl. UK) in the same year. He became Global Head of Capital Markets in February 2019. Pierre Gay was appointed Deputy Chief Executive Officer on 1 January 2021.

Pierre Gay holds a Master's degree in Applied Mathematics from Université Lyon I and an ESC LYON DEA from Université de Lyon III.

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

Indefinite term of office

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Member of the Management Committee: Crédit Agricole S.A.

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

—

BOARD OF DIRECTORS

Philippe BRASSAC

Office held at Crédit Agricole CIB: **Chairman of the Board of Directors**
Business address: 12, place des États-Unis - 92127 Montrouge Cedex – France

› BORN IN 1959

NATIONALITY

French

YEAR OF FIRST APPOINTMENT

2010

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

> 12 years

Does not own any shares in Crédit Agricole CIB

› BRIEF BIOGRAPHY

A graduate of the Paris Graduate School of Economics, Statistics and Finance (ENSAE), Philippe Brassac joined Crédit Agricole du Gard in 1982. He held several executive offices there before being appointed, in 1994, as Deputy General Manager of Crédit Agricole des Alpes-Maritimes, now Crédit Agricole Provence Côte d'Azur. In 1999, he joined Caisse Nationale de Crédit Agricole as Director of relations with Regional Banks. In 2001, he was appointed as Chief Executive Officer of Crédit Agricole Provence Côte d'Azur. In 2010, he also became Secretary General of the *Fédération Nationale du* Crédit Agricole (FNCA) and Vice-Chairman of the Board of Directors of Crédit Agricole S.A. In May 2015, he was appointed as Chief Executive Officer of Crédit Agricole S.A.

› MAIN AREAS OF EXPERTISE

- Banking regulation
- Strategic planning
- Corporate Management

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Chief Executive Officer: Crédit Agricole S.A.
- Chairman: LCL
- Director: Amundi (member of the Strategy and CSR Committee)

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Chairman (as of 03/12/2022): French Banking Federation (Member of the Executive Committee)

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Chairman of the French Banking Federation (01/09/2020 to 31/08/2021)

Laure BELLUZZO

Office held at Crédit Agricole CIB: **Director**
Business address: 12 Rue Villiot, 75012 Paris – France

› BORN IN 1973

NATIONALITY

French

› BRIEF BIOGRAPHY

Laure Belluzzo began her career in 1996 in the Internal Audit Department of the Banque Populaire Group, as an internal auditor. In 2000, she joined Banque CPR as lead auditor. In 2001, she was appointed supervisor in the Internal Audit department of Crédit Agricole Indosuez (which became Calyon and then Crédit Agricole CIB). In 2006, Laure Belluzzo was appointed Head of Audit France and Eastern Europe. In 2008, she became responsible for budget oversight, communication and management of cross-functional projects of the Capital Market Operations Department of Crédit Agricole CIB. In 2009, she became Head of Fixed Income Middle and Back Offices. In 2010, she was appointed Global Head of Capital Markets Middle and Back Offices at Crédit Agricole CIB.

In 2013, she joined Crédit Agricole S.A. as Head of Strategy and Development. In 2016, she became a member of LCL's Executive Committee with responsibility for IT, back offices, the branch renovation programme, real estate, artificial intelligence and Payments. Since May 2020, she has been Chief Executive Officer of Crédit Agricole Technologies et Services.

Laure Belluzzo is a graduate of EDHEC (1996), Grande Ecole programme.

› MAIN AREAS OF EXPERTISE

Corporate Management

Strategic planning

Banking regulation

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

> 1 year

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Chief Executive Officer: Crédit Agricole Technologies et Services
- Director: CA Consumer Finance; CA Payment Services; Crédit Agricole Group Infrastructure Platform (Vice-Chairman, member of the Audit and Finance Committee, member of the Strategic Steering Committee, member of the Risk Committee and member of the Transformation Committee); FIRECA
- Member: Member of the Crédit Agricole Group IT Executive Committee
- Chairwoman: PROGICA

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

- Director: AVEM (2020); CA Chèques (2020); CA Titres (2020)

In entities outside the Crédit Agricole Group

- Association Visa France (2020)

Sonia BONNET-BERNARD

Office held at Crédit Agricole CIB: **Director**
Member of the Audit Committee
Business address: Crédit Agricole S.A., 12, place des États-Unis - 92120 Montrouge - France

› **BORN IN 1962**

NATIONALITY

French

› BRIEF BIOGRAPHY

Sonia Bonnet-Bernard began her career in 1985 at Salustro, then worked at Constantin in New York (1989-1990). Specialist in national and international accounting standards, she served as Head of International Relations for the *Ordre des experts-comptables* (Order of Chartered Accountants) from 1990 to 1996, then as Delegate General for the Arnaud Bertrand Committee (now the EIP - Public Interest Entities - Department of the CNCC), coordinating the positions of major audit firms at the national level from 1996 to 1997. She taught as a lecturer at Université Paris IX-Dauphine (general accounting) and at IAE de Poitiers (comparative accounting). Sonia Bonnet-Bernard joined Ricol Lasteyrie Corporate Finance in 1998 as a Managing Partner, primarily in charge of independent appraisal, assessment, accounting advisory and litigation support. She became a partner at Ernst & Young following the 2015 merger between Ricol Lasteyrie Corporate Finance and the Ernst & Young Group. In May 2020, she founded a company specialising in independent financial appraisal and assessment: A2EF. Sonia Bonnet-Bernard was an independent member of the Tarkett Supervisory Board and Chairman of the Audit Committee until end-July 2015. She also serves as a chartered accountant and legal expert at the Paris Court of Appeal.

› MAIN AREAS OF EXPERTISE

- Accounting and financial information
- International
- Corporate Management

YEAR OF FIRST APPOINTMENT

2022

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

< 1 year

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Director: Crédit Agricole S.A. (Chairwoman: Audit Committee; Member: Risk Committee)

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Chairwoman: IMA France; A2EF (Associés en Evaluation et Expertise Financière)
- Honorary Chairwoman and Director: Société Française des Évaluateurs (SFEV)
- Vice-Chairwoman: Association professionnelle des experts indépendants (APEI)

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

- Non-voting advisory member of the board: Crédit Agricole S.A. (2022)

In entities outside the Crédit Agricole Group

- Partner: EY Transaction Advisory Services (TAS) (2020)
- Former member of the Board of the Autorité des normes comptables (ANC) (2020)
- Chairwoman: Commission on Private Accounting Standards (2020)

Paul CARITE

Office held at Crédit Agricole CIB: **Director**

Member of the Risk Committee

Business address: CRCAM Pyrénées Gascogne - 121 chemin de Devèzes – 64121 SERRES CASTET - France

› BORN IN 1961

NATIONALITY

French

YEAR OF FIRST APPOINTMENT

2019

END OF TERM OF OFFICE

2023

SENIORITY ON THE BOARD OF DIRECTORS

> 3 years

Does not own any shares in Crédit Agricole CIB

› BRIEF BIOGRAPHY

Paul Carite graduated from Toulouse Business School and began his career in 1986 at Société Générale. He joined the Crédit Agricole du Lot et Garonne in 1991 where he was appointed as Head of Corporate Market Services, IAA and Public Corporations. He then moved to the Caisse Régionale de Crédit Agricole de Gironde as Director of the Business, Public Authorities, Agriculture and Professionals Market. Between 2001 and 2005, Paul Carite was Director of Business and Private Management and then Director of Distribution for the Caisse Régionale de Crédit Agricole d'Aquitaine. In 2006, he became Director of the Corporate Bank for LCL, then became a member of the Executive Committee responsible for the Corporate Bank and its cash management businesses. In 2011, he was appointed as Chief Executive Officer of the Caisse Régionale de Guadeloupe. In 2016, he became Chief Executive Officer of the Caisse Régionale de Crédit Agricole Sud Méditerranée and has been Chief Executive Officer of the Caisse Régionale de Crédit Agricole Pyrénées Gascogne since December 2020.

› MAIN AREAS OF EXPERTISE

- Strategic planning
- Governance
- Banking regulation

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Chief Executive Officer: CRCAM Pyrénées Gascogne
- Director: FONCARIS SAS (Member: Commitments Committee); Crédit Agricole Egypt (Member: Audit Committee; Chairman of the Risk Committee); IDIA; GSO; Indarra Funds
- Member: federal bureau (FNCA)

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

- Director: IFCAM (2019); NEXECUR SAS (2020); CACIF (2022)
- Chief Executive Officer: CRCAM Sud Méditerranée (2020)
- Member of the Supervisory Committee: SOFILARO (2020)

In entities outside the Crédit Agricole Group

- Director: S.A. Independent du Midi (2020),

Françoise GRI

Office held at Crédit Agricole CIB: **Director**
Member of the Risk Committee
Business address: 12, place des États-Unis – 92127 Montrouge Cedex – France

› BORN IN 1957

NATIONALITY

French

YEAR OF FIRST APPOINTMENT

2017

END OF TERM OF OFFICE

2023

SENIORITY ON THE BOARD OF DIRECTORS

> 5 years

Does not own any shares in Crédit Agricole CIB

› BRIEF BIOGRAPHY

A graduate of the National School of Computer Science and Applied Mathematics of Grenoble, Françoise Gri began her career with the IBM Group in 1981 and became Chair and Chief Executive Officer of IBM France in 2001. In 2007, she joined Manpower and held the position of Chairwoman and Chief Executive Officer of the French subsidiary, before becoming Executive Vice President of the Southern Europe area of ManpowerGroup (2011). An accomplished leader with extensive international experience, she then joined the Pierre & Vacances-Center Parcs Group as Chief Executive Officer (2012-2014). She is an Independent Director with expertise in the fields of IT and corporate social responsibility. Françoise Gri has published 2 books: "Women Power: Femme et patron" (2012) and "Plaidoyer *pour un emploi responsable*" (2010).

› MAIN AREAS OF EXPERTISE

Strategic planning

Governance

Corporate Management

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Director: Crédit Agricole S.A. (Chairwoman: Risk Committee, Risk Committee in the United States; Member: Audit Committee, Strategic and CSR Committee, Compensation Committee)

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

- Director: Edenred S.A. (Chairwoman: Compensation Committee, Appointments and CSR Committee); WNS Services; Française des Jeux (Member: Governance, Appointments and Compensation Committee)

In other entities outside the Crédit Agricole Group

- Manager: F. Gri Conseil
- Chairwoman of the Supervisory Board: OMNES Education (formerly: INSEEC U)

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Independent Director: 21 Centrale Partners (2019)
- Director: Audencia Business School (2019)

Guy GUILAUMÉ

Office held at Crédit Agricole CIB: **Director**

Member of the Audit Committee

Business address: CRCAM Anjou Maine - 77 avenue Olivier Messiaen - 72083 LE MANS - France

› **BORN IN 1958**

NATIONALITY

French

› BRIEF BIOGRAPHY

After studying Economics and Management at the Ecole Supérieure de Formation Agricole d'Angers, Guy Guilaumé established himself in 1981 as a farmer operating in dairy and pig production until September 2020.

At the same time, he invested heavily in the development and influence of Crédit Agricole.

In 1988, he became a Director of the Crédit Agricole Pays de Château-Gontier local bank (new name in 2014), then Chairman of this local bank from 1995 to 2020.

He is Chairman of the Crédit Agricole Regional Bank of Anjou Maine since March 2017 (Vice-Chairman from 1997 to 2017).

In addition, he held various positions within the Fédération Nationale de Crédit Agricole (FNCA), Crédit Agricole S.A. and other Crédit Agricole Group subsidiaries.

Until 2020, he held several offices at the local and regional levels, including the Regional Chamber of Agriculture, the Mayenne Expansion Departmental Economic Development Agency and various agricultural organisations.

› MAIN AREAS OF EXPERTISE

Human Resources - Compensation

Governance

Corporate Management

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

2024

SENIORITY ON THE BOARD OF DIRECTORS

> 2 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Chairman: CRCAM de l'Anjou et du Maine; Human Project Group Committee (Crédit Agricole S.A.)
- Vice-Chairman: FNCA federal bureau
- Member: European Works Council (Crédit Agricole SA)
- Director: CA Consumer Finance; SAS Rue la Boétie; Pays de Château-Gontier local bank

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

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In other entities outside the Crédit Agricole Group

- Chairman: Association HECA; Association développement solidaire;
- Member: Association SOLAAL Pays de la Loire (representative member of CRCAM de l'Anjou et du Maine)

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

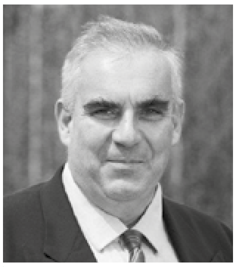
In Crédit Agricole Group companies

- Member: Transformation and Performance Committee (FNCA) (2018)

In entities outside the Crédit Agricole Group

- Co-manager of GAEC de la Morandière (2020).
- Chairman: AGECIF CAMA (2019); Pays de La Loire "Food-Loire" Promotion Department (2018)
- Vice-Chairman: AGECIF CAMA (2021) (Representative of Crédit Agricole Group)
- Member: Bureau de la Chambre régionale d'agriculture des Pays de La Loire (2018) (representing CRCAM); Agence départementale de développement économique Mayenne Expansion (2017)

3



Luc JEANNEAU

Office held at Crédit Agricole CIB: **Director**

Member of the Compensation Committee - Member of the Appointments and Governance Committee

Business address: CRCAM Atlantique Vendée - Route de Paris la Garde – 44949 Nantes Cedex 9 - France

› BORN IN 1961

NATIONALITY

French

› BRIEF BIOGRAPHY

Luc Jeanneau has been at the head of a farming business on the island of Noirmoutier since 1985. In 1990, he became Director of the Caisse Locale du Crédit Agricole de Noirmoutier, then Director of the *Caisse Régionale de la Vendée* in 1993 and Director of the *Caisse Régionale Atlantique Vendée* in 2002, where he was Vice-Chairman in 2010. He has been its Chairman since 1 April 2011. At the same time he holds various positions and responsibilities within the Crédit Agricole Group, in particular as a member of the Group's Commissions or Committees and holds several offices within the Group's subsidiaries.

› MAIN AREAS OF EXPERTISE

Social and environmental responsibility

Governance

Corporate Management

YEAR OF FIRST APPOINTMENT

2017

END OF TERM OF OFFICE

2023

SENIORITY ON THE BOARD OF DIRECTORS

> 5 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Chairman: CRCAM Atlantique-Vendée; CAMCA Mutuelle; CAMCA Assurance Réassurance
- Chairman of the Supervisory Committee: CAMCA Courtage
- Director: Caisse locale de Noirmoutier; SAS Rue la Boétie; SACAM Participations; ADICAM; SCI CAM; SACAM Assurances Caution
- Member of the Management Committee: GIE GECAM
- Member of the Management Board: SACAM Mutualisation
- Member: FNCA federal bureau

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Manager: EARL Les Lions
- Director: Coopérative des producteurs de Noirmoutier; Comité interprofessionnel de la pomme de terre;
- Chairman: Association des Saveurs de l'Ile de Noirmoutier

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Director: Felcoop Coopérative (2022)

Jean-Guy LARRIVIÈRE

Office held at Crédit Agricole CIB: **Director (elected by employees)**
Member of the Compensation Committee
Business address: 12, place des États-Unis- CS 70052 – 92547 Montrouge Cedex - France

› BORN IN 1975

NATIONALITY

French

YEAR OF FIRST APPOINTMENT

2020

END OF TERM OF OFFICE

2023

SENIORITY ON THE BOARD OF DIRECTORS

> 2 years

Does not own any shares in Crédit Agricole CIB

› BRIEF BIOGRAPHY

Jean-Guy Larrivière is a graduate of the Institut d'Administration d'Entreprises. He started working for Crédit Lyonnais in 2001 after gaining his first experience in banking at Rabobank, Canada. He worked in the Large Corporates Department before moving to Crédit Agricole CIB's International Department in 2005 and then covering the Africa region as of 2009. In 2016, he joined Crédit du Maroc, a Crédit Agricole S.A. subsidiary, to develop business with multinationals. In 2019, he returned to Crédit Agricole CIB, working within the International Support Division and became a Director elected by employees on 25 November 2020.

› MAIN AREAS OF EXPERTISE

- Financial markets
- Banking regulation
- International

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Director: CA Sports (association)

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

—

Abdel-Liacem LOUAHCHI

Office held at Crédit Agricole CIB: **Director (elected by employees)**
Business address: 12, place des États-Unis- CS 70052 – 92547 Montrouge Cedex - France

› BORN IN 1975

NATIONALITY

French

› BRIEF BIOGRAPHY

Abdel-Liacem Louahchi began working within the Crédit Agricole Group nineteen years ago, more specifically at Crédit Agricole Indosuez, which became Calyon and is now Crédit Agricole Corporate & Investment Bank.

He began his career as a banking business line technician in the General Resources Department and currently holds the position of back office manager in the OPC/FTO Process and Change Management, Documentary and Guarantee Operations Department. He became a Director elected by employees on 25 November 2020.

› MAIN AREAS OF EXPERTISE

Financial markets

Banking regulation

Accounting and financial information

YEAR OF FIRST APPOINTMENT

2020

END OF TERM OF OFFICE

2023

SENIORITY ON THE BOARD OF DIRECTORS

> 2 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

—

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

—

Meritxell MAESTRE CORTADELLA

Office held at Crédit Agricole CIB: **Director**

Chairwoman of the Appointments and Governance Committee - Member of the Risk Committee - Member of the Audit Committee

Business address: 12, place des États-Unis- CS 70052 – 92547 Montrouge Cedex - France

› **BORN IN 1971**

NATIONALITY

Andorran

› BRIEF BIOGRAPHY

Meritxell Maestre graduated in mathematical engineering from the Institut National des Sciences Appliquées in Rouen (1994) and has a Master of Business Administration from the ESADE in Barcelona and the University of Chicago (1996). She began her career as an investment banking analyst at Bank of America Merrill Lynch in London where she advised clients in the European financial services sector on their M&A and fund-raising operations. In 1998, she joined the Paris team of Bank of America Merrill Lynch. In 2009, she was promoted to Managing Director and became Head of Financial Institutions for France, Spain, Belgium and Portugal until November 2015.

She is currently Chairwoman of Enclar Conseil and a Senior Advisor to the investment fund CVC Capital Partners.

› MAIN AREAS OF EXPERTISE

Financial markets

Strategic planning

International

YEAR OF FIRST APPOINTMENT

2020

END OF TERM OF OFFICE

2023

SENIORITY ON THE BOARD OF DIRECTORS

> 2 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

—

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Chairwoman: Enclar Conseil; 2MJF
- Senior Advisor: CVC Capital Partners
- Director: April Group (Member: Sustainable Development Committee; Investment Committee; Strategic Committee); RGI Spa
- Member of the Supervisory Board: Andromeda Holdings

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

—

3

Anne-Laure NOAT

Office held at Crédit Agricole CIB: **Director**

Chairwoman of the Risk Committee - Chairwoman of the Compensation Committee - Member of the Audit Committee

Business address: 12, place des États-Unis- CS 70052 – 92547 Montrouge Cedex - France

› BORN IN 1964

NATIONALITY

French

› BRIEF BIOGRAPHY

An agronomic engineer and graduate of the Institut National Agronomique Paris Grignon (1983) and the ESSEC business school (1988), Anne-Laure Noat began her career at Crédit Lyonnais in Japan in 1988. She joined Eurogroup Consulting in 1990 where she has been a partner since 2002. She develops Eurogroup Consulting's business in the transport and logistics sectors, notably as regards industry policy, strategic projects and industrial and managerial performance. She also specialises in corporate governance consulting (corporate-function performance (legal, communication, HR), business strategy, change management and corporate project deployment) and is a member of the Transitions Practice, where she was also in charge of the team of consultant coaches in assessment and talent development. She has been on the Executive Committee since July 2021, is responsible for the firm's ESG activities and is a member of its Ethics Committee.

› MAIN AREAS OF EXPERTISE

Social and environmental responsibility

Governance

Corporate Management

YEAR OF FIRST APPOINTMENT

2014

END OF TERM OF OFFICE

2023

SENIORITY ON THE BOARD OF DIRECTORS

> 8 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

—

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Partner and member of the Management Committee: Eurogroup Consulting France

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Chairwoman: DDS SAS (2019); Chairwoman of the HR and Business Committee of Union Internationale des Transports Publics and a member of the Policy Board (2021)
- Chairwoman: NDDS SAS (2022)
- Director: La Maison des ingénieurs agronomes (2018)

Catherine POURRE

Office held at Crédit Agricole CIB: **Director**

Chairwoman of the Audit Committee - Member of the Risk Committee - Member of the Appointments and Governance Committee - Member of the Compensation Committee

Business address: 12, place des États-Unis – 92127 Montrouge Cedex – France

› BORN IN 1957

NATIONALITY

French

› BRIEF BIOGRAPHY

A graduate of the ESSEC business school and a 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 Cap Gemini Ernst & Young France, where she became Executive Director in 2000. She joined Unibail-Rodamco in 2002 as Deputy General Manager. She carried out various executive management functions as member of the Executive Committee then member of the Management Board. Since June 2013, she has been Chief Executive Officer and a Director of CPO Services (Luxembourg). Catherine Pourre is also an experienced navigator. She is a Chevalier de la Légion d'Honneur and Chevalier de l'Ordre National du Mérite.

› MAIN AREAS OF EXPERTISE

- Accounting and financial information
- Governance
- Corporate Management

3

YEAR OF FIRST APPOINTMENT

2017

END OF TERM OF OFFICE

2023

SENIORITY ON THE BOARD OF DIRECTORS

> 5 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

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In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

- Director: SEB (Chairwoman: Audit and Compliance Committee; Member: Strategy and CSR Committee); Unibail Rodamco Westfield NV (Chairwoman: Governance, Appointments and Compensation Committee; Member: Audit Committee)
- Member of the Supervisory Board: Bénéteau (Chairwoman: Audit Committee. Member: Strategic Committee)

In other entities outside the Crédit Agricole Group

- Manager: CPO Services
- Director and Treasurer: Class 40 Association
- Member: Royal Ocean Racing Club

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

- Director: Crédit Agricole S.A. (Chairwoman of the Audit Committee; Member of the Risk Committee, Member of the Strategic and CSR Committee) (2022)

In entities outside the Crédit Agricole Group

- Director: Neopost (Member of the Audit Committee and Chairwoman of the Compensation Committee) (2018)
- Member/Board Women Partners (2019)

Odet TRIQUET

Office held at Crédit Agricole CIB: **Director**

Member of the Risk Committee

Business address: CRCAM Touraine Poitou - 18 rue Salvador Allende – BP 307 - 86008 Poitiers Cedex - France

› **BORN IN 1962**

NATIONALITY

French

YEAR OF FIRST APPOINTMENT

2018

END OF TERM OF OFFICE

2024

SENIORITY ON THE BOARD OF DIRECTORS

> 4 years

Does not own any shares in Crédit Agricole CIB

› BRIEF BIOGRAPHY

Odet Triquet has been running a farm specialising in cereals and goat farming since 1989. He joined the Crédit Agricole Group in 1992 as Director of the Caisse Locale de Civray. He became its Chairman in 1997. In the same year he became Director of the *Caisse Régionale de Touraine et du Poitou*. He was appointed as Vice-Chairman of the Caisse Régionale in 2000 and then Chairman in March 2012. He also holds several positions of responsibility within the Group's national bodies, particularly as a member of Federal Committees and within Group subsidiaries.

› MAIN AREAS OF EXPERTISE

- Social and environmental responsibility
- Governance
- Banking regulation

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Chairman: CRCAM Touraine Poitou
- Director: GIE CARCENTRE, FIRECA, SAS Foncière TP, SAS CATP Immobilier, SAS CATP Expension, SAS rue la Boétie, SACAM Participations
- Member of the Supervisory Board: CA Titres
- Member: FNCA Federal Office; SACAM Mutualisation Management Board

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Director: CCPMA Prévoyance, Réunion d'information commune (AGRICA Group and AGRICA Gestion)
- Co-manager: GAEC des Panelières

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

- Director: BforBank (Member of the Audit Committee) (2021)

In entities outside the Crédit Agricole Group

—

Emmanuel VEY

Office held at Crédit Agricole CIB: **Director**
Member of the Audit Committee
Business address: CRCAM Champagne Bourgogne – 18 rue Davout – 21000 Dijon - France

› BORN IN 1969

NATIONALITY

French

› BRIEF BIOGRAPHY

Emmanuel Vey joined the Crédit Agricole Group in 1996 at Crédit Agricole Nord-Est's Investment Banking subsidiary, after starting in 1992 as an Investment Manager at the private equity firm of the Siparex Group.

In 2002, he helped create and develop Carvest (Crédit Agricole Régions Investissement), the joint venture capital subsidiary of twelve regional banks.

In 2006, Emmanuel Vey joined the Champagne-Bourgogne Regional Bank as Director in charge of the development of the Regional Bank on the Corporate and Private Banking markets and real estate activities.

Finally, in 2013, he was appointed Deputy Chief Executive Officer of Crédit Agricole Centre-Est in Lyon, where he supervised the commitments, loans and specialised markets activities (corporate, professional, wealth management and agricultural clients) and growth driver subsidiaries. In addition, he represented the Regional Bank in the Saône et Loire department and chaired the Credit User Division, in charge of IT credit solutions for all Regional Banks.

Emmanuel Vey has been Chief Executive Officer of Crédit Agricole Champagne Bourgogne since 1 July 2020.

He holds a Master's degree in Industrial Economics and another Master's in International Economics from Université Sorbonne Paris Nord, as well as an MBA from the Chicago Booth School of Business at the University of Chicago.

› MAIN AREAS OF EXPERTISE

Strategic planning

Governance

Corporate Management

YEAR OF FIRST APPOINTMENT

2022

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

< 1 year

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Chief Executive Officer: CRCAM Crédit Agricole Champagne Bourgogne
- Director: Crédit Agricole Home Loan SFH (Member: Risk Committee); Idia; BforBank (Chairman: Audit Committee and Risk Committee) [(1)]; SAS Rue la Boétie
- Chairman: Crédit Agricole Group Infrastructure Platform; Delta
- Permanent Representative: CRCAM Champagne Bourgogne - Chairman CATS
- Member of the federal bureau: FNCA

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

- Member of the Supervisory Board: SAS In Extenso (Member of the Strategic Committee)

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

- Chairman of the Executive Committee: Santeffi (2022)
- Chairman: Paymed SAS (2022)

In entities outside the Crédit Agricole Group

—

(1) Set to resign in 2023.

Claude VIVENOT

Office held at Crédit Agricole CIB: **Director**
Business address: CRCAM Lorraine - 56-58 avenue André Malraux - 57000 METZ - France

› **BORN IN 1958**

NATIONALITY

French

› BRIEF BIOGRAPHY

Managing a farm business for many years, Claude Vivenot was president of one of the leading grain collection and supply cooperatives in Lorraine from 2001 to 2012. In parallel with these positions, he became a Director of the Metz local bank in 2005 and then Chairman in 2011. He joined the Regional Bank of Crédit Agricole de Lorraine in March 2006 as a Director. He has been appointed Chairman of this Regional Bank on 29 March 2012. At the same time, he has held numerous responsibilities and positions within the Crédit Agricole Group and holds several offices within Group subsidiaries.

› MAIN AREAS OF EXPERTISE

Human Resources - Compensation

Accounting and financial information

Governance

YEAR OF FIRST APPOINTMENT

2021

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

< 2 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Chairman: CRCAM Lorraine; IFCAM
- Director: LCL; SAS Rue la Boétie
- Member and Treasurer of the federal bureau: FNCA

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Chief Agricultural Officer: EARL de Redigny (2022)

Émile LAFORTUNE

Office held at Crédit Agricole CIB: **Non-voting advisory member of the board**

Business address: CRCAM de Guadeloupe – Petit-Pérou – 97176 Les Abymes Cedex - France

› BORN IN 1953

NATIONALITY

French

› BRIEF BIOGRAPHY

Émile Lafortune, who is a farmer, holds a PhD in physiology and a master's degree in biology.

In 2012, he became Director of the Caisse Locale de Port Louis and Director of the Regional Bank of which he then became first Vice-Chairman and then Chairman in 2017.

At the same time, he holds several representative offices within the Crédit Agricole Group.

› MAIN AREAS OF EXPERTISE

Social and environmental responsibility

Governance

Corporate Management

YEAR OF FIRST APPOINTMENT

2020

END OF TERM OF OFFICE

2023

SENIORITY ON THE BOARD OF DIRECTORS

> 2 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Chairman: CRCAM of Guadeloupe

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

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› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

—

In entities outside the Crédit Agricole Group

- Chairman: IODE (Job Development Initiatives and Approaches) training centre (2020)

3

Christian ROUCHON

Office held at Crédit Agricole CIB: **Non-voting advisory member of the board**

Business address: CRCAM du Languedoc - Avenue de Montpelliéret – Maurin – 34977 LATTES – France

› BORN IN 1960

NATIONALITY

French

› BRIEF BIOGRAPHY

Christian Rouchon joined the Crédit Agricole Group in 1988 as Head of Accounting and Finance at the Caisse Régionale de la Loire, then at the Caisse Régionale Loire Haute-Loire in 1991, where he became the Finance Director in 1994. He was appointed as the Information Systems Director of the Caisse Régionale Loire Haute-Loire in 1997. In 2003, he was appointed as Deputy General Manager responsible for operations at the Caisse Régionale des Savoie, before joining the Caisse Régionale Sud Rhône-Alpes in September 2006 as the Deputy General Manager responsible for development. In April 2007, he became Chief Executive Officer.

Since September 2020, Christian Rouchon has been Chief Executive Officer of the Caisse Régionale du Languedoc. He also holds several positions of responsibility within the Group's national bodies, particularly as a member of Federal Committees and within Group subsidiaries.

› MAIN AREAS OF EXPERTISE

- Accounting and financial information
- Banking regulation
- Strategic planning

YEAR OF FIRST APPOINTMENT

2019

END OF TERM OF OFFICE

2025

SENIORITY ON THE BOARD OF DIRECTORS

> 3 years

Does not own any shares in Crédit Agricole CIB

› OFFICES HELD AT 31 DECEMBER 2022

In Crédit Agricole Group companies

- Chief Executive Officer: CRCAM Languedoc
- Director: Amundi (Chairman of the Risk Committee and the Audit Committee)
- Member of the Supervisory Committee: CA Transitions Fund

In companies outside the Crédit Agricole Group whose shares are admitted to trading on a regulated market

—

In other entities outside the Crédit Agricole Group

—

› POSITIONS ENDED IN THE LAST FIVE YEARS (the end year of the term of office is stated in brackets)

In Crédit Agricole Group companies

- Director: CA-Chèques (2018); Square Habitat Sud Rhône Alpes (2020); BforBank (2020); Crédit Agricole Home Loan SFH (2020)
- Chief Executive Officer: CRCAM Sud Rhône Alpes (2020)
- Non-shareholder Manager: Sep Sud Rhône Alpes (2020)
- Chairman of the Financial Organisation Committee, Protractor of the Finance and Risk Committee, Member of the Projet Entreprise et Patrimonial Committee and of the Rates Committee: FNCA (2018)

In entities outside the Crédit Agricole Group

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1.3.2. Shares held by the Directors

The directors of Crédit Agricole CIB do not hold any shares in the Company.

1.3.3. Rights and duties of directors, non-voting advisory members of the Board and members of Executive Management

In accordance with the Rules of Procedure of the Board of Directors, in the performance of their duties, Directors, non-voting advisory members of the board and members of the Executive Management hold certain rights and are required to observe a number of rules, including the Rules of Procedure of the Board.

The Rules of Procedure are dated and signed by all directors, non-voting advisory members of the Board, and members of Executive Management at the beginning of their term of office or in the event of a change in the Rules of Procedure (partially set out below).

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4 - ETHICS

"Directors shall ensure compliance with the principles and best corporate governance practices set out in this article, in particular with a view to promoting the quality of the Board of Directors' work."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.1 - INDEPENDENCE, CONFLICTS OF INTEREST, INTEGRITY

"On taking up they take office, and throughout the term of office, the director must be fully aware of their rights and obligations. In particular, they must be aware of and comply with the legal and regulatory provisions applicable to the Company and those relating to their position. They must familiarise themselves with the applicable governance codes and best practices, including the Crédit Agricole Group's Ethics Charter and the Company's Code of Conduct, as well as the Company's own rules set out in its articles of association and the Board of Directors' rules of procedure.

In general, the director is bound by the obligations applicable to them in accordance with the French Monetary and Financial Code and the General Regulation of the French Financial Markets Authority (Autorité des Marchés Financiers, AMF), in particular as regards the use and disclosure of confidential and/or privileged information and, more generally speaking, conflicts of interest.

The director, however appointed, must in all circumstances act in the corporate interest.

The director has at all times the integrity, knowledge, skills and experience necessary to carry out their duties.

The director ensures to preserve, in all circumstances, their independence and freedom of judgement, decision and action. They must be impartial and not let themselves be influenced by any element outside the corporate interest, which it is their duty to defend.

They undertakes to inform the Board of Directors of any change in their personal or professional situation that might call into question the conditions of their appointment, in particular as regards their integrity or independence of mind.

The director, together with the other members of the Board, undertakes to ensure that the tasks of the Board of Directors are carried out efficiently and without hindrance.

The director shall make any recommendations they consider might improve the operating procedures of the Board of Directors.

The director shall inform the Board of Directors of any potential conflict of interest in which they could be exposed directly or indirectly. They shall abstain from taking part in the deliberations or vote on the relevant items.

When a director is no longer in a position to perform their duties in accordance with the provisions of these rules of procedure and the articles of association or any applicable legal and regulatory provisions, due to their own action or for any other reason including the rules of the Company in which they perform their duties, they must inform the Chairman of the Board of Directors, seek solutions to remedy the situation and, failing that, take the personal consequences from carrying out their office."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.2 – RIGHT TO INFORMATION

"The Chairman of the Board of Directors shall ensure that the Directors are properly informed, and that they have at all times all the information necessary to usefully contribute to discussions on items included on the Board meeting's agenda or on any items included on the agenda of meetings of the Board of Directors' Special Committees of which they are members. The Chairman of each Committee shall also ensure that all members of the Committee are provided with the information they need to carry out their duties."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.3 – AVAILABILITY

"The director shall devote sufficient time to the performance of their functions and necessary for their training. They must attend all meetings of the Board of Directors and of Committees of which they are members, unless they are genuinely unable to do so.

They undertake to inform the Secretary's Office of the Board of Directors and the Board of Directors of any change in their personal or professional situation that might to call into question the conditions of their appointment, relating in particular to their availability, and compliance with the rules for limiting the number of corporate offices held."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.4 – DUTY OF LOYALTY

"The director acts in good faith and takes no initiative that might be detrimental to the interests of the Company or of other companies within the Crédit Agricole Group. They alert the Board of Directors to any information in their possession that may have an impact on the Company's interests."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.5 – DUTY OF EXPRESSION

"The director has the duty to express their questions and opinions. In the event of disagreement, they ensure that it is explicitly documented in the meeting's minutes."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.6 – CONFIDENTIALITY

"The director respects the total confidentiality of the information they receives, the debates in which they participates and the decisions taken within the framework of the Board of Directors or its Committees, as well as the confidentiality of the decisions taken."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 4.7 – PRIVILEGED INFORMATION

"For the record, pursuant to Regulation (EU) 596/2014 on market abuse, members of the Board of Directors must refrain from using privileged information, on their own behalf or on behalf of others, directly or indirectly, to acquire or sell, or attempt to acquire or sell financial instruments to which this information relates as long as the information has not been made public.

Each member of the Board of Directors must also refrain from recommending, on the basis of inside information, that another person acquire or sell financial instruments to which that information relates, or encourages that person to make such an acquisition or sell. More specifically, if in the exercise of their office as Director they obtain privileged information about the Company, they shall refrain from using such information to carry out, or have a third party carry out, any transactions on the Company's financial instruments.

Since the director has access to information on the financial results of the Company and therefore, indirectly, on Crédit Agricole S.A., in accordance with the rules of the Crédit Agricole S.A. Group, they must limit any transactions in Crédit Agricole S.A. securities to each six-week period following the publication of the annual, half-yearly and quarterly results, as long as they are not privy to any inside information during these periods.

In addition, the Company may be in a position to prohibit trading in any Crédit Agricole S.A. financial instruments, including during authorised periods, as well as in any financial instruments that may be the subject of privileged information within the framework of the meetings of the Board of Directors or one of its Committees (strategic operations, acquisitions, creation of joint ventures, etc.).

The director is required to declare to the Conflicts Management Group within the Compliance Department of the Company, on behalf of themselves and all persons closely related to them, all transactions carried out on any financial instruments, except those issued by or linked to the Company or to Crédit Agricole S.A., that they believe may create a potential conflict of interest or contain confidential information that may be qualified as privileged and acquired in the course of their functions as a Director of the Company."

EXTRACT FROM THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS, ARTICLE 5

"The directors agree to comply and implement to comply with and implement the rules contained in these rules of procedure. They also comply unreservedly with the provisions of the Crédit Agricole Group's Ethics Charter and the Company's Code of Conduct, of which they have received a copy and agree to comply with them.

Members of the Executive management and Non-voting advisory members of the board agree to comply with the provisions of the rules of procedure, in particular the provisions related to conflicts of interest or privileged/confidential information of which they may be aware."

◆ Conflicts of interest

To the best of Crédit Agricole CIB's knowledge, there are no conflicts of interest between the duties of members of the Board of Directors and the Executive Management with regard to Crédit Agricole CIB and their private interests.

Directors are required to inform the Board of Directors of any potential conflict of interest, to which they may be exposed directly or indirectly. They shall refrain from participating in discussions and decision-making on such matters.

Affiliation with the Crédit Agricole network, Crédit Agricole S.A. central institution

Crédit Agricole CIB is affiliated with the Crédit Agricole network and that Crédit Agricole S.A. acts as a central institution in accordance with the provisions of article L. 511-31 of the French Monetary and Financial Code.

Crédit Agricole CIB's Board of Directors and Executive Management are composed of Corporate Officers of companies (including Crédit Agricole Group companies - the Crédit Agricole or Crédit Agricole S.A. Regional Banks) with which Crédit Agricole CIB has or could have commercial relationships. This could be a source of potential conflicts of interest. The composition of the Board of Directors is based on the desire to reflect the capital structure of Crédit Agricole CIB, which is 100% controlled by the Crédit Agricole Group, as well as the diversity objectives defined by the Board of Directors.

◆ Reputation - Integrity

To the best of Crédit Agricole CIB's knowledge, to date, no convictions for fraud, bankruptcy, receivership or liquidation have been filed in the last five years against any member of the Board of Directors or Executive Management of Crédit Agricole CIB.

To the best of Crédit Agricole CIB's knowledge, none of the members of Crédit Agricole CIB's Board of Directors or Executive Management has been prevented by a court from acting in that capacity or from intervening in a management or executive capacity in the activities of a listed company during the last five years.

◆ Service contracts

There is no service contract directly binding the members of the Board of Directors or Executive Management to Crédit Agricole CIB or to any of its subsidiaries which provides for the granting of benefits under this agreement.

1.3.4. Transactions carried out on the securities of Crédit Agricole CIB (Art. L. 621-18-2 of the French Monetary and Financial Code)

Given that Crédit Agricole CIB's shares are not listed on a regulated market, the provisions of Article L. 621-18-2 of the French Monetary and Financial Code regarding this category of securities are not applicable to Crédit Agricole CIB.

For 2022, Crédit Agricole CIB has no knowledge of the existence of transactions conducted on their own account by the persons referred to in Article L. 621-18-2 of the French Monetary and Financial Code and relating to debt securities of Crédit Agricole CIB or related derivatives or other financial instruments.

Information on the ownership structure at 31 December 2022 is provided in Note 6.16 to the consolidated financial statements (see Section 3 of Chapter 6 "Consolidated financial statements at 31 December 2022").

1.3.5. Agreements referred to in Article L. 225-37-4-2° of the French Commercial Code

In accordance with the provisions of Article L. 225-37-4 2° of the French Commercial Code, to the best of Crédit Agricole CIB's knowledge, no agreement has been reached, directly or by any intermediary during 2022 financial year, between:

- on one hand, the Chief Executive Officer, the Deputy Chief Executive Officer, one of the Directors or one of the shareholders holding a fraction of the voting rights greater than 10% of Crédit Agricole CIB and;
- on the other hand, another company in which Crédit Agricole CIB holds, directly or indirectly, more than half of the capital, unless they are agreements on current transactions executed under normal conditions;

1.4. Compensation policy

1.4.1. General principle of the compensation policy

Crédit Agricole CIB has established a responsible compensation policy that aims to reflect its values while respecting the interests of all the stakeholders, including employees, clients and shareholders.

In light of the specific characteristics of its business lines, its legal entities and national and international legislation, Crédit Agricole CIB has developed a compensation policy which is internally consistent, gender neutral and externally competitive on its reference markets, to ensure the bank can attract and retain the talents it needs. Benchmarking with other financial institutions is regularly carried out for this purpose.

Compensation awards, particularly variable ones, aim to reward individual and group performance over time while promoting sound and effective risk management.

This Compensation Policy aims to reward employees fairly and appropriately for their contribution towards the success of the business and the level of service and performance delivered to the clients of Crédit Agricole CIB. Therefore, the Compensation Policy is designed to avoid conflicts of interest in accordance and, in particular, to ensure that employees do not favour their own or Crédit Agricole CIB's interests to the detriment of the best interests of the clients. The compensation policy of Crédit Agricole CIB promotes sound risk management in compliance with the bank's risk appetite statement and framework.

In accordance with the EBA Guidelines on compensation policy[1], the compensation policy and its implementation are based on the principle of equal pay between male and female employees for the same work or work of equal value.

In particular, the compensation policy may be based on:

- Appropriate documentation of the value of the position;
- Documentation of job titles or salary categories for all staff members or categories of staff;
- The correct determination of the jobs considered to be of equal value;
- The correct implementation of the job classification system (taking into account at least the types of activities, tasks and functions assigned to the position or the staff member, based on identical criteria for all employees, regardless of gender and to be defined in such a way as to exclude discrimination, including gender-based discrimination);
- And the definition of additional aspects taken into account when determining staff compensation (place of assignment, training requirements, hierarchical level, level of education, scarcity, nature of the contract, length of experience, certifications, complementary benefits).

The compensation policy of Crédit Agricole CIB is elaborated within a highly regulated framework specific to the banking sector. As a fundamental principle, Crédit Agricole CIB ensures compliance of its compensation policy with the current legal and regulatory environment at national, European and international levels, notably incorporating provisions of the following regulations:

- Directive 2019/878 of the European Parliament and of the Council of 20 May 2019, transposed into the French Monetary and Financial Code by Ordinance No. 2020-1635 of 21 December 2020 (hereinafter "CRD V");
- Law No. 2013-672 of 26 July 2013 on separation and regulation of banking activities (hereinafter the "French Banking Law");
- The rule enacted by Section 13 of the Bank Holding Company Act, implementing Section 619 of the Dodd–Frank Wall Street Reform and Consumer Protection Act (hereinafter the "Volcker Rule");
- Directive 2014/65/UE of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and Regulation 600-2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, transposed into the Monetary and Financial Code by Ordinance No. 2016-827 of 23 June 2016 and Regulation 2017/565 of 25 April 2016 of the European Commission (hereinafter "MiFID II").

Crédit Agricole CIB also incorporates the provisions of the Volcker Rule, the Banking and Financial Separation Act, the MiFID Directive and the European Sustainable Finance Disclosure Regulation (SFDR) on the consideration and integration of sustainability risks, as well as the management of climate and environmental risks. The integration of sustainability issues into the compensation policy contributes to meeting the regulatory requirements as set out in Article 5 of European Regulation 2019/2088 on sustainability-related disclosures in the financial services sector. Thus, Crédit Agricole CIB's compensation policy does not encourage excessive sustainability risk in investment advisory activities and takes into account the risk-adjusted performance, as well as the voluntary commitments of Crédit Agricole CIB in terms of sustainability issues, listed in the Climate and Environment Strategy and Portfolios Committee (CSP) of 05/12/22. Therefore, Crédit Agricole CIB's compensation policy does not favour advice on financial products that would be detrimental to the protection and primacy of clients' interests. Instead, it favours a long-term approach to climate and environmental risk management, in line with Crédit Agricole CIB's risk appetite and strategy.

The Crédit Agricole CIB compensation policy may be adapted locally to comply with requirements of regulations in countries where entities of Crédit Agricole CIB are established, if the local requirements are more stringent than those of the policy of Crédit Agricole CIB. Where applicable, adjustments need to be discussed between Head of the entity (subsidiary, branch or representative office), control functions, entity Head of HR and the HR team of Crédit Agricole CIB.

This compensation policy was approved by the Crédit Agricole CIB Board of Directors' meeting of 7 February 2023.

(1) GL/EBA/2021/04

1.4.2. Total compensation

The total compensation of Crédit Agricole CIB Group's employees is made up of the following components:

- Fixed compensation;
- Annual variable individual compensation;
- Collective variable compensation;
- Long-term variable compensation;
- Supplementary pension and health insurance plans;
- Benefits in kind.

An employee may be eligible for all or some of these elements, depending on their responsibilities, skills, performance and location.

Attribution of compensation elements is based on internal equity and on external market references and also takes into account collective and individual qualitative and quantitative performance.

The qualitative aspect of performance includes notably the evaluation done by the control functions; in case of an incident related to compliance with rules and procedures and risk limits, the attribution of remuneration elements takes it into account. The impact on remuneration in case of conduct risk is reviewed and validated on annual basis by the General Direction.

A - FIXED COMPENSATION

Fixed compensation rewards employees for the responsibilities entrusted to them, as well as for the competencies used to exercise these responsibilities, in a manner that is consistent with the specificities of each business line in their local market.

These responsibilities are defined by a remit and contributions, a level within the organization and expected skills and experience.

Fixed compensation is set at a sufficient level to allow for variable compensation not to be paid in the case of underperformance.

Fixed compensation is reviewed in line with the evolution of the employees' responsibilities and with the development of skills required for the role, appreciated within the framework of annual performance appraisal based on objectives achievement and fulfilment of permanent responsibilities of a position.

When an employee takes a new position, fixed compensation is determined taking into account the change of responsibilities.

Fixed compensation includes base salary, as well as of any other recurrent compensation components not linked to performance.

B - ANNUAL INDIVIDUAL VARIABLE COMPENSATION

Variable compensation is directly linked to individual and collective annual performance. Individual performance is assessed based on the achievement of qualitative and quantitative objectives defined at the beginning of each performance year and includes an assessment of whether the employee acted in the clients' best interests. More generally, compliance with internal rules and procedures and with the applicable legislation is a key factor of assessment of the employee's performance.

Collective performance is based on the determination of a firmwide envelope which is then broken down by business line. This envelope is defined in a way which does not limit the capacity of Crédit Agricole CIB to strengthen its equity capital as required. It takes into account all risks, including liquidity risk, cost of capital, in line with regulatory principles.

Variable compensation includes bonus, as well as of any other individual compensation component linked to performance, including guaranteed variable compensation.

◆ 1 - Definition of variable envelopes

In order to define its global variable compensation envelope, Crédit Agricole CIB uses a multi-criteria approach which is based on the analysis of performance and of risks, control objectives and financial situation, including maintaining a sound capital base and liquidity.

The variable remuneration envelope is defined taking into account all the performance and risks indicators, including:

- Revenue,
- Direct and indirect expenses,
- Cost of risk,
- Cost of capital,

via an analysis of the evolution of several aggregate indicators, such as Gross Operating Income, Net Result (Group share), Contribution and Payout ratio.

The Contribution is defined by the following formula, based on standard accounting definitions:

Net Banking Income (NBI) – direct and indirect expenses excluding bonuses – cost of risk – cost of capital before taxes

- NBI is calculated net of liquidity cost.
- The cost of risk is understood to be the provisions for default.
- The cost of capital, allowing to take into account the return on equity specific to a business line, is calculated by applying the following formula:

Risk-Weighted Assets (RWA) X Supply rate of capital (Tier 1 ratio target) X ß (the coefficient that measures the market risk of a business line and that allows for an adjustment of the Tier 1 ratio according to the capital requirement that is linked to the business line).

The Payout ratio corresponds to the ratio between the variable compensation envelope and the amount of Contribution.

The global envelope defined as above is then split between business lines, control and support functions of Crédit Agricole CIB, depending on criteria relevant for each function or team, defined and documented in a detailed manner and linked to:

- Quantitative performance, including creation and development of long-term competitive advantage for the Group,
- Management of underlying risks,
- Qualitative performance of a business line or function,
- Situation on the external market.

For each performance year: Crédit Agricole CIB verifies that attribution of variable compensation is compatible with maintaining a sound capital base and that the bank meets the combined buffer requirement (Art.141 p.2 of the European Directive 2013/36/UE of 26 June 2013).

◆ 2 - Individual bonus award

Individual bonuses are awarded within envelopes attributed by business line or support function; individual attribution by employee is discretionary and decided by the management, taking into account a global evaluation of individual and collective performance, both quantitative and qualitative.

To avoid a situation of a conflict of interest, or failure of an employee to take into account the interests of a client, there exists no direct and automatic link between the commercial and financial results of an employee and their variable compensation.

Individual attribution of variable compensation takes into account eventual cases of non-compliance with rules and procedures and risk limits, as identified within the framework of Conduct risk evaluation process in place in Crédit Agricole CIB.

In certain cases, other elements of variable compensation may be awarded in addition to the individual bonus, as is the case for Senior executives.

◆ 3 - Guaranteed variable compensation

Guaranteed variable remuneration is exceptional and can only be attributed if the bank has a sound and strong capital base. The amount of variable compensation may be guaranteed in the context of external recruitment or a retention. Guaranteed variable compensation can take the form of "guaranteed bonus", "sign-on bonus", or "retention bonus".

In the context of external recruitment, variable remuneration guarantee cannot be extended for longer than the first year of employment.

Retention bonuses may be awarded for a pre-determined period and under specific circumstances (such as restructuring, closure or transfer of activity).

Attribution of guaranteed variable remuneration is subject to the payment conditions applicable for the performance year and may entail deferral of a part of the remuneration.

◆ 4 - Buy-out of deferred variable compensation

In case of an external recruitment, Crédit Agricole CIB may compensate the loss of unvested deferred variable attributed by the previous employer and forfeited following a termination of the labour contract.

The bank may grant a buy-out of deferred compensation provided that it a sound and strong capital base.

All the conditions applicable to variable compensation also apply to buy-outs of deferred compensation, i.e. deferred compensation, allocation in the form of financial instruments, presence and performance conditions, malus and clawback, as described in the Plan Rules.

◆ 5 - Ratio between fixed and variable compensation

For the staff identified as regulated in the sense of Directive 2019/878/UE of the European Parliament and the Council of 20 May 2019, the maximum attributable variable remuneration for the performance year is equal to the employee's fixed compensation. The maximum ratio may be increased to 200% of the fixed compensation by the decision of the General Shareholders Meeting.

In alignment with the regulated staff, the variable of all other employees of Crédit Agricole CIB is limited at twice the amount of their fixed compensation.

◆ 6 - Payment of the variable remuneration

In order to align the interests of all employees of Crédit Agricole CIB with the bank's long-term objectives and to ensure sound and prudent risk management, a part of the variable compensation of all employees of Crédit Agricole CIB is deferred over time, if above a threshold.

(i) The rules and conditions for payment of the variable compensation of the regulated staff are described in Chapter III of the Policy.

(ii) For non-regulated staff, the variable remuneration is split into vested part and part deferred over three years.

The deferred part vests by equal instalments each year: 1/3 in year Y+1, 1/3 in year Y+2 and 1/3 in year Y +3 where the performance year is Y, provided the vesting conditions are met:

- Performance condition;
- Presence condition;
- Compliance with internal rules and risk limits.

The deferred variable compensation is attributed in the form of cash, 50% of which is indexed at the share price of Crédit Agricole S.A.

(iii) If, within five years after payment of the variable compensation, it is discovered that an employee: (i) participated in, or was responsible for, or contributed to a significant loss for Crédit Agricole or its clients; or (ii) was responsible of a significant breach of internal or external rules or procedures, Crédit Agricole CIB reserves the right to demand repayment or 'clawback' of all or part of the amounts paid, subject to enforceability under applicable local law.

(iv) The employees of Crédit Agricole CIB are not authorised to transfer the downside risks of variable remuneration to another party through hedging or any type of insurance to undermine the risk alignment effects embedded in their remuneration arrangements.

◆ 7 - Variable compensation of employees whose activities are subject to a mandate (French Banking Law, Volcker rule, etc.)

Variable compensation is awarded so as not to reward or encourage prohibited trading activities, but may reward the generation of revenue or the supply of services to clients. Any award must comply with internal policies and procedures, including but not limited to the Volcker rule compliance manual.

Individual performance bonuses are based on a number of factors including, but not limited to an assessment of the attainment of pre-defined individual and collective targets, which are set for employees in strict compliance with the terms of the mandate they manage.

Quarterly controls performed by the Risk and Permanent Control Division and the Global Market Division are used to verify the correct application of the mandates.

During the annual appraisal, managers assess employees' performance based on objectives set in the beginning of the performance year, including compliance with trading mandates. The appraisal takes into account cases of breach of internal rules and procedures and in particular non-compliance with mandates.

◆ 8 - Remuneration of employees participating in providing services to clients

The remuneration policy of employees involved in the provision of services to clients aims to encourage responsible business conduct, fair treatment of clients as well as to avoid conflict of interest in the relationships with clients. Notably, the annual performance appraisal and/or the remuneration awarded to employees take into account the opinion of the control functions, in case of an incident related to provision of services to clients.

◆ 9 - Variable compensation of the control functions

In order to prevent potential conflict of interests, the compensation of the control functions is defined independently of the compensation of the employees of the business lines for which they validate or review the operations. The objectives set for the control functions and the budgets used to determine their variable compensation must not take into account the criteria related to the results and economic performance of the business area that they control. Their variable compensation envelope is defined according to market practices.

The Crédit Agricole CIB Compensation Committee, as part of its remit, ensures compliance with the principles for determining the compensation of the risk and compliance managers.

3

C - COLLECTIVE VARIABLE COMPENSATION

Crédit Agricole CIB has been implementing for many years a policy aiming to involve the employees collectively in the results and the performance of the bank. For this purpose, a collective variable compensation system (discretionary and mandatory profit sharing) was set up in France. Similar arrangements aiming to share the bank results with all members of staff may be also set up in the international entities.

D - LONG-TERM VARIABLE COMPENSATION

This variable compensation component federates, motivates and increases loyalty. It complements the annual variable compensation mechanism by rewarding the long-term collective performance of the Group.

It consists of several systems that are differentiated according to the level of responsibility in the organization:

- "Employee" shareholding, which is open to all employees subject to conditions defined by the Board of Directors of Crédit Agricole S.A.;
- Long-term compensation in share-linked cash and/or cash subject to performance conditions based on economic, financial and social criteria defined in line with the long-term strategy of the Crédit Agricole S.A. Group. It is reserved for Group senior and key executives.

E - PENSION AND HEALTH INSURANCE PLANS

Depending on the country and the relevant market practices, Crédit Agricole CIB undertakes to provide its employees with social security coverage that is designed to:

- Assist with setting up retirement income or savings;
- Provide a reasonable level of social security coverage for employees and their family.

These benefits are annexes parts of the remuneration packages, put in place for all employees of Crédit Agricole CIB including its international entities. Benefits are subject to collective agreements, complementing the mandatory regimes, specific to each country where a Crédit Agricole CIB entity is located.

F - BENEFITS IN KIND

In certain cases, the total compensation also includes benefits in kind. This includes notably:

- Providing a company car depending on the employee's level of responsibility;
- Benefits designed to cover the difference in the cost of living for expatriate populations.

Depending on country, these benefits may be complemented by other arrangements designed to provide a simulating working environment and ensure a healthy work-life balance.

1.4.3. Governance of compensation policy

Crédit Agricole CIB compensation policy is reviewed annually by the Executive Management, following a proposal by the Human Resources Division and in accordance with the main guidelines of the Crédit Agricole S.A. Group compensation policy. This policy is also reviewed by the Control Functions. The compensation policy is approved by the Board of Directors, on the basis of a recommendation by the Remuneration Committee.

In compliance with the principles of the Group policy, the Human Resources Division associates the control functions with the consideration of the risks in the compensation management, notably in identifying the regulated population, compliance with the regulatory norms and the control of the conduct risk. In addition, as for all the support functions, the variable compensation envelopes of the control functions are defined on the basis of objectives specific for the control functions and independent of the results of the business areas they control.

The implementation of the compensation policy is subject to annual control of the Group Internal audit.

1.4.4. Remuneration of identified staff

In line with the regulations applicable to the credit institutions and investment firms and in consistency with the general principles of the Group, Crédit Agricole CIB identifies its risk takers, i.e. employees whose professional activities have a significant impact on the risk profile of Crédit Agricole CIB.

The identification of risk takers at the level of Crédit Agricole CIB is compliant with Article 92 of Directive 2013/36/EU of the European Parliament and the Council of 26 June 2013, amended by Directive (EU) 2019/878 of 20 May 2019 (hereafter referred to as "CRD V"). In the countries where national regulators enforce similar requirements, based on the Guidelines of the Financial Stability Board, the entities of Crédit Agricole CIB also apply the local remuneration requirements.

The remuneration policy applicable to risk takers aims to promote sound and efficient risk management and does not encourage risk-taking above the limit which is considered acceptable for the bank.

A - SCOPE OF APPLICATION

The identification of employees considered as risk takers in the sense of CRD V Directive is a joint process between Crédit Agricole CIB and Crédit Agricole S.A. and between the Human Resources department and the control functions of Crédit Agricole CIB. This process is subject to annual review.

In Crédit Agricole CIB, in application of Delegated Regulation of the European Commission (EU) 2021/923 of 25 March 2021, the following categories of personnel are considered identified:

- Members of the Management body and senior management,
- Employees with managerial responsibility over the control functions or material business units,
- Heads of key business lines,
- Heads of key support functions,
- Employees with authority to take decisions on significant credit risk exposures or trading book transactions,
- President and permanent members of New Activities / New products committee;
- Employees entitled to significant remuneration for the preceding performance year,
- Any other employee considered as having a significant impact on the risk profile of Crédit Agricole CIB, as identified by Risk and Permanent Control, Compliance and Human Resources divisions and validated by the senior management.

In addition, employees may be identified as risk takers at the level of a local entity, as defined by the relevant local legislation.

B - COMPENSATION POLICY FOR RISK-TAKERS

The compensation policy for the risk takers aims to promote sound risk management and to involve the employees in the mid- and long-term performance of Crédit Agricole CIB.

In compliance with the regulatory requirements, the compensation policy has the following characteristics:

(i) The total amount of variable compensation is defined taking into account the performance of the employee and of the operation unit as well as the performance of the bank as a whole, based on both financial and non-financial performance criteria;

(ii) In the same way as for all staff, the amounts of variable compensation and their distribution do not limit the bank's ability to strengthen its equity capital as required;

(iii) The variable compensation cannot be above 100% of the fixed compensation. The Shareholders Meeting can approve a higher maximum ratio, provided that the total variable component does not exceed 200% of each employee's fixed compensation. The Shareholders Meeting of Crédit Agricole CIB of May 4th 2020 voted a resolution establishing the maximum ratio between the variable and fixed compensation at 200% for the remuneration attributed for 2020 onwards, until a new decision is voted by the Shareholders Meeting.

(iv) When variable compensation is above 50,000 EUR or above 1/3 of total compensation, a part of it representing 40% to 60% is deferred over 4 to 5 years and is vested on pro-rata basis in equal instalments, the vesting being subject to performance, presence and risk management conditions. If a national competent authority imposes stricter proportionality criteria, the stricter rules apply to the risk takers within the scope of the national regulation.

(v) 50% of the variable compensation is attributed in the form of financial instruments (indexed on the share of Crédit Agricole S.A.). The attribution of 50% in the form of instruments applies both to the vested part and to each instalment of the deferred part of variable compensation.

Vesting of variable compensation attributed in the form of financial instruments is followed by a retention period of six months. It is prohibited for the employees to hedge or use any form of insurance which could undermine the risk alignment effects embedded in the compensation arrangements.

(vi) If during the five years following the payment of a deferral instalment, the bank discovers that the employee: (i) is responsible for or contributed to actions that led to significant losses for Crédit Agricole CIB or its clients, or (ii) committed a breach of internal or external rules and procedures, Crédit Agricole CIB reserves the right, subject to feasibility under the applicable local labour legislation, to claw back all or part of the amount already paid to the employee.

1.4.5. Remuneration of Senior management

The compensation policy applicable to Crédit Agricole CIB's executive directors is part of the compensation policy for Crédit Agricole S.A. senior management.

A - GENERAL PRINCIPLES

The compensation policy for the members of Crédit Agricole CIB Executive Management is approved by the Board of Directors on the basis of a proposal by the Remuneration Committee. This policy is reviewed annually by the Board of Directors in order to take into account changes in the regulatory environment and external market context.

It is consistent with the compensation policy for the senior executives of Crédit Agricole S.A. Group. This principle allows to bring the Group's senior management together around common and shared criteria.

In addition, the compensation of members of Crédit Agricole CIB Executive Management is compliant with:

- the regulatory framework defined by the Monetary and Financial Code and the Ordinance of 3 November 2014 on internal control in credit institutions and investment firms, which transposes into French law the European provisions on the compensation of identified staff, which includes executive directors;
- the recommendations and principles of the Corporate Governance Code for listed companies (the "AFEP/MEDEF Code").

The Board of Directors reviews annually the compensation components for members of the Executive Management, following a proposal of the Remuneration Committee, with the principal objective of recognizing long-term performance.

B - FIXED COMPENSATION

Based on a proposal of the Crédit Agricole CIB Remuneration Committee, the Board of Directors establishes the fixed compensation of the members of Crédit Agricole CIB Executive Management, taking into account:

- the scope of activities supervised;
- market practices and compensation level for similar roles. At the Group level, surveys are conducted annually with the assistance of specialised firms regarding the positioning of the compensation of the bank's executive directors compared to other firms in the financial sector in order to ensure the consistency of the compensation principles and levels.

In accordance with the recommendations of the AFEP/MEDEF Code (Section 23.2.2), the fixed compensation of executive directors is reviewed only at fairly lengthy intervals, unless a change in a person's scope of supervision justifies a review of their fixed compensation.

When a new Executive Corporate Officer is appointed, his or her compensation will be determined by the Board of Directors, either in accordance with the principles and criteria approved by the General Meeting or in accordance with the existing practices for officers exercising similar functions, adapted where applicable when the person takes up new functions or a new office with no equivalent in respect of the preceding period.

C - VARIABLE COMPENSATION

1 - Annual variable compensation

Based on a proposal of the Crédit Agricole CIB Remuneration Committee, the Board of Directors establishes the variable compensation of the members of Crédit Agricole CIB Executive Management.

The variable compensation policy for the members of the Executive Management is specifically aimed at:

- linking compensation levels with actual long-term performance;
- linking the interests of the management with those of the Group by including financial and non-financial performance.

For each member of Executive Management, 50% of the performance bonus is based on financial criteria and 50% on non-financial criteria, thereby combining recognition of overall performance with a balance between financial and managerial performance. The Board of Directors reviews and, if appropriate, approves the financial and non-financial criteria proposed by the Remuneration Committee.

Performance bonus may reach the target level if all the financial and non-financial objectives are achieved and may reach the maximum level in case of exceptional performance. The target and maximum levels are expressed as a percentage of the fixed salary and are defined by the Board of Directors for each member of Crédit Agricole CIB Executive Management.

A Long Term Incentive for Group Crédit Agricole S.A. senior executives may complement the performance bonus, to support a sustainable performance beyond financial results and strengthen the link between performance and compensation, notably including societal impact. The LTI is granted based on managerial assessment and is included in the global variable compensation subject to the approval by the Board of Directors.

In accordance with the AFEP/MEDEF Code (paragraph 23.2.3), variable compensation is capped and may not exceed the maximum levels established by this Compensation Policy.

2 - Vesting conditions of the annual variable compensation

The deferred part of variable compensation, representing 40% to 60% of total variable, is awarded in the form of instruments indexed the Crédit Agricole S.A. share price and is conditional upon achievement of three performance targets: one linked to performance, a second to the presence within the Group and a third to the absence of risky behaviour.

The performance condition in the Crédit Agricole CIB deferred plan is linked to the attainment of a Net Income target by Crédit Agricole CIB.

The performance condition in the long-term incentive plan for Senior Executives of the Crédit Agricole S.A. group itself is based on three targets:

1. the intrinsic financial performance of Crédit Agricole S.A., defined as the growth of Crédit Agricole S.A.'s operating income, ;
2. the relative performance of the Crédit Agricole S.A. share compared to a composite index of European banks,
3. the societal performance of Crédit Agricole S.A. measured by the FReD index [(1)].

For each criterion, vesting may vary from 0% to 120%. Each criterion accounts for one-third of the vesting. For each year, the percentage vested is the average percentage vested for each criterion, the average being capped at 100%.

The non-deferred part of the annual variable compensation, representing 60% to 40% of total variable, is paid in part at the time of award (subject to the approval of the General Meeting) and in part after a six months' retention period. The latter portion is indexed to the performance of the Crédit Agricole S.A. share price.

D - STOCK OPTIONS - FREE SHARES GRANTED

No Crédit Agricole S.A. stock options were granted to Executive Corporate Officers by Crédit Agricole CIB.

E - OTHER COMMITMENTS

1 - Retirement

Members of Credit Agricole CIB executive management benefit from one of the supplementary pension plans below. For those who benefit from it, the advantage was subject to the procedure governing related-parties agreements.

- a closed supplementary pension plan (before 2014). Entitlements under this differential defined benefit plan are only vested when beneficiaries end their career with Crédit Agricole CIB and are expressed as a percentage of the reference salary (i.e. the calculation base), which is equal to the annual average of the basic fixed annual remuneration paid over the five highest years, recalculated using Social Security revaluation coefficients. The differential paid under the plan is capped at 1% of the reference pay per year of seniority, with a maximum of 25%. This defined-benefit pension plan is subject to management outsourced to a body governed by the French Insurance Code. The outsourced assets are funded as necessary by premiums fully funded by the employer and subject to the 24% contribution provided for in Article L. 137-11 of the French Social Security Code.
- a supplementary pension scheme for senior employees of the Crédit Agricole Group, which Crédit Agricole CIB has not joined. Crédit Agricole S.A. joined this plan in January 2010 with the introduction of its pension rules adopted by collective bargaining agreement in accordance with Article L. 911-1 of the French Social Security Code.

In accordance with the Order of 3 July 2019, the entitlements under this defined-benefit pension plan were crystallised as of 31 December 2019. No additional entitlements will be granted for employment periods after 1 January 2020 and the benefit of these entitlements will remain uncertain and subject to continued employment.

From 2010 to 2019, the supplementary pension plan consisted of a combination of defined-contribution pension plans and a supplementary defined-benefit plan:

- contributions to the defined-contribution plan equal 8% of the gross monthly salary capped at eight times the social security cap (of which 3% paid by the Executive Corporate Officer);
- the entitlements under the supplementary defined-benefit plan, which are determined minus the annuity built up under the defined-contribution plans.

The reference remuneration is defined as the average of the three highest gross annual compensation amounts received during the last 10 years of activity within Crédit Agricole entities, including both fixed compensation and variable compensation, the latter being taken into account up to a cap on fixed compensation.

In any case, on liquidation, the total pension income is capped, for all company pension plans and basic and additional obligatory plans, at 70% of the reference compensation, by application of the supplementary pension rules for Senior Executives of Crédit Agricole S.A.

This supplementary defined-benefit pension plan meets the recommendations of the AFEP-MEDEF Code and the former

(1) FReD is an internal index to follow up and measure progress of Crédit Agricole S.A. related to social and environmental responsibility.

provisions of Article L. 225-42-1 of the French Commercial Code, which, for the periods in question, limited the rate of vesting of defined-benefit plan entitlements to 3% per year (text repealed by Order No. 2019-1234 of 27 November 2019):

- the group of potential beneficiaries was substantially broader than Executive Corporate Officers alone;
- minimum length of service: five years (the AFEP-MEDEF Code requires only two years of service);
- entitlement vesting rate of 1.2% of the reference pay per year of service;
- estimated supplementary pension below the AFEP-MEDEF cap of 45% of the fixed and variable compensation due in respect of the reference period;
- obligation for the beneficiary to be a Corporate Officer or an employee when exercising their pension entitlements.

This defined-benefit pension plan is subject to management outsourced to a body governed by the French Insurance Code.

The outsourced assets are funded by annual premiums fully funded by the employer and subject to the 24% contribution provided for in Article L. 137-11 of the French Social Security Code.

2 – Severance pay

No severance pay due or likely to be due in the event of termination or change of function is expected for the corporate officers by Crédit Agricole CIB. Otherwise, that will be the subject of the regulated conventions procedure.

3 – Non-compete clause

There are no plans for non-compete clauses for Executive Corporate Officers by Crédit Agricole CIB.

Otherwise, these would be subject to a regulated agreements procedure.

F - OTHER BENEFITS OF THE EXECUTIVE CORPORATE OFFICERS

Executive Corporate Officers benefit from health cover, life and disability cover and a car benefit. Unemployment cover is also in place for two of the Chief Executive Officers.

No other benefits are awarded to Executive Corporate Officers.

1.4.6. Compensation paid to members of the Board of Directors of Crédit Agricole CIB, in accordance with Article L. 225-45 of the French Commercial Code

TOTAL COMPENSATION BUDGET FOR MEMBERS OF THE BOARD OF DIRECTORS FOR 2022

The Ordinary General Meeting of Shareholders of Crédit Agricole Corporate and Investment Bank set a maximum total annual compensation budget of €700,000.

The Board of Directors does not grant any exceptional compensation for assignments or offices entrusted to directors (Article L. 225-46 of the French Commercial Code).

RULES GOVERNING THE DISTRIBUTION OF COMPENSATION TO THE BOARD OF DIRECTORS IN 2022

The compensation distribution criteria are mainly based on compensation for effective participation in meetings and availability for certain assignments.

Meetings of the Board of Directors

A gross amount of €3,000 per meeting is allocated to each Board member for attending meetings. An additional annual flat gross amount of €20,000 is allocated to the Chairman of the Board.

Advisory members of the board receive the same compensation as Directors, which is paid out of the overall budget.

Meetings of the Board of Directors' Specialised Committees

The rules on the distribution of compensation that were in force in 2022 are described in the table below.

	Chairman	Member
Compensation Committee	Annual flat rate: €6,000	Annual flat rate: €4,500
Appointments and Governance Committee	Annual flat rate: €4,500	Annual flat rate: €4,500
Audit Committee	Annual flat rate: €25,000	€3,300 per meeting with an annual cap of €23,500
Risk Committee	Annual flat rate: €30,000	€3,300 per meeting with an annual cap of €23,500

1.5. Summary of the recommendations of the AFEP-MEDEF Code on the governance and performance of the Board of Directors that were not followed and why

At 31 December 2022

Background information:

- Crédit Agricole CIB is 100%-owned by the Crédit Agricole Group (Crédit Agricole S.A. owns more than 97% of Crédit Agricole CIB's shares)
- Crédit Agricole CIB's governance is therefore in line with that of the Crédit Agricole Group.

The composition of the Board of Directors and its Committees reflects the corporate governance system, under which Board positions in certain Group subsidiaries are assigned to the Chairmen or Chief Executive Officers of the Crédit Agricole Group's Regional Banks.

AFEP-MEDEF Code Recommendations	Comments
21. **ETHICS OF THE DIRECTOR** Directors must hold shares on their own behalf and own a minimum number of shares, which is significant with respect to the compensation awarded.	Crédit Agricole CIB's shares are not offered to the public and are not listed for trading on a regulated market. The Crédit Agricole Group holds 100% of the capital. In addition, since Act 2008-776 of 4 August 2008, the directors of public limited companies are no longer required by law to hold shares. However, Article L.225-25 of the French Commercial Code allows the Articles of Association to impose a minimum shareholding requirement, although Crédit Agricole CIB's Articles of Association do not impose such a requirement.
24. **OBLIGATION OF THE EXECUTIVE CORPORATE OFFICERS TO HOLD SHARES** The Board of Directors sets a minimum number of shares that Executive Corporate Officers must keep in registered form until the end of their appointments. This decision will be reviewed at least with each reappointment.	Crédit Agricole CIB's shares are not offered to the public and are not listed for trading on a regulated market. The Crédit Agricole Group holds 100% of the capital. In addition, since Act 2008-776 of 4 August 2008, the directors of public limited companies are no longer required by law to hold shares. However, Article L.225-25 of the French Commercial Code allows the Articles of Association to impose a minimum shareholding requirement, although Crédit Agricole CIB's Articles of Association do not impose such a requirement.

1.6. Procedures for shareholder attendance at the General Meeting

The procedures for participating in General Meetings of Shareholders are set out in section V of Crédit Agricole CIB's Articles of Association (see Section 8 of the Universal Registration Document). The composition, performance and main powers of the General Meeting and a description of the rights of shareholders and the procedures for exercising these rights, are detailed in the following articles of Crédit Agricole CIB's Articles of Association: "Art. 19 - Composition - Types of Meetings", "Art. 20 - Meetings", "Art. 21 - Ordinary General Meetings" and "Art. 22 - Extraordinary General Meetings".

1.7. Structure of Crédit Agricole CIB's share capital and other information provided for in Article L.22-10-11 of the French Commercial Code

Structure of Crédit Agricole CIB's share capital	At 31 December 2022, Crédit Agricole's share capital consisted of 290,801,346 ordinary shares with a par value of €27 each, giving a share capital of €7,851,636,342. The shares are more than 97% owned by Crédit Agricole S.A. and 100% owned by the Crédit Agricole Group. Crédit Agricole CIB's shares have not been offered to the public and are not listed for trading on a regulated market.
Control mechanisms provided for in a possible staff shareholding system, when the control rights are not exercised by the latter	There are no employee shareholding schemes at Crédit Agricole CIB and no securities holders with special control or voting rights.
Shareholder agreements to the knowledge of Crédit Agricole CIB that mays result in restrictions on the transfer of shares or the exercise of voting rights	To Crédit Agricole CIB's knowledge, there are no agreements.
Agreements providing for indemnities for members of the Board of Directors or employees, if they resign or are dismissed without real and serious cause or if their employment ends due to a takeover or exchange offer"	There is no agreement.
Powers of the Board of Directors	Description in section 1.2.2.
Amendment of the Crédit Agricole CIB's Articles of Association	Submitted to the Extraordinary General Meeting (art. 22 of the Articles of Association - cf. Chapter 8 Universal Registration Document)
Rules applicable to the appointment and replacement of members of the Board of Directors	Governed by the provisions of the Articles of Association (art. 9 of Articles of Association - cf. Chapter 8 Universal Registration Document)
Issue or redemption of shares	The terms and conditions for selling Crédit Agricole CIB's shares are governed by the provisions of the Articles of Association (art. 7 of the Articles of Association - cf. Chapter 8 Universal Registration Document)

1.8. Information on delegations for capital increases

At 31 December 2022, no delegations had been granted by the General Meeting to the Board of Directors for capital increases.

The Board of Directors

2. COMPOSITION OF THE EXECUTIVE COMMITTEE AND THE MANAGEMENT COMMITTEE

THE COMPOSITION OF THE CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK'S EXECUTIVE COMMITTEE AT 31 DECEMBER 2022 WAS AS FOLLOWS:

▪ Xavier MUSCA	Chief Executive Officer
▪ Jean-François BALAŸ	Deputy Chief Executive Officer
▪ Olivier BELORGEY	Deputy Chief Executive Officer
▪ Pierre GAY	Deputy Chief Executive Officer
▪ Pierre DULON	Deputy General Manager - Global IT and OPC - Operations, Premises & Countries COOs
▪ Didier GAFFINEL	Deputy General Manager - Global Coverage and Investment Banking
▪ Anne-Catherine ROPERS	Deputy General Manager - Human Resources
▪ Natacha GALLOU	Risk & Permanent Control
▪ Stéphane DUCROIZET	SRO Americas
▪ Jean-François DEROCHE	SRO Asia-Pacific
▪ Georg ORSSICH	SRO Europe (excluding France) and Senior Country Officer for the Iberian Peninsula

AT 31 DECEMBER 2022, THE MANAGEMENT COMMITTEE CONSISTED OF THE EXECUTIVE COMMITTEE AND:

▪ Régis MONFRONT	Chairman Investment Banking
▪ Hatem MASMOUDI	SRO Middle East and Africa
▪ Frank SCHÖNHERR	SCO Germany
▪ Ivana BONNET*	SCO Italy
▪ Hubert REYNIER	SCO UK
▪ Jamie MABILAT*	Corporate & Leveraged Finance
▪ Julian HARRIS	Debt restructuring & Advisory Services
▪ Fabrice SCHWARTZ	Distribution & Asset Rotation
▪ Lisa LEDE	Finance & Procurement
▪ Anne GIRARD	Global Compliance
▪ Séverine MOULLET	Global Coverage and Investment Banking
▪ Nicolas CHAPIN	Global Coverage and Investment Banking
▪ Laurent CAPES	Global Coverage and Investment Banking
▪ Octavio LIEVANO	Global Coverage and Investment Banking
▪ Tanguy CLAQUIN	Global Coverage and Investment Banking
▪ Frank DROUET	Global Markets Division
▪ Arnaud D'INTIGNANO	Global Markets Division
▪ François RAMEAU	Audit Department
▪ Laurent CHENAIN	International Trade & Transaction Banking
▪ Pierre-Yves BOLLARD	IT & Operations services
▪ Éric LECHAUDEL	IT & Operations services
▪ Bruno FONTAINE	Legal
▪ Didier REBOUL	Crédit Agricole Group's ISE Division
▪ Danielle BARON	Structured Finance

* As of 1st February 2023, Jamie Mabilat will replace Ivana Bonnet as SCO Italy.

2022 BUSINESS REVIEW AND FINANCIAL INFORMATION

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€6.7 B

NET BANKING INCOME

N°3

WORLDWIDE IN ALL BONDS EUR (1)

(1) Source: Refinitiv N1.

N°2

IN EMEA IN SYNDICATED FINANCE ACTIVITIES (1)

(1) Bookrunner – Source Refinitiv R17.

€130 B

ASSETS UNDER MANAGEMENT (WEALTH MANAGEMENT)

WEALTH MANAGEMENT

€929 M

FINANCING ACTIVITIES

€3,105 M

CAPITAL MARKETS AND INVESTMENT BANKING

€2,659 M

UNDERLYING NBI BY BUSINESS LINE IN 2022 IN € MILLIONS

1. CRÉDIT AGRICOLE CIB GROUP'S BUSINESS REVIEW AND FINANCIAL INFORMATION

1.1. Overview of Credit Agricole CIB group's financial statements

Changes to accounting policies

Changes to accounting policies and principles are described in Note 1 to the consolidated financial statements for the year ended 31 December 2022 in Chapter 6 of this Universal Registration Document.

Changes in consolidation scope

Changes in scope between 1 January 2021 and 31 December 2022 were as follows:

COMPANIES FIRST TIME CONSOLIDATED IN 2022

The following companies entered the scope of consolidation:

- Branch: Crédit Agricole CIB (Australia)
- CA Indosuez (Switzerland) S.A. DIFC Branch
- L&E Services
- CA MIDCAP ADVISORS (FORMERLY SODICA)
- Woori Card 2022 1 Asset Securitization Speciality Co Ltd

COMPANIES DECONSOLIDATED IN 2022

The following companies were deconsolidated:

- Branch: Crédit Agricole CIB (Miami)
- CA Indosuez Wealth (Brazil) S.A. DTVM
- CLIFAP
- ESNI (compartiment Crédit Agricole CIB)
- Financière Lumis
- FCT CFN DIH

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1.2. Economic and financial environment

2022 Retrospective

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

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

Although far from the centre of the conflict and still buoyed by the post-Covid recovery momentum (+5.9% growth in 2021) largely due to "over-stimulated" consumption, the **United States** has seen a significant decline in growth (+2.1% in 2022). After beginning 2022 with two consecutive quarters of GDP contraction, growth recovered thanks to the buffers resulting from the pandemic: the accumulation of abundant savings (concentrated in high revenues) and a very tight labour market. Strong job creation, coupled with a participation rate (62.3%

in December) that is still one percentage point below its pre-pandemic level, has resulted in a decline in the unemployment rate (3.5%) and vigorous wage increases (+6.2% year-on-year in November), partly offsetting the high inflation. Stimulated by supply and then rapidly by demand, 12-month inflation fell from 7.5% in January 2022 to 6.5% in December after reaching its peak in June at 9.1%. Core inflation dropped only slightly (5.7% in December compared to 6% in January and a peak of 6.6% in September).

Following very strong growth in 2021 (+5.3%) and after being buoyed in the first half of 2022 by the post-Omicron upturn, from the summer onwards the **Eurozone** suffered the brutal materialisation of a much more limited supply of Russian gas, terms-of-trade shock [(1)], an acceleration in inflation and the tightening of financial terms. The slowdown was abrupt: from +5.5% in the first quarter of 2022, the annual GDP growth rate fell to +2.3% in the third quarter. Despite a slightly negative external contribution (-0.3 percentage points), growth nevertheless remained high over the year as a whole (+3.5%) thanks to dynamic domestic demand: household consumption and investment grew by +4% and +4.3% respectively [(2)]. This robust consumption is largely explained by the aftermath of the Covid crisis: a resilient labour market paired with abundant savings.

Despite a slowdown in job creation and an increase in the participation rate (to 74.9% in the third quarter), "job retention", a key element of the strategy rolled out during Covid, has allowed the unemployment rate to continue to fall (to 6.5% in November 2022 compared to 7.1% one year earlier). While public support (1.3% of the GDP in 2022, more than half of which in favour of households) and the increase in nominal wages have not made it possible to preserve real disposable income (down by 0.4% over the first three quarters of the year), the loss of purchasing power has not led to a decrease in consumption: the excess savings built up during the crisis (of around €1000 billion in mid-2022) have contributed to the resilience of domestic demand, which should have been crippled by very high inflation. The inflation rate more than doubled between January 2022 (5.1% year-on-year) and its peak (10.6% in October) before decreasing once again (9.2% in December): the deceleration of inflation in the energy sector (25.5% compared to 34.9% in November) cushioned accelerated price increases for other components (services, non-energy industrial goods, food). While the recovery in core inflation was initially caused by supply constraints (bottlenecks and input shortages), the importance of demand factors gradually increased as pandemic-related restrictions were lifted, particularly in services. Additionally, sources of upstream inflation have slowly spread. Core inflation thus rose from 2.3% in January to 5.2% in December.

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

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

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

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

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

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

While the US equity market (S&P500) lost -20% over the year, the Eurostoxx 50 and the CAC40 fell by -12% and -10% respectively. Finally, risk aversion and strong, premature monetary tightening in the United States benefited the dollar. The euro thus fell continuously against the dollar until September, recording a depreciation of -14% over 9 months. Thanks to economic growth being more resilient than expected and the ECB tightening, the euro then recovered, limiting its depreciation against the dollar to -6% over 2022.

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

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

1.3. Consolidated activity and results

Condensed consolidated income statement

▶ Year 2022

€ million	Underlying CIB [1]	Non-recurring [1]	Stated CIB	Private Banking	Corporate Center	CACIB	Underlying CIB Change 2022/2021	Underlying CIB Change 2022/2021 at constant rate
Net banking income	**5,764**	**2**	**5,766**	**929**	**2**	**6,697**	**+13%**	**+9%**
Operating expenses excluding SRF	(2,947)	0	(2,947)	(756)	(13)	(3,717)	+9%	+6%
SRF	(384)	0	(384)	(3)	0	(387)	+30%	+30%
Gross Operating Income	**2,433**	**2**	**2,434**	**170**	**(12)**	**2,593**	**+15%**	**+9%**
Cost of risk	(249)		(249)	(4)		(253)	x,5,1	
Share of net income of equity-accounted entities	(0)		(0)			(0)	ns	
Gain/losses on other assets	0		0	(7)		(6)	ns	
Impairment of goodwill		0		0	0		ns	
Pre-tax income	**2,183**	**2**	**2,185**	**160**	**(12)**	**2,333**	**+8%**	**+1%**
Corporate income tax	(539)	(0)	(540)	(26)	77	(490)	+14%	
Net income from discontinued or held-for-sale operations				4		4	ns	
Net income	**1,644**	**1**	**1,646**	**137**	**65**	**1,848**	**+6%**	**(0%)**
Non-controlling interests	(1)		(1)	10		9	(48%)	
Net income, Group Share	**1,645**	**1**	**1,647**	**127**	**65**	**1,838**	**+6%**	**(1%)**
Operating coefficient (excluding SRF)	**+51.1%**							

[1] Restated under NBI for loan hedges in Financing Activities in the amount of +€21 million in 2022 , and for the impacts of DVA, FVA liquidity costs and secured lending in Capital Markets and Investment Banking in the amount of -€19 million in 2022.

▶ Year 2021

€ million	Underlying CIB [1]	Non-recurring [1]	Stated CIB	Private Banking	Corporate Center	CACIB
Net banking income	**5,109**	**(12)**	**5,098**	**840**	**(25)**	**5,913**
Operating expenses excluding SRF	(2,701)	0	(2,701)	(691)	(4)	(3,396)
SRF	(295)	0	(295)	(3)	0	(298)
Gross Operating Income	**2,113**	**(12)**	**2,101**	**146**	**(29)**	**2,219**
Cost of risk	(49)		(49)	(5)		(54)
Share of net income of equity-accounted entities	(0)		(0)			(0)
Gain/losses on other assets	(40)		(40)	1		(39)
Impairment of goodwill		0		0	0	
Pre-tax income	**2,024**	**(12)**	**2,013**	**142**	**(29)**	**2,125**
Corporate income tax	(474)	4	(470)	(18)	56	(432)
Net income from discontinued or held-for-sale operations				7		7
Net income	**1,551**	**(8)**	**1,542**	**130**	**27**	**1,700**
Non-controlling interests	(2)		(2)	11		9
Net income, Group Share	1,553	(8)	1,545	119	27	1,691
Operating coefficient (excluding SRF)	**+52.9%**					

[1] Restated under NBI for loan hedges in Financing Activities in the amount of -€18 million in 2021, and for the impacts of DVA, FVA liquidity costs and secured lending in Capital Markets and Investment Banking in the amount of +€6 million in 2021

2022 was highly disrupted by the higher-than-expected rise in inflation that impacted energy prices. Combating today's longer-lasting and higher inflation has become the top priority for central banks, which are rapidly raising their key rates to levels not seen since 2011. What's more, the Russia-Ukraine conflict is a source for concern in global economies: sentiment is declining among economic agents and shortages are increasing, while commodity prices are reducing household purchasing power and weighing on business costs. These uncertainties have generated a high level of volatility in rates, spreads and exchange rates.

Against this backdrop, CIB's underlying revenues stood at €5,764 million in 2022, up +13% at current rates and +9% at constant rates compared to 2021. The increase in revenues stemmed from very strong showings by Capital Markets (+14% in 2022 vs. 2021) and Financing Activities (+12%), once again underscoring the excellent complementarity of the two business lines in the Corporate and Investment Bank of Crédit Agricole CIB. The growth of the Group's positions in a number of sectors – No. 2 in EMEA syndicated loans [(1)] (vs. No. 3 in 2021), No. 1 worldwide in Green, Social and Sustainability [(2)], (vs. No. 2 in 2021), No. 3 worldwide in All Bonds issuances (EUR) [(3)] (vs. No. 5 in 2021) – and the consolidation of its leading positions in syndicated loans [(4)] and French corporate issues in France [(5)] reflect ongoing efforts to step up customer relations.

Operating expenses amounted to -€3,331 million in 2022, up +11% at current rates (+8% at constant rates). They included a contribution to the Single Resolution Fund (SRF), which increased by 30% in 2022 compared to 2021 (to €384 million). Excluding this contribution, operating expenses rose +9% (+6% at constant rates), in line with Crédit Agricole CIB's human and IT investment strategy.

Excluding the SRF, the underlying CIB cost/income ratio came out at 51.1% in 2022, compared to 52.9% in 2021. Gross operating income thus stood at €2,433 million, compared with €2,113 million in 2021, down +15%.

CIB's cost of risk was up significantly (net allocation of -€249 million in 2022 versus -€49 million in 2021), mainly due to the impacts of the Russia-Ukraine conflict. It also included reversals of provisions for legal risk in 2022 for +€98 million.

Net gains or losses on other assets recorded a negative impact of -€39 million in 2021 linked to the deconsolidation of the Algerian subsidiary.

In overall terms, CIB's underlying net income Group share amounted to €1,645 million in 2022, up +6% compared to 2021 (€1,553 million).

(1) Source: Refinitiv R17
(2) Source: Bloomberg
3) Source: Refinitiv N1
(4) Source: Refinitiv
(5) Source: Refinitiv N8

1.4. Results by business line

Financing activities

€ million	Under-lying 2022*	Under-lying 2021*	Change 2022/2021	Change 2022/2021 at constant rate
Net banking income	**3,105**	**2,775**	**+12%**	**+6%**
Operating expenses excluding SRF	(1,221)	(1,094)	+12%	+8%
SRF	(138)	(102)	+35%	+35%
Gross Operating Income	**1,747**	**1,579**	**+11%**	**+3%**
Cost of risk	(313)	(76)	x 4.1	-
Share of net income of equity-accounted entities	(0)	(0)	(55%)	-
Gain/losses on other assets	0	(40)	ns	-
Impairment of goodwill		0	ns	-
Pre-tax income	**1,434**	**1,463**	**(2%)**	**-**
Corporate income tax	(357)	(317)	+12%	-
Net income from discontinued or held-for-sale operations			-	-
Net income	**1,077**	**1,146**	**(6%)**	**-**
Non-controlling interests	(1)	(1)	(9%)	-
Net income, Group Share	**1,078**	**1,147**	**(6%)**	**-**

[1] Restated under NBI for the impact of loan hedges in the amount of +€21 million in 2022 and -€18 million in 2021.

Corporate Banking posted underlying revenues of €3,105 million in 2022, up +12% at current rates and +6% at constant rates. This very strong performance was recorded by both business lines.

- Structured Finance posted strong growth (+13% to €1,110 million), driven by all product lines, particularly in the shipping, real estate, infrastructure and electricity sectors.
- Commercial Banking also turned in robust revenues (+11% to €1,995 million). Revenues from International Trade and Transaction Banking (ITB) grew sharply, with strong momentum in Cash Management sparked by Euro rate hikes decided by the European Central Bank. The expertise of the Factoring and Private Equity activities also contributed to this performance, driven by strong client demand. Corporate & Leveraged Finance activities were down slightly despite posting solid results for the first three quarters in the Leverage & Telecom division.

The contribution of Corporate Banking to net income Group share amounted to €1,078 million in 2022, down -6% compared to 2021, mainly due to cost of risk allocations associated primarily with the Russia-Ukraine conflict.

Capital markets and investment banking

€ million	Under-lying 2022*	Under-lying 2021*	Change 2022/2021	Change 2022/2021 at constant rate
Net banking income	**2,659**	**2,334**	**+14%**	**+12%**
Operating expenses excluding SRF	(1,727)	(1,607)	+7%	+5%
SRF	(246)	(193)	+28%	+28%
Gross Operating Income	**686**	**534**	**+28%**	**+28%**
Cost of risk	64	27	x 2.4	-
Share of net income of equity-accounted entities			-	-
Gain/losses on other assets			-	-
Impairment of goodwill		0	-	-
Pre-tax income	**749**	**561**	**+34%**	**-**
Corporate income tax	(182)	(156)	+17%	-
Net income from discontinued or held-for-sale operations			-	-
Net income	**567**	**405**	**+40%**	**-**
Non-controlling interests	0	(1)	-	-
Net income, Group Share	**567**	**405**	**+40%**	**-**

[1] Restated under NBI for the impacts of DVA and FVA liquidity costs and, in 2021, secured lending, in the amount of -€19 million in 2022 and +€6 million in 2021.

Underlying revenues from Capital Markets and Investment Banking came out at €2,659 million in 2022, up +14% compared to 2021 (+12% at constant rates).

- Fixed Income activities (at €2,206 million, i.e. +14% compared to 2021) delivered an exceptional commercial performance in 2022 thanks to an increase in client flows amid high market volatility, coupled with rising interest rates and inflation since the beginning of the year, an environment conducive to client coverage needs.
- Investment Banking also saw a sharp rise in revenues (to €452 million, i.e. +14% compared to 2021), fuelled in particular by Mergers & Acquisitions and Structured Financial Solutions thanks to persistently strong business development. These results offset the results of the Equity Capital Market activity, on the decline compared to 2021 in bear market conditions.

Capital Markets and Investment Banking contributed €567 million to net income Group share, up +40% compared to 2021.

Wealth Management

€ million	Underlying 2022	Underlying 2021*	Change 2022/2021
Net banking income	**929**	**840**	**+11%**
Operating expenses excluding SRF	(756)	(691)	+9%
SRF	(3)	(3)	(2%)
Gross Operating Income	**170**	**146**	**+16%**
Cost of risk	(4)	(5)	(25%)
Share of net income of equity-accounted entities			ns
Gain/losses on other assets	(7)	1	ns
Impairment of goodwill		0	ns
Pre-tax income	**160**	**142**	**+13%**
Corporate income tax	(26)	(18)	+46%
Net income from discontinued or held-for-sale operations	4	7	(40%)
Net income	**137**	**130**	**+5%**
Non-controlling interests	10	11	(9%)
Net income, Group Share	**127**	**119**	**+7%**

The Wealth Management business line delivered very solid results in 2022 thanks to very robust commercial and financial performances, at €127 million (+7% compared to 2021).

Revenues amounted to €929 million in 2022, up +11%. This sharp increase was driven by robust fees on assets under management and higher margins on deposits.

At €759 million, operating expenses were up +9% in 2022 compared to 2021, thanks in large part to foreign exchange effects and IT expenses at Azqore, stemming from the additional costs required to migrate Societe Generale's activities. Gross operating income was up +16% compared to 2021.

Cost of risk recorded an allocation of -€4 million (versus -€5 million in 2021).

At end-December 2022, assets under management totalled €129.9 billion, down -4% compared with 31 December 2021, mainly due to an unfavourable market effect.

Corporate Centre

€ million	Underlying 2022	Underlying 2021	Change 2022/2021
Net banking income	**2**	**(25)**	**ns**
Operating expenses excluding SRF	(13)	(4)	x 3.5
SRF	0	0	ns
Gross Operating Income	**(12)**	**(29)**	**(59%)**
Cost of risk			ns
Share of net income of equity-accounted entities			ns
Gain/losses on other assets			ns
Impairment of goodwill		0	ns
Pre-tax income	**(12)**	**(29)**	**(59%)**
Corporate income tax	77	56	+37%
Net income from discontinued or held-for-sale operations			ns
Net income	**65**	**27**	**x 2.4**
Non-controlling interests			ns
Net income, Group Share	**65**	**27**	**x 2.4**

The "Corporate Centre" division integrates the various impacts not attributable to the other business lines.

In 2022 revenues amounted to +2 million, including the positive impact associated with the elimination of the haircut on Visa shares. Operating expenses excluding SRF totalled -€13 million, mainly consisting of expenses related to the restructuring of Crédit Agricole Group Infrastructure Platform and Project Jakarta. Tax income amounted to +€77 million, attributable to the tax rate applied to the tax base and to tax income on issues of AT1 securities.

1.5. Crédit Agricole CIB's consolidated balance sheet

Assets

€ billion	31.12.2022	31.12.2021
Cash, central banks	78.7	65.1
Financial assets at fair value through profit or loss (excluding repurchase agreements)	182.7	135.7
Hedging derivate instruments	2.6	1.3
Financial asset at fair value through other comprehensive income	10.8	13.4
Financial assets at amortised cost (excluding repurchase agreements)	264.3	236.5
Current and deferred tax assets	1.6	1.1
Repurchase agreements	122.8	117.5
Accruals, prepayments and sundry assets	62.2	26.7
Non-current assets held for sale and discontinued operations	-	-
Property, plant, equipment and intangible assets	1.4	1.3
Goodwill	1.1	1.1
Total assets	**728.2**	**599.7**

At 31 December 2022, Crédit Agricole CIB had total assets of €728.2 billion, up +€128.5 billion compared to 31 December 2021.

Liabilities

€ billion	31.12.2022	31.12.2021
Central banks	-	1.2
Financial liabilities at fair value through profit or loss (excluding repurchase agreements)	221.5	168.1
Hedging derivate instruments	5.1	1.2
Financial liabilities at amortised cost (excluding repurchase agreements)	334	288.9
Repurchase agreements	82.7	80.4
Current and deferred tax liabilities	2.2	2.1
Accruals, deferred income and sundry liabilities	49.2	25.9
Liabilities associated with non-current assets held for sale and discontinued operations	-	-
Provisions and insurance company technical reserves	0.9	1.3
Subordinated debt	4.3	4.1
Equity	28.3	26.5
Equity – group share	26.5	24.8
Net income (loss) for the year	1.8	1.7
Non-controlling interests	-	-
Total liabilities and equity	**728.2**	**599.7**

CASH AND BALANCES AT CENTRAL BANKS

Central bank deposits amounted to €78.7 billion, up +€13.6 billion.

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS EXCLUDING REPURCHASE AGREEMENTS

Financial assets and liabilities at fair value through profit or loss increased by +€47 billion in assets and +€53.4 billion in liabilities over the year. These lines primarily record the fair value of derivative instruments. This sharp increase can be attributed to the appreciation of the dollar and the sudden rise in interest rates.

FINANCIAL ASSETS AT AMORTISED COST EXCLUDING REPURCHASE AGREEMENTS

The +€27.8 billion increase in financial assets at amortised cost stemmed from financing and securitisation activities.

REPOS (ASSETS AND LIABILITIES)

Repurchase agreements climbed +€5.3 billion in assets and +€2.3 billion in liabilities.

ACCRUAL AND DEFERRED INCOME AND SUNDRY ASSETS AND LIABILITIES

Accruals, deferred income and sundry assets/liabilities consisted mainly of security deposits and margin calls on market transactions. Their changes are correlated with financial assets and liabilities at fair value through profit or loss.

LIABILITIES AT AMORTISED COST EXCLUDING REPURCHASE AGREEMENTS

The +€45.1 billion rise in financial liabilities at amortised cost was due to an increase in liquidity inflows from customers and issues of negotiable debt securities.

EQUITY GROUP SHARE

Equity group share excluding income for the period stood at €26.5 billion, it rose by +€1.7 billion compared to 31 December 2021 due to the incorporation of the 2021 embedded result but remained stable otherwise. The increase related to AT1 instruments (+€2.1 billion in issues and -€0.5 billion in interest) was offset by the impact of the dividend payout (-€0.5 billion) and a -€1 billion drop in OCI reserves.

1.6. Recent trends and outlook

2023 Outlook

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

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

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

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

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

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

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

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

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

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

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

Under the influence of monetary tightening and inflation that remains high, long-term interest rates should continue to rise slightly before declining once again towards mid-2023, weighed down by the slowdown or even a likely recession. This scenario maintains the inversion of the interest rate curves (2 years–10 years): sharp in the US, moderate in Germany.

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

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

Crédit Agricole CIB outlook for 2023

The economic environment was turbulent in 2022 as a result of efforts to curb inflation, which became the top priority for central banks, busy regularly implementing rate hikes during the year. Furthermore, the consequences of the Russian-Ukraine conflict in Europe (energy, scarcity of inputs) have put economies at risk of a major downturn if not an all-out recession. These uncertainties, which generated a high level of volatility in market indicators in 2022, have altered the behaviour of economic players creating risks as well as opportunities for Crédit Agricole CIB's activities.

Against this backdrop, Crédit Agricole CIB achieved its best historical performance in 2022, illustrating the strong momentum and complementarity of its business lines and business model. Crédit Agricole CIB will continue striving to be the preferred partner of its clients, committed over the long term and facilitating their activities and their transitions with a global approach across Crédit Agricole Group.

In **Capital Markets and Investment Banking**, Crédit Agricole CIB will continue working to consolidate its client relations. Persistent interest rate hikes and market volatility projected for 2023 should be conducive to clients' financial needs in terms of hedging and investment products. Repos and indexed products should be stimulated by the central bank tightening moves. Crédit Agricole CIB also plans to continue expanding the MidCap segment, in line with its development strategy.

In **Financing Activities**, Crédit Agricole CIB intends to continue growing its revenues across all structured finance segments, as it did in 2022, and taking into account the impact of the Russian conflict and its ambitions in terms of the ecological transition in line with the net zero trajectory. Crédit Agricole CIB also anticipates growth in its International Trade & Transaction Banking activities, which are expected to remain strong, particularly in factoring and private equity. Excluding the negative impacts of the Russian conflict, Corporate & Leveraged Finance activities are expected to continue their development, particularly in Event Driven activities.

Review of Crédit Agricole CIB's 2022 Medium-Term Plan objectives

Crédit Agricole CIB's performance indicators for 2022 were solid and highlighted the relevance of its model. Corporate and Investment Banking thus achieved all of the objectives set out in its 2019-2022 Medium-Term Plan, with the exception of the assumption taken on cost of risk and the target set for risk-weighted assets, due to the impacts of the Russia-Ukraine conflict. At €5.7 billion, the revenue target of €5 billion was significantly exceeded and despite expenses slightly above targets, at 52.7%, the cost/income ratio remained low and well below the 55% threshold. Despite higher-than-projected cost of risk and risk-weighted assets, Corporate and Investment Banking thus achieved a very high level of profitability (11.5%), outperforming its target of 10%.

Indicators published during the Crédit Agricole CIB's investors workshop of 11 December 2019	Realised 2022 [1]	2022 MTP targets
Underlying CIB Net Banking Income	€5.7 billion	€~5 billion
CIB Expenses (excluding SRF)	€3.0 billion	€~2.8 billion
CIB Cost to Income ratio (excluding SRF)	52.70%	< 55%
Cost of Risk in amount	€1.5 billion over 4 years	€1.1 billion over 4 years
Financing cost of risk/outstanding ratio	24 bp	[20; 25 bp]
RWA	€130.2 billion	€~123 billion
CIB RoNE (@9,5%)	11.5%	> 10%

[1] For the full CIB scope, i.e. the CIB divisions of Crédit Agricole CIB and Crédit Agricole S.A.

Medium-Term Plan for 2025, "Ambitions 2025"

On 22 June 2022, Crédit Agricole S.A. presented its new Medium-Term Plan for 2025, "Ambitions 2025". As part of its new strategic plan, in line with the overarching Group plan, Crédit Agricole CIB has reaffirmed its commitment to provide the best possible service to its clients and society by helping them achieve their main transitions: ecological, human and digital.

As such, Crédit Agricole CIB is evolving to offer optimal support to its clients in the energy transition and environment fields, notably by strengthening the advisory and financing offer for the energy transition, drawing on a community of around 250 experts and coordinators known as the Sustainability Community, and further developing its expertise in emerging technologies (e.g. hydrogen, offshore wind power, carbon capture). Having joined the United Nations Net Zero Banking Alliance (NZBA) in July 2021, Crédit Agricole S.A. detailed its intermediate 2030 targets and action plans in five sectors to achieve carbon neutrality by 2050 during a dedicated Climate Workshop on 6 December 2022. These five sectors mainly concern Crédit Agricole CIB: oil and gas, electricity, automotive, commercial real estate and cement. Credit Agricole group will reveal in 2023 the objectives for five other sectors (shipping, aviation, steel, residential real estate and agriculture). At the same time, Crédit Agricole CIB is aiming for +60% growth in exposure to low-carbon energy sources by 2025. The details of these commitments are described in Chapter 2 "Economic, Social and Environmental Information", Section 3 "Incorporating the challenges of climate change", of this Universal Registration Document.

The bank is also pursuing its client-centric strategy, first by strengthening its global franchise with European customers, and second by adopting a selective approach outside Europe, with a focus on differentiating sectors (energy transition, mobility, telecommunications, media and technology, real estate, agriculture, agro-business, financial institutions). Crédit Agricole CIB's ambition is to increase its revenues in Europe (excluding France) by around +5% on average per year between 2021 and 2025. This development model is based on the principle of maintaining a prudent risk framework (proportion of Investment Grade clients, low VaR). The bank also aims to increase its penetration among major European corporate (1) issuers, financial sponsors (2) and ISE clients (3), with the goals of securing 35 of the top 50 European Corporate issuers as customers of Crédit Agricole CIB.

In addition, Crédit Agricole CIB is developing its business lines by capitalising on their strengths. Accordingly, the bank intends to diversify and digitise its market activities (equity derivatives, credit products, ESG solutions); and will continue its efforts to industrialise less profitable solutions (Cash Management activities) and platformisation of Receivable & Supply Chain Financing solutions. It aims to increase revenues from industrialised flow activities by more than 15% between 2020 and 2025.

Finally, benefiting from the Group's image, strong reputation and very high rating, which are key commercial advantages in an uncertain environment, Crédit Agricole CIB plans to expand its relationships and increase synergies with the Group, thanks to a range of services provided to Amundi and local banks, while also developing complementary synergies within the Major Clients division (with CACEIS).

2025 ambitions: Financial trajectory

Crédit Agricole S.A.'s Major Clients division comprises the activities of Corporate and Investment Banking and Institutional Services (CACEIS). The division as a whole has set ambitious financial targets for 2025, including average annual revenue growth of around +4-5% per year while keeping operating expenses under control, with the aim of achieving a cost/income ratio (excluding SRF contribution) of less than 55% in 2025, for the Corporate and Investment Banking business line.

(1) Issuers on the bond market.
(2) Infrastructure and Private Equity funds.
(3) Intermediate Sized Enterprises.

1.7. Alternative performance measures (APM) - article 223-1 of the AMF's general regulation

Alternative Performance Measures	Definition	Reason for use
Cost/Income ratio	Ratio indicating the share of NBI (Net Banking Income) used to cover operating expenses (business operating expenses). It is calculated by dividing operating expenses by NBI.	Measure of operational efficiency in the banking sector.
Underlying Net Banking Income (Underlying CIB)	Net Banking Income excluding exceptional items. Details of exceptional items are provided in the table hereafter.	Measure of Crédit Agricole CIB's NBI excluding items that do not reflect the underlying operating performance or non-recurring items of a significant amount.
Underlying Net income, Group Share	Underlying Net income, Group Share excluding exceptional items. Details of exceptional items are provided in the table hereafter.	Measure of Crédit Agrcicole CIB's net income excluding items that do not reflect the underlying operating performance or non-recurring items of a significant amount.
Assets under management	All assets under management by Indosuez Wealth Management.	Measures operating activity not reflected in consolidated financial statements and corresponding to portfolio assets marketed portfolio assets managed, advised or delegated by Indosuez Wealth Management

Key Exceptional Elements

€ million	2022	2021
Net Banking Income	**+2**	**(12)**
Loan hedges	+21	(18)
DVA, FVA component of issuer spread and secured lending	(19)	+6
Total pre-tax exceptional items	**+2**	**(12)**
Total exceptional items after tax	**+1**	**(8)**

2. INFORMATION ON THE FINANCIAL STATEMENTS OF CRÉDIT AGRICOLE CIB (S.A.)

2.1. Condensed balance sheet of Crédit Agricole CIB (S.A.)

Assets

€ billion	31.12.2022	31.12.2021
Interbank and similar transactions	215.7	188.3
Customer transactions	205.0	191.5
Securities transactions	39.6	40.2
Accruals, prepayments and sundry assets	220.4	136.4
Non-current assets	5.9	5.9
Total assets	**686.6**	**562.3**

Liabilities

€ billion	31.12.2022	31.12.2021
Interbank and similar transactions	122.3	116.8
Customer accounts	222.4	198.0
Debt securities in issue	54.8	37.4
Accruals, deferred income and sundry liabilities	252.5	179.0
Impairment and subordinated debt	17.7	15.4
Fund for General Banking Risks	-	-
Shareholders' equity (excl. FGBR)	16.8	15.8
Total liabilities and shareholders' equity	**686.6**	**562.3**

At 31 December 2022, Crédit Agricole CIB (S.A.) had total assets of €686.6 billion, up €124.3 billion compared to 31 December 2021.

Money market and interbank items

Interbank assets climbed +€27.3 billion (+14.5%), with an increase of +€12.8 billion in central bank deposits, a decrease of -€1.9 billion in treasury bills and a rise of +€16.4 billion in amounts due from credit institutions (o/w +€9.1 billion in term and demand accounts and loans and +€7.3 billion in reverse repurchase agreement).

Interbank liabilities rose +€5.5 billion (+4.7%), with a decrease of -€1.1 billion in amounts due to central banks and an increase of +€6.6 billion in amounts due to credit institutions (i.e. +€4.4 billion in term and demand accounts and deposits and +€2.2 billion in repurchase agreement).

Client transactions

Customer transactions were up +€13.5 billion (+7%) under assets and +€24.5 billion (+12.4%) under liabilities.

In terms of assets, this increase can be attributed to the following changes: +€7.3 billion in trade receivables, +€0.3 billion in current accounts with overdrafts and other customer loans, which rose +€9.5 billion. This increase was offset by a sharp decline in securities bought under repurchase agreement of -€3.4 billion, coupled with a slight decrease in impairments of -€0.2 billion.

On the liabilities side, other amounts due to customers picked up +€20.2 billion (+24.4%) and current accounts in credit also climbed €4.3 billion (+8.3%).

Securities and debt securities

Securities transactions fell -€0.6 billion (-1.5%) under assets, with -€1.4 billion stemming from equities and other variable-income securities, offset by a +€0.8 billion increase in bonds and other fixed-income securities.

Debt securities were up +€17.4 billion (+46.4%), primarily due to negotiable debt securities.

Accrual and deferred income and miscellaneous assets and liabilities

This item principally records the fair value of derivative instruments. As a reminder, these are covered in "Financial assets and liabilities at fair value" in the consolidated financial statements.

The increase in "Accruals, prepayments and sundry assets and liabilities" was +€84.0 billion under assets (+61.6%) and +€73.6 billion under liabilities (+41.1%).

Other assets and other liabilities rose +€35.0 billion and +€20.7 billion, respectively. They mainly consist of various sundry debtors and creditors.

Accruals and prepayments, mainly representing the fair value of derivatives, also increased +€49.1 billion under assets and +€52.9 billion under liabilities.

Provisions and subordinated debt

Provisions were down slightly by -€0.1 billion and subordinated debt rose +€2.4 billion (+20%). This increase is mainly due to the back of EUR-denominated perpetual subordinated debt (+€2.0 billion).

Fixed assets

At €5.9 billion, fixed assets were unchanged compared to 2021. Fixed assets can be broken down into €5.6 billion in equity investments and other long-term investment securities and €0.4 billion in property, plant and equipment and intangible assets.

Accounts payable by due date

Under Article L. 441-6-1 of the French Commercial Code, companies whose parent company financial statements are certified by a Statutory Auditor are required to disclose in their management report details of their client and supplier payment terms by due date, in accordance with the terms and conditions set out in Article D.441-6-I of the French Commercial Code, as amended by Decree No. 2021-211 of 24 February 2021. This information does not include banking and related transactions as we consider that they do not fall within the scope of the information to be provided.

	31.12.2022				31.12.2021			
€ thousands	≤ 30 days	> 30 days ≤ 60 days	> 60 days	Total	≤ 30 days	> 30 days ≤ 60 days	> 60 days	Total
Accounts payable	7,966	-	-	7,966	4,137	-	-	4,137

The median payment period for accounts payable at Crédit Agricole CIB is 14 days. Crédit Agricole CIB had outstanding amounts payable of €8 million at 31 December 2022 versus €4.1 million at 31 December 2021.

Information on payment delays by Crédit Agricole CIB suppliers

▶ Invoices received subject to payment delays by Crédit Agricole CIB Paris suppliers

	2022 Financial year					
€ thousands	0 day	≥ 1 day ≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days	Total (1 day and more)
Number of invoices concerned	33,741	1,429	731	358	600	3,118
Aggregate amount of the invoices concerned excl. VAT	855,780	61,730	15,317	6,809	15,457	99,313
Percentage of the total amount of invoices received during the year, excl. VAT	89.60%	6.46%	1.60%	0.71%	1.62%	

▶ Invoices received and not paid at the closing date whose payment term has expired

	31.12.2022					
€ thousands	0 day	≥ 1 day ≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days	Total (1 day and more)
Number of invoices concerned						0
Aggregate amount of the invoices concerned excl. VAT						0
Percentage of the total amount of invoices received during the year, excl. VAT						0

Information on inactive bank accounts

Under Articles L. 312-19 and L. 312-20 of the French Monetary and Financial Code, issued by the Law No 2014-617 of 13 June 2014 relative to unclaimed assets on inactive bank accounts, named Law Eckert which came into force on 1 January 2016, every credit institution is required to publish annual information on inactive bank accounts. At 31 December 2022, Crédit Agricole CIB S.A. recorded 281 inactive bank accounts, for an estimated total amount of €21,437,305.86.

At the end of the 2022 financial year, nothing was transferred to *Caisse des Dépôts et des Consignations* in respect of inactive bank accounts held with Crédit Agricole CIB.

Client settlement terms

Compliance with the contractual terms of client payments is monitored as part of the bank's risk management processes. The outstanding maturities of client receivables are provided in Note 3.1 to the parent company financial statements.

2.2. Condensed income statement of Credit Agricole CIB (S.A.)

€ million	31.12.2022	31.12.2021
Net Banking Income	5,092	4,328
Operating expenses[1]	(3,060)	(2,806)
Gross operating income	**2,032**	**1,522**
Cost of risk	(140)	(82)
Net operating income	**1,892**	**1,440**
Net gain/(loss) on fixed assets	34	51
Pre-tax income	**1,926**	**1,491**
Corporate income tax	(350)	(132)
Net allocation to FGBR and regulated provisions	0	0
Net income	**1,576**	**1,359**

[1] Including depreciation and impairment of property, plant and equipment and intangible assets.

Net banking income for the 2022 financial year stood at +€5.1 billion, +€764 million higher than 2021.

General operating expenses, excluding amortisation and provisions, increased +€244 million (+8.9%).

In view of these factors, gross operating income increased by +€510 million to €2.0 billion for full year 2022.

Cost of risk amounted to -€140 million in 2022 versus -€82 million in 2021.

Net income on fixed assets came to +€34 million in 2022. Key events during the financial year were the disposal of the CACIB Miami business, which generated an impact of -€25 million, and the consolidation of the CACIB Australia branch (which changed status from a subsidiary to a branch in 2022) for +€12 million.

Crédit Agricole CIB, owned by the Crédit Agricole Group since 27 December 1996 and some of its subsidiaries are part of Crédit Agricole S.A.'s tax consolidation group. Accordingly, Crédit Agricole S.A. compensates the Crédit Agricole CIB sub-group for any potential tax losses, which are charged against the Crédit Agricole Group's taxable income. The income tax expense for 2022 came to -€350 million.

Crédit Agricole CIB (S.A.) recorded net income of +€1.58 billion in 2022, compared to +€1.36 billion in 2021.

2.3. Five-year financial summary

ITEMS	2018		2019		2020		2021		2022	
Share capital at year-end (€)	EUR	7,851,636,342	EUR	7,851,636,342	EUR	7,851,636,342	EUR	7,851,636,342	EUR	7,851,636,342
Number of shares issued	-	290,801,346		290,801,346		290,801,346		290,801,346		290,801,346
Number of shares held by CACIB	-	-	-	-	-	-	-	-	-	-
Number of shares outstanding excluding treasury shares	-	-	-	-	-	-	-	-	-	-
Total results of realized transactions (in € million)										
Gross revenue (excl. Tax)	EUR	11,138	EUR	12,554	EUR	9,435	EUR	8,878	EUR	16,096
Profit before tax, amortisation and reserves	EUR	1,004	EUR	1,895	EUR	1,339	EUR	1,594	EUR	2,066
Corporate income tax	EUR	(415)	EUR	(433)	EUR	(78)	EUR	(132)	EUR	(350)
Profit after tax, amortisation and reserves	EUR	1,272	EUR	1,329	EUR	1,155	EUR	1,359	EUR	1,576
Amount of dividends paid	EUR	489	EUR	445	EUR	1,023	EUR	553	EUR	344
Earnings per share (€)										
Profit before tax, amortisation and reserves		(1) 2.72		(2) 5.66		(3) 4.03		(4) 4.49		(5) 5.77
Profit after tax, amortisation and reserves		(1) 4.37		(2) 4.57		(3) 3.97		(4) 4.67		(5) 5.42
Dividend per share	EUR	1.68	EUR	1.53	EUR	3.52	EUR	1.90	EUR	1.18
Staff										
Number of employees		(6) 7,371		(6) 7,410		(6) 7,555		(6) 7,786		(6) 8,186
Wages and salaries paid during the financial year (€ million)	EUR	1,037	EUR	1,081	EUR	1,105	EUR	1,146	EUR	1,266
Employee benefits and social contribution (in € million)	EUR	347	EUR	338	EUR	355	EUR	367	EUR	416
Payroll taxes (in € million)	EUR	42	EUR	41	EUR	39	EUR	43	EUR	32

(1) Calculation made in relation to the number of shares outstanding excluding treasury shares at the end of 2018, or 290,801,346 shares.
(2) Calculation made in relation to the number of shares outstanding excluding treasury shares at the end of 2019, or 290,801,346 shares.
(3) Calculation made in relation to the number of shares outstanding excluding treasury shares at the end of 2020, or 290,801,346 shares.
(4) Calculation made in relation to the number of shares outstanding excluding treasury shares at the end of 2021, or 290,801,346 shares.
(5) Calculation made in relation to the number of shares outstanding excluding treasury shares at the end of 2022, or 290,801,346 shares.
(6) Average headcount.

2.4. Recent changes in share capital

The table below shows changes in Crédit Agricole CIB's share capital over the last five years.

Date and type of transaction	Amount of share capital (€)	Number of shares
Share capital at 31 December 2018	7,851,636,342	290,801,346
Share capital at 31 December 2019	7,851,636,342	290,801,346
Share capital at 31 December 2020	7,851,636,342	290,801,346
Share capital at 31 December 2021	7,851,636,342	290,801,346
Share capital at 31 December 2022	**7,851,636,342**	**290,801,346**

2.5. Information on corporate officers

Disclosures relating to the compensation, terms of office and functions of corporate officers pursuant to Articles L.225-37-4, L.22-10-10 and L.22-10-11 of the French Commercial Code are provided in the chapter 3 "Corporate Governance" of the present Universal Registration Document. Concerning the trading in the Company's shares by Corporate Officers, a paragraph about the information that may be required under the terms of Article L. 621-18-2 of the French Monetary and Financial Code and Article 223-26 of the General Regulation of the French Financial Markets Authority (AMF) appears in the chapter 3 "Corporate Governance", sections 1.3.3 and 1.3.4, of the present Universal Registration Document.

2.6. Information relating to article l. 225-102-1 Of the French Commercial code regarding the Group's social and environmental impact

Economic, social and environmental information of Crédit Agricole CIB group are presented in Chapter 2 of the present Universal Registration Document.

RISKS AND PILLAR 3

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CONTENTS

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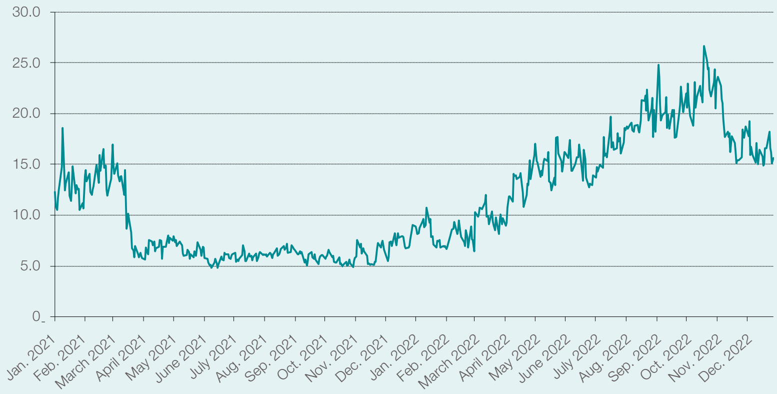
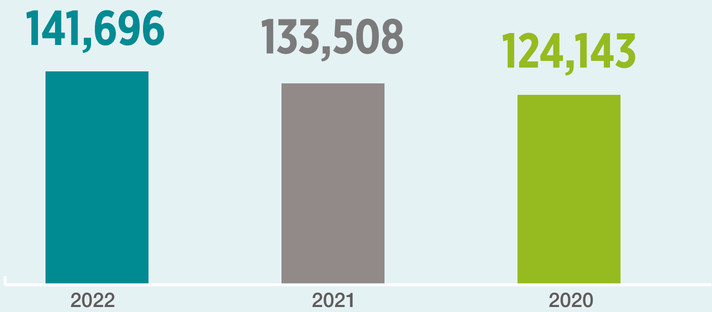
2021-2022 REGULATORY VAR OF CRÉDIT AGRICOLE CIB



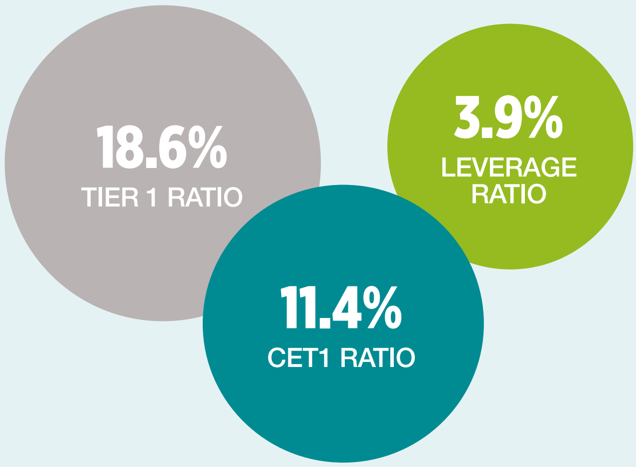
€ MILLION

CHANGES IN RISK-WEIGHTED ASSETS FULLY LOADED BASEL III



€ MILLION

REGULATORY RATIO IN 2022 FULLY LOADED



The main risks are defined in the Glossary in Chapter 8 of the present Universal Registration Document.

1. RISK FACTORS

This section sets out the main types of risks to which Crédit Agricole CIB is exposed, as well as certain risks related to holding Crédit Agricole CIB securities. Other parts of this chapter discuss Crédit Agricole CIB's risk appetite and the set-ups put in place to manage and control these risks. The information on the management of risks is presented in accordance with IFRS 7, relating to disclosures on financial instruments.

Identification of risks

Crédit Agricole CIB identifies its risks using a comprehensive, ex-ante and ongoing approach, then a selective ex-post approach, via a list of "major risks" that is updated annually. First, all risks are identified and their materiality assessed on an ex ante basis and on an ongoing basis, whenever Crédit Agricole CIB develops a new business activity, develops a risk framework or plans a new transaction. Second, Crédit Agricole CIB categorises the risks identified using a uniform classification for the entire Group, then selects those considered to be "major" risks. The assessment is realised based on two joint criteria, on the one hand the assessment of the negative potential impact magnitude and on the other hand, the assessment of the risk occurrence probability. Based on expert opinion, taking into account the impacts and the probability of occurrence, the Crédit Agricole CIB Risks Department, independent, makes a proposal to the Board of Directors that validates the list of Credit Agricole CIB risks for the year, at the same time as the risk appetite. The risk factors listed below are taken from this list of "major risks".

The main risks specific to Crédit Agricole CIB's activity are presented below and are expressed through risk-weighted assets or other indicators when risk-weighted assets are not appropriate.

1.1. Credit risks

Crédit Agricole CIB's Corporate and Investment Bank largely focuses on debt-related business: credit risk is therefore central to its activities and represents the greatest risk.

A – Crédit Agricole CIB is exposed to credit risk on its corporate & financial institutions counterparties

Crédit Agricole CIB is exposed to credit risk in relation to its counterparties such as corporates and financial institutions. Credit risk impacts Crédit Agricole CIB's consolidated financial statements when counterparties are unable to honour their obligations and when the carrying amount of these obligations in the bank's records is positive. Counterparties may be banks, financial institutions, industrial or commercial enterprises, governments and their various entities or investment funds. The rate of counterparty defaults may increase compared to recent relatively low levels, Crédit Agricole CIB may be required to record significant charges and provisions for bad and doubtful loans, affecting its profitability. These provisions are accounted for in its income statement in the "cost of risk" accounting item. Crédit Agricole CIB provisions' level is established depending on loss historic data, volumes, types and maturities of loans granted, economic trend and other factors related to the loan recovery perspectives. The cost of risk includes both charges on defaulted loans (ECL stage 3 under IFRS 9) but also charges in case of deterioration in a counterparty's risk profile (ECL stage 1 and stage 2 under IFRS 9).

In relation to corporates, the credit quality of borrowers could experience a significant deterioration, primarily from increased economic uncertainty and, in some sectors, the risks associated with trade policies of major economic powers. The risks could be exacerbated by the recent practice by which lending institutions have reduced the level of covenant protection in their loan documentation, making it more difficult for lenders to intervene at an early stage to protect assets and limit the risk of non-payment. In the sectors most vulnerable to the health crisis, the downward trend in counterparties' risk profile, already observed in 2021, continued in 2022.

The impacts of the Russia-Ukraine crisis, together with the effects of the Covid management in China (the "zero Covid" policy followed by a sudden lifting of all restrictions) continue to fuel the inflation shock and shortages of raw material and/or essential inputs. Moreover, inflation forecasts keep being revised upward and constitute the main factor of deterioration of the economic outlook. These three drivers worsen the situation of the corporates or at least delay their recovery. The sectors already impacted by Covid therefore remain under surveillance: shipping (notably bulkers, cruise, tankers), aeronautics (in particular airline companies), real estate (hotels, offices), oil & gas (Oil services, offshore) and automotive (small part suppliers). New sectors are also impacted. Electricity suppliers saw the price of inputs increase dramatically (especially those producing from gas), with significant margin calls and a limited capacity of pass-through to consumer prices. Retailers also saw their margins decrease due to inflation, which is also the case for heavy industries and construction, due to the cost of raw materials.

Crédit Agricole CIB has exposure to many financial institutions, including brokers, commercial banks, investment banks, mutual and hedge funds and other institutional clients with which it regularly executes transactions. Many of these transactions expose Crédit Agricole CIB to credit risk in the event of counterparties' default or financial distress. In addition, Crédit Agricole CIB's credit risk may be exacerbated when the collateral held by Crédit Agricole CIB cannot be disposed of or is liquidated at prices not sufficient to recover the full amount of Crédit Agricole CIB's exposure under the loans or derivatives in default. The exit or termination of public support schemes, increased market volatility, inflation, rising interest rates and government debt levels, direct and indirect exposure of some institutions to Russia, could generate further deterioration in the risk profile of client banks and insurance companies.

Crédit Agricole CIB seeks to reduce its exposure to credit risk by using risk mitigation techniques such as collateralisation, obtaining guarantees, entering into credit derivatives and entering into netting contracts.

Only a portion of Crédit Agricole CIB's overall credit risk is covered by these techniques.

The average portfolio quality remains good with a proportion of investment grade ratings of 87% at 31 December 2022, stable from 31 December 2021.

As at 31 December 2022, the amounts of risk-weighted assets related to credit risks, except those related to securitisation (covered in §D) and except sovereign assets (covered in §E), was €75.1 billion, equal to 53% of total risk-weighted assets.

B – Any significant sector or individual concentration could impact Crédit Agricole CIB financial situation

Like Crédit Agricole CIB's competitors, the Corporate and Investment Bank's clients are often large multinationals or major financial institutions which by their very nature, in addition to individual creditworthiness issues, generate an individual concentration risk, which is normal for a corporate and investment bank. The refocusing strategy applied since the crisis has therefore resulted in a relative increase in the portfolio concentration by slightly reducing the number of counterparties and geographical sites. Any rating downgrade, default or insolvency of such a large counterparty could have a negative impact on Crédit Agricole CIB's business activities, results and financial position.

However, the Bank is still active in a large number of countries and economic sectors, thus benefiting from the positive effect of sectoral and geographical diversification. Nevertheless, the Group is subject to the risk that certain events may have a significant impact on a particular sector to which it is significantly exposed. For example, energy sector borrowers are subject to risks relating to volatility in energy prices.

As at 31 December 2022, the four major economic sectors of Crédit Agricole CIB were those of Banks accounting for €94 billion or 20.1% of total exposures net of export credit guarantees, Oil & Gas for €40 billion (8.6%), Other non banking financial activities for €39 billion (8.3%) and Electricity for €28 billion (5.9%).

C – Crédit Agricole CIB is subject to counterparty risk on market transactions

Counterparty risk on market transactions is the manifestation of credit risk in connection with market transactions, investments and/or settlements. While Crédit Agricole CIB often obtains collateral or uses setoff rights to address these risks, these may not be sufficient to protect it fully and Crédit Agricole CIB may suffer significant losses as a result of defaults by major counterparties.

The amount of this risk varies over time with changes in market parameters affecting the potential future value of the transactions concerned.

Risk-weighted assets specific to this risk amounted to €19.7 billion as at 31 December 2022.

D – Crédit Agricole CIB is exposed to credit risk related to securitisation transactions

Crédit Agricole CIB is exposed to credit risk in connection with its securitisation transactions on behalf of clients. Crédit Agricole CIB (through the Global Markets Division) acts as originator and sponsor for its Corporate or Financial institutions clients.

The vast majority of the product line's exposures comes from the securitization conduit business, in which Crédit Agricole CIB is one of the leading global players. The conduits are designed to finance Crédit Agricole CIB's large clients, primarily in Europe, by issuing Asset-Backed Commercial Paper (ABCP) to external investors, primarily in the United States. Crédit Agricole CIB fully supports these multi-seller issuance programs through liquidity lines, thus fully guaranteeing liquidity and credit risks. Crédit Agricole CIB notably sponsors the LMA conduit in Europe and the Atlantic and Lafayette conduits in the US. Crédit Agricole CIB favors traditional asset classes, notably trade receivables and auto loans/leases, over complex and atypical ones.

The credit risk arising from securitization transactions is composed of two major risk families. On the one hand, portfolio risk corresponds to credit risk exposure related to assets (default risk of debtors, concentration risk). On the other hand, seller/servicer risk relates to the customers financed and comprises commingling risk (risk that collections cannot be transferred to the securitization structure in the event of the seller/servicer's bankruptcy), dilution risk (risk that the seller grants the assigned debtor a reduction in the value of the securitized receivables) and set-off risk (risk that the securitized receivables are offset by claims from the obligors). Crédit Agricole CIB has put in place mechanisms to protect against these risks (e.g., insurance of the assets); however, the materialization of these risks could result in credit losses for Crédit Agricole CIB.

Risk-weighted assets related to this risk amounted to €10.0 billion as at 31 December 2022.

E – Crédit Agricole CIB is exposed to country and sovereign risks

As a result of its exposure on numerous countries on all continents, Crédit Agricole CIB is exposed to country risk when the deterioration in the environment or the economic, financial, political or social situation of a country affects the Bank's activities and the quality of the counterparties in that country. Crédit Agricole CIB monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environment may require it to record additional charges or to incur losses beyond the amounts previously booked in its financial statements. In addition, Crédit Agricole CIB has significant exposures in countries outside the OECD, which are subject to risks that include political instability, unpredictable regulation and taxation, expropriation and other risks that are less present in more developed economies.

Crédit Agricole CIB's exposures are distributed between the following geographic regions: France, other Western European countries and North America. On all sectors, Crédit Agricole CIB exposures' amount on these three regions is respectively as at 31 December 2022 of €123 billion, €140 billion and €87 billion representing respectively 27%, 30% and 19% of the total exposures. Besides, commercial commitments in the countries which are rated as non investment grade on the internal rating scale amounted to 13% of total exposures as at 31 December 2022.

Crédit Agricole CIB is also exposed to sovereign risk under its various commitments to sovereign counterparties (in the event that they default or are unable to meet their contractual obligations). The rise in sovereign debt due to the sanitary crisis increases this risk. Risk-weighted assets specific to this risk amounted to €2.9 billion as at 31 December 2022.

At the end of February 2022, tensions between Russia and Ukraine led to a military conflict, of which the magnitude and duration, nearly a year later, as well as its economic and financial impacts, remain highly uncertain.

The Crédit Agricole CIB Group has stopped all new financing to Russian and all commercial activities in the country since the start of the conflict. However, the Group is exposed directly and indirectly in Russia due to activities that predate the start of the conflict and has booked provisions on performing loans in the first quarter of 2022, in accordance with IFRS.

The exposures recognised in the subsidiary CACIB AO (onshore exposures) represented the equivalent of €0.2 billion at 31 December 2022 compared with €0.5 billion at 31 December 2021, with the change over the period due to a gradual decline in outstandings, particularly deposits with the Central Bank of Russia. The subsidiary's equity amounted to approximately €151 million, of which approximately €74 million in equity and €77 million in subordinated debt at 31 December 2022 (the amount of equity remained stable overall during 2022).

Exposures recognised outside CACIB AO (offshore exposures [(1)]) represented the equivalent of €2.9 billion at 31 December 2022 (including €2.7 billion recorded on the balance sheet [(2)]). They decreased by -€1.5 billion compared with 31 December 2021 and -€1.8 billion since the start of the conflict at the end of February. The off-balance sheet portion of offshores exposures (documentary loans, financial guarantees and, to a lesser extent, undrawn confirmed credit facilities) amounted to €0.2 billion at 31 December 2022, down significantly by -€1.4 billion since the outbreak of the conflict.

Due to the conflict and the subsequent international sanctions, the quality of the portfolio (rated at 96% Investment Grade as at 31 December 2021 and composed mainly of large Russian companies, particularly commodity producers and exporters) was downgraded from 31 March 2022 on the Group's internal rating scale. As such, from the first quarter of 2022, exposures were subject to significant provisioning, mainly on performing exposures, which was then updated throughout the year. Overall, the cost of risk for 2022 relating to Russian exposures reached €536 million, of which €374 million related to performing exposures (Stages 1&2) and €162 million to specific exposures (Stage 3). Indosuez Wealth Management's Russian exposure represented the equivalent of €220 million at 31 December 2022, down slightly since 31 December 2021 (equivalent to €250 million).

Variation risk [(3)]related to derivatives transactions is now considerably limited and amounted to €0.6 million at 31 December 2022 (versus €60 million at 31 December 2021).

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

1.2. Financial risks

Financial risks cover the risks associated with the environment in which Crédit Agricole CIB operates, in particular market risk, risk of change in the value of equity investments, foreign exchange risk, liquidity risk, risk of change in the value of the securities portfolios (or issuer risk) and global interest rate risk.

◆ A – The evolution of financial market conditions could impact Crédit Agricole CIB results

Crédit Agricole CIB's businesses are materially affected by conditions in the financial markets, which in turn are impacted by current and anticipated future economic conditions in France, Europe and in the other regions around the world where Crédit Agricole CIB operates. Credit Agricole CIB is thus highly exposed to the following risks: in interest rates, security prices, foreign exchange rates, its own issuer spread and the prices of oil, precious metals and other commodities.

Protracted market movements, particularly asset price declines, may weigh on the level of activity in the market or reduce market liquidity. Such developments can lead to material losses if Crédit Agricole CIB cannot close out deteriorating positions in a timely manner. This may especially be the case for assets held by Crédit Agricole CIB that are not very liquid at the outset. Assets that are not traded on stock exchanges or other public trading markets, such as derivatives contracts between banks, may have values that Crédit Agricole CIB calculates using models other than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to losses that Crédit Agricole CIB has not anticipated.

In the course of 2022, Crédit Agricole CIB remained strongly mobilized to prepare for the new benchmark indices replacing BOR indices. This reform generates new types of market risks. Indeed, the abundance of replacement indices generates not only risks related to the valuation of these new indices and their correlation, but also uncertainties about their quality and sustainability. Furthermore, uncertainties about future rules for clearing Euro transactions, mainly around the maintenance of equivalence granted to LCH, persist. In February 2022, the European Union extended the authorization for banks in the euro area to use LCH until 30 June 2025. If no agreement is found beyond that date, European banks would be obliged to clear all their operations within the Eurozone, which would be very penalizing. To date, LCH remains the only liquid market for transactions in euros, with the LCH/Eurex spread remaining highly sensitive to infrequent processed flows.

Risk-weighted assets specific to market risk amounted to €11.7 billion as at 31 December 2022.

◆ B – Crédit Agricole CIB is exposed to foreign exchange risk

Crédit Agricole CIB is not exposed to operational foreign exchange risk, resulting from results in non-euro currencies, as results in non-euro currencies are systematically hedged.

Structural foreign exchange risk results from Crédit Agricole CIB's long-term investments in assets denominated in foreign currencies, mainly the equity of its foreign operating entities, whether they

(1) On- and off-balance sheet trade commitments of customers and banks, net of export credit agency guarantees, excluding variation risk.
(2) Used part of the credit facilities.
(3) Variation risk corresponds to the Amount at Risk or immediate loss in the event of default, including any margin calls.

result from acquisitions, transfers of funds from head office or the capitalisation of local earnings. These positions are not fully hedged. The Group's policy for managing structural foreign exchange positions aims at achieving two main goals: i/ prudential, to protect the Group's solvency ratio against currency fluctuations; ii/ proprietary interests, to reduce the risk of loss of value for the assets under consideration. The unhedged part is subject to structural foreign risk.

Any unfavourable change in exchange rates will affect the value of unhedged long-term investments.

Crédit Agricole CIB main structural foreign exchange gross positions are in US dollars, in currencies linked to the US dollar – mainly Middle East currencies and some Asian currencies – in UK pound and in Swiss francs.

◆ C - Crédit Agricole CIB is exposed to variations in interest rates

Overall interest rate risk or interest rate risk in the banking book (IRRBB) of a financial institution is the risk incurred when a change in interest rates occurs, as a result of all balance sheet and off-balance sheet transactions, other than transactions subject to market risk. Any significant change in interest rate could adversely affect Crédit Agricole CIB's consolidated revenues, equity or profitability.

Crédit Agricole CIB's exposure to overall interest rate risk on client transactions is limited given that the majority of loans and deposits are at variable rates and given the interest rate matching rule for each customer financing with the Treasury. Interest rate risk is primarily derived from equity capital and equity investments, the modelling of non-interest-bearing liabilities and from maturities of less than one year from the Treasury activities of the banking book.

Crédit Agricole CIB is mainly exposed to changes in interest rates in the Eurozone and, to a lesser extent the US Dollar.

Interest rates had been negative for several years, which had led Crédit Agricole CIB to set floors both on the asset and liability sides: variable rate contracts (with floor) in the banking book thus became contracts with a fixed rate of 0%. With the increase in interest rates, the same contracts, when their floors are exceeded, are treated as variable rate contracts again. The asynchronous nature of the transition from fixed to variable rates on the assets and liabilities sides creates interest rate risk. Moreover, these contracts, now with variable rates, could be indexed on two different indices (for instance: BOR3 months for the assets, overnight for the liabilities), in which case they generate base risk.

Thus in terms of NBI, Crédit Agricole CIB could lose €37 million of revenues in case of a 200 basis point decrease in interest rates, excluding TLTRO, i.e. a 1.35% sensitivity for a reference NBI of €6,697 million in 2022. Based on these same sensitivity calculations, the net present value of the loss incurred in the next ten years in the event of an adverse 200 basis point movement in the yield curve equals 0.48%, i.e. €144 million of Crédit Agricole CIB's equity.

◆ D - Crédit Agricole CIB is exposed to the risk of change in the value of its securities portfolio

Securities held in the banking book and recognised at fair value are purchased by Crédit Agricole CIB primarily for the purpose of managing liquidity reserves. Their value may fall as a result of changes in interest rates or in the credit quality of the issuer, in respect of debt securities (CSRBB - Credit Spread Risk in the Banking Book) or as a result of a fall in the stock market price for listed shares.

The carrying amount of Crédit Agricole CIB's securities, derivatives portfolios and certain other assets, as well as that of its own debt in its balance sheet, is adjusted at each financial statement date. Most of the adjustments are made based on changes in the fair value of Crédit Agricole CIB's assets or liabilities during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. The fact that fair value adjustments are recognised in one accounting period does not mean that further adjustments will not be necessary in subsequent periods.

As at 31 December 2022, the gross outstanding debt securities held by Crédit Agricole CIB was close to €35 billion. Accumulated impairments and reserves and negative fair value adjustments due to credit risk were €38 million.

◆ E – Crédit Agricole CIB is exposed to liquidity availability and liquidity price risks

Liquidity risk has two aspects: liquidity availability risk and liquidity price risk. With regard to liquidity availability risk, Crédit Agricole CIB is exposed to the risk that its equity and liabilities, including clients' deposits, short-term market funds and long-term market funds, are insufficient to cover its assets. If this was the case, Crédit Agricole CIB would be at risk of not having the necessary funds to meet its commitments. This situation may result from a systemic crisis (a financial crisis impacting all operators), an idiosyncratic crisis (specific to the Crédit Agricole Group or Crédit Agricole CIB) or a combination of both. The Group's objective in managing liquidity is to be in a position to cope with any type of liquidity crisis over extended periods of time at a reasonable price. As at 31 December 2022, Crédit Agricole CIB's LCR ratio (Liquidity Coverage Ratio - prudential ratio to ensure the short-term resilience of the liquidity risk profile) was 124%, greater than the regulatory minimum of 100%.

Liquidity price risk is the risk of additional financial costs caused by a change in refinancing spreads. Crédit Agricole CIB's cost of obtaining long-term unsecured funding is directly related to its credit spread (the amount paid to investors in debt instruments issued by Crédit Agricole CIB, in excess of the interest rate of government securities of the same maturity). Changes in credit spreads are continuous, market-driven and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of the issuer's creditworthiness, reflected in its credit rating.

Credit ratings have a significant impact on Crédit Agricole CIB's liquidity, both in terms of availability and price. A significant rating downgrade could have a significant adverse impact on Crédit Agricole CIB's liquidity and competitiveness. Indeed, ratings influence the amount of liquidity Crédit Agricole CIB can borrow on the markets; they may also, in the event of a significant deterioration, generate an additional liquidity requirement impacting obligations under certain trading, derivatives and hedging contracts. In relation to price, a better rated issuer will benefit, everything else being equal, from a lower price.

The Group's ratings from Moody's, S&P Global Ratings and Fitch Ratings are respectively Aa3 [stable perspective], A+ [stable perspective] and AA- [stable perspective] at 31 December 2022.

F – Any significant variation in the value of equity investments could impact Crédit Agricole CIB results

Crédit Agricole CIB holds equity securities in various Crédit Agricole Group entities (for instance, Crédit Agricole Egypt), but also in external entities as part of its activities (for instance in stock exchanges). Equity securities held by Crédit Agricole CIB in strategic investments could fall in value, requiring it to recognise impairment charges in its consolidated financial statements, which could negatively impact its results of operations and financial position. Crédit Agricole CIB's degree of control may be limited and any disagreement with other shareholders or with management may adversely impact the ability of Crédit Agricole CIB to influence the policies of the relevant entity.

As at 31 December 2022, the carrying amount of securities owned by Crédit Agricole CIB was around €0.3 billion, principally in relation to Crédit Agricole Egypt.

1.3. Operational risks

Crédit Agricole CIB's operational risk is the risk of loss resulting from faulty or inadequate internal processes (particularly those involving staff and IT systems) or from external events, whether deliberate, accidental or natural (floods, fires, earthquakes, terrorist attacks, etc.).

Within operational risk, non-compliance risks and legal risks can be distinguished (A) from the other risks of losses arising from inadequate or deficient processes, staff and internal systems or from external events which are grouped into "Other operational risks" (B).

Risk-weighted assets specific to these risks amounted to €22.2 billion as at 31 December 2022.

A – Crédit Agricole CIB is exposed to non-compliance risks and legal risks

a) Crédit Agricole CIB is exposed to the risk of fraud

The mission of the Compliance function is to act as second line of defence, in partnership with the businesses, to protect the bank, its employees and its clients, in particular by combating financial crime and more particularly by preventing money laundering, terrorism financing and fraud.

In a context of increasing attempts at external fraud and of more complex operating methods (notably via cybercrime), actions have been taken constantly and regularly to prevent, raise awareness, detect and, when necessary, following attempts or proven fraud cases, to start legal proceedings or sanctions. Businesses invest in research and development to reinforce the tools deployed to combat external fraud, through innovative solutions and the development of client service on means of payment.

Over the period 2020-2022, the breakdown of Crédit Agricole CIB's operational losses due to internal and external fraud amounted to around 47% of its total operating losses. The "internal fraud" category represented just under 47% of operational losses. The "external Fraud" category represented less than 1% of operational losses, excluding cross-border credit risk, consisting of external fraud incidents committed by or at clients that generated or aggravated credit losses. According to Basel principles, those losses were recognised in cost of credit risk.

b) Crédit Agricole CIB is exposed to the risk of paying high damages or fines, risk arising from legal arbitration or administrative proceedings which could be initiated against it

Crédit Agricole CIB has in the past been and may in the future be, subject to significant legal proceedings, arbitrations and regulatory proceedings, including class action lawsuits. When determined adversely to Crédit Agricole CIB, these proceedings can result in awards of high damages, fines and penalties. Legal, arbitral or administrative proceedings to which Crédit Agricole CIB has been subject involved issues such as collusion with respect to the manipulation of market benchmarks, violation of international sanctions or inadequate controls. While Crédit Agricole CIB in many cases has substantial defences, even where the outcome of a legal or regulatory proceeding is ultimately favourable, Crédit Agricole CIB may incur substantial costs and have to devote substantial resources to defending its interests.

Organised as a business line, the Legal Affairs Department has two main objectives: to control legal risk, which can give rise to disputes and civil, disciplinary or criminal liabilities and to provide the legal support needed by entities to enable them to carry out their activities, while controlling legal risks and minimizing associated costs.

At the end of December 2022, provisions on operational risks amounted to €220 million for Crédit Agricole CIB. This amount includes legal risks costs.

The international scope of Crédit Agricole CIB's operations exposes it to risks inherent in foreign operations, including the need to comply with multiple and often complex laws and regulations applicable to activities in each of the countries in which Crédit Agricole CIB is active, such as local banking laws and regulations, internal control and disclosure obligations, data privacy restrictions, European, US and local anti-money laundering and anti-corruption laws and regulations and international sanctions. Breaches of these laws and regulations could damage Crédit Agricole CIB's reputation, result in litigation, civil or criminal penalties, or otherwise have a material adverse effect on its business activities. At end-2022, Crédit Agricole CIB had operations in 28 countries. This scope includes the parent entity, its subsidiaries and their branches. It does not include held-for-sale and discontinued operations, nor any entities consolidated using the equity method. At the end of 2022, 70% of Crédit Agricole CIB net banking income (excluding intragroup eliminations) came from its two main areas: France and Europe.

To illustrate, in October 2015, Crédit Agricole CIB and its parent company, Crédit Agricole S.A., reached agreements with the US federal and New York State authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008. Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US federal and New York State authorities in connection with their investigations, have agreed to pay a total penalty in the amount of $787.3 million (i.e., €692.7 million).

◆ B – Crédit Agricole CIB is exposed to other operational risks including Information System Security risks

Other operational risks include risks of losses resulting from inadequate or defective processes, staff and internal systems or external events, excluding fraud which is covered in A. Over the period 2020 to 2022, Crédit Agricole CIB's operational risk incidents covered the following: the "Execution, delivery and process management" category represented 37% of operational losses, the "employment practices" category represented 11% of operational losses and the "clients and commercial practices" category represented 4%. Finally, "business disruptions and system failures" incidents accounted for 1% of operational losses. The remaining part of operational losses comes from events related to fraud which is covered in A.

The implementation of European, American and British sanctions in the context of the Russia-Ukraine conflict is a major operational challenge, with an exceptional volume of sanctions.

Risks related to the security of information systems have become a priority, not because of the historical losses (in the "business disruptions and system failures" category referred to above), but due to the emergence of new forms of risk. Crédit Agricole CIB is subject to cyber risk, i.e., the risk of a virtually committed malicious and/or fraudulent act aimed at manipulating information (personal, banking/insurance, technical or strategic data), processes and users with a view to causing significant losses to companies, their employees, partners and clients.

Like most other banks, Crédit Agricole CIB relies heavily on communications and information systems to carry out its business. Any failure, interruption or breach of security of these systems could result in failures or interruptions in its client relationship management, general accounting, deposit, servicing and/or loan organisation systems and give rise to significant costs. The rise in energy prices caused difficulties to some of the suppliers of outsourced services.

Crédit Agricole CIB is also exposed to the risk of an operational failure or interruption of one of its clearing agents, foreign exchange markets, clearing houses, custodian banks or other financial intermediaries or external service providers that Crédit Agricole CIB uses to execute or facilitate its securities transactions. As its interconnectivity with its clients grows, Crédit Agricole CIB may also become increasingly exposed to the risk of operational failure of its clients' information systems.

Crédit Agricole CIB's adoption of an extended teleworking policy and the implied review of the business continuity plan enable to manage the persistency of the sanitary crises (in smaller and varying proportions depending on the network's entities), without proven operational weaknesses. Psycho-social risks are monitored with vigilance.

1.4. Business risk

Business risks covers on the one hand the systemic risk: global risk related to the macroeconomic, political and regulatory (in particular, legal and tax) environment and on the other hand the strategic risk: risk linked to losses or falls in revenue or profits due to decisions over Crédit Agricole CIB strategic choices and/or competitive positioning.

◆ A - Potential negative impact of adverse economic and financial conditions could expose Crédit Agricole CIB to systemic risk which would impact its activities and financial situation

The businesses of Crédit Agricole CIB are specifically and significantly exposed to changes in financial markets and to the development of the economic conditions in France, Europe and the rest of the world. In the financial year ended 31 December 2022, 39% of Crédit Agricole CIB's net banking income were generated in France, 31% in Europe, 30% in the rest of the world. A deterioration in economic conditions in the markets where Crédit Agricole CIB operates could be the consequence of different factors.

On the one hand, uncertainties related to the health situation were perpetuated in Europe. The implementation of new restrictive measures in some European countries cannot be excluded, (limitations, curfews, border closures, lockdowns, etc.), which could cause economic slowdown and weight on economic agents' confidence, on the solidity of the system of production (business failures, bottlenecks on the worldwide supply chains) and on the labour market. The pace at which governments (in particular French and Italian governments) and central banks (notably the European Central Bank) will phase out these measures are key steps.

On the other hand, the conflict between Russia and Ukraine, as well as economic sanctions measures against Russia adopted in response by a number of countries (including France, the European Union, the United Kingdom and the United States) may continue to have widespread economic and financial repercussions. The conflict has exacerbated the global markets instability with a negative impact on stock market indices, rising commodity prices (particularly oil, natural gas and agricultural products such as wheat), the worsening of supply chains disruption, the rising production costs and additional inflationary pressures beyond those already observed in recent months. These difficulties for the global economy and the financial markets could have significant negative impact for Crédit Agricole CIB and its clients. These conditions may continue or worsen progressively as the conflict evolves. In 2022, the conflict has caused:

- higher energy costs and, more generally, higher inflation which penalizes consumers;
- a review of monetary policy by central banks (including decisions on the TLTRO) leading to a deterioration in financing conditions;
- a significant impact on portfolio income and increased volatility on the income of the Corporate and Investment Bank;
- higher costs, especially salaries;

- a deterioration of business economic leading to provisions for additional risks.

Beyond the Covid-19 crisis and the Russia-Ukraine conflict, Crédit Agricole CIB's operations could be disrupted and its activities, results and financial position could therefore be materially adversely impacted by other sources:

- inflation is back at the forefront. Its very high acceleration resulted from a combination of several factors: upstream pressures with strong commodity price rises and bottlenecks, downstream pressures stemming from the strong rebound in household consumption supported by substantial financial support and high savings inherited from the 2020 crisis, base effects after very low inflation in 2020. While supply remained constrained after the crisis (lack of labor or goods), normalization of demand led to price increases in specific sectors, notably those previously severely affected by the pandemic (hotels, restaurants or automotive). In addition to the indirect impact of the impact on interest rates, these inflationary pressures could have significant direct impacts on Credit Agricole CIB workloads (salaries, purchases).
- the increase in interest rates is significant; any larger or faster than expected rise could (i) threaten economic growth in the EU, the US and elsewhere, (ii) challenge the resilience of loans and bonds portfolios and (iii) lead to an increase in bad debts and defaults. More generally, the end of accommodative monetary policies could lead to significant corrections in certain markets or categories of assets (e. g. non-investment grade companies and sovereign borrowers, some equity and real estate markets) which have benefited particularly from a protracted environment of low interest rates and high liquidity. These corrections could spread to all financial markets, notably due to a significant increase in volatility. As a result, Credit Agricole CIB's operations and activities could be significantly disrupted.
- The political and geopolitical context, more divisive and tense, is a source of 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 some major market movements and can weigh on economies: trade wars, tensions in the Middle East, social and political crises around the world, tensions in Eastern Europe, etc.;
- In Italy, a political crisis, in a context of below-inflation growth and high public debt, would have a negative impact on confidence and the economy and could also cause a further increase 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 fall 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 credit as private debt increased more rapidly than in the rest of Europe.

Whatever its causes, the deterioration of economic and financial conditions could have one or several of the following consequences:

- adverse economic conditions would affect the business and operations of clients of Crédit Agricole CIB, which could decrease its revenues and increase the rate of default on loans and other receivables, generating additional cost of risk for Crédit Agricole CIB;
- a fall in bond, equity and commodity prices could impact a significant proportion of Crédit Agricole CIB's business activities;
- macroeconomic policies adopted in response to actual or anticipated economic conditions could have unintended effects and may impact market parameters such as interest rates and foreign exchange rates, which in turn could affect the businesses of Crédit Agricole CIB that are most exposed to market risk;
- perceived favourable economic conditions, generally or in specific business sectors, could result in asset price bubbles which could in turn exacerbate the impact of corrections if conditions became less favourable;
- a significant economic disruption (such as the global financial crisis of 2008, the European sovereign debt crisis of 2011 or the Covid crisis in 2020) could have a severe impact on all of the activities of Crédit Agricole CIB, 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;

The economic sectors in which Crédit Agricole CIB operates have been affected in different ways by the health and economic context. Those in which the deterioration of risk profile is most marked include: the maritime sector (notably bulkers, cruises, tankers) which represents 2.5% of Crédit Agricole CIB's exposures, aeronautics (in particular airline companies) which represents 3.5% of exposures, real estate (and notably hotels and offices) representing 4.6% of exposures, the Oil & Gas sector (Oil services, offshore) representing 8.2% of exposures, the automotive sector (small part suppliers) representing 2.9% of exposures, electricity representing 5.9% of exposures, heavy industries with 3.5% of exposures and construction which represents 1.9% of Crédit Agricole CIB's exposures at 31 December 2022.

The deterioration of the risk profile in the various sectors mentioned above as well as the downgrade of Russian counterparts' ratings in the context of the conflict between Russia and Ukraine is reflected in the cost of risk for Crédit Agricole CIB and in additional risk-weighted assets reflecting a decline in the internal credit ratings of clients. These two factors combined reduce Crédit Agricole CIB 's profitability. The year 2020, marked by the Covid crisis, was characterized by a very high cost of risk (€824 million for corporate and investment banking); the cost of risk for 2021 was much lower (€49 million for corporate and investment banking). In terms of risk-weighted assets, an increase was registered in the year 2020 of +€5.4 billion generated by the deterioration of clients' internal ratings and of +€2.2 billion for the year 2021. In 2022, internal credit ratings of Crédit Agricole CIB's clients were significantly impacted by the evolution of the sanitary and world macroeconomic situation and in particular by the consequences of the conflict in Ukraine. Hence, the cost of risk of CACIB amounted to -€249 million for the corporate and investment banking, of which -€536 million on Russian clients (including -€374 million on performing exposures, stages 1 & 2), while risk weighted assets increased by +€4.6 billion due to the impacts of the Russia-Ukraine conflict and in particular the downgrades in Russian counterparties' ratings and market risk.

However, the diversification in Crédit Agricole CIB business lines and investments already initiated have limited these risks: the year 2022 shows that certain businesses or sectors are taking over when others are lagging behind. This is the case both within the capital markets and investment banking with a very good dynamism of foreign exchange, hedging activites which benefited from the high volatility of the markets over the period as well as with the growth of the Equity activities, and within commercial banking which benefited from the very good performance of International Trade Banking.

It is difficult to anticipate the downturn in economic or financial markets and to determine which markets would be most affected. If the business environment or market conditions in France or elsewhere in Europe, or the financial markets as a whole, deteriorate or become significantly more volatile, Credit Agricole CIB's operations could be disrupted and its activities, performance and financial situation could consequently suffer a significant adverse impact.

B - Potential unfavourable impact of changes in laws and regulations could expose Crédit Agricole CIB to systemic risk which could affect its activities and results

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

By way of illustration, such regulations pertain to, in particular:

- regulatory and supervisory requirements applicable to credit institutions, including prudential rules on capital adequacy and minimum capital and liquidity requirements, risk diversification, governance, restrictions on the acquisition of holdings and compensation (CRR and CRD);
- rules applicable to bank recovery and resolution (BRRD);
- regulations governing financial instruments (including bonds and other securities issued by Crédit Agricole CIB), as well as rules relating to financial information, disclosure and market abuse (MAR);
- monetary, liquidity, interest rate and other policies of central banks and regulatory authorities;
- regulations governing certain types of transactions and investments, such as derivatives, securities financing and money market funds (EMIR);
- regulations on market infrastructure, such as trading platforms, central counterparties, central securities depositories and securities settlement systems;
- tax and accounting laws, as well as rules and procedures relating to internal control, risk management and compliance.

In addition, Crédit Agricole CIB is supervised by the ECB and contributes to the Crédit Agricole Group's recovery plan submitted each year to the ECB, in accordance with applicable regulations.

Failure to comply with these regulations could have significant consequences for Crédit Agricole CIB: significant interventions by regulatory authorities and fines, international sanctions, public reprimands, reputational damage, enforced suspension of its operations or, in extreme cases, withdrawal of its authorisations to operate. In addition, regulatory constraints could significantly limit the ability of Crédit Agricole CIB to expand its business or to carry on certain existing business activities.

Furthermore, some legal and regulatory measures have come into force in recent years or could be adopted or amended with a view to introducing or reinforcing a number of changes, some permanent, in the global financial environment. While the objective of these 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 CIB and other financial institutions operate. The measures that have been or may be adopted include more stringent capital and liquidity requirements (particularly for large global institutions and groups such as Crédit Agricole S.A.), taxes on financial transactions, caps or taxes on employee compensation over specified levels, limits on the types of activities that commercial banks can undertake (prohibition or limitation of own-account trading activities, investments and holdings in private equity and hedge funds), ring fencing requirements relating to certain activities, restrictions on the types of entities permitted to enter into swaps, restrictions on certain types of activities or financial products such as derivatives, mandatory write-downs or conversions into equity of certain debt instruments in the event of resolution proceedings, enhanced recovery and resolution regimes, revised risk-weighting methodologies, periodic stress testing and the creation of new and strengthened regulatory bodies. Some of the new measures adopted after the financial crisis are expected to soon be modified, impacting the predictability of the regulatory regimes to which Crédit Agricole CIB is subject.

As a result of some of these measures, Crédit Agricole CIB has been compelled to reduce the size of certain of its business activities in order to comply with the new requirements created by the measures. These measures also lead to increased compliance costs and are likely to continue to do so. In addition, some of these measures may also significantly increase Crédit Agricole CIB's funding costs, particularly by requiring Crédit Agricole CIB to increase the portion of its funding consisting of capital and subordinated debt, which carry higher costs than senior debt instruments.

Nevertheless, a number of adjustments and regulatory changes (as well as delays regarding the date of application of certain rules, particularly those relating to prudential requirements) were made by the national and European authorities in the first half of 2020 linked to the current Covid-19 health crisis. Some of these measures have been or will be reversed at a short-term horizon, but it is still unclear if the other adjustments, developments and changes in regulations as a result of the health crisis will be long-term or temporary and it is therefore impossible at this stage to determine or measure their impact on Crédit Agricole CIB.

C - Strategic risk: Crédit Agricole CIB could potentially fail to achieve the objectives set out in its medium-term plan

On 22 June 2022, Crédit Agricole S.A. announced its medium-term plan up to 2025 (the “2025 Medium-Term Plan”).

The 2025 Medium-Term Plan includes a number of financial targets relating to revenues, expenses and profitability. These financial targets were established primarily for purposes of internal planning and allocation of resources and are based on a number of assumptions with regard to business and economic conditions. The financial targets do not constitute projections or forecasts of anticipated results. The actual results of Crédit Agricole CIB are likely to vary (and could vary significantly) from these targets for a number of reasons, including the materialisation of one or more of the risk factors described elsewhere in this section.

For example, at the end of 2025, the Large Customer division of Crédit Agricole S.A., which includes the CIB activities of Crédit Agricole CIB, targets to generate a compounded annual growth rate (CAGR) of revenues of 4 to 5% , with profitability of more than 14%. The CIB activities of Crédit Agricole CIB also target to keep a low cost-to-income ratio, below 55% (excluding the contribution to the Single Resolution Fund).

The plan’s success depends on a very large number of initiatives (some significant and other modest in scope) within Crédit Agricole CIB. The 2025 Medium-Term Plan also provides for significant investments, but if the objectives of the plan are not met, the return on these investments will be less than expected.

If Crédit Agricole CIB fails to reach the objectives that were defined in its 2025 Medium-Term Plan, its financial situation and its results could be impacted significantly.

1.5. Climate and environmental risks

Crédit Agricole CIB is exposed to the risks incurred by climate and environmental change.

Climate and environmental risks are drivers of risks that influence the other major risks of the Bank (credit, market, operational, etc.). They result from the exposure of Crédit Agricole CIB to counterparties that can be affected by climate of environmental hazards.

Impacts of the climate and environmental drivers on reputation have been framed by the CSR policies for many years. However, new issues arise with the development of transactions so called “green” or “sustainable” and with the public commitments taken by Crédit Agricole CIB which, if they were not met, would cause reputation risk (adhesion to the net zero banking alliance via the Crédit Agricole Group notably). Crédit Agricole CIB might face controversies by being challenged by third parties if they deem that Crédit Agricole CIB failed to meet these commitments. These risks had no consequences up to now but could have major ones in the future.

By way of example, Crédit Agricole S.A. published on December 6, 2022, ambitious targets on five sectors to reach carbon neutrality by 2050. For Crédit Agricole CIB, the most significant commitments include a -30% reduction in absolute CO_2e level emitted by its customers in Oil & Gas related businesses; total cessation of all project financing directly related to the extraction of unconventional hydrocarbons as of January 2022; the protection of the Arctic zone where Crédit Agricole CIB excludes all direct financing of oil and gas projects; the significant reduction of exposure to oil extraction by -25% between 2020 and 2025; the reduction by -58% in CO_2e emitted per kWh produced by its energy producers’ clients; a -50% reduction in CO_2e emitted per km travelled by its cars manufactured; and a -40% reduction in CO_2e emitted per square meter per year by our real estate professional buildings. As part of the promotion of renewable energy financing, Crédit Agricole CIB also commits to increase its exposure to low-carbon power production by +60% by 2025 versus 2020. The exposure to green buildings in the commercial real estate portfolio should also increase by +50% by 2025 vs 2020.

Moreover, Crédit Agricole CIB could be exposed to credit risk deriving from climate or environmental hazards. When Crédit Agricole CIB lends to businesses that carry out activities that produce significant quantities of greenhouse gases, Crédit Agricole CIB is exposed 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 CIB to suffer losses on its loan portfolio (energy transition risk). Such consequences can also arise from technological changes which speed up the transition to a low carbon economy, or from evolutions in end-customer preferences (increase in the leverage ratios to finance transition).

Crédit Agricole CIB is also subject to physical risks, i.e., the risk that acute weather episodes or a long-term change in climate models (leading to a rise in water levels, for example) damage its own facilities or those of its clients. However, Crédit Agricole CIB is mainly present in countries which would have financial capacity to deal with the costs triggered by such phenomena, both in terms of prevention and of damage repair.

With the acceleration of constraints related to transition to combat climate change, the intensification of acute climatic phenomena and the challenge of preserving resources, Crédit Agricole CIB will have to adapt its activities and the selection of its counterparties appropriately in order to achieve its strategic objectives, avoid incurring losses and limit its reputation risk.

1.6. Risks relating to the structure of the Crédit Agricole Group

A - If any member of the Crédit Agricole Network encounters future financial difficulties, Crédit Agricole S.A. would be required to mobilise the resources of the Crédit Agricole Network (including Crédit Agricole CIB's resources) to support that member

Crédit Agricole S.A. is the central body of the Crédit Agricole Network, consisting of Crédit Agricole S.A., the Regional Banks and the Local Banks, pursuant to Article R. 512-18 of the French Monetary and Financial Code ("CMF"), as well Crédit Agricole CIB and BforBank as affiliate members (the "Network").

Under the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the CMF, Crédit Agricole S.A., as the central body, must take all measures necessary 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 and contributes to this internal financial solidarity. The general provisions of the CMF are reflected in the internal provisions setting out the operational measures required for this legal internal financial solidarity mechanism. More specifically, they have established a Fund for Bank Liquidity and Solvency Risks (FRBLS) designed to enable Crédit Agricole S.A. to fulfil its role as central body by providing assistance to any members of the Network that may experience difficulties.

Although Crédit Agricole S.A. is not currently aware of any circumstances that may require it to use the FRBLS to support a member of the Network, there can be no assurance that there will no need to use the Fund in the future. In such circumstances, if the resources of the FRBLS were to be insufficient, Crédit Agricole S.A., as part of its role as the central body, would be required to make up the shortfall from its own resources and, where appropriate, those of the other members of the Network, including Crédit Agricole CIB.

As a result of this obligation, if a member of the Network were to face major financial difficulties, the event underlying these financial difficulties could impact the financial position of Crédit Agricole S.A. and the other members of the Network (including Crédit Agricole CIB) 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.

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 (including Crédit Agricole CIB). 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 central body) and its affiliated entities (including Crédit Agricole CIB) 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.

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.

(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

With respect to the central body and all affiliated entities, the resolution authorities may decide to implement, in a coordinated manner, impairment or conversion measures and, where applicable, bail-ins. In such an event, the impairment or conversion measures and, where applicable, Bail-ins measures would apply to all entities within the Crédit Agricole network, regardless of the entity in question and regardless of the origin of the losses.

The creditor hierarchy in resolution is defined by the provisions of Article L 613-55-5 of the CMF, effective as at the date of implementation of the resolution.

Equity holders and creditors of the same rank or with identical rights in liquidation will then be treated equally, regardless of the group entity of which they are creditors.

The scope of this bail-in, which also aims to recapitalise the Crédit Agricole group, is based on capital requirements at the consolidated level.

Investors must then be aware that there is therefore a significant risk that holders of shares, mutual shares, CCIs and CCAs and holders of debt instruments of a member of the network will lose all or part of their investment if a resolution procedure is implemented on the Group, regardless of the entity of which they are a creditor.

The other resolution tools available to the resolution authorities are essentially the total or partial transfer of the activities of the institution to a third party or to a bridge institution and the separation of the assets of the institution.

This resolution framework does not affect the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the CMF, which applies to the Crédit Agricole network, as defined in Article R. 512-18 of the same Code. Crédit Agricole S.A. considers that, in practice, this mechanism should be implemented prior to any resolution procedure.

The implementation of a resolution procedure to the Crédit Agricole group would thus mean that the legal internal solidarity mechanism had failed to remedy the failure of one or more network entities and hence of the network as a whole.

2. RISK MANAGEMENT

This section of the management report presents the risk appetite of the Crédit Agricole CIB Group, the nature of the main risks the Group is exposed, the magnitude and the arrangement put in place to manage these risks.

The information presented in accordance with IFRS 7, relating to disclosures on financial instruments covers the main following risk types [(1)]:

- Credit risks;
- Market risks;
- Structural risk of balance sheet management: global interest risk, foreign exchange risk and liquidity risk.

To cover all the inherent risk to the banking activity, additional information is provided concerning:

- Operational risks;
- Legal risks;
- Non-compliance risks.

In accordance with regulatory provisions and the profession's good practices, the risk management within Crédit Agricole CIB Group results in governance in which each role and responsibility is clearly identified, as much as in methodologies and effective and reliable risk management procedures in order to measure, monitor and manage all the risks incurred at the Group level.

2.1. Concise statement on risks

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

Crédit Agricole CIB has learned from the 2007/2008 crisis and has considerably reduced its risk appetite, primarily by suspending or cutting back on some of its market activities. Its strategic guidelines and management and control systems have therefore been scaled in such a way as to maintain a controlled risk profile which is adapted to well thought out commercial ambitions, an uncertain economic climate and greater regulation.

This model has proven its resilience since 2011 by generating sustainable profitability, with recurring revenue, while retaining relatively little exposure to market volatility, including during recent crises (Covid-19 in 2020, Russia-Ukraine crisis in 2022). The risk profile is controlled, as it is based on a prudent approach.

The Board of Directors approved Crédit Agricole CIB's risk appetite for the first time on 30 July 2015. It is updated regularly and at least annually by the Board to ensure that it remains consistent with the financial objectives of Crédit Agricole CIB and that it reflects the regulatory constraints, in particular Pillar II. The 2022 risk appetite was approved by the Board on 10 December 2021.

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2.1.1 RISK APPETITE FRAMEWORK

CRÉDIT AGRICOLE GROUP APPROACH AND RISK LEVELS

In accordance with the Group's approach, Crédit Agricole CIB expresses its risk appetite qualitatively as well as quantitatively based on key indicators, the most significant of which are broken down into several risk levels:

- appetite is used for managing normal everyday risk. It is expressed in budget targets for solvency and liquidity and in operational limits for market and counterparty risks, any breach of which is immediately flagged up and then reported to Executive Management for a decision, within the designated committees or bodies, depending on the indicator;
- tolerance is used for exceptional management of an increased level of risk. Any breach of tolerance thresholds triggers an immediate report both to the Group Risk Management Department (DRG) and to the Chairman of the Crédit Agricole CIB Board of Directors Risk Committee, which is then, if necessary, referred up to the Board of Directors;
- capacity is the maximum risk that Crédit Agricole CIB could theoretically take on without infringing its operational or regulatory constraints.

ROLE OF THE BOARD OF DIRECTORS

Crédit Agricole CIB's risk appetite must be approved by its Board of Directors, following a proposal by Executive Management and after it has been examined by the Board of Directors Risk Committee. Crédit Agricole CIB's risk profile is examined on a regular basis (at least quarterly) by the Risk Committee and by the Board of Directors to ensure that it is still compliant with the risk appetite which has been defined and, where necessary, the risk appetite should be adjusted to be in keeping with changes to the economic climate, regulatory constraints and with Crédit Agricole CIB's commercial and financial goals.

In the course of 2021, CA Indosuez Wealth (France) absorbed CA Indosuez (Group) to become the new head of group entity for the wealth management business renamed CA Indosuez. CA Indosuez establishes its own risk appetite dashboard and risk appetite statement, consolidating all wealth management activities. These documents are now submitted to the Board of Directors of CA Indosuez: annually for approval of indicators and thresholds, then quarterly for the monitoring of the risk profile. A second submission to the Credit Agricole CIB Board of Directors is not necessary.

Crédit Agricole CIB continues to consolidate the exposures of the CA Indosuez sub-group in its risk profile and to report them to its Board of Directors, in particular for the risks managed globally.

(1) This information is an integral part of the consolidated financial statements as of 31 December 2022 and, as such, it is covered by the Statutory Auditors' report on the consolidated financial statements.

RISK APPETITE, SPECIFIC RISK FRAMEWORKS AND SECTOR POLICIES

Every business line, country or significant sector of the Bank defines periodically a risk framework that is specific to it and consistent with its financial objectives and its competitive positioning. These risk frameworks are approved by the Strategies and Portfolios Committee (CSP) chaired by the Executive Management and, if necessary, by the Group Risk Committee (CRG) chaired by the Executive Management of Crédit Agricole S.A. for risk frameworks which the shareholder wishes to authorize at its level and then lastly, in compliance with the Ministerial Order of 3 November 2014, by the Board of Directors.

Crédit Agricole CIB has also introduced Corporate Social Responsibility (CSR) sector policies in cooperation with the Group to manage the reputational risks stemming from the social and environmental impacts of its activities. These policies set out analysis criteria for these specific risks, which may cause Crédit Agricole CIB not to complete a transaction which displays (or in some cases does not display) certain (required or excluded) characteristics in certain sectors such as armaments, nuclear or coal (see Chapter 2). Much like the specific risk frameworks, these sector policies are approved by the Strategies and Portfolios Committee (CSP) and then by the Board of Directors.

Ultimately, Crédit Agricole CIB's risk appetite therefore comprises the following five components which form a coherent whole with the Bank's commercial strategy:

i. the overall risk framework;
ii. the dashboard of key indicators broken down into three risk levels, monitored quarterly;
iii. this concise statement;
iv. the specific risk frameworks updated periodically;
v. the sector policies.

TYPES OF RISK: RISKS CHOSEN AND ASSUMED VERSUS RISKS INCURRED

In order to achieve its commercial and financial goals, Crédit Agricole CIB choses and assumes most of its risks: counterparty risks, market risks and liquidity risks are taken on intentionally to generate income and profit. Therefore, Crédit Agricole CIB defines its appetite by ensuring that risks are in proportion with its commercial strategy and financial objectives, taking into account its previous performance, competitive position and the current economic cycle, while ensuring that all regulatory requirements (particularly those related to solvency and liquidity) are met.

Other risks such as operational and certain non-compliance risks are essentially incurred, although the implementation of protective measures and control systems limits their occurrence and possible consequences. The Bank has no appetite for these risks. The Bank's appetite is then expressed by indicators that best reflect certain control and monitoring processes designed to reduce the impact of those risks to an incompressible and tolerated minimum.

2.1.2 Overall risk profile at 31 December 2022

In June 2022, Crédit Agricole S.A. announced the Group's Strategic Plan "Ambitions 2025", deployed at the CACIB level. This roadmap sets out the strategic directions for the next three years, in an environment that remains complex and uncertain. The evolution of the economic and financial context (energy crisis in Europe, change in monetary policies, return of inflation, risk of recession...) exacerbated by geopolitical tensions, leads CACIB to maintain a prudent and proactive risk framework.

In agreement with the Group's Strategic Plan, the CACIB Strategic Plan "Ambitions 2025" is structured around the following elements:

- A strong commitment on energy transition with the objective of becoming the reference player in this field, by supporting its clients and society towards low-carbon energy sources;
- A long-term approach to the digital sector, based on the digitalization of processes and service offerings, in order to gain client proximity and achieve operational excellence;
- An ambitious strategy centered on rebalancing the client mix by increasing the share of financial institutions and financial sponsors in the client portfolio, strengthening global franchise for European customers with a wide range of sectoral offerings and a more selective approach outside Europe, focusing primarily on differentiating sectors.
- Investment in business lines to develop their franchises: further development of cash management and working capital solutions, confirmation of a leading position in financing real assets, increase in the distribution and rotation of assets, diversification of product offerings for capital markets, expansion of the Advisory offer.

At 31 December 2022, the overall risk profile of Crédit Agricole CIB for the risks listed below, was below the tolerance level approved by its Board of Directors, except for the significant incident of operational risk indicator.

GLOBALLY MANAGED RISKS: SOLVENCY, LIQUIDITY AND STRUCTURAL FOREIGN EXCHANGE

SOLVENCY

Key solvency risk indicators include:

- the Risk-Weighted Assets (RWA) calculated using regulatory methods;
- the economic capital need originating from the "Internal Capital Adequacy Assessment Process" (ICAAP – see section 3.1 of Basel III Pillar 3 disclosures "Internal view of capital adequacy";
- the Common Equity Tier 1 (CET1) ratio;
- the leverage ratio.

The regulatory RWAs are used to quantify nearly all of Crédit Agricole CIB's risks: credit risks, market risks and operational risks. This key indicator fully expresses the overall quantity of risk that the Bank is willing to take on (appetite), does not wish to exceed under any circumstances (tolerance) and the maximum risk in accordance with the regulatory constraints (capacity).

At 31 December 2022, Crédit Agricole CIB's regulatory RWAs stood at €141.7 billion (see section 3.2.1.1 of "Basel III Pillar 3 disclosures") and were below the Bank's tolerance threshold.

The internal economic capital needs are calculated using methodologies more adapted to Crédit Agricole CIB than the regulatory approaches. This calculation considers risks not included in Pillar 1 and quantifies them using in-house methodologies. The internal economic capital needs of Crédit Agricole CIB are below its tolerance level.

CET1 ratio corresponds to the ratio of Common Equity Tier 1 capital, divided by Crédit Agricole CIB's risk-weighted assets. At 31 December 2022, the CET1 phased-in ratio stood at 11.6% (see section 3.1.6 of "Basel III Pillar 3 disclosures") and is above the Bank's tolerance threshold.

The leverage ratio is defined as Tier 1 capital divided by the leverage exposure which is composed of balance sheet assets and restated off balance sheet assets (restatements notably relate to conversion factors and derivatives). This regulatory constraint has to be respected at all time since the 28th of June 2021. At 31 December 2022, the leverage ratio stood at 3.9% (see "Impact of the application of IFRS 9 transitional provisions" of section 3.1.6 of "Basel III Pillar 3 disclosures") and was above the Bank's tolerance level.

LIQUIDITY

Key liquidity risk indicators include:

- resistance periods for short-term liquidity stress;
- the Stable Funding Position (PRS);
- the Liquidity Coverage Ratio (LCR) ; and
- The Net Stable Funding Ratio (NSFR).

Short-term liquidity stress is applied based on crisis scenarios that Crédit Agricole CIB believes that it could face should an event affect the Group (idiosyncratic crisis), the whole of the inter-bank market (systemic crisis), or a combination of the two (global crisis).

The PRS, defined as a long-term surplus of resources over stable assets, aims to protect business lines from the consequences of market stress.

The LCR requires the Bank to retain sufficient unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately, on private markets, assuming a liquidity crisis lasting 30 calendar days.

The NSFR is a one-year liquidity ratio, putting a limit on the transformation the bank can do by requiring stable assets to be financed by a minimum amount of stable liabilities.

At 31 December 2022, all of these indicators were compliant with the Bank's tolerance in this area. Note that the LCR of 124% and the NSFR of 115% far exceed the regulatory requirement of 100%.

STRUCTURAL FOREIGN EXCHANGE RISK

CACIB opts not to hedge certain structural foreign exchange positions resulting from its USD capital investments in its international entities in order to minimize the variations in the CET1 ratio. CACIB's equity then varies according to the EUR/USD exchange rate on these unhedged structural positions. CACIB is exempted from any capital requirements on this structural foreign exchange risk. Since 1 January 2022, in order to continue to benefit from this exemption, CACIB defines an ad-hoc risk appetite, on the basis of two indicators:

- the sensitivity of the CET1 ratio to a EUR/USD parity change of +/- 15%;
- the capital loss related to a EUR/USD parity change of +/- 30%.

As at 31 December 2022, all these indicators are in compliance with the Bank's tolerance in this regard.

RISKS SPECIFICALLY MANAGED WITHIN THE CORPORATE AND INVESTMENT BANKING (CIB) BUSINESS LINE

CREDIT RISKS

Crédit Agricole CIB's focuses on debt-related business: credit risk is therefore central to its activities and is by far the greatest risk. Like Crédit Agricole CIB's competitors, CIB clients are often large multinationals or major financial institutions which by their very nature, in addition to individual creditworthiness issues, generate a concentration risk in this area. This risk should however be put into perspective by viewing the Crédit Agricole Group as a whole.

However, the Bank is active in a large number of countries and economic sectors, thus benefiting from the positive effect of sectoral and geographical diversification. This effect is measured and monitored under ICAAP.

Therefore, Crédit Agricole CIB's risk appetite is defined in accordance with five key indicators:

- expected losses (EL) within one mid-cycle year for all of its exposures using the internal ratings-based approach (IRBA), excluding defaulted exposures;
- the share of defaulted outstandings in total outstandings and their provisioning rate;
- unexpected losses due to the sudden and simultaneous default of several investment grade counterparties;
- the "underwriting risk for corporate clients", whose thresholds are defined according to the credit quality of the borrower, which limits the temporary credit risk incurred by Crédit Agricole CIB for any corporate group during an underwriting transaction on debt instruments.

At 31 December 2022, all five indicators were below the Bank's tolerance thresholds.

MARKET RISKS

A series of refocusing and adaptation plans have reduced Crédit Agricole CIB's market activity and the resulting risk. This redimensioning plan followed the response to the financial crises of 2007/2008 and then 2011 and the choice to discontinue activities which were deemed to be non-strategic or below their critical size. Crédit Agricole CIB has put in place a resilient model based on a balanced business model in which capital markets activities are part of the continuity of financing activities with a diversified client portfolio. The Bank also suspended its own-account activities and, under the French Banking Law (LBF), was not required to set up an ad-hoc subsidiary. Finally, the Bank's Treasury activity is responsible for the sound and prudent management of cash within the Finance department, as required under the LBF.

Crédit Agricole CIB has retained appetite for market risks, when such risks are generated by supplying corporate clients and financial institutions with the investment products and services that they require (including some structured products) and by assuming its role as a market maker for certain market segments and instruments.

Therefore, Crédit Agricole CIB's market risk appetite is defined in accordance with three key indicators:

- maximum one-day loss within a confidence interval of 99%, or Value-at-Risk ("VaR" see section 2.5.1.2 "Market risk measurement and management methodology";
- adverse extreme stress (see section 2.5.1.2), to quantify maximum loss in theoretical extreme market conditions which systematically contradict the Bank's positions;
- Stress on the HTCS portfolio, which measures the value loss in case of stress on CACIB securities portfolio classified in HTCS under IFRS 9

At 31 December 2022, these indicators were below the Bank's tolerance threshold, in particular with a VaR of €16 million (see section 2.5.1.2).

OPERATIONAL RISKS INCLUDING LEGAL AND NON-COMPLIANCE RISKS

Crédit Agricole CIB has no appetite for operational risks in general and to an even lesser extent for legal and non-compliance risks. However, any banking activity which generates income may lead to juridical, administrative or disciplinary sanctions in the event of a failure to comply with the rules relating to this activity, whether they be laws, regulations, professional or ethical standards, or even instructions from the Bank's managers. Crédit Agricole CIB manages the non-compliance risk situations inherent to income generation by measuring:

- the proportion of activities performed with the riskiest clients from a financial security viewpoint;
- the proportion of activities performed for the most complex market products;
- KYC Compliance rate on new relationships;
- Screening Alert Processing Rate aiming at identifying possible breaches of the international sanctions measures;
- Conduct risk, which is the risk of inappropriate behavior, with regard to regulation and ethics, of one or more employees, in their relations with customers, financial markets, third parties (suppliers, partners, etc.) or other employees, the financial or non-financial consequences of which would be detrimental to the image or the sustainability of the entity.

Crédit Agricole CIB measures its operational risks globally, all risk factors combined, by defining two key indicators:

- the share of the cost of operational risk in net banking income;
- significant operational risk incidents.

At 31 December 2022, the first indicator was below the tolerance threshold. Nevertheless, two significant incidents of operational risk exceeded the tolerance threshold set by the Board of Directors, of which one corresponding to the settlement of an old legal dispute.

CLIMATE AND ENVIRONMENTAL RISKS

Climate and environmental risks are primarily drivers of credit, financial and operational risk. The impacts of climate and environmental risk drivers are derived from an analysis of transmission channels and an assessment of their materiality, differentiated according to portfolios and risks. For example, Credit Agricole CIB considers that non-climate hazards do not, at this stage, significantly affect its credit and financial risks. An ad hoc framing is justified only when this impact is deemed material over the horizon of the underlying exposures.

The impact of climate and environmental factors on the credit risk is analyzed in the relevant specific risk frameworks (e.g. oil and gas, shipping finance) and has resulted in a limit or sub-limit on 4 portfolios. As at 31 December 2022, Credit Agricole CIB respects these limits.

Climate and environmental issues are also factors of reputational risk that Credit Agricole CIB limits through the sectoral policies and Equator principles mentioned in §1.1.2 above.

At 31 December 2022, Crédit Agricole CIB was not exposed to any reputational risk and was compliant with its CSR sector policies.

STATEMENT ON THE ADEQUACY OF RISK MANAGEMENT FRAMEWORKS

In accordance with Article 435-1-e of CRR (Regulation (EU) No 575/2013) and based on all the information that they received during 2022, the Board of Directors have considered at their meeting of 7 February 2023 that the risk management frameworks put in place by Crédit Agricole CIB were adequate considering the Bank's profile and strategy.

2.2. Structure of the risk function

The Risk and Permanent Control (RPC) Department is in charge of the supervision and permanent control of risks across the Crédit Agricole CIB Group's entire scope of consolidated supervision. It carries out second-level supervision and permanent control of counterparty risks, market risks, country and portfolios risks, physical, operational and technical risks and societal and environmental risks.

The structure of Crédit Agricole CIB's Risk and Permanent Control function is integrated into the Crédit Agricole Group's Risk and Permanent Control business line.

Its risks management is delegated to Crédit Agricole CIB under formally adopted subsidiarity and delegation principles.

Within this framework, RPC regularly reports its major risks to Crédit Agricole S.A.'s Group Risk Department and has Crédit Agricole S.A.'s Group Risk Committee (CRG) approve those cases which exceed its authorised limits as well as substantial risk strategies at the Crédit Agricole S.A. Group level.

2.2.1 Global structure

RPC is based on a global structure with the following attributes:

- all risk management tasks and business lines, whatever their nature or location, are grouped together within one division;
- all Crédit Agricole CIB's local and regional RPC managers within the international network report directly to the managers at the RPC head office;
- (i) the Head of the Operational Risk Management Department reports to Crédit Agricole CIB's Head of Risk and Permanent Control CIB and (ii) is functionally subordinate to the Executive Manager in charge of the consistency and effectiveness of permanent control and periodic control (in order to take into account the new organisational provisions of the revised Ministerial Order of 3 November 2014);
- the operational risk managers at the Head Office report to the Operational Risk Management Department;
- the Head of Risk and Permanent Control of Crédit Agricole CIB (i) reports to the Group Chief Risk Officer of Crédit Agricole S.A. and (ii) is functionally subordinate to the Chief Executive Officer of Crédit Agricole CIB;
- the Head of Risk and Permanent Control of Crédit Agricole CIB is a member of the Executive Committee of Crédit Agricole CIB.

It comprises:

1. The 4 specialist Decision-making and Management departments for each business activity:

- Markets: Market and Counterparty Risks (MCR);
- Credit: Sectors, Corporates and Structured (SCS), Financial Institutions, Sovereigns and Countries (FSP), Sensitive Cases and Impairment (ASD);

2. The 6 cross-functional departments dedicated to Supervision and Control:

- Supervision: Portfolio Models and Risks (MRP), Architecture and Project Management (APM), Risks, Governance & Regulatory Topics (RGR);
- Control: Credit Monitoring & Reporting (CMR), Operational Risk Management (MRO), Validation of Regulatory Models on Market Activities (VRM);

3. The Environmental and Social Risks (ESR) team;

4. RPC's Secretary's Office (SGL).

2.2.2 Governance and overall management of activities

INFORMATION PROVIDED TO CRÉDIT AGRICOLE CIB GOVERNANCE BODIES

The Board of Directors of Crédit Agricole CIB and its Risk Committee receive:

- On an annual basis, the Internal Control Report (RCI) for the previous year and the Half-Yearly Report on Internal Control (ISCI) as at 30 June of the current year;
- On a quaterly basis, a report on the management of risks and major exposures and on a case-by-case basis specific monographs that are produced periodically or on request;
- On the advice of the Risk Committee, the Board of Directors approves the Bank's risk appetite and any updates, the Stress test programme and the list of major risks and, on a quarterly basis, the risk strategies and policies approved by the CSP (Strategy and Portfolio Committee) or the CRG (Group Risk Committee), where applicable.

OVERALL MANAGEMENT OF ACTIVITIES

DETERMINING THE RISK PROFILE AND RISK STRATEGIES

The Strategy and Portfolio Committee (CSP) is chaired by a member of the Execuive Management. Its main roles are:

- to ensure that the Bank's global strategy is consistent with its capacity to take risks, to set guidelines that will become specific operational rules, including in the form of risk strategies and to work on alert and Business Watch topics;
- the CSP also oversees each location/country, each business line/major sector within a specific risk strategy, providing the main development guidelines for each business; it also decides on the main risk budgets for the global portfolio.

SELECTION OF CASES

The decision-making process within Crédit Agricole CIB is carried out by dedicated committees:

- retail financing is presented to committees organized by businesses and locations within the delegations granted to their managers;
- the most significant cases are reviewed by the Counterparty Risk Committee (CRC) which is chaired by a member of Executive Management. The Crédit Agricole S.A. Group Risk Department (DRG) is an ex-officio member of this committee and receives all associated documents and information. Exposures involving amounts in excess of the limits granted to Crédit Agricole CIB

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are submitted for a decision to Crédit Agricole S.A.'s Executive Management, after obtaining an opinion from the DRG;

- market positions are reviewed monthly by the Market Risk Committee (CRM), chaired by a member of Executive Management. The CRM sets the limits and carries out controls on compliance accordingly.

ANTICIPATION OF DOWNGRADES

Anticipation of potential counterparty downgrades is addressed via:

- monthly Early Warning meetings, scheduled by the Early Detection team of the SCS Department, which aim to identify early signs of potential downgrades of counterparties previously considered to be sound. After reviewing the information gathered, the purpose of these meetings is to draw the most appropriate operational consequences, depending on whether its conclusions are positive (ultimately deemed harmless or benign, not calling for downgrading the client at this stage) or negative (confirmation of an actual concern calling for a reduction in our risk exposure);
- Early detection by means of ongoing monitoring of portfolios and sub-portfolios to detect counterparties demonstrating various alert signals identified from information passed on by the risk and front office teams, data obtained from internal databases, market information;
- stress scenarios examined in order to measure the impact of a shock on a portfolio or sub portfolio (for application of Pillar 2 of Basel II) and to identify any sectors/segments requiring provisions.

The objective is to identify any potential increase in client risk profiles as early as possible, in order to implement preventive actions on our exposures where possible.

MONITORING OF SENSITIVE CASES

The monitoring of sensitive cases is carried out by a dedicated department. Debts that are under special supervision or classified as in default are revised quarterly.

OPERATIONAL MANAGEMENT COMMITTEES

In addition to the Committees in charge of risks (CRC and CRM), risk management reports are also regularly presented to the following Executive Management committees:

- Crédit Agricole CIB's Executive Committee, which conducts debates and discussions dedicated to risk management;
- the Internal Control Committee, which is responsible for monitoring market and counterparty limits, monitoring operational risks and following-up recommendations issued by internal and external audit committees;
- the Topmost Permanent Control Committee, which supervises the operation of the Permanent Control system and operational risk management of the Crédit Agricole CIB Group.

CRÉDIT AGRICOLE S.A.'S RISK MANAGEMENT PROCESS

Crédit Agricole CIB is included within Crédit Agricole S.A.'s risk process, which is structured around the following committees:

- the Group Risk Committee, chaired by Crédit Agricole S.A.'s Chief Executive Officer, to which Crédit Agricole CIB mainly submits its one-off approval requests, main risk strategies, budgets and commitments on emerging countries, corporate authorisations for large transactions, large individual exposures, sensitive cases, limits as well as the market risk situation;
- the Risk Monitoring Committee (a CRG committee). Chaired by Crédit Agricole S.A.'s Chief Executive Officer, it examines counterparties showing signs of deterioration or a need to arbitrate between multiple Group entities, as well as, from a broader standpoint, any areas of focus liable to impact the Group's risk profile, net income or solvency (risk factors linked to a sector of the economy, country, product category, business activity, regulatory change, etc.);
- the Standards and Methods Committee (CNM), chaired by Crédit Agricole S.A.'s Head of Risk and Permanent Control, to which Crédit Agricole CIB submits for approval any proposal for a new method or an existing method for measuring or classifying Basel II risks before their application within Crédit Agricole CIB;
- finally, Crédit Agricole S.A.'s Group Risk Department is a permanent member of Crédit Agricole CIB's Internal Control Committee (CCI).

2.3. Internal control and risk management procedures

2.3.1 Definition of the internal control system

The internal control system is defined within the Crédit Agricole Group as the set of systems used to control activities and all forms of risk and to ensure the legality, security and efficiency of operations, in accordance with the reference texts set out in the paragraph below. Crédit Agricole CIB, a 100%-owned subsidiary of the Crédit Agricole Group, complies with the requirements of French and international regulations and the rules enacted by its parent company.

The internal control system and procedures can therefore be classified by the objectives assigned to them:

- application of instructions and guidelines determined by Executive Management;
- financial performance through effective and adequate use of the Group's assets and resources and protection against the risks of loss;
- comprehensive, accurate and ongoing awareness of the data required to make decisions and manage risks;
- compliance with internal and external rules;
- prevention and detection of fraud and errors;
- accuracy, completeness of accounting records and timely production of reliable accounting and financial information.

However, this system and these procedures have limits, relating in particular to technical problems and staff shortcomings.

Systems implemented within this standardised framework, certain resources, tools and reporting documents are made available to the Board, Executive Management and other managers so that they can assess the quality and adequacy of the internal control systems.

2.3.2 Reference texts relating to internal control

LAWS AND REGULATIONS

The internal control procedures implemented by Crédit Agricole CIB comply with the laws and regulations governing French credit institutions and investment companies and namely with:

- the French Monetary and Financial Code;
- the Decree of 3 November 2014, relating to the internal control of banks, payment services companies and investment companies, under the supervision of the French Prudential Supervisory and Resolution Authority (ACPR), as amended on 25 February 2021;
- all texts relating to the exercise of banking and financial activities (a set of documents produced by the *Banque de France* and the C.C.L.R.F.) ;
- the General Regulation of the French Financial Markets Authority *(Autorité des Marchés Financiers).*

The Company's internal control system also incorporates the following international reference documents:

- the Basel Committee's recommendations on banking supervision;
- constraints of local laws and regulations of the countries in which the Group operates;
- European and international regulations (EMIR, DFA, etc.) applicable to Crédit Agricole CIB's business activities.

MAIN INTERNAL REFERENCE DOCUMENTS

The main internal reference documents are:

- Procedural memo 2022-04 on the organisation of internal control within the Crédit Agricole Group;
- Procedural memos dealing with the Crédit Agricole Group's risk management and permanent controls;
- documents circulated by Crédit Agricole S.A., relating to subjects including accounting (Crédit Agricole's accounting plan), financial management, risk management and permanent controls;
- the Crédit Agricole Group's Code of Conduct;
- Crédit Agricole CIB's Code of Conduct entitled "Our principles to build the future";
- a body of governance texts, published in Crédit Agricole CIB's associated Intranet database, addressing compliance, risks and permanent control and, more specifically, the texts linked to permanent control applied within the Crédit Agricole CIB Group's consolidation scope of supervision (text 4.0 on the structure of internal control, text 4.2 on the consolidated scope of supervision, text 4.4 on the structure and governance of permanent controls and text 1.5.1 on the supervision of essential outsourced services) and Crédit Agricole CIB's compliance manuals, Crédit Agricole CIB's Code of Conduct entitled "Our principles to build the future" and the procedures in the different departments of Crédit Agricole CIB, its subsidiaries and branches.

STRUCTURE OF THE INTERNAL CONTROL SYSTEM

Basic principles

The structural principles and components of Crédit Agricole CIB's internal control systems, which are common to all Crédit Agricole Group entities, are as follows:

- information and involvement of the supervisory body (approval of risk appetite and risk strategies, update on the risk situation, activities and results of internal control);
- the direct involvement of the Executive Directors in the organisation and operation of the internal control system;
- complete coverage of activities and risks;
- accountability of all persons involved;
- clear definition of tasks;
- effective separation of commitment and control functions;
- formalised and up-to-date delegations;
- formalised and up-to-date standards and procedures, especially for accounting and information processing.

These principles are supplemented by:

- systems to measure, monitor and control risks: credit, market, liquidity, financial, operational (transaction processing, information systems processes) risks, accounting risks (including quality of financial and accounting information), non-compliance risks and legal risks;

- a control system, forming part of a dynamic and corrective process, encompassing permanent controls carried out by the operating units themselves or by dedicated staff and periodic controls (Internal Audit Department).

The internal control system is also designed to ensure that the compensation policy is consistent with risk management and control objectives, particularly with regard to market operators.

To that end, the Risk Committee, a specialised Committee of the Board of Directors, whose task is specifically to examine, without prejudice to the Compensation Committee, whether the incentives provided by the Company's compensation policy and practice are consistent with its situation in light of the risks to which it is exposed.

Furthermore, the internal control system is designed to ensure that the corrective measures adopted are applied within a reasonable time.

◆ Oversight of the process

In order to ensure that the internal control system is consistent and effective and that the above-mentioned principles are applied by all entities within the scope of Crédit Agricole CIB's consolidated control system, three separate persons responsible for Periodic Control (Audit-Inspection), Permanent Risk Control and Compliance Control have been appointed.

The Internal Control Committee, chaired by the Deputy Chief Executive Officer, is responsible for:

- reviewing internal control procedures and the control system implemented;
- examining the main risks to which Crédit Agricole CIB is exposed and any changes in risk measurement systems;
- deciding on remedial measures to be taken to address the weaknesses identified during audits, either in internal control reports or as a result of problems that have occurred;
- monitoring the fulfilment of the commitments made subsequent to internal and external audits;
- taking any decisions necessary to make up for the weaknesses in the internal control system.

Its members are the Head of Group Internal Audit (Crédit Agricole S.A.), the Inspector General of Crédit Agricole CIB, the Corporate Secretary, the Chief Financial Officer, the Head of Risk and Permanent Control, the Head of Operational Risk Management, the Head of Compliance, the Head of Fraud and Corruption Prevention, the General Counsel and, depending on the matters under discussion, the heads of other Bank units.

The Committee met four times in 2022.

Internal Control Committees have also been set up at multiple subsidiaries and branches, both in France and abroad. These Committees ensure the decentralised implementation of the Order of 3 November 2014. They enable the Internal Control functions at the Head Office (RPC, CPL, LGL, IGE) to be involved in the operation of Internal Control within a given scope and alert the manager as a matter of priority in the event of any anomalies and then alert the highest level of corporate governance in the event of non-resolution.

In addition, a Topmost Permanent Control Committee, chaired by the Head of RPC, is responsible for:

- supervising the operation of the Permanent Control system and operational risk management of the Crédit Agricole CIB Group;
- investigating all matters related to this assignment, either for information or decision-making purposes;
- resolving any discrepancies or interpretations relating to the Permanent Control system.

This committee comprises in particular the Head of RPC, the Head of Operational Risk Management, the Head of Global Compliance, the General Counsel and the Inspector General.

The Head of Group Risk Management (*Direction des risques Groupe* or DRG) Operational & IT Risks at Crédit Agricole S.A. is a permanent guest. The committee held two face-to-face meetings and two e-meetings in 2022.

In addition to the permanent control committees established in the head office departments, local committees have been established at the subsidiaries and branches in France and abroad. Meetings are held monthly (outside of months when the ICC meets held), either face-to-face or online.

◆ Role of the supervisory body: the Board of Directors

The Board of Directors decides on strategy and controls the implementation of oversight by the effective managers. It approves and regularly reviews the Bank's risk appetite and risk strategies (risk frameworks). It is notified of the structure, activity and results of internal control and of the main risks facing the Bank.

The Board of Directors has four specialised committees to assist in carrying out its missions: the Audit Committee, the Risk Committee, the Appointments and Governance Committee and the Compensation Committee. The main missions of the Board of Directors and its Committees are listed below and described in further detail in Chapter 3, paragraph 1.2.4 of this Universal Registration Document:

- the Board of Directors reviews and approves the Bank's risk appetite at least once a year, after it has been reviewed by the Risk Committee;
- each quarter, the Board of Directors reviews and approves, after they have been reviewed by the Risk Committee, the specific risk strategies (risk frameworks) by country, business or sector, that were defined during the previous quarter by the Strategy and Portfolios Committee or by the Group Risk Committee;
- in addition to the information regularly transmitted to the Board of Directors, particularly on overall risk limits and exposures, as well as compliance, legal and liquidity risks, a report on internal control is presented twice a year by the Head of the risk management function, along with a quarterly status report on risk management and exposures. This quarterly report specifically includes a presentation on market risks, counterparty risks and operational risks and a review on Crédit Agricole CIB's risk appetite situation. This information and these reports are reviewed beforehand by the Risk Committee;
- the Board of Directors is informed of any significant fraud event or any other event detected by internal control procedures in accordance with established criteria and thresholds. The procedure for escalating this information to the corporate bodies is reviewed in Crédit Agricole CIB's internal documentation;
- a presentation of periodic control reports is made at least twice a year to the Board of Directors by the Head of the Audit function, after being reviewed by the Risk Committee;
- an annual report (corporate and consolidated basis) on the organisation of internal control systems for combating money laundering and terrorist financing and asset freezing, is presented by the Head of the Compliance Verification function, then submitted to the Board of Directors for approval each year;
- the report to the AMF by the Head of Compliance for Investment Services (RCSI) is presented to the Board of Directors each year.

◆ Role of the Executive Managers: Executive Management

The Executive Managers are directly involved in the organisation and operation of the internal control system.

They ensure that risk strategies and limits are compatible with the financial situation (capital levels, results) and the strategies adopted by the Board of Directors. The Executive Managers define the general organisation of Crédit Agricole CIB and oversee its effective implementation by the competent staff.

They assign clear roles and responsibilities in terms of internal control and allocate the appropriate resources. They oversee the implementation of risk identification and measurement systems that are appropriate for Crédit Agricole CIB's activities and structure.

They also ensure that they regularly receive the key information produced by these systems and that the internal control system is continuously monitored for the purpose of verifying its suitability and effectiveness.

They are informed of the main issues identified by internal control procedures and the remedial measures proposed, notably by the Internal Control Committee.

◆ Scope and consolidated structure of Crédit Agricole CIB's internal control systems

In accordance with the principles implemented within the Group, Crédit Agricole CIB's internal control system applies to a scope which includes its French and foreign wholly- or jointly-controlled branches and subsidiaries. The system is designed for the supervision and control of activities, as well as the measurement and oversight of risks on a consolidated basis.

Each Crédit Agricole CIB Group entity applies this principle to its own subsidiaries, thus creating a logical internal control structure pyramid and strengthening consistency among the Group's various entities.

In this way, Crédit Agricole CIB ensures that an adequate system has been established at each of its risk-bearing subsidiaries and that these activities, risks and controls are identified and monitored on a consolidated basis within these subsidiaries, particularly as regards accounting and financial information.

In 2018, the Crédit Agricole CIB governance document was updated to reflect the new Group Procedural Memo on the structure of internal control (see above, "Main Internal Reference Documents"). This document introduced the notion of a "Consolidated Supervision Scope", by defining its rules for determining supervision and governance information procedures.

BRIEF DESCRIPTION OF THE INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT PROCEDURES IMPLEMENTED WITHIN THE COMPANY

◆ General description

Detailed information on credit, market, operational, liquidity risk management is provided in the "Risk and Pillar 3" section and in the notes to the financial statements.

The internal control system is based on three levels of controls, which distinguish permanent control from periodic control.

Permanent control is carried out as follows:

- first degree: permanent controls are carried out when a transaction is initiated and while the transaction is being validated. They are carried out by the operators themselves, by the supervisors within the unit, or by automated transaction processing systems;
- second degree, first level: permanent controls are carried out by employees acting separately from the parties who initiated the transactions and who are authorised to perform operational activities;
- second degree, second level: permanent controls are carried out by staff working exclusively at the final level of specialist permanent control with no authorisation to make risk-taking commitments (Operational Risk Managers of Departments, which report to RPC, credit or market risk control, accounting control, compliance control).

Periodic (third-degree) controls cover occasional on-site audits of accounting records relating to all of the Company's activities and functions by the Internal Audit Department.

The permanent control system is based on a platform of operational controls and specialised controls. Within the departments of the head office, branches and subsidiaries, procedural manuals describe the controls to be performed and the related operational permanent controls.

The controls, which can be integrated into automated transaction processing systems, are identified and updated based on operational risk mapping (now called Risk and Control Self-Assessment).

The results of the controls are formalised in control sheets and centralised in the RPC Operational Risk Management tool, OLIMPIA. They are summarised in periodic reports at the appropriate managerial level (in the network and at the head office) and, on a consolidated basis, to the Head of Permanent Control and to the Topmost Permanent Control Committee.

This system is continuously updated. It must specifically cover the entities in the consolidated supervision scope along with changes related to their activity, organisation and IT system. In that regard, maintaining the quality of operations and a suitable internal control system is a top priority.

The tool OLIMPIA now covers all operational risk issues: data collection on incidents and losses, outsourced services, Risk and Control Self-Assessment, Supervisory Controls.

Since 2016, the Qualitative aspect of the ICAAP (Internal Capital Adequacy and Assessment Process) has been fully included in the annual Internal control report (ICR).

◆ Detailed description

FIRST-DEGREE CONTROLS

First-degree controls are performed in a hierarchical environment where the technical actions subject to control are carried out. The definition of these controls and analysis of their results is first and foremost the responsibility of the Management team in charge of the scope where they are applied.

First-degree permanent controls are applied to the tasks carried out by all Departments of the Bank. The Department itself defines the permanent controls, with the help of the department ORMs or the Cross-Business function and is responsible for their quality by involving the operational staff within its scope.

First-degree controls must be appropriate and auditable. To that end:

- the operational risk map generated by the processes within the scope of operation highlights the situations calling for first-degree permanent controls on which the 2.2 controls will be based;
- the Departments and Cross-Business Functions are responsible for maintaining the documentation and operational procedures describing operational control systems 1 and 2.1.

Controls automatically carried out by information systems are equivalent to first-degree operational controls deemed to be formalised if the processes implemented are documented and if their results are immediately delivered to the initiators of the action subject to control so that they can respond appropriately in the event of an anomaly.

SECOND-DEGREE, FIRST-LEVEL CONTROLS

They are carried out by employees operating independently of the operational environment subject to control. These controls are classified as “second-degree” because the employees conducting them do not report directly to the person that performed the first-level control. They apply to situations considered to be sufficiently sensitive to require, in accordance with regulations or as a result of a management decision, the segregation of tasks in the implementation phase, or an independent perspective. The Management team of the Department or Cross-Business Function may be assisted by the ORMs within its scope to define and standardise these controls.

SECOND-DEGREE, SECOND-LEVEL CONTROLS

They are performed in a hierarchical environment that is independent of the environment in which the action being audited was carried out, hence their classification as “second-degree” controls. They are carried by ORMs, which are specialist auditors who have no operational mandate within the scope under audit or any other scope, other than the scope for which they specifically work. This operational independence qualifies the controls as “second-level” in addition to second-degree.

They (commonly referred to as “2.2” or supervisory controls) are aimed at:

- performing final controls and analyses based on the results of level 2.1 or level 1 controls. This can be done via a spot-check or when an incident has occurred;
- checking the quality of a specialised second-degree, first-level control relating to aggregated elements or a set of processes, if the risk represented by these elements or processes is considered sufficiently sensitive.

They may take the form of spot checks.

The systematic “triplication” of level 1, 2.1 and 2.2 controls is not standard and must be justified by the level of underlying risk. A level 2.2 control cannot make up for the absence of a level 1 or 2.1 control in situations where one or the other should normally exist, except in very exceptional cases (closure of a unit, unexpected absence of a particular person, user back-up plan, etc.). The appropriate ICC must be notified if such a situation persists.

RISK AND PERMANENT CONTROL DEPARTMENT

Risk management roles and responsibilities are outlined in the section above, entitled “Structure of the Risk function”.

◆ Risk projects

The Credit & Counterparty Risk Committee is managed by the APM (Architecture & Project Management) team, a project team that reports to the “Risk and Permanent Control” Department of Crédit Agricole CIB. This programme meets the objective of significantly and continuously improving the counterparty risk control mechanism, while complying with new regulatory requirements.

The Credit & Counterparty Risk Committee, chaired by the Head of Risk, who is a member of Crédit Agricole CIB’s Executive Committee, comprises risk department managers, representatives of the relevant business lines and IT and oversees selected projects:

- the purpose of Project RADaR (Risk Analytics Data Reporting)/ PRISM is to provide users with a single platform covering all data, with an easy access to consistent data (and data sources), creation of calculation libraries developed by quantitative risk research teams. Interface via the SAP BI systems for the production of internal and regulatory reports and PRISM for exploratory analyses, simulations and real-time adjustments;
- processing of technical obsolescence/upgrades: a project that aims to technically improve and upgrade systems calling for developments in order to facilitate functional maintenance and operability and reduce operational risk, such as: Decommissioning of Mainframe Infocentres (SDP *et* RADaR);
- project DAFNE: Overhaul of the CA Group counterparty rating system, aimed at replacing Anadefi, a tool that no longer meets the needs of the risk business lines;
- regulatory & CA Group projects: various functional or technical developments related to changes in CA Group and regulatory requirements such as: Group changes in CRR V4.3, regulatory changes CRD5/CRR2, COREP 2021, SACCR (June 2021), Default, leveraged financing, TRIM, Basel 4 reforms, etc.;
- ongoing projects: all major changes to existing systems with a minimum system to be maintained (rating, credit approval, authorisation tools, certifications, calculation engines, control and monitoring tools for outstandings/authorisations, operational risk tools) aimed at meeting new business needs, regulatory requests, recommendations arising from various inspections and various requests for contributions;
- project MASAI FRTB: led by RPC and sponsored by GMD and RPC, aiming to introduce:
  - a new market risks ecosystem based on Big Data technology to address a strong increase in data volumes and significant complexity of market risk indicators;
  - compliance with the regulations of BCBS 239 principles, with the introduction of a new Market Risks Operating Model;
  - the Fundamental Review of the Trading Book (FRTB), with an initial deliverable covering the FRTB-Standardised Approach (first report in September 2021);
  - Daily Stress: new project aimed at significantly improving stress capacities in market activities.

◆ Credit risks

Any counterparty or group of counterparties is subject to limits within the framework of specific procedures.

The decision-making process is based on two authorised Front Office signatures (one by the person responsible for the application, the other by the competent Agent) as well as an independent RPC opinion issued by an Authorised Signatory. If the RPC’s opinion is negative, decision-making power is passed on to the chairman of the next higher-level committee.

Credit decisions are governed by risk strategies defined for each significant scope (country, business line, sector) specifying the main guidelines (target clients, types of authorised products, overall envelopes and projected unit amounts, etc.) under which each geographic entity or business line must conduct its activity.

When a transaction or operation is considered to fall outside the framework of the risk strategy in force, the normal authorisations do not apply and a decision can only be made by the Executive

Management-level Committee (CRC). The RPC also identifies any assets liable to see an increase in credit risk as soon as possible and initiates the most suitable measures to protect the Bank's interests.

The process for monitoring receivables is enhanced by a system of portfolio and sub-portfolio analyses on group-wide business line, geographic or sector basis. An analysis of concentrations and, where applicable, portfolio restructuring recommendations, are an integral part of this exercise.

In parallel, the New Activities and New Products Committee (NAP Committee) ensures that all requests made by the business lines are in line with the strategies and risks involved.

In addition, sensitive cases and major risks are monitored quarterly; other risks are reviewed annually. The adequacy of the level of reserves in relation to risk is assessed on a quarterly basis by the Executive Management, on RPC's recommendation.

This approach is supplemented by stress tests aimed at testing the impact of unfavourable macroeconomic assumptions and quantifying the risks to which the bank could be exposed in an adverse environment.

◆ Country risks

Country risk is analysed and supervised in accordance with on a specific rating methodology. The country rating, which is reviewed at least once every six months, has a direct impact on the limits set for countries for the purpose of validating their risk-strategy and on counterparty ratings.

◆ Market risks

The ex-ante management of market risks is organised around the operation of several committees, which assess the risks associated with activities, products and strategies before they are implemented or used:

- New Activity or New Products Committees, organised by Business Line, allow the Market Risk teams, among others, to validate business developments before they are launched;
- the Market Risk Committee (CRM) meets once a month and oversees the entire market risk framework; it approves market risk limits;
- the purpose of the Liquidity Risk Committee (CRL) is to supervise and manage Crédit Agricole CIB's liquidity risks and to ensure the operational implementation of Group standards relating to liquidity risk monitoring;
- the Pricer Validation Committee is responsible for presenting and formally validating the pricers that were validated during the year.

Risk management is carried out using diversified risk measurements:

- global measurements with market risk supervision centred on Value at Risk (VaR), Stressed VaR (SVaR) and stress measurements; VaR and SVaR measurements are established with a daily probability of occurrence of 1%; stress scenarios include global stress tests (historical, hypothetical or adverse) as well as specific stress tests for each activity;
- specific measurements with sensitivities indicators and notional measurements.

Finally, the Valuation and Pricing Committees define and monitor the application of portfolio valuation rules for each product line.

In 2022, the decommissioning of risk tools and transition to the MASAI central data platform, then work on the transition of risk-free rate with the extinction of the dollar Libor in June 2023 continued.

◆ Operational risks

Operational risk management relies mainly on a network of Permanent Control correspondents coordinated by RPC.

Operational risks are monitored for each business line, subsidiary and region, which are responsible for reporting and analysing operating losses and incidents via Internal Control Committees.

The methodology for identifying operational risks takes into account provisions relating in particular to legal disputes since the end of 2013 and tax disputes since the end of 2015, in addition to actual losses.

Each quarter, RPC produces an operational risk scorecard showing movements in operational risk-related costs and associated key events.

Remedial action to significant incidents is monitored closely, in conjunction with the relevant departments.

Operational risk mapping is now referred to as "Risk and Control Self-Assessment" (RCSA). It covers all departments at the head office, in the international network and at subsidiaries and is reviewed annually. Together with the Compliance and Legal functions, it covers non-compliance risks and legal risks.

RPC Operational Risk Management also monitors French and international regulations concerning capital market activities (Volcker Rule, French Banking Act) and information system security (Information Systems Risk Pilot).

◆ Outsourcing

In accordance with Article 11 of the Ministerial Order of 25 February 2021, CACIB includes outsourced activities in its control system, in line with the standards applicable to the permanent control system. Proportionate to the level of risk assessed, the control system aims to ensure that a given service is performed in accordance with the required standards and meets the quality and security requirements formalised in the contract (service level, associated requirements and indicators, recurring reports and information procedures in the event of a problem).

PERMANENT CONTROL OF ACCOUNTING AND FINANCIAL INFORMATION

Permanent accounting controls are intended to provide adequate protection against the major accounting risks liable to adversely affect the quality of accounting and financial information in terms of:

- compliance of the data with laws, regulations and Crédit Agricole Group standards;
- reliability and accuracy of the data, allowing a true and fair view of the results and financial condition of Crédit Agricole CIB and entities within its scope of consolidation;
- security of data preparation and processing methods, limiting operational risks in view of Crédit Agricole CIB's commitments with respect to published information;
- prevention of fraud, corruption and accounting irregularities.

To meet these objectives, Crédit Agricole CIB applies the Crédit Agricole Group's recommendations in this area.

The Risk Department is responsible for permanent second-degree, second-level (2.2) and consolidated second-degree, second-level (2.2.C) controls of accounting and financial information, while the Finance and Procurement Department is responsible for second-degree, first-level controls (see Finance and Procurement Department). For second-degree, second-level controls (2.2), the Risk Department:

- ensures that the key accounting indicators defined by Crédit Agricole S.A. are suited to the environment of a Corporate and Investment Bank, deployed in a consistent manner and listed in Crédit Agricole CIB's operational risk management tool for Crédit Agricole CIB's head office, branches and subsidiaries;
- consults the Group's branches and main subsidiaries quarterly through an accounting certification questionnaire in which the Chief Financial Officers (CFO) undertake to comply with accounting standards;
- performs documentary checks in accordance with a control plan validated annually by the Finance Department's Internal Control Committee;
- reports and monitors operating incidents related to accounting and finance;
- annually produces the operational risk maps updated on an ongoing basis with the Finance and Procurement Department teams.

The conclusions of their work, as well as the proactive monitoring of recommendations issued by the regulator and the Internal Audit Department, enable the Permanent Control team to define any remedial measures needed to strengthen, as necessary, the system for preparing and processing accounting and financial information.

All of these items are presented to Group Financial Control's Permanent Control Committee and the Finance and Procurement Department's Internal Control Committee.

The permanent control mechanism for accounting and financial information is also applied to the information produced by Crédit Agricole CIB on behalf of the Group entities (Crédit Agricole S.A. and LCL).

◆ Regulatory capital requirements

Within the Basel II framework, Crédit Agricole CIB uses an approach based on internal models approved by the regulator for calculating capital requirements in respect of credit and market risks as well as operational risk.

These models are part of Crédit Agricole CIB's risk management system and are monitored and reviewed on a regular basis to ensure their effective performance and use.

With regard to credit risk, considerable efforts have been made to bring internal models into compliance with the most recent texts published by the European Banking Authority (EBA) under the IRB Repair programme. Furthermore, all PD and LGD models were backtested in 2022 and the results of this work will be presented to Crédit Agricole CIB's Executive Committee and validated by Crédit Agricole S.A.'s Standards and Methodology Committee. In addition, benchmarking of our internal ratings are performed on Low Default Portfolio scopes (Large Corporates, Banks and Sovereigns) with respect to external agency ratings and ratings of other European banks participating in the annual RWA benchmarking exercise organised by the EBA. It should be noted that the purpose of the changes to our existing models and the development of new models is to measure our risks as accurately as possible and to keep pace with the regulatory changes required of banks.

Proper application of the Basel system is regularly monitored by a Basel Requirements Review Committee.

◆ Finance and Procurement Department: control system for accounting and financial information, global interest rate and liquidity risks

ROLES AND RESPONSIBILITIES FOR THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

In accordance with the Group's current rules, the roles and organisational principles of the Finance and Procurement Department's functions are described in an organisational memo updated in 2022.

Within the Finance and Procurement Department of Crédit Agricole CIB, Group Financial Control is in charge of drawing up the financial statements (the individual financial statements of Crédit Agricole CIB, the consolidated financial statements of the Crédit Agricole CIB Group and regulatory statements for the Company and for the Group). It is also responsible for providing Crédit Agricole S.A. with all the data it needs to prepare the Crédit Agricole Group's consolidated financial statements.

The Finance and Procurement departments of the entities that fall under the scope of consolidation are responsible for drawing up their own financial statements under local and international standards. They operate within the framework of the instructions and controls of the Head Office's Finance and Procurement Department.

PROCEDURES FOR THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

The organisation of IT procedures and systems used for the preparation and processing of accounting and financial information is documented in procedure manuals and in an accounting risk map updated progressively over time. The Finance and Procurement Department also oversees the consistency of the architecture of the financial and accounting information systems and follows up on major projects in which they are involved (accounting, regulatory, prudential, liquidity).

ACCOUNTING DATA

Crédit Agricole CIB closes its accounts monthly. Parent company and consolidated financial statements are established using the Crédit Agricole Group's accounting standards, which are circulated by Crédit Agricole S.A.'s Accounting and Consolidation Department. The accounting treatment of complex instruments and transactions undergoes prior analysis by the Accounting Standards Unit of Crédit Agricole CIB's Finance and Procurement Department.

Each Crédit Agricole CIB Group entity produces a consolidation package which is used to populate the general Crédit Agricole Group system managed by Crédit Agricole S.A. Group Financial Control issues quarterly closing instructions to the Finance and Procurement departments of Crédit Agricole CIB entities in order to define reporting schedules and to specify certain accounting treatments and the type of information to be collected over the period, particularly with a view to preparing the notes to the consolidated financial statements.

MANAGEMENT DATA

Most financial information published by Crédit Agricole CIB is based on accounting data and on management data.

All management data is checked to ensure that it has been properly reconciled with accounting data and that it complies with the management standards set by the governance bodies.

Each entity reconciles the main items of its management results with the intermediate income statement balances produced from accounting data. Group Financial Control ensures the same balance at the Crédit Agricole CIB level of consolidation.

Management data are prepared using calculation methods that ensure they are comparable over time. When published data are not extracted directly from accounting information, the sources and definition of calculation methods are generally cited for clarification purposes.

DESCRIPTION OF THE FINANCE AND PROCUREMENT DEPARTMENT'S ACCOUNTING AND FINANCIAL INFORMATION CONTROL SYSTEM

The Finance and Procurement Department performs second-degree, first-level supervision of the permanent control system for accounting and financial information on a worldwide basis to ensure adequate coverage of major accounting risks liable to affect the quality of accounting and financial information.

At the Head Office, the work involved in the preparation and control of accounting and financial information is formalised and reviewed with the Permanent Control Department through the quarterly rating of 2.2 indicators and through the document-based thematic control plan defined annually.

Entity accounting teams rate the key accounting indicators defined by the Risk Department in the Crédit Agricole CIB operational risk management tool every quarter. Their ratings are subject to spot checks by the Risk Management Department locally and/or at the Head Office.

RELATIONS WITH THE STATUTORY AUDITORS

In accordance with French professional standards, the Statutory Auditors examine significant accounting choices and implement procedures they deem appropriate on published financial and accounting information:

- audit of the parent company and consolidated financial statements;
- limited review of the interim consolidated financial statements;
- review of all published financial information.

As part of their statutory assignment, the Statutory Auditors submit the conclusions of their work to Crédit Agricole CIB's Audit Committee and Board of Directors. Where necessary, they also point out the significant internal control weaknesses concerning the procedures relating to the production and treatment of accounting and financial information.

Finally, the Finance and Procurement Department, in accordance with an authorisation granted by the Audit Committee, approves non-audit services. The fees paid to the Statutory Auditors and the auditors' independence are discussed quarterly during Audit Committee meetings.

FINANCIAL COMMUNICATION

Crédit Agricole CIB contributes to Crédit Agricole S.A. financial communications published for shareholders, investors, analysts and rating agencies. The financial and accounting information for the CIB activities of Crédit Agricole CIB in those reports is prepared by the financial communication team of the Finance and Procurement Department. It is consistent with the information used internally and validated by the Statutory Auditors and presented to the supervisory body of Crédit Agricole CIB.

GLOBAL INTEREST RATE RISK

To measure the global interest rate risk, Crédit Agricole CIB uses the statistical-gap method, by calculating an interest-rate gap and draws up stress scenarios. The interest-rate gaps and the results of the stress tests are presented to the ALM Committee, which decides on the management and/or hedging measures to be taken.

As part of the annual review of the Group's risk strategy, the IRRBB limits were reviewed by the Group Risk Committee both in relation to fixed-rate risk and the NPV (Net Present Value) limit for basis risk. Internal gap limits for interest rate positions in the main currencies other than the euro and the dollar were implemented. For basis risk, given the Index Reform, only basis risk in euros is subject to the index NPV limit.

As regards the control system, the IRRBB management unit is split into a unit in charge of measuring risk and defining risk hedges and a unit in charge of executing the hedges defined by the Capital Markets Department.

LIQUIDITY RISK

Within the Crédit Agricole CIB Group, liquidity risk management has been placed under the responsibility of the Financial and Strategic Steering Division, which reports to the Assets and Liabilities Committee.

The system in place for managing and supervising illiquidity, unavailability and price risks mainly concerns:

- resilience to financial crises in systemic, idiosyncratic and global risk scenarios over 12 months, 3 months and 1 month. Stress tests are carried out on the position in all currencies and the equivalent in euros and for the Group's main currencies;
- exposure to short-term market refinancing (short-term limit);
- balance sheet stability indicators (Stable Funding Position and Credit Collection Deficit);
- concentration of long-term refinancing maturities;
- the medium-/long-term liquidity transformation gap for all currencies and for the main currencies.

Crédit Agricole CIB has a liquidity risk management platform linked to the Bank's accounting data, which measures regulatory liquidity ratios and Internal Liquidity Model indicators. For the Bank's management needs, the LCR and liquidity stress tests (all currencies and USD) are measured daily using the management tool, Liquid.

The main advances were made in terms of liquidity risk management over the course of 2022:

- continued improvement in production conditions (automation and reliability) for the daily LCR indicator, based on accounting data;
- secure automated production conditions applied to a broader scope of liquidity risk indicators via an agile platform;
- liquidity risk management taking into account the prospects for repayment of TLTRO 3 refinancing operations.

Regarding liquidity, Crédit Agricole CIB's Permanent Control procedure is similar to that of the Group. The minimum control indicators are the same and apply to all major processes in the same way.

Global Compliance Department

The roles and organisation of compliance are outlined below in section 2.8 Non-compliance risks.

Legal Department

The Legal Department's main duties include managing legal risk within Crédit Agricole CIB in accordance with the Decree of 3 November 2014, as amended by the Decree of 25 February 2021 and providing the necessary legal support to the Bank's Executive Management, Divisions and Cross Functional functions to enable them to operate with minimal legal risk, mandating and monitoring relations with the Bank's external counsels and implementing an alert system in case of a negative recommendation or recommendation with reserves (opinion in which the Legal Function discourages completion of a transaction/deal and indicates the legal risks taken by the Bank if this opinion is not taken into account).

The Head of Crédit Agricole CIB's Legal Department reports back hierarchically on the work of the Legal Function to the Group's General Counsel and is functionally subordinate to the Executive Management of Crédit Agricole CIB.

He holds managerial or functional authority, where applicable, over the heads of the head office legal teams and the global legal centres of expertise, the general counsels of the regional centres and the legal managers of the entities making up the Crédit Agricole CIB Group.

The permanent control and legal risk management system of the Legal Function (LGL) fall within the framework defined by Crédit Agricole CIB and Crédit Agricole S.A.

The Legal Function helps ensure that the Bank's business activities and operations comply with applicable laws and regulations. It reviews the legal risks arising from Crédit Agricole CIB's activities, products, services and transactions and conducts permanent control of the operational risks generated within its own scope.

It also provides legal consultations to the Executive Management, to the Divisions and Cross Functional functions, is involved in legal negotiations of operations/transactions, conducts a legal watch, trains staff, models standard contracts, drafts legal policies and procedures, works with decision-making bodies and contributes to procedures as required by the Bank's governance rules. The Legal Function takes part in the process of approving new products, activities and uses and in major commitment decisions taken by the Bank.

In 2022, the Legal function continued to improve its permanent control and legal risk monitoring system, in particular through the following actions:

- updating its operational risk mapping;
- updating its control plan;
- following up and implementing the recommendations of the Internal Audit Department and more specifically those resulting from the "Management of legal risks" inspection carried out in early 2021;
- updating its main governance texts;
- continuing the Innovation project, which is one of the five pillars of its 2022 MTP:

  launching the deployment in Europe of the electronic document management solution already rolled out in Paris and in London, strengthening the security of legal documentation production with the extension of the deployment scope for the contract automation tool, defining the deployment framework for a new version of the capital markets master agreements management tool in order to meet regulatory security requirements, rolling out an artificial intelligence solution for keyword searches on capital markets master agreements, rolling out in Paris and London the NDA management tool already in place in New York, expanding use of the legal watch tool already in production at head office and New York to the Europe, Africa and Middle East regional centres.

Information System Security and Business Continuity Plan

Protecting the IT system and being able to overcome a large-scale event meet the regulatory requirements and are essential to defending the interests of Crédit Agricole CIB and its customers. To that end, there are two units dedicated to dealing with information security and business continuity issues:

- ISS (Information System Security);
- BCP (Business Continuity Plan).

In order to fulfil their permanent control duties, they rely on a network of correspondents in France and abroad.

ISS

In terms of information security, ISS:

- acts as a level 1 and 2.1 governance and control body, within the meaning of the classification of controls in force within the Crédit Agricole Group;
- formalises Information System Security Policies, applying those existing at the Crédit Agricole Group level and basing them on ISO 27002;
- drafts a number of Security Standards, in conjunction and partnership with the other Crédit Agricole Group ISS units. IT infrastructure standards are under the sole responsibility of CA-GIP;
- coordinates maintenance of the appropriate level of security;
- ensures the proper implementation of PSI systems (*Plan de Secours Informatique* or IT Contingency Plan);
- coordinates with the BCP units in charge of the Business Continuity and Crisis Management Plan;
- defines the management of environments enabling the control of identity databases and authorisation management;
- organises and operates security scans and audits;
- ISS also acts as an IT security manager on behalf of Crédit Agricole S.A. on environments that serve Crédit Agricole S.A., in relation with the entity's CISO (Chief Information Security Officer).
- ISS also coordinates periodic reviews of employee access rights to applications.

Over the last several years, CACIB has been rolling out a programme of security projects, primarily intended to meet French and international regulatory requirements, as well as Group needs, centred on themes approved by its Executive Management, including:

- Payment security;
- DLP;
- Authentications and authorisations;
- Enhanced security and management of Active Directory usage;
- Document security;
- Controls of database and administrator access;
- Prevention of phishing and its consequences;
- Resilience of information systems and ability to respond to extreme shocks.

The enhancement of Crédit Agricole CIB's main administrative networks, as well as those already operated for the Crédit Agricole Group, has been reviewed and entrusted to CA-GIP as part of a multi-year programme.

Global security enhancement programmes managed at Group level are also in place, including a programme on IAM, another on administration networks, another on authorisations and their management (shared network spaces and Sharepoints, among others) as well as workstation convergences.

Moreover, systems and applications connected to the internet and internal servers vulnerable to fraud are covered by special, large-scale verifications.

CACIB's priority objectives in 2022 were, in terms of projects, to:

- finalise deployment of the EDR (proactive and behavioural protection tool for workstation environments) across all workstations;
- capitalise on the results of the test carried out for the implementation of a restoration test environment;
- continue rolling out strong authentication instruments (via smart card and token);
- address regulatory issues in France and abroad.

The main achievements and work carried out in 2022 can be summarised as follows:

- continued improvement of the new tool for monitoring level 1 and 2.1 controls, with international coverage;
- audit and penetration testing of all application resources of the Crédit Agricole CIB Group and Crédit Agricole S.A., whether visible from the Internet or belonging to a regulated scope (regulatory monitoring);
- continued deployment of internet access containerisation tool for back office payment populations;
- annual organisation of fake phishing campaigns targeting all employees. Five campaigns were organised in 2022. The success rate is improving, with rates greater than 98% for simple and difficult exercises;
- regular awareness-raising among employees (systematic for new employees), for example via awareness-raising sessions with Business Line CODIR/COMEX, entire teams or all employees of CACIB entities abroad, employees that have failed phishing exercises. These initiatives were supplemented by an awareness-raising e-learning module aimed at teaching employees to detect phishing attempts and by multiple ISS communications to all CACIB employees going over the rules applicable to information systems (Golden Rules, IT Security processes, etc.);
- cyber-crisis simulation exercises at the bank's main sites, as well as face-to-face awareness-raising initiatives;
- campaigns by managers to re-certify the access credentials of all employees (more than 130,000 access credentials) (all access credentials to sensitive applications recertified, around 900 applications, with security exemptions also taken into account);
- deployment of the tool used to industrialise access credential recertification campaigns;
- initiation of a pilot phase on the application of strong authentication on workstations;
- continued roll-out of NAC (Network Access Control) with the Asia region;
- deployment of a new identity and authentication management platform to replace the old architecture (new Usignon platform, deployment in conjunction with the implementation of applications for customers);
- integration of new code analysis tools in CI/CD chains, multi-year "Security by Design" approach;
- large-scale efforts to address obsolescence with ongoing removal of all possible old versions of Windows servers (2008), with any still in place to be addressed in project mode in 2023 with strong application impacts;
- regular activation of our crisis organisation, aimed at addressing the potential impacts of crises affecting clients or partners of CACIB or the CA Group (risk of contagion stemming from third parties or subcontractors).

Other plans for 2023 include:

- establishment of a BugBounty contract;
- ongoing resolution of obsolescence, in line with the work carried out in previous years;
- multiple projects aimed at strengthening IS resilience and partitioning networks.

CA-GIP has a Cyberdefence Operational Centre, which manages CACIB's SOC and SIEM.

BUSINESS CONTINUITY PLAN (BCP)

In business continuity matters, the BCP Division defines the governance and business continuity policies for the entire Group. For the head office, the BCP Division puts redundancy measures in place to ensure that business operations can be restored within the timeframe set by the business lines in the event of an incident. It supports its correspondents in the international network to ensure that business continuity systems meet the standards defined by the head office and by local regulators. Annual tests are carried out to verify Crédit Agricole CIB's recovery capacity both in France and internationally and to validate the system as a whole.

The aim of these systems is to ensure employee safety by adopting special protective measures and to ensure the continuity of the Bank's essential business activities. An annual assessment is conducted to verify the effectiveness of the business continuity system. The BCP Division reports on Crédit Agricole CIB's level of security at a quarterly committee meeting chaired by the Deputy Chief Executive Officer in charge of IOS (IT & Operations Services).

2022 highlights include:

- the BCP system in Paris was reviewed in order to ensure that dedicated and operational back-up sites are up and running in less than an hour for the teams that required to work on-site, with telework made available to teams with no specific obligations/needs to work on-site: this system has been fully tested over the last 12 months:
- no major problems were reported for either the BCP or the IT DRP tests;
- after Sungard AS UK was placed under administration, a transitional solution (We Work) was put in place for CACIB UK BCP in July. The final BCP solution will be implemented in Q2 2023. CACIB UK decided to no longer outsource this activity (no credible market player). An analysis is under way in India to exit the BCP contract with Sungard AS India;
- aside from the UK BCP, no major events took place within the international network. The BCP system is compliant and tested internationally;
- strategic applications for vital processes (Payment, Treasury and Market Positions) were reviewed with the business lines.

In terms of outsourcing projects (outsourcing, cloud, etc.), BCP is involved in defining and validating the service providers' backup solutions.

Main objectives for 2023:

- for all CACIB employees across all three platforms (Asia, Europe, US) to be able to log in to the system using Movis in the event

of a major crisis: this solution will be regularly tested in order to teach employees how it works and ensure that it is operational;
- to continue awareness-raising and communication initiatives involving all of the Bank's employees;
- to improve the resilience of the IT Disaster Recovery Plan in collaboration with GIT and in particular to review our back-up solutions in the event the information system is down;
- to launch a review of solutions aimed at improving the quick re-build of workstations and servers in CACIB's IT environment in the wake of a cyber-crisis;
- to finalise documentation of the fail-safe mode for vital processes (identification of solutions to be able to operate in fail-safe mode, implementation of BCP solutions).

THIRD-DEGREE CONTROLS

◆ Periodic controls

The Internal Audit Department carries out periodic controls on Crédit Agricole CIB at all entities falling under its consolidated scope of supervision. The CACIB Group's audit staff include 142 in-house FTEs covering the CIB and IWM scopes.

As a third line of defence, the Internal Audit Department:

- analyses the control mechanisms referred to in Article 12 of the Decree of 3 November 2014 and Article 13 of the Decree of 6 January 2021, as well as those ensuring the reliability and accuracy of the financial, management and operational information of the entities subject to audit;
- ensures that the level of risks incurred by the bank, either directly or through outsourced activities and that the management of these risks (risk identification, recognition, control and mitigation policy) is consistent with approved parameters, policies and strategies, particularly with respect to the following risk categories: credit risk (including concentration risk, dilution and residual risk), market, liquidity, global interest rate, intermediation, settlement-delivery, anti-money laundering and counter-terrorist financing risk, business discontinuity risk, IT, legal, non-compliance, basis, securitisation risk, systemic risk, model risk, excessive leverage risk, as well as the various components of operational risk (including internal/external fraud);
- verifies that transactions are carried out in accordance with laws and regulations, as well as internal policies and procedures;
- verifies that procedures comply with applicable laws and regulations, the Bank's risk tolerance framework and strategies, as well as Executive Management decisions;
- verifies the adequacy, quality and effectiveness of the controls carried out and the reports prepared by the first and second lines of defence;
- verifies that appropriate corrective actions are taken in a timely manner;
- and assesses the operation and effectiveness of the departments.

IGE may also investigate cases of major internal or external fraud (suspected or proven) or carry out specific audits on matters not stemming from the risk map established by IGE and used to define the audit plan.

IGE is fully integrated into Crédit Agricole's "Audit-Inspection Business Line" (LMAI), which has overall responsibility for managing the internal audit activity for the entire Crédit Agricole Group.

IGE is headed by CACIB's General Inspector, who is responsible for CACIB's Internal Audit Function, as defined in the Order of 3 November 2014 and for CACIB's AML/CFT Periodic Control Function, as defined in the Order of 6 January 2021.

CACIB's Head of Internal Audit reports to the Crédit Agricole Group's Head of Internal Audit and is functionally subordinate to CACIB's Executive Management. The Head of Internal Audit enjoys unrestricted access to Crédit Agricole CIB's Executive Management and the Risk and Audit Committees of the Board of Directors. Moreover, the Internal Audit Department has no responsibility or authority over the activities it controls, which guarantees its independence.

In carrying out its work, the Internal Audit Department is structured into global business lines. The Internal Audit Department teams are based at the head office and some international entities and/or subsidiaries. All Crédit Agricole CIB Group internal audit teams report to the Head of Internal Audit, unless prohibited by local laws or regulations, in which case the local internal audit team is functionally subordinate to IGE.

During the 2022 financial year, IGE audits covered various entities and units in France and abroad on a single-entity or single-subsidiary basis, reviews of business lines and thematic or cross-functional audits, including IT and regulatory audits. The Internal Audit Department also carries out specific assignments at the request of Crédit Agricole CIB's Executive Management, its Risk Committee or the Group Internal Audit Department.

Auditing work essentially stems from the annual audit plan determined using an updated risk mapping approach as well as information provided by Executive Management, the other control functions, Crédit Agricole CIB's statutory auditors, the risk and audit committees of the Board of Directors, as well as the objectives of Executive Management in terms of internal control and the instructions of the Board of Directors. The Head of Internal Audit submits the Annual Audit Plan to the Crédit Agricole Group Head of Internal Audit for prior approval, then presents it to the CACIB Internal Control Committee, before submitting it to the Risk Committee of the Board of Directors, which reviews it and recommends its approval to the Board of Directors. The Head of Internal Audit then submits the Audit Plan for approval to the Board of Directors.

For assignments with a global scope or for which the conclusions deemed globally relevant, a summary is sent to the Chairman of Crédit Agricole CIB's Board of Directors, Crédit Agricole CIB's Executive Management and Crédit Agricole's Head of Internal Audit. A summary of the main conclusions of the audit reports is presented to the Risk Committee and Crédit Agricole CIB's Board of Directors by the Head of Internal Audit or their representative and to the governance body and/or the internal control committees of the departments or entities subject to audit, as relevant.

The assignments completed by the Internal Audit Department and by any external auditing team are subject to formalised recommendation follow-up. The progress made in implementing recommendations is monitored by the Internal Audit Department:

- on an ongoing basis through an "open-ended" process,
- through thematic monitoring of audit assignments, or as part of investigations conducted during a scheduled audit;

- at the request of a department via an "open-ended" process, in close partnership with the department's permanent controller. This process allows the progress of action plans to be recorded between two semi-annual follow-ups.
- Where a lack of progress is noted, a recommendation escalation meeting may be held with the entities concerned to focus on their key recommendations and associated risks and decide on the appropriate action plan. This meeting is attended by IGE, the Management team of the entity concerned, its Operational Risk Manager and the member of the Executive Committee to which the entity reports as a last resort.

Twice a year, IGE presents an overview of all recommendations issued the Bank's Internal Control Committee and the Board of Directors' Risk Committee. In accordance with Article 26 of the Order of 3 November 2014 and Article 26 of the Order of 6 January 2021, at their discretion the Head of Internal Audit informs the Board of Directors and its Risk Committee of any corrective measures that have not been implemented.

In accordance with the organisational arrangements common to all Crédit Agricole Group entities, described above and with the arrangements and procedures within Crédit Agricole CIB, the Board of Directors, Executive Management and Crédit Agricole CIB's relevant units are given detailed information about internal control and risk exposure, the progress made in these areas and implementation status of adopted remedial measures, as part of an ongoing improvement approach. This information is contained in the Annual report on internal control, risk measurement and risk supervision and in regular reporting documents covering business activities, risk and control.

2.4. Credit risks

A credit risk occurs when a counterparty is unable to fulfil its obligations and when the carrying amount of these obligations on Crédit Agricole CIB Group's books is positive. The counterparty in question may be a bank, an industrial or commercial company, a government or government entity, an investment fund or an individual.

The exposure may be a loan, debt security, title deeds, performance swaps, guarantees given, unused confirmed commitments or market transactions. This risk also includes the settlement risk inherent in any transaction entailing an exchange of cash or physical goods outside a secure settlement system.

Credit risks were the subject of a taxonomy established at Crédit Agricole Group level and adapted for Crédit Agricole CIB, which is presented in Chapter 8 of this Universal Registration Document. This taxonomy is used below.

2.4.1 Objectives and policy

Risk-taking in Crédit Agricole CIB is done through the definition of risk strategies approved by the Strategy and Portfolio Committee (CSP), chaired by Executive Management. Risk strategies are set for each country, business/product line or sector carrying a significant risk for the Bank within the scope of control of Crédit Agricole CIB. They aim to define the principal risk guidelines and to establish the risk budgets within which each business line or geographic entity must conduct its activities and cover: business sectors included (or excluded), type of counterparty, nature and duration of transactions and activities or authorised product types, category or intensity of risks incurred, existence and value of collateral, overall portfolio volume, definition of individual and overall risk level, diversification criteria.

By establishing a risk strategy for each scope deemed significant by Crédit Agricole CIB, the Bank is able to define its risk appetite and quality criteria for the commitments that it subsequently undertakes. It also prevents undesirable excessive concentrations and allows the risks associated with the portfolio to be diversified.

Concentration risks are managed by using specific indicators for certain portfolios that are taken into account when granting loans (individual concentration grid). Concentrations are then monitored a posteriori for the affected portfolios, by analysing the quantitative measure assigned to this use, based on the Bank's internal model.

Finally, portfolios are actively managed within Crédit Agricole CIB to reduce the main concentration risks and optimise its uses of shareholders' equity. FIN/EXM uses market instruments such as credit derivatives or securitisation mechanisms to reduce and diversify counterparty risks. Management of credit risk using derivatives is based on the purchase of credit derivatives on single exposures (see "Basel III Pillar 3 Disclosure" Credit risk mitigation mechanism - Use of credit derivatives section). Use of the securitisation mechanism is described in "Basel III Pillar 3 Disclosure". Similarly, credit syndication with external banks and efforts to hedge risks (credit insurance, derivatives, MRPAs, etc.) are other solutions used to mitigate concentrations.

More specifically, with regard to counterparty risk in market transactions, the policy on the establishment of credit reserves for this type of risk is similar to credit risk with, for "performing" exposures, a CVA (Credit Valuation Adjustment) risk assessment mechanism economically comparable to a collective provision and for customers in default an impairment appropriate to the derivative's situation and taking into account the existence of the CVA established before default.

In the event of default, impairment is assessed in accordance with the same principles as those governing the credit risk provisioning policy: expected loss amount depending on the derivative instrument's rank in the waterfall, taking into account the CVA process, with two possible outcomes: either derivatives are left in place (CVA or individual impairment), or they are terminated (individual impairment).

2.4.2 Management of credit risk

GENERAL PRINCIPLES OF RISK-TAKING

Credit decisions are based on the upstream risk strategies that are described above.

Limits are set for all counterparties and groups of counterparties, in order to control the amount of commitments, irrespective of the type of counterparty (corporates, sovereign, banks, financial institutions, local authorities, SPVs, etc.). Authorisations vary according to the quality of the risk, assessed by an internal counterparty rating.

The credit decision must be aligned with formally approved risk strategies.

Second-degree controls on compliance with limits are carried out by the "Risk and Permanent Control" Department, supplemented by a process for monitoring individual and portfolio risks, notably to detect any deterioration in the quality of counterparties and Crédit Agricole CIB's commitments as early as possible.

If the risk has deteriorated significantly since the date that a commitment was established, the impairment policy under IFRS 9 provides for an increase in the hedging of the commitment in the form of a provision.

New transactions are approved in accordance with a decision-making process based on two front office signatures, one by a manager authorised to make such a request and the other by a manager with the authority to make a credit decision.

The decision is supported by an independent opinion by the RPC approved by an authorised RPC signatory and must take Basel II parameters into account, including the internal counterparty rating and the predictive Loss Given Default (LGD) attributed to the proposed transactions. An ex-ante profitability calculation must also be included in the credit application. In the event the risk management team's opinion is negative, the decision-making power is passed up to Front Office agent who chairs the next-highest committee.

Comparison between internal ratings and those of rating agencies

Groupe Crédit Agricole	A+	A	B+	B	C+	C	C-	D+	D	D-	E+	E	E-
Moody's equivalent	Aaa	Aa1/Aa2	Aa3/A1	A2/A3	Baa1	Baa2	Baa3	Ba1	Ba2	Ba3	B1/B2	B3	Caa/Ca/C
Standard & Poor's equivalent	AAA	AA+/AA	AA-/A+	A/A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+/B	B-	CCC/CC/C

METHODOLOGIES AND SYSTEMS USED TO MEASURE AND EVALUATE RISK

Internal rating system

The internal rating system covers all methods, procedures and controls used to calculate credit risk, borrower ratings and loss given default figures for all of our exposures.

In late 2007, Crédit Agricole CIB received authorisation from the French Regulatory and Resolution Supervisory Authority (ACPR) to use its internal credit risk rating system to calculate regulatory capital requirements.

The methods employed cover all types of counterparties and combine quantitative and qualitative criteria. They are developed by calling on the expertise of the various financing business lines of Crédit Agricole CIB or the Crédit Agricole Group if they cover clients shared by the entire Group. The rating scale has 15 positions. It was established on the basis of risk segmentation in order to provide a uniform view of default risk over a full business cycle. The scale comprises 13 ratings (A+ to E-) for counterparties that are not in default (including 3 ratings for counterparties that have been placed under watch) and 2 ratings (F and Z) for counterparties that are in default.

The relevance of ratings and reliability of data used are assured through a process of initial validation and maintenance of internal models, based on a structured and documented organisation applied to the Group and involving the entities, the Risk and Permanent Control Department and the Audit-Inspection business line.

All internal models used by Crédit Agricole CIB were presented to the Standards and Methodology Committee (CNM) for validation prior to an internal audit and rating by the Group Internal Audit Department. They were also validated by the ACPR on 1 January 2008. In addition, a new internal model review system has been in place since 2014. Each change in internal model is now subject to a second review by the Group Risk Department's validation team before even being presented for validation to the CNM.

Internal ratings of companies are monitored under a system common to the entire Crédit Agricole Group, serving to guarantee a uniform rating within the Group and to organise backtesting on shared customers.

Crédit Agricole CIB has ensured that the risk parameters required by Basel II for the purpose of calculating capital requirements, are used as part of the Bank's internal management by all contributors to credit approval and credit risk measurement and supervision processes.

The data used for granting loans and determining ratings are monitored every two months by a Basel Requirements Review Committee. This committee, coordinated by the Risk Management Department comprises representatives of all business lines, monitors a set of indicators concerning the quality of the data used for rating purposes, as well as the calculation of other Basel II parameters when granting loans, such as loss given default (LGD), credit conversion factor (CCF), risk reduction factor (RRF), etc. This committee strengthens the appropriation of the Basel II system by the business lines and, where necessary, decides on corrective actions when anomalies are detected. It is a critical link in checking that the Basel II system is used properly by the business lines.

Backtesting system

Backtesting aims to ensure the robustness, performance and predictive power of the Bank's internal models over time. It also serves to detect significant changes in the structure and behaviour of portfolios and clients. It then leads to decisions to adjust or even recast models in order to take account of these new structural elements.

The following analysis is carried out on the backtesting of the PD (Probability of default) scope:

- consistency between observed long run average (LRA) default rates and master scale PDs (based on the calculation of a confidence interval around the LRA default rate);
- analysis of defaults (including discriminating power and more qualitative analysis in the case of low default portfolios (LDPs);
- stability of ratings over time (both in terms of distribution of the portfolio's ratings and of one-year changes in the portfolio's ratings);
- analysis of model parameters (analysis of variables involved in determining ratings, correlations, changes to various intermediate ratings, etc.).

The main objective of LGD backtesting is to regularly compare, for all LGD models in IRBA:

- predictive LGDs: LGDs assigned by the internal model to transactions within Crédit Agricole CIB's portfolio at a given date;
- and historical LGDs:
  - LGDs derived from post-default collection histories, for closed and open exposures with a maturity in excess of the maximum collection period;
  - LGDs calculated using post-default collection histories and estimated future collections, for open exposures with a maturity of less than the maximum collection period.

The risk horizon set by the regulator is one year; the predictive LGDs associated with the transactions should therefore be compared, one year prior to default, with historic LGDs.

As the nature of LGD models and the volume of defaults are different for each LGD scope, LGD backtesting studies are adapted to each scope. At the very least, the LGD backtesting of a scope will compare predictive and historical LGDs quantitatively and or qualitatively based on volumes.

There are three main types of LGD scopes detailed as follows:

- the specialised lending scope: with regard to asset financing (Aeronautics, Real Estate/Hospitality, Railway, Shipping), predictive LGD is derived from a model calibrated on internal loss histories through a decision tree. The main criteria included in predictive LGD are asset type, asset quality, LTV level, financing seniority, etc.;
- the unsecured corporate, bank and sovereign financing scope: predictive LGD is obtained using an LGD grid specific to each scope (corporate, bank, insurance, etc.) involving third-party variables such as business sector, level of revenue, country of risk, etc.;
- the secured corporate, bank and sovereign financing scope: predictive LGD is obtained by applying Risk Reduction Factors to the elements secured by a personal guarantee or by collateral and using unsecured LGD grids for the unsecured elements.

The backtesting of default rates carried out on Crédit Agricole CIB's Large Clients portfolio in 2022 thus ensures the relevance of PD models. One-year estimated PD is confirmed by the default rates actually observed over the period in question, or over a longer period.

For models within its area of responsibility, Crédit Agricole CIB reports back to the Group annually on the backtesting results, through both the Validation Technique Committee and the CNM, thereby confirming the proper application of the selected statistical methods and the validity of the results. The summary document recommend appropriate corrective measures (methodology review, recalibration, training effort, control recommendations, etc.) where necessary.

Credit risk measurement

The measurement of credit risk exposures covers drawn facilities and confirmed unutilised facilities alike. To measure counterparty risk on capital markets transactions, Crédit Agricole CIB uses an internal method for estimating the underlying risk of derivative financial instruments (swaps and structured products for example).

Counterparty risks in capital market activities are assessed for potential risk linked to fluctuations in the market value of derivative instruments for the remainder of their life. This is determined according to the nature and remaining maturity of agreements, based on a statistical observation of changes to underlyings. When permitted by the netting and collateralisation agreements with the counterparty, counterparty risk is measured for the portfolio net of eligible collateral. This method is used for the internal management of counterparty risks.

To reduce exposure to counterparty risks, Crédit Agricole CIB implements netting and collateralisation agreements with its counterparties (see section 2.4.4 "Credit risk mitigation mechanism").

Quantified information on credit risks is presented in section 2.4.5 of this chapter and in Note 3 to the consolidated financial statements (see Chapter 6 "Consolidated financial statements at 31 December 2022" of this Universal Registration Document).

Concentration risks

Crédit Agricole CIB decision-making and individual risk supervision procedures are supplemented by a portfolio risk monitoring system that enables the Group to assess counterparty risks for its overall portfolio and for each of the constituent sub-portfolios, according to a breakdown by business line, sector, geographic region, or any delineation that brings out specific risk characteristics in the overall portfolio.

In principle, portfolio reviews are carried out yearly on each significant scope in order to check that the portfolio is consistent with the risk strategy in force, to assess the various segments of the portfolio against one another and against any aspects of the operating environment or external factors that may be influencing them.

Different tools have been implemented to detect any concentration deemed to be excessive for the entire portfolio, sub-portfolios or at a unit level:

- unit concentration scales have been implemented to give reference points according to the type, size, rating and geographic region of the counterparty. They are used in the credit approval process and subsequently applied periodically to certain portfolios to detect concentrations which may later appear excessive;
- sector and geographic concentrations are regularly monitored and subject to ad hoc analyses, with recommendations for action made if necessary. Concentration risks may be taken into account to analyse the risk strategies of the business lines or geographic entities;
- Executive Management is notified of the portfolio's concentration if necessary.

Crédit Agricole CIB uses credit risk modelling tools and in particular an internal portfolio model that calculates risk indicators such as: average loss, volatility of potential losses and economic capital. The average loss and its volatility allow us to anticipate the average cost of risk on our portfolio and its variability. Economic capital is a complementary measure of Basel II regalutory capital, in that it provides a more detailed understanding, through a correlation model and internally calibrated parameters, the specificities of our portfolio.

The internal portfolio model also takes into account the impact of protection (Credit Default Swaps, securitisations) purchased by Crédit Agricole CIB's Credit Portfolio Management unit. Finally, it measures the effects of concentration and diversification within our portfolio. These effects are studied based on individual and geo-sectoral criteria.

Stress scenarios are the final type of counterparty risk assessment tool. They are regularly produced to estimate the impact of economic scenarios (central, adverse) on some or all parts of the portfolio.

Sector concentration risk

Crédit Agricole CIB's portfolio is analysed by major business sector at regular intervals. Risks within each sector in terms of commitments, level of risk (expected loss, economic capital) and concentration are examined.

Concentration is assessed on two levels: idiosyncratic and geo-sectoral. The granularity of these analyses can be increased depending on the analyst's needs.

At the same time, the economic and financial risks of each major sector are analysed and leading indicators of deterioration are monitored.

Specific stress scenarios are also prepared, where necessary, for instance during the strategic review of a Bank entity.

In light of these various analyses, measures to diversify or protect sectors at risk of deterioration are recommended.

Country risk

Country risk is the risk that the economic, financial, political, legal or social conditions of a foreign country will affect the Bank's financial interests. It does not constitute a different type of risk from "basic" risks (credit, market, operational), but rather an aggregation of the risks resulting from vulnerability to a specific political, social, macroeconomic and financial environment.

The system for assessing and monitoring country risk within Crédit Agricole CIB is based on a proprietary rating methodology. The internal rating assigned to each country is based on criteria such as the financial strength of the country's government, banking system and economy, capacity and willingness to pay, governance and political stability.

Any regions in which we plan to do business are subject to the ad initio implementation of a risk strategy. Therefore, any region in which authorisations are used must have a previously validated country limit. Risk strategies, validated by the appropriate committee, define country limits. These are defined as often as necessary and generally once a year.

This approach is supplemented by scenario analyses aimed at testing the impact of adverse macroeconomic and financial assumptions and providing an integrated view of the risks to which the Bank could be exposed in situations of extreme stress.

The scenarios defined by the ECB are analysed.

The Group's country risk management and control audits are based on the following principles:

- acceptable exposure limits in terms of country risk are determined when country strategy reviews are performed, based on the assessment of the portfolio's degree of vulnerability to the materialisation of country risk. This degree of vulnerability is determined by the nature and structure of the transactions, the quality of the counterparties and the duration of the commitments. These exposure limits may be reviewed more frequently if made necessary due to developments in a given country. These strategies and limits are validated in accordance with the associated risk considerations by the "Strategies and Portfolios" Committees (CSP) of Crédit Agricole CIB and the Group Risk Committee (CRG) of Crédit Agricole S.A. in addition to being validated by the Board of Directors of Crédit Agricole CIB;
- A country risk system is maintained by the institution and the rating of each country/region in which the Group holds commitments or interests is updated every six months. Specific types of events may call for a review of the rating outside this schedule.

Within the Risk and Permanent Control Department, the entity in charge of country risk must issue an opinion on transactions whose size, maturity or degree of intensity in terms of country risk are liable to affect the quality of the portfolio. This opinion is issued in grid form: supervision and control of country risk exposure, both from a quantitative standpoint (amount and duration of exposures) and qualitative standpoint (vulnerability of the portfolio) are carried out through specific and regular reporting of all country exposures.

Sovereign risk exposures are detailed in Note 3.2 to the consolidated financial statements.

Counterparty risk in market transactions

Derivatives and repo transactions carried out by Crédit Agricole CIB as part of its capital market activities generate a risk of credit in relation to the counterparties to the transaction. Crédit Agricole CIB uses an internal methodology to estimate the inherent risk in these instruments, taking a net portfolio approach at the level of each client:

- current risk corresponds to the sum owing by the counterparty in the event of instantaneous default;
- potential future risk is the estimated maximum value of Crédit Agricole CIB's exposure within a given confidence interval.

The methodology used is based on "Monte Carlo" type simulations, enabling the risk of change over the derivatives' remaining maturity to be assessed based on statistical modelling of the change in underlying market parameters.

The model also takes account of various risk mitigation factors such as the netting and collateralisation arrangements provided for in the documentation negotiated with counterparties prior to transactions being carried out. It also includes exchanges of collateral on the initial margin for non-cleared derivatives, in accordance with the thresholds in force.

Situations with a specific risk of unfavourable correlation (risk that an exposure to a derivative is positively correlated with the counterparty's probability of default as a result of a legal link between this counterparty and the underlying of the derivative) are monitored regularly to identify and integrate such risks in the exposure measurement as recommended by regulations. Situations with a general risk of unfavourable correlation (risk that market conditions have a correlated effect on a counterparty's credit quality and derivative exposures with this counterparty) are monitored through ad hoc exercises in 2022. The internal model is used to manage internal limits on transactions with each counterparty and to calculate Basel II Pillar 2 economic capital via the determination of the risk profile in quantile 95% (peak exposure) or the average risk profile (Expected Positive Exposure) using a global portfolio approach.

As allowed by the regulatory framework, the French Regulatory and Resolution Supervisory Authority (ACPR) authorised Crédit Agricole CIB, on 31 March 2014, to use the internal model method to calculate its capital requirements in respect of counterparty risk. This method uses the model described above to determine Effective Expected Positive Exposure (EEPE) and is applied to all derivatives. The same method is used to calculate the value exposed to credit risk for capital requirement purposes to address the risk of credit value adjustment.

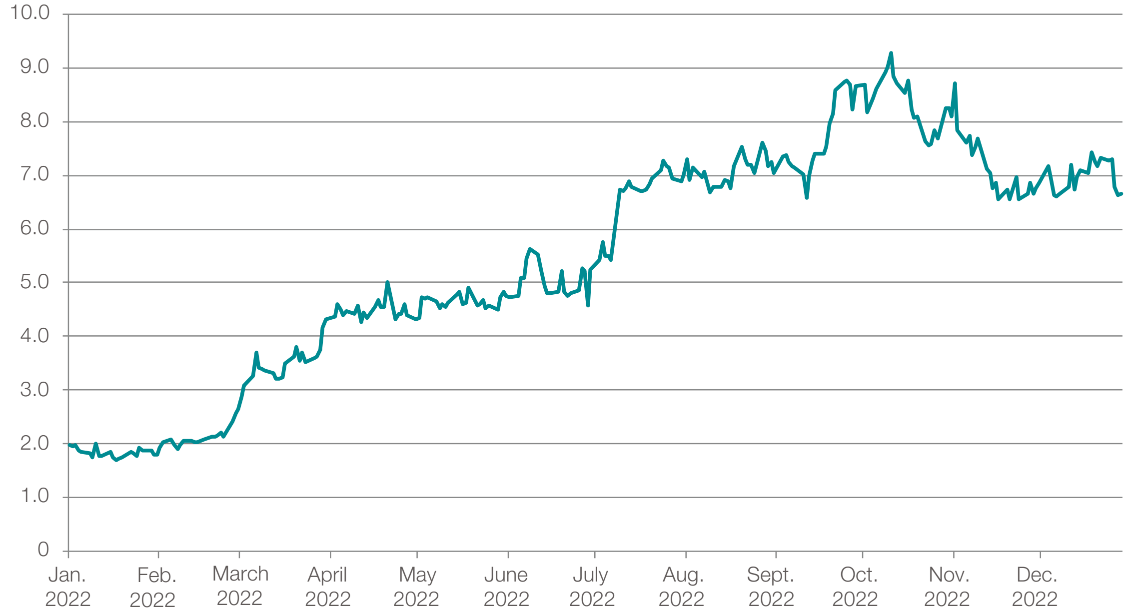
Crédit Agricole CIB uses the standard approach for the calculation of regulatory capital requirements in respect of counterparty risk on repo transactions and derivative transactions by its subsidiaries.

Credit risk associated with these market transactions is managed in accordance with rules set by the Group. The policy on setting counterparty risk limits is identical to the policy described in "Credit risk management General principles of risk taking" (see "Risk Management" section 2.4.2 Credit risk management). The techniques used by Crédit Agricole CIB to reduce counterparty risk on market transactions are described in "Credit risk mitigation mechanisms" (see "Basel III Pillar 3 Disclosure" section 3.2.4.1).

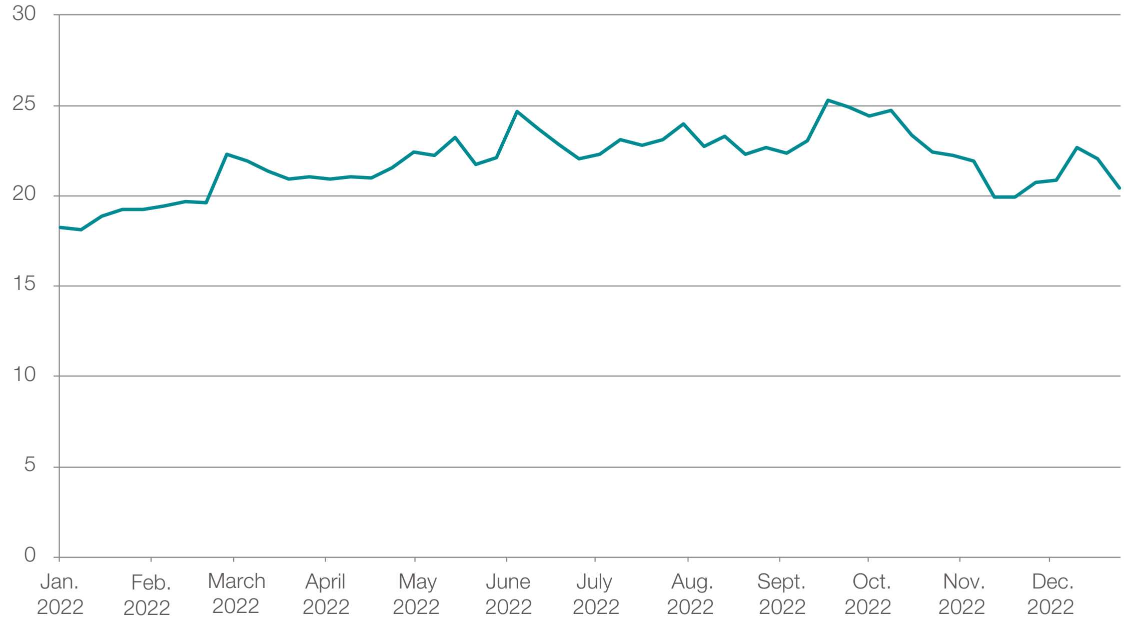
In determining the fair value of derivatives, Crédit Agricole CIB incorporates the measurement of counterparty risk on derivative assets (Credit Value Adjustment or CVA); this value adjustment is described in consolidated note 1.2 on accounting principles and methods and 11.2 on information on financial instruments measured at fair value.

The charts below show the changes in CVA VaR and CVA stressed VaR over 2022.

▶ 1-day CVA VaR for a 99% confidence interval (€ million)



▶ 1-day CVA stressed VaR for a 99% confidence interval (€ million)



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CVA capital requirements

M€	31.12.2022	Minimum	Maximum	Average	31.12.2021
CVA	349	316	411	372	316

The gross positive fair value of the contracts, the benefits of netting and collateral held and the net exposure to derivatives after netting and collateral are detailed in consolidated note 6.8 on the netting of financial assets.

2.4.3 Commitment monitoring system

MONITORING SYSTEM

First-degree controls on compliance with the conditions that accompany a credit decision are carried out by the Front Office. The Risk and Permanent Control Department is in charge of second-level controls.

Commitments are monitored for this purpose and portfolio business is constantly monitored in order to identify at an early stage any assets that might deteriorate. The aim is to adopt practical initiatives as early as possible so as to protect the Bank's interests.

Commitment monitoring methods

The following main methods are used:

- performance of daily checks on compliance with the credit decision, in terms of amount and maturity, both on commercial transactions and on market transactions, on all types of counterparties and all categories of counterparty risk generated. These categories are:
    - i. in the scope of market transactions: variation, delivery, issuer, treasury, intermediation, initial margin and CCP default funds;
    - ii. credit risk on financing activities, including late payments, as well as monthly monitoring of required collateral and investment risk;
- presentation of detected anomalies at the committee meetings to which the relevant Business Lines and Risk & Permanent Control (RPC) departments contribute;
- breaches are monitored and may give rise to corrective measures and/or special monitoring with the Business Lines. The frequency of these committee meetings varies depending on scope: bimonthly for the market transactions scope and quarterly for the financing transactions scope;
- transmission of a monthly summary to Executive Management and a quarterly presentation to the Internal Control Committee on anomalies for the market scope.

Permanent monitoring of portfolio business

Multiple bodies permanently monitor portfolio business to detect any potential deterioration or any risk concentration problem as early as possible:

- monthly "Early warning" meetings are held, which endeavour, by various means, to identify early signs of potential deterioration in loans classified as performing but deemed sensitive, in order to reduce or cover the risk exposure;
- quarterly reviews of major risks are carried out, regardless of the type of borrower in question;
- regular research on excessive unit, sector and geographic concentrations is carried out;
- a risk situation is established for counterparty risks on market transactions (variation risk calculated under normal and stressed market conditions), issuer risks, risks on bond repos and guarantee risks on credit derivatives. Reports on the oversight of unfavourable correlation risk on credit derivatives, equity derivatives, bond repos and equity loans and borrowing are also produced. These documents are presented to and reviewed by a dedicated committee.

These steps result in:

- changes to the internal ratings of counterparties, which are, where necessary, classified as "sensitive cases";
- practical decisions to reduce or cover at-risk commitments;
- loans and receivables possibly being transferred to the specialised collections unit.

Identification of forbearance measures

Since 2014, Crédit Agricole CIB has identified in its information systems any exposures having been subject to forbearance measures, as defined in Article 47b of Implementing Regulation 2019/630 of the European Parliament and of the Council. A pre-identification procedure is first carried out, during the loan approval process, in which Crédit Agricole CIB studies its clients' credit restructuring requests. Once the forbearance measure has actually been implemented, the outstanding amounts subject to the forbearance measure are reported as such, regardless of their internal rating or status (performing or non-performing). If the forbearance measure results in a reduction of 1% or more in the present value of the restructured outstandings calculated at the original effective interest rate, it is classified as an "emergency restructuring", a reason for Basel default. Outstanding amounts are no longer reported as having been subject to forbearance measures after verification – via an annual review or ad hoc credit committee meeting – that they meet the exit conditions defined in the aforementioned regulation.

Outstanding amounts subject to a forbearance measure are reported in Note 3.1 to the consolidated financial statements. A forbearance measure indicates a significant increase in credit risk under IFRS 9. The accounting principles applicable to these outstanding amounts are described in Note 1.3 to the consolidated financial statements.

SENSITIVE CASE MONITORING AND IMPAIRMENT

Sensitive cases, whether "under Special Supervision" or bad debts, are closely monitored by the entities and enhanced supervision is conducted on a regular basis.

This supervision takes the form of quarterly sensitive case committee meetings chaired by the Head of Risk and Permanent Control - Sensitive Cases and Impairment, which review the classification of these cases as sensitive cases and determine whether they should be transferred to a specialised team (DAS, UGAM for ship financing or SGADS for aircraft financing) and the appropriate level of specific impairment which is reported to Executive Management, which must validate it and then transfer it to Crédit Agricole S.A.

The definition of default that is used complies with the provisions of European Regulation No. 575/2013 of 26 June 2013. Stringent default identification processes and procedures have been put in place on these bases. These are updated as and when regulations change and were updated at the end of 2019 to incorporate European Banking Authority Guidelines No. 2016-07.

STRESS SCENARIOS

Credit stress tests are carried out to assess the potential impact the Bank may face (in terms of loss, provisioning and capital) in the event of a serious deterioration in the economic and financial environment.

There are three categories of stress test:

- the first aims to reflect the impact of a macroeconomic deterioration affecting the entire portfolio in terms of cost of risk, regulatory capital requirements and impact on the solvency ratio. Such a scenario is mandatory as part of the enhanced prudential supervision required under Pillar 2 of Basel II. Since 2014, this exercise has been conducted by the ECB and the EBA, with the aim of testing the financial solidity of banks and/or the banking system as a whole. Since 2016, the results of the regulatory stress tests are taken into account in the calibration of capital requirements under Pillar 2;
- the second consists of budget simulations and aims to stress-test the Bank's central budget on the basis of an economic scenario communicated by Crédit Agricole S.A. in the budget process;
- the third involves targeted stress tests on a particular sector or geographic area that constitutes a homogeneous group in terms of risks. This type of stress test is carried out on a case-by-case basis for risk strategy management purposes. It provides an insight into losses and/or capital requirements in the event an adverse scenario defined for the specific purposes of the year materialises; accordingly, the selected strategy and notably the amount of the requested budgets may be challenged in light of the creditworthiness of the portfolio to date and the impact of economic situations potentially adverse to the portfolio in question may also be taken into account. Sensitivity tests may be carried out in addition to these stress tests.

The economic scenarios used for the projection of risk parameters confirm the end of the pandemic crisis (despite the few persistent outbreaks, particularly in China), with positive effects on the global economy. However, inflation and the war in Ukraine have negatively impacted macroeconomic variables, particularly growth, both in the Eurozone and the United States. As a result, a slowdown in GDP growth is expected in the Eurozone and to a lesser extent in the United States.

The adverse scenario calls for the persistence of the conflict in Ukraine, inflation, social unrest in France and political stalemates in Italy, triggering a decline in Eurozone GDP, accompanied by rising unemployment rates and a correction in real estate prices.

2.4.4 Credit risk mitigation mechanism

COLLATERAL AND GUARANTEES RECEIVED

Crédit Agricole CIB requires guarantees and collateral from a significant number of its counterparties to reduce its risks on financing and market transactions.

The Basel II eligibility principles on accepting and managing guarantees and collateral are defined by the Crédit Agricole Group's Standards and Methodology Committee.

This common framework ensures a consistent approach across the Group's various entities. The committee documents aspects including regulatory treatment, valuation and revaluation methods and all credit risk mitigation techniques used within the Crédit Agricole CIB Group. Crédit Agricole CIB then devises its own operational procedures and arrangements for the detailed management of these guarantees and collateral.

Commitments given and received are described in Note 9 to the consolidated financial statements.

USE OF NETTING AGREEMENTS

In accordance with the recommendations of the Basel Committee and the CRD IV European Directive on regulatory capital, the French Regulatory and Prudential Supervisory Authority (ACPR) requires strict compliance with several conditions in order to trigger close-out netting and for it to be included in the calculation of a financial institution's capital requirements.

These conditions include: Crédit Agricole CIB obtaining recent written and reasoned legal opinions as well as proceedings "in order to ensure at any time the validity of the novation agreement or the netting agreement in the event that applicable regulations are revised".

Close-out netting is defined as the possibility, in the event of default by the counterparty (including in the event of bankruptcy procedures), to terminate ongoing transactions in advance and to be able to calculate a net balance of the reciprocal obligations, using a calculation method stipulated in the agreement.

Close-out netting is thus an early netting mechanism with three stages:

1. early termination of transactions under a master agreement in the event of a default or a change in circumstances;
2. calculation of the market value (positive or negative) of each transaction at the date of termination (and the valuation of any collateral);
3. calculation and payment of the net single termination balance including the valuation of terminated transactions, any collateral and outstanding amounts owed (by the party liable for the net amount).

Collateral (or collateralisation) represents a financial guarantee mechanism used in OTC markets, which allows securities or cash to be transferred as collateral or with full title transferred, during the life of the hedged transactions. In the event of default by either party, the collateral will be included in the calculation of the net balance of reciprocal obligations under the master agreement signed with the counterparty.

The implementation of the close-out netting and collateralisation mechanism is analysed by the legal department for each jurisdiction by type of contract, counterparty and product. Countries are classified as either A or B.

Countries classified as A are those where the laws and regulations are deemed to provide sufficient certainty for the recognition and effective implementation of close-out netting and collateralisation mechanisms, including in the event of the counterparty's bankruptcy. Conversely, countries classified as B are those where there is a risk of these mechanisms not being recognised or for which no legal opinion has been provided.

The conclusions of these analyses and country classification proposals are presented for approval at meetings of the Netting and Collateral Policy Committee (or PNC Committee).

USE OF CREDIT DERIVATIVES

Crédit Agricole CIB uses credit derivatives and a range of risk transfer instruments, including securitisation, in managing its corporate financing portfolio.

At 31 December 2022, outstanding protection purchased in the form of credit derivatives amounted to €6.5 billion (€7.2 billion at 31 December 2021), while the notional amount of short positions was nil (identical to 31 December 2021).

Crédit Agricole CIB trades credit derivatives with around ten top-tier competent, regulated Investment Grade banks. Moreover, 69% of these derivatives are processed through a clearing house (64% at 31 December 2021), which acts as a guarantor of these credit risk hedging transactions. Bilateral transactions (i.e. processed outside clearing houses) are conducted with competent, regulated investment grade counterparties located in France, the United Kingdom or the United States and which act as guarantors of these credit risk hedging transactions. The Bank monitors any concentration of risks on these non-clearing house hedge providers, applying notional limits per banking counterparty, set and reviewed annually by the Crédit Agricole CIB Risk Department.

These credit derivative transactions, carried out for credit risk mitigation purposes, are subject to a prudent valuation adjustment to cover market risk concentration.

The notional amounts of credit derivative outstandings are provided in Note 3.3.2 to the consolidated financial statements, "Derivative transactions: amount of commitments" in Chapter 6 "Consolidated financial statements at 31 December 2022" of this Universal Registration Document.

2.4.5 Exposures

MAXIMUM EXPOSURE TO CREDIT RISK

An entity's maximum credit risk exposure is the net carrying amount of loans and receivables and debt and derivative instruments before netting and collateral agreements. This information is provided in Note 3.1 to the consolidated financial statements.

As at 31 December 2022, Crédit Agricole CIB's maximum exposure to credit and counterparty risk was €787 billion, compared with €694 billion as at 31 December 2021.

CONCENTRATIONS

Breakdown of counterparty risk by geographic region (including bank counterparties)

The amount of loans granted by Crédit Agricole CIB (net of Export Credit Guarantees and excluding UBAF) totalled €465 billion at 31 December 2022 compared with €418 billion at 31 December 2021 and can be broken down by geographic region as follows:

Breakdown in %	31.12.2022	31.12.2021	31.12.2020
Other Western European countries	30.07%	28.74%	30.69%
France	26.54%	28.49%	24.44%
North America	18.71%	16.72%	17.47%
Asia (excluding Japan)	11.27%	11.81%	11.06%
Japan	5.76%	5.80%	7.46%
Africa and Middle East	4.24%	4.57%	4.46%
Latin America	2.18%	2.09%	2.46%
Other European countries	1.23%	1.76%	1.97%
Other and supranational	0.00%	0.00%	0.00%

Source: risks (excluding UBAF, commercial commitments on the balance sheet and off-balance sheet commitments of customers and banks, net of export credit guarantee).

Note 3.1 to the consolidated financial statements also presents the breakdown of loans and receivables and commitments given to customers and credit institutions by geographic region based on accounting data.

The overall balance of our portfolio in terms of distribution between the various geographic areas was stable overall compared to 2021. It should be noted, however, that the percentage of commitments in North America rose due to the increase in our deposits with the US Federal Reserve. The percentage of commitments in France fell from 28.5% to 26.5% between end-2021 and end-2022, largely due to repayments of State-guaranteed loans granted to some of our best French clients during the health crisis or of acquisition financing solutions.

Breakdown of risks by business sector (including bank counterparties)

At 31 December 2022, loans granted by the Crédit Agricole CIB Group, net of export credit guarantees (excluding UBAF), totalled €465 billion (€532 billion gross), compared with €418 billion in 2021 (€530 billion gross). The distribution can be broken down by economic sector as follows:

Breakdown in %	31.12.2022	31.12.2021	31.12.2020
Bank	20.14%	20.27%	18.82%
Miscellaneous	15.69%	16.52%	16.86%
O/w Securitisations	8.64%	9.05%	9.49%
Oil & Gas	8.62%	8.81%	8.80%
Other financial activities (non-banking)	8.28%	6.34%	5.81%
Electricity	5.93%	4.71%	4.59%
Real estate	4.64%	4.46%	4.57%
Aerospace/Aeronautics	3.48%	3.56%	4.25%
Heavy industry	3.50%	3.33%	3.44%
Automotive	2.85%	3.23%	4.04%
Maritime	2.45%	2.59%	2.82%
Telecom	3.30%	2.65%	3.02%
Construction	1.92%	1.95%	2.42%
Insurance	2.20%	2.15%	2.37%
Other industries	2.72%	2.78%	3.08%
Other transport	2.43%	2.21%	2.64%
Production & Distribution of Consumer Goods	2.37%	2.65%	2.66%
IT/Technologies	2.75%	2.14%	1.99%
Health/Pharmaceuticals	1.76%	1.67%	1.75%
Agri-food	1.41%	1.43%	1.61%
Tourism/Hotels/Restaurants	1.08%	1.40%	1.38%
Non-commercial services/ Public sector/Local authorities	1.26%	1.47%	1.78%
Media/Publishing	0.37%	0.50%	0.47%
Utilities	0.47%	2.89%	0.46%
Wood/Paper/Packaging	0.38%	0.29%	0.38%
TOTAL	**100.00%**	**100.00%**	**100.00%**

Source: risks (excluding UBAF, commercial commitments on the balance sheet and off-balance sheet commitments of customers and banks, net of export credit guarantee).

The overall balance of the portfolio, in terms of the breakdown between the different sectors, was globally stable year-on-year. The following should be noted:

- the majority of the Miscellaneous segment comprises securitisation transactions, mainly liquidity facilities granted to securitisation programmes financed through our conduits; these outstandings were relatively stable in 2022. Other commitments concern clients with a highly diversified activity (particularly wealth management/financial holding companies);

- the “Oil & Gas” sector is the main component of the “Energy” exposure. This sector comprises a wide variety of underlying assets, players and types of financing. Most of the exposure in the oil sector relates to operators that are structurally less sensitive to the fall in oil prices (public sector companies, large international companies, transportation/storage/refinery companies). Conversely, clients focused on exploration/ production and those dependent on industry investment levels (oil services) are the most sensitive to market conditions. The “Oil & Gas” sector, already closely watched for several years, is still being extensively monitored and is subject to a highly selective exposure approach and any new material transactions are subject to an in-depth analysis of credit and CSR risk when necessary;
- the “Electricity” sector is another component of “Energy” exposure but has its own characteristics, which are not directly associated with the oil and gas segments. Half of our exposure relates to major integrated or diversified groups;
- the “Property and Tourism” portfolio mainly consists of specialised lending for high-quality assets granted to real estate investment professionals. Other corporate-based financing is mainly granted to major real estate companies and is often accompanied by interest rate hedges. The balance of Crédit Agricole CIB’s commitments includes guarantees issued on behalf of leading French property developers and interest rate hedges for social housing market participants (mainly public sector agencies) in France. The health crisis has weighed heavily on investments and leases. Retails stores have been hit hard by the consequences of lockdowns and the tourism industry has been heavily impacted internationally. Furthermore, due to the uncertain macroeconomic environment and inflation pressures, the sharp rise in interest rates over the past few months has resulted in the repricing of real estate assets. Crédit Agricole CIB boasts an excellent-quality portfolio, which has proved resilient but is still under close watch;
- “Aeronautics” sector financing involves financing for very high-quality assets for major, world-leading manufacturers;
- the “Automotive” portfolio has been closely monitored since the end of 2018 and is focused mainly on large manufacturers, with limited development in the automotive supplier sector. After a significant increase in our sector commitments in 2020 (mainly stemming from the establishment of an exceptional budget for a 24-month period intended to help our top clients meet their liquidity needs in the current health crisis), commitments decreased slightly in 2022 and totalled €13.3 billion (versus €13.5 billion in 2021);
- the current position in the “Shipping” segment is the result of Crédit Agricole CIB’s expertise and background in mortgage financing for ships, which it provides to its international ship-owning clients. After 10 difficult years, shipping has shown signs of recovery since 2018, bolstered by solid order pipeline and a more moderate supply of ships/tonnage. Nevertheless, the sector is still subject to some volatility due to the ongoing health crisis in China, supply chain disruptions and Russia’s invasion of Ukraine, which has affected global growth and international trade by sea. However, our portfolio remained relatively well-protected thanks to its diversification (financing of oil tankers, gas carriers and off-shore facilities, cargo ships, container ships, cruise ships, etc.) and by the quality of its ship financing structures, secured by mortgage loans and credit insurance coverage;
- the “Heavy Industry” sector mainly includes large global companies in the steel, metals and chemicals sectors. In this sector, commitments to the Coal segment were further reduced, in line with Crédit Agricole Group’s CSR policy;
- exposure to the “Telecom” segment was slightly higher than in 2021, spurred by increased business focused on large groups. The sector comprises commitments to operators and suppliers. It is mainly made up of corporate financing arrangements.

Breakdown of outstanding loans and receivables by economic agent

Concentrations by economic agent of loans and receivables and commitments to credit institutions and customers are presented in Note 3.1.5 to the consolidated financial statements. Outstanding loans and receivables amounted to €288.3 billion at 31 December 2022.

Concentration of the top ten counterparties (clients)

In terms of commitments, excluding export credit guarantees, the top 10 counterparties accounted for 6.64% of Crédit Agricole CIB’s total exposure at 31 December 2022, i.e. stable overall compared to 31 December 2021 (6.1%).

Quality of portfolios exposed to credit risk

At 31 December 2022, performing exposures amounted to €465 billion in net outstanding loans. Their ratings can be broken down as follows:

Breakdown in %	31.12.2022	31.12.2021	31.12.2020
AAA (A+)	21.62%	21.72%	21.24%
AA (A)	3.36%	4.18%	4.96%
A (B+ et B)	31.71%	27.14%	27.34%
BBB (C+ à C-)	30.29%	33.02%	32.08%
BB (D+ à D-)	9.26%	10.16%	10.57%
B (E+)	1.36%	1.31%	1.10%
Commitments under surveillance (E and E-)	0.99%	1.02%	1.09%

Source: risks (excluding UBAF, commercial commitments on the balance sheet and off-balance sheet commitments of customers and banks, net of export credit guarantee).

In 2022, the quality of the portfolio remained broadly stable compared to 2021. The proportion of Investment Grade ratings held steady at 87%, once again reflecting the high quality of the portfolio.

Application of IFRS 9

The principles used to calculate expected credit loss (ECL) are described in the accounting policies and principles (Credit Risk section) which include, in particular, the market inputs, assumptions and estimation techniques used.

In order to calculate 12-month expected credit losses and lifetime ECLs and in order to determine whether the credit risk of financial instruments has increased significantly since their initial recognition, the Group draws mainly on data used in the regulatory calculation system (the internal rating system, evaluation of risk reduction factors and loss given defaults).

Two distinct types of forward-looking macroeconomic information are used when estimating expected losses: central forward-looking information, used to ensure the homogeneity of the macroeconomic

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view for all group entities and local forward-looking information, which can be used to adjust the parameters of the central scenario to take into account Crédit Agricole CIB's specific local characteristics.

In putting together central forward-looking information, the Group relies on four prospective macroeconomic scenarios drawn up by Crédit Agricole S.A.'s Economic Research Department (ECO), which are weighted based on their expected probability of occurrence. The baseline scenario, which is based on budget assumptions, is supplemented by three other scenarios (adverse, moderate and favourable). Quantitative models for assessing the impact of macroeconomic data on ECLs are also used in internal and regulatory stress tests.

Economic variables are updated quarterly and contain the factors that affect the Group's main portfolios (for example: change in French and Eurozone GDP, unemployment rate in France and Italy, household investment, oil prices, etc.).

The economic outlook is reviewed each quarter by the IFRS 9 Coordination Committee, which comprises the main Group entities as well as any departments of Crédit Agricole S.A. that are involved in the IFRS 9 process.

The central scenario used in Group and entity central forward-looking forecasting models can be summarised as follows:

The end of the pandemic crisis is confirmed (despite the few persistent outbreaks, particularly in China), with the expected positive effects on the global economy. However, inflation and the war in Ukraine have negatively impacted macroeconomic variables, particularly growth, both in the Eurozone and the United States. As a result, a slowdown in GDP growth is expected in the Eurozone and to a lesser extent in the United States.

◆ Impairment and risk hedging policy

Accounting standard IFRS 9 came into effect on 1 January 2018, replacing IAS 39. It set out the new accounting classification rules for financial assets, redefined the model and principles of credit risk impairment of financial assets, specified the methods for recognising the effects of credit risk on liabilities and detailed the new hedge accounting methods.

INDIVIDUALLY IMPAIRED ASSETS

The breakdown by economic agent and geographic area of impaired loans and receivables due from credit institutions and customers is presented in Note 3.1 to the consolidated financial statements. These financial statements provide a detailed description of the impairment of doubtful and irrecoverable loans and receivables.

ECL BUCKET 1 & 2

Impairment for credit risk under IFRS 9 has the following characteristics:

- the impairment applies to all asset transactions recognised at amortised cost or at fair value through other comprehensive income;
- impairment under IFRS 9 is estimated based on expected credit losses since origination;
- the ECL estimate is forward-looking, with credit risk parameters that incorporate the bank's outlook on economic developments and their impact on the portfolio;
- a mechanism for allocating performing exposures to two distinct risk categories (Buckets 1 and 2): a performing exposure subject to a significant increase in credit risk since origination is placed in Bucket 2, resulting in impairment calculated over a period equal to the remaining contractual term of the transaction. Conversely, when the increase in credit risk is deemed insignificant, the exposure is placed in Bucket 1 and impairment is calculated over a risk horizon of 1 year.

The amount of ECL Buckets 1 and 2 was €1,266 million at 31 December 2022.

◆ Country risk policy

After more than two years of the pandemic, the fallout from the Russia-Ukraine war has had a significant impact on global economic activity. Growth is expected to reach 2.9% in 2022 due to higher global commodity prices, supply chain disruption, inflation and tighter monetary policy. Although the impact of the pandemic has eased in most countries, it continues to disrupt economic activity, particularly in China (in connection with the zero-Covid policy), contributing to the slowdown in global activity, while the recovery of consumer spending in the US, which is driving the US economy, remains below expectations.

Against this very fragile global backdrop, the trend in commodity prices continues to be an important differentiating factor for country and sovereign ratings. In Latin America, rising metal prices no longer provide a substantial trade advantage. In Asia, the economic crisis has caught up to the global electronics market, putting pressure on exports. On the other hand, coal prices are shoring up the South African budget and Colombian exports. Oil and gas exporters and particularly Gulf countries, are the big winners, such as example Saudi Arabia, boasting one of the highest growth rates in the G20.

Rising food and energy prices have led to 2022 inflation projections of 5.7% in developed economies and 8.7% in emerging economies, i.e. 1.8 and 2.8 percentage points higher than initially anticipated, placing a chokehold on global economic growth. Particularly in the Eurozone, due to its closer economic ties with Russia, growth is expected to be 3% in 2023 vs. 5.2% in 2022. This medium-term inflationary environment poses a particular challenge for the ECB, which favours weaker activity in order to reduce inflation pressures. In addition, the strong inflationary environment forced the Fed to launch its rate hike cycle faster than expected.

As far as emerging economies are concerned, currency depreciation risk and the sharp increase in funding requirements are evident due to tighter global financial conditions and heightened risk aversion. High levels of public debt, already on an unsustainable trajectory, coupled with an expanded creditor base, are hampering debt restructuring processes, while the sovereign-bank nexus increases the risk of default. This is illustrated by certain sub-Saharan African countries but is not an isolated phenomenon. Sri Lanka is in default, as is Lebanon; Ecuador has entered into an agreement to restructure its debt with Chinese banks; Ethiopia, Chad and Zambia are also looking to restructure their debt through the Common Framework, etc.

Investment Grade countries are thus faring better than low-income and developing countries because they still have access to external refinancing and have more internal resources at their disposal. Over the course of 2022, 5 countries saw their ratings fall, one country received a negative outlook and 3 countries saw their ratings increase.

Finally, the vast majority of governments appear to have grown aware of the climate emergency. However, in this area, what works for advanced countries will not always be the best solution for the least developed countries and each country will have to make its own assessment and define local solutions to build change. The energy transition thus accentuated this fragmentation, both between developed and emerging countries and between emerging countries.

2023 Outlook

2023 is poised to be a challenging year for the global economy. Inflation is expected to remain high and the tightening of central bank monetary policy is weighing on economic activity. The interaction between inflation and central bank intervention will thus be critical in determining economic performance in 2023. Global growth projections for 2023 have deteriorated and are expected to reach 3.1% (WEO October 2022) vs. an initial forecast of 3.6% (WEO April 2022). Reflecting both the prospect of a faster-than-expected tightening of monetary policy and the slowdown in China.

As for Europe, the risk of natural gas shortages and rationing this winter has eased with the sharp rise in LNG imports and decreased gas consumption. But the crisis is far from over and the rise in the energy bill continues to weigh heavily on corporate costs and household budgets. The effects will be particularly severe for the UK economy, which projects growth of 3.5% in 2022, an initial contraction of 1.5% in 2023 and a second 0.25% in 2024. This partly reflects the intensification of monetary policy tightening and increased uncertainty following the recent bond market crisis. Emerging economies such as India, Indonesia and Korea saw major downward revisions to growth forecasts in 2023, as did Poland and South Africa. On the other hand, the growth outlook for Mexico and Brazil, where central banks responded quickly to rising inflation, are showing more resilience.

In this uncertain environment, Crédit Agricole CIB will continue actively working to support its local and international customers, by helping them develop their businesses, including internationally, while ensuring that the rules in force are observed and adopting a highly prudent and selective approach, strengthening exposure to business lines/sectors more invested in CSR and paying very close attention to climate risks.

Change in exposure to emerging countries

At 31 December 2021, commercial lending (including to bank counterparties)[1] to Crédit Agricole CIB customers in countries with ratings below “B” according to the Group’s internal ratings, excluding countries in Western Europe (Italy, Spain, Portugal, Greece, Cyprus and Iceland), totaled €55.7 billion i.e 12% compared to 31 December 2021.

The dominant geographic areas are Asia (46%), Middle East/North Africa (29%), Latin America (13%) and Central and Eastern Europe (10%).

Asia

Commitments in Asia were up 27% to €25.8 billion from 31 December 2021. China remains the largest regional exposure ahead of India.

The Middle East and North Africa

Commitments in countries in the Middle East and North Africa totaled €16 billion at 31 December 2022, flat compared to end-2021. Morocco, Saudi Arabia, United Arab Emirates, Egypt and Qatar accounted for 71% of commitments in the Middle East and Northern Africa area.

Central and Eastern Europe

Commitments in central and Eastern Europe were down -12% from the previous year. Crédit Agricole CIB's commitments remain concentrated in four countries: Russia, Poland, Azerbaijan and Hungary which together represented 90% of the total in this region.

Latin America

At end-December 2022, exposure to this region represented 13% of all exposure to countries rated lower than “B”. The increase in commitments recorded was 12% compared to end-2021, mainly due to an increase in commitments to Brazil and Mexico representing 87% of the Latin America total

Sub-Saharan Africa

The Group’s commitments in Sub-Saharan Africa totaled €1.2 billion at 31 December 2022, i.e. 2% of the total for countries with a rating below “B”, flat compared to end-2021. Exposure to South Africa accounted for 41% of commitments in this region.

(1) The exposures are expressed in country-risk which takes into account credit export insurance guarantees, or eligible assimilated organizations as well as eligible cash collateral and guarantees received. Scope: CACIB excluding Wealth Management and the other CACIB's subsidiaries.

2.5. Financial risks

Financial risks were the subject of a taxonomy established at Crédit Agricole Group level and adapted for Crédit Agricole CIB, which is presented in Chapter 8 of this Universal Registration Document.

2.5.1 Market risks

Market Risks are managed by the Market and Counterparty Risks (MCR) Department. MCR is in charge of identifying, measuring and monitoring market, liquidity and counterparty risks in market transactions as well as the independent valuation of results.

For example, several relevant market risks for Crédit Agricole CIB can be identified, potential losses associated with:

- Changes in interest rates

  These risks are assessed in detail: maturity, underlying interest rate indices, currencies;
- Changes in share prices

  Crédit Agricole CIB's Equity Risk is mainly concentrated in European Large Corporates (financing, equity investment guarantee, management of Company Savings Plans, convertible issues, loans/borrowings) and EMTNs on equity indices;
- Deterioration in credit quality

  Due to its market-making activity on the main debts of OECD countries as well as on client issues, Crédit Agricole CIB is exposed to changes in the risk premiums on the securities in which it trades;
- Changes in exchange rates

  Crédit Agricole CIB's business with its Investor or Corporate clients exposes it to foreign exchange market fluctuations.

  Its operations in multiple countries also results in structural foreign exchange positions managed by the Asset and Liability Management Committees;
- Interest rate and currency volatility

  Some derivatives see their market value change due to the volatility of the underlying, rather than market volatility. These risks are governed by specific limits.

2.5.1.1 MARKET RISK CONTROL SYSTEM

◆ Scope of authority

MCR's scope of authority covers all trading portfolios of consolidated entities in Crédit Agricole CIB's accounts - subsidiaries or branches - in France and abroad; the main business lines are: G3 Rates, FX & Non G3 Rates, Credit & Non Linear Trading, Global Repo & Indexing.

MCR also monitors the market risks of Treasury and Credit Portfolio Management (CPM), whose dual role is to manage Crédit Agricole CIB's macro counterparty risk and to minimise the cost of capital of the banking books.

◆ Market risks - structure and responsibilities

MCR's structure complies with the regulatory environment and the development of market activities.

The basic principles that prevail in the organisation and operation of MCR are:

- independence of the Risk function from the operational divisions (Front Offices) and other functional departments (Back Offices, Middle Offices, Finance);
- organisation that guarantees both the appropriate and specialised processing of each type of market activity and the consistent deployment of methodologies and practices, regardless of where the activity is conducted or where it is recorded for accounting purposes.

Its various responsibilities are broken down as follows:

- Market Activity Monitoring is responsible for:
  - daily validation of operating results and market and liquidity risk indicators for all activities governed by market risk limits;
  - control and validation of market parameters in an independent environment from the Front Office;
  - Finally, as part of its joint responsibility with the Finance Department, it participates in the monthly reconciliation between the operational and the accounting results;
- Risk Management monitors and controls market risks for all product lines, i.e.:
  - setting limits, monitoring limit breaches and their resolution, as well as significant changes in results, which are notified to the Market Risk Committee;
  - analysis of risks incurred by product line;
  - second-level validation of risks and monthly reserves;
- the cross-functional teams round out this system by ensuring the harmonisation of methods and accounting treatments between lines/products. They include the following functions:
  - the IPV (Independent Price Valuation) team notably in charge of validating valuation parameters and mapping observability;
  - the MRA (Market Risks Analytics) team responsible for validating pricers;
  - the teams in charge of the Quantitative Internal Model:
    - the Econometrics team in charge of historical series used in risk measurements;
    - the Methodologies team in charge of methodologies for market risk measurements;
    - the Stress Models and CCR (Credit & Counterparty Risks) team in charge of methodology and regulatory subjects related to market activities;
  - the COO team coordinates cross-business topics (projects, new activities, budgets, reports and committees) and produces the department's consolidated information.

◆ Market risk decision-making and monitoring committee

The entire system is placed under the authority of a set of committees:

- The Group Risk Committee (Crédit Agricole S.A.) sets overall limits within the framework of the Group's risk appetite.
- The Strategies & Portfolios Committee (Crédit Agricole CIB) validates the strategic guidelines and acceptable risk management criteria, in line with the Group's and the Bank's risk appetite policy. This Committee, chaired by Crédit Agricole CIB's Executive Management, includes, among others, a member representing the Crédit Agricole S.A. Group Risk Department, the Market Activities Risk Managers and Market Activities Front Office representatives.

- The Market Risk Committee (Crédit Agricole CIB) grants limits to the operational divisions within the limits set by the Strategies & Portfolios Committee and ensures compliance with the monitoring indicators, specific management rules and defined limits. This Committee, chaired by Crédit Agricole CIB's Executive Management, includes a member representing the Crédit Agricole S.A. Group Risk Department, the Market Activities Risk Managers and Market Activities Front Office representatives.
- The Liquidity Risk Committee (Crédit Agricole CIB) monitors and analyses liquidity risks and their trends. It ensures compliance with monitoring indicators, specific management rules, established limits and the proper application of Group standards. It also serves as the Liquidity Emergency Plan Committee in the event of a crisis. Chaired by the Executive Management, the CRL also includes the Head of Group Financial Risk, the Head of Group Treasury, the heads of GMD, the Head of Crédit Agricole CIB Treasury, the heads of the Finance Department and ALM and the heads of Market Risk Management.

2022 highlights affecting the market risk scope

Upon various regulators requests, the shift to the new risk-free rates (Benchmarks project) aims to strengthen the benchmark indices in order to control the risks of conflict of interest, guarantee the reliability of the methods and data used to calculate benchmarks, avoid manipulation risk and protect consumers. Crédit Agricole CIB has been solicited on this project throughout the year for preparing the discontinued publication of Libor USD after 30/06/2023.

Crédit Agricole CIB also continued to roll out its new Market Risk ecosystem (MASAI). Over the 2022 period Crédit Agricole CIB activated several scopes of booking activities and implemented several functionalities.

The implementation of this new system includes the following elements: implementation of data management principles, centralisation of valuation methods, industrialisation, audit trail and measures for analysing and monitoring market risk indicators.

Crédit Agricole CIB is continuing its remediation work following the ECB Targeted Review of Internal Models (TRIM) and valuation:

- 2017 on Value-at-Risk (VaR), Stressed Value at Risk (SVaR) models, models for incremental default and migration risks (IRC). This remediation work has been finalized this year;
- 2018 (TRIMX) regarding counterparty credit risk (CCR) models;
- 2020 (TRIMX horizontal) regarding models for counterparty credit risk (CCR);
- 2020 (Valuation Mission) regarding the valuation risk and the prudent valuation.

2.5.1.2 MARKET RISK MEASUREMENT AND MANAGEMENT METHODOLOGY

Value at Risk (VaR)

VaR is calculated on daily basis across all positions. It represents the potential one-day horizon loss with a confidence interval of 99%. As extreme market conditions are not captured by VaR, it should not be confused with the concept of maximum loss. Stressed VaR and stress scenarios round out the system for measuring extreme risks.

Change in regulatory VaR over 2022

Chart 1 (Regulatory VaR over the period 2021-2022) shows the change in Crédit Agricole CIB's VaR in the regulatory scope over the course of 2021-2022.

Over 2022, the regulatory VaR averaged €15 million (a sharp increase compared to the average of €8 million in 2021), fluctuating within a range of €6 million and €27 million.

As from end-March 2022, Crédit Agricole CIB's regulatory VaR fluctuated at much upper levels vs. 2021, due to new scenarios of strong market variations observed into the VaR history due to the macroeconomic environment, inflationary tensions and systemic crisis with geopolitical tensions and the Ukraine war. These events led to an increase of interest rates, a depreciation of the Euro against the Dollar and a widening of credit spreads contributing to the increase of the regulatory VaR. Then at the end of year, changes in market dynamics notably contributed to a decrease of VaR.

Chart No. 2 (Evolution of quarterly averages over the period 2021-2022) shows the change in the quarterly averages of regulatory VaR and the VaR for each of Crédit Agricole CIB's business lines since 1 January 2021.

All of Crédit Agricole CIB's activities are based on the internal model, with the exception of a few isolated products, which still use the standardised approach.

Change in regulatory VaR

	31.12.2022				31.12.2021			
€M	Minimum	Average	Maximum	End of year	Minimum	Average	Maximum	End of year
Total VaR	6	15	27	16	5	8	19	9
Netting Effect	(4)	(7)	(11)	(6)	(4)	(8)	(16)	(7)
Rates VaR	5	11	16	8	3	6	16	6
Equity VaR	1	2	5	2	1	2	4	2
Fx VaR	1	3	5	5	2	3	7	4
Commodities VaR	0	0	1	0	0	0	0	0
Credit VaR	3	6	12	6	2	4	8	3

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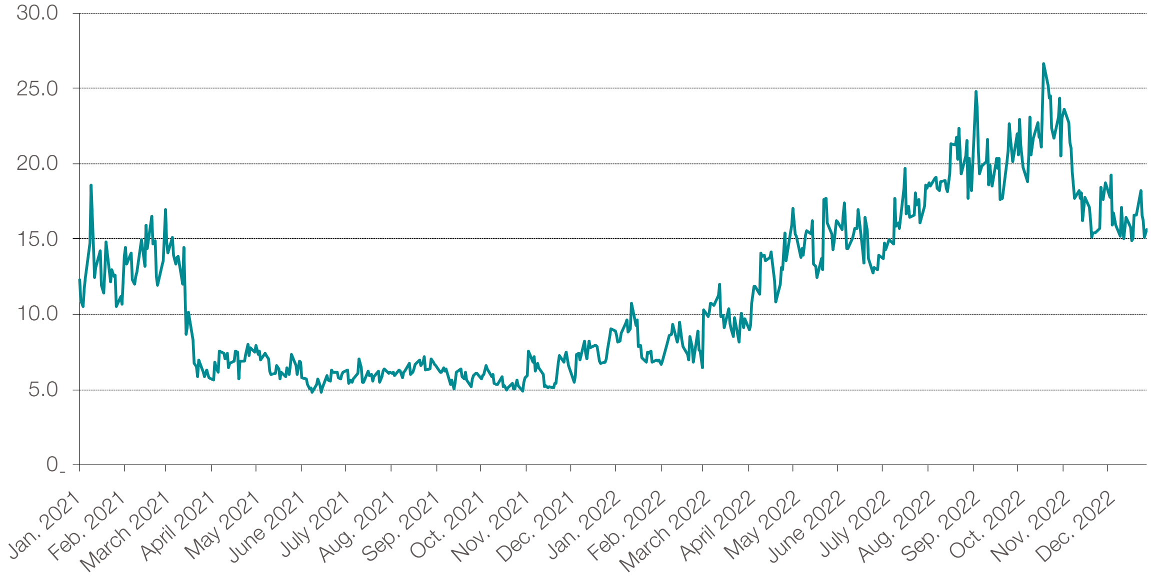
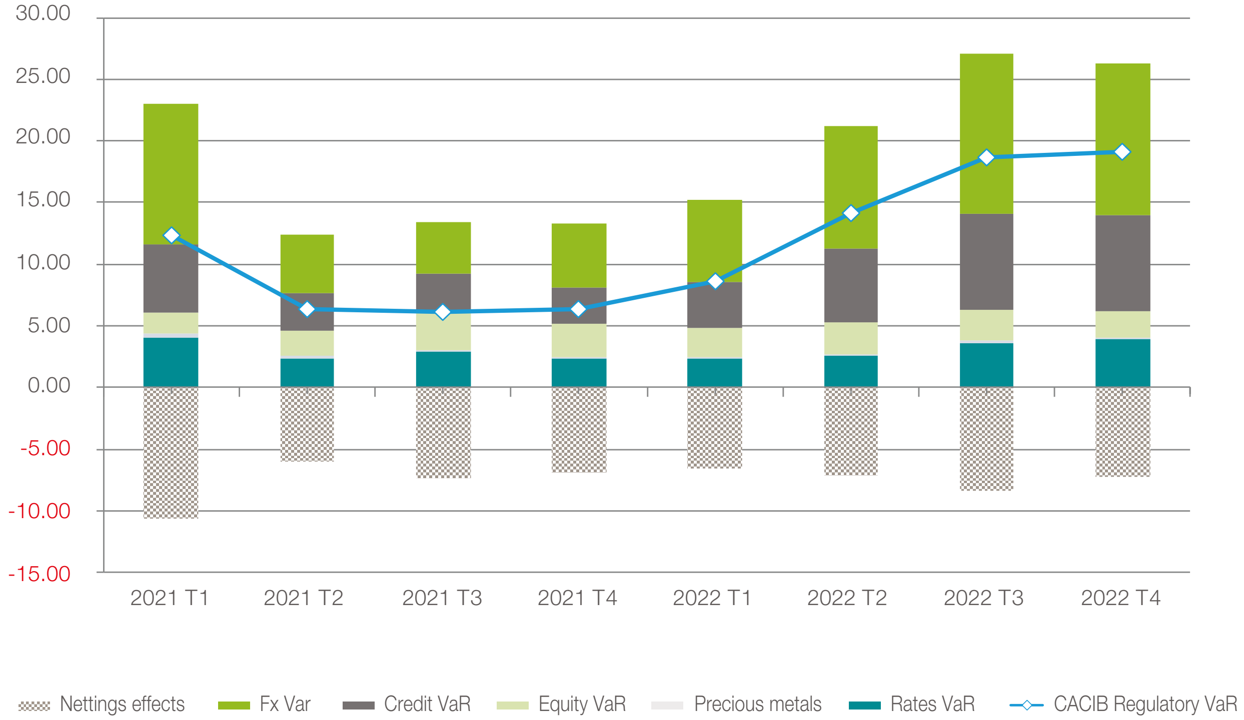
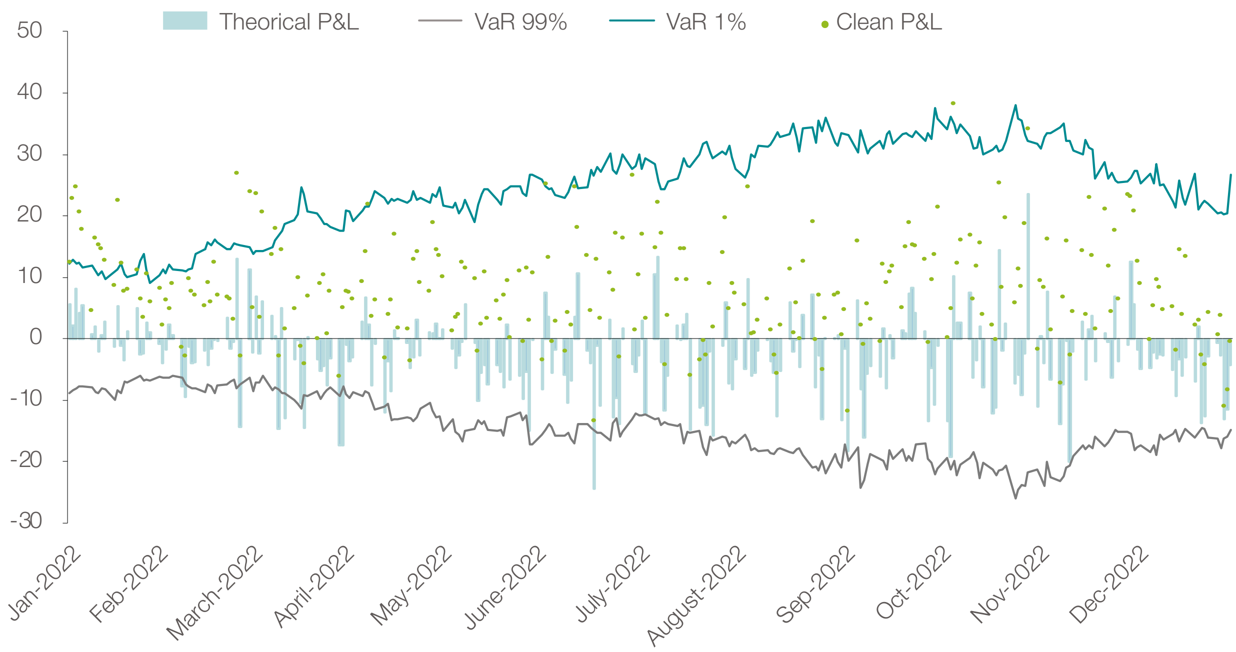
▶ **Chart No. 1: Crédit Agricole CIB's regulatory VaR in 2021-2022 (€ million)**



▶ **Chart No. 2: Quarterly average change in regulatory VaR and VaR by product line over the 2021-2022 period (€ million)**



▶ **Chart 3: Backtesting of Crédit Agricole CIB's regulatory VaR in 2022 (€ million)**



VAR BACKTESTING (CHART NO. 3)

The VaR backtesting method for Crédit Agricole CIB's regulatory scope compares the daily VaR amounts with the daily P&L excluding reserves (clean P&L or actual P&L) on the one hand and the daily P&L restated for reserves and new transactions (or "theoretical" P&L) on the other hand.

At end-December 2022, there were ten backtesting exceptions over a rolling 12-month period, with theoretical losses – theoretical P&L excluding reserves and new transactions – exceeding VaR. These exceptions, to be considered in determination of the own funds amount, are mainly due to the strong and various market's variations that have been observed since the 4th quarter of 2021 due to macroeconomic environment (inflationary pressures, systemic crisis with the war in Ukraine).

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◆ VaR capital requirement

At 31 December 2022, the VaR capital requirement amounted to €299 million.

€M	31.12.2022	Minimum	Maximum	Average	31.12.2021
VaR	299	103	329	226	91

◆ Stressed regulatory VaR statistics

If the historical data used to calculate VaR shocks are derived from sluggish market conditions, i.e. low volatility, then the resulting VaR will be low. To counter this procyclical bias, the regulator introduced stressed VaR.

Stressed VaR is calculated using the "initial" VaR model over a confidence interval of 99% and a one-day horizon and a stress period corresponding to the worst known period for the most significant risk factors.

The period used is November 2007 - November 2008.

◆ Change in stressed regulatory VaR in 2022

Chart No. 4 (see below) shows the change in Crédit Agricole CIB's stressed regulatory VaR over the 2021-2022 period.

Stressed VaR averaged €24 million in 2022, i.e. higher compared to 2021 and with a wider range of variations as shown in the table of statistics below. The dynamics of regulatory SVaR over the year and mainly from June 2022 is correlated to rates scope.

The SVaR/VaR ratio was 1.4 at end-December 2022.

The table below compares the statistics on stressed regulatory VaR and regulatory VaR.

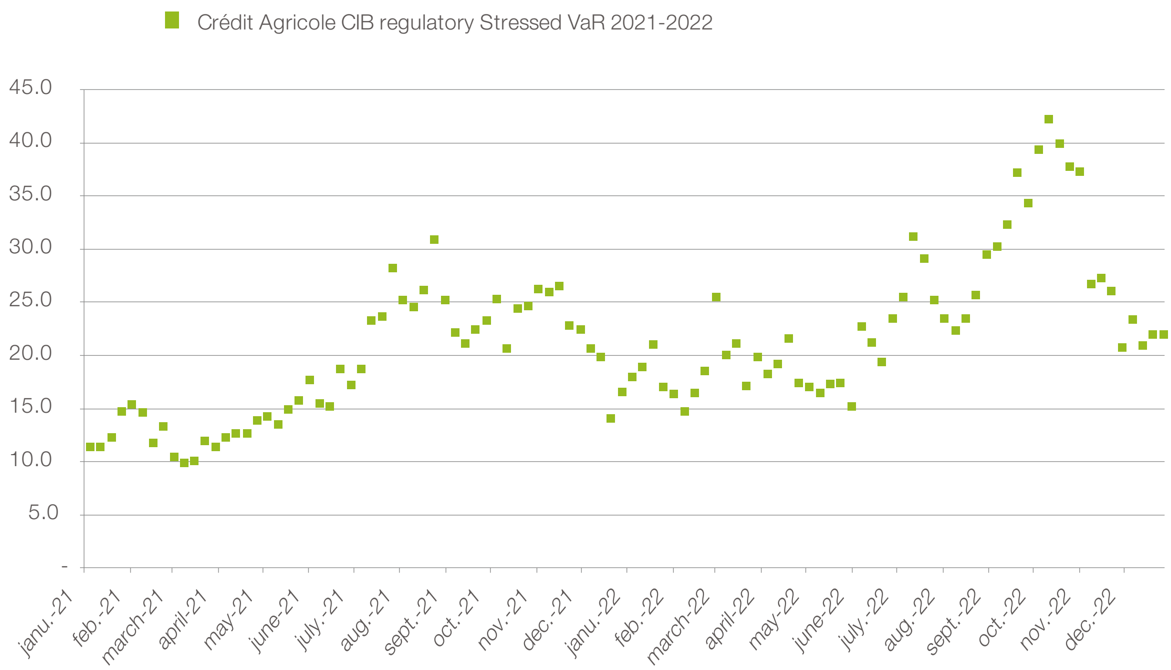
	31.12.2022				31.12.2021			
€M	Minimum	Average	Maximum	End of year	Minimum	Average	Maximum	End of year
Stressed regulatory VaR	15	24	42	22	10	18	31	17
Regulatory VaR	6	15	27	16	5	8	19	9

Stressed VaR capital requirement

At 31 December 2022, the stressed VaR capital requirement amounted to €456 million.

€M	31.12.2022	Minimum	Maximum	Average	31.12.2021
Stressed VaR	456	262	541	369	314

Chart No. 4: One-day regulatory stressed VaR for a 99% confidence interval (€ million)



Stress tests

Stress tests were established to assess the resilience of financial institutions due to a shock in their activities. This shock can be economic (economic slowdown, for example) or geopolitical (conflict between countries).

In order to meet the regulator's requirements and to supplement VaR measurements, Crédit Agricole CIB applies stress scenarios to its market activities in order to assess the impact of particularly severe disruptions (which cannot be anticipated or modelled in VaR) on the value of its books. These scenarios are based on three complementary approaches:

1. Historical approaches, which consist in replicating the effect of major crises from the past on the current portfolio. The following historical scenarios are used:
   - 1987 crisis: stock market crash scenario;
   - 1994 crisis: bond crisis scenario;
   - 1998 crisis: credit market crisis scenario, the assumptions of which are the decline in the equity markets, the sharp rise in interest rates and the decline in emerging currencies;
   - October and November 2008 crises (replicating market conditions following the failure of Lehman Brothers).

2. Hypothetical scenarios, which anticipate likely shocks, developed in collaboration with economists. Hypothetical scenarios are:
   - economic recovery (rally on the equity and commodity markets, sharp rise in short-term rates and depreciation of the USD, tightening of credit spreads);
   - tightening of liquidity conditions (sharp rise in short rates, widening of credit spreads, decline in equity markets);
   - a scenario representing economic conditions amid international tensions between China and the United States (increase in volatility and falling prices on the equity markets, rise in the commodity market, steepening of yield curves, depreciation in the US dollar against other currencies, widening of credit spreads).

3. Two "adverse" approaches (a ten-year scenario and an extreme scenario), which consist in adapting assumptions to simulate the most unfavorable situations according to the structure of the portfolio at the time the scenario is calculated:
   - a "10-year adverse stress" approach, which assesses the impact of large-scale and unfavourable market movements for each activity taken individually. The calibration of shocks is such that the scenario has a probability of occurring approximately every 10 years and the period in which the bank incurs events without reacting is around 10 days. Losses measured by this scenario are subject to limits;
   - an "extreme adverse" approach that measures the impact of market shocks with an intensity and duration greater than the ten-year adverse stress scenario, in order to simulate events that are rarer but still have a probability of occurring. The shocks simulated in extreme adverse stress scenarios are approximately twice as harsh as those in the ten-year adverse stress test, their impact on the result of stress can be much more severe for non-linear products with an option component.

These indicators are subject to a limit set in agreement with Crédit Agricole S.A.

Global stress tests are calculated on a weekly basis and are presented to the Crédit Agricole CIB Market Risk Committee on a monthly basis.

At the same time, specific stress scenarios are developed for each business line. They are produced on a weekly basis. These specific scenarios are used to clarify the analysis of risks specific to the various business lines.

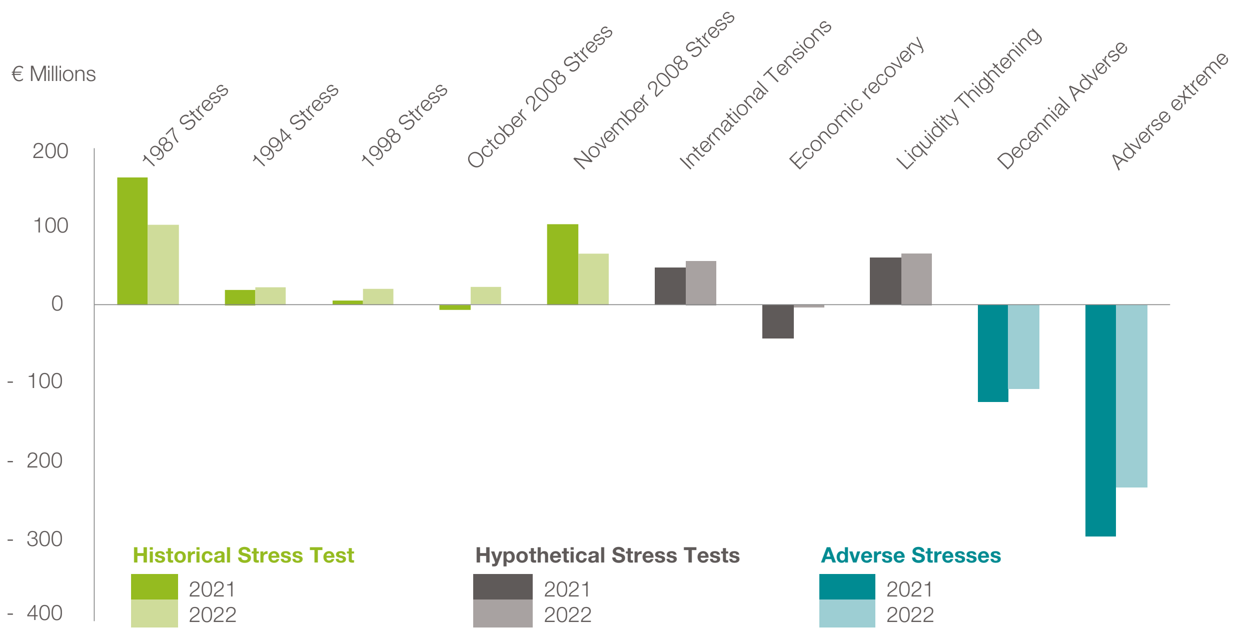
In addition, global stresses taking into account all material risk factors of different asset classes, based on "semi-adverse" approach, are calculated on a daily basis.

Stress tests are regularly defined in anticipation of ad hoc market events: French elections, US elections, etc.

MCR conducted research aimed at strengthening the stress testing system, presented to the Executive Committee at the end of 2020. It will continue to be rolled out in 2023.

Chart No. 5 below shows the comparison of changes in stress scenarios in 2021 and 2022.

▶ Chart No. 5: 2021 and 2022 average values of stress scenarios (€ million)



Between 2021 and 2022, the ten-year and extreme adverse stresses decreased. They fell on average from €125 million and €298 million, respectively in 2021 to €108 million and €234 million in 2022. The decrease in extreme adverse stresses was mainly due to the decrease in the contribution of rates activities. The stress levels (excluding CVA) observed in 2022 were generally very far from the established limits.

2.5.1.3 OTHER INDICATORS

VaR measurement is associated with a set of complementary or explanatory indicators, most of which are subject to limits:

- sets of limits defined for precise risk management purposes. Adapted by activity and mandate, they specify the authorised products, maximum maturities, positions and maximum sensitivities; they also include a loss alert system;
- other analytical indicators are used by Risk Management. In particular, including notional indicators in order to highlight atypical transactions;
- under CRD III (effective 31 December 2011), Crédit Agricole CIB implemented specific default risk measures on credit portfolios, including the Incremental Risk Charge.

◆ IRC capital requirements

The Incremental Risk Charge (IRC) is an additional capital requirement for “linear” credit positions (i.e. excluding credit correlation positions), required by the regulator under CRD III in response to the subprime crisis.

The IRC aims to quantify unexpected losses caused by credit events on issuers, i.e. default or rating migration (both in the case of a downgrade or upgrade in the credit rating). In other words, the IRC captures 2 risk measurements:

- Default risk (or potential losses or gains, following the default of the issuer);
- Migration risk, which represents potential losses or gains resulting from a migration of the issuer’s credit rating and the associated spread shock.

IRC is calculated with a confidence interval of 99.9% over a one-year risk horizon using Monte Carlo simulations.

Simulated default and credit migration scenarios are then measured using Crédit Agricole CIB pricers. These values give a distribution, based on which a 99.9% quantile calculation is used to obtain the IRC.

At the end of December 2022, the IRC capital requirement amounted to €147 million.

€ million	31.12.2022	Minimum	Maximum	Average	31.12.2021
IRC	147	147	250	190	188

◆ Requirements under the CRD 3 standardised method

The CRD 3 standardised method is an additional capital requirement for issuer risk not covered by the IRC and CRM (Comprehensive Risk Measure). The final measure required by the supervisory authorities is the standardised method for securitisation positions in the trading book.

The standardised method capital requirement was €5 million at December 31, 2022.

€ million	31.12.2022	Minimum	Maximum	Average	31.12.2021
Standard CRD 3 method	5	4	6	6	5

◆ Prudent Valuation capital requirements

Under CRD IV, the Basel III Committee requires the implementation of an additional prudent measure (Prudent Valuation) to the accounting market valuation. It applies to all trading book and banking book positions recognised at fair market value with a confidence interval of 90%.

Prudent Valuation is broken down into 9 accounting adjustments: price uncertainty, liquidation costs, model risk, concentrated positions, prepaid credit margins, financing costs, early termination, future administrative costs and operational risk. All the different categories are then aggregated and deducted from Common Equity Tier 1.

The calculation of adjustments based on regulatory requirements gave an impact on own funds at end-December 2022 of €975 million for Crédit Agricole CIB (o/w €757 million for market risks).

€ million	31.12.2022	Minimum	Maximum	Average	31.12.2021
Prudent Valuation	975	772	986	895	772
Of which Market Activities	757	538	761	679	538

2.5.2 OTHER FINANCIAL RISKS

2.5.2.1 GLOBAL INTEREST RATE RISK

Global interest rate risk or interest rate risk in the banking book of a financial institution is the risk of a change in interest rates in any on-balance sheet or off-balance sheet transactions, except transactions subject to market risk.

Objectives and policy

Global interest rate risk management aims to protect commercial margins against fluctuations in rates and to ensure better stability over time in the intrinsic value of equity and long-term financing components.

The intrinsic value and net interest income are associated with sensitivity to changes in interest rates of the net present value and cash flows of on- and off-balance sheet financial instruments. This sensitivity arises where the dates on which the interest rates of assets and liabilities are recalculated are different.

Risk management

Each operating entity has its own Asset and Liability Management Committee that manages its exposure by ensuring compliance with Group limits and standards.

Within the Financial department, the central Financial and Strategic Steering Department – as part of its coordination and oversight role – and the Counterparty and Market Risks Department, which attend meetings of the Local Committees, ensure the consistency of methods and practices within the Group and monitors the limits allocated to each of its entities.

The Group's global interest rate risk exposure is presented to Crédit Agricole CIB's Asset-Liability Management Committee. This committee:

- examines the consolidated positions determined at the end of each quarter;
- ensures that Crédit Agricole CIB complies with its limits;
- decides on management measures based on proposals made by the Financial and Strategic Steering Department.

Method

Crédit Agricole CIB uses the interest rate gap method, in accordance with the Crédit Agricole Group Standard, to measure its global interest rate risk.

This consists in determining maturity schedules and interest rates for all assets, liabilities and hedging derivatives at fixed or adjustable interest rates:

- until the contractual date for fixed-rate transactions; and until up to the rate revision date for adjustable-rate transactions;
- according to the economic maturities of transactions indexed to different tenors;
- according to implicit or behavioural options sold to customers; and
- using model-based conventions for items without a contractual maturity.

The gap measurement includes the impact of interest rate hedges (fair value and cash flow hedges).

This measurement system is adapted for the relevant major currencies.

Exposure

Crédit Agricole CIB's exposure to global interest rate risk on client transactions is limited given the interest rate matching rule for each client financing solution with the Treasury Department.

Interest rate risk mainly derives from capital, investments, modelling of non-interest-bearing liabilities and from maturities of less than one year from the Treasury activities in the banking book.

The Group is mainly exposed to interest rate fluctuations in the Eurozone and, to a lesser extent, in the US Dollar.

Crédit Agricole CIB manages its exposure to interest rate risk using gap exposure limits and based on the Net Present Value (NPV) of all currencies defined by Crédit Agricole S.A.

Interest rate gaps express the surplus or deficit on fixed-rate loans. Conventionally, a positive gap represents an exposure subject to the risk that interest rates will fall over the period in question.

The results of these measures at 31 December 2022 therefore show that the Bank is residually exposed to a rise in interest rates beyond the first year.

€ billions	0-1 year	1-5 years	5-10 years
Average US dollar gap	(0.62)	+0.09	+0.06
Average Euro gap	(0.72)	(1.04)	+0.02

Crédit Agricole CIB's NBI sensitivities for year 1, year 2 and year 3 would be respectively of €140 million , €129 million, €146 million for a 50-basis-point parallel rise shock (all currencies) and respectively €-69 million, €-58 million and €-128 million for a 50-basis-point parallel fall shock (all currencies).

Based on these same sensitivity calculations, the net present value of the loss incurred in the next ten years in the event of an adverse 200 basis point movement in the yield curve is equal to 0.48% i.e. €144 million of the Group's capital at book value, below the €500 million limit set by the Group.

In addition, the income impacts of eight stress scenarios (five historical and three hypothetical) regarding the interest rate gap are measured on a quarterly basis and reported to the Asset and Liability Management Committee.

The scenarios are those used by Crédit Agricole CIB's Treasury Department:

- the historical scenarios include: a major equity market crash (Black Monday in 1987); a surge in interest rates (bond crash in 1994); a sharp increase in issuer spreads (rise in credit spreads in 1998); the 2008 financial crisis linked to the US mortgage market (two scenarios);
- the hypothetical scenarios are based on: the assumption of an economic recovery (rise of the equity market, rates in general, the USD spot rate and oil and a decrease in issuer spreads); a liquidity crisis following the Central Bank's decision to increase its key rates; frictions in international relations as a result of stalled business relationships between China and the United States (increase in US rates, collapse of the US equity market, widening of credit spreads and depreciation of the US Dollar compared to other currencies, especially the euro).

Simulations are calculated based on the sensitivity of Crédit Agricole CIB's interest rate gap. This sensitivity is calculated in EUR and USD. The calculation is based on average outstandings. The shocks contained in these scenarios are calculated on a 10-day basis, according to Crédit Agricole CIB's stress scenario methodology. Sensitivity is "shocked" in various ways. The result of a stress test corresponds to the net present value in the event of changes in the characteristics of the most adverse scenario.

The application of stress scenarios highlights relatively limited impacts since the net present value of the maximum potential loss incurred represented €27 million, i.e. 0.10% of capital at book value and 0.46% of net banking income at 31 December 2022.

Internal capital requirement assessment

A measurement of the Pillar 2 capital requirement assessment is carried out to assess currency risks, taking into account:

- a change in the economic value resulting from the application of a set of internal scenarios;
- and the one-year net interest income driven by interest rate shocks.

2.5.2.2 FOREIGN EXCHANGE RISK

Foreign exchange risk is the financial risk associated with an unfavourable change in exchange rates on the foreign exchange market. It is primarily assessed by measuring net residual exposure, taking into account gross foreign exchange positions and hedging and differentially between structural and operational foreign exchange risk.

Structural foreign exchange risks

The Group's structural foreign exchange risk results from its long-term investments in assets denominated in foreign currencies, mainly the equity of its foreign operating entities, whether they result from acquisitions, transfers of funds from head office or the capitalisation of local earnings.

The Group's policy is to borrow the currency in which the investment is made in order to protect the investment against foreign exchange risk. These borrowings are documented as investment hedging instruments. In some cases and particularly for less liquid currencies, the investment leads to the relevant currency being purchased with the foreign exchange risk being hedged depending on the portfolio management policy adopted.

The Group's main gross structural foreign exchange positions are denominated in US dollars, in US dollar linked-currencies (mainly Middle Eastern and some Asian currencies), in sterling and in Swiss francs.

In overall terms, the Group's policy for managing structural foreign exchange positions aims to achieve two main goals:

- regulatory (by way of exception) to protect the Group's solvency ratio against currency fluctuations; for this purpose, unhedged structural currency positions are scaled so as to equal the proportion of risk weighted assets denominated in the currencies in question and unhedged by other types of equity in the same currency; at 31 December 2022, the immunisation ratio of the CET 1 solvency ratio for the US dollar and related currencies block was 67%.
- proprietary interests, to reduce the risk of loss of value for the assets under consideration.

Structural foreign exchange risk hedging is centrally managed and implemented on the recommendations of the Structural Exchange Rate Committee and decisions of the Bank's Asset-Liability Management Committee.

Crédit Agricole CIB's structural currency positions are also included with those of Crédit Agricole S.A., which are presented four times a year to its Asset-Liability Management Committee, chaired by Crédit Agricole S.A.'s Chief Executive Officer. They are also presented once a year to the Group Risk Committee.

Operational foreign exchange risks

The Bank is further exposed to operational exchange rate positions on its foreign currency income and expenses, both at the head office and in its foreign operations.

The Group's general policy is to limit net operational exchange rate positions as far as possible by periodically hedging them, without prior hedging of earnings not yet generated except if they have a high probability and a high risk of impairment.

The Group Risk Committee sets a limit aimed at authorising frictional foreign exchange positions that may arise between the date on which the profit to be hedged is recorded for accounting purposes and the date on which it is hedged against a foreign currency, once known. At 31 December 2022, Crédit Agricole CIB's operational foreign exchange position was €47m within a limit of €110m.

The rules and authorisations applicable to the management of operational positions fall within the scope of the annual meeting of the Group Risks Committee (limits) or the quarterly meetings of Crédit Agricole CIB's Asset-Liability Committee.

2.5.2.3 LIQUIDITY RISK

Like all credit institutions, the Crédit Agricole CIB Group is exposed to the risk that it will not have sufficient funds to honour its commitments. This risk is realised in the event, for example, of a massive withdrawal of deposits by customers or investors, or during a crisis of confidence or general market liquidity (access to interbank, money market and bond markets).

Objectives and policy

Crédit Agricole CIB's primary objective in managing liquidity is to always be able to cope with any prolonged, high-intensity liquidity crises.

The Crédit Agricole CIB Group is an integral part of the Crédit Agricole Group's liquidity risk management scope and relies on a system for managing, measuring and managing its liquidity risk based on:

- upkeep of liquidity reserves;
- organisation of refinancing (short-term refinancing limits, distribution over time of the long-term refinancing maturities, diversification of refinancing sources); and
- balanced development of balance sheet assets and liabilities.

A set of limits, indicators and procedures has been established to ensure that this system works correctly. This internal approach incorporates compliance with all local regulations on liquidity.

Risk management

At Crédit Agricole CIB, responsibility for liquidity risk management is shared by a number of departments:

- the Financial and Strategic Steering Department manages liquidity risk (framing liquidity needs, anticipating regulatory changes, formalising the financing plan, etc.);
- the Execution Management Department carries out market transactions in accordance with the instructions of the Financial and Strategic Steering Department and the Financing Plan approved by the Scarce Resources Committee;
- the Risk Department is responsible for validating the system and monitoring compliance with rules and limits.

GOVERNANCE

The Crédit Agricole CIB Group's Scarce Resources Committee defines and monitors the asset and liability management policy. Together with the Executive Management Committee, it constitutes the executive governance body and defines all operational limits applicable to Crédit Agricole CIB. It is a decision-making body, particularly in relation to the monitoring of MLT fund-raising and short/long-term limits.

The Liquidity Risk Committee oversees the implementation of Group standards for monitoring liquidity risk at operational level. It defines limits for liquidity risk indicators specific to Crédit Agricole CIB, monitors breaches of limits and alert thresholds and, where applicable, approves breach management proposals. It also serves as the Liquidity Emergency Plan Committee in the event of a crisis. Internal methods are validated by a technical commitee.

OPERATIONAL STEERING

The Financial and Strategic Steering Department manages scarce liquidity resources within a framework subject to regulations, Group standards and the established budget trajectory. Liquidity risk management is part of the risk appetite level approved by Crédit Agricole CIB's Board of Directors. This department is responsible for managing and monitoring liquidity risk, anticipating regulatory changes and, where applicable, related hedging requirements, planning issuance programmes and invoicing liquidity to the business lines that use it.

The Execution Management Department is responsible for the operational management of liquidity refinancing.

The Treasury Department is responsible for overall day-to-day management of the Crédit Agricole CIB Group's short-term refinancing activities and for coordinating issue spreads and managing the Treasury Department's liquid asset portfolio. Within each cost centre, the local Treasurer is responsible for managing funding activities within allocated limits. They report to Crédit Agricole CIB's Treasurer and the local Asset-Liability Management Committee. They are also responsible for complying with local regulatory constraints applicable to short-term liquidity.

Operational management of medium- and long-term funding is delegated to ALM Execution, in charge of monitoring the long-term liquidity raised by the Bank's market desks and issuance programmes and for checking the consistency of issue prices.

◆ Refinancing conditions

In addition to conventional sources of short-term liquidity (sight and term deposits for Corporate and Private Banking clients), Crédit Agricole CIB implements an active policy of diversifying its sources of financing, by maintaining diversified access to these markets via multiple-format issuance programmes (Commercial Paper/ Certificate of Deposit) and aimed at various geographic areas (New York, London, Tokyo, Australia, Hong Kong, etc.).

Crédit Agricole CIB's long-term liquidity resources are mainly derived from interbank borrowing and debt issues that take various forms.

Crédit Agricole CIB makes use of its Euro Medium Term Notes (EMTN) programmes: at 31 December 2022, the amounts issued under long-term EMTN programmes totalled around €29.9 billion.

Barring exceptions, issues under these programmes for the purposes of Crédit Agricole CIB's international and domestic clients are referred to as "structured", meaning that the coupon paid and/or the amount redeemed at maturity includes a component indexed to one or more market indices (equity, interest rates, foreign exchange or commodities). Similarly, certain issues are referred to as credit-linked notes, meaning that repayment is reduced in the event of default by a third party contractually defined at the time of issue.

Crédit Agricole CIB also still holds covered bonds issued by Crédit Agricole S.A. and backed by Crédit Agricole CIB's export credit loans.

MAINTAINING A WELL-BALANCED BALANCE SHEET

In 2022, Crédit Agricole CIB continued to strengthen its balance sheet structure, with balance sheet strength resulting in surplus stable funding over long-term assets of +81.1 billion euros at 31 December 2022.

◆ System

Crédit Agricole CIB's liquidity management and control system is structured around several risk indicators, the definition and control of which are covered by standards approved by the governance bodies of Crédit Agricole CIB and Crédit Agricole Group:

- short-term indicators comprising mainly stress scenario simulations (all currencies and the dollar) the aim of which is to regulate liquidity risk based on the tolerance levels defined by the Group. Short-term debt allows the maximum net amount of short-term market financing to be controlled. This system is supplemented by measurement of static gaps and oversight of diversification indicators;
- medium to long-term indicators used to manage the shift to a one-year maturity for all currencies as well as the major currencies; the concentration of MLT refinancing maturities, the purpose of which is to allow for renewal at maturity without undue market solicitation;
- balance sheet structure indicators, including the Stable Funding Position, defined as the surplus of stable sources over long-term assets, which is used to protect business lines against reliance on money market refinancing.

The system incorporates the following regulatory indicators:

- the purpose of the Liquidity Coverage Ratio (LCR) is to ensure that banks have sufficient reserves of high-quality liquid assets (HQLAs) to cover net cash outflows in the event of a 30-day liquidity crisis. It is governed by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018, amending Delegated Regulation (EU) 2015/61 supplementing Regulation (EU) No. 575/2013 of the European Parliament and of the Council. This ratio must be at least 100%. It averaged 124.1% in 2022;
- Additional Liquidity Monitoring Metrics (ALMMs) attached to the LCR;
- the Net Stable Funding Ratio (NSFR) is a balance sheet structure ratio that measures the balance between the stability of funding sources and stable funding requirements. The definition of the NSFR assigns a weighting to each balance sheet item that reflects its potential to have a maturity of more than one year. The final text of the NSFR, which was included in the CRR2 banking package, was adopted by the European Parliament on 14 May 2019. The NSFR came into force on 28 June 2021. Crédit Agricole CIB complies with the NSFR requirement, with a ratio of 115% at 31 December 2022.

Liquidity risk associated with securitisation activities is monitored by the responsible business lines and also centrally by the Market Risk Department and the Asset-Liability Management (ALM) Departments. The impact of these activities is incorporated in the Internal Liquidity Model indicators, including stress scenarios, liquidity ratios and liquidity gaps.

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2.5.2.4 GLOBAL INTEREST RATE AND FOREIGN EXCHANGE RISK HEDGING

In managing its financial risks, Crédit Agricole CIB uses instruments (interest rate swaps and forex transactions) for which a hedging relationship is established based on the business model adopted.

Note 3.5 to the Group's consolidated financial statements presents the market values and notional amounts of hedging derivatives.

◆ Fair value hedges

The aim of a fair value hedge is to protect the intrinsic value of fixed-rate financial assets and liabilities that are sensitive to changes in interest rates, by hedging them with instruments that are also at fixed rates. Where the hedge uses derivatives (swaps), the derivatives are described as fair value hedge derivatives.

Hedges carried out by Asset-Liability Management cover outstanding non-interest-bearing Wealth Management customer deposits, which are analysed as fixed-rate financial liabilities.

◆ Cash flow hedges

The second objective is to protect net interest income so that interest flows generated on variable-rate assets financed by fixed-rate liabilities (in particular, working capital) are not affected by the future setting of interest rates over these items.

When the required neutralisation is carried out using derivatives (swaps), they are classified as cash flow hedges.

Under IFRS 7, the amounts of future interest payments attached to balance sheet items subject to cash flow hedges are presented below, by maturity.

	Au 31.12.2022			
€ millions	≤ 1 year	> 1 year	> 5 ans	Total
Cash flow hedged (receivable)	736	2,111	630	3,476
Cash flow hedged (payable)	0	0	0	0

IFRS DOCUMENTATION OF FAIR VALUE AND CASH FLOW HEDGES

The hedging relationships in relation to macro-hedges managed by the Asset and Liability Management Department are documented from the outset and verified quarterly by carrying out forward-looking and back-looking tests.

To that end, hedged items are classified by maturity, using the characteristics of contracts or, for items without contractual maturities (such as demand deposits), run-off models based on each product's behaviour. The comparison between this maturity schedule and that of the derivative instrument allows the effectiveness of the hedging relationship to be assessed.

◆ Hedges of a net investment in a foreign operation

The instruments used to manage structural foreign exchange risk are classified as net investment hedges. The effectiveness of these hedges is documented quarterly.

2.6. Operational risks

Operational risk is the risk of loss resulting from shortcomings in internal procedures or information systems, human error or external events that are not linked to a credit, market or liquidity risk.

Operational risks were the subject of a taxonomy established at Crédit Agricole Group level and adapted for Crédit Agricole CIB, which is presented in Chapter 8 of the present Universal Registration Document.

2.6.1 Management of operational risks

The Risk and Permanent Control/Operational Risk Management Department is responsible for supervising the system, which is overseen by Executive Management through the operational risk section of Crédit Agricole CIB's Internal Control Committee.

GOVERNANCE

Operational risk management specifically relies on a network of Operational Risk Managers (ORMs) that cover all Group subsidiaries and business lines.

The system is monitored by Internal control committees under the authority of each entity's Management. Head office control functions are invited to the meetings of these Committees.

IDENTIFICATION AND QUALITATIVE ASSESSMENT OF RISKS

In accordance with principles in force within the Crédit Agricole S.A. Group, Crédit Agricole CIB's Risk and Permanent Control Department has implemented a qualitative and quantitative system designed to identify, assess, prevent and monitor operational risk, as required by the Basel II reforms.

The Risk and Control Self-Assessment process applies to all Group entities. These risk maps allow Crédit Agricole CIB to supervise the most sensitive processes and to draw up control plans. They are updated annually.

COLLECTION OF OPERATING LOSSES AND REPORTING OF SIGNIFICANT INCIDENTS

A unified procedure for loss collection and for reporting significant incidents has been introduced for the entire scope. The data required by the internal model used to calculate the allocation of economic capital (in accordance with the advanced Basel II method) are consolidated into a single database that provides historical data for a rolling six-year period.

At 31 December 2022, two significant incidents of operational risk exceeded the tolerance threshold established by the Board of Directors (losses recognized, including past events), including one related to the settlement of a previous legal dispute.

CALCULATION AND ALLOCATION OF ECONOMIC CAPITAL

Capital requirements are calculated annually at Crédit Agricole CIB level based on historical losses and supplemented by risk scenarios.

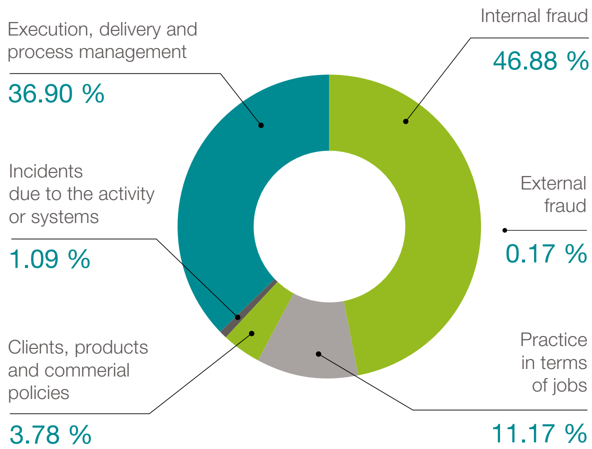
The capital requirement is calculated by applying the Crédit Agricole Group's Advanced Measurement Approach (AMA) model for the Crédit Agricole CIB scope, a model that was validated at the end of 2007 by the French Prudential Supervisory and Resolution Authority (ACPR).

PRODUCTION OF DASHBOARDS

RPC/MRO division produces a quarterly operational risk dashboard that highlights significant events and changes in the cost of these risks. These dashboards contain the main sources of risk (litigation with clients, management of processes relating to market transactions) used to determine preventive or corrective action plans.

EXPOSURES

The chart below provides a breakdown of operating losses by type at their date of detection for the 2020-2022 period.



INSURANCE AND RISK COVERAGE

Crédit Agricole CIB has broad insurance coverage for its insurable operating risks in accordance with guidelines set by its parent company, Crédit Agricole S.A., with the aim of protecting its balance sheet and income statement.

Crédit Agricole CIB is covered by all the Group policies taken out by Crédit Agricole S.A. with major insurers against high-level risks: cyber risk, fraud, all risks to values, operating losses, professional indemnity, operating liability, third-party liabilities of directors and corporate officers and property damage (buildings, IT, third-party claims for buildings most exposed to this risk).

Like all Crédit Agricole S.A. Group business line subsidiaries, Crédit Agricole CIB manages smaller risks itself. High-frequency and low intensity risks that cannot be insured on satisfactory financial terms are retained in the form of deductibles or are insured on a pooled basis within the Crédit Agricole S.A. Group by one of the Crédit Agricole Group's insurance companies.

This general framework may vary according to local regulations and the specific requirements of countries in which the Crédit Agricole CIB Group operates. This system is generally supplemented by local insurance.

2.7. Development in legal risks

The main legal and tax proceedings outstanding at Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) and its fully consolidated subsidiaries are described below.

The main legal and tax proceedings outstanding at Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) and its fully consolidated subsidiaries are also described in the chapter 6 of this Universal registration document entitled “Consolidated financial statements at 31 December 2022”.

The main ongoing legal and tax proceedings at 31 December 2022 liable to have a negative impact on the Group's assets have been covered by provisions equal to the best estimate by the Executive Management based on available information. They are referred to in Note 6.14 to the consolidated financial statements.

To date, to the best of Crédit Agricole CIB's knowledge, there are no other governmental, judicial or arbitration proceedings (including any proceedings of which the Company is aware that are pending or threatened), that may have or have had a significant effect on the financial position or profitability of the Company and/or the Group in the previous 12 months.

LITIGATION AND EXCEPTIONAL EVENTS

◆ Office of Foreign Assets Control (OFAC)

In October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US and New York authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008.

Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US and New York authorities in connection with their investigations, have agreed to pay a total penalty amount of US$787.3 million (i.e. €692.7 million). The payment of this penalty has been allocated to the pre-existing reserve that had already been taken and, therefore, has not affected the accounts for the second half of 2015.

The agreements with the Board of Governors of the US Federal Reserve (Fed) and the New York State Department of Financial Services (NYDFS) are with Crédit Agricole S.A. and Crédit Agricole CIB. The agreement with the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury is with Crédit Agricole CIB. Crédit Agricole CIB also entered into separate deferred prosecution agreements (DPAs) with the United States Attorney's Office for the District of Columbia (USAO) and the District Attorney of the County of New York (DANY), the terms of which are three years. On 19 October 2018, the two deferred prosecution agreements with USAO and DANY ended at the end of the three-year period, Crédit Agricole Corporate and Investment Bank having complied with all its obligations under the DPAs.

Crédit Agricole continues to strengthen its internal procedures and its compliance programmes regarding laws on international sanctions and will continue to cooperate fully with the US and New York authorities, with its home regulators, the European Central Bank and the French Regulatory and Resolution Supervisory Authority (ACPR), and with the other regulators across its worldwide network.

In accordance with the agreements reached with the NYDFS and the US Federal Reserve, Crédit Agricole's compliance programme is regularly reviewed to assess its effectiveness. These reviews include a review by an independent consultant appointed by the NYDFS for a term of one year and annual reviews by an independent board approved by the US Federal Reserve.

◆ Euribor/Libor and other indexes

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into: (i) the calculation of the Libor (London Interbank Offered Rates) in a number of currencies, the Euribor (Euro Interbank Offered Rate) and certain other market indexes; and (ii) transactions connected with these rates and indexes. These demands covered several periods from 2005 to 2012.

As part of its cooperation with the authorities, Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB carried out investigations in order to gather the information requested by the various authorities and in particular the American authorities – the DOJ (Department of Justice) and CFTC (Commodity Future Trading Commission) – with which they are in discussions. It is currently not possible to know the outcome of these discussions, nor the date when they will be concluded.

Furthermore, Crédit Agricole CIB is currently under investigation opened by the Attorney General of the State of Florida on both the Libor and the Euribor.

Following its investigation and an unsuccessful settlement procedure, on 21 May 2014, the European Commission sent a statement of objection to Crédit Agricole S.A. and to Crédit Agricole CIB pertaining to agreements or concerted practices for the purpose and/or effect of preventing, restricting or distorting competition in derivatives related to the Euribor.

In a decision dated 7 December 2016, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €114,654,000 for participating in a cartel in euro interest rate derivatives. Crédit Agricole S.A. and Crédit Agricole CIB are challenging the decision and have asked the European Court of Justice to overturn it. The hearing before the European Court of Justice was held on 17 March 2022 and the date of the judgement is not known at the present time.

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 Korea Fair Trade Commission (KFTC) decided to close the investigation launched in September 2015 into Crédit Agricole CIB and the Libor index on various currencies, Euribor and TIBOR indices. The investigation into certain foreign exchange derivatives (ABS-NDF) was 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 in the other ("Lieberman" for Libor); the "Lieberman" class action has now been closed, as the plaintiffs have decided to discontinue the proceedings. Concerning the "Sullivan" class action, Crédit Agricole S.A. and Crédit Agricole CIB had introduced a motion to dismiss the plaintiffs' claim, which the US District Court of New York State had upheld in first instance. On 14 June 2019, the plaintiffs had appealed the decision. While awaiting the deliberation on this appeal, the Federal Second Circuit Court of Appeal, in a different case (called Gelboim), delivered a ruling on 31 December 2021 that modified its jurisprudence concerning the personal competence of US jurisdictions with regard to foreign defendants. In order to avoid any possible negative impacts arising from this reversal of jurisprudence concerning the appeal being heard, Crédit Agricole S.A. and Crédit Agricole CIB had negotiated an agreement with the plaintiffs intended to bring the proceedings to a definitive conclusion, providing for the payment of US$55 million to the plaintiffs, which was made in 2022. This agreement, which does not include any admission of guilt on the part of Crédit Agricole S.A. and Crédit Agricole CIB, was approved by the New York court on 15 November 2022, a decision which has not been appealed. In accordance with the standard cooperation commitments made in this type of agreement, a request for the disclosure of documents (confirmatory discovery) could still be made by the plaintiffs in 2023 to Crédit Agricole S.A. and Crédit Agricole CIB, should they need such documents in the context of discussions with other parties that have not yet settled.

Since 1 July 2016, Crédit Agricole S.A. and Crédit Agricole CIB, together with other banks, are also party to a new class action suit in the United States ("Frontpoint") relating to the SIBOR (Singapore Interbank Offered Rate) and SOR (Singapore Swap Offer Rate) indexes. After having granted a first motion to dismiss filed by Crédit Agricole S.A. and Crédit Agricole CIB, the New York Federal District Court, ruling on a new motion 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 and SOR indexes were also rejected by the Court, therefore the SIBOR/Singapore dollar index alone is still taken into account. On 26 December 2018, the plaintiffs filed a new complaint aimed at reintroducing into the scope of the Frontpoint case the alleged manipulations of the SIBOR and SOR indexes that affected the transactions in US dollars. Crédit Agricole CIB, alongside the other defendants, objected to this new complaint at the hearing held on 2 May 2019 before the New York Federal District Court. On 26 July

2019, the Federal Court granted the defendants' motion to dismiss. The plaintiffs filed a notice of appeal on 26 August 2019.

On 17 March 2021, a panel of three judges of the Federal Second Circuit Court of Appeal allowed the plaintiffs' appeal, consequently considering the new complaint admissible and referring the case to the New York Federal District Court for continuation of the proceedings. The defendants, including Crédit Agricole CIB, asked the Federal Court of Appeal, sitting in plenary session, to reconsider this decision. This request was rejected by the Court of Appeal on 6 May 2021. Another appeal was filed on 12 May 2021 by the defendants with a view to obtaining the suspension of this return of the case before the first instance court, but this was dismissed on 24 May 2021. On 1 October 2021, the defendants filed an appeal before the US Supreme Court, which decided on 10 January 2022 not to hear the case. A new motion, currently under consideration, was filed by the defendants before the Federal Court with the aim of putting an end to this action.

On 27 May 2022, all 13 defendants signed a transactional agreement with the plaintiffs in order to bring this action to a definitive end. This agreement provides for the payment to the plaintiffs of a one-off sum with a specific sum attributed to each of the plaintiffs. As a result, Crédit Agricole CIB will pay US$7.3 million (8.03% of the total amount). This agreement, which does not include any admission of guilt on the part of Crédit Agricole CIB, was approved by the New York court on 29 November 2022, a decision which has not been appealed.

◆ Bonds SSA

Several regulators requested information to Crédit Agricole S.A. and to Crédit Agricole CIB for investigations relating to 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.

In a decision dated 28 April 2021, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €3,993,000 for participating in a cartel on the secondary market for SSA bonds denominated in US dollars. On 7 July 2021, Crédit Agricole S.A. and Crédit Agricole CIB appealed against this decision before the European Court of Justice.

Crédit Agricole CIB was included with other banks in a putative consolidated class action before the United States District Court for the Southern District of New York. That action was dismissed on 29 August 2018 on the basis that the plaintiffs failed to allege an injury sufficient to give them standing. However, the plaintiffs were given an opportunity to attempt to remedy that defect. The plaintiffs filed an amended complaint on 7 November 2018. Crédit Agricole CIB as well as the other defendants filed motions to dismiss the amended complaint. An order issued on 30 September 2019 dismissed the class action against Crédit Agricole CIB for lack of jurisdiction and, in a subsequent ruling, the Court held that the plaintiffs had in any event failed to establish a violation of US antitrust law. In June 2020, the plaintiffs appealed against these two decisions. On 19 July 2021, the Second Circuit Court of Appeal confirmed the court's position that the plaintiffs had not succeeded in establishing a violation of US antitrust law. The time limit given to the plaintiffs for contesting this decision before the US Supreme Court expired on 2 December 2021 without the plaintiffs having taken any action in this regard. The plaintiffs then requested authorisation to introduce a motion aiming to annul the judgement of the court of first instance, on the grounds that the judge of this court had not revealed a conflict of interest at the start of the proceedings. The case was allocated to a new judge with a view to examining this application, and said new judge ordered the Parties to submit their observations on this issue. On 3 October 2022, this judge, District Judge Valerie Caproni, issued an opinion and denied the plaintiffs' motion to overturn the judgement, instructing the clerk to close the case. The plaintiffs did not appeal this decision of Judge Caproni.

On 7 February 2019, a second class action was filed against Crédit Agricole CIB and the other defendants named in the class action already pending before the United States District Court for the Southern District of New York. In July 2020, the plaintiffs voluntarily discontinued the action but the claim could be revived.

On 11 July 2018, Crédit Agricole S.A. and Crédit Agricole CIB were notified with other banks of a class action filed in Canada before the Ontario Superior Court of Justice. Another 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. Crédit Agricole S.A. and Crédit Agricole CIB have reached an agreement in principle to end the proceedings before the Federal Court. The definitive agreement still has to be negotiated, signed and approved by the Court.

◆ O'Sullivan and Tavera

On 9 November 2017, a group of individuals (or their families or estates), who claimed to have been injured or killed in attacks in Iraq, filed a complaint ("O'Sullivan I") against several banks, including Crédit Agricole S.A., and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB), in US District Court for the District of New York.

On 29 December 2018, the same group of individuals, together with 57 new plaintiffs, filed a separate action ("O'Sullivan II") against the same defendants.

On 21 December 2018, a different group of individuals filed a complaint ("Tavera") against the same defendants.

All three complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants conspired with Iran and its agents to violate US sanctions and engage in transactions with Iranian entities in violation of the US Anti-Terrorism Act and the Justice Against Sponsors of Terrorism Act. Specifically, the complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants processed US dollar transactions on behalf of Iran and Iranian entities in violation of sanctions administered by the US Treasury Department's Office of Foreign Assets Control, which allegedly enabled Iran to fund terrorist organisations that, as is alleged, attacked plaintiffs. The plaintiffs are seeking an unspecified amount of compensatory damages.

On 2 March 2018, Crédit Agricole CIB and other defendants filed a motion to dismiss the O'Sullivan I complaint. On 28 March 2019, the Court granted defendants' motion to dismiss. On 22 April 2019, plaintiffs filed a motion to amend their complaint. On 20 May 2019, defendants filed an opposition to plaintiffs' motion, and plaintiffs filed a reply brief on 10 June 2019. On 25 February 2020 the plaintiffs' motion to amend their complaint was denied and their original complaint dismissed with prejudice.

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On 28 May 2020, the plaintiffs filed a motion requesting that the court enter a final judgement against defendants to allow an appeal. On 11 June 2020, the defendants filed an opposition to plaintiffs' motion, and plaintiffs filed a reply brief on 18 June 2020. On 29 June 2021, the Court dismissed the plaintiffs' motion.

On 28 July 2021, the Court ordered a stay of proceedings in the "O'Sullivan I" case pending a decision in the appeal in progress in a case Freeman versus HSBC Holdings, PLC, No. 19-3970 (2d. Cir.). (The "O'Sullivan II" and "Tavera" cases had previously been suspended pending the outcome of this appeal). On 20 January 2023, the Court extended the stay of the "O'Sullivan I" and "O'Sullivan II" proceedings pending a decision by the US Supreme Court on Twitter, Inc. v. Tamneh, et al. on the application of the US Anti-Terrorism Act to social media companies. In the "Tavera" case, the parties must decide on a possible extension of the stay of proceedings before 3 February 2023.

◆ Intercontinental Exchange, Inc. ("ICE")

On 15 January 2019 a class action ("Putnam bank") was filed 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 was filed by plaintiffs who claimed to have invested in financial instruments indexed to the USD ICE Libor. They accused the banks of having collusively set this index 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 before 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 30 November 2020, during briefing of the appeal, Plaintiffs' lawyers informed Defendants that all of the named Plaintiffs wished to withdraw from the case and, on 1 December 2020, Plaintiffs' counsel filed the motion to stay the appeal, which Defendants opposed. The court denied the motion on 7 December 2020 and Plaintiffs filed their reply brief on 15 December 2020.

On 28 December 2020, DYJ Holdings Inc. filed a motion for leave to intervene to replace the currents named plaintiffs. On 7 January 2021, Defendants filed a brief in opposition to DYJ Holdings' motion and also filed a motion to dismiss the appeal.

On 6 April 2021, the Court granted DYJ Holdings Inc's motion for leave to intervene and rejected the defendants' motion.

On 10 June 2021, the defendants filed a supplementary brief concerning questions of merit relating to the investments of DYJ Holdings Inc.

On 14 February 2022, the Second Circuit court rejected the appeal.

DYJ Holdings did not appeal against the rejection of its claim before the Supreme Court within the legal limit allowed, and the case is therefore now closed.

BINDING AGREEMENTS

Crédit Agricole Corporate and Investment Bank does not depend on any industrial, commercial or financial patent, license or contract.

2.8. Non-compliance risks

Non-compliance risk is defined as the risk of legal, administrative or disciplinary penalties, or of a material financial loss or reputational damage, arising from a failure to comply with banking or financial laws or regulations, with professional or ethical standards, or with instructions issued by the executive body in accordance with the supervisory body's guidelines.

A compliance control system, which is part of Crédit Agricole CIB Group's permanent control system, controls these risks.

PREVENTION AND CONTROL OF NON-COMPLIANCE RISKS

The Compliance division acts as the 2nd line of defence, in partnership with the business lines, to protect the Bank, its employees and its clients from non-compliance risk. The role of the Compliance function is to:

- protect Crédit Agricole CIB against any potentially harmful or unlawful external actions: prevention of fraud and corruption, prevention of money laundering, prevention of terrorist financing, embargo and asset freezing obligations, etc.;
- protect the Bank's reputation on the markets as well as its clients' interests against breaches of internal ethical rules and breaches of the professional obligations applicable to the Crédit Agricole CIB Group and its employees (insider trading, price manipulation, dissemination of false information, conflicts of interest, advisory failure, etc.) but also against internal or mixed fraud and internal corruption.

To that end, the Compliance division:

- provides relevant advice and assists its employees and executive managers by providing them with advice and training on compliance matters;
- defines and organises the compliance control setup (governance setup, compliance risk mapping, governance texts, monitoring and controlling setup both for the Head Office and for entities within Crédit Agricole CIB's consolidated scope of supervision);
- performs or assigns the necessary ex-ante or ex-post controls, depending on the activities and in particular monitors the transactions carried out by the Bank on its own account or on behalf of its clients;
- organizes, in conjunction with the Risk and Permanent Control Division, the reporting of any compliance incidents and ensures the rapid implementation of necessary corrective action, in coordination with the Risk and Permanent Control division and the Internal Audit division;
- manages relations with regulatory and market supervision authorities, in conjunction with the Risk and Permanent Control division and the Internal Audit division;

- produces the necessary reports on the quality of the system and the level of the compliance risks for Crédit Agricole S.A.'s Executive Management, Board of Directors and Compliance division, as well as to the French and foreign authorities and regulators.

Crédit Agricole CIB has established a non-compliance risk control setup aimed at protecting itself against these risks. Specific operational management and monitoring resources are implemented: staff training, adoption of written internal rules, dedicated tools, permanent compliance controls, fulfilment of reporting obligations to regulatory authorities, etc.

The Compliance Management Committee oversees the setup for controlling non-compliance risks and ensures that it is appropriate and effective in guaranteeing an adequate level of security. At the same time, the Head of Compliance regularly informs Crédit Agricole CIB's governance bodies and Crédit Agricole S.A.'s Compliance division of the non-compliance risks to which the Bank is exposed.

Crédit Agricole CIB Group's Compliance division is part of the Crédit Agricole S.A. Group's compliance business line. The Crédit Agricole CIB Group's Compliance business line includes all compliance teams at the head office and local managers of the network and their teams. The following reporting and functional subordination structure is in place in order to improve the integration and guarantee the independence of this function:

- the Head of Compliance reports to the Head of Compliance of Crédit Agricole S.A. and is functionally subordinate to the Executive Management of Crédit Agricole CIB;
- Crédit Agricole CIB's Regional Compliance Officers report to the Head of Compliance of Crédit Agricole CIB;
- Crédit Agricole CIB's Local Compliance Officers report to the Regional Compliance Officer (RCO);
- the Compliance Manager of the Wealth Management business line reports to Crédit Agricole CIB's Head of Compliance and is functionally subordinate to the Chief Executive Officer of CA Indosuez.

In 2022, the Compliance business line continued and intensified its actions to strengthen its resources in terms of profiles and expertise and by adapting its processes.

Crédit Agricole CIB's Compliance organisation is centred on two complementary structures:

- at the head office, the Compliance Division is made up of four integrated pole of expertise, with a global responsibility and organised according to a Customer, Product and/or Employee focus and a cross-business function:
  - Global Markets Regulatory Compliance (GMRC), in charge of compliance issues related to regulations, laws and financial market codes. As such, GMRC defines effective policies and procedures, defines and deploys training, assesses and identifies non-compliance risks, advises business lines on compliance risks related to their activities and performs second-level controls on compliance risks; This division is organised around 3 functions (Advisory, Global Monitoring & Surveillance, Regulatory Market Projects & Reporting);
  - Investment & Corporate Banking Regulatory Compliance (ICBRC) is in charge of supervising - for the financing and investment business lines - the overall system of compliance with internal and external standards and is responsible for the compliance of these business lines/coverage within the meaning of the AMF General Regulation. ICBRC is also in charge of establishing the CIB of Crédit Agricole CIB's Conflict of Interest Management Policy and setting up a global system for identifying, preventing and managing conflicts of interest; This division is organised around 2 functions (Advisory and Conflicts Management Group);
  - Financial Security, in charge of the Bank's overall system for the identification, mapping, prevention, control and reporting of risks relating to financial crime: prevention of money laundering, prevention of terrorist financing, embargo and asset freezing obligations, as well as external corruption. Financial Security processes and controls alerts in relation to financial security at the head office and also intervenes as a last resort in high-risk situations (embargoes); It is organised around 3 functions (Set-up, Advisory & Surveillance, Transformation & Change Management);
  - Ethics Advisory Group (EAG), in charge of predominantly ethics-related issues. EAG is organised around 5 functions:
    - Data Protection, in charge of managing non-compliance risks related to data processing;
    - Anti-Fraud & Corruption, responsible for the prevention and detection of corruption and fraud risks at the Bank;
    - Coordination of Compliance Training and Culture, in charge of coordinating Compliance training topics, in conjunction with Human Resources and promoting compliance culture within the Bank;
    - Tax Transparency, in charge of governance and coordination of subjects related to FATCA, AEOI, QI and QDD regulations;
    - Sustainable Finance, in charge of compliance with regulations related to environmental, social and governance issues and risks. This function was created in 2022.
  - this system is supplemented by a Corporate Secretary's Office. This office coordinates cross-business matters involving the Compliance function and is organised around four functions:
    - Governance, in charge of cross-business issues;
    - Innovation & Projects, in charge of digital transformation and oversight of Compliance cross-business projects;
    - The Compliance Control Unit, which handles supervision, coordination and reporting related to the compliance control and KYC quality control system and performs second-level controls;
    - An Operational Risk Manager.
  - Since 2022, the OFAC & CPL Specific Transversal Projects team has been in charge of steering the OFAC remediation programme as well as specific cross-business projects.
- a geographical setup covering four regions (Americas, Asia-Pacific, Middle East and United Kingdom) guaranteeing compliance by each entity with the Bank's global compliance rules, as well as laws, regulations and local professional standards, under the responsibility of the RCOs (Regional Compliance Officers) and LCOs (Local Compliance Officers);

The Compliance function's main governance body is the Compliance Management Committee, which includes Crédit Agricole CIB's Legal (LGL), Finance and Procurement (FIN), Permanent Control and Risks (RPC) and Periodic Control (IGE) functions and, since 2020, the heads of the Business Line/Coverage division. It is chaired by the Deputy Chief Executive Officer of Crédit Agricole CIB in charge of compliance. The Compliance Division of Crédit Agricole S.A. is also a permanent member of this committee.

In 2022, the Crédit Agricole CIB Compliance Division continued to provide support and advice to the Bank's Executive Management and business lines.

The Compliance Division has also launched various projects and initiatives to continue improving its structure, tools and processes and to increase its resources.

Against this backdrop, the following work was carried out in 2022:

- recognition of regulatory changes with the continuation of the projects undertaken, in particular concerning the Swap Dealer regulation, application of MiFID II ESG and transactional regulatory reports;
- the implementation of global projects to strengthen the non-compliance risk management system (in addition to purely local initiatives) with:
  - actions relating to governance texts on KYC and improvement of KYC, as well as oversight of transactions and the AML alert processing system;
  - strengthening of the market abuse monitoring framework, including the implementation of new tools and models;
  - an increased allocation of resources of the Compliance teams to manage the Russia/Ukraine crisis with the objective of analysing, in real time, the impacts of the new sanctions programmes on the Bank's activities, meeting the multiple requests related to this new situation and immediately identifying any Bank customers liable to be affected by these new sanctions, directly or through contamination;
  - close attention is paid to the implementation of asset/account freezing or blocking, in accordance with the new sanctions programmes and confirmations received from the French Treasury Department.
- development of new artificial intelligence tools and solutions to respond in an innovative way to the compliance needs and challenges of the business lines and support functions;

The Compliance Department of Crédit Agricole Indosuez (CAI), which is responsible for overseeing and coordinating the Private Bank entities, is structured into four separate divisions (Regulatory Compliance, Financial Security, Anti-Fraud & Corruption, Steering and Governance), thus reinforcing the key role Compliance plays in the governance of the Business Line. These four divisions report to the Head of Compliance for Private Banking.

3. BASEL III PILLAR 3 DISCLOSURES

3.1 Composition and management of capital

Under the Basel 3 agreements, (EU) Regulation No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (Capital Requirements Regulation), as amended by CRR No. 2019/876 (referred to as "CRR 2"), requires supervised financial institutions (mainly credit institutions and investment firms) to disclose quantitative and qualitative information on their risk management activities. Crédit Agricole CIB Group's risk management system and exposure levels are described in this section and in the "Risk Management" section of this 2022 Universal Registration Document.

The Basel 3 agreements are structured around three pillars:

- **Pillar 1** determines the minimum capital adequacy requirements and ratio levels in accordance with current regulatory framework;
- **Pillar 2** supplements the regulatory approach with the quantification of a capital requirement covering the major risks to which the Bank is exposed, based on the methodologies specific to it (see "Internal view of capital adequacy" section);
- **Pillar 3** introduces new standards for financial disclosures to the market. The latter must detail the components of regulatory capital the assessment of risks, both with regard to the regulations applied and the activity during the period.

Crédit Agricole CIB has opted to disclose its Pillar 3 information in a separate section from the Risk Factors and Risk Management section in order to isolate the information that is required to be disclosed under the regulations.

In accordance with the provisions set out by the CRR 2 Regulation, Crédit Agricole CIB publishes the qualitative and quantitative information required for a large listed institution, included in the consolidation scope of the Crédit Agricole S.A. Group and the Crédit Agricole Group.

Solvency management is primarily aimed at assessing capital and ensuring it is sufficient to cover the risks to which Crédit Agricole CIB is or may be exposed in light of its activities. The objective is to secure customer deposits and give the Group access to the financial markets under the sought-after conditions.

To that end, the Crédit Agricole CIB group measures regulatory capital requirements (Pillar 1) and manages regulatory capital by relying on short- and medium-term forward-looking measures, consistent with budget projections, based on a central economic scenario.

In addition, the Group employs an internal process called ICAAP (Internal Capital Adequacy and Assessment Process), developed in accordance with the interpretation of the regulatory texts specified below. The ICAAP includes in particular:

- governance of capital management, tailored to the specific features of Group subsidiaries and enabling centralised and coordinated oversight at Group level;
- measurement of economic capital requirements, based on the risk identification process and a quantification of capital requirements using an internal approach (Pillar 2);
- performance of ICAAP stress tests, aimed at simulating capital destruction after three years of an adverse economic scenario;
- economic capital management (see "Internal view of capital adequacy" section);
- a qualitative ICAAP that formalises the major areas for risk management improvement.

The ICAAP is highly integrated with the Group's other strategic processes such as the ILAAP (Internal Liquidity Adequacy and Assessment Process), risk appetite, the budget process, the recovery plan and risk identification.

Lastly, solvency and leverage ratios are an integral part of the risk appetite system applied within the Group (described in the chapter entitled "Risk factors and risk management") in this 2022 Universal Registration Document.

3.1.1 Applicable regulatory framework

The Basel 3 agreements have tightened up the regulatory framework by enhancing the quality and level of regulatory capital required and by adding recognition of new risk categories to the regulatory framework. In addition, a specific regulatory framework, which provide for an alternative to bank default, was introduced following the 2008 financial crisis.

The texts on prudential requirements for credit institutions and investment firms were published in the Official Journal of the European Union on 26 June 2013. They include Directive 2013/36/EU (Capital Requirements Directive, aka CRD 4) and Regulation 575/2013 (Capital Requirements Regulation, aka CRR) and came into force on 1 January 2014, in accordance with the transitional provisions provided for in the texts.

Directive 2014/59/EU (Bank Recovery and Resolution Directive) was published on 12 June 2014 in the Official Journal of the European Union and has been applicable in France since 1 January 2016. The European Single Resolution Mechanism Regulation (SRMR, Regulation 806/2014) was published on 15 July 2014 and entered into force on 19 August 2016, in accordance with the transitional provisions provided for in the texts.

On 7 June 2019, four legislative texts constituting the banking package were published in the Official Journal of the European Union:

- CRR 2: Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013;
- SRMR 2: Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 806/2014;
- CRD 5: Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU;
- BRRD 2: Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU.

SRMR 2 and CRR 2 entered into force 20 days after they were published, i.e. on 27 June 2019 (although not all provisions were immediately applicable). The CRD 5 and BRRD 2 directives were transposed into French law on 21 December 2020 by Orders 2020-

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1635 and 2020-1636, respectively, and came into force seven days after they were published, on 28 December 2020.

Regulation 2020/873 (known as the "CRR Quick Fix") was published on 26 June 2020 and came into force on 27 June 2020, amending Regulations 575/2013 (CRR) and 2019/876 (CRR2).

Under CRR 2/CRD 5, four levels of capital requirements are calculated:

- the Common Equity Tier 1 (CET1) capital ratio;
- the Tier 1 (T1) capital ratio;
- the total capital ratio;
- the leverage ratio, subject to a Pillar 1 regulatory requirement since 28 June 2021.

The calculation of these ratios is phased-in in order to gradually manage:

- the transition between Basel 2 and Basel 3 calculation rules (the transitional provisions were applied to all capital until 1 January 2018 and apply to hybrid debt instruments until 1 January 2022);
- the eligibility criteria defined by CRR 2 (until 28 June 2025 for capital instruments);
- the impacts of the application of IFRS 9.

3.1.2 Supervision and prudential scope

Credit institutions and certain approved investment activities referred to in Annex 1 to Directive 2004/39/EC are subject to solvency, resolution and large exposure ratios on an individual and, where applicable, "sub-group" basis.

The French Regulatory Control and Resolution Authority (ACPR) has accepted that certain subsidiaries of the Group may benefit from an individual exemption or, where applicable, on a consolidated basis under the conditions set out in Article 7 of the CRR Regulation. In that regard, the ACPR has provided Crédit Agricole CIB with an exemption on an individual basis.

The transition to single supervision on 4 November 2014 by the European Central Bank did not call into question the individual exemptions previously granted by the ACPR.

The detailed list of entities showing a difference in treatment between accounting scope and prudential scope is presented in the "Notes on regulatory capital" section.

3.1.3 Capital policy

At the Investor Day held on 22 June 2022, the Crédit Agricole group unveiled its financial guidance for the medium-term plan, "Ambition 2025".

Targets in terms of income and scarce resources were specified at that time.

Crédit Agricole S.A.'s subsidiaries under exclusive control and subject to compliance with capital requirements, including the Crédit Agricole CIB Group, are allocated capital at a consistent level, taking into account local regulatory requirements, the capital requirements needed to finance their development and a management buffer tailored to the volatility of their CET1 ratio.

3.1.4 Governance

The Scarce Resources Committee meets each quarter. Meetings are chaired by the Deputy Chief Executive Officer in charge of finance and are also attended by the Chief Risk Officer, the Head of Oversight the Head of Cash Management and representatives of the business lines and Crédit Agricole S.A. representatives.

The main tasks of this committee are to:

- review Crédit Agricole CIB Group's solvency, leverage ratio and resolution projections for the short and medium term;
- validate the main assumptions affecting solvency in line with the Medium-Term Plan;
- set the rules for capital management and allocation between the bank's various business lines within the Group;
- decide on liability management transactions (subordinated debt management);
- keep up to date with supervisory and regulatory developments;
- examine relevant issues relating to subsidiaries;
- prepare any decisions to be submitted to the Board of Directors' Asset-Liability Committee;
- examine any other matters impacting the solvency and resolution ratios at Group level.

Regulatory capital is managed using a process known as capital planning.

The purpose of capital planning is to provide projections of capital and consumption of scarce resources (risk-weighted assets and balance sheet size) over the horizon of the current Medium-Term Plan, with a view to establishing guidance for the solvency ratios (CET 1, Tier 1, total capital ratio), and the leverage and resolution ratios (if applicable).

It covers the budget components of the financial trajectory, including structural transaction plans, accounting and prudential regulatory changes, and the reviews of models applied to risk bases. It also reflects the issue policy (subordinated debt and TLAC/MREL-eligible debt) and distribution policy with regard to the capital structure objectives defined in line with the Group's strategy.

It determines the leeway available to the Group for the development of the business lines.

The capital planning is submitted to various governance bodies and is communicated to the competent authorities, either as part of regular information exchanges or in connection with one-off operations (such as authorisation requests).

3.1.5 Prudential capital

3.1.5.1 PRUDENTIAL CAPITAL

Basel 3 defines three levels of capital:

- Common Equity Tier 1 (CET1) capital;
- Tier 1 (T1) capital, which consists of Common Equity Tier 1 and Additional Tier 1 (AT1) capital;
- total capital, consisting of Tier 1 capital and Tier 2 (T2) capital.

All tables and comments below include retained earnings for the period.

Common Equity Tier 1 (CET1) capital

This comprises:

- capital;
- reserves, including share premiums, retained earnings, income net of tax after dividend payments and accumulated other comprehensive income, including unrealised capital gains or losses on financial assets held to collect and sell and translation adjustments;
- minority interests, which are partially derecognised, or even excluded, depending on whether or not the subsidiary is an eligible credit institution; this partial derecognition corresponds

to the surplus capital relative to the level needed to cover the subsidiary's capital requirements and applies to each capital tier;
- deductions, which mainly include the following items:
  - CET1 instruments held under liquidity contracts and buyback programmes,
  - intangible assets, including start-up costs and goodwill,
  - prudent valuation, which consists in adjusting the amount of the institution's assets and liabilities if, in accounting terms, it does not reflect a valuation deemed prudent by regulations,
  - deferred tax assets (DTAs) that rely on future profits and arise from tax loss carry forwards,
  - insufficient provisions relative to expected losses for exposures managed under the internal ratings-based approach, as well as expected losses on equity exposures,
  - equity instruments held in financial sector investments of 10% or less (referred to as non-material investments), for the amount exceeding a cap of 10% of the subscriber's CET1 capital, in the proportion of CET1 instruments held out of total equity instruments held; non-deducted items are included in risk-weighted assets (variable weighting according to instrument type and Basel method),
  - deferred tax assets (DTAs) that depend on future profits related to temporary differences in the amount exceeding an individual cap of 10% of the institution's CET1 capital; non-deducted items are included in risk-weighted assets (250% risk weight),
  - CET1 instruments held in financial sector investments of more than 10% (large investments) for the amount exceeding an individual cap of 10% of the institution's CET1 capital; items not deducted are included in risk-weighted assets (250% risk weight),
  - the sum of deferred tax assets (DTAs) depending on future profits related to temporary differences and CET1 instruments held in financial sector investments of more than 10% (referred to as large investments) for the amount exceeding a set cap of 17.65% of the institution's CET1 capital, after calculating the individual caps listed above; non-deducted items are included in risk-weighted assets (250% risk weight).

Additional Tier 1 (AT1) capital

This comprises:
- eligible additional Tier 1 (AT1) capital, which consists of undated debt instruments without any redemption incentives or obligations (particularly including step-up clauses);
- direct deductions of AT1 instruments (including market-making instruments);
- deductions of equity instruments held in financial sector investments of 10% or less (referred to as non-material investments), for the amount exceeding a cap of 10% of the subscriber's CET1 capital, in the proportion of CET1 instruments held out of total equity instruments held; non-deducted items are included in risk-weighted assets (variable weighting according to instrument type and Basel method);
- deductions of AT1 instruments held in financial sector investments of more than 10% (large investments);
- other AT1 capital components or other deductions (including AT1-eligible minority interests).

AT1 instruments eligible for CRR 575/2013, as amended by CRR No. 2019/876 (CRR 2), included in the ratio are subject to a loss absorption mechanism that is triggered when the CET1 ratio is below a threshold that must be set at a minimum of 5.125%. Instruments may be converted into equity or suffer a reduction in their nominal value. Payments must be totally flexible (no automatic remuneration mechanisms and/or suspension of coupon payments at the Issuer's discretion are permitted).

AT1 instruments issued by Crédit Agricole CIB include a loss absorption mechanism that triggers when Crédit Agricole CIB's CET1 ratio is below a threshold of 5.125%.

At 31 December 2022, Crédit Agricole CIB's phased-in CET1 ratio was 11.60%. It thus serves as a capital buffer of €9.2 billion for Crédit Agricole CIB relative to the loss absorption threshold of 5.125%.

At 31 December 2022, there was no applicable restriction on the payment of coupons.

CRR 2 introduces eligibility criteria. For example, instruments issued by an institution established in the European Union subject to third-country law must include a bail-in clause in order to be eligible. These provisions apply to each category of AT1 and T2 capital instruments.

These instruments are published and detailed on the website: https://www.ca-cib.com/about-us/financial-information/regulated-information in Appendix II "Main features of capital instruments".

Tier 2 (T2) capital

This comprises:
- subordinated debt instruments with a minimum maturity of five years and for which:
  - early redemption incentives are prohibited,
  - a discount is applied during the five-year period prior to maturity;
- deductions of direct holdings of Tier 2 instruments (including market-making instruments);
- the provisions in excess of the eligible expected losses determined using the internal ratings-based approach, limited to 0.6% of IRB (internal ratings-based) risk-weighted assets;
- deductions of equity instruments held in financial sector investments of 10% or less (referred to as non-material investments), for the amount exceeding a cap of 10% of the subscriber's CET1 capital, in the proportion of T2 instruments held out of total equity instruments held; non-deducted items are included in risk-weighted assets (variable weighting according to instrument type and Basel method);
- deductions of Tier 2 instruments held in financial sector investments of more than 10% (large investments), mainly from the insurance sector;
- Tier 2 capital components or other deductions (including Tier 2-eligible minority interests).

The amount of Tier 2 instruments used in the fully-loaded ratios is equal to the Tier 2 capital instruments eligible under CRR No. 575/2013 as amended by CRR No. 2019/876 (CRR 2).

These instruments are published and detailed on the website: https://www.ca-cib.com/about-us/financial-information/regulated-information in Appendix II "Main features of capital instruments".

Transitional provisions

Less stringent transitional provisions were provided for to make it easier for credit institutions to comply with CRR 2/CRD 5, thanks to the gradual introduction of the new prudential treatments of capital components.

All these transitional provisions ended on 1 January 2018, with the exception of the provisions relating to hybrid debt instruments, which will cease to apply on 1 January 2022.

During the transition phase, the Tier 1 capital amount used in the ratios is equal to the sum of:

- Additional Tier 1 capital eligible under CRR 2 (AT1);
- Additional Tier 1 capital instruments eligible under CRR issued before 27 June 2019.

During the transition phase, the Tier 2 capital amount used in the ratios is equal to the sum of:

- CRR 2-eligible Tier 2 capital;
- Tier 2 capital instruments eligible under CRR issued before 27 June 2019.

Lastly, the "Quick Fix" regulation of 26 June 2020 has extended, to 2024, the application of the transitional provisions provided for by the CRR relating to the inclusion in solvency ratios of the impact of applying accounting standard IFRS 9. Crédit Agricole CIB did not opt to apply this provision on the first-time application of IFRS 9 in 2018. Following the publication of the Quick Fix regulation, the decision was made to opt for this provision as from the recording date of 30 June 2020.

During the transition phase (until 2024), the impacts associated with the application of IFRS 9 may be included in CET1 capital, based on a calculation consisting of several components:

- a static component serving to neutralise some of the impact of the first-time application of IFRS 9. In 2022, neutralisation was carried out based on a rate of 25%;
- a dynamic component, serving to neutralise some of the net increase in provisions recorded between 1 January 2018 and 1 January 2020 on performing loans (compartments 1 and 2 of IFRS 9). In 2022, neutralisation was carried out based on a rate of 25%;
- A second dynamic component, serving to neutralise some of the net increase in provisions recorded between 1 January 2020 and the reporting date on performing loans (compartments 1 and 2 of IFRS 9). In 2022, neutralisation was carried out based on a rate of 75%.

3.1.5.2 POSITION AS OF 31 DECEMBER 2022

▶ Simplified regulatory capital

€ million	31.12.2022 Phased in	31.12.2022 Fully loaded	31.12.2021 Phased in	31.12.2021 Fully loaded
Equity Group share (carrying amount) [1]	**28,255**	**28,255**	**26,400**	**26,400**
(-) Expected dividend	(344)	(344)	(553)	(553)
(-) AT1 instruments accounted as equity	(9,989)	(9,989)	(7,909)	(7,909)
Equity Group share	**17,923**	**17,923**	**17,939**	**17,939**
(-) Increases in the value of equity resulting from securitised assets	(319)	(319)	(289)	(289)
Cash flow hedging reserve	1,866	1,866	(109)	(109)
Cumulative gains and losses due to changes in the credit risk for the liabilities assessed at fair value	(305)	(305)	274	274
Profits and losses in fair value arising from the institution's own credit risk related to derivative instruments in the liability	(33)	(33)	(19)	(19)
(-) Prudent valuation	(975)	(975)	(772)	(772)
Prudential filters	**234**	**234**	**(915)**	**(915)**
Goodwill	(1,086)	(1,086)	(1,063)	(1,063)
Intangible assets	(324)	(324)	(304)	(304)
(-) Deductions of goodwill and other intangible assets	**(1,410)**	**(1,410)**	**(1,367)**	**(1,367)**
Deferred tax assets dependent on future profitability and not arising from temporary differences [1]	(2)	(2)	(12)	(12)
Insufficiency of credit risk adjustments relative to expected losses using the internal rating approach deducted CET1	(7)	(7)	(7)	(7)
Deductible period overrun	0	0	0	0
Other CET1 components	(295)	(547)	(48)	(263)
Total CET1	**16,443**	**16,192**	**15,590**	**15,375**
AT1 instruments	9,989	9,989	8,378	7,909
Other AT1 components	141	141	40	40
TOTAL TIER 1	**26,573**	**26,321**	**24,008**	**23,324**
Tier 2 instruments	4,039	4,039	3,511	3,458
Other Tier 2 components	492	492	473	473
TOTAL CAPITAL	**31,104**	**30,852**	**27,991**	**27,255**
TOTAL EXPOSURE AMOUNT TO RISK (RWA)	**141,699**	**141,696**	**133,515**	**133,508**
Ratio CET1	**11.60%**	**11.43%**	**11.68%**	**11.52%**
Ratio Tier 1	**18.75%**	**18.58%**	**17.98%**	**17.47%**
Ratio Total capital	**21.95%**	**21.77%**	**20.96%**	**20.41%**

[1] *Information covered by the auditors' opinion.*

For the sake of clarity, the complete table on the composition of capital (EU CC1) is presented in Pillar 3 available on the website: Regulated information | Crédit Agricole CIB (ca-cib.com)

◆ Change over the period

Fully-loaded Common Equity Tier 1 (CET1) capital amounted to €16.2 billion at 31 December 2022, representing an increase compared to end-2021 (+€0.8 billion).

The changes are detailed below by ratio category:

- capital instruments and reserves amounted to €17.4 billion, down -€0.3 billion compared to end-2021, mainly due to the deduction of irrevocable payment commitments re-established in 2022.
- prudential filters were down (positive impact of +€1.1 billion) compared to end-2021;
- deductions for goodwill and other intangible assets amounted to -€1.4 billion, stable over 2022 (negative impact of -€0.04 billion).

Phased-in Common Equity Tier 1 (CET1) amounted to €16.4 billion at 31 December 2022, i.e. a difference of +€0.3 billion compared to fully-loaded Common Equity Tier 1 (CET1) capital. This difference is entirely due to a measure under the "Quick Fix" Regulation of 26 June 2020, referred to in the paragraph on transitional provisions, which extended the possibility of incorporating the impacts of the application of IFRS 9 in solvency ratios to 2024. During this transitional phase, the impacts related to the application of IFRS 9 may thus be included in CET1 capital, which the CACIB Group has opted to do.

Fully-loaded Tier 1 (T1) capital totalled €26.3 billion, an increase of +3.0 billion versus 31 December 2021, corresponding to the increase in Additional Tier 1 capital (+€2.1 billion) due to multiple issues of additional capital instruments carried out in March 2022 (+€0.95 billion), June 2022 (€0.15 billion), September 2022 (€0.43 billion) and December (€1.15 billion, o/w €0.6 billion replacing the redemption of an issue for the same amount);

Phased-in Tier 1 (T1) capital stood at €26.6 billion, up +€2.6 billion compared to 31 December 2021, with an increase in Additional Tier 1 capital of +€1.7 billion;

At €4.5 billion, **fully-loaded Tier 2 capital** was up +€0.6 billion compared with 31 December 2021. due in large part to issues carried out in 2022 (€0.35 billion in March, €0.15 billion in June, €0.06 billion in September and €0.9 billion in December).

Phased-in Tier 2 (T2) capital amounted to €4.5 billion, up +€0.5 billion compared to 31 December 2021.

Fully-loaded total capital amounted to €30.9 billion, up +€3.6 billion compared with 31 December 2021.

Overall, phased-in total capital amounted to €31.1 billion, up +€3.1 billion versus 31 December 2021.

3.1.6 Capital adequacy

Capital adequacy from a regulatory perspective concerns solvency ratios, the leverage ratio and resolution ratios. Each of these ratios reports an amount of prudential capital and/or instruments eligible for exposure to risk, leverage or balance sheet size. The definitions and calculations of these exposures are described in the section 3.2 "Composition and changes in risk-weighted assets" section. The regulatory view is supplemented by the internal view of capital adequacy, which concerns the coverage of economic capital requirements by internal capital.

3.1.6.1 SOLVENCY RATIOS

The purpose of solvency ratios is to verify the adequacy of the various capital compartments (CET1, Tier 1 and total capital) to risk-weighted assets arising from credit, market and operational risks. These risks are calculated either using the standardized approach or the internal approach (see section 3.2 "Composition and changes in risk-weighted assets" section).

Prudential requirements

Pillar 1 requirements are governed by Regulation (the CRR). The regulator also sets minimum requirements within the framework of Pillar 2 on a discretionary basis.

The overall capital requirement is as follows:

SREP capital requirement	31.12.2022	31.12.2021
Pillar 1 minimum CET1 requirement	4.50%	4.50%
CET1 additional Pillar 2 requirement (P2R)	0.84%	0.84%
Combined buffer requirement	2.63%	2.54%
CET1 requirement	**7.98%**	**7.88%**
Pillar 1 minimum AT1 requirement	1.50%	1.50%
AT1 component of P2R	0.28%	0.28%
Pillar 1 minimum Tier 2 requirement	2.00%	2.00%
Tier 2 component of P2R	0.38%	0.38%
Overall capital requirement	**12.13%**	**12.04%**

Crédit Agricole CIB must comply with a minimum CET1 ratio of 7.98%. This level includes Pillar 1, Pillar 2 (P2R) capital requirements, supplemented by total capital buffer requirements (based on the decisions known to date).

Minimum Pillar 1 requirements

Pillar 1 capital requirements include a minimum CET1 capital ratio of 4.5%, a minimum Tier 1 capital ratio of 6% and a minimum total capital ratio of 8%.

Minimum Pillar 2 requirements

The Crédit Agricole CIB Group is notified annually by the European Central Bank (ECB) of the minimum capital requirements following the publication of the results of the Supervisory Review and Evaluation Process (SREP).

- a Pillar 2 Requirement (P2R) of 1.5%, which applies to all the capital tiers and automatically leads to capital distribution restrictions (coupons of additional Tier 1 capital instruments, dividends, variable remuneration) in the event of non-compliance; this requirement is therefore public. 75% of P2R can be covered by Tier 1 capital, at least 75% of which must be CET1 capital;
- a Pillar 2 Guidance (P2G) that is not public and must be fully comprised of Common Equity Tier 1 (CET1) capital.

Combined buffer requirements and distribution restriction threshold

Regulations have provided for the establishment of capital buffers, to be fully covered by Common Equity Tier 1 capital and subject to the following overall requirements:

Combined buffer requirement	31.12.2022	31.12.2021
Phased-in capital conservation buffer	2.5%	2.50%
Phased-in systemic buffer	0.00%	0.00%
Countercyclical buffer	0.13%	0.04%
Combined buffer requirement	**2.63%**	**2.54%**

More specifically:

- the conservation buffer (2.5% of risk-weighted assets in 2022); which aims to absorb losses in a situation of intense economic stress;
- the countercyclical buffer (rate in principle set in a range of 0% to 2.5%), which aims to combat excessive credit growth. The rate is set by the competent authorities of each State (the *Haut Conseil de Stabilité Financière* - HCSF- in France) and the buffer at institution level being an average weighted by the exposures at default (EAD) of the buffers defined for each country where the institution has operations; where the rate of a countercyclical buffer is calculated for a country of operation, the effective date is no more than 12 months after the date of publication, except in exceptional circumstances;
- the systemic risk buffer (generally between 0% and 3%, and up to 5% with the approval of the European Commission, and higher in exceptional cases) aims to prevent or mitigate the non-cyclical aspect of the risk. It is set by the competent authorities of each State (the HCSF in France) and depends on the structural characteristics of the banking sector, in particular its size, degree of concentration and contribution to the funding of the economy.
- systemically important bank buffers (0% to 3% generally, up to 5% with the approval of the European Commission, and higher in exceptional cases); for Global Systemically Important Institutions (G-SIIs, between 0% and 3.5%) or for other systemically important institutions (O-SIIs, between 0% and 2%). These buffers are not cumulative and, generally speaking, with some exceptions, the highest buffer applies. Only the Crédit Agricole Group is a G-SII and has had a buffer of 1% since 1 January 2019. The Crédit Agricole CIB Group is not

subject to such requirements. When an institution is subject to a systemically important institution buffer (G-SII or O-SII) and a systemic risk buffer, both buffers are cumulative.

To date, countercyclical buffers have been activated in 12 countries by the competent national authorities.

Given Crédit Agricole CIB's exposures in these countries, Crédit Agricole CIB's countercyclical buffer was 0.13% at 31 December 2022.

▶ Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (EU CCYB1)

	31.12.2022												
€ million	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
Breakdown by country:	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Australia	6	5,072	-	-	-	5,078	69	-	-	69	862	0.95%	0.00%
Belgium	4	3,350	-	-	21	3,374	56	-	1	57	707	0.78%	0.00%
Bulgaria	-	0	-	-	-	0	0	-	-	0	0	0.00%	1.00%
Croatia	-	1	-	-	-	1	0	-	-	0	0	0.00%	0.00%
Czech Republic	-	132	-	-	-	132	6	-	-	6	77	0.09%	1.50%
Danemark	-	1,026	-	-	70	1,095	19	-	1	20	245	0.27%	2.00%
Estonia	-	27	-	-	-	27	0	-	-	0	2	0.00%	1.00%
France	2,815	43,584	164	1,839	26,070	74,472	1,181	160	354	1,695	21,191	23.44%	0.00%
Germany	36	11,245	-	-	2,905	14,186	211	-	31	242	3,019	3.34%	0.00%
Hong Kong	110	5,591	-	-	179	5,880	97	-	3	100	1,252	1.39%	1.00%
Iceland	-	-	-	-	-	-	-	-	-	-	-	0.00%	2.00%
Ireland	8	4,943	-	-	81	5,032	72	-	1	73	907	1.00%	0.00%
Lithuania	-	-	-	-	22	22	-	-	1	1	13	0.01%	0.00%
Luxembourg	88	15,632	-	-	5,001	20,721	372	-	1	373	4,657	5.15%	0.50%
Netherlands	85	7,630	-	-	1,113	8,829	255	-	15	269	3,366	3.72%	0.00%
Norway	-	1,948	-	-	104	2,052	40	-	1	41	515	0.57%	2.00%
Romania	-	35	-	-	-	35	2	-	-	2	24	0.03%	0.50%
Slovakia	-	3	-	-	-	3	0	-	-	0	2	0.00%	1.00%
Sweden	38	2,056	-	-	46	2,141	75	-	0	75	941	1.04%	1.00%
United-kingdom	80	17,322	-	-	3,027	20,428	428	-	42	471	5,885	6.51%	1.00%
Other countries *	4,025	112,948	-	-	27,583	144,556	3,385	-	354	3,739	46,732	51.70%	0.00%
Total	**7,295**	**232,544**	**164**	**1,839**	**66,222**	**308,064**	**6,267**	**160**	**804**	**7,232**	**90,399**	**100%**	**0.13%**

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

▶ Amount of institution-specific countercyclical capital buffer (EU CCYB2)

€ million		31.12.2022	31.12.2021
1	Total risk exposure amount	141,699	133,515
2	Institution specific countercyclical capital buffer rate	0.13%	0.04%
3	**Institution specific countercyclical capital buffer requirement**	**189**	**52**

The transposition of Basel regulations into European law (CRD) introduced a distribution restriction mechanism that applies to dividends, AT1 instruments and variable remuneration. The principle behind the Maximum Distributable Amount (MDA), i.e. the maximum amount that a bank is authorised to allocate to distributions, is intended to restrict distributions if they would result in a breach of the combined buffer requirement.

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

	CET1 SREP requirement	Tier 1 SREP requirement	Overall capital SREP requirement
Pillar 1 minimum requirement	4.50%	6.00%	8.00%
Pillar 2 requirement (P2R)	0.84%	1.13%	1.50%
Conservation buffer	2.50%	2.50%	2.50%
Systemic risk buffer	0.00%	0.00%	0.00%
Countercyclical buffer	0.13%	0.13%	0.13%
SREP requirement (a)	**7.98%**	**9.76%**	**12.13%**
31.12.2022 Phased-in solvency ratios (b)	**11.60%**	**18.75%**	**21.95%**
Distance to SREP requirement (b-a)	362 bp	899 bp	982 bp
Distance to MDA trigger threshold	**362 bp (5 Bn€)**		

At 31 December 2022, the Crédit Agricole CIB Group had a buffer of 362 basis points above the MDA trigger point, i.e. approximately €5.1 billion in CET1 capital.

◆ Position as of 31 December 2022

	31.12.2022		31.12.2021	
€ million	Phased-in	Requirements	Phased-in	Requirements
CET 1 ratio	11.60%	7.98%	11.68%	7.88%
TIER 1 ratio	18.75%	9.76%	17.98%	9.66%
Total capital ratio	21.95%	12.13%	20.96%	12.04%

The applicable minimum requirements are fully observed; Crédit Agricole CIB's phased-in CET1 ratio was 11.60% at 31 December 2022.

◆ Change in CET1 over 2022

The CET1 ratio fell by 0.08 percentage points in 2022. This deterioration was mainly due to the increase in risk-weighted assets (-0.94 percentage point), offset by the increase in capital resulting from the share of income for the year retained in reserves (+0.65 percentage point).

◆ Impact of the application of IFRS 9 transitional provisions

The transitional provisions of IFRS 9 were applied for the first time in accordance with the closing of 30 June 2021.

▶ Quantitative model (EBA/GL/2020/12)

Comparison of capital and leverage/capital ratios of institutions with and without the application of transitional provisions relating to IFRS 9 or analogous ECLs (IFRS 9-FL).

€ million		31.12.2022	31.12.2021
Available capital (amounts)			
1	Common Equity Tier 1 (CET1) capital	16,443	15,590
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	16,192	15,375
3	Tier 1 capital	26,573	24,008
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	26,321	23,793
5	Total capital	31,104	27,991
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	30,852	27,776
Risk-weighted assets (amounts)			
7	Total risk-weighted assets	141,699	133,515
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	141,696	133,508
Capital ratios			
9	Common Equity Tier 1 (as a percentage of risk exposure amount)	11.60%	11.68%
10	Common Equity Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	11.43%	11.52%
11	Tier 1 (as a percentage of risk exposure amount)	18.75%	17.98%
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	18.58%	17.82%
13	Total capital (as a percentage of risk exposure amount)	21.95%	20.96%
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	21.77%	20.80%
Leverage ratio			
15	Leverage ratio total exposure measure	681,299	593,757
16	Leverage ratio	3.90%	4.04%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	3.86%	4.01%

Crédit Agricole CIB does not apply the temporary treatment described in Article 468 of CRR No. 2019/876 and was not impacted by any change in this provision during the period. Crédit Agricole CIB's capital and leverage/capital ratios already reflect the total impact of unrealised gains and losses measured at fair value through other comprehensive income.

3.1.6.2 LEVERAGE RATIO

Regulatory framework

The leverage ratio is calculated to help preserve financial stability by providing a safety net in addition to the risk-based capital requirements and by limiting the accumulation of excessive leverage during economic upturns. It was defined by the Basel Committee in connection with the Basel III agreements and transposed into European law through Article 429 of the CRR, amended by Delegated Regulation 62/2015 of 10 October 2014, and published in the Official Journal of the European Union on 18 January 2015.

The leverage ratio is defined as the Tier 1 capital divided by the leverage exposure, i.e. asset and off-balance sheet items after certain restatements for derivatives, transactions between Group affiliates, securities financing transactions, items deducted from the numerator and off-balance sheet items.

Since the publication of the European CRR 2 regulation in the Official Journal of the European Union on 7 June 2019, the leverage ratio has been subject to a minimum Pillar 1 requirement of 3%, applicable as from 28 June 2021.

Under CRR2, certain Central Bank exposures may be excluded from total leverage ratio exposure when justified by exceptional macroeconomic circumstances. Where this exemption is applied, institutions must meet an adjusted leverage ratio requirement of more than 3%. On 18 June 2021, the European Central Bank announced that credit institutions under its supervision could apply this exclusion given the existence of exceptional circumstances since 31 December 2019; this measure was applicable until 31 March 2022 inclusive. Crédit Agricole CIB applied this provision and was thus required to meet a leverage ratio requirement of 3.06% during this period.

Since 1 January 2015, it has been mandatory to disclose the leverage ratio at least once a year: institutions can choose to disclose a fully-loaded ratio or a phased-in ratio. If an institution decides to change its choice of disclosure option, when it discloses the new ratio for the first time, it must reconcile the data for all of the ratios previously disclosed with the data for the new ratio chosen.

Crédit Agricole CIB has chosen to publish the leverage ratio in a phased-in format.

Position as of 31 December 2022

Publication of qualitative information on the leverage ratio (EU LRA)

Crédit Agricole CIB's leverage ratio stands at 3.90% on a phased-in Tier 1 basis.

The leverage ratio was up +0.33 percentage points in the second half of 2022.

The leverage ratio is not sensitive to risk factors and, as such, it is viewed as a measurement that supplements the system of solvency management and liquidity management already limiting the size of the balance sheet. For the purposes of managing excessive leverage, constraints are set on leverage in certain activities considered volatility yet limited consumers of risk-weighted assets.

Leverage ratio – common disclosure (EU LR2)

€ million		31.12.2022	30.06.2022
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	438,252	412,924
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	3,604	5,163
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(32,009)	(30,673)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(966)	(1,554)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**408,881**	**385,860**
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	30,592	30,131
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	51,233	53,875
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	15,008	14,769
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(4,803)	(4,909)
13	**Total derivatives exposures**	**92,030**	**93,866**
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	250,248	353,205
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(127,389)	(231,654)
16	Counterparty credit risk exposure for SFT assets	9,788	10,737
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	**Total securities financing transaction exposures**	**132,647**	**132,288**
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	251,062	250,520
20	(Adjustments for conversion to credit equivalent amounts)	(109,656)	(120,011)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	**Off-balance sheet exposures**	**141,407**	**130,509**
Excluded exposures			
EU-22a	(Exposures excluded from the total exposure measure under Article 429a(1)(c) of CRR)	(80,789)	(34,805)
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-

€ million		31.12.2022	30.06.2022
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	(12,876)	(13,515)
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	**(Total exempted exposures)**	**(93,665)**	**(48,320)**
Capital and total exposure measure			
23	**Tier 1 capital**	**26,573**	**24,791**
24	**Total exposure measure**	**681,299**	**694,203**
Leverage ratio			
25	**Leverage ratio (%)**	**3.90%**	**3.57%**
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	3.90%	3.57%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	3.90%	3.57%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)		0.00%
EU-26b	of which: to be made up of CET1 capital	0.00%	0.00%
27	Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Transitional	Transitional
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	141,516	156,893
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	122,859	121,551
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	699,957	729,545
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	699,957	729,545
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	3.80%	3.40%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	3.80%	3.40%

▶ Summary reconciliation of accounting assets and leverage ratio exposures (EU LR1)

€ million		31.12.2022
1	Total assets as per published financial statements	728,202
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(8,884)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustment for derivative financial instruments	(392,553)
9	Adjustment for securities financing transactions (SFTs)	(117,601)
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	141,419
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	(80,789)
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	411,506
13	**Total exposure measure**	**681,299**

▶ Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) (EU LR3)

€ million		31.12.2022
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	355,606
EU-2	Trading book exposures	33,526
EU-3	Banking book exposures, of which:	322,080
EU-4	Covered bonds	-
EU-5	Exposures treated as sovereigns	111,162
EU-6	Exposures to regional governments, multilateral development banks, international organisations and public sector entities, not treated as sovereigns	3,716
EU-7	Institutions	31,061
EU-8	Secured by mortgages of immovable properties	362
EU-9	Retail exposures	15,737
EU-10	Corporates	135,485
EU-11	Exposures in default	4,971
EU-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	19,586

3.1.6.3 INTERNAL VIEW OF CAPITAL ADEQUACY

In the interest of assessing and maintaining capital adequacy at all times in order to cover the risks to which it is (or may be) exposed, Crédit Agricole CIB supplements the regulatory view of its capital adequacy system with an internal view of capital adequacy. Accordingly, the measurement of regulatory capital requirement (Pillar 1) is expanded with a measurement of economic capital requirement (Pillar 2), which is based on the risk identification process and an assessment using an internal approach. The economic capital requirement must be covered by internal capital, i.e. the internal view of available capital defined by Crédit Agricole Group.

The assessment of economic capital requirement is one of the components of the ICAAP (Internal Capital Adequacy Assessment Process), which also covers the stress test programme in order to introduce a forward-looking view of the impact of more adverse scenarios on Crédit Agricole CIB's risk level and solvency.

The oversight and management of capital adequacy from an internal perspective are developed in accordance with the interpretation of the main regulatory texts:

- the Basel agreements;
- CRD 5 via its transposition into French regulations by the Order of 21 December 2020;
- the European Banking Authority guidelines;
- the regulatory requirements for the ICAAP and ILAAP and the harmonised collection of associated information.

◆ ICAAP information (EU OVC)

The following items meet the disclosure requirements of Article 438 (points a and c) of CRR2.

Crédit Agricole Group has implemented a system for measuring economic capital requirement at the level of the Crédit Agricole Group, Crédit Agricole S.A. and the Group's main French and foreign entities.

The process for the identification of major risks aims, initially, to record, as comprehensively as is possible, all the risks that may impact the balance sheet, income statement, regulatory ratios or

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the reputation of a particular entity or of the Group and to classify them into categories and sub-categories, using the same terms as those used for the whole of Crédit Agricole Group. Secondly, the objective is to assess the importance of these risks systematically and comprehensively in order to identify the major risks.

The risk identification process involves multiple sources: an internal analysis based on information collected from the Risk function and other control functions, supplemented by an analysis based on external data. It is formalised for each entity and for Crédit Agricole Group, coordinated by the Risk function and approved by the Board of Directors.

For each of the major risks identified, the economic capital requirement is quantified as follows:

- the risk measures already addressed by Pillar 1 are reviewed and, where applicable, supplemented by economic capital adjustments based on internal approaches;
- the economic capital requirements in relation to risks that are not addressed by Pillar 1 are specifically calculated, based on internal approaches.

The consistency of all methodologies used to measure economic capital requirement is ensured by specific governance within Crédit Agricole Group.

The measurement of economic capital requirement is supplemented by a projection for the current year, in line with *capital planning* forecasts at that date, in order to incorporate the impact of changes in activity on the risk profile.

The list of major risks is updated and approved annually. The main risk groups are:

- credit risks;
- financial risks, including in particular market risks and interest rate and foreign exchange risks in the banking book;
- operational risks; and
- other risks, including activity risk and climate and environmental risks.

At 31 December 2022, the economic capital requirements relating to risks subject to quantification at Crédit Agricole CIB level are covered by internal capital.

Crédit Agricole S.A. entities subject to the measurement of economic capital requirement within their scope are responsible for its deployment in accordance with the standards and methodologies defined by the Group. In particular, they must ensure that the system for measuring economic capital requirement is subject to appropriate organisation and governance. The economic capital requirement determined by the entities is reported in detail to Crédit Agricole S.A.

In addition to the quantitative aspect, the Group's approach also has a qualitative component that supplements the measurement of economic capital requirement with indicators on the exposure to risk and the permanent controls carried out by business lines. The qualitative component has three objectives:

- to assess the risk management and control system of the entities in the scope of deployment in various areas;
- if necessary, to identify and formalise areas in which the risk management and permanent control system may be improved;
- to identify any items that have not been correctly analysed by the quantitative ICAAP measurements.

3.1.7 Note on regulatory capital

▶ Differences in the treatment of equity investments between the accounting and prudential scopes

Type of investment	Accounting treatment	Fully loaded Basel III regulatory capital treatment
Subsidiaries with a financial activity	Fully consolidated	Fully consolidated, generating capital requirements for the subsidiary's operations.
Jointly held subsidiaries with a financial activity	Equity method	Proportionate consolidation.
Subsidiaries with an insurance activity	Fully consolidated	CET1 instruments held in more than 10%-owned entities are deducted from CET1 capital, above the exemption limit of 17.65% of CET1 capital. This exemption, which is applied after determining the 10% threshold, is combined with the non-deducted share of deferred tax assets that rely on future profitability arising from temporary differences.
		AT1 and T2 instruments are deducted from AT1 capital and T2 capital, respectively.
Investments > 10% with a financial activity by type	Equity method Investments in credit institutions	The equity-accounted amount of investments in more than 10%-owned entities is deducted from CET1 capital, above the exemption limit of 17.65% of CET1 capital. This exemption, which is applied after determining the 10% threshold, is combined with the non-deducted share of deferred tax assets that rely on future profitability arising from temporary differences.
		AT1 and T2 instruments are deducted from AT1 capital and T2 capital, respectively.
Investments < 10% or less with a financial or insurance activity	Available-for-sale equity investments and securities	CET1, AT1 and T2 instruments held in less than 10%-owned entities are deducted from CET1 capital, above the exemption limit of 10% of CET1 capital.
ABCP securitisation vehicles	Full consolidation	The equity-accounted amount and commitments on these entities are risk-weighted (liquidity facilities and letters of credit).

▶ Outline of the differences in the scopes of consolidation (LI3: entity by entity) (1)

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation			Description of the entity
		Full consolidation	Proportional consolidation	Equity method	
UBAF	Equity-method		X		FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
CAIRS Assurance S.A.	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Insurance
Atlantic Asset Securitization LLC	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
LMA SA	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Héphaïstos Multidevises FCT	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Eucalyptus FCT	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Pacific USD FCT	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Pacific EUR FCC	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Pacific IT FCT	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
Triple P FCC	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
La Fayette Asset Securitization LLC	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
La Route Avance	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
FCT CFN DIH	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds
L&E Services	Overall			X	FINANCIAL AND INSURANCE ACTIVITIES - Financial services activities, excluding insurance and pension funds

(1) The scope of consolidation is fully described in Note 12 to the consolidated financial statements.

3.2 Composition and changes in risk-weighted assets

3.2.1 Overview of risk-weighted assets

The overall solvency ratio, as presented in the prudential ratio table, is equal to the ratio of the total capital to the sum of the credit, market and operational risk-weighted exposures.

The capital requirements set out below by type of risk, method and exposure class (for credit risk) are equal to 8% (regulatory minimum) of the weighted exposures (average risk weight equivalent) presented in the prudential ratio table.

3.2.1.1 OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS (OV1)

Credit, market and operational risk-weighted assets amounted to €141.7 billion at 31 December 2022, compared with €133.5 billion at 31 December 2021.

		Risk weighted exposure amounts			Total own funds requirements
€ million		31.12.2022	30.09.2022	31.12.2021	31.12.2022
1	**Credit risk (excluding CCR)**	**77,990**	**84,240**	**74,134**	**6,239**
2	Of which the standardised approach	8,122	8,818	7,161	650
3	Of which the Foundation IRB (F-IRB) approach	1,750	1,549	1,761	140
4	Of which slotting approach	-	-	-	0
EU 4a	Of which equities under the simple risk weighted approach	1,093	1,179	1,155	87
5	Of which the Advanced IRB (A-IRB) approach	66,432	72,051	63,467	5,315
6	**Counterparty credit risk - CCR**	**19,740**	**26,184**	**18,242**	**1,579**
7	Of which the standardised approach [1]	878	1,647	954	70
8	Of which internal model method (IMM)	11,895	15,848	10,175	952
EU 8a	Of which exposures to a CCP	349	374	341	28
EU 8b	Of which credit valuation adjustment - CVA	4,364	5,046	3,951	349
9	Of which other CCR	2,253	3,271	2,822	180
15	**Settlement risk**	**91**	**105**	**15**	**7**
16	**Securitisation exposures in the non-trading book (after the cap)**	**9,995**	**10,749**	**9,862**	**800**
17	Of which SEC-IRBA approach	3,409	3,451	3,180	273
18	Of which SEC-ERBA (including IAA)	5,622	6,082	5,508	450
19	Of which SEC-SA approach	965	1,216	1,174	77
EU 19a	Of which 1250%	-	-	-	0
20	**Position, foreign exchange and commodities risks (Market risk)**	**11,726**	**12,099**	**9,104**	**938**
21	Of which the standardised approach	452	570	1,694	36
22	Of which internal models approach	11,274	11,529	7,409	902
EU 22a	**Large exposures**	**-**	-	**-**	**0**
23	**Operational risk**	**22,156**	**22,051**	**22,159**	**1,773**
EU 23a	Of which basic indicator approach	**-**	-	-	0
EU 23b	Of which standardised approach	**594**	574	530	48
EU 23c	Of which advanced measurement approach	**21,562**	21,477	21,629	1,725
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	**1,256**	1,401	1,434	100
29	**TOTAL**	**141,699**	**155,428**	**133,515**	**11,336**

[1] Following the implementation of the of regulation (UE) n°2019/876 (CRR2) since June 30, 2021, exposure to derivatives previously modelled using the CEM method are now assessed using the SA-CCR standard approach.

3.2.1.2 CHANGES IN RISK-WEIGHTED ASSETS

The table below shows the changes in Crédit Agricole CIB Group's risk-weighted assets in 2022.

€ million	31.12.2021	Foreign exchange	Volume variation	Impacts portfolio	Impacts of models and regulation changes	Total change 2022	31.12.2022
Credit and counterparty risk	102,238	2,451	1,033	(298)	2,301	5,487	107,725
Of which CVA	3,951	-	413	-	-	413	4,364
Market risk	9,118	-	2,936	-	(237)	2,699	11,817
Operational risk	22,159	-	(3)	-	-	(3)	22,156
Total	**133,515**	**2,451**	**3,967**	**(298)**	**2,064**	**8,184**	**141,699**

Risk-weighted assets stood at €141.7 billion, up +€8.2 billion in 2022.

This change can mainly be attributed to:

- the exchange rate impacts for +€2.5 billion, mainly due to the appreciation of USD against EUR;
- the +€5.7 billion change at constant rates attributable mainly to:
  - an increase in credit and counterparty risk excluding CVA (+€1.0 billion);
  - regulatory and model effects for +€2.1 billion mainly in the third quarter of 2022, with the combined effects of the Banks TRIM and the implementation of the new LGD Corporate Unsecured model;
  - portfolio rating effects on the credit risk (-€0.3 billion euros) including the downgrading impacts of Russian counterparties, offset by positive impacts on the rest of the portfolio;
  - an increase in market risks (+€2.9 billion) linked to the volatility of VAR and SVAR indicators.

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3.2.2 Credit and counterparty risks

Definitions:

- probability of default (PD): the probability that a counterparty will default within a period of one year;
- loss given default (LGD): the ratio between the loss incurred upon counterparty default and the amount of the exposure at the time of default;
- gross exposures: the amount of exposure (on and off-balance sheet) before the use of credit risk mitigation techniques and before the use of the credit conversion factor (CCF);
- exposures given default (EGD): the amount of exposure (on and off-balance sheet) after the use of credit risk mitigation techniques and after the use of the credit conversion factor (CCF);
- credit conversion factor (CCF): ratio reflecting, at the time of default, the percentage of the outstanding not drawn down one year before the default;
- risk-weighted assets (RWA): exposure at default (EAD) after application of a weighting coefficient;
- valuation adjustments: impairment losses on a specific asset due to credit risk, recognised either through a partial write-down or a deduction from the carrying amount of the asset;
- external credit ratings: credit ratings established by an external credit rating agency recognised by the ECB.

In Section I, a general view of the change in credit and counterparty risk is presented followed by a more detailed point on the credit risk in Section II, by type of prudential method: in standard type of method and in IRB method. The counterparty risk is treated in Section III followed by Section IV devoted to credit and counterparty risk mitigation mechanisms.

3.2.2.1 GENERAL PRESENTATION OF CREDIT AND COUNTERPARTY RISK

▶ Exposure by type of risk

The table below shows the Crédit Agricole CIB Group's exposure to overall risk (credit, counterparty, dilution and settlement/delivery) by exposure class, under the standardised approach and the IRB approach at 31 December 2022 and 31 December 2021.

The 16 exposure classes under the standardised approach are combined to ensure a consistent presentation with IRB exposures.

▶ Gross exposure and exposure at default (EAD) to overall risk (credit, counterparty, dilution and settlement/delivery) at 31 December 2022

	31.12.2022												
	Standardised				IRB				Total				
€ million	Gross exposure [1]	Gross exposure after CRM [2]	EAD	RWA	Gross exposure [1]	Gross exposure after CRM [2]	EAD	RWA	Gross exposure [1]	Gross exposure after CRM [2]	EAD	RWA	Capital requirement
Central governments or central banks	1,142	1,143	1,109	889	130,815	150,354	146,660	1,995	131,957	151,498	147,769	2,884	231
Institutions	11,600	32,495	32,231	930	103,093	111,255	105,790	11,039	114,692	143,750	138,021	11,968	957
Corporates	24,517	3,531	2,760	2,679	311,023	257,211	216,637	69,378	335,540	260,743	219,397	72,056	5,764
Retail customers	311	245	245	184	15,579	15,612	15,612	645	15,890	15,857	15,857	828	66
Loans to individuals	311	245	245	184	14,174	14,207	14,207	586	14,485	14,453	14,453	770	62
o/w secured by real estate assets	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w revolving	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w other	311	245	245	184	14,174	14,207	14,207	586	14,485	14,453	14,453	770	62
Loans to small and medium businesses	0	-	-	-	1,404	1,404	1,404	59	1,405	1,404	1,404	59	5
o/w secured by real estate assets	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w other	0	-	-	-	1,404	1,404	1,404	59,	1,405	1,404	1,404	59	5
Shares	109	109	109	110	580	580	526	1,669	689	689	635	1,779	142
Securitisations	5,631	4,971	4,971	965	55,484	55,461	55,461	9,031	61,116	60,432	60,432	9,995	800
Assets other than credit obligation	4,181	4,181	4,181	3,679	17	17	17	17	4,198	4,198	4,197	3,696	296
TOTAL	**47,492**	**46,676**	**45,606**	**9,435**	**616,590**	**590,490**	**540,702**	**93,772**	**664,082**	**637,166**	**586,308**	**103,207**	**8,257**

[1] *Initial gross exposure.*
[2] *Gross exposure after credit risk mitigation (CRM).*

	31.12.2021												
	Standardised				IRB				Total				
€ million	Gross exposure [1]	Gross exposure after CRM [2]	EAD	RWA	Gross exposure [1]	Gross exposure after CRM [2]	EAD	RWA	Gross exposure [1]	Gross exposure after CRM [2]	EAD	RWA	Capital requirement
Central governments or central banks	1,254	1,274	1,224	1,009	108,608	120,404	118,045	1,268	109,862	121,678	119,268	2,277	182
Institutions	11,062	30,152	29,897	818	86,907	101,125	91,447	7,164	97,969	131,277	121,344	7,982	639
Corporates	22,363	3,209	2,431	2,298	296,126	254,504	206,765	69,874	318,489	257,712	209,196	72,172	5,774
Retail customers	303	246	246	185	15,091	15,091	15,091	558	15,394	15,337	15,337	743	59
Loans to individuals	303	246	246	185	14,930	14,930	14,930	547	15,233	15,177	15,177	731	59
o/w secured by real estate assets	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w revolving	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w other	303	246	246	185	14,930	14,930	14,930	547	15,233	15,177	15,177	731	59
Loans to small and medium businesses	-	-	-	-	161	161	161	11	161	161	161	11	1
o/w secured by real estate assets	-	-	-	-	-	-	-	-	-	-	-	-	-
o/w other	-	-	-	-	161	161	161	11	161	161	161	11	1
Shares	255	-	255	256	641	-	541	1,728	896	-	796	1,984	159
Securitisations	6,153	4,859	4,859	1,174	49,149	49,126	49,126	8,687	55,302	53,985	53,985	9,862	789
Assets other than credit obligation	3,296	-	3,296	3,100	17	-	17	17	3,313	-	3,313	3,117	249
TOTAL	**44,686**	**39,739**	**42,207**	**8,840**	**556,540**	**540,250**	**481,032**	**89,296**	**601,225**	**579,989**	**523,239**	**98,136**	**7,970**

[1] *Initial gross exposure.*
[2] *Gross exposure after credit risk mitigation (CRM).*

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▶ Credit quality of forborne exposures (CQ1)

		31.12.2022							
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
			Non-performing Forborne						
€ million		Per-forming Forborne		Of which defaulted	of which impaired	On performing Forborne exposures	On non-performing Forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
005	**Cash balances at central banks and other demand deposits**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
010	**Loans and advances**	**1,586**	**2,179**	**2,178**	**2,178**	**(100)**	**(751)**	**1,720**	**864**
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	15	3	3	3	(1)	(3)	-	-
040	*Credit institutions*		46	46	46	-	(26)	-	-
050	*Other financial corporations*	-	-	-	-	-	-	-	-
060	*Non-financial corporations*	1,570	2,128	2,128	2,128	(99)	(721)	1,719	864
070	*Households*	2	2	1	1	-	-	2	-
080	**Debt securities**	**-**	**4**	**4**	**-**	**-**	**-**		**-**
090	**Loan commitments given**	**213**	**34**	**34**	**34**	**(11)**	**(9)**	**107**	**5**
100	**TOTAL**	**1,799**	**2,217**	**2,216**	**2,212**	**(112)**	**(760)**	**1,828**	**869**

		31.12.2021							
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
			Non-performing Forborne						
€ million		Per-forming Forborne		Of which defaulted	of which impaired	On performing Forborne exposures	On non-performing Forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
005	**Cash balances at central banks and other demand deposits**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
010	**Loans and advances**	**1,919**	**2,340**	**2,340**	**2,340**	**(142)**	**(789)**	**2,173**	**1,207**
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	15	3	3	3	(1)	(3)	-	-
040	Credit institutions	-	46	45	45	-	(26)	-	-
050	Other financial corporations	-	18	18	18	-	(16)	-	-
060	Non-financial corporations	1,894	2,271	2,271	2,271	(141)	(744)	2,163	1,205
070	Households	10	3	3	3	-	-	10	2
080	**Debt securities**	**-**	**4**	**4**	**-**	**-**	**-**	**-**	**-**
090	**Loan commitments given**	**150**	**54**	**54**	**54**	**(3)**	**(20)**	**100**	**26**
100	**TOTAL**	**2,070**	**2,399**	**2,398**	**2,394**	**(144)**	**(810)**	**2,273**	**1,233**

▶ Credit quality of performing and non-performing exposures by past due days (CQ3)

	31.12.2022											
	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
€ million	Total	Not past due or past due ≤ 30 days	Past due >30 days ≤ 90 days	Total	Unlikely to pay that are not past-due or past-due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 year ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which de-faulted
Cash balances at central banks and other demand deposits	**85,268**	**85,268**	**-**	**17**	**-**	**-**	**-**	**-**	**17**	**-**	**-**	**17**
Loans and advances	**232,617**	**231,792**	**825**	**5,339**	**2,122**	**203**	**915**	**134**	**685**	**119**	**1,161**	**5,339**
Central banks	1,118	1,118	-	-	-	-	-	-	-	-	-	
General governments	8,984	8,984	-	148	-	-	111	-	12		24	148
Credit institutions	54,375	54,375	-	477	41	-	1	-	-	-	434	477
Other financial corporations	5,247	5,234	14	317	24	-	-	-	-	-	292	317
Non-financial corporations	151,376	150,565	811	4,259	1,982	190	799	132	639	112	405	4,259
Of which SMEs	541	541	-	9	6	-	-	-	-	-	3	9
Households	11,516	11,516	-	139	74	13	3	2	34	7	6	139
Debt Securities	**34,825**	**34,805**	**20**	**30**	**4**	**-**	**-**	**-**	**-**	**-**	**26**	**30**
Central banks	4,298	4,298	-	-	-	-	-	-	-	-	-	-
General governments	19,543	19,543	-	-	-	-	-	-	-	-	-	-
Credit institutions	4,749	4,749	-	1	-	-	-	-	-	-	1	1
Other financial corporations	3,284	3,264	20		-	-	-	-	-	-	-	-
Non-financial corporations	2,952	2,952	-	29	4	-	-	-	-	-	25	29
Off-balance sheet exposures	**320,844**	**-**	**-**	**679**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**679**
Central banks	4,669	-	-	-	-	-	-	-	-	-	-	-
General governments	17,843	-	-	-	-	-	-	-	-	-	-	-
Credit institutions	46,326	-	-	1	-	-	-	-	-	-	-	1
Other financial corporations	80,845	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	168,733	-	-	678	-	-	-	-	-	-	-	678
Households	2,427	-	-	-	-	-	-	-	-	-	-	
TOTAL	**673,554**	**351,865**	**845**	**6,066**	**2,126**	**203**	**915**	**134**	**702**	**119**	**1,188**	**6,066**

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	31.12.2021											
	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
€ million	Total	Not past due or past due ≤ 30 days	Past due >30 days ≤ 90 days	Total	Unlikely to pay that are not past-due or past-due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 year ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
Cash balances at central banks and other demand deposits	**69,102**	**69,102**	**-**	**16**	**-**	**-**	**-**	**-**	**16**	**-**	**-**	**16**
Loans and advances	**204,979**	**204,395**	**583**	**4,271**	**1,786**	**189**	**4**	**736**	**352**	**419**	**785**	**4,271**
Central banks	333	333	-	-	-	-	-	-	-	-	-	-
General governments	8,409	8,409	-	47	-	-	-	-	24	-	23	47
Credit institutions	39,746	39,746	-	415	1	-	-	-	-	296	118	415
Other financial corporations	10,581	10,246	335	348	22	-	-	-	-	18	308	348
Non-financial corporations	133,232	132,983	249	3,394	1,746	188	3	727	300	99	330	3,394
Of which SMEs	767	767	-	7	6	-	-	-	-	-	1	7
Households	12,679	12,679	-	67	17	-	2	8	28	7	5	67
Debt Securities	**33,772**	**33,759**	**13**	**31**	**4**	-	-	-	-	-	**27**	**31**
Central banks	3,095	3,095	-	-	-	-	-	-	-	-	-	-
General governments	19,668	19,668	-	-	-	-	-	-	-	-	-	-
Credit institutions	4,962	4,962	-	1	-	-	-	-	-	-	1	1
Other financial corporations	2,182	2,170	13	-	-	-	-	-	-	-	-	-
Non-financial corporations	3,864	3,864	-	30	4	-	-	-	-	-	26	30
Off-balance sheet exposures	**297,844**	-	-	**697**	-	-	-	-	-	-	-	**697**
Central banks	5,947	-	-	-	-	-	-	-	-	-	-	-
General governments	15,668	-	-	-	-	-	-	-	-	-	-	-
Credit institutions	42,926	-	-	-	-	-	-	-	-	-	-	-
Other financial corporations	58,320	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	172,606	-	-	697	-	-	-	-	-	-	-	697
Households	2,376	-	-		-	-	-	-	-	-	-	-
TOTAL	**605,696**	**307,256**	**596**	**5,015**	**1,790**	**189**	**4**	**736**	**368**	**419**	**812**	**5,015**

▶ Performing and non-performing exposures and related provisions (CR1)

	31.12.2022														
	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			Accumulated partial write-off	On performing exposures	On non-performing exposures
€ million		Of which Bucket 1	Of which Bucket 2		Of which Bucket 2	Of which Bucket 3		Of which Bucket 1	Of which Bucket 2		Of which Bucket 2	Of which Bucket 3			
Cash balances at central banks and other demand deposits	**85,268**	**85,264**	**4**	**17**	**-**	**17**	**(3)**	**(1)**	**(3)**	**(17)**	**-**	**(17)**	**-**	**46**	**-**
Loans and advances	**232,617**	**213,683**	**18,772**	**5,339**	**-**	**5,339**	**(953)**	**(215)**	**(738)**	**(2,452)**	**-**	**(2,452)**	**-**	**86,733**	**1,889**
Central banks	1,118	1,087	31	-	-	-	(15)	-	(15)	-	-	-	-	-	-
General governments	8,984	8,301	684	148	-	148	(9)	(6)	(3)	(35)	-	(35)	-	3,509	107
Credit institutions	54,375	54,317	58	477	-	477	(16)	(12)	(4)	(366)	-	(366)	-	5,587	-
Other financial corporations	5,247	5,204	43	317	-	317	(2)	(2)	-	(308)	-	(308)	-	1,920	-
Non-financial corporations	151,376	133,333	17,882	4,259	-	4,259	(910)	(194)	(716)	(1,725)	-	(1,725)	-	67,972	1,776
Of which SMEs	541	516	25	9	-	9	(2)	(1)	-	(5)	-	(5)	-	255	-
Households	11,516	11,442	74	139	-	139	(2)	(1)	(1)	(18)	-	(18)	-	7,745	6
Debt Securities	**34,825**	**34,772**	**20**	**30**	**-**	**26**	**(12)**	**(12)**	**-**	**(26)**	**-**	**(26)**	**-**	**-**	**-**
Central banks	4,298	4,298	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	19,543	19,543	-	-	-	-	(9)	(9)	-	-	-	-	-	-	-
Credit institutions	4,749	4,746	-	1	-	1	(2)	(2)	-	(1)	-	(1)	-	-	-
Other financial corporations	3,284	3,243	20	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	2,952	2,943	-	29	-	25	(1)	(1)	-	(25)	-	(25)	-	-	-
Off-balance sheet exposures	**320,844**	**310,837**	**10,006**	**679**	**-**	**679**	**(334)**	**(147)**	**(187)**	**(114)**	**-**	**(114)**	**-**	**18,517**	**67**
Central banks	4,669	4,669	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	17,843	17,048	795	-	-	-	(5)	(2)	(3)	-	-	-	-	2,380	-
Credit institutions	46,326	46,195	131	1	-	1	(12)	(12)	-	-	-	-	-	113	-
Other financial corporations	80,845	80,772	73	-	-	-	(8)	(4)	(4)	-	-	-	-	411	-
Non-financial corporations	168,733	159,744	8,990	678	-	678	(308)	(128)	(180)	(114)	-	(114)		15,614	67
Households	2,427	2,410	17	-	-	-	(1)	(1)	-	-	-	-	-	-	-
TOTAL	**673,554**	**644,557**	**28,802**	**6,066**	**-**	**6,062**	**(1,302)**	**(375)**	**(928)**	**(2,610)**	**-**	**(2,610)**	**-**	**105,296**	**1,956**

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	31.12.2021														
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
€ million		Of which Bucket 1	Of which Bucket 2		Of which Bucket 2	Of which Bucket 3		Of which Bucket 1	Of which Bucket 2		Of which Bucket 2	Of which Bucket 3			
Cash balances at central banks and other demand deposits	**69,102**	**69,102**	**-**	**16**	**-**	**16**	**-**	**-**	**-**	**(16)**	**-**	**(16)**	**-**	**20**	**-**
Loans and advances	**204,979**	**185,267**	**19,712**	**4,271**	**-**	**4,271**	**(735)**	**(210)**	**(525)**	**(2,225)**	**-**	**(2,225)**	**-**	**84,273**	**1,455**
Central banks	333	333	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	8,409	7,559	851	47	-	47	(7)	(6)	(2)	(29)	-	(29)	-	3,362	16
Credit institutions	39,746	39,711	34	415	-	415	(11)	(11)	-	(364)	-	(364)	-	212	-
Other financial corporations	10,581	10,166	415	348	-	348	(3)	(3)	(1)	(306)	-	(306)	-	6,992	-
Non-financial corporations	133,232	114,852	18,380	3,394	-	3,394	(710)	(188)	(522)	(1,496)	-	(1,496)	-	65,533	1,430
Of which SMEs	767	732	35	7	-	7	(4)	(2)	(1)	(3)	-	(3)	-	331	-
Households	12,679	12,646	33	67	-	67	(3)	(2)	-	(31)	-	(31)	-	8,174	8
Debt Securities	**33,772**	**33,635**	**49**	**31**	**-**	**27**	**(10)**	**(9)**	**(1)**	**(27)**	**-**	**(27)**	**-**	**-**	**-**
Central banks	3,095	3,095	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	19,668	19,668	-	-	-	-	(7)	(7)	-	-	-	-	-	-	-
Credit institutions	4,962	4,945	-	1	-	1	(2)	(2)	-	(1)	-	(1)	-	-	-
Other financial corporations	2,182	2,109	13	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	3,864	3,818	36	30	-	26	(1)	-	(1)	(26)	-	(26)	-	-	-
Off-balance sheet exposures	**297,844**	**287,379**	**10,465**	**697**	**-**	**697**	**(401)**	**(146)**	**(255)**	**(118)**	**-**	**(118)**	**-**	**20,344**	**115**
Central banks	5,947	5,947	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	15,668	14,797	871	-	-	-	(5)	(2)	(3)	-	-	-	-	2,417	-
Credit institutions	42,926	42,906	20	-	-	-	(10)	(10)	-	-	-	-	-	116	-
Other financial corporations	58,320	58,319	2	-	-	-	(5)	(5)	-	-	-	-	-	379	-
Non-financial corporations	172,606	163,043	9,563	697	-	697	(381)	(130)	(252)	(118)	-	(118)	-	17,432	115
Households	2,376	2,368	8	-	-	-	(1)	(1)	-	-	-	-	-	-	-
TOTAL	**605,696**	**575,382**	**30,226**	**5,015**	**-**	**5,011**	**(1,146)**	**(366)**	**(781)**	**(2,387)**	**-**	**(2,387)**	**-**	**104,637**	**1,569**

▶ Changes in the stock of non-performing loans and advances (CR2)

€ million		31.12.2022 Gross carrying account
1	**Initial stock of non-performing loans and advances (31.12.2021)**	**4,271**
2	Inflows to non-performing portfolios	1,865
3	Outflows from non-performing portfolios	(796)
4	Outflows due to write-offs	-
5	Outflow due to other situations	-
6	**Final stock of non-performing loans and advances (31.12.2022)**	**5,339**

€ million		31.12.2021 Gross carrying account
1	**Initial stock of non-performing loans and advances (31.12.2020)**	**4,599**
2	Inflows to non-performing portfolios	714
3	Outflows from non-performing portfolios	(1,042)
4	Outflows due to write-offs	-
5	Outflow due to other situations	-
6	**Final stock of non-performing loans and advances (31.12.2021)**	**4,271**

▶ Collateral obtained by taking possession and execution processes (CQ7)

		31.12.2022 Collateral obtained by taking possession		31.12.2021 Collateral obtained by taking possession	
€ million		Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	-	-	1	-
020	Other than PP&E	-	-	-	-
030	Residential immovable property	-	-	-	-
040	Commercial Immovable property	-	-	-	-
050	Movable property (auto, shipping, etc.)	-	-	-	-
060	Equity and debt instruments	-	-	-	-
070	Other	-	-	-	-
080	**TOTAL**	**-**	**-**	**1**	**-**

▶ Quality of non-performing exposures by geography (CQ4)

		31.12.2022							
		Gross carrying/nominal amount					Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative charges in fair value due to credit risk on non-performing exposures	
			of which non performing		of which : subject to impairment	Accumulated impairment			
€ million				of which : defaulted					
10	**On balance sheet exposures**	**272,812**	**5,369**	**5,369**	**272,613**	**(3,443)**	**-**	**-**	**-**
20	**Europe**	**168,439**	**2,434**	**2,434**	**168,245**	**(1,715)**	**-**	**-**	**-**
	France	86,223	890	890	86,141	(456)	-	-	-
	United Kingdom	12,412	37	37	12,412	(69)	-	-	-
	Luxembourg	12,411	98	98	12,411	(64)	-	-	-
	Italy	12,103	229	229	11,994	(172)	-	-	-
	Russia	2,775	610	610	2,775	(489)	-	-	-
	Others (Europe)	42,515	569	569	42,512	(463)	-	-	-
30	**Asia and Oceania**	**43,001**	**675**	**675**	**43,001**	**(318)**	**-**	**-**	**-**
	Singapore	7,634	162	162	7,634	(143)	-	-	-
	Japan	6,268	183	183	6,268	(38)	-	-	-
	Hong Kong	5,799	-	-	5,799	(10)	-	-	-
	Others (Asia and oceania)	23,300	330	330	23,300	(128)	-	-	-
40	**North America**	**33,033**	**309**	**309**	**33,028**	**(238)**	**-**	**-**	**-**
	United States	28,084	228	228	28,079	(162)	-	-	-
	Other (North America)	4,949	81	81	4,949	(76)	-	-	-
50	**South and central America**	**12,302**	**1,359**	**1,359**	**12,302**	**(729)**	**-**	**-**	**-**
60	**Africa and Middle East**	**15,920**	**592**	**592**	**15,920**	**(443)**	**-**	**-**	**-**
	Qatar	4,831	-	-	4,831	(2)	-	-	-
	Saudi Arabia	3,051	68	68	3,051	(71)	-	-	-
	Other (Africa and Middle East)	8,037	524	524	8,037	(369)	-	-	-
70	**Other countries**	**116**	**-**	**-**	**116**	**-**	**-**	**-**	**-**
80	**Off balance sheet exposures**	**321,523**	**679**	**679**	**-**	**-**	**448**	**-**	**-**
90	**Europe**	**210,064**	**597**	**597**	**-**	**-**	**227**	**-**	**-**
	France	106,766	114	114	-	-	44	-	-
	United Kingdom	23,607	-	-	-	-	25	-	-
	Germany	15,647	1	1	-	-	13	-	-
	Luxembourg	14,467	3	3	-	-	25	-	-
	Italy	9,786	1	1	-	-	10	-	-
	Switzerland	8,574	2	2	-	-	7	-	-
	Other (Europe)	31,216	476	476	-	-	102	-	-
100	**Asia and Oceania**	**26,187**	**2**	**2**	**-**	**-**	**12**	**-**	**-**
	Singapour	5,180	2	2	-	-	1	-	-
	Japon	4,717	-	-	-	-	-	-	-
	Others (Asia and Oceania)	16,290	-	-	-	-	10	-	-
110	**North America**	**71,404**	**29**	**29**	**-**	**-**	**158**	**-**	**-**
	United States	67,190	-	-	-	-	147	-	-
	Other (North America)	4,214	29	29	-	-	11	-	-
120	**South and central America**	**5,310**	**11**	**11**	**-**	**-**	**33**	**-**	**-**
130	**Africa and Middle East**	**8,514**	**40**	**40**	**-**	**-**	**18**	**-**	**-**
140	**Other countries**	**44**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
150	**TOTAL**	**594,334**	**6,049**	**6,049**	**272,613**	**(3,443)**	**448**	-	**-**

The CQ4 statement (quality of non-performing exposures by geographic location) replaces the RC1-C statement (credit quality of exposures by geographic region) within the framework of the application of Regulation (EU) No. 2019/876 (CRR2) since 30 June 2021.

The CQ4 report distinguishes the balance sheet from the off balance sheet, unlike CR1-C.

On the CQ4 report, “Cash balances at central banks and other demand deposits” were removed from the scope of the balance sheet exposure line to follow the FINREP 2021 presentation which changed from 30 June 2021.

		31.12.2021							
		Gross carrying/nominal amount					Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative charges in fair value due to credit risk on non-performing exposures	
			of which non performing						
	€ million			of which : defaulted	of which : subject to impairment	Accumulated impairment			
10	**On balance sheet exposures**	**243,052**	**4,302**	**4,302**	**242,961**	**(2,998)**	**-**	**-**	**-**
20	**Europe**	**143,072**	**1,698**	**1,698**	**142,985**	**(1,206)**	**-**	**-**	**-**
	France	69,448	807	807	69,370	(473)	-	-	-
	United Kingdom	10,989	43	43	10,989	(87)	-	-	-
	Italy	10,518	128	128	10,513	(110)	-	-	-
	Luxembourg	9,910	31	31	9,910	(73)	-	-	-
	Other (Europe)	42,208	689	689	42,203	(463)	-	-	-
30	**Asia and Oceania**	**44,642**	**396**	**396**	**44,642**	**(276)**	**-**	**-**	**-**
	Singapore	7,152	162	162	7,152	(113)	-	-	-
	Japan	6,719	130	130	6,719	(64)	-	-	-
	Hong Kong	6,695	-	-	6,695	(6)	-	-	-
	Other (Asia et Oceania)	24,075	103	103	24,075	(93)	-	-	-
40	**North America**	**28,010**	**231**	**231**	**28,005**	**(280)**	**-**	**-**	**-**
	United States	23,581	180	180	23,576	(203)	-	-	-
	Other (North America)	4,429	51	51	4,429	(77)	-	-	-
50	**South and central America**	**11,556**	**1,376**	**1,376**	**11,556**	**(766)**	**-**	**-**	**-**
60	**Africa and Middle East**	**15,590**	**601**	**601**	**15,590**	**(469)**	**-**	**-**	**-**
70	**Other countries**	**182**	**-**	**-**	**182**	**-**	**-**	**-**	**-**
80	**Off balance sheet exposures**	**298,541**	**697**	**697**	**-**	**-**	**519**	**-**	**-**
90	**Europe**	201,014	606	606	-	-	258	-	-
	France	112,998	42	42	-	-	54	-	-
	United Kingdom	21,012	-	-	-	-	37	-	-
	Germany	12,005	21	21	-	-	36	-	-
	Luxembourg	11,302	-	-	-	-	4	-	-
	Switzerland	8,940	-	-	-	-	2	-	-
	Other (Europe)	34,757	543	543	-	-	125	-	-
100	**Asia and Oceania**	23,884	6	6	-	-	13	-	-
	Singapore	5,357	6	6	-	-	4	-	-
	Japan	4,019	-	-	-	-		-	-
	Other (Asia and Oceania)	14,507	-	-	-	-	9	-	-
110	**North America**	**60,774**	**14**	**14**	-	-	**196**	**-**	**-**
	United States	55,944	4	4	-	-	184	-	-
	Other (North America)	4,830	10	10	-	-	11	-	-
120	**South and central America**	**5,398**	**42**	**42**	**-**	**-**	**32**	**-**	**-**
130	**Africa and Middle East**	**7,430**	**29**	**29**	**-**	**-**	**20**	**-**	**-**
140	**Other countries**	**42**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
150	**TOTAL**	**541,593**	**4,999**	**4,999**	**242,961**	**(2,998)**	**519**	**-**	**-**

5

▶ Credit quality of loans and advances to non-financial corporations by industry (CQ5)

€ million		31.12.2022					
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which: non-performing		of which: loans and advances subject to impairment		
				of which: defaulted			
010	Agriculture, forestry and fishing	703	94	94	703	(78)	-
020	Mining and quarrying	10,708	462	462	10,708	(347)	-
030	Manufacturing	36,198	560	560	36,093	(563)	-
040	Electricity, gas, steam and air conditioning supply	21,351	144	144	21,351	(144)	-
050	Water supply	1,033	-	-	1,033	(4)	-
060	Construction	3,880	97	97	3,880	(57)	-
070	Wholesale and retail trade	13,003	350	350	13,003	(340)	-
080	Transport and storage	20,636	1,569	1,569	20,636	(510)	-
090	Accommodation and food service activities	3,254	203	203	3,254	(162)	-
100	Information and communication	11,420	49	49	11,420	(59)	-
110	Financial and insurance activities	15,206	16	16	15,206	(56)	-
120	Real estate activities	9,311	304	304	9,311	(190)	-
130	Professional, scientific and technical activities	1,758	-	-	1,758	(11)	-
140	Administrative and support service activities	3,383	126	126	3,326	(49)	-
150	Public administration and defence, compulsory social security	82	-	-	82	-	-
160	Education	53	-	-	53	(1)	-
170	Human health services and social work activities	2,224	276	276	2,224	(61)	-
180	Arts, entertainment and recreation	194	-	-	194	-	-
190	Other services	1,238	8	8	1,238	(1)	-
200	**TOTAL**	**155,635**	**4,259**	**4,259**	**155,473**	**(2,635)**	**-**

€ million		31.12.2021					
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which: non-performing		of which: loans and advances subject to impairment		
				of which: defaulted			
010	Agriculture, forestry and fishing	684	68	68	684	(68)	-
020	Mining and quarrying	10,372	87	87	10,372	(85)	-
030	Manufacturing	32,874	443	443	32,874	(371)	-
040	Electricity, gas, steam and air conditioning supply	14,108	104	104	14,108	(97)	-
050	Water supply	707	-	-	707	(3)	-
060	Construction	2,839	43	43	2,839	(72)	-
070	Wholesale and retail trade	13,454	363	363	13,454	(305)	-
080	Transport and storage	21,017	1,556	1,556	21,017	(614)	-
090	Accommodation and food service activities	3,333	223	223	3,333	(223)	-
100	Information and communication	7,844	74	74	7,844	(31)	-
110	Financial and insurance activities	11,978	236	236	11,978	(158)	-
120	Real estate activities	7,973	43	43	7,973	(58)	-
130	Professional, scientific and technical activities	1,676	-	-	1,676	(10)	-
140	Administrative and support service activities	4,133	84	84	4,133	(57)	-
150	Public administration and defence, compulsory social security	86	-	-	86	-	-
160	Education	59	-	-	59	(1)	-
170	Human health services and social work activities	2,432	69	69	2,432	(37)	-
180	Arts, entertainment and recreation	268	-	-	268	(4)	-
190	Other services	789	2	2	789	(13)	-
200	**TOTAL**	**136,625**	**3,394**	**3,394**	**136,625**	**(2,206)**	**-**

Statement CQ5 (credit quality of loans and advances granted to non-financial corporations by industry) has replaced statement RC1-B (quality of credit exposures by sector or type of counterparty) for the purpose of applying Regulation (EU) No. 2019/876 (CRR2) since 30 June 2021.

Statement CQ5 presents balance sheet elements by business sector. It does not include debt securities or loans and receivables from central governments and central banks, credit institutions and households.

▶ Maturity of exposures (CR1-A)

		31.12.2022					
€ million		Demand [1]	≤ 1 year	> 1 year ≤ 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	1,795	247,381	78,848	21,968	2	349,994
2	Debt securities	-	21,662	16,287	16,749	-	54,698
3	**TOTAL**	**1,795**	**269,043**	**95,135**	**38,717**	**2**	**404,693**

[1] *The configuration of the "On demand" column changed between first production and 31 December 2022. This column is now completed for the scope of loans and advances.*

		31.12.2021					
€ million		Demand	≤ 1 year	> 1 year ≤ 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	1,279	232,707	69,768	18,243	-	321,997
2	Debt securities	-	20,296	18,588	17,895	-	56,779
3	**TOTAL**	**1,279**	**253,004**	**88,356**	**36,138**	**-**	**378,776**

3.2.3 Credit risk

Since the end of 2007, the ACPR has authorised Crédit Agricole CIB Group to use internal rating systems to calculate regulatory capital requirements as regards credit risk for most of its scope. In addition, the ACPR has since 1 January 2008 authorised Crédit Agricole CIB Group's main entities to use the Advanced Measurement Approach (AMA) to calculate their regulatory capital requirements for operational risk. The Group's other entities use the standardised approach, in accordance with regulations.

The main Crédit Agricole CIB Group subsidiaries or portfolios still using the standardised method for measuring credit risk at 31 December 2022 were as follows:

- Union des Banques Arabes et Françaises (UBAF);
- Crédit Agricole CIB Brazil;
- Crédit Agricole CIB Canada;
- CA Indosuez Wealth Italy S.P.A.

In accordance with the commitment made by the Group to gradually move toward the advanced method defined with the ACPR in May 2007 (roll-out plan), work is ongoing in the main entities and portfolios still under the standard method. An update of the roll-out plan is sent annually to the competent authority.

The use of internal models to calculate the solvency ratios has enabled Crédit Agricole CIB Group to strengthen its risk management. Specifically, the development of "internal ratings based" approaches has led to the systematic and reliable collection of default and loss histories for most Group entities. The establishment of this data history makes it possible to quantify credit risk today by assigning an average Probability of Default (PD) to each rating level, and for the "advanced internal rating" approaches to assign a loss given default (LGD).

In addition, the parameters of the "Internal Ratings-Based" models are used in the definition, implementation and monitoring of the entities' risk and credit policies.

The internal risk assessment models thus promote the development of sound risk management practices by the Group's entities and improve the efficiency of the capital allocation process by enabling a more fine-tuned measurement of capital consumption by each business line and entity.

EXPOSURE TO CREDIT RISK USING THE STANDARD APPROACH

◆ Credit assessment using the standardised approach

The Group now uses external credit rating agency assessments to calculate its risk-weighted exposures under the standardised approach. The remaining exposures are subject to fixed weightings (like under Basel I).

Exposure categories treated by standard method are classified according to the counterparty type and financial product type in one of the 16 categories set out in Article 112 of Regulation (EU) 575/2013 of 26 June 2013. The weightings applied to these same outstandings are calculated in accordance with Articles 114 to 134 of that regulation.

For the "Central governments and central banks" and "Institutions" exposure categories, the Crédit Agricole S.A. Group has decided, in the standardised approach, to use Moody's assessments to evaluate the risk.

As such, where the rating agency's credit assessment of the counterparty is known, it is used to calculate the applicable weighting. With regard to the counterparties of the "Institutions" or "Corporate" exposure categories where the credit assessment is not known, the weighting applied takes account of the credit assessment of the central authority in whose jurisdiction this counterparty is established, pursuant to the provisions of Articles 121 and 122 of the aforementioned regulation.

With regard to exposures on banking portfolio debt instruments, the rule used involves applying the issuer's weighting rate. This rate is calculated in accordance with the rules described in the preceding paragraph.

▶ Standardised approach - Credit risk exposure and credit risk mitigation (CRM) effects (CR4)

		31.12.2022					
€ million		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Exposure classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Central governments or central banks	1,076	18	1,076	9	889	81.93%
2	Regional government or local authorities	0	47	0	23	0	0.00 %
3	Public sector entities	0	1	0	1	0	0.00%
4	Multilateral development banks	21	0	21	0	21	100.00 %
5	International organisations	0	0	0	0	0	0.00 %
6	Institutions	5,046	620	25,937	362	748	2.85%
7	Corporates	22,777	1,303	2,025	526	2,481	97.27%
8	Retail	308	3	244	1	184	75.00%
9	Secured by mortgages on immovable property	0	0	0	0	0	0.00 %
10	Exposures in default	179	3	6	1	8	108.43%
11	Exposures associated with particularly high risk	0	0	0	0	0	0.00 %
12	Covered bonds	0	0	0	0	0	0.00 %
13	Institutions and corporates with a short-term credit assessment	0	0	0	0	0	0.00 %
14	Collective investment undertakings	14	0	14	0	2	11.07%
15	Equity	109	0	109	0	110	100.87%
16	Other items	4,181	0	4,181	0	3,679	88.01%
17	**TOTAL**	**33,710**	**1,994**	**33,613**	**923**	**8,122**	**23.52%**

		31.12.2021					
€ million		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Exposure classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Central governments or central banks	1,189	18	1,189	8	1,009	84.32%
2	Regional government or local authorities	-	44	-	22	-	-
3	Public sector entities	2	1	2	4	0	5.41%
4	Multilateral development banks	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-
6	Institutions	3,840	550	22,925	303	641	2.76%
7	Corporates	20,493	1,291	1,563	490	1,938	94.44%
8	Retail	299	3	243	2	184	75.00%
9	Secured by mortgages on immovable property	-	-	-	-	-	-
10	Exposures in default	195	5	20	2	32	143.58%
11	Exposures associated with particularly high risk	-	-	-	-	-	-
12	Covered bonds	-	-	-	-	-	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	28	-	28	-	1	3.80%
15	Equity	255	-	255	-	256	100.41%
16	Other items	3,296	-	3,296	-	3,100	94.05%
17	**TOTAL**	**29,598**	**1,913**	**29,521**	**831**	**7,161**	**23.59%**

EXPOSURE TO CREDIT RISK USING THE INTERNAL RATINGS-BASED APPROACH

Credit exposures are classified by counterparty type and financial product type, based on the seven exposure classes shown in the table below and set out in the amended Article 147 of Regulation (EU) 575/2013 of 26 June 2013 on capital requirements for credit institutions and investment firms:

- the "Central government and central banks" exposure class, other than exposures on central governments and central bank, combines exposures to certain regional and local authorities or to public sector entities which are treated like central governments, as well as certain multilateral development banks and international organisations;
- the "Institutions" class comprises exposure to credit institutions and investment firms, including those recognised in other countries. This category also includes certain exposures to regional and local governments, public-sector entities and multilateral development banks that are not considered as central governments;
- the "Corporates" class is divided into large companies and small and medium-sized businesses, which are subject to different regulatory treatments;
- the "Retail" class distinguishes between mortgage loans, revolving facilities, other loans to individuals and other loans to small and medium-sized businesses;
- the "Equity" class comprises exposures that convey a residual, subordinated claim on the assets or income of the issuer or have a similar economic substance;
- the "Securitisation" exposure class includes exposures to securitisation operations or structures, including those resulting from interest rate or exchange rate derivatives, independently of the institution's role (whether it is the originator, sponsor or investor);
- the "Other non-credit obligation assets" class mainly includes non-current assets and accruals.

◆ Credit derivatives used for hedging

Credit derivatives effect used as credit risk mitigation (CRM) techniques on risk weighted assets (RWA) in internal ratings.

▶ IRB approach - effect on the RWAs of credit derivatives used as CRM techniques (CR7)

		31.12.2022	
€ million		Pre-credit derivatives RWA	Actual RWA
1	**Exposures under F-IRB**	**1,750**	**1,750**
2	Central governments and central banks	45	45
3	Institutions	0	0
4	Corporates	1,705	1,705
4.1	of which Corporates - SMEs	49	49
4.2	of which Corporates - Specialised lending	15	15
5	**Exposures under A-IRB**	**68,503**	**66,432**
6	Central governments and central banks	1,610	1,610
7	Institutions	4,050	4,392
8	Corporates	62,199	59,787
8.1	of Corporates - which SMEs	187	187
8.2	of which Corporates - Specialised lending	12,122	12,122
9	Retail	645	645
9.1	of which Retail – SMEs - Secured by immovable property collateral	0	0
9.2	of which Retail – non-SMEs - Secured by immovable property collateral	0	0
9.3	of which Retail – Qualifying revolving	0	0
9.4	of which Retail – SMEs - Other	59	59
9.5	of which Retail – Non-SMEs- Other	586	586
10	**TOTAL (including F-IRB exposures and A-IRB exposures)**	**70,253**	**68,183**

▶ IRB approach - Disclosure of the extent of use of CRM techniques (CR7-A)

€ million	31.12.2022											
		Credit risk Mitigation techniques										Credit risk Mitigation methods in the calculation of RWAs
		Funded credit Protection (FCP)								Unfunded credit Protection (UFCP)		
A-IRB	Total exposures	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWA with substitution effects (both reduction and substitution effects)
Central governments and central banks	132,966	0.00%	-	-	-	-	-	-	-	-	-	-	1,610
Institutions	70,371	0.29%	-	-	-	-	0.00%	0.00%	-	-	-	-	4,392
Corporates	180,158	1.99%	11.86%	5.93%	-	5.93%	-	-	-	-	-	-	59,787
Of which Corporates – SMEs	881	9.70%	0.63%	0.63%	-	-	-	-	-	-	-	-	187
Of which Corporates – Specialised lending	46,529	0.90%	45.45%	22.49%	-	22.96%	-	-	-	-	-	-	12,122
Of which Corporates – Other	132,749	2.33%	0.16%	0.16%	-		-	-	-	-	-	-	47,478
Retail	15,612	-	-	-	-	-	-	-	-	-	-	-	645
Of which Retail – Immovable property SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Retail – Immovable property non-SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Retail – Qualifying revolving	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Retail – Other SMEs	1,404	-	-	-	-	-	-	-	-	-	-	-	59
Of which Retail – Other non-SMEs	14,207	-	-	-	-	-	-	-	-	-	-	-	586
TOTAL	**399,107**	**0.95%**	**5.37%**	**2.68%**	**-**	**2.70%**	**0.00%**	**0.00%**	**-**	**-**	**-**	**-**	**66,432**

€ million	31.12.2022												
		Credit risk mitigation											Credit risk Mitigation methods in the calculation of RWAs
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)		
F-IRB	Total exposures	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWA with substitution effects (both reduction and substitution effects)
Central governments and central banks	567	-	-	-	-	-	-	-	-	-	-	-	45
Institutions	417	-	-	-	-	-	-	-	-	-	-	-	0
Corporates	5,319	0.22%	6.58%	6.57%	0.01%	-	-	-	-	-	-	-	1,705
Of which Corporates – SMEs	94	0.04%	-	-	-	-	-	-	-	-	-	-	49
Of which Corporates – Specialised lending	48	-	152.02%	152.02%	-	-	-	-	-	-	-	-	15
Of which Corporates – Other	5,177	0.22%	5.35%	5.34%	0.01%	-	-	-	-	-	-	-	1,641
TOTAL	**6,303**	**0.18%**	**5.55%**	**5.54%**	**0.01%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,750**

Change in RWAs

RWA flow statements of credit risk exposures under the IRB approach (CR8)

€ million		31.12.2022
RWA amounts		
1	**RWAs as at the end of the previous reporting period (30/09/2022)**	**73,600**
2	Asset size (+/-)	329
3	Asset quality (+/-)	(652)
4	Model updates (+/-)	-
5	Methodology and policy (+/-)	-
6	Acquisitions and disposals (+/-)	-
7	Foreign exchange movements (+/-)	(3,841)
8	Other (+/-) [1]	(1,252)
9	**RWAs as at the end of the reporting period (31/12/2022)**	**68,183**

[1] The change shown in line 8 "Other (+/-)" of the CR8 table can primarily be explained by the implementation of proprietary synthetic securitisation operation made by Crédit Agricole CIB in the fourth quarter 2022 which allow Crédit Agricole CIB to transfer its credit risk to investors.

3.2.4 Counterparty risk

Crédit Agricole CIB, like its parent company, addresses counterparty risks for all of its exposures, whether these depend on the banking portfolio or the trading book (portfolio). For items in the trading book, counterparty risk is calculated in accordance with the provisions relating to the regulatory supervision of market risk.

The regulatory treatment of counterparty risk on transactions on forward financial instruments in the banking book is defined on a regulatory basis in the amended Regulation (EU) 575/2013 of 26 June 2013. Crédit Agricole CIB uses the market price method to measure its exposure to counterparty risk on transactions on forward financial instruments in the banking book (Article 274) or the internal model method (Article 283) within the scope of Crédit Agricole CIB.

Analysis of the exposure to counterparty risks (CCR)

Exposure to counterparty risks by type of approach

	31.12.2022											
	Standardised				IRB				Total			
€ million	Gross exposure	EAD	RWA	Capital require-ment	Gross exposure	EAD	RWA	Capital require-ment	Gross exposure	EAD	RWA	Capital require-ment
Central governments and central banks	-	-	-	-	13,134	13,126	341	27	13,134	13,126	341	27
Institutions	5,910	5,910	159	13	34,129	35,002	6,647	532	40,038	40,912	6,806	544
Corporates	190	190	190	15	32,498	31,160	7,886	631	32,689	31,350	8,076	646
Retail	0	0	0	0	-	-	-	-	-	-	-	-
Equities	-	-	-	-	-	-	-	-	-	-	-	-
Securitisations	-	-	-	-	-	-	-	-	-	-	-	-
Other non-credit obligation assets	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**6,100**	**6,100**	**349**	**28**	**79,761**	**79,288**	**14,873**	**1,190**	**85,861**	**85,388**	**15,222**	**1,218**

	31.12.2021											
	Standardised				IRB				Total			
€ million	Gross exposure	EAD	RWA	Capital require-ment	Gross exposure	EAD	RWA	Capital require-ment	Gross exposure	EAD	RWA	Capital require-ment
Central governments and central banks	-	-	-	-	8,647	8,598	239	19	8,647	8,598	239	19
Institutions	6,666	6,666	174	14	28,025	28,694	4,189	335	34,691	35,360	4,364	349
Corporates	330	330	330	26	28,998	28,382	9,208	737	29,328	28,712	9,537	763
Retail	-	-	-	-	-	-	-	-	-	-	-	-
Equities	-	-	-	-	-	-	-	-	-	-	-	-
Securitisations	-	-	-	-	-	-	-	-	-	-	-	-
Other non-credit obligation assets	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**6,996**	**6,996**	**504**	**40**	**65,670**	**65,675**	**13,636**	**1,091**	**72,666**	**72,670**	**14,140**	**1,131**

Change in RWAs using the internal models method (IMM)

RWA flow statements of CCR exposures under the IMM (CCR7)

€ million		31.12.2022
RWA amounts		
0010	**RWAs as at the end of the previous reporting period (30/09/2022)**	**15,848**
0020	Asset size	1,682
0030	Credit quality of counterparties	25
0040	Model updates (IMM only)	-
0050	Methodology and policy (IMM only)	-
0060	Acquisitions and disposals	-
0070	Foreign exchange movements	(5,630)
0080	Other	(29)
0090	**RWAs as at the end of the reporting period (31/12/2022)**	**11,895**

3.2.4.1 RISK MITIGATION TECHNIQUES APPLIED TO CREDIT AND COUNTERPARTY RISK

Definitions:

- collateral: a security interest giving the Bank the right to liquidate, keep or obtain title to certain amounts or assets in the event of default or other specific credit events affecting the counterparty, thereby reducing the credit risk on an exposure;
- personal guarantee: undertaking by a third party to pay the sum due in the event of the counterparty's default or other specific credit events, therefore reducing the credit risks on an exposure.

CRM techniques overview: Disclosure of the use of credit risk mitigation techniques (CR3)

		31.12.2022				
€ million		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
1	Loans and advances	231,194	88,622	78,958	9,664	7,121
2	Debt securities	34,817	-	-	-	-
3	**TOTAL**	**266,011**	**88,622**	**78,958**	**9,664**	**7,121**
4	Of which non-performing exposures	1,002	1,889	1,853	37	-

		31.12.2021				
€ million		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
1	Loans and advances	192,640	85,728	74,832	10,896	8,184
2	Debt securities	33,803	-	-	-	-
3	**TOTAL**	**226,443**	**85,728**	**74,832**	**10,896**	**8,184**
4	Of which non-performing exposures	2,847	1,455	1,417	38	-

3.2.4.2 EXPOSURES TO EQUITIES INCLUDED IN THE BANKING BOOK

Equity investments owned by Crédit Agricole CIB Group outside the trading book are made up of securities "that give residual and subordinated rights to the assets or income of the issuer or that are of a similar economic nature".

They mainly comprise:

- listed and non-listed shares and units in investment funds;
- implicit options in bonds that are convertible, redeemable or exchangeable for shares;
- options on shares;
- deeply subordinated securities.

The objective pursued in the context of non-consolidated equity investments is the management intention (financial assets at fair value through profit/loss or on option, financial assets available for sale, investments held until maturity, loans and receivables) as described in note 1.3 to the financial statements "Accounting policies and principles".

The accounting techniques and valuation methods used are described in note 1.3 to the financial statements "Accounting policies and principles".

Equity exposures under the simple risk-weighted approach (CR10.5)

€ million	31.12.2022					
Categories	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Expected loss amount
Exchange-traded equity exposures	0	-	190%	-	-	-
Private equity exposures	0	-	290%	0	0	0
Other equity exposures	349	-	370%	295	1,093	7
TOTAL	**349**	**-**	**-**	**296**	**1,093**	**7**

€ million	31.12.2021					
Categories	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Expected loss amount
Exchange-traded equity exposures	-	-	190%	-	-	-
Private equity exposures	1	-	290%	1	3	-
Other equity exposures	411	-	370%	311	1,152	7
TOTAL	**412**	**-**	**-**	**312**	**1,155**	**7**

The amounts of gains and losses on equity instruments, generated over the period under review, are presented in note 4 to the financial statements "Notes on net income and other comprehensive income".

3.2.5 Market risks

3.2.5.1 EXPOSURE TO MARKET RISKS IN THE TRADING BOOK

◆ Exposures using the internal model approach

▶ **RWA flow statements of market risk exposures under the Internal Model Approach (IMA) (MR2-B)**

		31.12.2022						
	€ million	VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWA	Total own funds requirements
1	**RWA at previous period end (30.09.2022)**	**3,778**	**5,660**	**2,091**	**-**	**-**	**11,529**	**922**
1a	Regulatory adjustment	2,981	4,306	578	-	-	7,864	629
1b	RWA at the previous quarter-end (end of the day)	797	1,355	1,513	-	-	3,665	293
2	Movement in risk levels	(152)	(455)	(657)	-	-	(1264)	(101)
3	Model updates/changes	-	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	(28)	(33)	(53)	-	-	(114)	(9)
7	Other	-	-	-	-	-	-	-
8a	RWA at the end of the reporting period (end of the day)	617	866	804	-	-	2,287	183
8b	Regulatory adjustment	3,122	4,830	1,035	-	-	8,987	719
8	**RWA at the end of the reporting period (31.12.2022)**	**3,739**	**5,696**	**1,839**	-	-	**11,274**	**902**

3.3 Liquidity risk

Under the Basel 3 agreements, Article 451a of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (Capital Requirements Regulation), as amended by CRR No. 2019/876 (referred to as "CRR 2"), requires supervised financial institutions (mainly credit institutions and investment firms) to disclose quantitative and qualitative information on their risk management activities.

LIQUIDITY RISK MANAGEMENT (EU-LIQA)

The information detailed below supplements the system for monitoring and measuring liquidity risks described in Chapter 5 Risks/Risk Management of this Universal Registration Document.

3.3.1 Liquidity risk management strategy and process

The strategy implemented by the Crédit Agricole Group and at Crédit Agricole CIB in terms of liquidity risk management is based on the following main principles:

- A financing structure that minimises risk and substantial liquidity buffers, designed to enable Crédit Agricole CIB to cope with a possible liquidity crisis.
- Prudent management of intraday liquidity risk.
- A robust liquidity risk oversight and management system.

Crédit Agricole CIB ensures the diversification of its sources of market financing through dedicated short- and long-term indicators. Diversification covers the counterparty category (different market participants, client types), as well as the currency and country of the counterparty.

3.3.2 Structure and organisation of the liquidity risk management function

Liquidity risk management is coordinated for the Crédit Agricole Group by the Group Financial Management Department, within the Finance Department of Crédit Agricole S.A., then rolled out at Crédit Agricole CIB.

Liquidity risk is overseen and managed by Crédit Agricole CIB's Finance Department, using steering indicators. The risk departments of Crédit Agricole CIB and Crédit Agricole S.A. serve on the second line of liquidity risk management using standards, indicators, limits, and participate in liquidity governance bodies.

3.3.3 Centralisation of liquidity and intra-group interactions

The Treasury Department is responsible for overall day-to-day management of the Crédit Agricole CIB Group's short-term funding. Within each cost centre, the Treasurer is responsible for managing funding activities within the allocated limits. and reports to Crédit Agricole CIB's Treasurer and the local Assets and Liabilities Committee.

The Steering department is responsible for managing the requirements of the business lines and for the overall supervision of liquidity risk within the risk framework validated by the Board of Directors. The operational management of long-term refinancing is delegated to the ALM Execution department.

3.3.4 Liquidity risk reporting and measurement systems

In practice, Crédit Agricole CIB populates the Group liquidity risk measurement tool.

Through a chart of accounts tailored to liquidity risk oversight, this took is used to identify homogeneous compartments of the balance sheet and also provides the maturity schedule for each compartment. It measures the various indicators standardised by the Crédit Agricole Group on a monthly or quarterly basis:

- Internal liquidity model indicators: overall liquidity, reserves, stress scenarios, short-term and long-term refinancing concentration, etc.
- Regulatory indicators: LCR, NSFR, ALMM.

This system is supplemented by management tools providing a daily view of certain risks (intraday liquidity, daily LCR production).

Liquidity management is also integrated into Crédit Agricole CIB's planning process. The balance sheet is projected, particularly during preparation of the budget, the Medium-Term Plan or stress tests.

3.3.5 Liquidity risk hedging

The liquidity risk management policies implemented by Crédit Agricole CIB consist in securing a solid balance sheet structure with the aim of coping with stress scenarios or liquidity crises (liquidity outflows or market closure). This is mainly accomplished by:

- focusing on medium- to long-term refinancing and limit the use of short-term refinancing. Accordingly, Crédit Agricole CIB has set a management target in terms of its Stable Resources Position and a net short-term refinancing limit.
- diversifying its sources of market refinancing.

In the event of a crisis, liquefiable asset reserves serve to address significant liquidity outflows. These assets mainly consist of:

- central bank deposits (mainly with the ECB),
- very high-quality, liquid securities with a low risk of value fluctuation,
- and receivables available at the central bank.

3.3.6 Liquidity contingency plan

Crédit Agricole CIB is developing a Contingency Plan to be rolled out in the event of a liquidity crisis. The Contingency Plan has three levels, triggered according to the severity of the crisis:

- Yellow: the situation calls for increased monitoring and small-scale measures,
- Orange: the situation calls for unusual measures to address the crisis,
- Red: the situation calls for exceptional measures to address the crisis.

Crisis oversight indicators used to trigger the Contingency Plan, if necessary, are measured bimonthly by Crédit Agricole CIB's Steering Department.

The system relies on dedicated governance in the event the Contingency Plan is triggered, which includes a crisis committee chaired by Executive Management. Crédit Agricole CIB's Contingency Plan is tested once a year.

3.3.7 Stress tests

The bank uses stress tests to ensure that it has sufficient liquid assets to deal with liquidity crisis situations. These assets include central bank deposits, liquid securities on the secondary market, securities likely to be repurchased, or securities or receivables available from central banks.

Crédit Agricole CIB sets tolerance thresholds in terms of survival periods for the following 3 scenarios:

- A systemic crisis scenario corresponding to a crisis on the refinancing market. The survival period is set at one year;
- An idiosyncratic crisis scenario corresponding to a severe crisis centred on the Crédit Agricole Group, on a smaller scale than the global crisis scenario, particularly because asset market liquidity is not impacted. The survival period is set at three months;
- A global crisis scenario corresponding to a sudden and severe crisis, both specific to the institution, i.e. affecting its reputation, and systemic, i.e. affecting the entire financing market. The survival period is set at one month.

In practice, these stress tests are carried out by applying a set of assumptions on the deterioration of overall liquidity. Crédit Agricole CIB passes the stress test if liquid assets maintain positive liquidity throughout the stressed period.

3.3.8 Steering and governance

Liquidity risk appetite is defined each year by the governance system in the Risk Appetite Framework, which reflects the level of risk accepted by Crédit Agricole CIB. This framework consists of alert thresholds and limits on the key indicators of the liquidity risk monitoring system:

- LCR and NSFR, managed with room to manoeuvre in relation to regulatory requirements.
- Internal indicators, such as surplus stable resources and liquidity crisis scenarios in particular.

The internal management system is supplemented by other liquidity risk measures (concentration of medium- to long-term refinancing by counterparty, maturity and currency; sensitivity to short-term market funding; market footprint; asset encumbrance level; contingent liquidity requirements) monitored at Crédit Agricole CIB level.

Crédit Agricole CIB prepares an annual statement on the adequacy of liquidity risk management systems, ensuring that the liquidity risk management systems put in place are appropriate in light of its profile and strategy. This statement is approved by the Board of Directors of Crédit Agricole CIB.

▶ Quantitative information on the Liquidity Coverage Ratio (EU-LIQ1)

€ million

	Scope of consolidation: consolidated	Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31.12.2022	30.09.2022	30.06.2022	31.03.2022	31.12.2022	30.09.2022	30.06.2022	31.03.2022
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					**153,279**	**154,776**	**154,650**	**152,388**
CASH-OUTFLOWS									
2	**Retail deposits and deposits from small business customers, of which:**	**13,820**	**13,891**	**13,656**	**13,418**	**2,040**	**2,052**	**2,020**	**1,987**
3	Stable deposits	-	-	-	-	-	-	-	-
4	Less stable deposits	13,820	13,891	13,656	13,418	2,040	2,052	2,020	1,987
5	Unsecured wholesale funding	**177,034**	**178,371**	**176,098**	**173,771**	**100,802**	**103,065**	**101,685**	**100,927**
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	26,716	24,955	24,722	24,295	6,679	6,239	6,180	6,074
7	Non-operational deposits (all counterparties)	134,259	137,331	135,242	133,045	78,064	80,742	79,370	78,423
8	Unsecured debt	16,059	16,085	16,135	16,341	16,059	16,085	16,135	16,341
9	**Secured wholesale funding**					**19,265**	**19,113**	**18,293**	**17,607**

€ million

	Scope of consolidation: consolidated	Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31.12.2022	30.09.2022	30.06.2022	31.03.2022	31.12.2022	30.09.2022	30.06.2022	31.03.2022
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
10	**Additional requirements**	**150,443**	**148,690**	**146,186**	**142,263**	**38,615**	**37,566**	**36,240**	**35,177**
11	Outflows related to derivative exposures and other collateral requirements	23,097	22,400	21,357	20,308	9,465	8,871	8,381	8,370
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	127,346	126,290	124,829	121,955	29,150	28,695	27,858	26,807
14	**Other contractual funding obligations**	**43,345**	**45,483**	**46,061**	**45,242**	**4,350**	**4,717**	**5,017**	**5,312**
15	**Other contingent funding obligations**	**62,817**	**61,668**	**61,622**	**62,816**	**3,331**	**3,273**	**3,271**	**3,331**
16	**TOTAL CASH OUTFLOWS**					**168,403**	**169,786**	**166,526**	**164,341**
CASH-INFLOWS									
17	**Secured lending (e.g. reverse repos)**	**172,346**	**172,862**	**171,214**	**174,186**	**13,684**	**13,333**	**12,968**	**12,833**
18	**Inflows from fully performing exposures**	**35,281**	**35,364**	**32,893**	**32,294**	**24,373**	**24,528**	**22,459**	**22,453**
19	**Other cash inflows**	**5,815**	**5,688**	**5,431**	**5,485**	**5,815**	**5,688**	**5,431**	**5,485**
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**	**213,443**	**213,913**	**209,538**	**211,964**	**43,872**	**43,549**	**40,858**	**40,771**
EU-20a	**Fully exempt inflows**	-	-	-	-	-	-	-	-
EU-20b	**Inflows subject to 90% cap**	-	-	-	-	-	-	-	-

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€ million

	Scope of consolidation: consolidated	Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31.12.2022	30.09.2022	30.06.2022	31.03.2022	31.12.2022	30.09.2022	30.06.2022	31.03.2022
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
EU-20c	**Inflows subject to 75% cap**	**191,288**	**191,459**	**187,076**	**190,215**	**43,872**	**43,549**	**40,858**	**40,771**
						TOTAL ADJUSTED VALUE			
21	**LIQUIDITY BUFFER**					**153,279**	**154,776**	**154,650**	**152,388**
22	**TOTAL NET CASH OUTFLOWS***					**124,531**	**126,237**	**125,668**	**123,570**
23	**LIQUIDITY COVERAGE RATIO**					**124.10%**	**122.61%**	**123.06%**	**123.32%**

** The net cash outflows are calculated on average on the amounts observed (over the 12 regulatory declarations concerned) including the application of a cap on cash inflows (maximum of 75% of gross outflows), if applicable.*

Qualitative information (EU LIQ B)

(a)	**Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time.**	At 31 December 2022, the average LCR ratio of CACIB (average of the last 12 months) stood at 124.1%, above the minimum requirement of 100%, due to an average excess liquidity of €28.7 billion. That is mainly explained by the constitution of a solid level of liquidity reserves, above the level of net cash outflows.
(b)	**Explanations on the changes in the LCR over time.**	Over 2022, the average LCR ratio fell by 1 point (124.1% in 2022 against 125.1% in 2021), with an increase in the average LCR liquidity buffer (+€6.3 billion), an increase in average net cash outflows (+€5.1 billion), and an increase in average LCR excess liquidity (€1.2 billion).
(c)	**Concentration of funding and liquidity sources**	Crédit Agricole CIB actively diversifies its sources of financing by maintaining diversified access to the markets through multi-format issuance programmes in a variety of locations.
(d)	**High-level description of the composition of the institution's liquidity buffer.**	At 31 December 2022, the end-month liquidity buffer of CACIB stood at €122.7 billion with high-quality liquid assets distributed between level 1 (93% of which €74.3 billion central bank deposits and €39.3 billion in securities) and level 2 (7% or €9.1 billion).
(e)	**Derivative exposures and potential collateral calls.**	The cash outflows relating to this item materialize the contingent risk of an increase in margin calls: - on derivative transactions in an unfavorable market scenario - following a downgrading of the Group's external rating
(f)	**Currency mismatch in liquidity coverage ratio (RCBL)**	The residual asymmetries observed in certain currencies are limited in magnitude. Furthermore, the high-quality liquid assets available in other significant currencies could be easily converted to cover these needs, including in a crisis situation.
(g)	**Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile**	In addition to the LCR surplus, Crédit Agricole CIB has non-HQLA reserves that can be liquidated on the market and reserves that can be mobilised in Central Banks (eligible loans of €10.913 billion before haircut at 31 December 2022).

▶ Quantitative information on the Net Stable Funding Ratio (NSFR) at 31 December 2022 (EU-LIQ2)

		31.12.2022				
		a	b	c	d	e
		Unweighted value by residual maturity				
€ million		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	Weighted value
Available stable funding (ASF) Items						
1	**Capital items and instruments**	**9,989**	**-**	**-**	**4,039**	**14,028**
2	Own funds	9,989	-	-	4,039	14,028
3	Other capital instruments		-	-	-	-
4	**Retail deposits**		**15,526**	**957**	**1**	**14,836**
5	Stable deposits		-	-	-	-
6	Less stable deposits		15,526	957	1	14,836
7	**Wholesale funding:**		**440,551**	**25,449**	**89,725**	**184,081**
8	Operational deposits		34,387	-	-	17,193
9	Other wholesale funding		406,165	25,449	89,725	166,887
10	**Interdependent liabilities**		**-**	**-**	**-**	**-**
11	**Other liabilities:**	1,235	**48,633**	**3,268**	**22,332**	**23,966**
12	NSFR derivative liabilities	1,235				
13	All other liabilities and capital instruments not included in the above categories		48,633	3,268	22,332	23,966
14	**Total available stable funding (ASF)**					**236,910**
Required stable funding (RSF) Items						
15	**Total high-quality liquid assets (HQLA)**					**3,375**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**318**	**511**	**3,881**	**4,003**
16	**Deposits held at other financial institutions for operational purposes**		**5,638**	-	-	**2,819**
17	**Performing loans and securities:**		**312,714**	**32,763**	**119,018**	**159,650**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		162,570	5,178	5,005	10,185
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		85,077	9,073	17,621	32,964
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	-	40,321	12,080	87,200	100,203
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	1,348	754	6,633	5,363
22	Performing residential mortgages, of which:	-	-	-	-	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	-
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		24,746	6,432	9,192	16,299
25	**Interdependent assets**		**-**	**-**	**-**	**-**
26	**Other assets:**		**98,374**	**751**	**6,503**	**23,118**
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		6,315	-	-	5,368
29	NSFR derivative assets		-			-
30	NSFR derivative liabilities before deduction of variation margin posted		75,854			3,793
31	All other assets not included in the above categories		16,205	751,	6,503	13,958
32	**Off-balance sheet items**		**73,201**	**15,096**	**131,439**	**12,953**
33	**Total required stable funding (RSF)**					**205,919**
34	**Net Stable Funding Ratio (%)**					**115.05%**

The NSFR ratio of Crédit Agricole CIB Group is at a convenient level since it entered into force. The net stable funding includes mainly client resources, funding provided by the Crédit Agricole S.A. Group and central bank resources (TLTRO). The available stable funding covers the stable funding requirements since the regulatory requirement came into force in June 2021.

3.4 Remuneration policy

The information on the compensation policy required pursuant to EU Regulation 575-2013 (CRR) can be found in Chapter 3 of this Universal Registration Document.

3.5 Responsibility statement

Declaration concerning the publication of the information required under Part 8 of Regulation (EU) No 575/2013

Olivier BÉLORGEY, Deputy Chief Executive Officer and Chief Financial Officer of Crédit Agricole CIB.

Statement by the person responsible

I certify that, to the best of my knowledge, the information required under Part 8 of Regulation (EU) No 575/2013 (and subsequent amendments) has been published in accordance with the formal policies and internal procedures, systems and controls.

Montrouge, 29th March 2023

Deputy Chief Executive Officer and Chief Financial Officer of Crédit Agricole CIB
Olivier Bélorgey

CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2022

Approved by the Board of Directors on 07 February 2023 and submitted for the approval of the Ordinary General Meeting on 03 May 2023.

6

6

CONTENTS

€1,838 M

NET INCOME GROUP SHARE

€28,255 M

TOTAL EQUITY GROUP SHARE

€6,697 M

NET BANKING INCOME

€728,202 M

TOTAL ASSETS

101

NUMBER OF CONSOLIDATED ENTITIES

The consolidated financial statements consist of the general framework, the consolidated financial statements and the notes to the consolidated financial statements.

1. GENERAL FRAMEWORK

1.1. Legal presentation of Crédit Agricole Corporate and Investment Bank

COMPANY NAME:
Crédit Agricole Corporate and Investment Bank

TRADING NAMES:
Crédit Agricole Corporate and Investment Bank - Crédit Agricole CIB - CACIB

ADDRESS OF THE COMPANY'S REGISTERED OFFICE:
12, place des Etats-Unis
CS 70052
92547 MONTROUGE CEDEX
France

REGISTRATION:
Registered with the Nanterre Trade and Company Registry under number 304 187 701.

NAF CODE:
6419 Z (APE)

LEI CODE:
1VUV7VQFKUOQSJ21A208

LEGAL FORM:
Crédit Agricole Corporate and Investment Bank is a public limited company (Société Anonyme) under French law (with a Board of Directors) governed by the laws and regulations applicable to credit institutions and French public limited companies and by its Articles of Association.

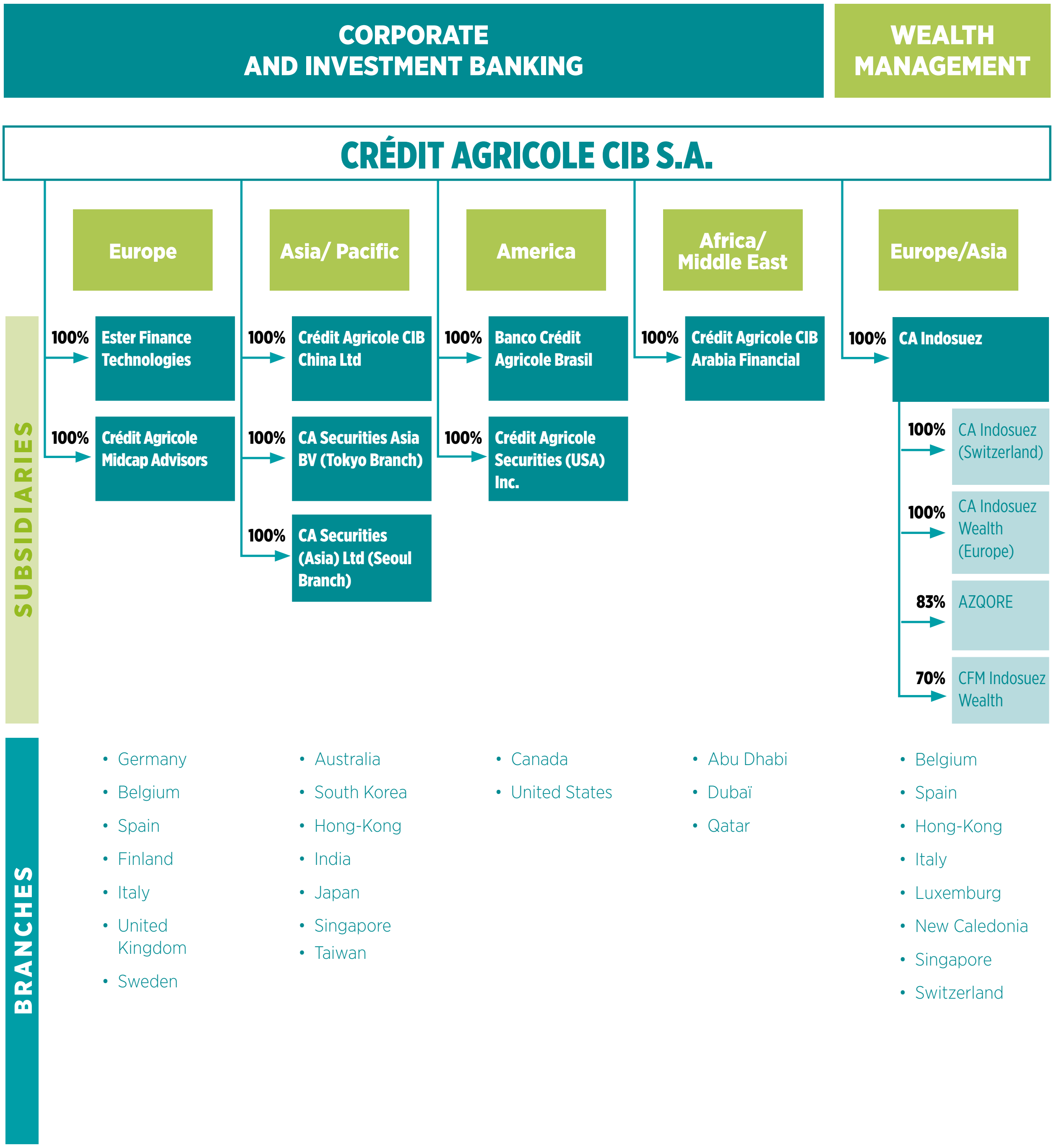
As of December 2011, Crédit Agricole Corporate and Investment Bank is affiliated with Crédit Agricole, within the meaning of the French Monetary and Financial Code (CMF).

SHARE CAPITAL:
EUR 7,851,636,342

CORPORATE PURPOSE (ART. 3 OF THE COMPANY'S ARTICLES OF ASSOCIATION):
The purpose of the Company, in France and abroad, is:

- to enter into any banking transactions and any finance transactions and more particularly:
  - the receipt of funds, the granting of loans, advances, credit, financing, guarantees, carrying out standard collections, payments and the collection of past due amounts;
  - to provide financial advice, particularly regarding financing, debt, subscriptions, issues, investments, acquisitions, disposals, mergers and restructuring operations;
  - the custody, management, purchase, sale, exchange, brokerage, arbitrage of every kind of security, company right, financial products, derivatives, currencies, goods, precious metals and other securities of any kind;
- providing any investment services and related services, within the meaning of the French Monetary and Financial Code and any subsequent text;
- to establish and to participate in any ventures, associations, corporations, by way of subscription, purchase of shares or equity rights, merger or in any other way;
- to enter into commercial, industrial, securities or real estate transactions, directly or indirectly related to any or all of the above purposes or to any similar or connected purposes;
- the foregoing, both on its own behalf and on behalf of third parties or as a partner and in any form whatsoever.

1.2. Synthetic group organisation to 31 december 2022



1.3. An essentially mutualist banking Group

in accordance with the provisions of the French Monetary and Financial Code (Articles L. 511-31 and L. 511-32), as the corporate centre of the Crédit Agricole network, Crédit Agricole S.A. is responsible for exercising administrative, technical and financial control over the institutions affiliated to it in order to maintain a cohesive network (as defined in Article R. 512-18 of the French Monetary and Financial Code) and to ensure their proper functioning and compliance with all regulations and legislation governing them. In that regard, Crédit Agricole S.A. may take all necessary measures notably to ensure the liquidity and solvency of the network as a whole and of each of its affiliated institutions.

1.4. Internal relations at Crédit Agricole

Internal financial mechanisms

The financial mechanisms that govern reciprocal relations within Crédit Agricole are specific to the Group.

TLTRO III MECHANISM

Crédit Agricole S.A. has subscribed to TLTRO III loans with the ECB. Given the internal refinancing mechanisms, the Crédit Agricole CIB Group can benefit from Crédit Agricole S.A. drawdowns or refinance directly with the ECB.

The recognition of TLTRO III is specified in Note 1.1.

Hedging of liquidity and solvency risks and bank resolution

Under the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the French Monetary and Financial Code (CMF), Crédit Agricole S.A. as the central body, shall take any necessary measures to ensure the liquidity and solvency of each institution affiliated with the Network, as well as the Network as a whole. As a result, each member of the Network benefits from and contributes to this internal financial solidarity mechanism.

The general provisions of the French Monetary and Financial Code are transposed into internal provisions setting out the operational measures required for this legal internal financial solidarity mechanism.

For the purposes of Crédit Agricole S.A.'s IPO, CNCA (now Crédit Agricole S.A.) entered into a Memorandum of Understanding in 2001 with the Regional Banks aimed in particular at governing internal relations in the Crédit Agricole Network. This MoU established a Fund for Bank Liquidity and Solvency Risks (*Fonds pour Risques Bancaires de Liquidité et de Solvabilité* – FRBLS) designed to enable Crédit Agricole S.A. to fulfil its role as central body by providing assistance to any Network member that may be experiencing difficulties. The main provisions of the MoU are detailed in Chapter III of the Crédit Agricole S.A. Registration Document filed with the *Commission des Opérations de Bourse* on 22 October 2001 under number R. 01-453.

The European banking crisis management framework was adopted in 2014 by EU Directive 2014/59 (known as the "Bank Recovery and Resolution Directive - BRRD"), incorporated into French law by Order 2015-1024 of 20 August 2015, which also adapted French law to the provisions of European Regulation 806/2014 of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund. Directive (EU) 201/879 of 20 May 2019, known as "BRRD2", amended the BRRD and was incorporated into French law by Order 2020-1636 of 21 December 2020.

This framework, which includes measures to prevent and to resolve banking crises, is intended to preserve financial stability, to ensure the continuity of activities, services and operations of institutions whose failure could significantly impact the economy, to protect depositors and to avoid or limit the use of public financial support as much as possible. Under this system, the European resolution authorities, including the Single Resolution Board, are vested with very broad powers to take any necessary measures for the resolution, in part or in whole, of a credit institution or the group to which it belongs.

For cooperative banking groups, the "extended single point of entry" ("extended SPE") resolution strategy is favoured by the resolution authorities, whereby resolution tools would be applied simultaneously at the level of Crédit Agricole S.A. and the affiliated entities. In this respect and in the event of a resolution of the Crédit Agricole Group, the scope comprising Crédit Agricole S.A. (as the central body) and the affiliate entities would be taken together as the extended SPE. In light of the preceding and the Network's existing solidarity mechanisms, a member of the Crédit Agricole Network cannot be individually placed in resolution.

The resolution authorities may initiate resolution proceedings against a credit institution where it considers that: the institution has failed or is likely to fail, there is no reasonable prospect that another private measure will prevent the failure within a reasonable time, a resolution measure is necessary and a liquidation procedure would be inadequate to achieve the resolution objectives mentioned above.

The resolution authorities may use one or more resolution tools, as described below, with the objective of recapitalising or restoring the viability of the institution. The resolution tools should be implemented in such a way that equity holders (shares, mutual shares, CCIs, CCAs) bear losses first, with creditors following up immediately, provided that they are not excluded from bail-in legally speaking or by a decision of the resolution authorities. French law also provides for a protective measure when certain resolution tools or decisions are implemented, such as the principle that equity holders and creditors of an institution in resolution may not incur greater losses than those they would have incurred if the institution had been liquidated in the context of a judicial liquidation procedure under the French Commercial Code (NCWOL principle referred to in Article L. 613-57.I of the CMF). Thus investors are entitled to claim compensation if the treatment they receive in a resolution is less favourable than the treatment they would have received if the institution had been subject to normal insolvency proceedings.

In the event that the resolution authorities decide to put the Crédit Agricole Group in resolution, they will first write down the CET1 instruments (shares, mutual shares, CCI and CCA), additional Tier 1 and Tier 2 instruments, in order to absorb losses and then possibly convert the additional Tier 1 and Tier 2 instruments into equity securities (Articles L. 613-48 and L. 613-48-3 of the CMF). Then, if the resolution authorities decide to use the bail-in tool, the latter would be applied to debt instruments (Articles L. 613-55 and L. 613-55-1 of the CMF relating to consolidated financial statements), resulting in the partial or total write-down of these instruments or their conversion into equity in order to absorb losses.

With respect to the corporate centre and all affiliated entities, the resolution authorities may decide to implement, in a coordinated manner, impairment or conversion measures and, where applicable, bail-ins. In such an event, the impairment or conversion measures and, where applicable, Bail-ins measures would apply to all entities within the Crédit Agricole network, regardless of the entity in question and regardless of the origin of the losses.

The creditor hierarchy in resolution is defined by the provisions of Article L 613-55-5 of the CMF, effective as at the date of implementation of the resolution.

Equity holders and creditors of the same rank or with identical rights in liquidation will then be treated equally, regardless of the Group entity of which they are creditors.

The scope of this bail-in, which also aims to recapitalise the Crédit Agricole group, is based on capital requirements at the consolidated level.

Investors should thus be aware that holders of equities, cooperative shares, cooperative investment certificates and cooperative member certificates and holders of debt instruments issued by a member of the network, are exposed to significant risk of losing their investment in the event a bank resolution proceeding is initiated against the Group, regardless of the entity serving as creditor.

The other resolution tools available to the resolution authorities are essentially the total or partial transfer of the activities of the institution to a third party or to a bridge institution and the separation of the assets of the institution.

This resolution framework does not affect the legal internal financial solidarity mechanism enshrined in Article L. 511-31 of the CMF, which applies to the Crédit Agricole network, as defined in Article R. 512-18 of the same Code. Crédit Agricole S.A. considers that, in practice, this mechanism should be implemented prior to any resolution procedure.

Application of the resolution proceeding to the Crédit Agricole Group implies that the legal internal solidarity mechanism would not resolve the default of one or more Network entities and thus the default of the Network as a whole. It would also limit the likelihood that the conditions for triggering the guarantee covering the liabilities of Crédit Agricole S.A., granted in 1988 to its third party creditors by the Regional Banks on a joint and several basis and up to the amount of their aggregate capital, are met. It should be recalled that this guarantee may be implemented in the event of an asset shortfall following Crédit Agricole S.A.'s court-ordered liquidation or dissolution.

1.5. Information about related parties

The Crédit Agricole CIB Group's related parties are the Crédit Agricole Group companies and the Crédit Agricole CIB Group companies that are fully consolidated or consolidated using the equity method and the Group's senior executives.

Relations with the Crédit Agricole Group

The on-and off-balance sheet amounts representing transactions between the Crédit Agricole CIB Group and the rest of the Crédit Agricole Group are summarised in the following table:

Outstandings (€ million)	31.12.2022
Assets	
Financial assets at amortised cost	51,458
Financial assets at fair value through profit or loss	51,696
Financial assets at fair value through other comprehensive income	110
Accruals, prepayments and sundry assets	30,975
Property, plant and equipment	91
Current and deferred tax assets	103
Liabilities	
Financial liabilities at amortised cost	65,238
Financial liabilities at fair value through profit or loss	48,826
Accruals, prepayments and sundry liabilities	23,921
Subordinated debt	4,924
Preferred shares	-
Provisions	-
Reserves (AT1 issuances)	9,526
Current and deferred tax liabilities	136
Financing and guarantee commitments	
Commitments given	1,132
Financing commitments	386
Guarantee commitments	746
Commitments received	4,398
Financing commitments	-
Guarantee commitments	4,398

Financial assets and liabilities at amortised cost represent the cash flow between Crédit Agricole CIB and the Crédit Agricole Group.

Assets and liabilities at fair value through profit or loss primarily concern held-for-trading derivative outstandings, which mainly represent Crédit Agricole Group interest rate hedging transactions arranged in the market by Crédit Agricole CIB.

Accruals and deferred income mainly include margin calls (or variable margins) and guarantee deposits given or received in the form of cash for derivatives transactions.

Crédit Agricole CIB, owned by the Crédit Agricole Group since 27 December 1996 and some of its subsidiaries are part of Crédit Agricole S.A.'s tax consolidation group.

Accordingly, Crédit Agricole S.A. compensates the Crédit Agricole CIB sub-group for any potential tax losses, which are charged against the Crédit Agricole Group's taxable income.

Relations between the Crédit Agricole CIB Group's consolidated companies

A list of the Crédit Agricole CIB Group's consolidated companies can be found in Note 12.

Transactions realised between two fully consolidated entities are fully eliminated.

Outstandings at year-end between fully consolidated companies and equity-consolidated companies are not eliminated in the Group's consolidated financial statements.

At 31 December 2022, the non-netted outstandings on and off the balance sheet reported by Crédit Agricole CIB with its affiliate UBAF are:

Outstandings (€ million)	31.12.2022
Assets	
Financial assets at amortised cost	-
Financial assets at fair value through profit or loss	34
Accruals, prepayments and sundry assets	3
Liabilities	
Financial liabilities at amortised cost	5
Financial liabilities at fair value through profit or loss	1
Accruals, prepayments and sundry liabilities	27
Provisions	-
Financing and guarantee commitments	
Commitments given	25
Financing commitments	-
Guarantee commitments	25
Commitments received	-
Financing commitments	-
Guarantee commitments	-

Relations with senior executives

Information on the remuneration of senior executives is detailed in Note 7.7 "Remuneration of senior managers".

2. CONSOLIDATED FINANCIAL STATEMENTS

2.1. INCOME STATEMENT

In millions of euros	Notes	31.12.2022	31.12.2021
Interest and similar income	4.1	8,928	4,933
Interest and similar expenses	4.1	(5,100)	(1,556)
Fee and commission income	4.2	1,673	1,662
Fee and commission expenses	4.2	(768)	(721)
Net gains (losses) on financial instruments at fair value through profit or loss	4.3	1,918	1,501
Net gains (losses) on held for trading assets/liabilities		(2,851)	480
Net gains (losses) on other financial assets/liabilities at fair value through profit or loss		4,769	1,021
Net gains (losses) on financial instruments at fair value through other comprehensive income	4.4	17	32
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss		(1)	17
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)		18	15
Net gains (losses) arising from the derecognition of financial assets at amortised cost	4.5	1	8
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	125	117
Expenses on other activities	4.6	(97)	(63)
Revenues		**6,697**	**5,913**
Operating expenses	4.7	(3,858)	(3,474)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	4.8	(246)	(221)
Gross operating income		**2,593**	**2,218**
Cost of risk	4.9	(253)	(54)
Operating income		**2,340**	**2,164**
Share of net income (loss) of equity-accounted entities		-	-
Net gains (losses) on other assets	4.10	(7)	(39)
Change in value of goodwill	6.13	-	-
Pre-tax income		**2,333**	**2,125**
Income tax charge	4.11	(490)	(432)
Net income from discontinued operations		4	7
Net income		**1,847**	**1,700**
Non-controlling interests	12.2	9	9
NET INCOME GROUP SHARE		**1,838**	**1,691**
Earnings per share (in euros) [1]	6.16	4.73	4.75
Diluted earnings per share (in euros) [1]	6.16	4.73	4.75

[1] Corresponds to income per share including net income from discontinued operations.

2.2. Net income and other comprehensive income

In millions of euros	Notes	31.12.2022	31.12.2021
Net income		**1,847**	**1,700**
Actuarial gains and losses on post-employment benefits	4.12	145	126
Other comprehensive income on financial liabilities attributable to changes in own credit risk [1]	4.12	781	(18)
Other comprehensive income on equity instruments that will not be reclassified to profit or loss [1]	4.12	(30)	30
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	4.12	**896**	**138**
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	4.12	**-**	**-**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	4.12	**(234)**	**(23)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	4.12	**-**	**-**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	4.12	**-**	**-**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss net of income tax	4.12	**662**	**115**
Gains and losses on translation adjustments	4.12	292	570
Other comprehensive income on debt instruments that may be reclassified to profit or loss	4.12	(34)	(7)
Gains and losses on hedging derivative instruments	4.12	(2,666)	(549)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	4.12	**(2,408)**	**14**
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities, Group Share	4.12	**-**	**-**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	4.12	**696**	**144**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	4.12	**-**	**-**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	4.12	**4**	**-**
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax	4.12	**(1,708)**	**158**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	4.12	**(1,046)**	**273**
NET INCOME AND OTHER COMPREHENSIVE INCOME		**801**	**1,973**
Of which Group share		790	1,962
Of which non-controlling interests		11	11

[1] Amount of items that will not be reclassified in profit and loss transferred to reserves (cf Note 4.12).

2.3. Balance sheet - assets

In millions of euros	Notes	31.12.2022	31.12.2021
Cash, central banks	6.1	78,711	65,067
Financial assets at fair value through profit or loss	3.1 - 3.2 - 6.2 - 6.6	295,492	250,740
Financial assets held for trading		295,043	250,376
Other financial instruments at fair value through profit or loss		449	364
Hedging derivative Instruments	3.3 - 3.5	2,611	1,323
Financial assets at fair value through other comprehensive income	3.1 - 3.2 - 6.4 - 6.6	10,772	13,428
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss		10,436	13,081
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss		336	347
Financial assets at amortised cost	3.1 - 3.2 - 3.4 - 6.5 - 6.6	274,396	239,071
Loans and receivables due from credit institutions		60,494	43,600
Loans and receivables due from customers		179,186	165,830
Debt securities		34,716	29,641
Revaluation adjustment on interest rate hedged portfolios		-	7
Current and deferred tax assets	6.9	1,551	1,102
Accruals, prepayments and sundry assets	6.10	62,183	26,660
Non-current assets held for sale and discontinued operations		-	10
Investments in equity-accounted entities	6.11	-	-
Investment property		-	1
Property, plant and equipment	6.12	938	829
Intangible assets	6.12	462	420
Goodwill	6.13	1,086	1,063
TOTAL ASSETS		**728,202**	**599,721**

2.4. Balance sheet - liabilities

In millions of euros	Notes	31.12.2022	31.12.2021
Central banks	6.1	33	1,224
Financial liabilities at fair value through profit or loss	6.2	303,316	247,587
Held for trading financial liabilities		274,534	221,904
Financial liabilities designated at fair value through profit or loss		28,782	25,683
Hedging derivative Instruments	3.3 - 3.5	5,141	1,202
Financial liabilities at amortised cost	6.7	335,021	289,788
Due to credit institutions	3.4 - 6.7	79,781	78,442
Due to customers	3.1 - 3.4 - 6.7	186,851	159,578
Debt securities	3.4 - 6.7	68,389	51,768
Revaluation adjustment on interest rate hedged portfolios		(368)	9
Current and deferred tax liabilities	6.9	2,198	2,106
Accruals, prepayments and sundry liabilities	6.10	49,268	25,851
Liabilities associated with non-current assets held for sale and discontinued operations		-	9
Insurance company technical reserves		-	9
Provisions	6.14	922	1,337
Subordinated debt	3.4 - 6.15	4,293	4,079
Total Liabilities		**699,824**	**573,201**
Equity		**28,378**	**26,520**
Equity - Group share		**28,255**	**26,400**
Share capital and reserves		19,413	17,333
Consolidated reserves		7,914	7,238
Other comprehensive income	4.12	(910)	138
Other comprehensive income on discontinued operations		-	-
Net income (loss) for the year		1,838	1,691
Non-controlling interests		**123**	**120**
TOTAL LIABILITIES AND EQUITY		**728,202**	**599,721**

2.5. Statement of changes in equity

In millions of euros	Group share									
	Share and capital reserves					Other comprehensive income				
	Share capital	Share premium and consolidated reserves	Elimination of treasury shares	Other equity instruments	Total capital and consolidated reserves	Other comprehensive income on items that may be reclassified to profit and loss	Other comprehensive income on items that will not be reclassified to profit and loss	Total other comprehensive income	Net income	Total equity
Equity at 1st January 2021 published	**7,852**	**11,155**	**-**	**3,610**	**22,617**	**547**	**(680)**	**(133)**	**-**	**22,484**
Impacts of new accounting standards, IFRIC decisions/ interpretations [1]	-	30	-	-	30	-	-	-	-	30
Equity at 1st January 2021	**7,852**	**11,185**	**-**	**3,610**	**22,647**	**547**	**(680)**	**(133)**	**-**	**22,514**
Capital increase	-	-	-	-	-	-	-	-	-	-
Changes in treasury shares held	-	-	-	-	-	-	-	-	-	-
Issuance / Redemption of equity instruments	-	-	-	3,259	3,259	-	-	-	-	3,259
Remuneration of undated deeply subordinated notes	-	-	-	(308)	(308)	-	-	-	-	(308)
Dividends paid in 2021	-	(1,024)	-	-	(1,024)	-	-	-	-	(1,024)
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Changes due to share-based payments	-	2	-	-	2	-	-	-	-	2
Changes due to transactions with shareholders	**-**	**(1,022)**	**-**	**2,951**	**1,929**	**-**	**-**	**-**	**-**	**1,929**
Changes in other comprehensive income	**-**	**1**	**-**	**-**	**1**	**158**	**113**	**271**	**-**	**272**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	-	-	-	-	-	-	-	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	-	-	-	-	-	-	-	-	-
Share of changes in equity-accounted entities	-	-	-	-	-	-	-	-	-	-
Net income for 2021	-	-	-	-	-	-	-	-	1,691	1,691
Other variations	-	(6)	-	-	(6)	-	-	-	-	(6)
Equity at 31 December 2021	**7,852**	**10,158**	**-**	**6,561**	**24,571**	**705**	**(567)**	**138**	**1,691**	**26,400**
Appropriation of 2021 net income	-	1,691	-	-	1,691	-	-	-	(1,691)	-
Equity at 1st January 2022	**7,852**	**11,849**	**-**	**6,561**	**26,262**	**705**	**(567)**	**138**	**-**	**26,400**
Impacts of new accounting standards, IFRIC decisions/ interpretations	-	-	-	-	-	-	-	-	-	-
Equity at 1st January 2022 restated	**7,852**	**11,849**	**-**	**6,561**	**26,262**	**705**	**(567)**	**138**	**-**	**26,400**
Capital increase	-	-	-	-	-	-	-	-	-	-
Changes in treasury shares held	-	-	-	-	-	-	-	-	-	-
Issuance / Redemption of equity instruments	-	-	-	2,080	2,080	-	-	-	-	2,080
Remuneration of undated deeply subordinated notes	-	-	-	(463)	(463)	-	-	-	-	(463)
Dividends paid in 2022	-	(553)	-	-	(553)	-	-	-	-	(553)
Dividends received from Regional Banks and subsidiaries	-	-	-	-	-	-	-	-	-	-
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Changes due to share-based payments	-	2	-	-	2	-	-	-	-	2
Changes due to transactions with shareholders	**-**	**(551)**	**-**	**1,617**	**1,066**	**-**	**-**	**-**	**-**	**1,066**
Changes in other comprehensive income	**-**	**(19)**	**-**	**-**	**(19)**	**(1,705)**	**657**	**(1,048)**	**-**	**(1,067)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	(14)	-	-	(14)	-	14	14	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	(4)	-	-	(4)	-	4	4	-	-
Share of changes in equity-accounted entities	-	-	-	-	-	-	-	-	-	-
Net income for 2022	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,838**	**1,838**
Other variations	-	18	-	-	18	-	-	-	-	18
EQUITY AT 31 DECEMBER 2022	**7,852**	**11,297**	**-**	**8,178**	**27,327**	**(1,000)**	**90**	**(910)**	**1,838**	**28,255**

[1] *Estimated impact of the first application of the IFRS IC decision of 21 April 2021 on the computation of commitments relating to certain defined benefit plans.*

In millions of euros	Non-controlling interests					
		Other comprehensive income				
	Capital, associated reserves and income	Other comprehensive income on items that may be reclassified to profit and loss	Other comprehensive income on items that will not be reclassified to profit and loss	Total other comprehensive income	Total equity	Total consolidated equity
Equity at 1st January 2021 published	**126**	**1**	**(5)**	**(4)**	**122**	**22,606**
Impacts of new accounting standards, IFRIC decisions/ interpretations [1]	-	-	-	-	-	30
Equity at 1st January 2021	**126**	**1**	**(5)**	**(4)**	**122**	**22,636**
Capital increase	-	-	-	-	-	-
Changes in treasury shares held	-	-	-	-	-	-
Issuance / Redemption of equity instruments	-	-	-	-	-	3,259
Remuneration of undated deeply subordinated notes	-	-	-	-	-	(308)
Dividends paid in 2021	(9)	-	-	-	(9)	(1,033)
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	-	-	-	-	-	2
Changes due to transactions with shareholders	**(9)**	**-**	**-**	**-**	**(9)**	**1,920**
Changes in other comprehensive income	**-**	**-**	**2**	**2**	**2**	**274**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	-	-	-	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	-	-	-	-	-
Share of changes in equity-accounted entities	-	-	-	-	-	-
Net income for 2021	9	-	-	-	9	1,700
Other variations	(4)	-	-	-	(4)	(10)
Equity at 31 December 2021	**122**	**1**	**(3)**	**(2)**	**120**	**26,520**
Appropriation of 2021 net income	-	-	-	-	-	-
Equity at 1st January 2022	**122**	**1**	**(3)**	**(2)**	**120**	**26,520**
Impacts of new accounting standards, IFRIC decisions/ interpretations	-	-	-	-	-	-
Equity at 1st January 2022 restated	**122**	**1**	**(3)**	**(2)**	**120**	**26,520**
Capital increase	-	-	-	-	-	-
Changes in treasury shares held	-	-	-	-	-	-
Issuance / Redemption of equity instruments	-	-	-	-	-	2,080
Remuneration of undated deeply subordinated notes	-	-	-	-	-	(463)
Dividends paid in 2022	(8)	-	-	-	(8)	(561)
Dividends received from Regional Banks and subsidiaries	-	-	-	-	-	-
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	-	-	-	-	-	2
Changes due to transactions with shareholders	**(8)**	**-**	**-**	**-**	**(8)**	**1,058**
Changes in other comprehensive income	**-**	**(3)**	**5**	**2**	**2**	**(1,065)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	-	-	-	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	-	-	-	-	-
Share of changes in equity-accounted entities	-	-	-	-	-	-
Net income for 2022	**9**	**-**	**-**	**-**	**9**	**1,847**
Other variations	-	-	-	-	-	18
EQUITY AT 31 DECEMBER 2022	**123**	**(2)**	**2**	**-**	**123**	**28,378**

[1] *Estimated impact of the first application of the IFRS IC decision of 21 April 2021 on the computation of commitments relating to certain defined benefit plans.*

2.6. Cash flow statement

the cash flow statement is presented using the indirect method.

Operating activities are the Crédit Agricole CIB Group's revenue-generating activities.

Tax inflows and outflows are included in full within operating activities.

Investment activities show the impact of cash inflows and outflows associated with purchases and sales of investments in consolidated and non-consolidated companies, property, plant and equipment and intangible assets. This section includes strategic equity investments recorded under "fair value through profit or loss" or "fair value through other comprehensive income that cannot be reclassified to profit or loss".

Financing activities show the impact of cash inflows and outflows associated with other comprehensive income and long term financing.

Net cash flows attributable to operating, investment and financing activities **from discontinued operations** are recorded under separate headings in the cash flow statement.

Net cash and cash equivalents include cash, amounts due to and from central banks and demand accounts (assets and liabilities) and loans held with credit institutions.

In millions of euros	Notes	31.12.2022	31.12.2021
Pre-tax income	-	**2,333**	**2,125**
Net depreciation and impairment of property, plant & equipment and intangible assets	-	246	223
Impairment of goodwill and other fixed assets	-	-	-
Net addition to provisions	-	280	138
Share of net income (loss) of equity-accounted entities	-	-	-
Net income (loss) from investment activities	-	2	39
Net income (loss) from financing activities	-	161	99
Other movements	-	(332)	(1,396)
Total non-cash and other adjustment items included in pre-tax income	-	**357**	**(897)**
Change in interbank items	-	(19,230)	(2,103)
Change in customer items	-	15,788	(5,809)
Change in financial assets and liabilities	-	25,130	14,336
Change in non-financial assets and liabilities	-	(12,118)	(247)
Dividends received from equity-accounted entities	-	-	-
Taxes paid	-	(382)	(454)
Net change in assets and liabilities used in operating activities	-	**9,188**	**5,723**
Cash provided (used) by discontinued operations	-	6	11
Total net cash flows from (used by) operating activities (A)	-	**11,884**	**6,962**
Change in equity investments [1]	-	(21)	(88)
Change in property, plant & equipment and intangible assets	-	(180)	(129)
Cash provided (used) by discontinued operations	-	-	-
Total net cash flows from (used by) investing activities (B)	-	**(201)**	**(217)**
Cash received from (paid to) shareholders [2]	-	1,063	1,917
Other cash provided (used) by financing activities [3]	-	(745)	(390)
Cash provided (used) by discontinued operations	-	-	-
Total net cash flows from (used by) financing activities (C)	-	**318**	**1,527**
Impact of exchange rate changes on cash and cash equivalents (D)	-	**(1,153)**	**72**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A + B + C + D)	-	**10,848**	**8,344**
Cash and cash equivalents at beginning of period	-	**62,013**	**53,669**
Net cash accounts and accounts with central banks *	-	63,840	53,594
Net demand loans and deposits with credit institutions **	-	(1,827)	75
Cash and cash equivalents at end of period	-	**72,861**	**62,013**
Net cash accounts and accounts with central banks *	-	78,668	63,840
Net demand loans and deposits with credit institutions **	-	(5,807)	(1,827)
NET CHANGE IN CASH AND CASH EQUIVALENTS	-	**10,848**	**8,344**

** Consisting of the net balance of the Cash and central banks item, excluding accrued interest and including cash of entities reclassified as discountinued operations.*

*** Consisting of the balance of Performing current accounts in debit and Performing overnight accounts and advances as detailed in Note 6.5 and Current accounts in credit and overnight accounts and advances as detailed in Note 6.7 (excluding accrued interest).*

[1] Flows related to equity investments: This line includes net impacts of acquisitions and disposals of consolidated equity investments on cash. These external operations are described in Note 2 "Major structural transactions and material events during the period".

[2] Cashflows from or for shareholders: For the year 2022, this amount includes the payment of Crédit Agricole CIB dividends to Crédit Agricole S.A. for € -553 million, an AT1 subscribed by Crédit Agricole S.A. for € +2,680 million, an AT1 repayment for € -600 million and a payment of interest under the AT1 issue of € -463 million.

[3] Other cash provided (used) by financing activities: This line mainly consists of the early redemption of SNP for € -650 million, the exercising of a deeply subordinated note call for € -491 million and net AT2 issues for € +622 million.

Detailed notes contents

3. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: GROUP ACCOUNTING POLICIES AND PRINCIPLES, JUDGEMENTS AND ESTIMATES APPLIED

1.1 Applicable standards and comparability

Pursuant to EC Regulation No. 1606/2002, the consolidated financial statements have been prepared in accordance with IAS/IFRS and IFRIC applicable at 31 December 2022 and as adopted by the European Union (carve-out version), by using certain exceptions in the application of IAS 39 on macro-hedge accounting.

These standards are available on the website of the European Commission at the following address:
https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en

The standards and interpretations are the same as those applied and described in the Group's financial statements at 31 December 2021.

They have been supplemented by the provisions of those IFRS as endorsed by the European Union at 31 December 2022 and that must be applied in 2022 for the first time.

They cover the following:

Standards, amendments or interpretations	Date of first-time application: financial years beginning on or after	Material impact in the Group
Amendment to IFRS 16 Property, Plant and Equipment - Proceeds Before Intended Use	1 January 2022	No
Annual Improvements to IFRS, 2018-2020 Cycle - **IFRS 1** Subsidiary as a first-time adopter, - **IFRS 9** Fees in the "10 per cent" test for derecognition of financial liabilities, - **IAS 41** Taxation in fair value measurement and - **IFRS 16** Lease incentives	1 January 2022	No
Amendment to IFRS 3 References to the conceptual framework	1 January 2022	No
Amendment to IFRS 37 Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022	No

Furthermore, when the early application of standards and interpretations adopted by the European Union is optional over a period, the option is not used by the Group, unless specifically stated.

IFRS 17: Insurance contracts

IFRS 17 Insurance Contracts, published in May 2017, replaces IFRS 4 and is applicable to financial years beginning on or after 1 January 2023.

IFRS 17 defines new principles for the measurement and recognition of insurance contract liabilities and the assessment of their profitability, as well as for disclosure.

Within the CACIB Group, a single entity "Crédit Agricole Indosuez Risk Solutions" (CAIRS) is an insurance subsidiary.

Given that no insurance activity is carried out by the CACIB Group with external clients, IFRS 17 will not be applied on 1 January 2023.

Standards and interpretations not yet adopted by the European Union as at 31 December 2022

The standards and interpretations published by the IASB at 31 December 2022, but not yet adopted by the European Union are not applicable by the Group. Their application will become mandatory from the date specified by the European Union and they were therefore not applied by the Group at 31 December 2022.

IFRS IC decisions liable to affect the Group

Specifically regarding the IFRS IC decision on IFRS 9/IAS 20 - Recognition of TLTRO III Transactions.

The ECB set out a third series of long-term refinancing operations in March 2019, the terms and conditions of which were reviewed in September 2019 and again in March, April and December 2020, in connection with the Covid-19 crisis.

The TLTRO III mechanism aims to provide long-term refinancing with a government grant to institutions that achieve a lending target, based on growth of lending to firms and households, which is applied over the three-year maturity of the TLTRO. An additional government grant, awarding an additional temporary incentive, is applied over the one-year period between June 2020 and June 2021 and a second additional temporary incentive over the one-year period between June 2021 and June 2022.

Note: the accounting treatment applied by the Group since 2020 consists in recognising these grants as soon as the Group deems it has a reasonable assurance that the level of eligible outstandings will make it possible to meet the conditions necessary to obtain the grants when they are due to the ECB, i.e. at the end of TLTRO III and to assign the grant to the relevant period on a pro rata temporis basis. This treatment was maintained for the financial year ended 31 December 2022.

As the Group met the performance conditions necessary for the grant and additional grant under the TLTRO, it will receive all grants and additional grants at the term of the operation.

The Group measured its accrued interest at the Deposit Facility Rate -100 bp over the special interest rate period (1 January 2021 - 23 June 2021 for the period relating to the 2021 financial year), given that thresholds specific to the first incentive were reached during the special reference period. Over the special additional interest rate period (24 June 2021 - 23 June 2022 for the period

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relating to the 2021 financial year), the interest rate applied is also the Deposit Facility Rate -100 bp, given that the criteria for the level of eligible loans specific to the second incentive were met during the additional special reference period.

The IFRS IC decision had no impact on how the Group booked its TLTRO III interest.

The Governing Council of the ECB, at its meeting of 27 October 2022, decided to change the compensation conditions applicable to these refinancing operations as from 23 November 2022 (ECB Decision 2022-2128).

Decision (EU) 2022/2128 of the European Central Bank of 27 October 2022 defined two new periods as follows:

- the "post-additional interest rate period (post-ASIRP)" from 24 June to 22 November 2022 (or the early repayment date if it occurs before that date); during this period, the TLTRO III remuneration is calculated on the basis of an average of the Deposit Facility Rates from the drawdown date until the end of this period.
- the "last interest rate period" (LIRP): from 23 November 2022 to the expected maturity date of drawdowns. During the LIRP, the remuneration of the TLTRO III is calculated on the basis of an average of the Deposit Facility Rates taken from 23 November until the expected repayment date.

The Group re-estimated (following the decision of 27 October 2022) the expected cash flows in order to reflect (i) the fluctuations in interest of the various drawdowns according to the expected maturity and (ii) the changes in the remuneration conditions decided by the ECB, which changed the effective interest rate of the various TLTRO III drawdowns and the amortised cost of each tranche.

The new effective interest rates thus determined are close to the last known Deposit Facility rate at the reporting date.

1.2 Accounting principles and methods

1.2.1 USE OF JUDGEMENTS AND ESTIMATES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

By their nature, the assessments necessary for the production of the consolidated financial statements are based on certain assumptions and are subject to risks and uncertainties relating to their future occurrence.

Future achievements can be influenced by a number of factors, including:

- domestic and international market activities;
- fluctuations in interest and exchange rates;
- economic and political conditions in certain business sectors or countries;
- changes in regulations or legislation.

This is not an exhaustive list.

This year unfolded in an unusual geopolitical environment, marked by the crisis in Ukraine and tensions on commodities and energy. Crédit Agricole CIB has had to adapt to the macroeconomic environment, unprecedented in the past several years, which has resulted in the return of inflation, rising interest rates, the decline in the equity market and disruption of the foreign exchange market. These various items could have an impact on the main accounting estimates as at 31 December 2022.

Accounting estimates that require assumptions are mainly used for the following valuations:

- financial instruments measured at fair value (including non-consolidated investments);
- pension plans and other future employee benefits;
- stock options plans;
- impairment of debt instruments at amortised cost or at fair value through other comprehensive income that may be reclassified to profit or loss;
- provisions;
- goodwill impairment;
- deferred tax assets;
- the valuation of companies accounted for by the equity method.

The procedures for using judgements or estimates are set out in the relevant paragraphs below.

1.2.2 FINANCIAL INSTRUMENTS (IFRS 9, IFRS 13, IAS 32 AND 39)

Definitions

IAS 32 defines a financial instrument as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity, i.e. any contract representing a contractual right or obligation to receive or deliver cash or another financial asset.

Financial assets and liabilities are treated in the financial statements in accordance with the provisions of IFRS 9 as adopted by the European Union, including financial assets held by the Group's insurance entities.

Derivative instruments are financial assets or liabilities whose value changes in line with that of an underlying (provided that, in the case of a non-financial variable, it is not specific to one of the parties to the contract), which require a low or zero initial investment and which are settled at a future date.

IFRS 9 sets out the principles for the classification and measurement of financial instruments, impairment/provisioning of credit risk and hedge accounting, excluding macro-hedges.

However, it is specified that Crédit Agricole CIB uses the option not to apply the general hedging model of IFRS 9. As a result, all hedging relationships remain within the scope of IAS 39 pending future macro-hedging provisions.

"Green" or "ESG" financial assets and so-called "green bond" financial liabilities include a variety of instruments, including loans to finance environmental projects. It should be noted that not all financial instruments subject to these qualifications necessarily have a variable remuneration based on ESG criteria. This terminology may change depending on future European regulations related to sustainable finance. These instruments are recognised in accordance with IFRS 9 in accordance with the principles set out below.

Conventions for valuing financial assets and liabilities

INITIAL MEASUREMENT

On initial recognition, financial assets and liabilities are measured at fair value as defined by IFRS 13.

Fair value as defined by IFRS 13 is the price that would be received for the sale of an asset or paid for the transfer of a liability in an ordinary transaction between market participants, in the principal or most advantageous market, at the valuation date.

SUBSEQUENT MEASUREMENT

After initial recognition, financial assets and liabilities are measured according to their classification either at amortised cost using the effective interest rate (EIR) method for debt instruments, or at their fair value as defined by IFRS 13. Derivatives are always measured at fair value.

Amortised cost corresponds to the amount at which the financial asset or financial liability is measured on initial recognition, including transaction costs directly attributable to its acquisition or issue, less principal repayments, plus or minus the accumulated amortisation - calculated using the effective interest method - of any difference (discount or premium) between the initial amount and the amount at maturity. In the case of a financial asset at amortised cost or at fair value through other comprehensive income that may be reclassified to profit or loss, the amount may be adjusted if necessary for impairment losses (see paragraph "Provision for credit risk").

The effective interest rate (EIR) is the rate that discounts the future cash outflows or receipts planned over the expected life of the financial instrument or, as the case may be, over a shorter period in order to obtain the net book value of the financial asset or liability.

◆ Financial assets

CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS

Non-derivative financial assets (debt or equity instruments) are classified in the balance sheet in accounting categories that determine their accounting treatment and their subsequent valuation mode.

The criteria for the classification and valuation of financial assets depend on the nature of the financial assets, according to whether they are qualified as:

- debt instruments (for example fixed or determinable-income securities and loans); or
- equity instruments (for example, shares).

These financial assets are classified in one of the following three categories:

- financial assets at fair value through profit or loss;
- financial assets at amortised cost (debt instruments only);
- financial assets at fair value through other comprehensive income (for debt instruments, that may be reclassified to profit or loss; for equity instruments, that cannot be reclassified to profit or loss).

DEBT INSTRUMENTS

The classification and measurement of a debt instrument depends on two criteria: the business model defined at the portfolio level and the analysis of contractual characteristics determined by debt instrument, unless the fair value option is used.

The three business models:

The business model is representative of Crédit Agricole CIB's management strategy for managing its financial assets, in order to achieve its objectives. The business model is specified for a portfolio of assets and does not constitute an intention on a case-by-case basis for an isolated financial asset.

There are three business models:

- The "hold to collect" model, the objective of which is to collect contractual cash flows over the life of the assets; this model does not systematically involve holding all of the assets until their contractual maturity; however, the sale of assets is strictly controlled;
- The "hold to collect and sell" model, the objective of which is to collect cash flows over the life of the asset and to dispose of the assets; under this model, the sale of financial assets and the collection of cash flows are both essential; and
- The "other/sale" model, the main objective of which is to sell the assets.

In particular, it concerns portfolios whose objective is to collect cash flows through disposals, portfolios whose performance is assessed on the basis of its fair value and portfolios of financial assets held for trading.

When the strategy followed by management for the management of financial assets does not correspond to the "hold to collect" or "collect and sell" model, these financial assets are classified in a portfolio with an "other/sell" business model.

Contractual characteristics ("Solely Payments of Principal & Interest" or "SPPI" test):

The SPPI test combines a set of criteria, examined cumulatively, to determine whether the contractual cash flows meet the characteristics of a simple financing (principal repayments and interest payments on the principal amount outstanding).

The conditions for the test are met when the financing is eligible only for the repayment of the principal and when the payment of interest received reflects the time value of money, the credit risk associated with the instrument, the other costs and risks of a traditional loan agreement and a reasonable margin, whether the interest rate is fixed or variable.

In simple financing, interest represents the cost of time, the price of credit and liquidity risk over the period and other components related to the cost of carrying the asset (e.g. administrative costs, etc.).

In some cases, this qualitative analysis does not make it possible to conclude, a quantitative analysis (or Benchmark text) is carried out. This additional analysis consists of comparing the contractual cash flows of the asset under consideration and the cash flows of a reference asset.

If the difference between the cash flows of the financial asset and that of the reference is considered immaterial, the asset is considered as a simple financing.

In addition, a specific analysis will be carried out in the event that the financial asset is issued by special purpose entities setting an order of priority for payment among the holders of the financial assets by contractually linking multiple instruments and creating concentrations of credit risk ("tranches").

Each tranche is assigned a subordination ranking which specifies the order of distribution of the cash flows generated by the structured entity.

In this case, the SPPI test requires an analysis of the contractual cash flow characteristics of the asset in question and the underlying assets according to the look-through approach and the credit risk borne by the subscribed tranches compared to the credit risk of the underlying assets.

The accounting method for debt instruments resulting from the qualification of the business model coupled with the SPPI test can be presented in the form of the diagram below:

DEBT INSTRUMENTS		BUSINESS MODELS		
		DATA COLLECTION	HOLD TO COLLECT AND SELL	OTHER / SELL
SPPI TEST	SATISFIED	Amortised cost	Fair value through other comprehensive income recyclable to income	Fair value through profit or loss (SPPI test N/A)
	NOT SATISFIED	Fair value through profit or loss	Fair value through profit or loss	

Debt instruments at amortised cost

Debt instruments are measured at amortised cost if they are eligible for the "hold to collect" model and if they meet the conditions of the SPPI test.

They are recorded at the settlement date and their initial valuation also includes accrued coupons and transaction costs.

The amortisation of any premiums/discounts and transaction costs of loans and receivables and fixed-income securities is recognised in profit or loss using the effective interest rate method.

This category of financial instruments is subject to ECL (Expected Credit Losses) adjustments under the conditions described in the specific paragraph "Impairment/Provision for credit risk".

Debt instruments at fair value through other comprehensive income that can be reclassified

Debt instruments are measured at fair value through other comprehensive income on items that may be reclassified to profit or loss if they are eligible for the collect and sell model and if they meet the conditions of the SPPI test.

They are recorded at the trade date and their initial valuation also includes accrued coupons and transaction costs. Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in profit or loss using the effective interest rate method.

These financial assets are subsequently measured at fair value and changes in fair value are recognised in other comprehensive income that may be reclassified to profit or loss with an offsetting entry in outstandings (excluding accrued interest recognised in profit or loss using the effective interest rate method).

In the event of a disposal, these changes are transferred to profit or loss.

This category of financial instrument is subject to ECL adjustments under the conditions described in the specific paragraph "Impairment/Provision for credit risk" (without this affecting the fair value on the balance sheet).

Debt instruments at fair value through profit or loss

Debt instruments are measured at fair value through profit or loss in the following cases:

- The instruments are classified in portfolios consisting of financial assets held for trading or whose main objective is disposal;

Financial assets held for trading are assets acquired or generated by the company primarily for the purpose of selling them in the short term or that are part of a portfolio of instruments jointly managed for the purpose of making a profit related to short-term price fluctuations or an arbitrage margin. Although contractual cash flows are received during the time that Crédit Agricole CIB holds the assets, the collection of these contractual cash flows is not essential but ancillary.

- Debt instruments that do not meet the SPPI test criteria. This is particularly the case for UCIs (Undertakings for Collective Investment);
- Financial instruments classified in portfolios for which Crédit Agricole CIB chooses fair value measurement in order to reduce a difference in accounting treatment in the income statement. In this case, they are designated at fair value through profit or loss.

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (directly recorded in profit or loss) and including accrued interest.

They are subsequently measured at fair value and changes in fair value are recognised in profit or loss under Net Banking Income, with an offsetting entry in outstandings. Interest on these instruments is recognised under "Net gains or losses on financial instruments at fair value through profit or loss".

This category of financial assets is not subject to impairment in respect of credit risk.

Debt instruments measured at fair value through profit or loss by type whose business model is "Other/sale" are recorded at the trade date.

Debt instruments measured at fair value through profit or loss are recorded at the trade date.

Debt instruments measured at fair value through profit or loss by type, if the SPPI test fails, are recorded on the settlement-delivery date.

EQUITY INSTRUMENTS

Equity instruments are recognised at fair value through profit or loss by default, unless they are irrevocable for classification and measurement at fair value through other comprehensive income that cannot be reclassified to profit or loss, provided that these instruments are not held for trading.

Equity instruments at fair value through profit or loss

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (directly recognised in profit or loss). Equity instruments held for trading are recorded at the trade date. Equity instruments measured at fair value through profit or loss and not held for trading are recorded at the settlement-delivery date.

They are subsequently measured at fair value and changes in fair value are recognised in profit or loss under Net Banking Income, with an offsetting entry in outstandings.

This category of financial assets is not subject to impairment.

Equity instrument recognised at fair value through other comprehensive income that cannot be reclassified to profit or loss (by irrevocable option)

The irrevocable option to recognise equity instruments at fair value through other comprehensive income that cannot be reclassified to profit or loss is used at the transactional level (line by line) and applies at the initial recognition date. These securities are recorded at the trade date.

The initial fair value includes transaction costs.

In subsequent measurements, changes in fair value are recognised in other comprehensive income that cannot be reclassified to profit or loss. In the event of disposal, these changes are not reclassified to profit or loss; the gain or loss on disposal is recognised in other comprehensive income.

Only dividends are recognised in profit or loss if:

- the entity's right to receive payment is established;
- it is likely that the economic benefits associated with dividends will flow to the entity;
- the amount of dividends can be reliably measured.

This category of financial assets is not subject to impairment.

RECLASSIFICATION OF FINANCIAL ASSETS

In the event of a significant change in the business model in the management of financial assets (new activity, acquisition of entities, disposal or abandonment of a significant activity), these financial assets must be reclassified. The reclassification applies to all financial assets in the portfolio from the reclassification date.

In other cases, the business model remains unchanged for existing financial assets. If a new business model is identified, it applies prospectively to new financial assets, grouped into a new management portfolio.

TEMPORARY PURCHASES AND SALES OF SECURITIES

Temporary sales of securities (securities lending, securities sold under repurchase agreements) do not generally meet the conditions for derecognition.

Securities lent or repurchased are maintained on the balance sheet. In the case of repurchased securities, the amount received, representing the debt to the transferee, is recorded on the liabilities side of the balance sheet by the transferor.

Securities borrowed or received under reverse repurchase agreements are not recorded on the transferee's balance sheet.

In the case of repurchased securities, a receivable in respect of the transferor is recorded on the transferee's balance sheet against the amount paid. In the event of subsequent resale of the security, the transferee recognises a liability measured at fair value in respect of its obligation to return the security under the repurchase agreement.

Income and expenses relating to these transactions are recorded in the income statement on a pro rata basis, except in the event of the classification of assets and liabilities at fair value through profit or loss.

DERECOGNITION OF FINANCIAL ASSETS

A financial asset (or group of financial assets) is derecognised in whole or in part:

- when the contractual rights to the cash flows linked to it expire;
- or are transferred or treated as such because they belong de facto to one or more beneficiaries; and when substantially all the risks and rewards of the financial asset are transferred.

In this case, all rights and obligations created or retained at the time of the transfer are recognised separately as assets and liabilities.

When the contractual rights to the cash flows are transferred but only a portion of the risks and rewards, as well as control, are retained, Crédit Agricole CIB continues to recognise the financial asset to the extent of its continuing involvement in that asset.

Financial assets renegotiated for commercial reasons in the absence of financial difficulties of the counterparty and for the purpose of developing or maintaining a business relationship are derecognised at the renegotiation date. New loans granted to customers are recorded at fair value at the renegotiation date. Subsequent recognition depends on the business model and the SPPI test.

◆ Financial liabilities

CLASSIFICATION AND MEASUREMENT OF FINANCIAL LIABILITIES

Financial liabilities are classified in the balance sheet in the following two accounting categories:

- financial liabilities at fair value through profit or loss, by type or by option;
- financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss by type

Financial instruments issued primarily for the purpose of being redeemed in the short term, instruments that are part of a portfolio of identified financial instruments that are managed together and which show evidence of a recent short-term profit-taking profile and derivatives (with the exception of certain hedging derivatives) are measured at fair value by type.

Changes in the fair value of this portfolio are recognised through profit or loss.

Financial liabilities at fair value through profit and loss by option

Financial liabilities corresponding to one of the three cases defined by the standard below may be designated for measurement at fair value through profit or loss: hybrid issues including one or more separable embedded derivatives, reduction or elimination of accounting mismatches or groups of managed financial liabilities for which performance is measured at fair value.

This option is irrevocable and must be applied at the date of initial recognition of the instrument.

On subsequent measurements, these financial liabilities are measured at fair value through profit or loss for changes in fair value not related to own credit risk and against other comprehensive income that cannot be reclassified to profit or loss for changes in value related to own credit risk unless this aggravates the accounting mismatch (in which case changes in value related to own credit risk are recognised in profit or loss, as required by the standard).

Financial liabilities evaluated at amortised cost

All other liabilities that meet the definition of a financial liability (excluding derivatives) are measured at amortised cost.

These liabilities are recognised at fair value at initial recognition (including transaction income and costs) and are subsequently recognised at amortised cost using the effective interest rate method.

RECLASSIFICATION OF FINANCIAL LIABILITIES

The initial classification of financial liabilities is irrevocable. No subsequent reclassification is permitted.

DISTINCTION BETWEEN DEBT AND SHAREHOLDERS' EQUITY

The distinction between debt instruments and equity instruments is based on an analysis of the substance of the contractual arrangements.

A financial liability is a debt instrument if it includes a contractual obligation to:

- deliver cash, another financial asset or a variable number of equity instruments to another entity; or
- exchange financial assets and liabilities with another entity under potentially unfavourable conditions.

An equity instrument is a non-refundable financial instrument which offers discretionary return representing a residual interest in an undertaking after deduction of all its financial liabilities (net assets) and which is not qualified as a debt instrument.

DERECOGNITION AND MODIFICATION OF FINANCIAL LIABILITIES

A financial liability is derecognised in whole or in part:

- when it is extinguished; or
- where the quantitative or qualitative analyses conclude that it has been substantially modified in the event of a restructuring.

A substantial change in an existing financial liability shall be recorded as an extinguishment of the original financial liability and the recognition of a new financial liability (the novation). Any difference between the carrying amount of the extinguished liability and the new liability will be recognised immediately in the income statement.

If the financial liability is not derecognised, the original effective interest rate is maintained. A discount/premium is recognised immediately in the income statement at the date of modification and then spread out at the initial effective interest rate over the residual life of the instrument.

Negative interest on financial assets and liabilities

In accordance with the January 2015 IFRS IC decision, negative interest income (expenses) on financial assets that do not meet the definition of income within the meaning of IFRS 15 are recognised as interest expenses in the income statement and not as a reduction in interest income. The same applies to negative interest expenses (income) on financial liabilities.

Impairment/provisions for credit risk

SCOPE

In accordance with IFRS 9, Crédit Agricole CIB recognises a value adjustment for expected credit losses (ECLs) on the following outstandings:

- financial assets of debt instruments at amortised cost or at fair value through other comprehensive income that may be reclassified to profit or loss (loans and receivables, debt securities);
- financing commitments that are not measured at fair value through profit or loss;
- guarantee commitments falling under IFRS 9 and not measured at fair value through profit or loss;
- lease receivables subject to IFRS 16; and
- trade receivables generated by transactions under IFRS 15.

Equity instruments (at fair value through profit or loss or at fair value through other comprehensive income that will not be reclassified to profit or loss) are not affected by the impairment provisions.

Derivative instruments and other financial instruments measured at fair value through profit or loss are the subject of a counterparty risk calculation that is not covered by the ECL model. This calculation is described in Chapter 5 "Risks and Pillar 3" of the CACIB Group Universal Registration Document.

CREDIT RISK AND IMPAIRMENT/PROVISION STAGES

Credit risk is defined as the risk of losses linked to the default of a counterparty resulting in its inability to meet its commitments vis-à-vis the Group.

The credit risk provisioning process distinguishes between three stages:

- Stage 1: from the initial recognition of the financial instrument (loan, debt security, guarantee, etc.), Crédit Agricole CIB recognises 12-month expected credit losses;
- Stage 2: if credit quality deteriorates significantly for a given transaction or portfolio, Crédit Agricole CIB recognises losses expected at maturity;
- Stage 3: once one or more default events have occurred on the transaction or on the counterparty, having an adverse effect on estimated future cash flows, Crédit Agricole CIB recognises an incurred credit loss at maturity. Subsequently, if the conditions for classifying financial instruments in Stage 3 are no longer met, the financial instruments are reclassified to Stage 2, then Stage 1 depending on the subsequent improvement in the quality of credit risk.

Definition of default

The definition of default for ECL provisioning purposes is identical to that used in management and for regulatory ratio calculations. Thus, a debtor is considered to be in default when at least one of the following two conditions is met:

- significant arrears, generally when a payment is more than ninety days past due, unless specific circumstances point to the fact that the delay is due to reasons beyond the debtor's control;
- Crédit Agricole CIB considers that the debtor is unlikely to settle its credit obligations in full unless it avails itself of certain measures such as the enforcement of collateral.

A loan is deemed to be non-performing (Stage 3) when one or more events have occurred which have a negative effect on the future estimated cash flows of this financial asset. Evidence of impairment of a financial asset includes observable data about the following events:

- significant financial difficulties for the issuer or borrower;
- a breach of an agreement, such as a default or late payment;
- the granting by the lender(s) to the borrower, for economic or contractual reasons related to the borrower's financial difficulties, of one or more favours that the lender(s) would not have considered in other circumstances;
- an increasing probability of bankruptcy or financial restructuring of the borrower;
- the disappearance of an active market for the financial asset due to financial difficulties;
- the purchase or the creation of a financial asset with a large discount, which reflects the credit losses incurred.

It is not necessarily possible to isolate a particular event as the impairment of the financial asset could result from the combined effect of several events.

The counterparty in default returns to a performing situation only after an observation period (90 days) that confirms that the borrower is no longer in default (assessment by the Risk Division).

The concept of ECL (Expected Credit Loss)

The ECL is defined as the present value of probability-weighted estimated credit losses (principal and interest). It is the present value of the difference between contractual cash flows and expected cash flows (including principal and interest).

The ECL approach aims to recognise expected credit losses as soon as possible.

GOVERNANCE AND MEASUREMENT OF ECL

The governance of the IFRS 9 measurement system is based on the organisation set up under the Basel framework. The Group Risk Management Department is responsible for defining the methodological framework and for the supervision of the mechanism for provisioning exposures.

The Group relies primarily on the internal rating system and the current Basel processes to generate the IFRS 9 parameters needed to calculate expected credit losses. The assessment of changes in credit risk is based on a model that anticipates losses and extrapolation on the basis of reasonable scenarios. All available, relevant, reasonable and justifiable information, including forward looking information, must be used.

The calculation formula incorporates probability of default, loss given default and exposure at default parameters.

These calculations are largely based on internal models used for prudential monitoring, where they exist, with adjustments to determine an economic ECL. IFRS 9 recommends an analysis at the reporting date (Point in Time) while taking into account historical loss data and forward-looking macroeconomic data, while the prudential view is analysed through the cycle for the probability of default and in a downturn for loss in the event of default.

The accounting approach also involves recalculating certain Basel parameters, in particular to neutralise internal collection costs or floors imposed by the regulatory authorities for regulatory loss given default (LGD) calculations.

The methods for calculating expected credit losses are to be assessed according to the types of products: financial instruments and off-balance sheet instruments.

The 12-month expected credit loss (Stage 1) is a portion of lifetime expected credit losses (Stages 2 and 3), representing the lifetime cash flow shortfall occurring from a default within 12 months of the reporting date (or a shorter period if the financial instrument's expected life is shorter than 12 months), weighted by the probability of default within 12 months.

The expected credit loss is discounted using the effective interest rate determined on initial recognition of the financial instrument.

The ECL measurement methods take into account assets pledged as collateral and other credit enhancements that form part of the contractual terms and conditions and which Crédit Agricole CIB does not recognise separately. The estimation of the expected cash flow shortfalls from a guaranteed financial instrument reflects the amount and timing of the recovery of the guarantees. In accordance with IFRS 9, the recognition of guarantees and collateral does not affect the assessment of a significant increase in credit risk: this is based on changes in the debtor's credit risk without taking into account guarantees.

Backtesting of models and parameters used is carried out at least on a yearly basis.

Forward-looking macro-economic data are taken into account in a methodological framework applicable at two levels:

- at the Group level, in determining a shared framework for taking into account forward looking data in the projection of PD and LGD parameters over the transaction amortisation period;
- at the level of each entity with regard to its own portfolios.

SIGNIFICANT DETERIORATION OF THE CREDIT RISK

All Group entities must assess, for each financial instrument, the increase in credit risk since initial recognition at each reporting date. This assessment of changes in credit risk leads the entities to classify their transactions by risk category (Stages).

To determine a significant deterioration, the Group applies a process with two levels of analysis:

- a first level using relative and absolute rules and criteria, applied to Group entities;
- a second level linked to the expert assessment, based on local forward-looking information, of the risk held by each entity in its portfolios that may lead to an adjustment in the Group Stage 2 reclassification criteria (switching a portfolio or sub-portfolio to ECL at maturity).

Significant deterioration is monitored, with few exceptions, for every financial instrument. No contagion is required for a financial instrument from the same counterparty to be transferred from Stage 1 to Stage 2. Monitoring of the significant deterioration in credit risk must cover the primary debtor, without taking into account guarantees, even for transactions guaranteed by the shareholder.

For exposures comprised of small loans with similar characteristics, the review by counterparty may be replaced by a statistical estimate of expected losses.

To measure the significant deterioration in credit risk since initial recognition, it is necessary to retrieve the internal rating and the PD (probability of default) applied on initial recognition.

The date of initial recognition refers to the trading date, when Crédit Agricole CIB becomes a party to the contractual provisions of the financial instrument. For financing and guarantee commitments, the date of initial recognition is the date on which the irrevocable commitment is made.

For the scope not covered by an internal rating model, Crédit Agricole Group uses amounts past due for more than 30 days as the ultimate threshold representing a significant deterioration in credit risk leading to classification in Stage 2.

For exposures (with the exception of securities) for which internal rating systems have been built (particularly those monitored using authorised methods), Crédit Agricole Group considers that all of the information included in the rating systems enables a more relevant assessment than the sole criteria of arrears of over 30 days.

If the significant deterioration in credit risk since initial recognition is no longer observed, the outstandings are reclassified to Stage 1 (performing loans) and the impairment is reduced to 12-month expected losses.

In order to compensate for the fact that certain factors or indicators of a significant deterioration are not identifiable at the level of a financial instrument considered separately, the standard authorises an assessment of significant deterioration for portfolios, groups of portfolios or portions of portfolios of financial instruments.

The establishment of portfolios for an assessment of collective impairment can be based on common characteristics such as:

- the type of instrument;
- the credit risk rating (including the Basel II internal rating for entities with an internal rating system);
- the type of guarantee;
- the date of initial recognition;
- the term to maturity;
- the sector of activity;
- the geographic location of the borrower;
- The value of the asset allocated as a guarantee in relation to the financial assets, if this has an effect on the probability of default (for example, in the case of loans guaranteed only by real security in certain countries, or the loan-to-value ratio);
- the distribution channel, the purpose of the loan, etc.

The grouping of financial instruments for the purpose of assessing changes in credit risk on a collective basis may change over time as new information becomes available.

For securities, Crédit Agricole CIB uses the approach of applying an absolute level of credit risk, in accordance with IFRS 9, below which the exposures will be classified in Stage 1 and impaired on the basis of a 12-month ECL.

Thus, the following rules will apply to the monitoring of the significant deterioration in securities:

- securities rated "Investment Grade" at the reporting date will be classified in Stage 1 and provisioned on the basis of a 12-month ECL;
- securities rated "Non-Investment Grade" (NIG), at the reporting date, must be monitored for significant deterioration since initial recognition and be classified in Stage 2 (ECL at maturity) in the event of a significant increase in credit risk.

The relative deterioration must be assessed prior to the occurrence of a proven default (Stage 3).

RESTRUCTURING DUE TO FINANCIAL DIFFICULTIES

Debt instruments restructured due to financial difficulties are those for which Crédit Agricole CIB has changed the initial financial terms (interest rate, maturity, etc.) for economic or legal reasons related to the borrower's financial difficulties, in a manner that would not have been considered under other circumstances. As such, they concern all debt instruments, regardless of the classification category of the debt instrument based on the increase in credit risk observed since initial recognition.

In accordance with the definition of the EBA (European Banking Authority) specified in the "Risks and Pillar 3" chapter 5 of the CACIB Group Universal Registration Document, the restructuring of debts due to financial difficulties of the debtor corresponds to all changes made to one or more credit agreements in this respect, as well as to refinancing granted due to the financial difficulties encountered by the client.

This notion of restructuring must be assessed at the level of the contract and not at the client level (no contagion).

The definition of receivables restructured due to financial difficulties therefore involves two cumulative criteria:

- contractual modifications or refinancing of receivables (where concessions are granted);
- a client in financial difficulty (a debtor experiencing, or about to experience, difficulties in meeting their financial commitments).

For example, "contract modification" refers to situations in which:

- there is a difference between the modified contract and the former terms of the contract, to the benefit of the borrower;
- the amendments to the contract lead to more favourable terms for the borrower in question than could have been obtained from other borrowers of the bank with a similar risk profile at the same time.

"Refinancing" refers to situations in which a new debt is granted to the client in order to enable it to repay all or part of any other debt for which it cannot assume the contractual terms due to its financial situation.

The restructuring of a loan (performing or in default) indicates presumption of a proven risk of loss (Stage 3).

The need to establish impairment on the restructured exposure must therefore be analysed accordingly (a restructuring does not systematically result in the recognition of impairment for incurred loss and classification in default).

The classification as "restructured debt" is temporary.

As soon as the restructuring operation within the meaning of the EBA has been carried out, the exposure maintains this status of "restructured" for a period of at least two years if the exposure was performing at the time of the restructuring, or three years if the exposure was in default at the time of the restructuring. These periods are extended if certain events occur (new incidents, for example).

In the absence of a derecognition linked to this type of event, the reduction of future cash flows granted to a counterparty, or the postponing of these flows as part of a restructuring, results in the recognition of a discount in the cost of risk.

It corresponds to the shortfall in future cash flows, discounted at the original effective rate. It is equal to the difference between:

- The carrying amount of the receivable;
- And the sum of theoretical future cash flows from the restructured loan, discounted at the original effective interest rate (defined at the date of the financing commitment).

In the event of the abandonment of part of the capital, this amount constitutes a loss to be recorded immediately in cost of risk.

The discount recognised when a loan is restructured is recorded under cost of risk.

When the discount is reversed, the portion due to the effect of the passage of time is recorded in "Net Banking Income".

IRRECOVERABILITY

When a loan is deemed irrecoverable, meaning that there is no longer any hope to recover it in whole or in part, the balance sheet should be derecognised and the amount deemed irrecoverable should be written off as a loss.

Decisions as to when to write off a loan are taken on the basis of expert judgement. Each entity determines this with the Risk Department, based on its knowledge of the borrower's activity. Before any write-off, a Stage 3 impairment must have been recorded (with the exception of assets at fair value through profit or loss).

For loans at amortised cost or at fair value through other comprehensive income recyclable to income, the amount written off is recorded in cost of risk for the nominal amount, under Net Banking Income (NBI) for interest.

◆ Derivative instruments

CLASSIFICATION AND ASSESSMENT

Derivative instruments are financial assets or liabilities classified by default as derivative instruments held for trading unless they can be qualified as hedging derivatives.

They are recorded on the balance sheet at their initial fair value at the trade date.

They are subsequently measured at fair value.

At each reporting date, the contra entry for changes in the fair value of derivatives on the balance sheet is recorded:

- In profit or loss for derivatives held for trading or fair value hedges;
- In other comprehensive income that may be reclassified to profit or loss, if they are cash flow hedging derivatives or a net investment in a foreign operation, for the effective portion of the hedge.

HEDGE ACCOUNTING

General framework

In accordance with the Group's decision, Crédit Agricole CIB does not apply the "hedging accounting" component of IFRS 9 according to the option provided by the standard. All hedging relationships remain documented in accordance with the rules of IAS 39, at the latest until the date of application of the macro-hedging text when it is adopted by the European Union. However, the eligibility of financial instruments for hedge accounting under IAS 39 takes into account the classification and measurement principles of IFRS 9.

Under IFRS 9 and taking into account the hedging principles of IAS 39, debt instruments at amortised cost and at fair value through other comprehensive income that may be reclassified to profit or loss are eligible for fair value hedges and cash flow hedges.

Documentation

Hedging relationships must comply with the following principles:

- Fair value hedges aim to protect against exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment attributable to the hedged risk(s) that may affect profit or loss (for example, hedge of all or part of changes in fair value due to interest rate risk on a fixed-rate debt);

- Cash flow hedges aim to provide protection against exposure to changes in the future cash flows of a recognised asset or liability or a highly probable planned transaction, attributable to the hedged risk(s) and that may or could (in the case of a planned but unrealised transaction) affect profit or loss (for example, hedging of changes in all or part of future interest payments on variable-rate debt);
- The purpose of hedging a net investment in a foreign operation is to protect against the risk of adverse changes in the fair value associated with the foreign exchange risk of an investment made abroad in a currency other than the euro, the presentation currency of Crédit Agricole CIB.

For hedging purposes, the following conditions must also be met in order to benefit from hedge accounting:

- The hedging instrument and the hedged item must be eligible;
- There must be formal documentation from the outset, including in particular the individual identification and characteristics of the hedged item, the hedging instrument, the nature of the hedging relationship and the nature of the hedged risk;
- The effectiveness of the hedge must be demonstrated, from the outset and retrospectively, by testing at each reporting date.

For interest rate risk hedges on a portfolio of financial assets or financial liabilities, the Crédit Agricole Group favours fair value hedging documentation as permitted by IAS 39, adopted by the European Union (the so-called "carve out" version). In particular:

- The Group documents these hedging relationships on the basis of a gross position in derivatives and hedged items;
- The effectiveness of the hedging relationships is measured by maturity schedules.

Assessment

The revaluation of the derivative at fair value is recognised as follows:

- fair value hedges: the revaluation of the derivative and the revaluation of the hedged item in the amount of the hedged risk are recorded symmetrically in profit or loss. Only the ineffective portion of the hedge is recognised in net profit or loss;
- cash flow hedges: the revaluation of the derivative, excluding accrued interest, is recognised on the balance sheet with a contra entry in a specific account for gains and losses recognised directly in other comprehensive income that may be reclassified to profit or loss for the effective portion and the ineffective portion of the hedge is recognised in profit or loss where applicable. Gains or losses on the derivative accumulated in other comprehensive income are subsequently reclassified to profit or loss at the time the hedged cash flows are realised;
- hedge of a net investment in a foreign operation: the revaluation of the derivative is recorded on the balance sheet with an offsetting entry in other comprehensive income that will be reclassified to profit or loss and the ineffective portion of the hedge is recognised in profit or loss.

When the conditions for hedge accounting are no longer met, the following accounting treatment must be applied prospectively, except in the event of the disappearance of the hedged item:

- fair value hedges: only the derivative continues to be remeasured through profit or loss. The hedged item is fully recognised in accordance with its classification. For debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss, changes in fair value after the end of the hedging relationship are recorded in other comprehensive income in full. For hedged items measured at amortised cost, which were hedged against interest rate risk, the revaluation difference is amortised over the remaining life of these hedged items;
- cash flow hedges: the hedging instrument is measured at fair value through profit or loss. The amounts accumulated in other comprehensive income under the effective portion of the hedge remain in other comprehensive income until the hedged flows of the hedged item affect profit or loss. For items that were hedged against interest rates, income is allocated as interest is paid. The revaluation difference is amortised in practice over the remaining life of these hedged items;
- net investment hedge abroad: The amounts accumulated in other comprehensive income under the effective portion of the hedging remain in other comprehensive income while the net investment is held. The income is recognised when the net investment in a foreign operation exits the scope of consolidation.

EMBEDDED DERIVATIVES

An embedded derivative is a component of a hybrid contract that meets the definition of a derivative product. This designation applies only to financial liabilities and non-financial contracts. The embedded derivative must be accounted for separately from the host contract if the following three conditions are met:

- the hybrid contract is not measured at fair value through profit or loss;
- separate from the host contract, the embedded item has the characteristics of a derivative;
- the characteristics of the derivative are not closely related to those of the host contract.

◆ Determination of the fair value of financial instruments

The fair value of financial instruments is determined by maximising the use of observable inputs. It is presented according to the hierarchy defined in IFRS 13.

IFRS 13 defines fair value as the price that would be received for the sale of an asset or paid for the transfer of a liability in an ordinary transaction between market participants on the principal or the most advantageous market, at the valuation date.

Fair value applies to each individual financial asset or financial liability. As an exception, it may be estimated by portfolio if the risk management and monitoring strategy so allow and are subject to appropriate documentation. Thus, certain fair value inputs are calculated on a net basis when a group of financial assets and financial liabilities is managed on the basis of its net exposure to market or credit risks.

Crédit Agricole CIB considers that the best indication of fair value is the reference to quoted prices in an active market.

In the absence of such quotations, fair value is determined using valuation techniques that maximise the use of relevant observable data and minimise the use of unobservable inputs.

When a debt is measured at fair value through profit or loss (by type or using the option), the fair value takes into account the issuer's own credit risk.

FAIR VALUE OF STRUCTURED ISSUES

In accordance with IFRS 13, Crédit Agricole CIB values its structured issues measured at fair value by taking as a reference the issuer spread that specialised parties agree to receive in order to acquire new issues from the Group.

COUNTERPARTY RISK ON DERIVATIVE INSTRUMENTS

Crédit Agricole CIB incorporates into fair value the assessment of counterparty risk for derivative assets (Credit Valuation Adjustment or CVA) and, using a symmetrical treatment, the non-performance risk for derivative liabilities (Debit Valuation Adjustment or DVA or own credit risk).

The CVA is used to determine the expected losses on the counterparty from the perspective of the Crédit Agricole Group and the DVA, the expected losses on the Crédit Agricole Group from the perspective of the counterparty.

The CVA/DVA is calculated on the basis of an estimate of expected losses based on the probability of default and loss given default. The methodology used maximises the use of observable market inputs. It is primarily based on market data such as registered and listed Credit Default Swaps (CDS), Single Name CDS, or index CDS in the absence of registered CDS on the counterparty. In certain circumstances, historical default data may also be used.

COSTS AND BENEFITS RELATED TO DERIVATIVES FINANCING

The value of non-collateralised or partially collateralised derivative instruments incorporates a Funding Value Adjustment (FVA) that represents costs and benefits related to the financing of these instruments. This adjustment is measured based on positive or negative future exposure of transactions for which a cost of financing is applied.

FAIR VALUE HIERARCHY

The standard classifies fair values into three levels based on the observability of inputs used in the valuation.

Level 1: fair values corresponding to prices (non-adjusted) in active markets

Level 1 presents financial instruments directly quoted on active markets for identical assets and liabilities to which Crédit Agricole CIB may have access at the valuation date. These include equities and bonds listed on an active market, units of investment funds listed on an active market and derivatives contracted on an organised market, including futures.

A market is regarded as being active if quoted prices are readily and regularly available from an exchange, broker, dealer, pricing service or regulatory agency and these prices represent actual transactions regularly occurring in the market on an arm's length basis.

For financial assets and liabilities with offsetting market risks, Crédit Agricole CIB uses mid-prices as a basis for establishing fair values for the offsetting risk positions. For net short positions, the market values used are those at current asking price and for net long positions, current bid prices.

Level 2: fair values measured using directly or indirectly observable data, other than Level 1 inputs

These data are directly observable (prices) or indirectly observable (price derivative data) and generally meet the following criteria: these data are not specific to Crédit Agricole CIB, are available/accessible to the public and are based on a market consensus.

The following are presented in level 2:

- equities and bonds listed on an inactive market, or not quoted on an active market, but for which fair value is determined using a valuation method commonly used by market participants (such as discounted cash flow methods, the Black & Scholes model) and based on observable market data;
- over-the-counter instruments for which valuation is carried out using models based on observable market data, i.e., that can be obtained from several sources independent of internal sources and on a regular basis. For example, the fair value of interest rate swaps is generally determined using yield curves based on market interest rates observed at the reporting date.

When the models used are based in particular on standard models and on observable market inputs (such as yield curves or implicit volatility tables), the initial margin generated on the instruments thus valued is recognised in profit or less at inception.

Level 3: fair value that is measured using a significant portion of unobservable inputs

For some complex instruments that are not traded in an active market, fair value measurement is based on valuation techniques using assumptions that cannot be observed on the market for an identical instrument. These products are presented in Level 3.

This mainly concerns complex fixed income products, equity derivatives and structured credit products whose valuation requires, for example, correlation or volatility inputs not directly comparable to market data.

The initial transaction price is deemed to reflect the market value and recognition of the initial margin is deferred.

The margin generated on these structured financial instruments is generally recognised in profit or loss over the period during which the inputs are deemed unobservable. When market data become "observable," the remaining margin to be deferred is immediately recognised in profit or loss.

The methodologies and models for valuing financial instruments presented in Level 2 and Level 3 incorporate all the factors that market participants use to calculate a price. They must first be validated by an independent control. The calculation of the fair values of these instruments takes into account liquidity risk and counterparty risk.

◆ Offsetting of financial assets and liabilities

In accordance with IAS 32, Crédit Agricole CIB offsets a financial asset and liability and presents a net balance if and only if it has a legally enforceable right to offset the recognised amounts and intends to settle the net amount or to realise the asset and the liability simultaneously.

Derivatives and repurchase agreements with clearing houses whose operating principles meet the two criteria required by IAS 32 are offset on the balance sheet.

This offsetting effect is presented in the table in Note 6.8 relating to the amendment to IFRS 7 on disclosures in respect of offsetting financial assets and financial liabilities.

◆ Net gains (losses) on other assets

NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

For financial instruments measured at fair value through profit or loss, this item includes the following items of income:

- Dividends and other income from shares and other variable-income securities classified as financial assets at fair value through profit or loss;
- changes in the fair value of financial assets or liabilities at fair value through profit or loss;
- Realised gains and losses on disposals of financial assets at fair value through profit or loss;
- Changes in fair value and gains or losses on the disposal or termination of derivative instruments that are not part of a fair value or cash flow hedge.

This item also includes ineffectiveness resulting from hedging transactions.

NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

For financial assets measured at fair value through other comprehensive income, this item includes the following items of income:

- Dividends from equity instruments classified as financial assets at fair value through other comprehensive income that cannot be reclassified to profit or loss;
- Gains and losses on disposal as well as income from the termination of the hedging relationship on debt instruments classified as financial assets at fair value through other comprehensive income that may be reclassified to profit or loss;
- Gains or losses on the disposal or termination of fair value hedging instruments of financial assets at fair value through other comprehensive income when the hedged item is sold.

◆ Financing commitments and financial guarantees

Financing commitments that are not designated as assets at fair value through profit or loss or that are not treated as derivative instruments within the meaning of IFRS 9 are not included in the balance sheet. However, they are subject to provisions for credit risk in accordance with IFRS 9.

A financial guarantee arrangement is a contract that requires the issuer to make specific payments to reimburse its holder for a loss suffered by the issuer due to the default of a specified debtor who fails to make a payment on maturity under the initial or amended terms of a debt instrument.

Financial guarantee contracts are initially measured at fair value and subsequently at the higher of:

- the amount of the value adjustment for losses determined in accordance with the provisions of IFRS 9, the "Impairment" chapter; or
- the amount initially recognised less, where applicable, the accumulated income recognised in accordance with IFRS 15 "Revenue from contracts with customers".

1.2.3 PROVISIONS (IAS 37)

Crédit Agricole CIB identifies the obligations (legal or implied) resulting from a past event for which it is probable that an outflow of resources will be required to settle them and for which the due date or amount of the settlement is uncertain but can be reliably estimated. Where applicable, these estimates are updated when the impact is significant.

In respect of obligations other than those related to credit risk, Crédit Agricole CIB has set aside provisions covering in particular:

- operational risks;
- employee benefits;
- execution risks of off-balance sheet commitments;
- disputes and liability guarantees;
- tax risks (excluding income tax).

Commitments are established taking into account, in particular:

- the modelled behaviour of subscribers, using assumptions of changes in these behaviours, based on historical observations and likely not to describe the reality of these future changes;
- the estimate of the amount and term of the loans to be put in place in the future, based on long-term historical observations;
- the observable yield curve on the market and its reasonably anticipated changes.

The valuation of the following provisions may also be estimated:

- the provision for operational risks, for which an inventory of proven risks and Management's assessment of the frequency of the incident and the amount of the potential financial impact, are taken into account.
- provisions for legal risks resulting from Management's best assessment, taking into account the information in its possession at the balance sheet date.

Detailed information is provided in Note 6.14 "Provisions".

1.2.4 EMPLOYEE BENEFITS (IAS 19)

In accordance with IAS 19, employee benefits are grouped into four categories:

- short-term benefits, such as salaries, social security contributions, annual leave, profit-sharing and bonuses, are those that are expected to be paid within twelve months of the year in which the services were rendered;
- post-employment benefits, which themselves fall into two categories described below: defined-benefit plans and defined-contribution plans;
- other long-term benefits (work awards, bonuses and compensation payable twelve months or more at the end of the fiscal year);
- termination benefits.

POST-EMPLOYMENT BENEFITS

Defined benefit plans

At each closing date, Crédit Agricole CIB determines its pension obligations and similar benefits as well as all employee benefits under the defined-benefit plan category.

In accordance with IAS 19, these obligations are measured on the basis of actuarial, financial and demographic assumptions and in accordance with the projected unit credit method. This method consists in booking a charge for each period of service, for an amount corresponding to employee's vested benefits for the period. This charge is calculated based on the discounted future benefit.

The calculations relating to pension and future employee benefits are based on assumptions made by Management with regard to discount rates, employee turnover rates or changes in salaries and social security charges. (see Note 7.4 "Post-employment benefits, defined-benefit plans").

The discount rates are determined according to the average duration of the commitment, that is, the arithmetic average of the durations calculated between the valuation date and the payment date weighted by the turnover assumptions. The underlying used is the discount rate by reference to the iBoxx AA index.

In accordance with IAS 19, Crédit Agricole CIB charges all actuarial gains and losses recognised in other comprehensive income that cannot be reclassified to profit or loss. Actuarial gains and losses consist of experience adjustments (difference between what was estimated and what happened) and the effect of changes in actuarial assumptions.

The expected return on plan assets is determined on the basis of the discount rates used to measure the defined benefit obligation. The difference between the expected return and the actual return on plan assets is recognised in gains and losses recognised directly in other comprehensive income that cannot be reclassified to profit or loss.

The amount of the provision is equal to:

- the present value of the defined benefit obligation at the reporting date, calculated using the actuarial method recommended by IAS 19;
- less, where applicable, the fair value of the assets allocated to cover these commitments. These may be represented by an eligible insurance policy. In the event that the obligation is fully covered by a policy corresponding exactly, by its amount and period, to all or part of the benefits payable under the plan, the fair value of the obligation is considered to be that of the corresponding obligation (the amount of the corresponding actuarial liability).

Defined-contribution plans

There are various mandatory pension plans to which employers contribute. The funds are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to provide all the benefits corresponding to the services rendered by staff during the current and previous years. As a result, Crédit Agricole CIB has no liability in this respect other than the contributions payable for the past financial year.

OTHER LONG-TERM EMPLOYEE BENEFITS

Other long-term employee benefits are benefits payable to employees, other than post-employment benefits and termination benefits, but not fully due within twelve months of the end of the fiscal year in which the related services were rendered.

This includes bonuses and other deferred compensation paid twelve months or more after the end of the financial year in which they were earned, but which are not share-based.

The measurement method is similar to that used by the Group for post-employment benefits falling within the defined benefit category.

1.2.5 SHARE-BASED PAYMENTS (IFRS 2)

IFRS 2 on share-based payments requires the measurement of transactions remunerated through share-based payments and similar payments in the company's results and balance sheet. This standard applies to transactions with employees and more specifically:

- share-based payment transactions that are settled in equity instruments;
- share-based payment transactions that are settled in cash.

Crédit Agricole S.A. share-based payment plans are recognised in accordance with IFRS 2 in the CACIB Group and are cash-settled transactions.

Options granted are measured at fair value on grant using the Black & Scholes model. These are recognised as an expense under Personnel expenses, with an offsetting entry in an equity account over the vesting period.

Subscriptions for shares offered to employees under the Company Savings Scheme are also subject to the provisions of IFRS 2. The shares are offered at a maximum discount of 30%. These plans do not include a vesting period but are subject to a five-year lock-up period. The benefit granted to employees is measured as the difference between the fair value of the share acquired and the acquisition price paid by the employee at the subscription date multiplied by the number of shares subscribed.

A description of the method of the plans allocated and the valuation methods is detailed in Note 7.6 "Share-based payments".

1.2.6 CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES (IAS 12)

In accordance with IAS 12, income tax includes all income tax, whether due or deferred.

IAS 12 defines current tax as "the amount of income tax payable (recoverable) in respect of taxable profit (tax loss) for a financial year". Taxable profit is the profit (or loss) of a financial year determined accordance with the rules established by the tax authorities and on the basis of which income tax must be paid (recovered).

The rates and rules applicable to determining the current tax expense are those in force in each country in which the Group's companies are located.

The tax payable relates to any income tax due or receivable and the payment of which is not contingent on the completion of future transactions, even if the payment is spread over several financial years.

Tax due, as long as it is not paid, must be recognised as a liability. If the amount already paid in respect of the financial year and previous years exceeds the amount due for those years, the excess shall be recognised as an asset.

When tax credits on income from securities portfolios and amounts receivable are effectively used to pay income tax due for the year, they are recognised under the same heading as the income with which they are associated. The corresponding tax charge is kept under the heading "Income tax charge" in the income statement.

In addition, certain transactions carried out by Crédit Agricole CIB may have tax consequences not taken into account in determining the tax payable. Differences between the carrying amount of an asset or liability and its tax base are classified under IAS 12 as temporary differences.

The standard requires the recognition of deferred tax in the following cases:

- a deferred tax liability must be recognised for all taxable temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base, unless the deferred tax liability arises from:
  - the initial recognition of goodwill;
  - the initial recognition of an asset or liability in a transaction that is not a business combination and does not affect either the accounting profit or taxable profit (tax loss) at the date of the transaction.
- a deferred tax asset must be recognised for all deductible temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, insofar as it is considered probable that a taxable profit, against which these deductible temporary differences can be allocated, will be available.

- a deferred tax asset must also be recognised for the carry-forward of unused tax losses and tax credits insofar as it is probable that future taxable profits will be available against which these unused tax losses and tax credits may be allocated.

The calculation of deferred taxes takes into account the tax rates of each country and must not be discounted.

Unrealised taxable capital gains on securities do not generate any taxable temporary differences between the book value of the asset and the tax base. They therefore do not give rise to the recognition of deferred taxes. When the securities in question are classified as financial assets at fair value through other comprehensive income, unrealised gains and losses are recognised in other comprehensive income. In addition, using a symmetrical approach, the tax expense or real tax savings borne by Crédit Agricole CIB in respect of these unrealised capital gains or losses is reclassified as a deduction from other comprehensive income.

In France, capital gains on equity investments, as defined by the French General Tax Code and subject to the long-term tax regime, are exempt from corporate tax (with the exception of a share of expenses, taxed at the normally applicable rate). Therefore, unrealised capital gains recognised at the end of the financial year generate a temporary difference resulting in the recognition of deferred tax in the amount of this share of expenses.

Under IFRS 16 leases, a deferred tax liability is recognised on the right-of-use and a deferred tax asset on the lease liability for leases for which the Group is the lessee.

Current and deferred taxes are recognised in net income for the year, except to the extent that the tax is generated:

- by a transaction or event that is recognised directly in equity, in the same financial year or in a different financial year, in which case it is directly debited or credited to equity;
- or by a business combination.

Deferred tax assets and liabilities are offset if and only if:

- Crédit Agricole CIB has a legally enforceable right to offset current tax assets and liabilities; and
- deferred tax assets and liabilities relate to income tax levied by the same tax authority, whether on the same taxable entity or on different taxable entities, which intend to settle the tax liabilities and assets due on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Tax risks relating to income tax give rise to the recognition of a current tax receivable or liability when the probability of receiving the asset or paying the liability is considered more likely than unlikely. These risks are also taken into account in the valuation of current and deferred tax assets and liabilities.

IFRIC 23 on the measurement of uncertain tax positions applies when an entity has identified one or more uncertainties about the tax positions they have adopted. It also provides details on their estimates:

- the analysis must be based on 100% detection of the tax authorities;
- the tax risk must be recognised as a liability as soon as it is more likely than unlikely that the tax authorities will call into question the treatment adopted, for an amount reflecting the Management's best estimate;
- in the event of a probability of more than 50% reimbursement by the tax authorities, a receivable must be recognised.

1.2.7 TREATMENT OF FIXED ASSETS (IAS 16, 36, 38 AND 40)

The Crédit Agricole Group applies component accounting for all of its property, plant and equipment. In accordance with the provisions of IAS 16, the depreciable base takes into account the potential remaining value of property, plant and equipment.

Land is recorded at acquisition cost less any impairment.

Property used in operations, investment property and equipment are measured at their acquisition cost less depreciation and impairment losses established since the time they were placed in service.

Purchased software is measured at purchase price less accumulated depreciation, amortisation and any impairment losses noted since their purchase date.

Proprietary software is measured at cost less accumulated depreciation, amortisation and impairment losses noted since their completion date.

In addition to software, intangible assets mainly include assets acquired in business combinations resulting from contractual rights (distributing agreements, for example). These were assessed on the basis of the corresponding future economic benefits or the potential of the services expected.

Fixed assets are impaired over their estimated useful lives.

The following components and depreciation periods have been adopted by the Crédit Agricole Group following the application of component accounting for fixed assets. These depreciation periods are adjusted according to the type of asset and its location:

Component	Depreciation period
Land	Not depreciable
Structural works	30 to 80 years
Non-structural works	8 to 40 years
Plant and equipment	5 to 25 years
Fixtures and fittings	5 to 15 years
Computer equipment	4 to 7 years
Special equipment	4 to 5 years

1.2.8 FOREIGN CURRENCY TRANSACTIONS (IAS 21)

At the reporting date, foreign-currency denominated monetary assets and liabilities are translated into euros, Crédit Agricole Group's functional currency.

Pursuant to IAS 21, a distinction is made between monetary items (such as debt instruments) and non-monetary items (such as equity instruments).

Monetary assets and liabilities denominated in foreign currencies are translated at the closing exchange rate. The exchange differences resulting from this translation are recognised in profit or loss. There are three exceptions to this rule:

- on debt instruments at fair value through other comprehensive income that can be reclassified, the portion of the exchange difference calculated on amortised cost is recognised in profit or loss; the additional portion is recognised in other comprehensive income that can be reclassified;
- for items designated as cash flow hedges or as part of a net investment in a foreign entity, exchange differences are recognised in other comprehensive income that may be reclassified to profit or loss for the effective portion;
- for financial liabilities designated at fair value through profit or loss, exchange differences related to changes in the fair value of own credit risk are recorded in other comprehensive income that cannot be reclassified.

The treatment of non-monetary items differs according to the accounting treatment of these items before translation:

- historical cost items remain valued at the exchange rate on the day of the transaction (historical price);
- fair value items are translated at the exchange rate at the closing date.

Exchange differences on non-monetary items are recognised:

- in profit or loss if the gain or loss on the non-monetary item is recognised in profit or loss;
- in other comprehensive income that cannot be reclassified to profit or loss if the gain or loss on the non-monetary item is recorded in other comprehensive income that cannot be reclassified.

1.2.9 REVENUE FROM ORDINARY ACTIVITIES RELATED TO CONTRACTS WITH CUSTOMERS (IFRS 15)

Fee and commission income and expenses are recognised in profit or loss according to the nature of the services to which they relate.

Fees and commissions that form an integral part of the return on a financial instrument are recognised as an adjustment to the remuneration of this instrument and included in its effective interest rate (in accordance with IFRS 9).

For other types of fees and commissions, their recognition in the income statement must reflect the rate of transfer of control of the goods or services sold to the customer:

- the result of a transaction associated with the provision of services is recognised under Fees, when control of the provision of services is transferred to the client if it can be reliably estimated. This transfer may take place as the service is rendered (continuous service) or on a given date (one-off service).
  a) Fees and commissions for ongoing services (for example, on payment instruments) are recognised in profit or loss according to the level of progress of the service rendered.
  b) Fees and commissions received or paid as remuneration for one-off services are recognised in full in profit or loss when the service is rendered.

Fees and commissions payable or receivable subject to the achievement of a performance objective are recognised in the amount for which it is highly probable that the income thus recognised will not later be subject to a significant downward adjustment upon resolution of the contingency. This estimate is updated at each closing date. In practice, this condition results in the deferred recognition of certain performance-related fees and commissions until the expiry of the performance evaluation period and until such fees and commissions have been definitively acquired.

1.2.10 LEASES (IFRS 16)

The Group may be the lessor or lessee of a lease.

Leases for which the Group is the lessor

Lease transactions are analysed according to their substance and financial reality. They are recognised, depending on the case, either under finance leases or operating leases.

- In the case of finance leases, they are considered equivalent to a sale of fixed assets to the lessee financed by a loan granted by the lessor. The analysis of the economic substance of finance leases leads the lessor to:
  a) Remove the leased asset from the balance sheet;
  b) Recognise a financial receivable from the customer as “financial assets at amortised cost” for a value equal to the present value of lease payments receivable by the lessor under the lease, plus any non-guaranteed residual value accruing to the lessor;
  c) Recognise deferred taxes on temporary differences on the financial receivable and the net book value of the leased asset;
  d) Break down the income corresponding to the rents between interest and capital depreciation.
- In the case of operating leases, the lessor recognises leased assets as “tangible assets” on the asset side of its balance sheet and records lease income on a straight-line basis under “income from other activities” in the income statement.

Leases for which the Group is the lessee

Lease transactions are recognised in the balance sheet at the date the leased asset is made available. The lessee recognises an asset representing the right-of-use of the leased asset to property, plant and equipment for the estimated term of the contract and a liability for the obligation to pay rents as one of the other liabilities over the same term.

The lease term of a contract corresponds to the non-cancellable term of the rental contract, adjusted for the option to extend the lease, which the lessee is reasonably certain to exercise and the option of termination that the lessee is reasonably certain not to exercise.

In France, the Group principle applicable to contracts with an indefinite term or renewed by tacit extension is to use the first exit option after 5 years. The term used for “3/6/9” commercial leases is generally nine years with an initial non-cancellable period of three years. When the lessee believes that it is reasonably certain not to exercise the exit option after three years, the Group principle will be applied to French commercial leases in most cases, at the start date of the lease. Thus, the term will be estimated at six years. The Group principle (first exit option after 5 years) may not be applied in certain specific cases, such as for a lease in which the interim exit options have been abandoned (e.g. in exchange for a reduction in rents). In this case, an initial lease term of 9 years should be used (unless there is a tacit extension of up to 3 years in the general case).

The lease liability is recognised at an amount equal to the present value of the lease payments over the term of the contract. Lease payments include fixed rents, variable rents based on a rate or index and payments that the lessee expects to pay in respect of guarantees of residual value, purchase option or early termination penalty. Variable rents that do not depend on an index or a rate and VAT not deductible from rents are excluded from the calculation of the debt and are recognised as operating expenses.

The discount rate applicable to the calculation of right-of-use and lease liabilities is by default the lessee’s marginal debt ratio over the term of the lease at the date of signature of the contract, where the implicit rate cannot be easily determined. The marginal debt ratio takes into account the rent payment structure. It reflects the terms of the lease (duration, guarantee, economic environment, etc.).

The expense in respect of leases is broken down into interest on the one hand and the capital depreciation on the other

The right-of-use asset is valued at the initial value of the lease liability plus initial direct costs, advance payments, restoration costs and less lease incentives. It is amortised over the estimated term of the contract.

The lease liability and the right-of-use liability may be adjusted in the event of a change in the lease contract, re-estimation of the lease term or revision of rents linked to the application of indices or rates.

Deferred taxes are recognised in respect of temporary differences in the lessee's right-of-use and lease liabilities.

In accordance with the exception provided for in the standard, short-term leases (initial term of less than twelve months) and leases whose replacement value of the leased asset is low are not recognised on the balance sheet. The corresponding lease expenses are recorded on a straight-line basis in the income statement under operating expenses.

According to the provisions of the standard, the Group does not apply IFRS 16 to leases for intangible assets.

1.2.11 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (IFRS 5)

A non-current asset (or a disposal group) is considered to be held for sale if its carrying amount is recovered primarily through a sale rather than through continuous use.

For this to be the case, the asset (or disposal group) must be available for immediate sale in its current condition and its sale must be highly probable.

The assets and liabilities concerned are isolated on the balance sheet under "Non-current assets held for sale and discontinued operations" and "Liabilities related to non-current assets held for sale and discontinued operations".

These non-current assets (or disposal group) classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell. In the event of an unrealised capital loss, an impairment loss is recorded in profit or loss. Moreover, they cease to be amortised as of their downgrading.

If the fair value of the group of assets held for sale less costs to sell is less than its carrying amount after impairment of non-current assets, the difference is allocated to other assets in the group of assets held for sale, including financial assets and is recognised in profit or loss net of tax on assets held for sale.

A discontinued operation is any component that the Group has disposed of, or that is classified as held for sale and which is in one of the following situations:

- it represents a separate main business line or geographic area;
- it is part of a single and coordinated plan to dispose of a separate main business line or geographic area; or
- it is a subsidiary acquired exclusively for resale.

The following items are presented on a separate line of the income statement:

- the net income after tax of discontinued operations up to the date of disposal;
- the post-tax gain or loss arising from the disposal or measurement at fair value less costs of selling the assets and liabilities comprising the discontinued operations.

1.3 Consolidation principles and methods (IFRS 10, IFRS 11 and IAS 28)

1.3.1 SCOPE OF CONSOLIDATION

The consolidated financial statements include the financial statements of Crédit Agricole CIB and those of all companies over which, in accordance with the provisions of IFRS 10, IFRS 11 and IAS 28, Crédit Agricole CIB has control, joint control or significant influence, except for those that are not material in relation to all companies included in the consolidation scope.

DEFINITIONS OF CONTROL

In accordance with international accounting standards, all entities controlled, under joint control or under significant influence are consolidated, provided that they do not fall within the scope of the exclusions mentioned below.

Exclusive control over an entity is presumed to exist when Crédit Agricole CIB is exposed or entitled to variable returns resulting from its involvement in the entity and if its power over the entity allows it to influence those returns. Power in this context means only substantive (voting or contractual) rights. Rights are considered substantive if the holder of the rights can in practice exercise them when decisions about the entity's relevant activities are made.

Control of a subsidiary governed by voting rights is established when the voting rights held give Crédit Agricole CIB the practicable ability to direct the relevant activities of the subsidiary. Crédit Agricole CIB generally controls the subsidiary when it holds, directly or indirectly through subsidiaries, more than half of the existing or potential voting rights of an entity, unless it can be clearly demonstrated that such holding does not allow it to direct relevant activities. Control also exists where Crédit Agricole CIB owns half or less than half of an entity's voting rights, including potential voting rights, but is able in practice to direct its relevant activities at its sole discretion, notably because of the existence of contractual arrangements, the size of its stake in the voting rights compared to those of other investor, or due to other facts and circumstances.

Control of a structured entity is not assessed on the basis of the percentage of voting rights as these have, by nature, no effect on the entity's returns. The control analysis takes into account contractual agreements, but also the involvement and decisions of Crédit Agricole CIB when establishing the entity, the agreements entered into at that time and the risks incurred by Crédit Agricole CIB, the rights resulting from agreements that give the investor the power to direct relevant activities only when particular circumstances occur and other facts or circumstances which indicate that the investor can direct the entity's relevant activities. Where there is a management mandate, the extent of the decision-making power relating to the delegation of power to the manager and the remuneration accorded by such contractual agreements shall be analysed in order to determine whether the manager acts as agent (delegated power) or principal (on its own behalf).

Thus, at the time when decisions on the entity's relevant activities are to be made, the indicators to be analysed in order to determine whether an entity acts as an agent or as principal are the extent of the decision-making power relating to the delegation of power to the manager over the entity and the remuneration accorded by such contractual agreements, as well as the substantive rights that may affect the capacity of the decision-maker held by the other parties involved in the entity and exposure to variability in returns from other interests held in the entity.

Joint control is exercised when there is contractual sharing of control over an economic activity. Decisions affecting the entity's relevant activities require the unanimous approval of the parties sharing control.

In traditional entities, significant influence arises from the power to participate in a company's financial and operational policies without having control of it. Crédit Agricole CIB is presumed to have significant influence when it holds, directly or indirectly through subsidiaries, 20% or more of the voting rights in an entity.

1.3.2 CONSOLIDATION METHODS

The consolidation methods are set by IFRS 10, IFRS 11 and IAS 28 respectively. They depend on the type of control exercised by Crédit Agricole CIB over the entities that can be consolidated, regardless of activity or whether or not they have legal entity status:

- full consolidation, for controlled entities, including entities with different account structures, even if their activity is not in line with that of Crédit Agricole CIB;
- the equity method, for entities under significant influence and joint ventures (excluding joint activities).

Full consolidation consists in replacing each of the assets and liabilities of each subsidiary with the value of the shares. The share of non-controlling interests in equity and income is shown separately in the consolidated balance sheet and income statement.

Non-controlling interests are as defined by IFRS 10 and include instruments that are current interests and entitle them to a share of net assets in the event of liquidation and other equity instruments issued by the subsidiary and not held by the Group.

Investments in associates or joint ventures are recognised as a separate item on the balance sheet under "Investments in equity-accounted entities". The equity method consists in replacing the Group's share in the shareholders' equity and income of the companies concerned with the value of the shares.

The change in the carrying amount of these shares takes into account changes in goodwill.

During additional acquisitions or partial disposals with the maintenance of joint control or significant influence, Crédit Agricole CIB notes:

- in the event of an increase in the percentage of interest, additional goodwill;
- in the event of a decrease in the percentage of interest, a capital gain or loss on disposal/dilution in profit or loss.

1.3.3 RESTATEMENTS AND ELIMINATIONS

In accordance with IFRS 10, Crédit Agricole CIB makes the necessary adjustments to harmonise the valuation methods of consolidated companies.

The effect on the consolidated balance sheet and income statement of internal Group operations is eliminated for fully consolidated entities.

Capital gains or losses on disposals of assets between consolidated companies are eliminated; any impairment measured on an internal disposal is recognised.

1.3.4 TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN OPERATIONS (IAS 21)

The financial statements of entities representing a "foreign business" (subsidiary, branch, associate or joint venture) are translated into euros into two steps:

- if applicable, the local currency in which the financial statements are prepared is converted into the functional currency (that of the main economic environment of the entity). The conversion is carried out as if the information had been recognised initially in the functional currency (same conversion principles as for foreign currency transactions above);
- translation of the functional currency into euros, the presentation currency of the Group's consolidated financial statements. Assets and liabilities, including goodwill, are translated at the closing rate. Equity items, such as share capital or reserves, are translated at their historical exchange rate. Income and expenses on the income statement are translated at the average exchange rate for the period. Foreign exchange differences arising from this conversion are recognised as a separate component of shareholders' equity. These translation differences are recognised in profit or loss in the event of the disposal of the foreign operation (disposal, repayment of capital, liquidation, abandonment of operations) or in the event of deconsolidation due to a loss of control (even without disposal) when the result of the disposal or loss of control is recognised.

1.3.5 BUSINESS COMBINATIONS – GOODWILL

MEASUREMENT AND RECOGNITION OF GOODWILL

Business combinations are accounted for using the acquisition method, in accordance with IFRS 3, with the exception of business combinations under joint control, which are excluded from the scope of IFRS 3. In the absence of an IFRS standard or an interpretation specifically applicable to a transaction, IAS 8 on Accounting Policies, Changes in Accounting Estimates and Errors leaves the possibility of referring to the official positions of other standardisation bodies. Accordingly, the Group has chosen to apply US standard ASU 805-50, which appears to comply with the general IFRS principles, for the treatment of business combinations under joint control at carrying values using the method of pooling interest.

At the acquisition date, the identifiable assets, liabilities and contingent liabilities of the acquired entity that meet the accounting criteria of IFRS 3 are recognised at fair value.

Price adjustment clauses are recognised at fair value even if they are unlikely to be realised. Subsequent changes in the fair value of clauses that are financial liabilities are recognised in profit or loss. Only the price adjustment clauses relating to transactions for which the acquisition of control took place no later than 31 December 2009 may still be recorded against goodwill, because these transactions were recognised in accordance with IFRS 3 pre-revision (2004).

The non-controlling interests that are shares of current interests and entitle holders to a share of the net assets in the event of liquidation may, at the acquirer's option, be valued in two ways:

- at fair value at the acquisition date ("full goodwill" method);
- at the share in identifiable assets and liabilities of the acquired entity remeasured at fair value.

This option may be exercised by acquisition.

The initial valuation of assets, liabilities and contingent liabilities may be modified within a maximum of twelve months from the date of acquisition.

The consideration transferred in connection with a business combination (the acquisition cost) is measured as the total of the fair values transferred by the acquirer at the date of acquisition in exchange for control of the acquired entity (for example, cash, equity instruments, etc.).

Costs directly attributable to the relevant business combination are recognised as expenses, separately from the combination. Where the acquisition is highly probable, they are recorded under "Net gains or losses on other assets," otherwise they are recorded under "Operating expenses".

The difference between the sum of acquisition costs and non-controlling interests and the net balance, at the date of acquisition, of the identifiable assets and the liabilities assumed, measured at fair value, is recorded, when it is positive, on the assets side of the consolidated balance sheet, under "Goodwill" when the acquired entity is fully consolidated and under "Investments in associates" when the acquired company is accounted for using the equity method. When this difference is negative, it is immediately recognised in profit or loss.

Goodwill is recorded in the balance sheet at its initial cost denominated in the currency of the acquired entity and translated at the exchange rate at the balance sheet date.

In the event of a step-by-step acquisition of control, the participation held before the acquisition of control is remeasured at fair value through profit or loss at the date of acquisition and goodwill is calculated at once, based on the fair value at the acquisition date of the assets acquired and the liabilities assumed.

In the event of a loss of control, the gain or loss on disposal is calculated for the entire entity sold and any investment share retained is recognised on the balance sheet at its fair value at the date of loss of control.

IMPAIRMENT OF GOODWILL

Goodwill is tested for impairment as soon as objective indicators of a loss of value are noted and at least once a year.

The choices and assumptions used to measure non-controlling interests at the date of acquisition may influence the amount of the initial goodwill and any impairment resulting from a loss of value.

For the purposes of these impairment tests, each goodwill is divided between the Group's various cash-generating units (CGUs) that will benefit from the expected advantages of the business combination. The CGUs were defined within the Group's major business lines as the smallest identifiable group of assets and liabilities operating according to its own business model. During impairment tests, the carrying amount of each CGU, including the carrying amount of goodwill allocated to it, is compared to its recoverable value.

The recoverable amount of the CGU is the higher amount between the fair value of the asset less costs to sell and its value in use. Value in use is calculated as the present value of the estimated future cash flows generated by the CGU, resulting from medium-term plans drawn up for the purposes of the Group's management.

When the recoverable amount is less than the carrying amount, the goodwill associated with the CGU is impaired accordingly. This impairment is irreversible.

CHANGES IN POST-ACQUISITION INTEREST AND GOODWILL

In the event of an increase or decrease in Crédit Agricole CIB's ownership interest in an entity already exclusively controlled without loss of control, there is no impact on the amount of goodwill recognised at the origin of the business combination.

In the event of an increase in the percentage interest of Crédit Agricole CIB in an entity already exclusively controlled, the difference between the acquisition cost and the share of net assets acquired is recognised in "Consolidated reserves" Group share.

In the event of a decrease in the percentage interest of Crédit Agricole CIB in an entity that remains exclusively controlled, the difference between the sale price and the carrying amount of the share of the net position sold is also recognised directly in "Consolidated reserves" Group share. The costs associated with these transactions are recognised in other comprehensive income.

SALE OPTIONS GRANTED TO MINORITY SHAREHOLDERS

The accounting treatment of sale options granted to minority shareholders is as follows:

- when a sale option is granted to minority shareholders of a fully-consolidated subsidiary, a liability is recognised on the liabilities side of the balance sheet; its initial recognition takes place at the estimated present value of the options granted to minority shareholders. In exchange for this debt, the share of net assets attributable to the minority interests concerned is reduced to zero and the balance is recorded as a reduction in equity;
- subsequent changes in the estimated value of the exercise price alter the amount of the debt recorded as liabilities, with a corresponding equity adjustment. Symmetrically, subsequent changes in the share of net assets due to minority shareholders are cancelled and offset in equity.

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NOTE 2: MAJOR STRUCTURAL TRANSACTIONS AND MATERIAL EVENTS DURING THE PERIOD

2.1 Major structural transactions

DISPOSAL OF CRÉDIT AGRICOLE CIB (MIAMI) BUSINESS TO SANTANDER

Crédit Agricole CIB (Miami) is a branch of Crédit Agricole CIB, which is in turn 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 selling the business associated with outstanding loans to customers of the Crédit Agricole CIB (Miami) branch of Crédit Agricole CIB (CACIB).

The assets and liabilities of Crédit Agricole CIB (Miami) were thus reclassified as non-current assets held for sale and discontinued operations in accordance with IFRS 5 in the consolidated financial statements of Crédit Agricole CIB as of 31 December 2020.

Negotiations with Santander Bank, in progress since January 2021, resulted in the conclusion of a disposal agreement on 17 May 2021 for a portion of the commercial activity conducted by the Crédit Agricole CIB (Miami) branch of Crédit Agricole CIB for a total amount of €27 million. An earn-out of €4.5 million was received on 14 June 2022. The latter was recognised as “Net income from discontinued or held-for-sale operations”.

Outstanding amounts not sold were also cleared and the subsidiary, which no longer carries out any commercial activity, returned its licence and was closed on 1 May 2022.

CA INDOSUEZ WEALTH (BRAZIL) S.A. DTVM

CA Indosuez Wealth (Brazil) S.A. DTVM is a 97.8%-controlled subsidiary of Crédit Agricole S.A. The company’s shares are wholly-owned by Crédit Agricole CIB, 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 selling CA Indosuez Wealth (Brazil) S.A. DTVM.

The assets and liabilities of CA Indosuez Wealth (Brazil) were reclassified as non-current assets held for sale and discontinued operations in accordance with IFRS 5 in the consolidated financial statements of Crédit Agricole CIB at 31 December 2020.

Negotiations with SAFRA bank resulted in the conclusion of a disposal agreement for CA Indosuez Wealth (Brazil) on 23 April 2021 for an amount of €3.2 million. The transaction was carried out on 14 November 2022 after obtaining regulatory agreements and usage checks. The gain or loss on disposal was classified under “Net income from discontinued or held-for-sale operations” in the amount of -€0.4 million.

2.2 Other significant events during the period

IMPACTS OF MILITARY OPERATIONS IN UKRAINE

At the end of February 2022, tensions between Russia and Ukraine led to a military conflict, of which the magnitude and duration, nearly a year later, as well as its economic and financial impacts, remain highly uncertain.

The Crédit Agricole CIB Group has stopped all new financing to Russian and all commercial activities in the country since the start of the conflict. However, the Group is exposed directly and indirectly in Russia due to activities that predate the start of the conflict and has booked provisions on performing loans in the first quarter of 2022, in accordance with IFRS.

The exposures recognised in the subsidiary CACIB AO (onshore exposures) represented the equivalent of €0.2 billion at 31 December 2022 compared with €0.5 billion at 31 December 2021, with the change over the period due to a gradual decline in outstandings, particularly deposits with the Central Bank of Russia. The subsidiary’s equity amounted to approximately €151 million, of which approximately €74 million in equity and €77 million in subordinated debt at 31 December 2022 (the amount of equity remained stable overall during 2022).

Exposures recognised outside CACIB AO (offshore exposures)[1] represented the equivalent of €2.9 billion at 31 December 2022 (including €2.7 billion recorded on the balance sheet[2]). They decreased by -€1.5 billion compared with 31 December 2021 and -€1.8 billion since the start of the conflict at the end of February. The off-balance sheet portion of offshores exposures (documentary loans, financial guarantees and, to a lesser extent, undrawn confirmed credit facilities) amounted to €0.2 billion at 31 December 2022, down significantly by -€1.4 billion since the outbreak of the conflict.

Due to the conflict and the subsequent international sanctions, the quality of the portfolio (rated at 96% Investment Grade as at 31 December 2021 and composed mainly of large Russian companies, particularly commodity producers and exporters) was downgraded from 31 March 2022 on the Group’s internal rating scale. As such, from the first quarter of 2022, exposures were subject to significant provisioning, mainly on performing exposures, which was then updated throughout the year. Overall, the cost of risk for 2022 relating to Russian exposures reached €536 million, of which €374 million related to performing exposures (Stages 1&2) and €162 million to specific exposures (Stage 3).

Indosuez Wealth Management’s Russian exposure represented the equivalent of €220 million at 31 December 2022, down slightly since 31 December 2021 (equivalent to €250 million).

Variation risk[3] related to derivatives transactions is now considerably limited and amounted to €0.6 million at 31 December 2022 (versus €60 million at 31 December 2021).

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

1 On- and off-balance sheet trade commitments of customers and banks, net of export credit agency guarantees, excluding variation risk.
2 Used part of the credit facilities.
3 Variation risk corresponds to the Amount at Risk or immediate loss in the event of default, including any margin calls.

NOTE 3: FINANCIAL MANAGEMENT, RISK EXPOSURE AND HEDGING POLICY

The Department of Group Permanent Control and Risks (DRG) is responsible for the management of banking risks in Crédit Agricole CIB.

This department reports to the Chief Executive Officer and its brief is to ensure the management and permanent control of credit, financial and operational risks.

A description of these processes and commentary are provided in the "Risks and Pillar 3 - Risk management" chapter of the management report, as permitted under IFRS 7. The accounting breakdowns are presented in the financial statements.

3.1 Credit risk

(see chapter "Risks and Pillar 3 - Risk management")

CREDIT RISK ASSESSMENT

In order to take into account the impacts of the Russian-Ukrainian conflict and the continuing COVID-19 crisis on the economic context, the Group updated its forward-looking macroeconomic projections for determination of the credit risk estimate for the year ended 31 December 2022.

INFORMATION ON THE MACROECONOMIC SCENARIOS USED AT 31 DECEMBER 2022

The Group used four scenarios for calculating IFRS 9 provisioning parameters in production on December 2022 with the following projections for 2025.

These four scenarios were developed in October 2022. They incorporate different assumptions on the effects of the Russian-Ukrainian conflict, the inflationary shock suffered in particular by the Eurozone and the monetary tightening by the central banks.

As a reminder, the macroeconomic projections are based as a starting point on an end-2021 that recorded strong GDP growth in the Eurozone and the United States, but also the beginning of an inflation shock. The projections for 2022 and subsequent years are described in the following different scenarios.

First scenario: "Central" scenario

The geopolitical scenario predicts an intense Russian-Ukrainian war and a still distant peace process.

Sharp acceleration of inflation in the Eurozone:

Inflation in the Eurozone in 2022 was 8.3% per annum on average. It is expected to decelerate in 2023 to an average of 6.7%. Energy price increases are expected to be lower and demand is likely to slow down significantly, but second-round effects (food and manufacturing prices) will continue to be felt. Inflation in France is more moderate, thanks to the tariff shield. This inflationary pressure is linked to the post-Covid-19 recovery and the Russian-Ukrainian conflict, with a spike in energy prices (notably a surge in gas prices, due to the drastic reduction in Russian gas imports by Europe) and a sharp rise in the price of inputs (metals, agricultural products etc.). More generally, we find an increase in intermediate costs, supply chain problems, a disturbance in value chains and risks of shortages in certain sectors.

These shocks lead to a downward revision of growth in the Eurozone. Production in certain sectors is impacted by higher intermediate costs and the disturbances in the value chains. Business profitability is degraded, resulting in a brake on investment. Household purchasing power is lowered by the inflationary shock. Salary increases remain fairly moderate and confidence deteriorates. There is nevertheless a reservoir of savings that may mitigate these negative impacts on consumption.

These negative impacts on demand are partially mitigated by budget support measures. Overall, growth in 2022 in the Eurozone remains high, at 3.2%, thanks to the knock-on effects, but will fall to 0.4% in 2023.

This inflationary shock leads to a tightening of monetary policies.

In the United States, the Fed continues to raise its interests faster until early in 2023 before stabilising them. Fed Funds rates, which were at 0.50% in Q1 2022, are expected to rise to 4.25% in early 2023. However, the hikes in long rates are more measured, with even a slight drop in 2023 (expected slowdown of growth and gradual slowing of inflation).

In the Eurozone, the monetary tightening is more prudent and less rapid as inflation had increased later. After stabilising its balance sheet, the ECB started to raise its key rates in July 2022 and will continue to raise them in 2023, to 2.25% for the deposit rate and 2.75% for the refi rate, before stabilising them.

Long rates rose in the Eurozone in 2022, but quite moderately and are declining slightly in 2023. The yield curve is inverting as the ECB makes progress in its monetary adjustment. The spreads are widening, particularly in Italy, but the ECB will work to correct unjustified widening of the spreads.

Second scenario: "Moderate adverse" scenario

This scenario replicates the gas crisis scenario outlined by the ECB in September 2022.

Triggering of the crisis: It is assumed that there will be a total disruption of Russian gas supplies to Europe by the beginning of 2023 and that there will be major difficulties in making up for this disruption, in particular with insufficient supply of liquefied natural gas (LNG). In addition, the winter of 2023 is very harsh. As a result, European states are launching gas rationing plans which mainly affect industry.

Sharp inflation shock in 2022 and 2023: These difficulties will drive gas prices in Europe in 2023 to very high levels, due to high energy consumption (notably linked to the climate) and clearly insufficient gas supply. This is reflected in electricity prices - partly due to the continuing difficulties for the French nuclear industry. Average inflation in the Eurozone is forecast at 8.8% in 2023, 2.1 percentage points higher than in the central scenario.

Rationing measures reduce activity in sectors highly dependent on gas. In addition, for some companies, soaring energy costs are undermining profitability and leading to voluntary production stoppages. Investment will fall back (lower profitability and worsening business climate) and consumption will decline slightly (loss of purchasing power, deterioration of the labour market and weaker support measures than in 2022). GDP in the Eurozone is expected to decline by -0.7% p.a. on average in 2023.

Slightly tighter monetary policy: The Fed and the ECB will raise their rates slightly faster than in the central scenario in the face of higher and more lasting inflation. However, the ECB's action is considered by the markets not to be aggressive enough and core sovereign rates, incorporating an inflation premium, are recovering. Unlike the budget stress (see fourth scenario), there are no specific shocks to France and Italy. Nevertheless, spreads are widening moderately.

◆ Third scenario: "Favourable" scenario

In this favourable scenario, it is assumed that pressure from China will lead to a shift in Russia's position on Ukraine and then to a cease-fire before negotiations can begin. The sanctions, while being extended, are then eased on Russia. Energy prices drop fairly rapidly in 2023. We see progressive calming on the prices of metals and grains, but some production chains remain disturbed for a long period.

In the Eurozone, this scenario leads to a sharp decline in inflation and an upswing in the confidence and expectations of customer types. We see a recovery of consumption related to the improved in purchasing power, restored confidence and the use of a portion of the accumulated savings surplus. The improvement in expectations and the partial reabsorption of supply pressures lead to a recovery in investment expenditures in 2023-2024.

Financial changes

Central banks do not immediately lower their guard (only a small amount of monetary easing is noted) but long rates anticipate the decline in inflation and short rates. The ECB lowers its key rates slightly in 2023. The Bund is slightly below the level assumed in the central scenario, while French and Italian spreads are slightly more moderate. The stock market and real estate markets trend upwards.

◆ Fourth scenario: "Severe adverse" scenario: budgetary stress in July 2022

Cumulative shocks in 2023

The Russian-Ukrainian conflict stalls in 2023 and sanctions against Russia are increased. China is more explicit in its support for Russia; sanctions against China are therefore put in place. Winter is very harsh in Europe in the first quarter of 2023. In addition, France is experiencing a specific crisis, with strong protests against certain reforms and very marked social conflicts such as the yellow vests crisis; the country is blocked. Italy is also in crisis, the right-wing coalition is challenging the European treaties and there is a stand-off with the European Commission.

Persistent inflationary shock in 2023

Tensions on energy prices persist, particularly with regard to the price of gas, which is soaring. Food prices are also rising sharply. The inflationary process at work in 2022 in the "central" scenario is thus repeated in 2023 in this "stress" scenario. Inflation is very high in 2023 in both the Eurozone and France.

Strong response from central banks

The Fed and the ECB continue their monetary tightening in 2023 in a more accentuated manner than in the central scenario in the face of higher and more lasting inflation. The ECB continues to raise rates rather significantly in 2023 (deposit at 2.75% and refi at 3.25% at the end of 2023). Long rates rise again: the 10-year swap rate for the Eurozone reaches 3.25% at the end of 2023, with the Bund at 2.75%. In 2023, the French and Italian spreads widen significantly and reach real crisis levels (OAT-Bund spread at 185 bp and BTP-Bund spread at 360 bp).

Recession in the Eurozone in 2023

The Eurozone's GDP falls by around 1.5%, as does that of France and Italy, the unemployment rate rises significantly, stock markets fall sharply (-35% for the CAC 40 in 2023) and property markets undergo a major correction in France and Italy: between -10% and -20% on aggregate over three years for residential property and -30% cumulatively for commercial property.

Government support measures have been taken into account in IFRS 9 projections: the process of projecting the central risk parameters has been revised from 2020 in order to better reflect the impact of the governmental measures in the IFRS 9 projections. This revision has had the consequence of mitigating the sudden intensity of the crisis and the strength of the recovery and its diffusion over a longer period (three years and until 2022 inclusive).

The variables relating to the level of interest rates and more generally all the variables linked to the capital markets have not been modified because their forecasts already incorporate the structural effects of support policies.

Moreover, since the second semester of 2022, the economic scenarios point to an unprecedented inflationary shock, not observed over the reference period. Given the exceptional nature of this shock and in order to neutralize the favorable effects of the increase in inflation on expected credit losses, price variables were adapted to reflect a medium-term dynamic.

Finally, in order to take into account local specificities (geographical and/or related to certain activities/businesses), sectoral complements are established at the local level (local forward-looking) by certain Group entities, thus being able to complement the macroeconomic scenarios defined centrally.

▶ **Focus on the changes in the main macroeconomic variables in the four scenarios:**

	Ref.	Central scenario				Moderate adverse				Budgetary stress				Favourable			
	2021	2022	2023	2024	2025	2022	2023	2024	2025	2022	2023	2024	2025	2022	2023	2024	2025
GDP - Eurozone	5.3	3.2	0.4	1.2	1.5	3.2	-0.7	1.2	1.1	2.5	-1.5	1.7	1.6	3.2	0.6	1.6	1.6
Unemployment rate – Eurozone	7.8	7.0	7.4	7.5	7.1	7.0	7.7	8.0	7.7	7.1	8.1	7.7	7.5	7.0	7.2	7.0	6.7
Inflation rate – Eurozone	2.6	8.3	6.7	3.4	2.2	8.3	8.8	3.5	2.4	8.0	8.0	2.4	1.8	8.3	4.6	2.3	2.2
GDP - France	6.8	2.6	0.6	1.7	1.7	2.6	-0.3	1.2	1.5	2.4	-1.6	2.0	1.8	2.6	1.2	2.1	1.8
Unemployment rate - France	7.9	7.2	7.5	7.7	7.5	7.2	8.2	8.5	8.0	7.4	8.6	8.9	8.2	7.2	7.2	7.0	6.8
Inflation rate - France	1.6	5.1	4.8	2.5	2.0	5.1	6.9	3.5	2.0	5.5	7.5	1.5	1.6	5.1	3.8	1.5	1.5
10-year OAT	0.20	2.40	2.30	2.10	2.10	2.40	3.20	2.00	1.75	2.40	4.60	2.00	1.75	2.40	2.10	2.00	2.00

At the end of December 2022, including local forward-looking scenarios, the share of Stage 1/Stage 2 provisions on the one hand (provisions for performing customer loans) and Stage 3 provisions on the other (provisions for proven risks) represented 33% and 67% of hedging inventories for Crédit Agricole CIB.

At the end of December 2022, net additions to Stage 1/Stage 2 provisions represented 32% of Crédit Agricole CIB's cost of risk compared to 68% for the Stage 3 share of proven risks.

◆ Sensitivity analysis of the macroeconomic scenarios in the calculation of IFRS 9 provisions (ECL Stage 1 and 2) on the basis of the central parameters

The central scenario is currently weighted at 50% for the calculation of the central IFRS ECL of 31/12/2022.

▶ **Scope: Crédit Agricole CIB :**

Variation of ECL in passage to 100% of the scenario (scope is Crédit Agricole CIB)			
Central scenario	Moderate adverse	Severe adverse	Favourable scenario
-0.8%	+1.1%	+1.5%	-2.1%

This sensitivity on the ECLs defined under the central parameters may be subject to adjustments for local forward-looking projects which, as the case may be, could reduce it or increase it.

3.1.1 VALUE ADJUSTMENTS FOR LOSSES DURING THE PERIOD

Value adjustments for losses consist of asset impairments and credit risk-related provisions for off-balance sheet commitments recognised in net income ("Cost of risk").

The following tables present a comparison of the opening and closing balances of the value adjustments for losses recognised in "Cost of risk", by accounting category and type of instrument.

▶ Financial assets at amortised cost: Debt instruments

	Performing assets				Credit-impaired assets (Stage 3)		Total		
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)						
In millions of euros	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
Balance at 31 december 2021	**29,597**	**(3)**	**48**	**(1)**	**24**	**(24)**	**29,669**	**(28)**	**29,641**
Transfers between stages during the period	**(3)**	**-**	**3**	**-**	**-**	**-**	**-**	**-**	
Transfers from Stage 1 to Stage 2	(3)	-	3	-			-	-	
Return from Stage 2 to Stage 1	-	-	-	-			-	-	
Transfers to Stage 3 [1]	-	-	-	-	-	-	-	-	
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-	
Total after transfers	**29,594**	**(3)**	**51**	**(1)**	**24**	**(24)**	**29,669**	**(28)**	**29,641**
Changes in gross carrying amounts and loss allowances	**6,077**	**(3)**	**(32)**	**1**	**(1)**	**1**	**6,044**	**(1)**	
New production : purchase, granting, origination,… [2]	33,087	(7)	32	-			33,119	(7)	
Derecognition : disposal, repayment, maturity...	(27,641)	4	(66)	1	-	-	(27,707)	5	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		-		-		-		-	
Changes in model / methodology		-		-		-		-	
Changes in scope	-	-	-	-	-	-	-	-	
Other	631	-	2	-	(1)	1	632	1	
Total	**35,671**	**(6)**	**19**	**-**	**23**	**(23)**	**35,713**	**(29)**	**35,684**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [3]	(968)		-		-		(968)		
Balance at 31 december 2022	**34,703**	**(6)**	**19**	**-**	**23**	**(23)**	**34,745**	**(29)**	**34,716**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] Transfers to Stage 3 correspond to stocks initially classified in Stage 1, which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.
[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.
[3] Includes the variations of fair value adjustments of micro-hedged instruments, the variations relating to the use of the EIR method (notably the amortisation of premiums/ discounts), the variations of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset).

▶ Financial assets at amortised cost: Loans and receivables due from credit institutions

	Performing assets				Credit-impaired assets (Stage 3)		Total		
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)						
In millions of euros	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
Balance at 31 december 2021	**43,521**	**(6)**	**34**	**-**	**431**	**(380)**	**43,986**	**(386)**	**43,600**
Transfers between stages during the period	**(260)**	**-**	**260**	**(1)**	**-**	**-**	**-**	**(1)**	
Transfers from Stage 1 to Stage 2	(261)	-	261	(1)			-	(1)	
Return from Stage 2 to Stage 1	1	-	(1)	-				-	
Transfers to Stage 3 [1]	-	-	-	-	-	-	-	-	
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-	
Total after transfers	**43,261**	**(6)**	**294**	**(1)**	**431**	**(380)**	**43,986**	**(387)**	**43,599**
Changes in gross carrying amounts and loss allowances	**17,158**	**(1)**	**(205)**	**(18)**	**19**	**(3)**	**16,972**	**(22)**	
New production : purchase, granting, origination,… [2]	91,296	(6)	141	-			91,437	(6)	
Derecognition : disposal, repayment, maturity...	(74,470)	13	(341)	-	(1)	1	(74,812)	14	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		(8)		(19)		13		(14)	
Changes in model / methodology		-		-		-		-	
Changes in scope	15	-	-	-	-	-	15	-	
Other	317	-	(5)	1	20	(17)	332	(16)	
Total	**60,419**	**(7)**	**89**	**(19)**	**450**	**(383)**	**60,958**	**(409)**	**60,549**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [3]	(96)		-		41		(55)		
Balance at 31 december 2022	**60,323**	**(7)**	**89**	**(19)**	**491**	**(383)**	**60,903**	**(409)**	**60,494**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] Transfers to Stage 3 correspond to stocks initially classified in Stage 1, which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.
[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.
[3] Includes the variations of fair value adjustments of micro-hedged instruments, the variations relating to the use of the EIR method (notably the amortisation of premiums/ discounts), the variations of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset) and the variations of changes in related receivables.

▶ Financial assets at amortised cost: Loans and receivables due from customers

	Performing assets				Credit-impaired assets (Stage 3)		Total		
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)						
In millions of euros	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
Balance at 31 december 2021	**144,880**	**(193)**	**19,678**	**(525)**	**3,826**	**(1,836)**	**168,384**	**(2,554)**	**165,830**
Transfers between stages during the period	**(4,985)**	**(5)**	**3,250**	**(23)**	**1,735**	**(252)**	**-**	**(280)**	
Transfers from Stage 1 to Stage 2	(8,013)	38	8,013	(196)			-	(158)	
Return from Stage 2 to Stage 1	3,248	(43)	(3,248)	65			-	22	
Transfers to Stage 3 [1]	(220)	-	(1,527)	108	1,747	(258)	-	(150)	
Return from Stage 3 to Stage 2 / Stage 1	-	-	12	-	(12)	6	-	6	
Total after transfers	**139,895**	**(198)**	**22,928**	**(548)**	**5,561**	**(2,088)**	**168,384**	**(2,834)**	**165,550**
Changes in gross carrying amounts and loss allowances	**19,476**	**1**	**(4,180)**	**(172)**	**(1,111)**	**20**	**14,185**	**(151)**	
New production : purchase, granting, origination, renegociation… [2]	153,321	(300)	5,638	(226)			158,959	(526)	
Derecognition : disposal, repayment, maturity...	(136,544)	281	(10,513)	238	(1,064)	154	(148,121)	673	
Write-offs					(159)	159	(159)	159	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		15		(192)		(238)		(415)	
Changes in model / methodology		2		27		-		29	
Changes in scope	-	-	-	-	-	-	-	-	
Other	2,699	3	695	(19)	112	(55)	3,506	(71)	
Total	**159,371**	**(197)**	**18,748**	**(720)**	**4,450**	**(2,068)**	**182,569**	**(2,985)**	**179,584**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [3]	(728)		(65)		395		(398)		
Balance at 31 december 2022	**158,643**	**(197)**	**18,683**	**(720)**	**4,845**	**(2,068)**	**182,171**	**(2,985)**	**179,186**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] Transfers to Stage 3 correspond to stocks initially classified in Stage 1, which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.
[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.
[3] Includes the variations of fair value adjustments of micro-hedged instruments, the variations relating to the use of the EIR method (notably the amortisation of premiums/ discounts), the variations of the accretion of discounts on restructured loans (recovered as revenue over the remaining term of the asset) and the variations of changes in related receivables.

▶ Financial assets at fair value through other comprehensive income: Debt instruments

	Performing assets				Credit-impaired assets (Stage 3)		Total	
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)					
In millions of euros	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance
Balance at 31 december 2021	**13,081**	**(6)**	**-**	**-**	**-**	**(3)**	**13,081**	**(9)**
Transfers between stages during the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transfers from Stage 1 to Stage 2	-	-	-	-			-	-
Return from Stage 2 to Stage 1	-	-	-	-			-	-
Transfers to Stage 3 [1]	-	-	-	-	-	-	-	-
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-
Total after transfers	**13,081**	**(6)**	**-**	**-**	**-**	**(3)**	**13,081**	**(9)**
Changes in gross carrying amounts and loss allowances	**(2,642)**	**1**	**-**	**-**	**-**	**-**	**(2,642)**	**1**
Fair value revaluation during the period	(474)		-		-		(474)	
New production : purchase, granting, origination,… [2]	4,805	(5)	-	-			4,805	(5)
Derecognition : disposal, repayment, maturity...	(7,553)	6	-	-	-	-	(7,553)	6
Write-offs					-	-	-	-
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-
Changes in models' credit risk parameters during the period		-		-		-		-
Changes in model / methodology		-		-		-		-
Changes in scope	-	-	-	-	-	-	-	-
Other	580	-	-	-	-	-	580	-
Total	**10,439**	**(5)**	**-**	**-**	**-**	**(3)**	**10,439**	**(8)**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [3]	(3)		-		-		(3)	
Balance at 31 december 2022	**10,436**	**(5)**	**-**	**-**	**-**	**(3)**	**10,436**	**(8)**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-	

[1] Transfers to Stage 3 correspond to commitments initially classified in Stage 1,which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.
[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.
[3] Includes impacts related to the use of the EIR method (notably the amortisation of premiums/ discounts).

▶ Financing commitments

	Performing commitments				Provisioned commitments (Stage 3)		Total		
	Commitments subject to 12-month ECL (Stage 1)		Commitments subject to lifetime ECL (Stage 2)						
In millions of euros	Amount of 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 2021	**112,603**	**(124)**	**8,074**	**(231)**	**181**	**(31)**	**120,858**	**(386)**	**120,472**
Transfers between stages during the period	**(841)**	**(13)**	**750**	**-**	**91**	**-**	**-**	**(13)**	
Transfers from Stage 1 to Stage 2	(3,004)	9	3,004	(34)			-	(25)	
Return from Stage 2 to Stage 1	2,167	(22)	(2,167)	34			-	12	
Transfers to Stage 3 [1]	(4)	-	(88)	-	92	-	-	-	
Return from Stage 3 to Stage 2 / Stage 1	-	-	1	-	(1)	-	-	-	
Total after transfers	**111,762**	**(137)**	**8,824**	**(231)**	**272**	**(31)**	**120,858**	**(399)**	**120,459**
Changes in commitments and loss allowances	**12,913**	**16**	**(2,579)**	**62**	**(121)**	**18**	**10,213**	**96**	
New commitments given [2]	117,633	(336)	1,785	(52)			119,418	(388)	
End of commitments	(107,631)	312	(4,639)	85	(104)	22	(112,374)	419	
Write-offs	-	-	-	-	(3)	3	(3)	3	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		44		46		(6)		84	
Changes in model / methodology		1		1		-		2	
Changes in scope	-	-	-	-	-	-	-	-	
Other	2,911	(5)	275	(18)	(14)	(1)	3,172	(24)	
Balance at 31 december 2022	**124,675**	**(121)**	**6,245**	**(169)**	**151**	**(13)**	**131,071**	**(303)**	**130,768**

[1] *Transfers to Stage 3 correspond to commitments initially classified in Stage 1,which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.*
[2] *New commitments in Stage 2 could include some originated commitments in Stage 1 reclassified in Stage 2 during the period.*

▶ Guarantee commitments

	Performing commitments				Provisioned commitments (Stage 3)		Total		
	Commitments subject to 12-month ECL (Stage 1)		Commitments subject to lifetime ECL (Stage 2)						
In millions of euros	Amount of commit-ment	Loss allow-ance	Amount of commit-ment	Loss allow-ance	Amount of commit-ment	Loss allow-ance	Amount of commit-ment (a)	Loss allow-ance (b)	Net amount of commit-ment (a) + (b)
Balance at 31 december 2021	**73,776**	**(14)**	**2,391**	**(24)**	**514**	**(87)**	**76,681**	**(125)**	**76,556**
Transfers between stages during the period	**(1,107)**	**(6)**	**1,094**	**9**	**13**	**(1)**	**-**	**2**	
Transfers from Stage 1 to Stage 2	(2,259)	1	2,259	(6)	-	-	-	(5)	
Return from Stage 2 to Stage 1	1,152	(7)	(1,152)	14	-	-	-	7	
Transfers to Stage 3 [1]	-	-	(13)	1	13	(1)	-	-	
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-	
Total after transfers	**72,669**	**(20)**	**3,485**	**(15)**	**527**	**(88)**	**76,681**	**(123)**	**76,558**
Changes in commitments and loss allowances	**2,590**	**3**	**91**	**(4)**	**-**	**(13)**	**2,681**	**(14)**	
New commitments given [2]	92,578	(76)	2,397	(85)			94,975	(161)	
End of commitments	(91,640)	72	(2,354)	87	(87)	14	(94,081)	173	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	
Changes in models' credit risk parameters during the period		6		(5)		(23)		(22)	
Changes in model / methodology		-		-		-		-	
Changes in scope	-	-	-	-	-	-	-	-	
Other	1,652	1	48	(1)	87	(4)	1,787	(4)	
Balance at 31 december 2022	**75,259**	**(17)**	**3,576**	**(19)**	**527**	**(101)**	**79,362**	**(137)**	**79,225**

[1] Transfers to Stage 3 correspond to commitments initially classified in Stage 1,which were directly declassified to Stage 3, or to Stage 2 then Stage 3, over the course of the year.
[2] New commitments in Stage 2 could include some originated commitments in Stage 1 reclassified in Stage 2 during the period.

3.1.2 MAXIMUM EXPOSURE TO CREDIT RISK

An entity's maximum credit risk exposure corresponds to the carrying amount, net of any recognised impairment loss and excluding assets held as collateral or other credit enhancements (e.g. netting agreements not qualifying for offsetting conditions under IAS 32).

The tables below show the maximum exposures as well as the amount of collateral held and other credit enhancement techniques used to reduce this exposure.

Impaired assets at the reporting date correspond to credit-impaired assets (Stage 3).

▶ Financial assets not subject to impairment requirements (recognised at fair value through profit or loss)

	31.12.2022					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	**289,748**	**147,272**	**634**	**-**	**153**	**-**
Financial assets held for trading	289,563	147,272	634	-	153	-
Debt instruments that do not meet the conditions of the "SPPI" test	185	-	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-
Hedging derivative Instruments	**2,611**	**-**	**-**	**-**	**-**	**-**
TOTAL	**292,359**	**147,272**	**634**	**-**	**153**	**-**

	31.12.2021					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through profit or loss (excluding equity securities and assets backing unit-linked contracts)	**243,608**	**130,121**	**-**	**-**	**39**	**-**
Financial assets held for trading	243,544	130,121	-	-	-	-
Debt instruments that do not meet the conditions of the "SPPI" test	64	-	-	-	39	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-
Hedging derivative Instruments	**1,323**	**-**	**-**	**-**	**-**	**-**
TOTAL	**244,931**	**130,121**	**-**	**-**	**39**	**-**

Financial assets subject to impairment requirements

	31.12.2022					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	**10,436**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Loans and receivables due from credit institutions	**-**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Loans and receivables due from customers	**-**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Debt securities	**10,436**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Financial assets at amortised cost	**274,396**	**-**	**39,943**	**23,497**	**42,318**	**1,360**
of which impaired assets at the reporting date	2,885	-	-	194	865	-
Loans and receivables due from credit institutions	**60,494**	**-**	**-**	**277**	**3,924**	**-**
of which impaired assets at the reporting date	108	-	-	-	107	-
Loans and receivables due from customers	**179,186**	**-**	**39,943**	**23,220**	**38,394**	**1,360**
of which impaired assets at the reporting date	2,777	-	-	194	758	-
Debt securities	**34,716**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Total	**284,832**	**-**	**39,943**	**23,497**	**42,318**	**1,360**
of which impaired assets at the reporting date	2,885	-	-	194	865	-

	31.12.2021					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Maximum exposure to credit risk	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	**13,081**	**-**	**-**	**-**	**-**	**-**
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	**13,081**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Financial assets at amortised cost	**239,071**	**-**	**39,297**	**21,573**	**41,738**	**907**
of which impaired assets at the reporting date	2,041	-	-	-	156	-
Loans and receivables due from credit institutions	**43,600**	**-**	**-**	**2**	**3,610**	**-**
of which impaired assets at the reporting date	51	-	-	-	-	-
Loans and receivables due from customers	**165,830**	**-**	**39,297**	**21,571**	**38,128**	**907**
of which impaired assets at the reporting date	1,990	-	-	-	156	-
Debt securities	**29,641**	**-**	**-**	**-**	**-**	**-**
of which impaired assets at the reporting date	-	-	-	-	-	-
Total	**252,152**	**-**	**39,297**	**21,573**	**41,738**	**907**
of which impaired assets at the reporting date	2,041	-	-	-	156	-

▶ Off-balance sheet commitments subject to provisioning requirements

	31.12.2022					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Exposition maximale au risque de crédit	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Guarantee commitments (Except internal transactions to the group Credit Agricole)	**79,225**	**-**	**7**	**280**	**3,210**	**1,314**
of which provisioned commitments at the reporting date	426	-	-	-	25	-
Financing commitments (Except internal transactions to the group Credit Agricole)	**130,768**	**-**	**128**	**502**	**21,812**	**6,124**
of which provisioned commitments at the reporting date	138	-	-	-	1	-
Total	**209,993**	**-**	**135**	**782**	**25,022**	**7,438**
of which provisioned commitments at the reporting date	564	-	-	-	26	-

	31.12.2021					
		Credit risk mitigation				
		Collateral held as security			Other credit enhancement	
In millions of euros	Exposition maximale au risque de crédit	Financial instruments provided as collateral	Mortgages	Pledged securities	Guarantees	Credit derivatives
Guarantee commitments (Except internal transactions to the group Credit Agricole)	**76,556**	**-**	**8**	**224**	**4,581**	**1,527**
of which provisioned commitments at the reporting date	427	-	-	-	-	-
Financing commitments (Except internal transactions to the group Credit Agricole)	**120,472**	**-**	**105**	**495**	**19,448**	**7,593**
of which provisioned commitments at the reporting date	150	-	-	-	-	-
Total	**197,028**	**-**	**113**	**719**	**24,029**	**9,120**
of which provisioned commitments at the reporting date	577	-	-	-	-	-

3.1.3 MODIFIED FINANCIAL ASSETS

Modified financial assets comprise assets restructured due to financial hardships. These are receivables for which Crédit Agricole CIB has modified the initial financial terms (interest rate, maturity, etc.) for economic or legal reasons associated with the borrower's financial hardships, under conditions that would not have been considered in other circumstances. They can thus comprise receivables classified as defaulted or as performing at the restructuring date. (A more detailed definition of restructured outstandings and their accounting treatment is detailed in Note 1.2 "Accounting principles and methods", Chapter "Financial instruments - Credit risk").

For assets restructured over the period, the carrying amount established post-restructuring is:

	Performing assets		
In millions of euros	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)
Loans and receivables due from credit institutions	**-**	**-**	**-**
Gross carrying amount before modification	-	-	-
Net gains (losses) resulting from the modification	-	-	-
Loans and receivables due from customers	**-**	**191**	**431**
Gross carrying amount before modification	-	191	431
Net gains (losses) resulting from the modification	-	-	-
Debt securities	**-**	**-**	**-**
Gross carrying amount before modification	-	-	-
Net gains (losses) resulting from the modification	-	-	-

In accordance with the principles set out in Note 1.2 "Accounting principles and methods", Chapter "Financial instruments - Credit risk", restructured assets classified in Stage 2 (performing assets) or Stage 3 (credit-impaired assets) may be returned to Stage 1 (performing assets). The carrying amount of modified assets subject to reclassification over the period is:

	Gross carrying amount
In millions of euros	Assets subject to 12-month ECL (Stage 1)
Restructured assets previously classified in Stage 2 or Stage 3 and reclassified in Stage 1 during the period	
Loans and receivables due from credit institutions	-
Loans and receivables due from customers	-
Debt securities	-
TOTAL	**-**

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3.1.4 CONCENTRATIONS OF CREDIT RISK

Carrying amounts and amounts of commitments are presented net of impairments and provisions.

EXPOSURE TO CREDIT RISK BY CREDIT RISK CLASS

Credit risk classes are shown in PD intervals. The correspondence between internal ratings and PD intervals is detailed in the "Risks and Pillar 3 – Credit risk management" chapter.

▶ Financial assets at amortised cost

		31.12.2022				31.12.2021			
		Carrying amount				Carrying amount			
		Performing assets				Performing assets			
In millions of euros	Credit risk rating grades	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total
Non-retail customers	PD ≤ 0.6%	214,931	5,031		219,962	185,128	5,128		190,256
	0.6% < PD < 12%	26,094	11,835		37,929	20,106	13,416		33,522
	12% ≤ PD < 100%		1,850		1,850		1,183		1,183
	PD = 100%			5,210	5,210			4,211	4,211
Total Non-retail customers		**241,025**	**18,716**	**5,210**	**264,951**	**205,234**	**19,727**	**4,211**	**229,172**
Retail customers	PD ≤ 0.5%	12,310	60		12,370	12,192	4		12,196
	0.5% < PD ≤ 2%	317	-		317	554	1		555
	2% < PD ≤ 20%	17	15		32	18	28		46
	20% < PD < 100%		-		-		-		-
	PD = 100%			149	149			70	70
Total Retail customers		**12,644**	**75**	**149**	**12,868**	**12,764**	**33**	**70**	**12,867**
Impairment		(211)	(738)	(2,474)	(3,423)	(203)	(525)	(2,240)	(2,968)
TOTAL		**253,458**	**18,053**	**2,885**	**274,396**	**217,795**	**19,235**	**2,041**	**239,071**

▶ Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss

		31.12.2022				31.12.2021			
		Carrying amount				Carrying amount			
		Performing assets				Performing assets			
In millions of euros	Credit risk rating grades	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total
Non-retail customers	PD ≤ 0.6%	10,167	-		10,167	12,751	-		12,751
	0.6% < PD < 12%	269	-		269	330	-		330
	12% ≤ PD < 100%		-		-		-		-
	PD = 100%			-	-			-	-
Total Non-retail customers		**10,436**	**-**	**-**	**10,436**	**13,081**	**-**	**-**	**13,081**
Retail customers	PD ≤ 0.5%	-	-		-	-	-		-
	0.5% < PD ≤ 2%	-	-		-	-	-		-
	2% < PD ≤ 20%	-	-		-	-	-		-
	20% < PD < 100%		-		-		-		-
	PD = 100%			-	-			-	-
Total Retail customers		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL		**10,436**	**-**	**-**	**10,436**	**13,081**	**-**	**-**	**13,081**

▶ Financing commitments

		31.12.2022				31.12.2021			
		Amount of commitment				Amount of commitment			
		Performing commitments				Performing commitments			
In millions of euros	Credit risk rating grades	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitment (Stage 3)	Total	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitment (Stage 3)	Total
Non-retail customers	PD ≤ 0.6%	110,519	1,013		111,532	100,884	1,559		102,443
	0.6% < PD < 12%	12,149	4,246		16,395	9,976	5,746		15,722
	12% ≤ PD < 100%		982		982		761		761
	PD = 100%			151	151			181	181
Total Non-retail customers		**122,668**	**6,241**	**151**	**129,060**	**110,860**	**8,066**	**181**	**119,107**
Retail customers	PD ≤ 0.5%	1,886	1		1,887	1,610	-		1,610
	0.5% < PD ≤ 2%	121	-		121	130	-		130
	2% < PD ≤ 20%	-	3		3	3	8		11
	20% < PD < 100%		-		-		-		-
	PD = 100%			-	-			-	-
Total Retail customers		**2,007**	**4**	**-**	**2,011**	**1,743**	**8**	**-**	**1,751**
Provisions [1]		(121)	(169)	(13)	(303)	(124)	(231)	(31)	(386)
TOTAL		**124,554**	**6,076**	**138**	**130,768**	**112,479**	**7,843**	**150**	**120,472**

[1] Expected or recorded losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.

▶ Guarantee commitments

		31.12.2022				31.12.2021			
		Amount of commitment				Amount of commitment			
		Performing commitments				Performing commitments			
In millions of euros	Credit risk rating grades	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitment (Stage 3)	Total	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitment (Stage 3)	Total
Non-retail customers	PD ≤ 0.6%	69,569	2,046		71,615	68,987	951		69,938
	0.6% < PD < 12%	5,022	1,317		6,339	4,120	1,158		5,278
	12% ≤ PD < 100%		197		197		280		280
	PD = 100%			527	527			514	514
Total Non-retail customers		**74,591**	**3,560**	**527**	**78,678**	**73,107**	**2,389**	**514**	**76,010**
Retail customers	PD ≤ 0.5%	629	-		629	622	1		623
	0.5% < PD ≤ 2%	38	-		38	45	-		45
	2% < PD ≤ 20%	1	16		17	2	1		3
	20% < PD < 100%		-		-		-		-
	PD = 100%			-	-			-	-
Total Retail customers		**668**	**16**	**-**	**684**	**669**	**2**	**-**	**671**
Provisions [1]		(17)	(19)	(101)	(137)	(14)	(24)	(87)	(125)
TOTAL		**75,242**	**3,557**	**426**	**79,225**	**73,762**	**2,367**	**427**	**76,556**

[1] Expected or recorded losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.

3.1.5 CONCENTRATIONS OF CREDIT RISK BY ECONOMIC AGENT

▶ Financial assets at amortised cost by economic agent

	31.12.2022							31.12.2021						
	Carrying amount							Carrying amount						
	Performing assets							Performing assets						
In millions of euros	Assets subject to 12-month ECL (Stage 1)	Impairment on assets (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Impairment on assets (Stage 2)	Credit-impaired assets (Stage 3)	Impairment on assets (Stage 3)	Gross amount	Assets subject to 12-month ECL (Stage 1)	Impairment on assets (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Impairment on assets (Stage 2)	Credit-impaired assets (Stage 3)	Impairment on assets (Stage 3)	Gross amount
General administration	19,909	(9)	683	(3)	148	(35)	20,740	17,239	(8)	850	(2)	48	(29)	18,137
Central banks	5,372	-	31	(15)	-	-	5,403	3,416	-	-	-	-	-	3,416
Credit institutions	62,982	(8)	58	(4)	491	(383)	63,531	46,429	(7)	34	-	431	(380)	46,894
Large corporates	152,762	(192)	17,944	(715)	4,572	(2,038)	175,278	138,150	(186)	18,843	(523)	3,732	(1,800)	160,725
Retail customers	12,644	(2)	75	(1)	148	(18)	12,867	12,764	(2)	33	-	70	(31)	12,867
TOTAL	**253,669**	**(211)**	**18,791**	**(738)**	**5,359**	**(2,474)**	**277,819**	**217,998**	**(203)**	**19,760**	**(525)**	**4,281**	**(2,240)**	**242,039**

▶ Financial assets at fair value through other comprehensive income recyclable to income by economic agent

	31.12.2022							31.12.2021						
	Carrying amount							Carrying amount						
	Performing assets							Performing assets						
In millions of euros	Assets subject to 12-month ECL (Stage 1)	Impairment on assets (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Impairment on assets (Stage 2)	Credit-impaired assets (Stage 3)	Impairment on assets (Stage 3)	Gross amount	Assets subject to 12-month ECL (Stage 1)	Impairment on assets (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Impairment on assets (Stage 2)	Credit-impaired assets (Stage 3)	Impairment on assets (Stage 3)	Gross amount
General administration	7,882	(4)	-	-	-	-	7,882	9,954	(5)	-	-	-	-	9,954
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit institutions	2,081	(1)	-	-	-	(1)	2,081	2,456	(1)	-	-	-	(1)	2,456
Large corporates	473	-	-	-	-	(2)	473	671	-	-	-	-	(2)	671
Retail customers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**10,436**	**(5)**	**-**	**-**	**-**	**(3)**	**10,436**	**13,081**	**(6)**	**-**	**-**	**-**	**(3)**	**13,081**

▶ Amounts due to customers by economic agent

In millions of euros	31.12.2022	31.12.2021
General administration	19,697	12,737
Large corporates	141,342	123,592
Retail customers	25,812	23,249
TOTAL AMOUNT DUE TO CUSTOMERS	**186,851**	**159,578**

▶ Financing commitments by economic agent

	31.12.2022							31.12.2021						
	Amount of commitment							Amount of commitment						
	Performing commitments							Performing commitments						
In million of euros	Commitments subject to 12-month ECL (Stage 1)	Provisions on commitments (Stage 1)[1]	Commitments subject to lifetime ECL (Stage 2)	Provisions on commitments (Stage 2)[1]	Provisioned commitments (Stage 3)	Provisions on commitments (Stage 3)[1]	Gross amount	Commitments subject to 12-month ECL (Stage 1)	Provisions on commitments (Stage 1)[1]	Commitments subject to lifetime ECL (Stage 2)	Provisions on commitments (Stage 2)[1]	Provisioned commitments (Stage 3)	Provisions on commitments (Stage 3)[1]	Gross amount
General administration	5,052	(2)	795	(3)	-	-	5,847	4,008	(2)	871	(3)	-	-	4,879
Central banks	12	-	-	-	-	-	12	-	-	-	-	-	-	-
Credit institutions	5,819	(1)	27	-	-	-	5,846	6,225	(1)	-	-	-	-	6,225
Large corporates	111,785	(118)	5,420	(166)	151	(13)	117,356	100,627	(121)	7,195	(228)	181	(31)	108,003
Retail customers	2,007	-	4	-	-	-	2,011	1,743	-	8	-	-	-	1,751
TOTAL	**124,675**	**(121)**	**6,245**	**(169)**	**151**	**(13)**	**131,071**	**112,603**	**(124)**	**8,074**	**(231)**	**181**	**(31)**	**120,858**

[1] *Expected or recorded losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.*

▶ Guarantee commitments by economic agent

	31.12.2022							31.12.2021						
	Amount of commitment							Amount of commitment						
	Performing commitments							Performing commitments						
In million of euros	Commitments subject to 12-month ECL (Stage 1)	Provisions on commitments (Stage 1)[1]	Commitments subject to lifetime ECL (Stage 2)	Provisions on commitments (Stage 2)[1]	Provisioned commitments (Stage 3)	Provisions on commitments (Stage 3)[1]	Gross amount	Commitments subject to 12-month ECL (Stage 1)	Provisions on commitments (Stage 1)[1]	Commitments subject to lifetime ECL (Stage 2)	Provisions on commitments (Stage 2)[1]	Provisioned commitments (Stage 3)	Provisions on commitments (Stage 3)[1]	Gross amount
General administration	183	-	-	-	-	-	183	36	-	-	-	-	-	36
Central banks	438	-	-	-	-	-	438	433	-	-	-	-	-	433
Credit institutions	7,605	(3)	104	(1)	-	-	7,709	8,589	(2)	20	-	-	-	8,609
Large corporates	66,365	(14)	3,456	(18)	527	(101)	70,348	64,049	(12)	2,369	(24)	514	(87)	66,932
Retail customers	668	-	16	-	-	-	684	669	-	2	-	-	-	671
TOTAL	**75,259**	**(17)**	**3,576**	**(19)**	**527**	**(101)**	**79,362**	**73,776**	**(14)**	**2,391**	**(24)**	**514**	**(87)**	**76,681**

[1] *Expected or recorded losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.*

3.1.6 CONCENTRATIONS OF CREDIT RISK BY ECONOMIC AGENT

▶ Financial assets at amortised cost by geographic area

	31.12.2022				31.12.2021			
	Carrying amount				Carrying amount			
	Performing assets				Performing assets			
In millions of euros	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total
France (including overseas departments and territories)	87,152	3,144	890	**91,186**	67,936	3,638	806	**72,380**
Other European Union countries	47,722	2,658	674	**51,054**	38,680	2,932	558	**42,170**
Other European countries	24,613	3,226	863	**28,702**	25,106	1,652	327	**27,085**
North America	34,958	3,242	310	**38,510**	27,365	3,876	231	**31,472**
Central and South America	9,256	1,768	1,359	**12,383**	8,100	2,082	1,376	**11,558**
Africa and Middle East	13,244	1,614	591	**15,449**	12,626	1,870	587	**15,083**
Asia-Pacific (excluding Japan)	32,876	2,157	489	**35,522**	33,858	2,550	266	**36,674**
Japan	3,805	982	183	**4,970**	4,186	1,160	130	**5,476**
Supranational organisations	43	-	-	**43**	141	-	-	**141**
Impairment	(211)	(738)	(2,474)	**(3,423)**	(203)	(525)	(2,240)	**(2,968)**
TOTAL	**253,458**	**18,053**	**2,885**	**274,396**	**217,795**	**19,235**	**2,041**	**239,071**

▶ Financial assets at fair value through other comprehensive income recyclable to income by geographic area

	31.12.2022				31.12.2021			
	Carrying amount				Carrying amount			
	Performing assets				Performing assets			
In millions of euros	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total	Assets subject to 12-month ECL (Stage 1)	Assets subject to lifetime ECL (Stage 2)	Credit-impaired assets (Stage 3)	Total
France (including overseas departments and territories)	1,755	-	-	**1,755**	2,454	-	-	**2,454**
Other European Union countries	3,318	-	-	**3,318**	4,375	-	-	**4,375**
Other European countries	512	-	-	**512**	675	-	-	**675**
North America	1,781	-	-	**1,781**	2,457	-	-	**2,457**
Central and South America	203	-	-	**203**	214	-	-	**214**
Africa and Middle East	303	-	-	**303**	389	-	-	**389**
Asia-Pacific (excluding Japan)	1,132	-	-	**1,132**	1,170	-	-	**1,170**
Japan	1,358	-	-	**1,358**	1,306	-	-	**1,306**
Supranational organisations	74	-	-	**74**	41	-	-	**41**
TOTAL	**10,436**	**-**	**-**	**10,436**	**13,081**	**-**	**-**	**13,081**

3.1.7 AMOUNTS DUE TO CUSTOMERS BY GEOGRAPHICAL AREA

In millions of euros	31.12.2022	31.12.2021
France (including overseas departments and territories)	48,135	35,847
Other European Union countries	54,497	42,130
Other European countries	24,182	22,859
North America	17,478	16,739
Central and South America	4,443	5,556
Africa and Middle East	8,859	8,267
Asia-Pacific (excluding Japan)	20,322	17,555
Japan	8,935	10,625
Supranational organisations	-	-
TOTAL AMOUNT DUE TO CUSTOMERS	**186,851**	**159,578**

▶ **Financing commitments by geographical area**

	31.12.2022				31.12.2021			
	Amount of commitment				Amount of commitment			
	Performing commitments				Performing commitments			
In millions of euros	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitments (Stage 3)	Total	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitments (Stage 3)	Total
France (including overseas departments and territories)	35,347	425	106	**35,878**	33,571	977	41	**34,589**
Other European Union countries	30,728	551	22	**31,301**	24,670	1,311	95	**26,076**
Other European countries	14,377	675	6	**15,058**	12,433	869	4	**13,306**
North America	25,683	2,692	9	**28,384**	26,243	2,698	1	**28,942**
Central and South America	2,329	1,233	7	**3,569**	2,487	1,360	39	**3,886**
Africa and Middle East	5,573	453	-	**6,026**	4,338	468	-	**4,806**
Asia-Pacific (excluding Japan)	8,991	216	1	**9,208**	7,739	391	1	**8,131**
Japan	1,647	-	-	**1,647**	1,122	-	-	**1,122**
Supranational organisations	-	-	-	**-**	-	-	-	**-**
Provisions [1]	(121)	(169)	(13)	**(303)**	(124)	(231)	(31)	**(386)**
TOTAL	**124,554**	**6,076**	**138**	**130,768**	**112,479**	**7,843**	**150**	**120,472**

[1] Expected or recorded losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.

3.1.8 GUARANTEE COMMITMENTS BY GEOGRAPHICAL AREA

	31.12.2022				31.12.2021			
	Amount of commitment				Amount of commitment			
	Performing commitments				Performing commitments			
In millions of euros	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitments (Stage 3)	Total	Commitments subject to 12-month ECL (Stage 1)	Commitments subject to lifetime ECL (Stage 2)	Provisioned commitments (Stage 3)	Total
France (including overseas departments and territories)	14,168	206	8	**14,382**	21,612	255	1	**21,868**
Other European Union countries	13,275	842	423	**14,540**	11,032	967	386	**12,385**
Other European countries	9,016	1,565	33	**10,614**	8,777	287	77	**9,141**
North America	24,672	529	20	**25,221**	19,678	559	13	**20,250**
Central and South America	1,376	24	4	**1,404**	1,063	99	3	**1,165**
Africa and Middle East	1,530	17	38	**1,585**	1,687	17	29	**1,733**
Asia-Pacific (excluding Japan)	10,000	329	1	**10,330**	8,692	116	5	**8,813**
Japan	1,222	64	-	**1,286**	1,235	91	-	**1,326**
Supranational organisations	-	-	-	**-**	-	-	-	**-**
Provisions [1]	(17)	(19)	(101)	**(137)**	(14)	(24)	(87)	**(125)**
TOTAL	**75,242**	**3,557**	**426**	**79,225**	**73,762**	**2,367**	**427**	**76,556**

[1] Expected or incurred losses in respect of off-balance sheet commitments are covered by provisions recognised as liabilities.

3.2 Exposure to sovereign risk

The scope of the sovereign exposures recorded includes exposures to government debt and excludes local authority debt. Tax debt is excluded from the scope.

The sovereign debt exposure is equal to the exposure net of impairment (carrying amount) presented both gross and net of hedging.

Crédit Agricole CIB's sovereign risk exposure is as follows:

3.2.1 BANKING ACTIVITY

	31.12.2022						
	Exposures Banking activity net of impairment						
	Other financial instruments at fair value through profit or loss						
In millions of euros	Held-for-trading financial assets	Other financial instruments at fair value through profit or loss	Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	Financial assets at amortised cost	Total banking activity before hedging	Hedging	Total banking activity after hedging
Germany	-	-	-	-	-	-	-
Saudi Arabia	-	-	-	1,337	1,337	-	1,337
Argentina	-	-	-	36	36	-	36
Austria	-	-	-	-	-	-	-
Belgium	-	-	-	113	113	(17)	96
Brazil	21	-	203	103	327	-	327
China	152	-	-	329	481	-	481
Egypt	-	-	-	369	369	-	369
Spain	-	-	-	-	-	-	-
United States	827	-	43	641	1,511	(98)	1,413
France	-	-	-	793	793	(43)	750
Hong Kong	44	-	-	1,347	1,391	(12)	1,379
Italy	-	-	-	-	-	-	-
Japan	226	-	744	1,273	2,243	(9)	2,234
Lebanon	-	-	-	-	-	-	-
Morocco	-	-	-	-	-	-	-
Poland	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-
Russia	-	-	-	-	-	-	-
Ukraine	-	-	-	97	97	-	97
Venezuela	-	-	-	6	6	-	6
Other sovereign countries	897	-	770	5,436	7,103	-	7,103
Total	**2,167**	**-**	**1,760**	**11,880**	**15,807**	**(179)**	**15,628**

	31.12.2021						
	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
Germany	-	-	-	-	-	-	-
Saudi Arabia	5	-	-	1,300	1,305	-	1,305
Argentina	-	-	-	42	42	-	42
Austria	9	-	-	15	24	-	24
Belgium	-	-	-	293	293	-	293
Brazil	12	-	214	122	348	-	348
China	212	-	66	262	540	(1)	539
Egypt	-	-	-	328	328	-	328
Spain	-	-	101	-	101	-	101
United States	2,780	-	45	365	3,190	(1)	3,189
France	-	-	320	1,628	1,948	(14)	1,934
Hong Kong	91	-	-	1,274	1,365	-	1,365
Italy	-	-	-	-	-	-	-
Japan	182	-	440	1,430	2,052	-	2,052
Lebanon	-	-	-	-	-	-	-
Morocco	28	-	-	-	28	-	28
Poland	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-
Russia	-	-	-	-	-	-	-
Ukraine	-	-	-	95	95	-	95
Venezuela	-	-	-	18	18	-	18
Other sovereign countries	917	-	677	4,860	6,454	-	6,454
TOTAL	**4,236**	**-**	**1,863**	**12,032**	**18,131**	**(16)**	**18,115**

3.3 Market risk

(See “Risks and Pillar 3 - Risk Management” chapter)

3.3.1 DERIVATIVE TRANSACTIONS: ANALYSIS BY RESIDUAL MATURITY

The breakdown of the MtMs of derivative instruments is shown by remaining contractual maturity.

▶ **Hedging derivatives - fair value of assets**

	31.12.2022				31.12.2021			
	Exchange-traded and over-the-counter transactions				Exchange-traded and over-the-counter transactions			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	1,646	432	84	2,162	638	44	11	693
Currency instruments	118	16	-	134	65	3	-	68
Other instruments	-	-	-	-	26	-	-	26
Subtotal	**1,764**	**448**	**84**	**2,296**	**729**	**47**	**11**	**787**
Forward currency transactions	312	3	-	315	536	-	-	536
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - ASSETS	**2,076**	**451**	**84**	**2,611**	**1,265**	**47**	**11**	**1,323**

▶ Hedging derivatives - fair value of liabilities

	31.12.2022				31.12.2021			
	Exchange-traded and over-the-counter transactions				Exchange-traded and over-the-counter transactions			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	3,465	190	3	3,658	775	19	20	814
Currency instruments	68	-	-	68	34	-	-	34
Other instruments	22	-	-	22	16	-	-	16
Subtotal	**3,555**	**190**	**3**	**3,748**	**825**	**19**	**20**	**864**
Forward currency transactions	1,393	-	-	1,393	338	-	-	338
TOTAL FAIR VALUE OF HEDGING DERIVATIVES - LIABILITIES	**4,948**	**190**	**3**	**5,141**	**1,163**	**19**	**20**	**1,202**

▶ Trading derivatives - fair value of assets

	31.12.2022				31.12.2021			
	Exchange-traded and over-the-counter transactions				Exchange-traded and over-the-counter transactions			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	7,856	26,191	58,340	92,387	3,670	15,618	49,594	68,882
Currency instruments and gold	8,536	7,573	7,961	24,070	5,186	4,234	4,297	13,717
Other instruments	4,763	7,597	1,698	14,058	1,670	5,786	986	8,442
Subtotal	**21,155**	**41,361**	**67,999**	**130,515**	**10,526**	**25,638**	**54,877**	**91,041**
Forward currency transactions	22,698	1,844	152	24,694	12,585	1,049	138	13,772
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - ASSETS	**43,853**	**43,205**	**68,151**	**155,209**	**23,111**	**26,687**	**55,015**	**104,813**

▶ Trading derivatives - fair value of liabilities

	31.12.2022				31.12.2021			
	Exchange-traded and over-the-counter transactions				Exchange-traded and over-the-counter transactions			
In millions of euros	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total market value
Interest rate instruments	9,154	30,337	63,273	102,764	3,170	15,848	51,190	70,208
Currency instruments and gold	5,883	7,788	6,918	20,589	3,490	3,680	3,458	10,628
Other instruments	2,155	2,176	1,563	5,894	1,867	2,716	713	5,296
Subtotal	**17,192**	**40,301**	**71,754**	**129,247**	**8,527**	**22,244**	**55,361**	**86,132**
Forward currency transactions	23,149	2,781	371	26,301	12,518	1,348	474	14,340
TOTAL FAIR VALUE OF TRANSACTION DERIVATIVES - LIABILITIES	**40,341**	**43,082**	**72,125**	**155,548**	**21,045**	**23,592**	**55,835**	**100,472**

3.3.2 DERIVATIVE TRANSACTIONS: AMOUNT OF COMMITMENTS

In millions of euros	31.12.2022	31.12.2021
Interest rate instruments	17,399,641	14,110,254
Currency instruments and gold	592,449	550,387
Other instruments	158,574	141,015
Subtotal	**18,150,664**	**14,801,656**
Forward currency transactions	2,761,351	2,454,959
TOTAL NOTIONAL AMOUNTS	**20,912,015**	**17,256,615**

3.3.3 CURRENCY RISK

(See “Risks and Pillar 3 - Risk Management” chapter)

3.4 Liquidity and financing risk

(See “Risks and Pillar 3 - Risk Management” chapter)

3.4.1 LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND CLIENTS BY RESIDUAL MATURITY

	31.12.2022					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Loans and receivables due from credit institutions (including Crédit Agricole internal transactions)	13,671	43,479	1,645	2,106	2	**60,903**
Loans and receivables due from customers (of which finance leases)	71,096	21,859	69,399	19,817	-	**182,171**
Total	**84,767**	**65,338**	**71,044**	**21,923**	**2**	**243,074**
Impairment	**-**	**-**	**-**	**-**	**-**	**(3,394)**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS	**84,767**	**65,338**	**71,044**	**21,923**	**2**	**239,680**

	31.12.2021					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Loans and receivables due from credit institutions (including Crédit Agricole internal transactions)	27,373	11,939	2,660	2,012	2	**43,986**
Loans and receivables due from customers (of which finance leases)	69,964	20,794	61,325	16,301	-	**168,384**
Total	**97,337**	**32,733**	**63,985**	**18,313**	**2**	**212,370**
Impairment	**-**	**-**	**-**	**-**	**-**	**(2,940)**
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND FROM CUSTOMERS	**97,337**	**32,733**	**63,985**	**18,313**	**2**	**209,430**

3.4.2 DUE TO BANKS AND CLIENTS BY RESIDUAL MATURITY

	31.12.2022					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Due to credit institutions (including Crédit Agricole internal transactions)	21,410	13,895	40,228	4,248	-	**79,781**
Due to customers	173,718	12,613	202	318	-	**186,851**
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**195,128**	**26,508**	**40,430**	**4,566**	**-**	**266,632**

	31.12.2021					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Due to credit institutions (including Crédit Agricole internal transactions)	33,716	7,521	32,780	4,425	-	**78,442**
Due to customers	152,477	6,568	158	375	-	**159,578**
TOTAL AMOUNT DUE TO CREDIT INSTITUTIONS AND TO CUSTOMERS	**186,193**	**14,089**	**32,938**	**4,800**	**-**	**238,020**

3.4.3 DEBT SECURITIES AND SUBORDINATED DEBT

	31.12.2022					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Debt securities						
Interest bearing notes	-	-	-	-	-	**-**
Interbank securities	-	-	-	-	-	**-**
Negotiable debt securities	47,921	15,830	952	45	-	**64,748**
Bonds	-	1,052	1,844	745	-	**3,641**
Other debt securities	-	-	-	-	-	**-**
TOTAL DEBT SECURITIES	**47,921**	**16,882**	**2,796**	**790**	**-**	**68,389**
Subordinated debt						
Dated subordinated debt	-	-	751	3,542	-	**4,293**
Undated subordinated debt	-	-	-	-	-	**-**
Mutual security deposits	-	-	-	-	-	**-**
Participating securities and loans	-	-	-	-	-	**-**
TOTAL SUBORDINATED DEBT	**-**	**-**	**751**	**3,542**	**-**	**4,293**

	31.12.2021					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Debt securities						
Interest bearing notes	-	-	-	-	-	**-**
Interbank securities	-	-	-	-	-	**-**
Negotiable debt securities	36,768	10,789	-	-	-	**47,557**
Bonds	-	650	2,813	748	-	**4,211**
Other debt securities	-	-	-	-	-	**-**
TOTAL DEBT SECURITIES	**36,768**	**11,439**	**2,813**	**748**	**-**	**51,768**
Subordinated debt						
Dated subordinated debt	7	-	750	2,789	-	**3,546**
Undated subordinated debt	12	-	-	-	521	**533**
Mutual security deposits	-	-	-	-	-	**-**
Participating securities and loans	-	-	-	-	-	**-**
TOTAL SUBORDINATED DEBT	**19**	**-**	**750**	**2,789**	**521**	**4,079**

3.4.4 AT-RISK FINANCIAL GUARANTEES GIVEN BY EXPECTED MATURITY

The amounts presented are the amount of at-risk financial guarantees expected to be called up, i.e. guarantees that have been impaired or are on a watch-list.

	31.12.2022					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Financial guarantees given	2	33	27	4	-	**66**

	31.12.2021					
In millions of euros	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Financial guarantees given	2	68	32	4	-	**106**

The contractual maturities of derivative instruments are presented in Note 3.3 “Market risk”.

3.5 Hedge accounting

(See Note 3.3 “Market risk” and “Risks and Pillar 3 - Risk Management” Chapter)

3.5.1 FAIR VALUE HEDGES

Fair value hedges modify the risk caused by changes in the fair value of a fixed-rate financial instrument as a result of changes in interest rates. These hedges transform fixed-rate assets or liabilities into floating-rate items.

Fair value-hedged items mainly include fixed-rate loans, securities, deposits and subordinated debt.

3.5.2 CASH FLOW HEDGES

Cash flow hedges modify the risk inherent in the cash flow variability associated with floating-rate instruments.

Cash flow hedged items mainly consist of floating-rate loans and deposits.

3.5.3 NET INVESTMENT HEDGES IN A FOREIGN OPERATION

Net investment hedges in a foreign operation modify the risk inherent in exchange rate fluctuations associated with foreign-currency equity investments in subsidiaries.

3.5.4 HEDGING DERIVATIVES

	31.12.2022			31.12.2021		
	Market value		Notional amount	Market value		Notional amount
In millions of euros	Positive	Negative		Positive	Negative	
Fair value hedges	**2,164**	**1,572**	**102,412**	**608**	**664**	**90,299**
Interest rate	2,094	1,065	82,442	322	644	74,097
Foreign exchange	70	507	19,970	286	20	16,202
Other	-	-	-	-	-	-
Cash flow hedges	**330**	**3,495**	**58,671**	**711**	**494**	**52,464**
Interest rate	67	2,592	24,766	371	169	20,139
Foreign exchange	263	881	33,797	314	310	32,191
Other	-	22	108	26	15	134
Hedges of net investments in foreign operations	**117**	**74**	**5,320**	**4**	**44**	**1,823**
TOTAL HEDGING DERIVATIVE INSTRUMENTS	**2,611**	**5,141**	**166,403**	**1,323**	**1,202**	**144,586**

3.5.5 HEDGING DERIVATIVES: ANALYSIS BY RESIDUAL MATURITY (NOTIONALS)

The breakdown of notional values of derivative instruments is shown by remaining contractual maturity.

	31.12.2022						
	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	178	-	-	96,568	9,085	1,377	107,208
Currency instruments	-	-	-	7,547	1,130	-	8,677
Other instruments	-	-	-	108	-	-	108
Subtotal	**178**	**-**	**-**	**104,223**	**10,215**	**1,377**	**115,993**
Forward currency transactions	-	-	-	50,364	46	-	50,410
TOTAL NOTIONAL OF HEDGING DERIVATIVES	**178**	**-**	**-**	**154,587**	**10,261**	**1,377**	**166,403**

	31.12.2021						
	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	50	-	-	84,248	8,589	1,349	94,236
Currency instruments	-	-	-	9,797	662	-	10,459
Other instruments	-	-	-	134	-	-	134
Subtotal	**50**	**-**	**-**	**94,179**	**9,251**	**1,349**	**104,829**
Forward currency transactions	-	-	-	39,757	-	-	39,757
TOTAL NOTIONAL OF HEDGING DERIVATIVES	**50**	**-**	**-**	**133,936**	**9,251**	**1,349**	**144,586**

Note 3.3 “Market risk - Derivative instruments: Analysis by remaining maturity” presents the breakdown of market values of hedging derivatives by remaining contractual maturity.

3.5.6 FAIR VALUE HEDGES

▶ Hedging derivative instruments

	31.12.2022				31.12.2021			
	Carrying amount				Carrying amount			
In millions of euros	Assets	Liabilities	Changes in fair value during the period (of which end of hedges during the period)	Notional Amount	Assets	Liabilities	Changes in fair value during the period (of which end of hedges during the period)	Notional Amount
Fair value hedges								
Organised markets and over the counter markets	**2,161**	**1,162**	**1,144**	**96,724**	**547**	**599**	**816**	**84,376**
Interest rate	2,091	655	1,752	76,754	261	579	342	68,174
Foreign exchange	70	507	(608)	19,970	286	20	474	16,202
Other	-	-	-	-	-	-	-	-
Total Fair value microhedging	**2,161**	**1,162**	**1,144**	**96,724**	**547**	**599**	**816**	**84,376**
Fair value hedges of the interest rate exposure of a portfolio of financial instruments	3	410	(369)	5,688	61	65	(93)	5,923
TOTAL FAIR VALUE HEDGES	**2,164**	**1,572**	**775**	**102,412**	**608**	**664**	**723**	**90,299**

Changes in the fair value of hedging derivatives are recorded under “Net gains (losses) on financial instruments at fair value through profit or loss” in the income statement.

◆ Hedged items

▶ Micro-hedging

	31.12.2022				31.12.2021			
	Present hedges		Ended hedges	Fair value hedge adjustments during the period (including termination of hedges during the period)	Present hedges		Ended hedges	Fair value hedge adjustments during the period (including termination of hedges during the period)
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		Carrying amount	of which accumulated fair value hedge adjustments	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be amortised	
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**9,605**	**(118)**	**-**	**(439)**	**11,793**	**44**	**-**	**(180)**
Interest rate	9,605	(118)	-	(439)	11,793	44	-	(180)
Foreign exchange	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Debt instruments at amortised cost	**53,503**	**(1,526)**	**-**	**(1,850)**	**51,973**	**372**	**(12)**	**(551)**
Interest rate	49,837	(1,522)	-	(1,873)	47,312	385	(12)	(294)
Foreign exchange	3,666	(4)	-	23	4,661	(13)	-	(257)
Other	-	-	-	-	-	-	-	-
Total fair value hedges on assets items	**63,108**	**(1,644)**	**-**	**(2,289)**	**63,766**	**416**	**(12)**	**(732)**
Debt instruments at amortised cost	**29,640**	**(864)**	**-**	**(1,148)**	**18,824**	**278**	**-**	**84**
Interest rate	13,964	(505)	-	(564)	7,750	62	-	(133)
Foreign exchange	15,676	(359)	-	(584)	11,074	216	-	217
Other	-	-	-	-	-	-	-	-
TOTAL FAIR VALUE HEDGES ON LIABILITIES ITEMS	**29,640**	**(864)**	**-**	**(1,148)**	**18,824**	**278**	**-**	**84**

The fair value of hedged portions of micro-fair value-hedged financial instruments is recognised under the balance sheet item to which it belongs. Changes in the fair value of the hedged portions of micro-fair value-hedged financial instruments are recognised under “Net gains (losses) on financial instruments at fair value through profit or loss” in the income statement.

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▶ Macro-hedging

	31.12.2022		31.12.2021	
In millions of euros	Carrying amount	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be adjusted, on ended hedges	Carrying amount	Accumulated fair value hedge adjustments to be adjusted for hedging remaining to be adjusted, on ended hedges
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-	-	-
Debt instruments at amortised cost	-	-	-	7
Total - Assets	**-**	**-**	**-**	**7**
Instruments de dettes comptabilisés au coût amorti	5,598	-	5,920	10
Total - Passifs	**5,598**	**-**	**5,920**	**10**

The fair value hedged portions of macro-fair value-hedged financial instruments is recognised under “Revaluation adjustment on interest rate-hedged portfolios” in the balance sheet. Changes in the fair value of the hedged portions of macro-fair value-hedged financial instruments are recognised under “Net gains (losses) on financial instruments at fair value through profit or loss” in the income statement.

▶ Gains (losses) from hedge accounting

	31.12.2022			31.12.2021		
	Net Income (Total Gains (losses) from hedge accounting)			Net Income (Total Gains (losses) from hedge accounting)		
In millions of euros	Change in fair value of hedging derivatives (including termination of hedges)	Change in fair value of hedged items (including termination of hedges)	Hedge ineffectiveness portion	Change in fair value of hedging derivatives (including termination of hedges)	Change in fair value of hedged items (including termination of hedges)	Hedge ineffectiveness portion
Interest rate	1,383	(1,380)	3	249	(249)	-
Foreign exchange	(608)	608	-	475	(474)	1
Other	-	-	-	-	-	-
TOTAL	**775**	**(772)**	**3**	**724**	**(723)**	**1**

3.5.7 CASH FLOW HEDGES AND NET INVESTMENT HEDGES OF A FOREIGN OPERATION

▶ Hedging derivative instruments

	31.12.2022				31.12.2021			
	Carrying amount				Carrying amount			
In millions of euros	Assets	Liabilities	Changes in fair value during the period (including termination of hedges during the period)	Notional amount	Assets	Liabilities	Changes in fair value during the period (including termination of hedges during the period)	Notional amount
Organised markets and over the counter markets	**310**	**1,004**	**(41)**	**33,925**	**342**	**323**	**(1)**	**28,708**
Interest rate	52	114	(44)	1,889	4	8	-	670
Foreign exchange	258	868	3	31,928	313	300	(1)	27,904
Other	-	22	-	108	25	15	-	134
Total Cash flow micro-hedging	**310**	**1,004**	**(41)**	**33,925**	**342**	**323**	**(1)**	**28,708**
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	16	2,479	(2,625)	22,877	367	161	(547)	19,469
Cash flow hedges of the foreign exchange exposure of a portfolio of financial instruments	4	13	-	1,869	2	10	-	4,287
Total Cash flow macro-hedging	**20**	**2,492**	**(2,625)**	**24,746**	**369**	**171**	**(547)**	**23,756**
Total Cash flow hedges	**330**	**3,496**	**(2,666)**	**58,671**	**711**	**494**	**(548)**	**52,464**
HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**117**	**74**	**(1)**	**5,320**	**4**	**44**	**(1)**	**1,823**

Changes in the fair value of hedging derivatives are taken to “Gains or losses recognised directly in other comprehensive income” with the exception of the ineffective portion of the hedge, which is recognised under “Net gains or losses on financial instruments at fair value through profit or loss” in the income statement.

▶ Gains (losses) from hedge accounting

	31.12.2022			31.12.2021		
	Other comprehensive income on items that may be reclassified to profit and loss		Net income (Hedge accounting income or loss)	Other comprehensive income on items that may be reclassified to profit and loss		Net income (Hedge accounting income or loss)
In millions of euros	Effective portion of the hedge recognised during the period	Amount reclassified from other comprehensive income into profit or loss during the period	Hedge ineffectiveness portion	Effective portion of the hedge recognised during the period	Amount reclassified from other comprehensive income into profit or loss during the period	Hedge ineffectiveness portion
Interest rate	(2,669)	-	-	(547)	-	-
Foreign exchange	3	-	-	(1)	-	-
Commodities	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Cash flow hedges	**(2,666)**	**-**	**-**	**(548)**	**-**	**-**
Hedges of net investments in foreign operations	**(1)**	**-**	**-**	**(1)**	**-**	**-**
TOTAL CASH FLOW HEDGES AND HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS	**(2,667)**	**-**	**-**	**(549)**	**-**	**-**

3.6 Operational risks

(See Chapter "Risks and Pillar 3 - Risk Management")

3.7 Capital management and regulatory ratios

The Finance Department of Crédit Agricole S.A. is tasked with matching capital requirements generated by the Group's overall business with its financial resources in terms of liquidity and capital. It is responsible for overseeing prudential and regulatory ratios (solvency, liquidity, leverage, resolution) for the Crédit Agricole Group and Crédit Agricole S.A. To that end, it sets guidelines and oversees the consistency of the Group's financial management.

Information on capital management and compliance with IAS 1 regulatory ratio requirements is provided in the "Risks and Pillar 3" chapter.

The Group Permanent Control and Risks Department (DRG) is responsible for the management of banking risks in Crédit Agricole CIB. This Department reports to the Chief Executive Officer and its brief is to ensure the management and permanent control of credit, financial and operational risks.

A description of these processes and commentary are provided in the "Risks and Pillar 3 - Risk management" chapter of the management report, as permitted under IFRS 7. The accounting breakdowns are presented in the financial statements.

NOTE 4: NOTES ON NET INCOME AND OTHER COMPREHENSIVE INCOME

4.1 Interest income and expenses

In millions of euros	31.12.2022	31.12.2021
On financial assets at amortised cost	**8,250**	**4,569**
Interbank transactions	1,988	696
Customer transactions	5,785	3,702
Debt securities	477	171
On financial assets recognised at fair value through other comprehensive income	**126**	**126**
Interbank transactions	-	-
Customer transactions	-	-
Debt securities	126	126
Accrued interest receivable on hedging instruments	**534**	**224**
Other interest income	**18**	**14**
INTEREST AND SIMILAR INCOME [1]	**8,928**	**4,933**
On financial liabilities at amortised cost	**(4,819)**	**(1,283)**
Interbank transactions	(1,356)	(816)
Customer transactions	(2,127)	(348)
Debt securities	(1,235)	(49)
Subordinated debt	(101)	(70)
Accrued interest receivable on hedging instruments	**(231)**	**(246)**
Other interest expenses	**(50)**	**(27)**
INTEREST AND SIMILAR EXPENSES	**(5,100)**	**(1,556)**

[1] including 55.7 million on receivables impared individually (Stage 3) at 31 december 2022 compared with 40.4 million on receivables impared individually (Stage 3) at 31 december 2021.

Negative interest amounts recognised as interest income for financial liabilities and as interest expenses for financial assets amounted to €217 million and €143 million, respectively.

4.2 Net income and expenses of commissions

In millions of euros	31.12.2022			31.12.2021		
	Gains	Losses	Net	Gains	Losses	Net
Interbank transactions	40	(38)	2	31	(40)	(9)
Customer transactions	735	(145)	590	604	(119)	485
Securities transactions	47	(130)	(83)	28	(124)	(96)
Foreign exchange transactions	27	(59)	(32)	11	(37)	(26)
Derivative instruments and other off-balance sheet items	223	(179)	44	355	(214)	141
Payment instruments and other banking and financial services	283	(162)	121	308	(144)	164
Mutual funds management, fiduciary and similar operations	318	(55)	263	325	(43)	282
TOTAL INCOME AND EXPENSES OF COMMISSIONS	**1,673**	**(768)**	**905**	**1,662**	**(721)**	**941**

4.3 Net gains (losses) on financial instruments at fair value through profit or loss

In millions of euros	31.12.2022	31.12.2021
Dividends received	134	274
Unrealised or realised gains (losses) on assets/liabilities held for trading	(4,326)	350
Unrealised or realised gains (losses) on equity instruments at fair value through profit or loss	17	28
Unrealised or realised gains (losses) on debt instruments that do not meet the conditions of the "SPPI" test	(36)	12
Net gains (losses) on assets backing unit-linked contracts	-	-
Unrealised or realised gains (losses) on assets/liabilities designated at fair value through profit or loss [1]	3,452	102
Net gains (losses) on Foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	2,674	734
Gains (losses) from hedge accounting	3	1
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**1,918**	**1,501**

[1] Excluding spread of issuer credit for liabilities recognised at fair value through profit and loss on option concerned (except as otherwise permitted by the standard to eliminate or reduce a mismatch in the income statement).

Analysis of net gains (losses) from hedge accounting:

	31.12.2022			31.12.2021		
In millions of euros	Gains	Losses	Net	Gains	Losses	Net
Fair value hedges	**4,338**	**(4,335)**	**3**	**1,264**	**(1,263)**	**1**
Changes in fair value of hedged items attributable to hedged risks	1,597	(2,738)	(1,141)	224	(1,039)	(815)
Changes in fair value of hedging derivatives (including termination of hedges)	2,741	(1,597)	1,144	1,040	(224)	816
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	**375**	**(375)**	**-**	**120**	**(120)**	**-**
Changes in fair value of hedged items	372	(3)	369	106	(13)	93
Changes in fair value of hedging derivatives	3	(372)	(369)	14	(107)	(93)
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	**4,713**	**(4,710)**	**3**	**1,384**	**(1,383)**	**1**

The breakdown of gains (losses) from hedge accounting by type of relationship (fair value hedges, cash flow hedges, etc.) is presented in Note 3.5 "Hedge accounting".

4.4 Net gains (losses) on financial instruments at fair value through other comprehensive income

In millions of euros	31.12.2022	31.12.2021
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss [1]	(1)	17
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends) [2]	18	15
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	**17**	**32**

[1] *Excluding the gains or losses on the disposal on impaired debt instruments (Stage 3) mentioned in note 4.9 « Cost of risk».*

[2] *No dividend on equity instruments at fair value through non recyclable equity derecognised in 2022 and in 2021.*

4.5 Net gains (losses) from the derecognition of financial assets at amortised cost

In millions of euros	31.12.2022	31.12.2021
Debt securities	11	15
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	-	-
Gains arising from the derecognition of financial assets at amortised cost	**11**	**15**
Debt securities	(5)	(3)
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	(5)	(4)
Losses arising from the derecognition of financial assets at amortised cost	**(10)**	**(7)**
NET GAINS (LOSSES) ARISING FROM THE DERECOGNITION OF FINANCIAL ASSETS AT AMORTISED COST [1]	**1**	**8**

[1] *Excl. net gains (losses) from derecognition of credit-impaired instruments (Stage 3) referred to in Note 4.9 « Cost of risk».*

4.6 Income (expense) related to other activities

In millions of euros	31.12.2022	31.12.2021
Gains (losses) on fixed assets not used in operations	-	-
Other net income from insurance activities	-	-
Change in insurance technical reserves	(1)	-
Other net income (expense)	29	54
INCOME (EXPENSES) RELATED TO OTHER ACTIVITIES	**28**	**54**

4.7 Operating expenses

In millions of euros	31.12.2022	31.12.2021
Employee expenses	(2,458)	(2,247)
Taxes other than on income or payroll-related and regulatory contributions [1]	(427)	(370)
External services and other operating expenses	(973)	(857)
OPERATING EXPENSES	**(3,858)**	**(3,474)**

[1] *Including €386 million entered under the Single Resolution Fund (SRF) at 31 december 2022 against €298 million in 2021.*

STATUTORY AUDITORS' FEES

Distribution of fees by audit firm and by type of assignment in the financial statements of Crédit Agricole CIB in respect of 2022:

- College of auditors of Crédit Agricole CIB:

	Ernst & Young		PricewaterhouseCoopers		
In millions of euros excluding taxes	2022	2021	2022	2021	Total 2022
Independant audit, certification, review of parent company and consolidated financial statements	**6.2**	**5.6**	**5.7**	**5.1**	**11.9**
Issuer	4.1	3.4	2.8	2.5	**6.9**
Fully consolidated subsidiaries	2.1	2.2	2.9	2.6	**5.0**
Non audit services	**0.8**	**1.1**	**1.4**	**2.1**	**2.2**
Issuer	0.5	0.7	0.5	0.8	**1.0**
Fully consolidated subsidiaries	0.3	0.4	0.9	1.3	**1.2**
TOTAL	**7.0**	**6.7**	**7.1**	**7.2**	**14.1**

Total fees paid to EY & Autres, Statutory Auditor of Crédit Agricole CIB, in the consolidated income statement for the financial year amounted to €2.1 million, o/w €1.9 million for certification of the financial statements of Crédit Agricole CIB and its subsidiaries and €0.2 million for non-audit services (letters of comfort, findings of agreed-upon procedures).

Total fees paid to PricewaterhouseCoopers Audit, Statutory Auditor of Crédit Agricole CIB, in the consolidated income statement for the financial year amounted to €2.3 million, o/w €2.1 million for certification of the financial statements of Crédit Agricole CIB and its subsidiaries and €0.2 million for non-audit services (letters of comfort, findings of agreed-upon procedures).

4.8 Depreciation, amortisation and impairment of property, plant & equipment and intangible assets

In millions of euros	31.12.2022	31.12.2021
Depreciation and amortisation	**(246)**	**(221)**
Property, plant and equipment [1]	(172)	(155)
Intangible assets	(74)	(66)
Impairment losses (reversals)	**-**	**-**
Property, plant and equipment	-	-
Intangible assets	-	-
DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS	**(246)**	**(221)**

[1] Of which €125 million recognised for depreciation on the right-of-use asset (IFRS 16) at 31 december 2022 compared with €113 million at 31 december 2021.

4.9 Cost of risk

In millions of euros	31.12.2022	31.12.2021
Charges net of reversals to impairments on performing assets (Stage 1 or Stage 2) (A)	**(117)**	**(33)**
Stage 1 : Loss allowance measured at an amount equal to 12-month expected credit loss	**(6)**	**(40)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	1	-
Debt instruments at amortised cost	(11)	(18)
Commitments by signature	4	(22)
Stage 2 : Loss allowance measured at an amount equal to lifetime expected credit loss	**(111)**	**7**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-
Debt instruments at amortised cost	(197)	74
Commitments by signature	86	(67)
Charges net of reversals to impairments on credit-impaired assets (Stage 3) (B)	**(251)**	**(105)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-
Debt instruments at amortised cost	(257)	(89)
Commitments by signature	6	(16)
Other assets (C)	**(2)**	**3**
Risks and expenses (D)	**83**	**3**
Charges net of reversals to impairment losses and provisions (E) = (A) + (B) + (C) + (D)	**(287)**	**(133)**
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	(43)	(17)
Recoveries on loans and receivables written off	77	102
recognised at amortised cost	77	102
recognised in other comprehensive income that may be reclassified to profit or loss	-	-
Discounts on restructured loans	-	(1)
Losses on commitments by signature	-	-
Other losses	(5)	(12)
Other gains	5	7
COST OF RISK	**(253)**	**(54)**

4.10 Gain/losses on other assets

In millions of euros	31.12.2022	31.12.2021
Property, plant & equipment and intangible assets used in operations	**(4)**	**1**
Gains on disposals	4	1
Losses on disposals	(8)	-
Consolidated equity investments [1]	**(3)**	**(40)**
Gains on disposals	-	-
Losses on disposals	(3)	(40)
Net income (expense) on combinations	**-**	**-**
NET GAINS (LOSSES) ON OTHER ASSETS	**(7)**	**(39)**

[1] *In 2021, impact of the deconsolidation of Crédit Agricole CIB Algeria Bank Spa.*

4.11 Income tax charge

4.11.1 TAX EXPENSE

In millions of euros	31.12.2022	31.12.2021
Current tax charge	(563)	(441)
Deferred tax charge	73	9
TOTAL TAX CHARGE	**(490)**	**(432)**

4.11.2 RECONCILIATION OF THE THEORETICAL TAX RATE WITH THE RECORDED TAX RATE

▶ At 31 December 2022

In millions of euros	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	2,333	25.83%	(603)
Impact of permanent differences		(1.58)%	37
Impact of different tax rates on foreign subsidiaries		(0.21)%	5
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		0.02%	(1)
Impact of reduced tax rate		(0.29)%	7
Impact of tax rate change		0.86%	(20)
Impact of other items		(3.64)%	85
EFFECTIVE TAX RATE AND TAX CHARGE		**20.99%**	**(490)**

The theoretical tax rate is the tax rate under ordinary law (including the additional social contribution) of taxable profits in France at 31 December 2022.

▶ At 31 December 2021

In millions of euros	Base	Tax rate	Tax
Pre-tax income, goodwill impairment, discontinued operations and share of net income of equity-accounted entities	2,125	28.41%	(604)
Impact of permanent differences		(1.65)%	35
Impact of different tax rates on foreign subsidiaries		(2.07)%	44
Impact of losses for the year, utilisation of tax loss carryforwards and temporary differences		0.29%	(6)
Impact of reduced tax rate		(0.18)%	4
Impact of tax rate change		(0.94)%	20
Impact of other items		(3.53)%	75
EFFECTIVE TAX RATE AND TAX CHARGE		**20.33%**	**(432)**

The theoretical tax rate is the tax rate under ordinary law (including the additional social contribution) of taxable profits in France at 31 December 2021.

4.12 Changes in other comprehensive income

The income and expenses recorded during the period are presented in detail below:

4.12.1 BREAKDOWN OF OTHER COMPREHENSIVE INCOME

In millions of euros	31.12.2022	31.12.2021
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax		
Gains and losses on translation adjustments	**292**	**570**
Revaluation adjustment of the period	-	-
Reclassified to profit or loss	-	-
Other variations	292	570
Other comprehensive income on debt instruments that may be reclassified to profit or loss	**(34)**	**(7)**
Revaluation adjustment of the period	(35)	9
Reclassified to profit or loss	1	(17)
Other variations	-	1
Gains and losses on hedging derivative instruments	**(2,666)**	**(549)**
Revaluation adjustment of the period	(2,666)	(548)
Reclassified to profit or loss	-	-
Other variations	-	(1)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	**-**	**-**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**696**	**144**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**-**	**-**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**4**	**-**
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax	**(1,708)**	**158**
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	**145**	**126**
Other comprehensive income on financial liabilities attributable to changes in own credit risk	**781**	**(18)**
Revaluation adjustment of the period	776	(18)
Reclassified to reserves	5	-
Other variations	-	-
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	**(30)**	**30**
Revaluation adjustment of the period	(35)	24
Reclassified to reserves	13	-
Other variations	(8)	6
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**-**	**-**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**(234)**	**(23)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	-	**-**
Other comprehensive income on items that will not be reclassified to profit or loss from discontinued operations	**-**	**-**
Other comprehensive income on items that will not be reclassified subsequently to profit or loss net of income tax	**662**	**115**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**(1,046)**	**273**
Of which Group share	(1,048)	271
Of which non-controlling interests	2	2

NOTE 5: SEGMENT REPORTING

DEFINITION OF OPERATING SEGMENTS

Crédit Agricole CIB's business lines are defined in accordance with the definitions applied within the Crédit Agricole S.A. Group.

PRESENTATION OF THE DIVISIONS

The portfolio of activities breaks down into four divisions.

- Corporate banking includes the commercial banking business lines in France and abroad (International Trade & Transaction Banking and loan origination, structuring and arrangement activities) and structured finance activities, namely project finance, aircraft finance, shipping finance, acquisition finance and real estate finance;
- Capital Markets and Investment Banking combines capital-market activities (treasury management, foreign exchange, interest-rate derivatives, debt and treasury markets) with investment banking (mergers and acquisitions and primary equity advisory);

These two business lines make up almost the whole of Crédit Agricole S.A.'s Corporate and Investment Banking business (CIB) within the Major Clients Division of Crédit Agricole S.A.

- Wealth Management, a segment in which Crédit Agricole CIB is also active, through its subsidiary Crédit Agricole Indosuez and its operations in France, Belgium, Switzerland, Luxembourg, Monaco, Spain, Italy and, more recently, Asia, in Singapore and Hong Kong. This activity is presented within the Savings Management division of Crédit Agricole S.A.
- The Corporate Centre activities consist of the various impacts not attributable to the other divisions.

5.1 Segment reporting by operating segment

Transactions between operating segments are carried out at arm's length.

Segment assets are determined based on the items on each operating segment's balance sheet.

	31.12.2022					
In millions of euros	Financing activities	Capital markets and Investment banking	Total Corporate and Investment Banking	Wealth Management	Corporate Center	CACIB
Revenues	**3,126**	**2,640**	**5,766**	**929**	**2**	**6,697**
Operating expenses	(1,359)	(1,973)	(3,332)	(759)	(13)	(4,104)
Gross operating income	**1,767**	**667**	**2,434**	**170**	**(11)**	**2,593**
Cost of risk	(313)	64	(249)	(4)	-	(253)
Operating income	**1,454**	**731**	**2,185**	**166**	**(11)**	**2,340**
Share of net income (loss) of equity-accounted entities	-	-	-	-	-	-
Net gains (losses) on other assets	-	-	-	(7)	-	(7)
Change in value of goodwill	-	-	-	-	-	-
Pre-tax income	**1,454**	**731**	**2,185**	**159**	**(11)**	**2,333**
Income tax charge	(362)	(178)	(540)	(26)	76	(490)
Net income from discontinued operations	-	-	-	4	-	4
Net income	**1,092**	**553**	**1,645**	**137**	**65**	**1,847**
Non-controlling interests	(1)	-	(1)	10	-	9
NET INCOME GROUP SHARE	**1,093**	**553**	**1,646**	**127**	**65**	**1,838**

	31.12.2022					
In millions of euros	Financing activities	Capital markets and Investment banking	Total Corporate and Investment Banking	Wealth Management	Corporate Center	CACIB
Segment assets						
of which investments in equity-accounted entities	-	-	-	-	-	-
of which goodwill	-	-	485	601	-	1,086
TOTAL ASSETS	**-**	**-**	**712,434**	**15,768**	**-**	**728,202**

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	31.12.2021					
In millions of euros	Financing activities	Capital markets and Investment banking	Total Corporate and Investment Banking	Wealth Management	Corporate Center	CACIB
Revenues	**2,758**	**2,340**	**5,098**	**840**	**(25)**	**5,913**
Operating expenses	(1,197)	(1,800)	(2,997)	(694)	(4)	(3,695)
Gross operating income	**1,561**	**540**	**2,101**	**146**	**(29)**	**2,218**
Cost of risk	(76)	27	(49)	(5)	-	(54)
Operating income	**1,485**	**567**	**2,052**	**141**	**(29)**	**2,164**
Share of net income (loss) of equity-accounted entities	-	-	-	-	-	-
Net gains (losses) on other assets	(40)	-	(40)	1	-	(39)
Change in value of goodwill	-	-	-	-	-	-
Pre-tax income	**1,445**	**567**	**2,012**	**142**	**(29)**	**2,125**
Income tax charge	(312)	(158)	(470)	(18)	56	(432)
Net income from discontinued operations	-	-	-	7	-	7
Net income	**1,133**	**409**	**1,542**	**131**	**27**	**1,700**
Non-controlling interests	(2)	(1)	(3)	12	-	9
NET INCOME GROUP SHARE	**1,135**	**410**	**1,545**	**119**	**27**	**1,691**

	31.12.2021					
In millions of euros	Financing activities	Capital markets and Investment banking	Total Corporate and Investment Banking	Wealth Management	Corporate Center	CACIB
Segment assets						
of which investments in equity-accounted entities	-	-	-	-	-	-
of which goodwill	-	-	484	579	-	1,063
TOTAL ASSETS	**-**	**-**	**584,363**	**15,358**	**-**	**599,721**

5.2 Segment reporting by geographic area

The geographic breakdown of segment assets and results is based on the place of accounting recognition of the activities in question.

	31.12.2022				31.12.2021			
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)	560	2,620	526,491	474	552	2,409	411,997	474
Other European Union countries	389	838	23,928	142	194	674	20,153	142
Other European countries	145	1,230	30,526	459	296	1,089	29,177	436
North America	406	913	71,116	-	321	816	56,769	-
Central and South America	(61)	(16)	1,508	-	(9)	23	1,128	-
Africa and Middle East	15	46	2,763	-	16	45	2,736	-
Asia-Pacific (excluding Japan)	285	873	34,091	11	229	659	38,238	11
Japan	99	193	37,779	-	92	198	39,523	-
TOTAL	**1,838**	**6,697**	**728,202**	**1,086**	**1,691**	**5,913**	**599,721**	**1,063**

NOTE 6: NOTES TO THE BALANCE SHEET

6.1 Cash, central banks

In millions of euros	31.12.2022 Assets	31.12.2022 Liabilities	31.12.2021 Assets	31.12.2021 Liabilities
Cash	6	-	6	-
Central banks	78,705	33	65,061	1,224
CARRYING AMOUNT	**78,711**	**33**	**65,067**	**1,224**

6.2 Financial assets and liabilities at fair value through profit or loss

OTHER FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

In millions of euros	31.12.2022	31.12.2021
Financial assets held for trading	295,043	250,376
Other financial instruments at fair value through profit or loss	449	364
Equity instruments	264	300
Debt instruments that do not meet the conditions of the “SPPI” test [1]	185	64
Assets backing unit-linked contracts	-	-
Financial assets designated at fair value through profit or loss	-	-
CARRYING AMOUNT	**295,492**	**250,740**
Of which lent securities	3	1

[1] *Of which €10 million in UCITS as of 31 December 2022 against €49 million as of 31 December 2021.*

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

In millions of euros	31.12.2022	31.12.2021
Held for trading financial liabilities	274,534	221,904
Financial liabilities designated at fair value through profit or loss	28,782	25,683
CARRYING AMOUNT	**303,316**	**247,587**

Detailed information about held-for-trading derivatives can be found in Note 3.3 on market risk and particularly information about interest rates.

6.2.1 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS BY OPTION

▶ **Financial liabilities for which changes in the issuer spread are recognised through other comprehensive income that cannot be reclassified**

In millions of euros	31.12.2022 Carrying amount	Difference between carrying amount and amount contractually required to pay at maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk	Amount realised at derecognition[1]
Deposits and subordinated liabilities	4,403	(4,430)	(411)	(776)	(5)
Debt securities	24,312				
Other financial liabilities	-	-	-	-	-
TOTAL	**28,715**	**(4,430)**	**(411)**	**(776)**	**(5)**

[1] *Gains and losses on derecognition are transferred to consolidated reserves at the date of derecognition of the instrument in question.*

In millions of euros	31.12.2021 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	3,564	176	370	18	-
Debt securities	22,119				
Other financial liabilities	-	-	-	-	-
TOTAL	**25,683**	**176**	**370**	**18**	**-**

[1] *Gains and losses on derecognition are transferred to consolidated reserves at the date of derecognition of the instrument in question.*

In line with IFRS 9, Crédit Agricole CIB calculates changes in fair value attributable to changes in own credit risk using a methodology that allows these changes to be separated from changes in value attributable to changes in market conditions.

BASIS FOR CALCULATING OWN CREDIT RISK

The source taken into account when calculating own credit risk may vary from one issuer to another. At Crédit Agricole CIB, it takes the form of the change in its market refinancing cost according to the type of issue.

CALCULATION OF UNREALISED GAINS/LOSSES DUE TO OWN CREDIT RISK (RECOGNISED IN OTHER COMPREHENSIVE INCOME)

Crédit Agricole CIB's preferred approach is based on the liquidity component of issues. It involves replicating all of the issues through a basket of vanilla loans/borrowings. The changes in fair value attributable to changes in own credit risk for all the issues is the same as for the loans/borrowings. They are equal to the changes in the fair value of the loan/borrowing portfolio caused by changes in the cost of refinancing.

CALCULATION OF REALISED GAINS/LOSSES DUE TO OWN CREDIT RISK (RECOGNISED IN CONSOLIDATED RESERVES)

Crédit Agricole CIB has opted to transfer the change in fair value attributable to changes in own credit risk on settlement to consolidated reserves. A sensitivity-based calculation is carried out in the event of a complete or partial early redemption. This consists of measuring the change in fair value attributable to changes in own credit risk for a given issue as the sum of the credit spread sensitivities multiplied by the change in this spread between the issue date and the redemption date.

6.2.2 FINANCIAL LIABILITIES FOR WHICH CHANGES ARE RECOGNISED THROUGH PROFIT OR LOSS

	31.12.2022			
In millions of euros	Carrying amount	Difference between carrying amount and due on maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk
Deposits and subordinated liabilities	67	-	-	-
Debt securities	-	-	-	-
Other financial liabilities	-	-	-	-
TOTAL	**67**	**-**	**-**	**-**

	31.12.2021			
In millions of euros	Carrying amount	Difference between carrying amount and due on maturity	Accumulated amount of change in fair value attributable to changes in own credit risk	Amount of change in fair value during the period attributable to changes in own credit risk
Deposits and subordinated liabilities	-	-	-	-
Debt securities	-	-	-	-
Other financial liabilities	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**

6.3 Hedging derivative instruments

Detailed information is provided in Note 3.5 "Hedging accounting".

6.4 Financial asset at fair value through other comprehensive income

	31.12.2022			31.12.2021		
In millions of euros	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	10,436	28	(14)	13,081	74	(26)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	336	42	(90)	347	74	(92)
TOTAL	**10,772**	**70**	**(104)**	**13,428**	**148**	**(118)**

DEBT INSTRUMENTS RECOGNISED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT CAN BE RECLASSIFIED

	31.12.2022			31.12.2021		
In millions of euros	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	1,760	7	-	1,862	11	-
Bonds and other fixed income securities	8,676	21	(14)	11,219	63	(26)
Total Debt securities	**10,436**	**28**	**(14)**	**13,081**	**74**	**(26)**
Total Loans and receivables	**-**	**-**	**-**	**-**	**-**	**-**
Total Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**10,436**	**28**	**(14)**	**13,081**	**74**	**(26)**
Income tax charge		(7)	3		(12)	-
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**21**	**(11)**		**62**	**(26)**

EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT AND LOSS

▶ Other comprehensive income on equity instruments that cannot be reclassified

	31.12.2022			31.12.2021		
In millions of euros	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Equities and other variable income securities	36	13	(11)	39	14	(22)
Non-consolidated equity investments	300	29	(79)	308	60	(70)
Total equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**336**	**42**	**(90)**	**347**	**74**	**(92)**
Income tax charge		(4)	3		(6)	8
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**38**	**(87)**		**68**	**(84)**

▶ Equity instruments derecognised during the period

	31.12.2022			31.12.2021		
In millions of euros	Fair value at the date of derecognition	Cumulative gains realised[1]	Cumulative losses realised[1]	Fair value at the date of derecognition	Cumulative gains realised[1]	Cumulative losses realised[1]
Equities and other variable income securities	3	2	(9)	1	-	-
Non-consolidated equity investments	1	-	(7)	-	-	-
Total Investments in equity instruments	**4**	**2**	**(16)**	**1**	**-**	**-**
Income tax charge		-	-		-	-
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**2**	**(16)**		**-**	**-**

[1] Realised gains and losses are transferred to consolidated reserves at the moment of the derecognition of the instrument concerned.

6

6.5 Financial assets at amortised cost

In millions of euros	31.12.2022	31.12.2021
Loans and receivables due from credit institutions	60,494	43,600
Loans and receivables due from customers	179,186	165,830
Debt securities	34,716	29,641
CARRYING AMOUNT	**274,396**	**239,071**

LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS

In millions of euros	31.12.2022	31.12.2021
Credit institutions		
Loans and receivables	52,234	42,144
of which non doubtful current accounts in debit [1]	5,304	3,764
of which non doubtful overnight accounts and advances [1]	1,773	1,266
Pledged securities	-	-
Securities bought under repurchase agreements	8,667	1,842
Subordinated loans	2	-
Other loans and receivables	-	-
Gross amount	**60,903**	**43,986**
Impairment	(409)	(386)
CARRYING AMOUNT	**60,494**	**43,600**

[1] *These transactions are partly comprised of "Net demand loans and deposits with banks" in the Cash Flow Statement.*

LOANS AND RECEIVABLES DUE FROM CUSTOMERS

In millions of euros	31.12.2022	31.12.2021
Loans and receivables due from customers		
Trade receivables	30,616	26,392
Other customer loans	144,867	136,664
Pledged securities	-	-
Securities bought under repurchase agreements	1,373	751
Subordinated loans	46	46
Insurance receivables	-	-
Reinsurance receivables	-	-
Advances in associates' current accounts	10	70
Current accounts in debit	5,259	4,461
Gross amount	**182,171**	**168,384**
Impairment	(2,985)	(2,554)
Net value of loans and receivables due from customers	**179,186**	**165,830**
Finance leases		
Property leasing	-	-
Equipment leases, operating leases and similar transactions	-	-
Gross amount	**-**	**-**
Impairment	-	-
Net value of lease financing operations	**-**	**-**
CARRYING AMOUNT [1]	**179,186**	**165,830**

[1] *At 31 December 2022, in line with the economic stimulus measures implemented in response to the Covid-19 crisis, outstanding government-backed loans granted by Crédit Agricole CIB amounted to €1,020 million against €1,807 million at 31 December 2021.*

DEBT INSTRUMENTS

In millions of euros	31.12.2022	31.12.2021
Treasury bills and similar securities	7,188	7,524
Bonds and other fixed income securities	27,557	22,145
Total	**34,745**	**29,669**
Impairment	(29)	(28)
CARRYING AMOUNT	**34,716**	**29,641**

6.6 Transferred assets not derecognised or derecognised with continuing involvement

TRANSFERRED ASSETS NOT FULLY DERECOGNISED AT 31 DECEMBER 2022

	Transferred assets but still fully recognised										
	Transferred assets					Associated liabilities					Assets and associated liabilities
In millions of euros	Carrying amount	of which securitisation (non- deconsolidating)	of which securities sold/bought under repurchase agreements	of which other	Fair value	Carrying amount	of which securitisation (non- deconsolidating)	of which securities sold/bought under repurchase agreements	of which other	Fair value[1]	Net fair value
Financial assets held for trading	**14,501**	**-**	**14,501**	**-**	**14,501**	**14,497**	**-**	**14,497**	**-**	**14,497**	**4**
Equity instruments	151	-	151	-	151	151	-	151	-	151	-
Debt securities	14,350	-	14,350	-	14,350	14,346	-	14,346	-	14,346	4
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Other financial instruments at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	**449**	**-**	**449**	**-**	**449**	**449**	**-**	**449**	**-**	**449**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-
Debt securities	449	-	449	-	449	449	-	449	-	449	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Financial assets at amortised cost	**1,777**	**-**	**1,777**	**-**	**1,777**	**1,662**	**-**	**1,662**	**-**	**1,662**	**115**
Debt securities	1,777	-	1,777	-	1,777	1,662	-	1,662	-	1,662	115
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Total Financial assets	**16,727**	**-**	**16,727**	**-**	**16,727**	**16,608**	**-**	**16,608**	**-**	**16,608**	**119**
Finance leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**16,727**	**-**	**16,727**	**-**	**16,727**	**16,608**	**-**	**16,608**	**-**	**16,608**	**119**

[1] "When the counterparty (counterparties) to the associated liabilities has (have) recourse only to the transferred assets" (IFRS 7.42D.(d)).

TRANSFERRED ASSETS NOT FULLY DERECOGNISED AT 31 DECEMBER 2021

	Transferred assets but still fully recognised										
	Transferred assets					Associated liabilities					Assets and associated liabilities
In millions of euros	Carrying amount	of which securitisation (non- deconsolidating)	of which securities sold/bought under repurchase agreements	of which other	Fair value	Carrying amount	of which securitisation (non- deconsolidating)	of which securities sold/bought under repurchase agreements	of which other	Fair value[1]	Net fair value
Financial assets held for trading	**17,526**	**-**	**17,526**	**-**	**17,526**	**17,277**	**-**	**17,277**	**-**	**17,277**	**249**
Equity instruments	326	-	326	-	326	303	-	303	-	303	23
Debt securities	17,200	-	17,200	-	17,200	16,974	-	16,974	-	16,974	226
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Other financial instruments at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	**1,098**	**-**	**1,098**	**-**	**1,098**	**1,090**	**-**	**1,090**	**-**	**1,090**	**8**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-
Debt securities	1,098	-	1,098	-	1,098	1,090	-	1,090	-	1,090	8
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Financial assets at amortised cost	**1,945**	**-**	**1,945**	**-**	**1,945**	**1,932**	**-**	**1,932**	**-**	**1,932**	**13**
Debt securities	1,945	-	1,945	-	1,945	1,932	-	1,932	-	1,932	13
Loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Total Financial assets	**20,569**	**-**	**20,569**	**-**	**20,569**	**20,299**	**-**	**20,299**	**-**	**20,299**	**270**
Finance leases	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL TRANSFERRED ASSETS	**20,569**	**-**	**20,569**	**-**	**20,569**	**20,299**	**-**	**20,299**	**-**	**20,299**	**270**

[1] "When the counterparty (counterparties) to the associated liabilities has (have) recourse only to the transferred assets" (IFRS 7.42D.(d)).

For the financial year, Crédit Agricole CIB did not record any commitments incurred relating to the transferred assets derecognised in full.

6.7 Financial liabilities at amortised cost

In millions of euros	31.12.2022	31.12.2021
Due to credit institutions	79,781	78,442
Due to customers	186,851	159,578
Debt securities	68,389	51,768
CARRYING AMOUNT	**335,021**	**289,788**

DUE TO CREDIT INSTITUTIONS

In millions of euros	31.12.2022	31.12.2021
Accounts and borrowings	79,311	78,318
of which current accounts in credit [1]	12,538	4,848
of which overnight accounts and deposits [1]	377	2,021
Securities sold under repurchase agreements	470	124
CARRYING AMOUNT	**79,781**	**78,442**

[1] *These transactions are partly comprised of the item "Net demand loans and deposits with credit institutions" on the Cash Flow Statement.*

DUE TO CUSTOMERS

In millions of euros	31.12.2022	31.12.2021
Current accounts in credit	69,275	74,803
Special savings accounts	111	151
Other amounts due to customers	116,990	83,793
Securities sold under repurchase agreements	475	831
Insurance liabilities	-	-
Reinsurance liabilities	-	-
Cash deposits received from cedants and retrocessionaires against technical insurance commitments	-	-
CARRYING AMOUNT	**186,851**	**159,578**

DEBTS REPRESENTED BY A SECURITY

In millions of euros	31.12.2022	31.12.2021
Interest bearing notes	-	-
Interbank securities	-	-
Negotiable debt securities	64,748	47,557
Bonds	3,641	4,211
Other debt securities	-	-
CARRYING AMOUNT	**68,389**	**51,768**

SENIOR NON-PREFERRED DEBT ISSUE

With the law on transparency, fighting corruption and the modernisation of the economy (otherwise referred to as the "Sapin 2 law") of 9 December 2016, France has established a category of senior debt to meet certain eligibility criteria for TLAC and MREL ratios (as these criteria are defined in the applicable regulations): "senior non-preferred debt" (see Articles L. 613-30-3-I-4° and R. 613-28 of the French Monetary and Financial Code).

As part of a resolution procedure and under the conditions of the applicable regulations, senior non-preferred securities may be written down, in whole or in part, or converted into capital (Common Equity Tier 1), in respect of the bail-in, primarily to other senior debt ("senior preferred" debt), but only after the total write-down or conversion into capital of the subordinated instruments (including, without limitation, Tier 1 instruments (CET1 and Additional Tier 1) and instruments qualifying as Tier 2 capital and only if these initial impairments or conversions are insufficient to enable the bail-out of the institution.

In the event of liquidation, senior non-preferred debt will be repaid, if there are still available funds, after the full repayment of "preferred" senior debt but before subordinated debt that qualifies or not as regulatory capital.

Crédit Agricole CIB's outstanding senior non-preferred debt amounted to €3,464 million at 31 December 2022.

6.8 Information on offsetting financial assets and liabilities

Derivative instruments were not offset, within the meaning of IAS 32R, but were settled on a daily basis (application of the "settlement to market" mechanism).

OFFSETTING – FINANCIAL ASSETS

	31.12.2022					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
In millions of euros	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreements	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all offsetting effects
Derivatives	157,820	-	157,820	94,792	33,717	29,311
Reverse repurchase agreements	258,661	135,805	122,856	14,147	108,709	-
TOTAL FINANCIAL ASSETS SUBJECT TO OFFSETTING	**416,481**	**135,805**	**280,676**	**108,939**	**142,426**	**29,311**

	31.12.2021					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
In millions of euros	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreements	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all offsetting effects
Derivatives	106,138	-	106,138	74,881	14,443	16,814
Reverse repurchase agreements	247,601	130,117	117,484	9,545	107,939	-
TOTAL FINANCIAL ASSETS SUBJECT TO OFFSETTING	**353,739**	**130,117**	**223,622**	**84,426**	**122,382**	**16,814**

OFFSETTING – FINANCIAL LIABILITIES

	31.12.2022					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
In millions of euros	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreements	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all offsetting effects
Derivatives	160,689	-	160,689	94,792	47,456	18,441
Repurchase agreements	218,549	135,805	82,744	14,147	68,597	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**379,238**	**135,805**	**243,433**	**108,939**	**116,053**	**18,441**

	31.12.2021					
	Offsetting effects on financial assets covered by master netting agreements and similar agreements					
				Other amounts that can be offset under given conditions		
In millions of euros	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreements	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all offsetting effects
Derivatives	101,674	-	101,674	74,881	18,272	8,521
Repurchase agreements	210,570	130,117	80,453	9,545	70,908	-
TOTAL FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**312,244**	**130,117**	**182,127**	**84,426**	**89,180**	**8,521**

6.9 Current and deferred tax assets and liabilities

In millions of euros	31.12.2022	31.12.2021
Current tax	429	445
Deferred tax	1,122	657
TOTAL CURRENT AND DEFERRED TAX ASSETS	**1,551**	**1,102**
Current tax	928	763
Deferred tax	1,270	1,343
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**2,198**	**2,106**

Net deferred tax assets and liabilities can be broken down as follows:

	31.12.2022		31.12.2021	
In millions of euros	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Temporary timing differences - tax	**488**	**1,236**	**441**	**1,177**
Non-deductible accrued expenses	173	-	159	-
Non-deductible for liabilities and charges	249	-	280	-
Other temporary differences [1]	66	1,236	2	1,177
Deferred tax on reserves for unrealised gains or losses	**577**	**11**	**132**	**29**
Financial assets at fair value through other comprehensive income	2	7	8	17
Cash flow hedges	650	1	1	40
Gains and losses/Actuarial differences	31	3	28	(28)
Other comprehensive income attributable to changes in own credit risk	(106)	-	95	-
Deferred tax on income and reserves	**57**	**23**	**84**	**137**
TOTAL DEFERRED TAX	**1,122**	**1,270**	**657**	**1,343**

[1] The share of deferred taxes relating to tax loss carryforwards was €20 million for 2022 and €35 million for 2021.

Deferred tax is netted in the balance sheet by tax consolidation level.

In order to determine the level of deferred tax to be recognised, Crédit Agricole CIB takes into account, for each relevant entity or tax group, the applicable tax regime and the income projections established during the budget procedure.

TAX AUDITS

◆ Crédit Agricole CIB Paris tax audit

Crédit Agricole CIB is currently subject to an accounting audit covering the 2019 and 2020 financial years. An adjustment notice suspending the limitation period was received at the end of 2022. Crédit Agricole CIB is disputing the proposed adjustments in a reasoned argument. A provision was recognised to cover the estimated risk.

◆ CLSA liability guarantee

In 2013, the Crédit Agricole Group sold the CLSA entities to Chinese group CITICS.

Following tax adjustments made to some CLSA entities in India and the Philippines, CITICS invoked the liability guarantee against the Crédit Agricole Group. The corrected items were disputed in a reasoned argument. A provision was recognised to cover the estimated risk.

6.10 Accruals - assets, liabilities and other

ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS

In millions of euros	31.12.2022	31.12.2021
Other assets	**55,847**	**23,388**
Inventory accounts and miscellaneous	191	179
Sundry debtors [1]	54,196	22,553
Settlements accounts	1,460	656
Other insurance assets	-	-
Reinsurer's share of technical reserves	-	-
Accruals and deferred income	**6,336**	**3,272**
Items in course of transmission	4,139	2,324
Adjustment and suspense accounts	940	11
Accrued income	791	736
Prepaid expenses	426	144
Other accruals prepayments and sundry assets	40	57
CARRYING AMOUNT	**62,183**	**26,660**

[1] including €65 million at 31 December 2022 versus €51 million at 31 December 2021 in respect of the contribution to the Single Resolution Fund in the form of a security deposit. The Single Resolution Fund may use the security deposit to provide funding unconditionally and at any time.

The 1st application of the IFRS IC decision of 21 April 2021 did not result in the creation of a surplus of assets.

ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES

In millions of euros	31.12.2022	31.12.2021
Other liabilities [1]	**42,546**	**19,995**
Settlements accounts	2,399	867
Sundry creditors	39,665	18,730
Liabilities related to trading securities	7	-
Other insurance liabilities	-	-
Lease liabilities	475	398
Other	-	-
Accruals and deferred income	**6,722**	**5,856**
Items in course of transmission [2]	3,796	2,323
Adjustment and suspense accounts	287	931
Unearned income	388	287
Accrued expenses	2,101	2,037
Other accruals prepayments and sundry assets	150	278
Carrying amount	**49,268**	**25,851**

[1] The amounts indicated include the related debts.
[2] Net amounts.

6.11 Joint ventures and associates

Investments in equity-accounted entities for which objective evidence of impairment was identified were subject to impairment tests using the same methodology as for goodwill, i.e. by using expected future cash flow estimates of the companies in question and by using the valuation inputs described in Note 6.13 "Goodwill".

FINANCIAL INFORMATION OF JOINT VENTURES AND ASSOCIATES

At 31 December 2022,

- the equity-accounted value of joint ventures was nil as it was fully impaired (same situation at 31 December 2021),
- Crédit Agricole CIB holds interests in a single joint venture.

Significant associates and joint ventures are presented in the table of Note 6.11.1. These are the main joint ventures and associates that make up the "equity-accounted value" in the balance sheet.

6.11.1 JOINT VENTURES AND ASSOCIATES: INFORMATION

	31.12.2022						
In millions of euros	% of interest	Equity-accounted value	Share of market value	Dividends paid to group's entities	Share of net income	Share of shareholders' equity [1]	Goodwill
Joint ventures							
UBAF	47.01%	-	-	-	-	136	-
Net carrying amount of investments in equity-accounted entities (Joint ventures)		**-**	**-**	**-**	**-**	**136**	**-**
Associates							
Net carrying amount of investments in equity-accounted entities (Associates)		**-**			**-**	**-**	**-**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**-**	**-**	**-**	**-**	**136**	**-**

[1] Equity Group share in the financial statements of the joint venture or associate when the joint venture or associate is a sub-group.

	31.12.2021						
In millions of euros	% of interest	Equity-accounted value	Share of market value	Dividends paid to group's entities	Share of net income	Share of shareholders' equity [1]	Goodwill
Joint ventures							
UBAF	47.01%	-	-	-	-	148	-
Net carrying amount of investments in equity-accounted entities (Joint ventures)		**-**		**-**	**-**	**148**	**-**
Associates							
Net carrying amount of investments in equity-accounted entities (Associates)		**-**			**-**	**-**	**-**
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES		**-**		**-**	**-**	**148**	**-**

[1] Equity Group share in the financial statements of the joint venture or associate when the joint venture or associate is a sub-group.

6.11.2 JOINT VENTURES AND ASSOCIATES: DETAILED INFORMATION

The condensed financial information of the joint ventures and significant associates of Crédit Agricole CIB is presented below:

	31.12.2022			
In millions of euros	Revenues	Net income	Total assets	Total equity
Joint ventures				
UBAF	64	10	2,322	290
TOTAL	**64**	**10**	**2,322**	**290**

	31.12.2021			
In millions of euros	Revenues	Net income	Total assets	Total equity
Joint ventures				
UBAF	55	11	2,071	315
TOTAL	**55**	**11**	**2,071**	**315**

6.11.3 SIGNIFICANT RESTRICTIONS ON JOINT VENTURES AND ASSOCIATES

Crédit Agricole CIB is subject to the following restrictions:

◆ Regulatory constraints

The joint ventures and associates of Crédit Agricole CIB are subject to prudential regulation and regulatory capital requirements in their host countries. The minimum solvency ratio, leverage ratio and liquidity ratio requirements limit the ability of these entities to pay dividends or transfer assets to Crédit Agricole CIB.

◆ Legal constraints

Crédit Agricole CIB Group subsidiaries are subject to the legal provisions governing the distribution of capital and distributable profits. These requirements limit their ability to distribute dividends. In the majority of cases, these are less restrictive than the regulatory limitations mentioned above.

6.12 Property, plant & equipment and intangible assets (excluding goodwill)

Operating property, plant and equipment include the right to use fixed assets leased as lessee.

The depreciation and impairments of the property, plant & equipment used in operations are presented including the depreciation of fixed assets leased under operating leases.

In millions of euros	31.12.2021	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31.12.2022
Property, plant & equipment used in operations							
Gross amount	1,851	6	274	(87)	33	-	**2,077**
Depreciation and impairment	(1,022)	(4)	(171)	81	(21)	(2)	**(1,139)**
CARRYING AMOUNT	**829**	**2**	**103**	**(6)**	**12**	**(2)**	**938**
Intangible assets							
Gross amount	818	1	114	(7)	8	-	**934**
Depreciation and impairment	(398)	(1)	(74)	3	(2)	-	**(472)**
CARRYING AMOUNT	**420**	**-**	**40**	**(4)**	**6**	**-**	**462**

In millions of euros	31.12.2020	Changes in scope	Increases (acquisitions)	Decreases (disposals and redemptions)	Translation adjustments	Other movements	31.12.2021
Property, plant & equipment used in operations							
Gross amount	1,737	-	75	(19)	58	-	1,851
Depreciation and impairment	(845)	-	(157)	18	(37)	(1)	(1,022)
CARRYING AMOUNT	**892**	**-**	**(82)**	**(1)**	**21**	**(1)**	**829**
Intangible assets							
Gross amount	717	-	102	(11)	10	-	818
Depreciation and impairment	(336)	-	(66)	9	(5)	-	(398)
CARRYING AMOUNT	**381**	**-**	**36**	**(2)**	**5**	**-**	**420**

6.13 Goodwill

In millions of euros	31.12.2021 GROSS	31.12.2021 NET	Increases (acquisitions)	Decreases (Divestments)	Impairment losses during the period	Translation adjustments	Other movements	31.12.2022 GROSS	31.12.2022 NET
Corporate and Investment banking	654	484	-	-	-	1	-	655	485
Wealth Management	579	579	-	-	-	22	-	601	601
Total	**1,233**	**1,063**	**-**	**-**	**-**	**23**	**-**	**1,256**	**1,086**

Impairment tests were carried out on goodwill, based on an assessment of the value in use of the CGUs to which it is attached. The determination of value in use was based on the discounting of the CGU's estimated future cash flows that resulted from business forecasts of medium-term plans established for the Group's management purposes.

The following assumptions were used:

- Estimated future flows: forecast data based on three-year forecast budgets (2023-2025) for its management needs, extrapolated to a fourth and a fifth year in order to converge towards a standardised final year.

The economic scenario on which the projected financial trajectories are based includes the long-term impacts of the health crisis, the conflict in Ukraine, inflationary shock and the widespread rise in interest rates. However, the degrees of economic resilience vary widely from country to country, depending on the economic structures and fiscal and monetary leeway still available to cushion shocks and support the economy. Growth remained strong in 2022, continuing to benefit from the post-COVID 2021 rebound, but the outlook is deteriorating with a sharp decline in activity expected in 2023. Far from the epicentre of the conflict in Ukraine but heavily impacted by the inflationary shock, 2022 US growth remained stronger than expected, sustained, despite inflation, by the solid level of consumer spending and the labour market. The outlook for 2023 is negative with a recession in view, but average growth still slightly positive. In the eurozone, activity continued in 2022 despite supply difficulties (industrial inputs, followed by energy) and an inflationary shock coming mainly from supply issues and partially offset by fiscal measures. However, the natural slowdown in post-pandemic growth has been compounded by the new, more permanent competitiveness shock caused by the war in Ukraine. A scenario of a marked deceleration in growth is applied for 2023 (0.1% in 2023 after 3.4% in 2022).

These forecasts are based on (i) inflationary pressures, which are expected to ease very slowly in 2023 with the risk of a need to fight against more resilient underlying inflation, then normalise at a level higher than pre-crisis levels, (ii) a decline in consumer spending under inflationary pressure and in the absence of a price/wage loop, (iii) a shock supply following the supply difficulties caused by the conflict in Ukraine, while those linked to the Covid crisis are fading.

In terms of monetary policy, the focus remains on fighting inflation. However, regardless of the pace at which economies are slowing, central banks are not out of the woods with inflation. They will not take the risk of letting their guard down too quickly, especially as core inflation could prove more resilient than expected. In the United States, after aggressive rate hikes in 2022 totalling 425 basis points, bringing the target range to 4.25%-4.50%, the Fed signalled its intention to slow the pace of increases while specifying that the tightening had not reached its end, which would occur in Q1 2023 (5.25%). In the eurozone, the ECB also embarked on monetary tightening and raised its deposit rate from a highly accommodative level to a restrictive threshold. After being quite aggressive, the rate of increase would be slowed and the terminal rate reached mid-2023, with a deposit rate below 4%. The start of quantitative tightening in 2023 will complement the system. Finally, the tightening will be accompanied by a change in the terms of TLTROs, prompting banks to repay these loans early: this channel could prove the most powerful in terms of monetary tightening. After a clear recovery in 2022, long-term rates would be "weighted" by growth prospects that are at best mediocre or even quite poor. They would tighten only very slightly. This would prolong the inversion of the interest rate curves, which would be modulated according to the degree of maturity of the economic and monetary cycle: free in the United States, moderate in Germany.

- Allocated capital: 9.87% of risk-weighted assets for the 2 CGUs (up 48 basis points compared with 31 December 2021) in connection with successive decisions by the *Haut Conseil de la Stabilité Financière*, first on 7 April 2022 to raise the countercyclical buffer rate for France to 0.5% (applicable from 7 April 2023) and then on 27 December 2022 to increase it to 1.0% from 2 January 2024, in order to return to a pre-Covid level;
- Growth rate to perpetuity: 2%. Growth rates to perpetuity at 31 December 2022 were identical to those used at 31 December 2021 and reflect the growth forecasts of Crédit Agricole CIB for both CGUs;
- Discount rates: 9.50% (stable compared to 31 December 2021) for the Corporate and Investment Banking CGU and 8.60% (up 10 basis points compared to 31 December 2021) for the Wealth Management CGU. The calculation of discount rates is based on a rolling monthly average over 13 years.

Impairment tests at 31 December 2022 did not give rise to recognition of goodwill impairment.

The sensitivity tests carried out on the Group share of goodwill show that, under the following circumstances, impairment would be required only for Corporate and Investment Banking:

- a +50 basis point change in the CGU's equity allocation rate would lead to an impairment by around €160 million of the Corporate and Investment Banking CGU's goodwill;
- a +50 basis point change in the equity allocation rate would lead to a full impairment of the Corporate and Investment Banking CGU's goodwill;
- a +100 basis point change in the final-year cost/income ratio would lead to an impairment by around €210 million of the Corporate and Investment Banking CGU's goodwill;
- a +10 basis point change in the final-year cost of risk would lead to a full impairment of the Corporate and Investment Banking CGU's goodwill.

6.14 Provisions

In millions of euros	31.12.2021	Changes in scope	Depreciation charges	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	31.12.2022
Home purchase schemes risks	-	-	-	-	-	-	-	-
Execution risks of commitments by signature	511	-	391	(2)	(488)	28	-	440
Operational risks	52	-	12	(51)	(1)	3	-	15
Employee retirement and similar benefits [1]	411	1	35	(28)	(4)	6	(159)	262
Litigation	325	-	24	(49)	(119)	1	-	182
Equity investments	-	-	-	-	-	-	-	-
Restructuring	-	-	-	-	-	-	-	-
Other risks	38	1	8	(7)	(18)	1	-	23
TOTAL	**1,337**	**2**	**470**	**(137)**	**(630)**	**39**	**(159)**	**922**

[1] *Of which €176 million in respect of post-employment benefits under defined-benefit plans, as detailed in Note 7.4, Of which €17 million in respect of the long-service award.*

In millions of euros	31.12.2020	01.01.2021[2]	Changes in scope	Depreciation charges	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	31.12.2021
Home purchase schemes risks	-	-	-	-	-	-	-	-	-
Execution risks of commitments by signature	422	-	-	573	(46)	(468)	30	-	511
Operational risks	28	-	-	28	(7)	-	3	-	52
Employee retirement and similar benefits [1]	561	(40)	-	40	(17)	(6)	10	(137)	411
Litigation	364	-	-	15	(16)	(40)	2	-	325
Equity investments	-	-	-	-	-	-	-	-	-
Restructuring	2	-	-	-	-	(2)	-	-	-
Other risks	49	-	-	9	(4)	(16)	-	-	38
TOTAL	**1,426**	**(40)**	**-**	**665**	**(90)**	**(532)**	**45**	**(137)**	**1,337**

[1] *Of which €328 million in respect of post-employment benefits under defined-benefit plans, as detailed in Note 7.4, Of which €17 million in respect of the long-service award.*
[2] *Estimated impact of the first application of the IFRS IC decision of 21 April 2021 on the computation of commitments relating to certain defined benefit plans.*

INQUIRIES AND REQUESTS FOR INFORMATION FROM REGULATORS

Main inquiries and requests for information from regulators:

◆ Office of Foreign Assets Control (OFAC)

In October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US and New York authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008.

Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US and New York authorities in connection with their investigations, have agreed to pay a total penalty amount of US$787.3 million (i.e. €692.7 million). The payment of this penalty has been allocated to the pre-existing reserve that had already been taken and, therefore, has not affected the accounts for the second half of 2015.

The agreements with the Board of Governors of the US Federal Reserve (Fed) and the New York State Department of Financial Services (NYDFS) are with Crédit Agricole S.A. and Crédit Agricole CIB. The agreement with the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury is with Crédit Agricole CIB. Crédit Agricole CIB also entered into separate deferred prosecution agreements (DPAs) with the United States Attorney's Office for the District of Columbia (USAO) and the District Attorney of the County of New York (DANY), the terms of which are three years. On 19 October 2018, the two deferred prosecution agreements with USAO and DANY ended at the end of the three-year period, Crédit Agricole Corporate and Investment Bank having complied with all its obligations under the DPAs.

Crédit Agricole continues to strengthen its internal procedures and its compliance programmes regarding laws on international sanctions and will continue to cooperate fully with the US and New York authorities, with its home regulators, the European Central Bank and the French Regulatory and Resolution Supervisory Authority (ACPR), and with the other regulators across its worldwide network.

In accordance with the agreements reached with the NYDFS and the US Federal Reserve, Crédit Agricole's compliance programme is regularly reviewed to assess its effectiveness. These reviews include a review by an independent consultant appointed by the NYDFS for a term of one year and annual reviews by an independent board approved by the US Federal Reserve.

◆ Euribor/Libor and other indexes

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into: (i) the calculation of the Libor (London

Interbank Offered Rates) in a number of currencies, the Euribor (Euro Interbank Offered Rate) and certain other market indexes; and (ii) transactions connected with these rates and indexes. These demands covered several periods from 2005 to 2012.

As part of its cooperation with the authorities, Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB carried out investigations in order to gather the information requested by the various authorities and in particular the American authorities – the DOJ (Department of Justice) and CFTC (Commodity Future Trading Commission) – with which they are in discussions. It is currently not possible to know the outcome of these discussions, nor the date when they will be concluded.

Furthermore, Crédit Agricole CIB is currently under investigation opened by the Attorney General of the State of Florida on both the Libor and the Euribor.

Following its investigation and an unsuccessful settlement procedure, on 21 May 2014, the European Commission sent a statement of objection to Crédit Agricole S.A. and to Crédit Agricole CIB pertaining to agreements or concerted practices for the purpose and/or effect of preventing, restricting or distorting competition in derivatives related to the Euribor.

In a decision dated 7 December 2016, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €114,654,000 for participating in a cartel in euro interest rate derivatives. Crédit Agricole S.A. and Crédit Agricole CIB are challenging the decision and have asked the European Court of Justice to overturn it. The hearing before the European Court of Justice was held on 17 March 2022 and the date of the judgement is not known at the present time.

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 Korea Fair Trade Commission (KFTC) decided to close the investigation launched in September 2015 into Crédit Agricole CIB and the Libor index on various currencies, Euribor and TIBOR indices. The investigation into certain foreign exchange derivatives (ABS-NDF) was 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 in the other ("Lieberman" for Libor); the "Lieberman" class action has now been closed, as the plaintiffs have decided to discontinue the proceedings. Concerning the "Sullivan" class action, Crédit Agricole S.A. and Crédit Agricole CIB had introduced a motion to dismiss the plaintiffs' claim, which the US District Court of New York State had upheld in first instance. On 14 June 2019, the plaintiffs had appealed the decision. While awaiting the deliberation on this appeal, the Federal Second Circuit Court of Appeal, in a different case (called Gelboim), delivered a ruling on 31 December 2021 that modified its jurisprudence concerning the personal competence of US jurisdictions with regard to foreign defendants. In order to avoid any possible negative impacts arising from this reversal of jurisprudence concerning the appeal being heard, Crédit Agricole S.A. and Crédit Agricole CIB had negotiated an agreement with the plaintiffs intended to bring the proceedings to a definitive conclusion, providing for the payment of US$55 million to the plaintiffs, which was made in 2022. This agreement, which does not include any admission of guilt on the part of Crédit Agricole S.A. and Crédit Agricole CIB, was approved by the New York court on 15 November 2022, a decision which has not been appealed. In accordance with the standard cooperation commitments made in this type of agreement, a request for the disclosure of documents (confirmatory discovery) could still be made by the plaintiffs in 2023 to Crédit Agricole S.A. and Crédit Agricole CIB, should they need such documents in the context of discussions with other parties that have not yet settled.

Since 1 July 2016, Crédit Agricole S.A. and Crédit Agricole CIB, together with other banks, are also party to a new class action suit in the United States ("Frontpoint") relating to the SIBOR (Singapore Interbank Offered Rate) and SOR (Singapore Swap Offer Rate) indexes. After having granted a first motion to dismiss filed by Crédit Agricole S.A. and Crédit Agricole CIB, the New York Federal District Court, ruling on a new motion 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 and SOR indexes were also rejected by the Court, therefore the SIBOR/Singapore dollar index alone is still taken into account. On 26 December 2018, the plaintiffs filed a new complaint aimed at reintroducing into the scope of the Frontpoint case the alleged manipulations of the SIBOR and SOR indexes that affected the transactions in US dollars. Crédit Agricole CIB, alongside the other defendants, objected to this new complaint at the hearing held on 2 May 2019 before the New York Federal District Court. On 26 July 2019, the Federal Court granted the defendants' motion to dismiss. The plaintiffs filed a notice of appeal on 26 August 2019.

On 17 March 2021, a panel of three judges of the Federal Second Circuit Court of Appeal allowed the plaintiffs' appeal, consequently considering the new complaint admissible and referring the case to the New York Federal District Court for continuation of the proceedings. The defendants, including Crédit Agricole CIB, asked the Federal Court of Appeal, sitting in plenary session, to reconsider this decision. This request was rejected by the Court of Appeal on 6 May 2021. Another appeal was filed on 12 May 2021 by the defendants with a view to obtaining the suspension of this return of the case before the first instance court, but this was dismissed on 24 May 2021. On 1 October 2021, the defendants filed an appeal before the US Supreme Court, which decided on 10 January 2022 not to hear the case. A new motion, currently under consideration, was filed by the defendants before the Federal Court with the aim of putting an end to this action.

On 27 May 2022, all 13 defendants signed a transactional agreement with the plaintiffs in order to bring this action to a definitive end. This agreement provides for the payment to the plaintiffs of a one-off sum with a specific sum attributed to each of the plaintiffs. As a result, Crédit Agricole CIB will pay US$7.3 million (8.03% of the total amount). This agreement, which does not include any admission of guilt on the part of Crédit Agricole CIB, was approved by the New York court on 29 November 2022, a decision which has not been appealed.

◆ Bonds SSA

Several regulators requested information to Crédit Agricole S.A. and to Crédit Agricole CIB for investigations relating to 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.

In a decision dated 28 April 2021, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €3,993,000 for participating in a cartel on the secondary market for SSA bonds denominated in US dollars. On 7 July 2021, Crédit Agricole S.A. and Crédit Agricole CIB appealed against this decision before the European Court of Justice.

Crédit Agricole CIB was included with other banks in a putative consolidated class action before the United States District Court for the Southern District of New York. That action was dismissed on 29 August 2018 on the basis that the plaintiffs failed to allege an injury sufficient to give them standing. However, the plaintiffs were given an opportunity to attempt to remedy that defect. The plaintiffs filed an amended complaint on 7 November 2018. Crédit Agricole CIB as well as the other defendants filed motions to dismiss the amended complaint. An order issued on 30 September 2019 dismissed the class action against Crédit Agricole CIB for lack of jurisdiction and, in a subsequent ruling, the Court held that the plaintiffs had in any event failed to establish a violation of US antitrust law. In June 2020, the plaintiffs appealed against these two decisions. On 19 July 2021, the Second Circuit Court of Appeal confirmed the court's position that the plaintiffs had not succeeded in establishing a violation of US antitrust law. The time limit given to the plaintiffs for contesting this decision before the US Supreme Court expired on 2 December 2021 without the plaintiffs having taken any action in this regard. The plaintiffs then requested authorisation to introduce a motion aiming to annul the judgement of the court of first instance, on the grounds that the judge of this court had not revealed a conflict of interest at the start of the proceedings. The case was allocated to a new judge with a view to examining this application, and said new judge ordered the Parties to submit their observations on this issue. On 3 October 2022, this judge, District Judge Valerie Caproni, issued an opinion and denied the plaintiffs' motion to overturn the judgement, instructing the clerk to close the case. The plaintiffs did not appeal this decision of Judge Caproni.

On 7 February 2019, a second class action was filed against Crédit Agricole CIB and the other defendants named in the class action already pending before the United States District Court for the Southern District of New York. In July 2020, the plaintiffs voluntarily discontinued the action but the claim could be revived.

On 11 July 2018, Crédit Agricole S.A. and Crédit Agricole CIB were notified with other banks of a class action filed in Canada before the Ontario Superior Court of Justice. Another 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. Crédit Agricole S.A. and Crédit Agricole CIB have reached an agreement in principle to end the proceedings before the Federal Court. The definitive agreement still has to be negotiated, signed and approved by the Court.

◆ O'Sullivan and Tavera

On 9 November 2017, a group of individuals (or their families or estates), who claimed to have been injured or killed in attacks in Iraq, filed a complaint ("O'Sullivan I") against several banks, including Crédit Agricole S.A., and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB), in US District Court for the District of New York.

On 29 December 2018, the same group of individuals, together with 57 new plaintiffs, filed a separate action ("O'Sullivan II") against the same defendants.

On 21 December 2018, a different group of individuals filed a complaint ("Tavera") against the same defendants.

All three complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants conspired with Iran and its agents to violate US sanctions and engage in transactions with Iranian entities in violation of the US Anti-Terrorism Act and the Justice Against Sponsors of Terrorism Act. Specifically, the complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants processed US dollar transactions on behalf of Iran and Iranian entities in violation of sanctions administered by the US Treasury Department's Office of Foreign Assets Control, which allegedly enabled Iran to fund terrorist organisations that, as is alleged, attacked plaintiffs. The plaintiffs are seeking an unspecified amount of compensatory damages.

On 2 March 2018, Crédit Agricole CIB and other defendants filed a motion to dismiss the O'Sullivan I complaint. On 28 March 2019, the Court granted defendants' motion to dismiss. On 22 April 2019, plaintiffs filed a motion to amend their complaint. On 20 May 2019, defendants filed an opposition to plaintiffs' motion, and plaintiffs filed a reply brief 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 motion requesting that the court enter a final judgement against defendants to allow an appeal. On 11 June 2020, the defendants filed an opposition to plaintiffs' motion, and plaintiffs filed a reply brief on 18 June 2020. On 29 June 2021, the Court dismissed the plaintiffs' motion.

On 28 July 2021, the Court ordered a stay of proceedings in the "O'Sullivan I" case pending a decision in the appeal in progress in a case Freeman versus HSBC Holdings, PLC, No. 19-3970 (2d. Cir.). (The "O'Sullivan II" and "Tavera" cases had previously been suspended pending the outcome of this appeal). On 20 January 2023, the Court extended the stay of the "O'Sullivan I" and "O'Sullivan II" proceedings pending a decision by the US Supreme Court on Twitter, Inc. v. Tamneh, et al. on the application of the US Anti-Terrorism Act to social media companies. In the "Tavera" case, the parties must decide on a possible extension of the stay of proceedings before 3 February 2023.

◆ Intercontinental Exchange, Inc. ("ICE")

On 15 January 2019 a class action ("Putnam bank") was filed 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 was filed by plaintiffs who claimed to have invested in financial instruments indexed to the USD ICE Libor. They accused the banks of having collusively set this index 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 before 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 30 November 2020, during briefing of the appeal, Plaintiffs’ lawyers informed Defendants that all of the named Plaintiffs wished to withdraw from the case and, on 1 December 2020, Plaintiffs’ counsel filed the motion to stay the appeal, which Defendants opposed. The court denied the motion on 7 December 2020 and Plaintiffs filed their reply brief on 15 December 2020.

On 28 December 2020, DYJ Holdings Inc. filed a motion for leave to intervene to replace the currents named plaintiffs. On 7 January 2021, Defendants filed a brief in opposition to DYJ Holdings’ motion and also filed a motion to dismiss the appeal.

On 6 April 2021, the Court granted DYJ Holdings Inc’s motion for leave to intervene and rejected the defendants’ motion.

On 10 June 2021, the defendants filed a supplementary brief concerning questions of merit relating to the investments of DYJ Holdings Inc.

On 14 February 2022, the Second Circuit court rejected the appeal.

DYJ Holdings did not appeal against the rejection of its claim before the Supreme Court within the legal limit allowed, and the case is therefore now closed.

Binding agreements

Crédit Agricole Corporate and Investment Bank does not depend on any industrial, commercial or financial patent, license or contract.

6.15 Subordinated debt

In millions of euros	31.12.2022	31.12.2021
Dated subordinated debt	4,293	3,546
Undated subordinated debt	-	533
CARRYING AMOUNT	**4,293**	**4,079**

SUBORDINATED DEBT ISSUES

The issue of subordinated debt plays a part in regulatory capital management while helping to fund all Crédit Agricole CIB operations.

The Capital Requirements Regulation and Directive (CRD IV/CRR)(1) define the conditions under which subordinated instruments qualify as regulatory capital and set out the terms and conditions of progressive disqualification of older instruments that do not meet these requirements.

All subordinated debt issues, whether new or old, are 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 the European Bank Recovery and Resolution Directive (BRRD(2)).

Subordinated debt issues differ from senior bonds (preferred or non-preferred) due to their ranking in terms of liquidation (principal and interest) as contractually defined by their subordination clause explicitly referring to applicable French law, depending on the date on which they were issued (subordinated debt issues are junior to senior non-preferred and preferred debt).

6.16 Total equity

OWNERSHIP STRUCTURE AT 31 DECEMBER 2022

At 31 December 2022, share and voting right ownership broke down as follows:

Shareholders of Crédit Agricole CIB	Number of shares at 31.12.2022	% of the share capital	% of voting rights
Crédit Agricole S.A.	283,037,792	97.33%	97.33%
SACAM développement [1]	6,485,666	2.23%	2.23%
Delfinances [2]	1,277,888	0.44%	0.44%
TOTAL	**290,801,346**	**100%**	**100%**

1 Owned by Crédit Agricole Group.

2 Owned by Crédit Agricole S.A. Group.

At 31 December 2022, Crédit Agricole CIB’s share capital stood at €7,851,636,342, composed of 290,801,346 fully paid up ordinary shares each with a par value of €27.

(1) Directive 2013/36/EU of 26 June 2013, as amended and amended since Directive (EU) 2019/878 of 20 May 2019, including through the Directive (and its transpositions into French law) and Regulation (EU) No. 575/2013 of 26 June 2013 as supplemented and since amended, including through Regulation (EU) 2019/876 of 20 May 2019.

(2) Directive 2014/59/EU of 15 May 2014 as supplemented and since amended, including through Directive (EU) 2019/879 of 20 May 2019 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC.

EARNINGS PER SHARE

In millions of euros		31.12.2022	31.12.2021
Net income Group share during the period	*(In millions of euros)*	1,838	1,691
Net income attributable to undated deeply subordinated securities	*(In millions of euros)*	(463)	(308)
Net income attributable to holders of ordinary shares	*(In millions of euros)*	**1,375**	**1,383**
Weighted average number of ordinary shares in circulation during the period		290,801,346	290,801,346
Weighted average number of ordinary shares for calculation of diluted earnings per share		290,801,346	290,801,346
BASIC EARNINGS PER SHARE	*(in euros)*	**4.73**	**4.75**
Basic earnings per share from ongoing activities	*(in euros)*	**4.72**	**4.73**
Basic earnings per share from discontinued operations	*(in euros)*	**0.01**	**0.02**
DILUTED EARNINGS PER SHARE (IN EUROS)	*(in euros)*	**4.73**	**4.75**
Diluted earnings per share from ongoing activities	*(in euros)*	**4.72**	**4.73**
Diluted earnings per share from discontinued operations	*(in euros)*	**0.01**	**0.02**

The net income attributable to subordinated and deeply subordinated securities is equal to the issue costs and the interest accrued on subordinated and deeply subordinated Additional Tier 1 bond issues. It totalled -€463 million in respect of financial year 2022.

DIVIDENDS

The dividend distribution policy, defined by the Board of Directors, is based on an analysis which takes past dividends, the financial position and the results of the company into account.

The Board of Directors may advise the General Meeting that part of distributable earnings should be retained or appropriated to one or more reserve accounts. These reserves may receive any appropriations decided by the General Meeting, on a motion by the Board of Directors, in particular with a view to the amortisation or reduction of the capital through the share redemption or buybacks.

The balance of distributable profit is allocated to the shareholders, in proportion to their interest in the Company's share capital for the purpose of dividend distribution.

In addition, the General Meeting may decide to distribute sums deducted from distributable reserves.

However, except in the case of a capital reduction, no distribution may be made to the shareholders when the shareholders' equity is or would become less than the amount of the share capital plus reserves that the laws and regulations in force do not permit to be distributed.

The conditions for dividend payment approved by the General Meeting are set by the latter or failing that, by the Board of Directors and the payment must occur within the time period prescribed by the laws and regulations in force.

The General Meeting called to approve the financial statements for the year may grant to each shareholder, for all or part of the dividend being distributed, or for the interim dividends, a choice between payment of the final or interim dividends in cash or in shares.

Dividend paid in respect of year	Dividend amount in € million	Number of share receiving dividend	Dividend per share (euros)
2018	489	290,801,346	Total : 1.68
2019	512	290,801,346	Total : 1.76
2020	1,023	290,801,346	Total : 3.52
2021	553	290,801,346	Total : 1.90
2022	343	290,801,346	Total : 1.18

For the 2022 financial year, the Board of Directors made a motion to submit for approval to the General Meeting the distribution of €343,145,588.28.

6

APPROPRIATION OF INCOME AND DETERMINATION OF 2022 DIVIDEND

The proposed appropriation of net income is set out in the draft resolutions to be presented by the Board of Directors at Crédit Agricole CIB's General Meeting on 3 May 2023. The components of said appropriation are listed below. Net income for the financial year ended 31 December 2022 amounted to €1,576,127,081.91. The Board of Directors has decided to advise the General Meeting to allocate this net income as follows:

Amount of profit at 31.12.2022 (euros)	**1,576,127,081.91**
Attribution of profit at 31.12.2022:	
➔ to the legal reserve for (threshold of 10% of share capital reached)	0
Balance of profit at 31.12.2022	1,576,127,081.91
Amount of profit allocated to retained earnings at 31.12.2022	5,006,033,056.35
Amount of distributable profit	6,582,160,138.26
Dividend payout deducted from the balance of profit at 31.12.2022	343,145,588.28
Attribution of the balance of profit to retained earnings after dividend payout for	1,232,981,493.63

UNDATED FINANCIAL INSTRUMENTS

Main issues of undated deeply subordinated notes classified in other comprehensive income:

					31.12.2022			
		Amount in currency at 31 december 2021	Partial repurchases and redemptions	Amount in currency at 31 december 2022	Amount in euros at inception rate	Interests paid - Group share - Cumulated	Issuance costs net of taxes	Impact of Equity Group share cumulated
Issue date	Currency	In millions of units	In millions of units	In millions of units	In millions of euros	In millions of euros	In millions of euros	In millions of euros
11/16/2015	EUR	1,200	(600)	600	600	759	-	(159)
6/9/2016	USD	720	-	720	635	350	-	285
6/27/2018	EUR	500	-	500	500	115	-	385
9/19/2018	EUR	500	-	500	500	98	-	402
2/26/2019	USD	470	-	470	414	99	-	315
6/18/2019	EUR	300	-	300	300	49	-	251
1/27/2020	EUR	500	-	500	500	49	-	451
2/4/2021	USD	730	-	730	609	62	-	547
3/23/2021	EUR	200	-	200	200	12	-	188
3/23/2021	EUR	400	-	400	400	24	-	376
6/23/2021	EUR	220	-	220	220	12	-	208
6/23/2021	EUR	930	-	930	930	48	-	882
6/25/2021	EUR	1,500	-	1,500	1,500	79	-	1,421
3/24/2022	EUR		-	450	450	18	-	432
3/25/2022	EUR		-	500	500	20	-	480
6/28/2022	EUR		-	150	150	5	-	145
9/26/2022	EUR		-	330	330	7		323
9/26/2022	EUR		-	100	100	2		98
12/1/2022	EUR		-	300	300	1		299
12/1/2022	EUR		-	250	250	1		249
12/21/2022	EUR		-	600	600	-		600
TOTAL					**9,988**	**1,810**		**8,178**

At 31 December 2021, issues amounted to €7,908 million in progress and -€1,347 million in aggregate remuneration Group share.

The undated subordinated and deeply subordinated debt issues classified in Group share of shareholders' equity break down as follows:

In millions of euros	31.12.2022	31.12.2021
Undated deeply subordinated notes		
Interests paid accounted as reserves	(463)	(308)
Income tax savings related to interest paid to security holders recognised in net income	120	88

6.17 Breakdown of financial assets and liabilities by contractual maturity

The breakdown of on-balance sheet financial assets and liabilities is shown by contractual maturity date.

The maturities of derivative instruments held for trading and for hedging are their date of contractual maturity.

Equity instruments by nature have no contractual maturity and are classified as “Undetermined”.

	31.12.2022					
In millions of euros	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Cash, central banks	78,711	-	-	-	-	**78,711**
Financial assets at fair value through profit or loss	116,022	36,259	57,152	80,344	5,715	**295,492**
Hedging derivative Instruments	1,649	428	451	83	-	**2,611**
Financial assets at fair value through other comprehensive income	1,699	3,523	3,893	1,238	419	**10,772**
Financial assets at amortised cost	96,597	69,938	82,063	25,796	2	**274,396**
Revaluation adjustment on interest rate hedged portfolios	-	-	-	-	-	**-**
TOTAL FINANCIAL ASSETS BY MATURITY	**294,678**	**110,148**	**143,559**	**107,461**	**6,136**	**661,982**
Central banks	33	-	-	-	-	**33**
Financial liabilities at fair value through profit or loss	109,928	24,489	70,006	98,893	-	**303,316**
Hedging derivative Instruments	4,538	410	190	3	-	**5,141**
Financial liabilities at amortised cost	243,049	43,390	43,226	5,356	-	**335,021**
Subordinated debt	-	-	751	3,542	-	**4,293**
Revaluation adjustment on interest rate hedged portfolios	(368)	-	-	-	-	**(368)**
TOTAL FINANCIAL LIABILITIES BY MATURITY	**357,180**	**68,289**	**114,173**	**107,794**	**-**	**647,436**

	31.12.2021					
In millions of euros	≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Cash, central banks	65,067	-	-	-	-	**65,067**
Financial assets at fair value through profit or loss	105,345	31,093	38,421	68,750	7,131	**250,740**
Hedging derivative Instruments	1,206	59	47	11	-	**1,323**
Financial assets at fair value through other comprehensive income	1,523	2,439	7,906	1,213	347	**13,428**
Financial assets at amortised cost	106,924	38,029	72,911	21,205	2	**239,071**
Revaluation adjustment on interest rate hedged portfolios	7	-	-	-	-	**7**
TOTAL FINANCIAL ASSETS BY MATURITY	**280,072**	**71,620**	**119,285**	**91,179**	**7,480**	**569,636**
Central banks	1,224	-	-	-	-	**1,224**
Financial liabilities at fair value through profit or loss	90,160	19,316	42,863	95,248	-	**247,587**
Hedging derivative Instruments	1,116	47	19	20	-	**1,202**
Financial liabilities at amortised cost	222,961	25,528	35,751	5,548	-	**289,788**
Subordinated debt	19	-	750	2,789	521	**4,079**
Revaluation adjustment on interest rate hedged portfolios	9	-	-	-	-	**9**
TOTAL FINANCIAL LIABILITIES BY MATURITY	**315,489**	**44,891**	**79,383**	**103,605**	**521**	**543,889**

NOTE 7: EMPLOYEE BENEFITS AND OTHER REMUNERATION

7.1 Breakdown of payroll expenses

In millions of euros	31.12.2022	31.12.2021
Salaries [1]	(1,849)	(1,676)
Contributions to defined-contribution plans	(98)	(90)
Contributions to defined-benefit plans	(25)	(23)
Other social security expenses	(396)	(369)
Profit-sharing and incentive plans	(49)	(37)
Payroll-related tax	(41)	(52)
TOTAL EMPLOYEE EXPENSES	**(2,458)**	**(2,247)**

[1] Of which expenses related to share-based payments for €61 million at 31 December 2022 versus €60 million at 31 December 2021.

7.2 Average headcount for the period

Average number of employees	31.12.2022	31.12.2021
France	5,366	5,109
International	6,916	6,737
TOTAL	**12,282**	**11,846**

7.3 Post-employment benefits, defined-contribution plans

There are various mandatory pension plans to which employers contribute. The funds are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to provide all the benefits corresponding to the services rendered by staff during the current and previous years. Consequently, Crédit Agricole CIB has no liability in this respect other than contributions payable.

Within Crédit Agricole CIB, there are several compulsory defined-contribution plans, the main ones being Agirc/Arrco, which are French supplementary pension plans, notably supplemented by an “Article 83” type supplementary plan.

7.4 Post-employment benefits, defined-benefit plans

CHANGE IN ACTUARIAL LIABILITIES

	31.12.2022			31.12.2021
In millions of euros	Eurozone	Outside Eurozone	All Zones	All Zones
Actuarial liability at 31/12/N-1	**196**	**1,769**	**1,965**	**1,973**
Impact of IFRIC IAS 19 at opening [2]	-	-	-	(40)
Translation adjustments	-	29	29	107
Cost of service rended during the period	11	30	41	42
Financial cost	2	19	21	17
Employee contributions	-	16	16	15
Benefit plan changes, withdrawals and settlement	-	-	-	(2)
Changes in scope	1	-	1	-
Benefits paid (mandatory)	(15)	(86)	(101)	(75)
Tax, administrative costs and bonuses	-	-	-	-
Actuarial gains/(losses) arising from changes in demographic assumptions [1]	(2)	52	50	(10)
Actuarial gains/(losses) arising from changes in financial assumptions [1]	(52)	(475)	(527)	(62)
ACTUARIAL LIABILITY AT CLOSING	**141**	**1,354**	**1,495**	**1,965**

[1] Of which actuarial gains/losses related to experience adjustment.
[2] Concern the impact of the 1st application of the IFRS IC decision of April 21, 2021 relating to the calculation of commitments relating to certain defined benefit plans for an amount of €40 million on January 1, 2021.

BREAKDOWN OF EXPENSE RECOGNISED IN PROFIT OR LOSS

	31.12.2022			31.12.2021
In millions of euros	Eurozone	Outside Eurozone	All Zones	All Zones
Service cost	11	31	42	42
Income/expenses on net interests	1	1	2	2
IMPACT IN PROFIT AND LOSS AT CLOSING	**12**	**32**	**44**	**44**

BREAKDOWN OF NET INCOME AND OTHER COMPREHENSIVE INCOME THAT CANNOT BE RECLASSIFIED TO PROFIT OR LOSS

	31.12.2022			31.12.2021
In millions of euros	Eurozone	Outside Eurozone	All Zones	All Zones
Revaluation from net liabilities (from net assets)				
Total amount of actuarial gains or losses recognised in OCI that will not be reclassified to profit and loss at opening	**138**	**198**	**336**	**462**
Translation adjustments	-	(1)	(1)	16
Actuarial gains/(losses) on assets	-	333	333	(71)
Actuarial gains/(losses) arising from changes in demographic assumptions [1]	(2)	52	50	(10)
Actuarial gains/(losses) arising from changes in financial assumptions [1]	(53)	(474)	(527)	(61)
Adjustment of assets restriction's impact	-	-	-	-
TOTAL AMOUNT OF ACTUARIAL GAINS OR LOSSES RECOGNISED IN OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS AT END OF PERIOD	**(55)**	**(90)**	**(145)**	**(126)**

[1] Of which actuarial gains/losses related to experience adjustment.

CHANGE IN FAIR VALUE OF ASSETS

	31.12.2022			31.12.2021
In millions of euros	Eurozone	Outside Eurozone	All Zones	All Zones
Fair value of assets at opening	**16**	**1,627**	**1,643**	**1,485**
Translation adjustments	-	22	22	98
Interests on asset (income)	-	19	19	14
Actuarial gains/(losses)	-	(333)	(333)	71
Employer contributions	7	66	73	26
Employee contributions	-	16	16	16
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	-	-	-	-
Tax, administrative costs and bonuses	-	-	-	(1)
Benefits paid out under the benefit plan	(6)	(85)	(91)	(66)
FAIR VALUE OF ASSETS AT CLOSING	**17**	**1,332**	**1,349**	**1,643**

NET POSITION

	31.12.2022			31.12.2021
In millions of euros	Eurozone	Outside Eurozone	All Zones	All Zones
Closing actuarial liability	**141**	**1,354**	**1,495**	**1,965**
Impact of asset restriction	-	-	-	-
Fair value of assets at end of period	(17)	(1,331)	(1,348)	(1,643)
NET POSITION OF ASSETS/(LIABILITIES) AT END OF PERIOD	**124**	**23**	**147**	**322**

DEFINED-BENEFIT PLANS: MAIN ACTUARIAL ASSUMPTIONS

	31.12.2022		31.12.2021	
In percentage	Eurozone	Outside Eurozone	Eurozone	Outide Eurozone
Discount rate [1]	3.51%	3.19%	0.81%	1.10%
Actual return on plan assets and on reimbursement rights	4.35%	(20.35)%	5.54%	5.67%
Expected salary increase rates [2]	0.59%	1.73%	0.69%	1.90%
Rate of change in medical costs	0.00%	0.00%	0.00%	0.00%

[1] Discount rates are determined depending on the average period of the commitment, i.e. the arithmetic average of the periods calculated between the date of valuation and the date of payment weighted by staff turnover assumptions. The underlying item is the discount rate based on the iBoxx index.

[2] Depending on the populations in question (managers or non-managers).

INFORMATION ON PLAN ASSETS - ALLOCATION OF ASSETS [(1)]

	Eurozone			Outside Eurozone			All Zones		
In millions of euros	%	Amount	Of which listed	%	Amount	Of which listed	%	Amount	Of which listed
Equities	0.21%	0.04	0.04	26.65%	354.88	354.88	26.32%	354.92	354.92
Bonds	1.85%	0.31	0.31	42.62%	567.61	567.61	42.11%	567.92	567.92
Property/Real estate	0.13%	0.02		14.41%	191.92		14.23%	191.94	
Other assets	97.81%	16.47		16.32%	217.32		17.34%	233.79	

(1) Of which fair value of reimbursement rights.

Crédit Agricole CIB's employee benefit coverage policy complies with local financing rules in countries where minimum funding is required.

Overall, Crédit Agricole CIB covered **90.19%** of its employee benefit obligations at 31 December 2022.

At 31 December 2022, the sensitivity analysis showed that:

- a 50-basis point increase in discount rates would reduce the commitment by **-5.84%**;
- a 50-basis point decrease in discount rates would increase the commitment by **6.57%**.

7.5 Other employee benefits

Crédit Agricole CIB pays long-service awards.

7.6 Share-based payments

STOCK OPTION PLAN

No new plans were implemented in 2022 by Crédit Agricole CIB.

CAPITAL INCREASE RESERVED FOR CURRENT AND RETIRED EMPLOYEES OF THE CRÉDIT AGRICOLE GROUP

In 2022, Crédit Agricole S.A. offered current and retired Group employees the option to subscribe for a new capital increase reserved for them. This transaction was launched in 9 of the countries where Crédit Agricole CIB operates.

DEFERRED VARIABLE COMPENSATION PAID IN SHARES OR CASH INDEXED TO THE SHARE PRICE

The deferred variable compensation plans implemented by the Crédit Agricole CIB Group in respect of 2022 are settled partially in cash indexed to the Crédit Agricole S.A. share price.

These plans are subject to permanent vesting conditions (continued employment, performance and specific provisions for identified staff, relating to the professional behaviour of beneficiaries) and their payment is deferred in equal amounts over three, four or five years.

The expense related to these plans is recognised in employee expenses. It is staggered on a straight-line basis over the vesting period to reflect continued employment and a liability is recorded in employee expenses, the amount of which is subject to periodic revaluation through profit or loss until the settlement date, depending on the change in the Crédit Agricole S.A. share price and the vesting conditions (continued employment and performance conditions).

7.7 Remuneration of senior managers

Senior managers of Crédit Agricole CIB include all members of the Executive Committee of Crédit Agricole CIB.

The composition of the Executive Committee is detailed in the Corporate Governance chapter of this Universal Registration Document.

The compensation paid and benefits granted to the members of the Executive Committee in 2022 were as follows:

Short-term benefits: €11 million for fixed and variable compensation (o/w €2.2 million paid in share-indexed instruments), including social security expenses and benefits in kind;

- Post-employment benefits at 31 December 2022: €6.7 million for end-of-career benefit commitments and the supplementary pension plan set up for the Group's Senior Executive Officers;
- Other long-term benefits: the amount granted for long-service awards was not material;
- Other share-based payment: not applicable.

Total Directors' fees paid to members of Crédit Agricole CIB's Board of Directors in 2022 in consideration for serving as Directors of Crédit Agricole CIB amounted to €623,214.

NOTE 8: LEASES

8.1 Leases for which the Group is the lessee

"Operating property, plant & equipment" in the balance sheet is made up of owned assets and leased assets, which do not meet the definition of investment property.

In millions of euros	31.12.2022	31.12.2021
Owned property, plant & equipment	486	453
Right-of-use on lease contracts	452	376
Total Property, plant & equipment used in operations	**938**	**829**

Crédit Agricole CIB is also a lessee in 1 to 3 year leases of computer equipment (photocopiers, computers, etc.). These contracts are of low value and/or short-term. Crédit Agricole CIB has chosen to apply the exemptions stipulated by IFRS 16 and to not recognise the right-of-use assets and lease liabilities on these leases in the balance sheet.

CHANGE IN RIGHT-OF-USE ASSETS

Crédit Agricole CIB leases multiple assets, including offices and computer equipment.

Information relating to leases in which Crédit Agricole CIB is a lessee is provided below:

In millions of euros	31.12.2021	Change in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31.12.2022
Property/Real estate							
Gross amount	668	4	200	(57)	5	-	820
Depreciation and impairment	(302)	(3)	(119)	50	(4)	-	(378)
Total Property/Real estate	**366**	**1**	**81**	**(7)**	**1**	**-**	**442**
Equipment							
Gross amount	23	-	6	(6)	-	-	23
Depreciation and impairment	(13)	-	(6)	6	-	-	(13)
Total Equipment	**10**	**-**	**-**	**-**	**-**	**-**	**10**
Total Right-of-use	**376**	**1**	**81**	**(7)**	**1**	**-**	**452**

In millions of euros	31.12.2020	Change in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31.12.2021
Property/Real estate							
Gross amount	619	-	42	(10)	17	-	668
Depreciation and impairment	(193)	-	(109)	8	(8)	-	(302)
Total Property/Real estate	**426**	**-**	**(67)**	**(2)**	**9**	**-**	**366**
Equipment							
Gross amount	19	-	6	(2)	-	-	23
Depreciation and impairment	(9)	-	(6)	2	-	-	(13)
Total Equipment	**10**	**-**	**-**	**-**	**-**	**-**	**10**
Total Right-of-use	**436**	**-**	**(67)**	**(2)**	**9**	**-**	**376**

SCHEDULE OF LEASE LIABILITIES

In millions of euros	31.12.2022			
	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total Lease liabilities
Lease liabilities	**105**	220	150	475

In millions of euros	31.12.2021			
	≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Total Lease liabilities
Lease liabilities	**132**	209	58	399

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BREAKDOWN OF LEASE EXPENSES AND INCOME

In millions of euros	31.12.2022	31.12.2021
Interest expense on lease liabilities	(8)	(6)
Total Interest and similar expenses (Revenues)	**(8)**	**(6)**
Expense relating to short-term leases	(7)	(3)
Expense relating to leases of low-value assets	(10)	(9)
Expense relating to variable lease payments not included in the measurement of lease liabilities	-	-
Income from subleasing right-of-use assets	-	-
Gains or losses arising from leaseback transactions	-	-
Gains or losses arising from lease modifications	1	-
Total Operating expenses	**(16)**	**(12)**
Depreciation for right-of-use	(125)	(113)
Total Depreciation and amortisation of property, plant & equipment	**(125)**	**(113)**
Total Expense and income on lease contracts	**(149)**	**(131)**

AMOUNTS OF CASH FLOWS FOR THE PERIOD

In millions of euros	31.12.2022	31.12.2021
Total Cash outflow for leases	**(154)**	(144)

8.2 Leases for which the Group is the lessor

Crédit Agricole CIB offers its clients leasing activities in the form of leases, leases with purchase option, finance leases and long-term leases. Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Other leases are classified as operating leases.

INCOME FROM LEASES

In millions of euros	31.12.2022	31.12.2021
Finance leases	**-**	**-**
Selling profit or loss	-	-
Finance income on the net investment in the lease	-	-
Income relating to variable lease payments	-	-
Operating leases	**14**	**11**
Lease income	14	11

NOTE 9: COMMITMENTS GIVEN AND RECEIVED AND OTHER GUARANTEES

The commitments given and received and other guarantees include discontinued operations.

COMMITMENTS GIVEN AND RECEIVED

In millions of euros	31.12.2022	31.12.2021
Commitments given	**217,891**	**202,911**
Financing commitments	**131,071**	**120,858**
Commitments given to credit institutions	5,857	6,224
Commitments given to customers [1]	125,214	114,634
Guarantee commitments	**79,692**	**77,051**
Credit institutions	8,574	9,420
Customers	71,118	67,631
Securities commitments	**7,128**	**5,002**
Securities to be delivered	7,128	5,002
Commitments received	**193,626**	**188,505**
Financing commitments	**935**	**763**
Commitments received from credit institutions	508	644
Commitments received from customers	427	119
Guarantee commitments	**186,713**	**184,042**
Commitments received from credit institutions	8,065	16,531
Commitments received from customers [1]	178,648	167,511
Securities commitments	**5,978**	**3,700**
Securities to be received	5,978	3,700

[1] At 31 December 2022, under the economic stimulus plan implemented in response to the Covid-19 health crisis, Crédit Agricole CIB granted government-backed loans for which it received guarantee commitments from the French State in the amount of €1,068 million. The undrawn loans amounted to €188 million.

FINANCIAL INSTRUMENTS GIVEN AND RECEIVED AS COLLATERAL

In millions of euros	31.12.2022	31.12.2021
Carrying amount of financial assets provided as collateral (including transferred assets)		
Securities and receivables provided as collateral for the refinancing structures (Banque de France, CRH, etc.)	69,439	59,881
Securities lent	3	1
Security deposits on market transactions	48,563	19,678
Other security deposits	-	-
Securities sold under repurchase agreements	82,744	80,453
TOTAL CARRYING AMOUNT OF FINANCIAL ASSETS PROVIDED AS COLLATERAL	**200,749**	**160,013**
Carrying amount of financial assets received in garantee		
Other security deposits	-	-
Fair value of instruments received as reusable and reused collateral		
Securities borrowed	8	11
Secutities bought under repurchase agreements	155,373	136,665
Securities sold short	37,179	41,922
TOTAL FAIR VALUE OF INSTRUMENTS RECEIVED AS REUSABLE AND REUSED COLLATERAL	**192,560**	**178,598**

RECEIVABLES PLEDGED AS COLLATERAL

In 2022, Crédit Agricole CIB deposited €9.87 billion in receivables as collateral either directly or as part of the Crédit Agricole Group's contribution to various refinancing mechanisms, compared with €5.93 billion in 2021. Crédit Agricole CIB retains all the risks and rewards associated with these receivables.

Moreover, Crédit Agricole CIB contributed €2.62 billion in receivables with the United States Federal Reserve (FED) versus €2.49 billion in 2021.

GUARANTEES HELD

The guarantees and enhancements held mainly consist of mortgages, pledges and guarantees received, regardless of the quality of the assets guaranteed.

The guarantees held by the Crédit Agricole CIB Group that it is authorised to sell or use as collateral amounted to €192 billion at 31 December 2022, versus €178 billion at 31 December 2021. They are primarily made up of repos.

Crédit Agricole CIB policy is to sell seized collateral as soon as possible. Crédit Agricole CIB had no such assets either at 31 December 2022 or at 31 December 2021.

NOTE 10: RECLASSIFICATION OF FINANCIAL INSTRUMENTS

Principles applied by Crédit Agricole CIB

Instruments are only reclassified under exceptional circumstances following a decision by Crédit Agricole CIB's Executive Management as a result of internal or external changes that are material to Crédit Agricole CIB's activity.

Reclassifications by Crédit Agricole CIB

In 2022, the Crédit Agricole CIB Group did not carry out any reclassifications within the meaning of paragraph 4.4.1 of IFRS 9.

NOTE 11: FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in an arm's length transaction between market participants on the valuation date.

Fair value is defined based on the exit price.

The fair values given below are estimates made on the reporting date using observable market data wherever possible. They are liable to change in the future due to changes in market conditions or other factors.

The calculations are best estimates. They are based on a number of assumptions. Market participants are assumed to act in their best economic interests.

As these models contain uncertainties, the fair values used may not be realised when the financial instruments in question are actually sold or if they are immediately settled.

The fair value hierarchy for financial assets and liabilities is broken down according to the observability of the inputs used for their valuation in line with the principles defined by IFRS 13.

Fair value hierarchy Level 1 applies to the fair value of financial assets and liabilities listed on active markets.

Fair value hierarchy Level 2 applies to the fair value of financial assets and liabilities with observable inputs. This includes market data relating to interest rate risk or credit risk where they can be measured from observable Credit Default Swap (CDS) spread quotes. Repurchase agreements listed on an active market, based on the underlying and the maturity of the transaction, may also be included in level 2 of the hierarchy, as are financial assets and liabilities with a demand component whose fair value is equal to the unadjusted amortised cost.

Level 3 of the hierarchy indicates the fair value of financial assets and liabilities for which there is no observable data or for which some inputs can be remeasured with internal models using historical data.

In some cases, market values may be close to the carrying amounts. This applies primarily to:

- floating-rate assets or liabilities whose fair value is not significantly affected by changes in interest rates, as their rates are frequently adjusted to market rates;
- short-term assets or liabilities whose redemption value is considered to be close to market value;
- demand assets or liabilities;
- transactions for which there are no reliable observable data.

11.1 Fair value of financial assets and liabilities recognised at amortised cost

The amounts presented below include accruals and prepayments and are, for assets, net of impairment.

FINANCIAL ASSETS RECOGNISED AT AMORTISED COST AND MEASURED AT FAIR VALUE ON THE BALANCE SHEET

In millions of euros	Value at 31.12.2022	Estimated fair value at 31.12.2022	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial assets not measured at fair value on balance sheet					
Loans and receivables	**239,680**	**240,295**	**-**	**66,897**	**173,398**
Loans and receivables due from credit institutions	60,494	60,525	-	60,348	177
Loans and receivables due from customers	179,186	179,770	-	6,549	173,221
Debt securities	**34,716**	**34,867**	**19,656**	**1,443**	**13,768**
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	**274,396**	**275,162**	**19,656**	**68,340**	**187,166**

In millions of euros	Value at 31.12.2021	Estimated fair value at 31.12.2021	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial assets not measured at fair value on balance sheet					
Loans and receivables	**209,430**	**209,278**	**-**	**48,564**	**160,714**
Loans and receivables due from credit institutions	43,600	43,607	-	43,486	121
Loans and receivables due from customers	165,830	165,671	-	5,078	160,593
Debt securities	**29,641**	**29,655**	**15,677**	**1,484**	**12,494**
TOTAL FINANCIAL ASSETS OF WHICH FAIR VALUE IS DISCLOSED	**239,071**	**238,933**	**15,677**	**50,048**	**173,208**

6

FINANCIAL LIABILITIES RECOGNISED AT AMORTISED COST AND MEASURED AT FAIR VALUE ON THE BALANCE SHEET

In millions of euros	Value at 31.12.2022	Estimated fair value at 31.12.2022	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial liabilities not measured at fair value on balance sheet					
Due to credit institutions	**79,781**	**79,781**	**-**	**79,376**	**405**
Current accounts and overnight loans	12,915	12,915	-	12,915	-
Accounts and term deposits	66,396	66,396	-	65,991	405
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	470	470	-	470	-
Due to customers	**186,851**	**186,851**	**-**	**186,793**	**58**
Current accounts in credit	69,275	69,275	-	69,275	-
Special savings accounts	111	111	-	111	-
Other amounts due to customers	116,990	116,990	-	116,932	58
Securities sold under repurchase agreements	475	475	-	475	-
Debt securities	**68,389**	**68,392**	**-**	**68,392**	**-**
Subordinated debt	**4,293**	**4,293**	**-**	**4,293**	**-**
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	**339,314**	**339,317**	**-**	**338,854**	**463**

In millions of euros	Value at 31.12.2021	Estimated fair value at 31.12.2021	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial liabilities not measured at fair value on balance sheet					
Due to credit institutions	**78,442**	**78,442**	**-**	**78,442**	**-**
Current accounts and overnight loans	6,869	6,869	-	6,869	-
Accounts and term deposits	71,449	71,449	-	71,449	-
Pledged securities	-	-	-	-	-
Securities sold under repurchase agreements	124	124	-	124	-
Due to customers	**159,578**	**159,578**	**-**	**159,575**	**3**
Current accounts in credit	74,803	74,803	-	74,803	-
Special savings accounts	151	151	-	151	-
Other amounts due to customers	83,793	83,793	-	83,790	3
Securities sold under repurchase agreements	831	831	-	831	-
Debt securities	**51,768**	**51,769**	**-**	**51,769**	**-**
Subordinated debt	**4,079**	**4,079**	**-**	**4,079**	**-**
TOTAL FINANCIAL LIABILITIES OF WHICH FAIR VALUE IS DISCLOSED	**293,867**	**293,868**	**-**	**293,865**	**3**

11.2 Information about financial instruments measured at fair value

Market transactions are valued by management information systems and checked by a team that reports to the Risk Division and is independent from market operators.

Valuations are made using:

- prices or inputs obtained from independent sources and/or controlled by the Market Risk Department using all the sources available (pricing service vendors, market consensus data, brokers, etc.);
- models validated by the Market Risk Department's quantitative teams.

The valuation produced for each instrument is a mid-market valuation, which does not take into account the direction of the trade, the bank's aggregate exposure, market liquidity or counterparty quality. Adjustments are then made to the market valuations to incorporate these factors and the potential uncertainties inherent in the models or inputs used.

The main types of valuation adjustments are as follows:

Mark-to-market adjustments: these adjustments aim to adjust for the potential variance between the mid-market valuation of an instrument arrived at using internal valuation models and the associated inputs and the valuation determined from external sources or market consensus data. These adjustments may be positive or negative;

Bid/ask adjustments: these adjustments aim to incorporate the bid/ask spread in the valuation of a given instrument to reflect the price at which the position could be reversed. These adjustments are always negative;

Adjustments for uncertainty: these adjustments account for a risk premium as considered by any market participant. These adjustments are always negative:

- adjustments for input uncertainty aim to incorporate any uncertainties that may exist in relation to one or more of the inputs used in the valuation of an instrument;
- adjustments for model uncertainty aim to incorporate any uncertainties that may exist in relation to one or more of the inputs used in the valuation of an instrument.

Furthermore and in accordance with IFRS 13 "Fair Value Measurement", Crédit Agricole CIB (CACIB) includes in the fair value calculation of its OTC derivatives (over-the-counter) various adjustments relating to:

- default or credit quality risk (Credit Valuation Adjustment/Debit Valuation Adjustment)
- future financing costs and gains (Funding Valuation Adjustment)
- liquidity risk associated with collateral (Liquidity Valuation Adjustment).

CVA ADJUSTMENT

The Credit Valuation Adjustment (CVA) is a mark-to-market adjustment that aims to price the market value of our counterparties' default risk (risk that amounts due to us will not be repaid if counterparties default or their creditworthiness deteriorates) into the value of OTC derivatives. This adjustment is calculated for each counterparty based on the trading portfolio's positive future exposure profiles (taking into account any netting or collateral agreements, where applicable) weighted by the probability of default and the losses incurred in the event of default.

The methodology used maximises the use of inputs/market price (the probability of default is preferably directly deduced from listed CDS, listed CDS proxies, or other credit instruments if they are deemed to be sufficiently liquid). This adjustment is always negative and reduces the fair value of the OTC derivative assets held in the portfolio.

DVA ADJUSTMENT

The Debit Valuation Adjustment (DVA) is a mark-to-market adjustment that aims to price the market value of our own default risk (potential losses to which CACIB may expose its counterparties if it defaults or its creditworthiness deteriorates) into the value of fully collateralised OTC derivatives. This adjustment is calculated for each type of collateral contract based on the trading portfolio's negative future exposure profiles weighted by the probability of default (of CASA) and the losses incurred in the event of default.

The methodology used maximises the use of inputs/market price (use of CASA CDS to determine the probability of default). This adjustment is always positive and reduces the fair value of the OTC derivative liabilities held in the portfolio.

FVA ADJUSTMENT

The Funding Valuation Adjustment (FVA) is a mark-to-market adjustment that aims to price the additional future funding costs and benefits based on the cost of Asset & Liability Management (ALM) funding into the fair value of OTC derivatives that are not collateralised, or not fully collateralised. This adjustment is calculated for each counterparty based on the trading portfolio's positive future exposure profiles (taking into account any netting or collateral agreements, where applicable) weighted by ALM funding spreads.

For "cleared" derivatives, an FVA adjustment known as an IMVA (Initial Margin Value Adjustment) is calculated to take into account the future funding costs and benefits for the initial margins to be posted with the main derivative clearing houses until the portfolio matures.

LVA ADJUSTMENT

The LVA (Liquidity Valuation Adjustment) is a positive or negative valuation adjustment aimed at pricing in both the potential absence of collateral payment for counterparties with a CSA (Credit Support Annex) and the non-standard remuneration from CSAs.

The LVA therefore factors in the gain or loss resulting from the additional liquidity costs. It is calculated for OTC derivatives with a CSA.

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BREAKDOWN OF FINANCIAL INSTRUMENTS AT FAIR VALUE BY VALUATION MODEL

Financial assets measured at fair value

In millions of euros	31.12.2022	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial assets held for trading	**295,043**	**23,059**	**259,531**	**12,453**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	1,647	-	1	1,646
Securities bought under repurchase agreements	112,816	-	107,730	5,086
Pledged securities	-	-	-	-
Held for trading securities	25,370	23,022	1,766	582
Derivative instruments	155,210	37	150,034	5,139
Other financial instruments at fair value through profit or loss	**449**	**67**	**8**	**374**
Equity instruments at fair value through profit or loss	**264**	**62**	**3**	**199**
Debt instruments that do not meet the conditions of the "SPPI" test	**185**	**5**	**5**	**175**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	162	-	-	162
Debt securities	23	5	5	13
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	-	-	-	-
Financial assets at fair value through other comprehensive income	**10,772**	**9,729**	**775**	**268**
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**336**	**67**	**1**	**268**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	**10,436**	**9,662**	**774**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	10,436	9,662	774	-
Hedging derivative Instruments	**2,611**	**-**	**2,611**	**-**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**308,875**	**32,855**	**262,925**	**13,095**
Transfers from Level 1: Quoted prices in active markets for identical instruments	441		435	6
Transfers from Level 2: Valuation based on observable data	1,823	875		948
Transfers from Level 3: Valuation based on unobservable data	961	-	961	
TOTAL TRANSFERS TO EACH LEVEL	**3,225**	**875**	**1,396**	**954**

The assets transferred from Level 1 to Level 3 are essentially shares and other variable income securities.

Transfers between Level 1 and Level 2 mainly concern treasury bills and bonds and other fixed-income securities.

Transfers from Level 2 to Level 3 are mainly the securities of credit institutions received under repurchase agreements and trading derivatives.

Transfers from Level 3 to Level 2 mainly concern the securities of customers and credit institutions received under repurchase agreements and trading derivatives.

In millions of euros	31.12.2021	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial assets held for trading	**250,376**	**27,412**	**215,732**	**7,232**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	820	-	1	819
Securities bought under repurchase agreements	114,891	-	112,364	2,527
Pledged securities	-	-	-	-
Held for trading securities	29,852	27,307	2,159	386
Derivative instruments	104,813	105	101,208	3,500
Other financial instruments at fair value through profit or loss	**364**	**140**	**35**	**189**
Equity instruments at fair value through profit or loss	**300**	**110**	**16**	**174**
Debt instruments that do not meet the conditions of the "SPPI" test	**64**	**30**	**19**	**15**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	64	30	19	15
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	-	-	-	-
Financial assets at fair value through other comprehensive income	**13,428**	**11,522**	**1,660**	**246**
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**347**	**101**	**-**	**246**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	**13,081**	**11,421**	**1,660**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	-	-	-	-
Debt securities	13,081	11,421	1,660	-
Hedging derivative Instruments	**1,323**	**-**	**1,323**	**-**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**265,491**	**39,074**	**218,750**	**7,667**
Transfers from Level 1: Quoted prices in active markets for identical instruments	988		988	-
Transfers from Level 2: Valuation based on observable data	1,130	1,094		36
Transfers from Level 3: Valuation based on unobservable data	718	-	718	
TOTAL TRANSFERS TO EACH LEVEL	**2,836**	**1,094**	**1,706**	**36**

Transfers between Level 1 and Level 2 mainly concern treasury bills and bonds and other fixed-income securities for €1,094m and €988m.

Transfers from Level 3 to Level 2 are mainly the securities of credit institutions and clients received under repurchase agreements, debt securities and trading derivatives for €718m.

Transfers from Level 2 to Level 3 mainly concern trading derivatives for €36m.

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Financial liabilities measured at fair value

In millions of euros	31.12.2022	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Held for trading financial liabilities	**274,534**	**37,152**	**232,950**	**4,432**
Securities sold short	37,187	37,116	71	-
Securities sold under repurchase agreements	81,799	-	80,037	1,762
Debt securities	-	-	-	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	155,548	36	152,842	2,670
Financial liabilities designated at fair value through profit or loss	**28,782**	**-**	**19,967**	**8,815**
Hedging derivative Instruments	**5,141**	**1**	**5,140**	**-**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**308,457**	**37,153**	**258,057**	**13,247**
Transfers from Level 1: Quoted prices in active markets for identical instruments	5		5	-
Transfers from Level 2: Valuation based on observable data	482	24		458
Transfers from Level 3: Valuation based on unobservable data	1,040	11	1,029	
TOTAL TRANSFERS TO EACH LEVEL	**1,527**	**35**	**1,034**	**458**

Transfers to and outside of Level 3 mainly concern securities sold under repurchase agreements with credit institutions, trading derivatives and financial liabilities designated at fair value through profit or loss.

Transfers between Levels 1 and 2 are mainly short sales.

In millions of euros	31.12.2021	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Held for trading financial liabilities	**221,904**	**41,744**	**178,117**	**2,043**
Securities sold short	41,934	41,621	292	20
Securities sold under repurchase agreements	79,498	-	78,799	699
Debt securities	-	-	-	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	100,472	123	99,026	1,324
Financial liabilities designated at fair value through profit or loss	**25,683**	**-**	**18,039**	**7,644**
Hedging derivative Instruments	**1,202**	**-**	**1,202**	**-**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**248,789**	**41,744**	**197,358**	**9,687**
Transfers from Level 1: Quoted prices in active markets for identical instruments	12		1	11
Transfers from Level 2: Valuation based on observable data	378	5		373
Transfers from Level 3: Valuation based on unobservable data	1,065	-	1,065	
TOTAL TRANSFERS TO EACH LEVEL	**1,455**	**5**	**1,066**	**384**

Transfers to and outside of Level 3 mainly concern securities received under repurchase agreements with credit institutions, trading derivatives and financial liabilities designated at fair value through profit or loss.

FINANCIAL INSTRUMENTS CLASSIFIED AS LEVEL 1

Level 1 is the classification applied to derivatives traded on an active organised market (options, futures, etc.), regardless of the underlying (interest rate, exchange rate, precious metals or main equity indices) and equities and bonds listed on an active market.

A market is regarded as being active if quoted prices are readily and regularly available from exchanges, brokers, dealers, pricing services or regulatory agencies and these prices represent actual transactions regularly occurring in the market at arm's length.

Corporate, government and agency bonds that are valued based on prices obtained from independent sources that are considered to be executable and are regularly updated are classified as Level 1. This applies to the bulk of the sovereign, agency and corporate bonds held. Issuers whose bonds are not listed are classified as Level 3.

FINANCIAL INSTRUMENTS CLASSIFIED AS LEVEL 2

The main financial instruments classified as Level 2 are:

Liabilities designated at fair value

Debts issued and designated at fair value are classified as Level 2 if their embedded derivative is considered to fall under Level 2;

Over-the-counter derivatives

The main OTC derivatives classified as Level 2 are those valued using inputs considered to be observable and a valuation technique that does not generate significant exposure to model risk.

The following are therefore classified as Level 2:

- Linear derivative products such as interest-rate swaps, currency swaps and forward FX. These are valued using simple models widely used by the market, based on inputs that are directly observable (foreign exchange rates and interest rates) or can be deduced from the market prices of observable products (foreign exchange swaps);
- non-linear vanilla instruments such as caps, floors, swaptions, currency options, equity options and credit default swaps, including digital options. These are measured using simple models widely used by the market, based on inputs that are directly observable (foreign exchange rates, interest rates and share prices) or can be deduced from observable market prices (volatilities);
- simple exotic single-underlying instruments such as cancellable swaps or baskets of major currencies;

These are valued using models that are sometimes slightly more complex but are still widely used by the market. The significant inputs are observable. Prices are observable in the market, notably through broker prices. Market consensus, where applicable, supports internal valuations;

- Securities, equity options and future equity options listed on a market deemed to be inactive and for which independent valuation data is available.

FINANCIAL INSTRUMENTS CLASSIFIED AS LEVEL 3

Financial instruments classified as Level 3 are those that do not meet the conditions for classification as Level 1 or 2. They are therefore mainly financial instruments with a high model risk or products whose valuation requires the use of significant non-observable inputs.

A reserve is recognised on the initial recognition date for the initial margin for all new transactions classified as Level 3. It is distributed in profit or loss either over the period of unobservability or over the maturity of the deal when the unobservability of the factors is not linked to maturity.

The following are therefore classified as Level 3:

Securities received / sold under repurchase agreements

Loans and receivables due from customers

Securities

Level-3 securities mainly consist of:

- unlisted shares or bonds for which no independent valuation is available;
- ABSs for which there are indicative independent valuations but these are not necessarily executable;
- ABSs and super senior and mezzanine CDO tranches, the active nature of whose market cannot be demonstrated.

Liabilities designated at fair value

Debts issued and designated at fair value are classified as Level 3 if their embedded derivative is considered to fall under Level 3.

Over-the-counter derivatives

Non-observable products are financial instruments that are complex, significantly exposed to model risk or require the use of inputs considered to be non-observable.

All of these principles are subject to an observability mapping by risk factor/product, underlying (currencies, index, etc.) and maturity indicating the classification used.

The following are most commonly classified as Level 3:

- Linear interest rate or currency products with very long maturities for major currencies, or shorter maturities for emerging currencies; this may include repos depending on the maturity of the transactions involved and their underlying assets;
- non-linear interest rate or currency products with very long maturities for major currencies, or shorter maturities for emerging currencies;
- the following complex derivatives:
  - some equity derivatives: options on shallow markets or very long-dated options or products whose valuation depends on non-observable correlations between various underlying shares;
  - some exotic interest rate products whose underlying is the difference two interest rates (structured products based on interest-rate differences or products whose correlations are not observable);
  - some products whose underlying is the forward volatility of an index. These products are deemed to be non-observable because of their significant model risk and thin liquidity, which prevent regular and accurate estimates of inputs;
  - securitisation swaps generating exposure to the prepayment rate. The prepayment rate is determined based on historical data for similar portfolios;
  - long-term interest rate/foreign exchange hybrid products of the power reverse dual currency type, or products whose underlying is a basket of foreign currencies. The inputs for the correlation between the interest rates and currencies and between the two interest rates are determined using an internal methodology based on historical data. Results are cross-checked against market consensus data to ensure that the overall method is consistent;
  - multiple-underlying products generating exposure to correlations between several risk classes (interest-rate, credit, FX, inflation and equity);

NET CHANGES IN FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE ACCORDING TO LEVEL 3

▶ Financial assets measured at fair value according to Level 3

		Financial assets held for trading				Other financial instruments at fair value through profit or loss			Financial assets at fair value through other comprehensive income	
						Equity instruments at fair value through profit or loss	Debt instruments that do not meet the conditions of the "SPPI" test			Financial assets designated at fair value through profit or loss
In millions of euros	**Financial assets measured at fair value according to Level 3**	Loans and receivables due from customers	Securities bought under repurchase agreements	Held-for-trading securities	Derivative instruments	Equity and other variable income securities and Non-consolidated equity investments	Loans and receivables due from customers	Debt securities	Equity instruments at fair value through other comprehensive income that will not be reclassified to profit and loss	Debt securities
Closing balance (31.12.2021)	**7,667**	**819**	**2,527**	**387**	**3,500**	**174**	**-**	**14**	**246**	**-**
Gains or losses during the period [1]	326	(49)	(316)	(46)	741	13	(17)	(1)	1	-
Recognised in profit or loss	370	(25)	(298)	(46)	748	9	(17)	(1)	-	-
Recognised in other comprehensive income	(44)	(24)	(18)	-	(7)	4	-	-	1	-
Purchases	6,421	1,649	2,854	464	1,243	11	179	-	21	-
Sales	(801)	(569)	-	(232)	-	-	-	-	-	-
Issues	2	-	-	-	2	-	-	-	-	-
Settlements	(513)	(204)	(138)	-	(171)	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-	-
Changes associated with scope during the period	-	-	-	-	-	-	-	-	-	-
Transfers	(7)	-	160	9	(176)	-	-	-	-	-
Transfers to Level 3	954	-	753	9	192	-	-	-	-	-
Transfers from Level 3	(961)	-	(593)	-	(368)	-	-	-	-	-
CLOSING BALANCE (31.12.2022)	**13,095**	**1,646**	**5,087**	**582**	**5,139**	**198**	**162**	**13**	**268**	**-**

[1] This balance includes the gains and losses of the period made on assets reported on the balance sheet at the reporting date, for the following amounts:

Gains / losses for the period from level 3 assets held at the end of the period	**326**
Recognised in profit or loss	370
Recognised in other comprehensive income	(44)

▶ Financial liabilities measured at fair value according to Level 3

		Financial liabilities held for trading							
In millions of euros	**Total**	Securities sold short	Securities sold under repurchase agreements	Debt securities	Due to credit institutions	Due to customers	Derivative Instruments	Financial liabilities designated at fair value through profit or loss	Hedging derivative instruments
Closing balance (31.12.2021)	**9,687**	**20**	**699**	**-**	**-**	**-**	**1,324**	**7,644**	**-**
Gains or losses during the period [1]	(606)	(1)	(249)	-	-	-	688	(1,044)	-
Recognised in profit or loss	(600)	(1)	(249)	-	-	-	694	(1,044)	-
Recognised in other comprehensive income	(6)	-	-	-	-	-	(6)	-	-
Purchases	2,688	1	1,762	-	-	-	741	184	-
Sales	(9)	(9)	-	-	-	-	-	-	-
Issues	3,321	-	-	-	-	-	1	3,320	-
Settlements	(1,252)	-	-	-	-	-	(128)	(1,124)	-
Reclassifications	-	-	-	-	-	-	-	-	-
Changes associated with scope during the period	-	-	-	-	-	-	-	-	-
Transfers	(582)	(11)	(450)	-	-	-	44	(165)	-
Transfers to Level 3	458	-	-	-	-	-	148	310	-
Transfers from Level 3	(1,040)	(11)	(450)	-	-	-	(104)	(475)	-
CLOSING BALANCE (31.12.2022)	**13,247**	**-**	**1,762**	**-**	**-**	**-**	**2,670**	**8,815**	**-**

[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	**(606)**
Recognised in profit or loss	(600)
Recognised in other comprehensive income	(6)

The gains and losses recognised in profit or loss linked to financial instruments held for trading and designated at fair value through profit or loss and derivatives are recorded in "Net gains (losses) on financial instruments at fair value through profit or loss"; the gains and losses recognised in profit or loss linked to financial assets at fair value through other comprehensive income are recorded in "Net gains (losses) on financial instruments at fair value through other comprehensive income".

11.3 Estimated impact of the inclusion of the margin at inception

In millions of euros	31.12.2022	31.12.2021
Deferred margin at beginning of period	**185**	**138**
Margin generated by new transactions during the period	180	124
Margin recognised in net income during the period	(124)	(77)
DEFERRED MARGIN AT END OF THE PERIOD	**241**	**185**

A reserve is recognised on the balance sheet for the first-day margin for market transactions classified as fair value Level 3 and the margin is recognised in profit or loss over time or when the non-observable inputs become observable again.

11.4 Reminders on benchmark rate reforms and implications for the Crédit Agricole CIB Group

The reform of the IBOR (InterBank Offered Rates) indices initiated by the Financial Stability Board in 2014 aims to replace these indices with alternative rates and more specifically with Risk Free Rates (RFR).

This reform accelerated on 5 March 2021 when the IBA - the administrator of LIBOR - confirmed the important milestone at the end of 2021 for the disappearance or non-representativeness of LIBOR, except on the most frequently used tenors of USD LIBOR (overnight, 1-month, 3-month, 6-month and 12-month), for which the date is 30 June 2023.

Since that date, other announcements have been made:

- The termination of the publication of several indices calculated on the basis of swaps referring to the USD LIBOR scheduled for the end of June 2023: ICE SWAP RATE USD, MIFOR (India), SOR (Singapore) and THBFIX (Thailand);
- The disappearance of the CDOR (Canada) after 28 June 2024 on tenors still pending (1-month, 2-month and 3-month);
- And more recently, the end of the WIBOR - a Polish benchmark, classified as critical by the European Commission - by the end of 2024.

Since the beginning of 2019, the Crédit Agricole CIB Group has been organising itself to prepare and manage the transition of interest rate indices for all of its activities. These transitions are part of the timetables and standards defined by market work - some of which the Crédit Agricole CIB Group participates in - and the European regulatory framework (BMR).

In accordance with the recommendations of the national working groups and the authorities, the Crédit Agricole CIB Group recommends and is focused on switching to alternative indices in anticipation of the disappearance of benchmarks while aiming to meet the deadlines set by the marketplace or imposed by the authorities.

In general, the orderly and controlled completion of transitions is now ensured by the Group's efforts to upgrade its tools and processes, as well as the strong mobilisation of support teams and business lines to absorb the workload caused by transitions, particularly for the renegotiation of contracts. All of the actions taken since 2019 have thus enabled the Group's entities to ensure the continuity of their business after the disappearance of IBORs and to be able to manage the new product offerings referencing RFRs or certain forward-looking RFRs.

◆ Transition of LIBOR GBP, CHF and JPY

Following the actions taken in 2021 to renegotiate transactions indexed to indices that were no longer published or ceased to be representative on 31 December 2021, the Group finalised the operational migration of these contracts in the first half of 2022.

In the second half of the year, the Group focused its efforts on the renegotiation of a few residual transactions using synthetic LIBOR.

◆ Transition of USD LIBOR:

At the Crédit Agricole CIB Group level, work in H2 2022 focused largely on preparing for the transition of USD LIBOR. The identification of contracts and the definition of the strategy for their migration were finalised:

- Loans, credit lines and related hedging instruments will be primarily switched to an alternative index through bilateral renegotiation;
- It is anticipated that most of the non-cleared derivatives covered by ISDA will be transitioned by activation of the fallback clause upon the disappearance of USD LIBOR and non-member clients have been contacted in order to initiate a bilateral renegotiation. Clearing houses confirmed that the cleared derivatives would be transitioned in H1 2023;
- Current accounts and other similar products will be migrated by the updating of their general terms and conditions;
- For other asset classes, contracts will be migrated pro-actively or through activation of the fallback clause.

The transition of contract inventories has already begun for the Crédit Agricole CIB Group.

The operational migration of contracts is based on all the processes and tools previously developed for the transition of contracts indexed to IBOR rates whose publication or representativeness ceased at the end of 2021.

On 23 November, the UK Financial Conduct Authority (FCA) launched a consultation to propose the implementation of synthetic USD LIBOR for one-, three- and six-month tenors until the end of September 2024, bearing in mind that the US authorities have already approved the appointment of statutory replacement rates for USD LIBOR for contracts governed by US law.

◆ Transition of other indices (ICE SWAP RATE USD, MIFOR, SOR, THBFIX, CDOR, WIBOR):

The Crédit Agricole CIB Group finalised the identification of clients and transactions. The stock to be transitioned is very marginal compared to USD LIBOR and mainly concerns cleared derivatives.

In the last quarter of 2022, the Polish authority KNF communicated its roadmap to replace the WIBOR and WIBID benchmarks with the WIRON index, as well as an initial version of its recommendations on OIS transactions and issues.

◆ Management of risks associated with interest rate reform:

Risks related to interbank rate reform are mainly limited to USD LIBOR for the period up to June 2023.

In addition to preparing and implementing the replacement of benchmarks, the work carried out by the Group also focuses on the management and control of risks inherent in the benchmark transitions, particularly with regard to financial, operational, legal and compliance aspects and in particular as regards client protection (prevention of conduct risk).

So that the hedging relationships affected by this interest rate benchmark reform can be maintained despite the uncertainties about the timetable and the arrangements for the transition between the current and future benchmarks, the IASB has published amendments to IAS 39, IFRS 9 and IFRS 7 in September 2019 that were adopted by the European Union on 15 January 2020. The Group applies these amendments as long as uncertainties about the future of the benchmarks have an impact on the amounts and payment dates of interest flows and, as such, considers that all of its hedging contracts on the concerned indices are eligible for the relief afforded by the amendments.

Other amendments, published by the IASB in August 2020, complement those published in 2019 and focus on the accounting consequences of replacing old benchmark interest rates with other benchmark rates following reforms. These "Phase 2" modifications mainly concern changes in contractual cash flows. They allow entities not to derecognise or adjust the carrying value of financial instruments in order to take account of the changes required by the reform, but rather to update the effective interest rate to reflect the change in the alternative reference rate.

For hedge accounting, entities will not have to dequalify their hedging relationships when making the changes required by the reform and subject to economic equivalence.

At 31 December 2022, the breakdown by significant benchmark index of instruments based on the old benchmark rates and which must transition to the new rates before their maturity, is as follows:

In millions of euros	LIBOR USD	Other LIBOR: GBP, JPY et CHF	Other index
Total non-derivative assets	28,152	22	350
Total non-derivative liabilities	2,851	-	-
Total notional amount of derivatives	2,484,392	22	43,639

Deferred outstandings are those whose maturity date is later than the date of disappearance or non-representativeness of the benchmark. For USD LIBOR, for example, 30/06/2023 corresponds to the date of disappearance or non-representativeness of the overnight, 1-month, 3-month, 6-month and 12-month tenors.

For non-derivative financial instruments, exposures correspond to the nominal value of the securities and the outstanding principal of depreciable instruments.

NOTE 12: SCOPE OF CONSOLIDATION AT 31 DECEMBER 2022

12.1 Information on subsidiaries

12.1.1 RESTRICTIONS ON CONTROLLED ENTITIES

Regulatory, legal or contractual provisions may limit Crédit Agricole CIB's ability to freely access the assets of its subsidiaries and to settle Crédit Agricole CIB's liabilities.

Crédit Agricole CIB is subject to the following restrictions:

◆ Regulatory constraints

Crédit Agricole CIB subsidiaries are subject to prudential regulation and regulatory capital requirements in their host countries. The minimum solvency ratio, leverage ratio and liquidity ratio requirements limit the ability of these entities to pay dividends or transfer assets to Crédit Agricole CIB.

◆ Legal constraints

Crédit Agricole CIB subsidiaries are subject to the legal provisions governing the distribution of capital and distributable profits. These requirements limit their ability to distribute dividends. In most cases, they are less restrictive than the regulatory limitations mentioned above.

◆ Contractual constraints linked to guarantees

Crédit Agricole CIB encumbers certain financial assets to raise funds through securitisations or refinancing from central banks. Once pledged as collateral, the assets can no longer be used by Crédit Agricole CIB. This mechanism is described in Note 9 "Commitments given and received and other guarantees".

◆ Other constraints

Certain Crédit Agricole CIB subsidiaries must submit proposed dividend payouts to their regulatory authorities for prior approval.

12.1.2 SUPPORT FOR CONTROLLED STRUCTURED ENTITIES

Crédit Agricole CIB has contractual agreements with certain consolidated structured entities deemed equivalent to commitments to provide financial support.

For its own funding needs and those of its customers, Crédit Agricole CIB uses structured debt issuance vehicles to raise funds on the financial markets. The securities issued by these entities are fully underwritten by Crédit Agricole CIB. At 31 December 2022, the outstanding volume of these issues was €9.8 billion.

As part of its third-party securitisation business, Crédit Agricole CIB provides short-term credit facilities to its ABCP conduits. At 31 December 2022, these short-term credit facilities totalled €41 billion.

12.2 Non-controlling interests

Non-controlling interests held by Crédit Agricole CIB are insignificant, except the stakes held in Crédit Foncier de Monaco Indosuez Wealth Group and Azqore.

12.3 Composition of the consolidation scope

Consolidation scope - Crédit Agricole CIB Group	(a)	Location	Registered office if different from location	Type of entity and nature of control	Consolidation method at 31 December 2022	% control		% interest	
						31.12.2022	31.12.2021	31.12.2022	31.12.2021
Parent company and branches									
Crédit Agricole CIB S.A.		France		Parent	company	100	100	100	100
Crédit Agricole CIB (Dubai)		United Arab Emirates	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Dubai DIFC)		United Arab Emirates	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Abu Dhabi)		United Arab Emirates	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (South Korea)		South Korea	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Spain)		Spain	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (India)		India	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Japan)		Japan	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Singapore)		Singapore	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (United Kingdom)		United Kingdom	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Hong Kong)		Hong Kong	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (United States)		United States	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Taipei)		Taiwan	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Finland)		Finland	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Germany)		Germany	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Sweden)		Sweden	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Italy)		Italy	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Belgium)		Belgium	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Miami)	S1	United States	France	Branch	full consolidation	-	100	-	100
Crédit Agricole CIB (Canada)		Canada	France	Branch	full consolidation	100	100	100	100
Crédit Agricole CIB (Australia)	E2	Australia	France	Branch	full consolidation	100	-	100	-
Crédit Agricole CIB QFC Branch		Qatar	France	Branch	full consolidation	100	100	100	100
Banking and financial institutions									
Banco Crédit Agricole Brasil S.A.		Brazil		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB Australia Ltd.		Australia		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB China Ltd.		China		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB China Ltd. Chinese Branch		China		Branch	full consolidation	100	100	100	100
Crédit Agricole CIB Services Private Ltd.		India		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB AO		Russia		Subsidiary	full consolidation	100	100	100	100
CA Indosuez Wealth (Europe)		Luxembourg		Subsidiary	full consolidation	100	100	100	100
CA Indosuez Wealth (Europe - Spain)		Spain	Luxembourg	Branch	full consolidation	100	100	100	100
CA Indosuez Wealth (Europe - Belgium)		Belgium	Luxembourg	Branch	full consolidation	100	100	100	100
CA Indosuez Wealth (Europe) Italy Branch		Italy	Luxembourg	Branch	full consolidation	100	100	100	100
CA Indosuez (Suisse) S.A.		Switzerland		Subsidiary	full consolidation	100	100	100	100
CA Indosuez (Suisse) S.A. (Hong-Kong)		Hong Kong	Suisse	Branch	full consolidation	100	100	100	100
CA Indosuez (Suisse) S.A. (Singapour)		Singapore	Suisse	Branch	full consolidation	100	100	100	100
CA Indosuez (Suisse) S.A. Switzerland Branch		Switzerland		Branch	full consolidation	100	100	100	100
CA Indosuez (Suisse) S.A. DIFC Branch	E2	United Arab Emirates	Suisse	Branch	full consolidation	100	-	100	-
CFM Indosuez Wealth		Monaco		Subsidiary	full consolidation	70	70	69	69
CA Indosuez Finanziaria S.A.		Switzerland		Subsidiary	full consolidation	100	100	100	100
UBAF		France		Joint venture	equity method	47	47	47	47
UBAF (Japan)		Japan	France	Joint venture	equity method	47	47	47	47
UBAF (South Korea)		South Korea	France	Joint venture	equity method	47	47	47	47

Consolidation scope - Crédit Agricole CIB Group	(a)	Location	Registered office if different from location	Type of entity and nature of control	Consolidation method at 31 December 2022	% control		% interest	
						31.12.2022	31.12.2021	31.12.2022	31.12.2021
UBAF (Singapore)		Singapore	France	Joint venture	equity method	47	47	47	47
CA Indosuez		France		Subsidiary	full consolidation	100	100	100	100
CA Indosuez Gestion		France		Subsidiary	full consolidation	100	100	100	100
Ester Finance Technologies		France		Subsidiary	full consolidation	100	100	100	100
CACIB Arabia Financial Company		Saudi Arabia		Subsidiary	full consolidation	100	100	100	100
Brokerage firms									
Crédit Agricole Securities (USA) Inc		United States		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole Securities (Asia) Ltd		Hong Kong		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole Securities Asia Limited Seoul Branch (CASAL Seoul Branch)		South Korea	Hong Kong	Branch	full consolidation	100	100	100	100
Crédit Agricole Securities Asia BV (Tokyo)		Japan	Pays-Bas	Branch	full consolidation	100	100	100	100
Investment companies									
CA Indosuez Wealth (Brazil) S.A. DTVM	S2	Brazil		Subsidiary	full consolidation	-	100	-	100
Compagnie Française de l'Asie (CFA)		France		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB Air Finance S.A.		France		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole Securities Asia BV		Netherlands		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole Global Partners Inc.		United States		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB Holdings Ltd.		United Kingdom		Subsidiary	full consolidation	100	100	100	100
Doumer Finance S.A.S.		France		Subsidiary	full consolidation	100	100	100	100
Fininvest		France		Subsidiary	full consolidation	98	98	98	98
Fletirec		France		Subsidiary	full consolidation	100	100	100	100
CFM Indosuez Conseil en Investissement		France		Subsidiary	full consolidation	70	70	69	69
CFM Indosuez Gestion		Monaco		Subsidiary	full consolidation	70	70	67	68
CFM Indosuez Conseil en Investissement, Succursale de Noumea		New Caledonia	France	Branch	full consolidation	70	70	69	69
Insurance									
CAIRS Assurance S.A.		France		Subsidiary	full consolidation	100	100	100	100
Miscellaneous									
CLIFAP	S3	France		Subsidiary	full consolidation	-	100	-	100
Crédit Agricole Asia Shipfinance Ltd.		Hong Kong		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB Finance (Guernsey) Ltd.		Guernsey		Controlled structured entity	full consolidation	100	100	100	100
Crédit Agricole CIB Financial Solutions		France		Controlled structured entity	full consolidation	100	100	100	100
Crédit Agricole CIB Global Banking		France		Subsidiary	full consolidation	100	100	100	100
Benelpart		Belgium		Subsidiary	full consolidation	100	100	97	97
Financière des Scarabées		Belgium		Subsidiary	full consolidation	100	100	99	99
Lafina		Belgium		Subsidiary	full consolidation	100	100	98	98
SNGI Belgium		Belgium		Subsidiary	full consolidation	100	100	100	100
TCB		France		Subsidiary	full consolidation	99	99	97	97
Molinier Finances		France		Subsidiary	full consolidation	100	100	97	97
SNGI		France		Subsidiary	full consolidation	100	100	100	100
Sofipac		Belgium		Subsidiary	full consolidation	99	99	96	96
Crédit Agricole Leasing (USA) Corp.		United States		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole America Services Inc.		United States		Subsidiary	full consolidation	100	100	100	100
CA Indosuez Wealth (Asset Management)		Luxembourg		Subsidiary	full consolidation	100	100	100	100
Atlantic Asset Securitization LLC		United States		Controlled structured entity	full consolidation	100	100	-	-
LMA SA		France		Controlled structured entity	full consolidation	100	100	-	-
FIC-FIDC		Brazil		Controlled structured entity	full consolidation	100	100	100	100
Héphaïstos Multidevises FCT		France		Controlled structured entity	full consolidation	100	100	-	-
Eucalyptus FCT		France		Controlled structured entity	full consolidation	100	100	-	-
Pacific USD FCT		France		Controlled structured entity	full consolidation	100	100	-	-
Pacific EUR FCC		France		Controlled structured entity	full consolidation	100	100	-	-
Pacific IT FCT		France		Controlled structured entity	full consolidation	100	100	-	-
Triple P FCC		France		Controlled structured entity	full consolidation	100	100	-	-

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Consolidation scope - Crédit Agricole CIB Group	(a)	Location	Registered office if different from location	Type of entity and nature of control	Consolidation method at 31 December 2022	% control		% interest	
						31.12.2022	31.12.2021	31.12.2022	31.12.2021
ESNI (compartiment Crédit Agricole CIB)	S1	France		Controlled structured entity	full consolidation	-	100	-	100
CA-CIB Pension Limited Partnership		United Kingdom		Controlled structured entity	full consolidation	100	100	100	100
ItalAsset Finance SRL		Italy		Controlled structured entity	full consolidation	100	100	100	100
Financière Lumis	S5	France		Subsidiary	full consolidation	-	100	-	100
Lafayette Asset Securitization LLC		United States		Controlled structured entity	full consolidation	100	100	-	-
Fundo A De Investimento Multimercado		Brazil		Controlled structured entity	full consolidation	100	100	-	-
Azqore		Switzerland		Subsidiary	full consolidation	83	80	83	80
Azqore Singapore Branch SA		Singapore	Suisse	Branch	full consolidation	83	80	83	80
Crédit Agricole CIB Transactions		France		Subsidiary	full consolidation	100	100	100	100
FCT La Route Avance		France		Controlled structured entity	full consolidation	100	100	-	-
Sufinair B.V.		Netherlands		Subsidiary	full consolidation	100	100	100	100
Sinefinair B.V.		Netherlands		Subsidiary	full consolidation	100	100	100	100
Crédit Agricole CIB Finance Luxembourg S.A.		Luxembourg		Subsidiary	full consolidation	100	100	100	100
FCT CFN DIH	S1	France		Controlled structured entity	full consolidation	-	100	-	-
FIXED INCOME DERIVATIVES - STRUCTURED FUND PLC		Ireland		Controlled structured entity	full consolidation	100	100	100	100
L&E Services	E1	France		Controlled structured entity	full consolidation	100	100	100	100
CA MIDCAP ADVISORS (EX SODICA)	E3	France		Subsidiary	full consolidation	100	-	100	-
Woori Card 2022 1 Asset Securitisation speciality Co Ltd	E1	South Korea		Controlled structured entity	full consolidation	100	-	-	-

(a) Modification of scope

Inclusions (E) into the scope of consolidation

E1: Breach of threshold
E2: Creation
E3: Acquisition (including controlling interests)

Removal (S) from the scope:

S1: Discontinuation of business (including dissolution and liquidation)
S2: Sale to non-Group companies or deconsolidation following loss of control
S3: Deconsolidated due to non-materiality
S4: Merger or takeover
S5: Transfer of all assets and liabilities

Other (D):

D1: Change of company name
D2: Change of consolidation method
D3: Entity newly included in the Note on the scope of consolidation
D4: Entity classified under Non-current assets held for sale and discontinued operations
D5: Inclusion in scope of consolidation in accordance with IFRS 10
D6: Change in consolidation method in application of IFRS 11

NOTE 13: NON-CONSOLIDATED INVESTMENTS AND STRUCTURED ENTITIES

13.1 Non-consolidated investments

These securities, measured at fair value through profit or loss or at fair value through other comprehensive income that will not subsequently be reclassified to profit or loss, are variable-income securities representing a significant portion of the capital of the issuing companies and which the company has the intention of holding over the long term.

This item amounted to €300 million at 31 December 2022 versus €307 million at 31 December 2021.

In accordance with the option offered by ANC Recommendation 2016-01, the complete list of non-consolidated controlled entities and significant non-consolidated equity investments can be consulted on the Crédit Agricole CIB website at: https://www.ca-cib.fr/nous-connaitre/elements-financiers/informations-reglementees

13.2 Information on non-consolidated structured entities

In accordance with IFRS 12, a controlled structured entity is an entity designed in such a way that the voting rights or similar rights are not the factor determining who controls the entity; this is notably the case when the voting rights only relate to administrative tasks and the relevant activities are managed through contractual agreements.

INFORMATION ON THE NATURE AND EXTENT OF INTERESTS HELD

At 31 December 2022, Crédit Agricole CIB and its subsidiaries held interests in certain non-consolidated structured entities, the main characteristics of which are presented below by type of activity.

◆ Securitisation

Crédit Agricole CIB's role is to structure securitisation vehicles by purchasing trade or financial receivables. The vehicles finance these purchases by issuing multiple tranches of debt and equity securities, the repayment of which is associated with the performance of the assets comprising the vehicles.

Crédit Agricole CIB invests in and provides short-term credit facilities to the securitisation vehicles it has sponsored on behalf of clients.

◆ Structured Finance

Crédit Agricole CIB operates through entities dedicated to the acquisition of assets. These entities may take the form of asset finance companies or leasing companies. In structured entities, financing is secured by the asset. The Group's involvement is often limited to financing or loan commitments.

◆ Sponsored entities

Crédit Agricole CIB sponsors a structured entity in the following cases:

- Crédit Agricole CIB is involved in the creation of the entity and this involvement, against remuneration, is deemed to be substantial to ensuring the successful completion of operations;
- A structuring arrangement took place at the request of Crédit Agricole CIB and it is the main user;
- Crédit Agricole CIB sold its own assets to the structured entity;
- Crédit Agricole CIB is the portfolio manager;
- The name of a subsidiary or parent company of Crédit Agricole CIB is associated with the name of the structured entity or the financial instruments issued by the entity.

Crédit Agricole CIB sponsored its non-consolidated structured entities in which it held no interests at 31 December 2022.

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INFORMATION ON RISKS ASSOCIATED WITH INTERESTS HELD

◆ Financial support for structured entities

In 2022, Crédit Agricole CIB did not provide financial support to non-consolidated structured entities.

As of 31 December 2022, Crédit Agricole CIB does not intend to provide financial support to a non-consolidated structured entity.

◆ Interests held in non-consolidated structured entities by type of business

The involvement of Crédit Agricole CIB in non-consolidated structured entities at 31 December 2022 and at 31 December 2021 is presented in the tables below for all categories of sponsored structured entities of material significance to Crédit Agricole CIB:

	31.12.2022											
	Securitisation vehicules				Investments funds [1]				Structured finance [1]			
		Maximum loss				Maximum loss				Maximum loss		
In millions of euros	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at amortised cost	103	103	-	103	-	-	-	-	2,001	2,001	-	2,001
Total Assets recognised relating to non-consolidated structured entities	**103**	**103**	**-**	**103**	**-**	**-**	**-**	**-**	**2,001**	**2,001**	**-**	**2,001**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	47	47	-	47	-	-	-	-	24	24	-	24
Liabilities	-	-	-	-	-	-	-	-	194	-	-	-
Total Liabilities recognised relating to non-consolidated structured entities	**47**	**47**	**-**	**47**	**-**	**-**	**-**	**-**	**218**	**24**	**-**	**24**
Commitments given	-	-	-	-	-	-	-	-	-	1,525	-	1,525
Financing commitments	-	-	-	-	-	-	-	-	-	1,525	-	1,525
Guarantee commitments	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Provisions for execution risks - commitments given	-	-	-	-	-	-	-	-	-	-	-	-
Total Commitments (net of provision) to non-consolidated structured entities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,525**	**-**	**1,525**
Net assets / Liabilities recognised relating to non-consolidated structured entities	**56**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,783**	**-**	**-**	**-**

[1] Non-sponsored structured entities generate no specific risk related to the nature of the entity. Information on these exposures is provided in Note 3.1 "Credit Risk" and in Note 3.3 "Market Risk". These are investment funds in which the Group is not a manager and structured financing entities in which the Group has only granted a loan.

	31.12.2021											
	Securitisation vehicules				Investments funds [1]				Structured finance [1]			
		Maximum loss				Maximum loss				Maximum loss		
In millions of euros	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure	Carrying amount	Maximum exposure to losses	Guarantees received and other credit enhancements	Net exposure
Financial assets at fair value through profit or loss	5	5	-	5	-	-	-	-	5	5	-	5
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at amortised cost	494	494	-	494	-	-	-	-	1,949	1,949	-	1,949
Total Assets recognised relating to non-consolidated structured entities	**499**	**499**	**-**	**499**	**-**	**-**	**-**	**-**	**1,954**	**1,954**	**-**	**1,954**
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	2	3	-	3	-	-	-	-	-	-	-	-
Liabilities	63	-	-	-	-	-	-	-	374	-	-	-
Total Liabilities recognised relating to non-consolidated structured entities	**66**	**3**	**-**	**3**	**-**	**-**	**-**	**-**	**374**	**-**	**-**	**-**
Commitments given	-	6	-	6	-	-	-	-	-	856	-	856
Financing commitments	-	6	-	6	-	-	-	-	-	812	-	812
Guarantee commitments	-	-	-	-	-	-	-	-	-	44	-	44
Other	-	-	-	-	-	-	-	-	-	-	-	-
Provisions for execution risks - commitments given	-	-	-	-	-	-	-	-	-	-	-	-
Total Commitments (net of provision) to non-consolidated structured entities	**-**	**6**	**-**	**6**	**-**	**-**	**-**	**-**	**-**	**856**	**-**	**856**
Net assets / Liabilities recognised relating to non-consolidated structured entities	**433**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,580**	**-**	**-**	**-**

[1] Non-sponsored structured entities generate no specific risk related to the nature of the entity. Information on these exposures is provided in Note 3.1 "Credit Risk" and in Note 3.3 "Market Risk". These are investment funds in which the Group is not a manager and structured financing entities in which the Group has only granted a loan.

MAXIMUM EXPOSURE TO CREDIT RISK

The maximum exposure to loss risk on financial instruments corresponds to the value recognised on the balance sheet, with the exception of put options and CDS (credit default swaps) for which the exposure corresponds to assets for the notional amount and to liabilities for the notional amount less the mark-to-market. The maximum exposure to the risk of loss of commitments given corresponds to the notional amount and the provision for commitments given at the amount recognised in the balance sheet.

NOTE 14: EVENTS SUBSEQUENT TO 31 DECEMBER 2022

No significant events have occurred since the end of the reporting period.

4. STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (FOR THE YEAR ENDED 31 DECEMBER 2022)

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex, France
French simplified joint-stock company (*Société par actions simplifiée*) with capital of €2,510,460
672 006 483 R.C.S. Nanterre

Statutory Auditor
Membre de la compagnie régionale de Versailles et du Centre

ERNST & YOUNG ET AUTRES
Tour First
TSA 14444
92037 Paris-La Défense Cedex, France
French simplified joint-stock company (*Société par actions simplifiée*) with variable capital
438 476 913 R.C.S. Nanterre

Statutory Auditor
Membre de la compagnie régionale de Versailles et du Centre

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

4.1. Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying consolidated financial statements of Crédit Agricole Corporate and Investment Bank for the year ended 31 December 2022.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at 31 December 2022 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

4.2. Basis for opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 1 January 2022 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

4.3. Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code 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, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

RISK IN RELATION TO THE MEASUREMENT OF PROVISIONS FOR REGULATORY AND TAX DISPUTES

Description of risk

Crédit Agricole Corporate and Investment Bank is subject to judicial proceedings and a number of investigations and requests for regulatory information from different regulators. These concern in particular the Euribor/Libor and SSA Bonds matters with authorities from various countries, including the United States, as well as the European Union. A number of tax investigations are also ongoing in France and certain countries where the Group operates.

Deciding whether to recognise a provision and the amount of that provision requires the use of judgement, given that it is difficult to assess the outcome of disputes or the uncertainties related to certain tax treatments.

Given the degree of judgement required, the measurement of provisions for regulatory and tax disputes constitutes a significant risk of material misstatement in the consolidated financial statements, and we therefore deemed such measurement to be a key audit matter.

The various ongoing judicial proceedings, investigations and requests for information (Euribor/Libor, SSA Bonds and other indices), as well as tax proceedings, are presented in Notes 6.14 and 6.9, respectively, to the consolidated financial statements.

How our audit addressed this risk

We gained an understanding of the procedure implemented by management for measuring the risks resulting from these disputes and tax uncertainties and, where applicable, the associated provisions, notably through quarterly exchanges with management and, in particular, the Legal, Compliance and Tax departments of the Group and its main subsidiaries.

Our work consisted primarily in:

- examining the assumptions used to determine provisions based on available information (documentation prepared by the Legal department or legal counsel of the Group and its entities, correspondence from regulators and minutes of Legal Risks Committee meetings);
- gaining an understanding of the analyses or findings of the Group's legal counsel and their responses to our requests for confirmation;
- as regards tax risks in particular, examining, with guidance from our specialists, the Group's responses submitted to the relevant authorities, as well as the risk estimates carried out by the Group;
- assessing, accordingly, the amount of provisions recorded at 31 December 2022.

Lastly, we examined the related disclosures provided in the notes to the consolidated financial statements.

CREDIT RISK AND ESTIMATE OF EXPECTED CREDIT LOSSES ON PERFORMING, UNDERPERFORMING AND NON-PERFORMING LOANS

Description of risk

As part of its corporate and investment banking operations, the Group originates and structures financing for large corporate clients in France and abroad.

In accordance with IFRS 9, these loans are subject to value adjustments in respect of expected credit losses (ECL) on loans that are performing (Stage 1), underperforming (Stage 2) or non-performing (Stage 3).

Given the significant judgement required in determining such value adjustments, we deemed the estimate of provisions for and impairment of performing and underperforming loans in the energy, automotive, and Russian trade sectors (Stages 1 and 2) and non-performing loans (Stage 3) to be a key audit matter due to:

- an uncertain economic environment linked mainly to the consequences of the war in Ukraine and the sanctions against Russia, to which are added the difficulties of economic recovery after the Covid-19 pandemic, particularly in China;
- the complexity of the models for calculating the value adjustments;
- the degree of judgement needed to estimate recovery flows.

At 31 December 2022, ECL value adjustments on all eligible loans amounted to €3.9 billion (€3.4 billion recognised under assets), of which:

- **€1,280 million of value adjustments pertaining to performing and underperforming assets (€353 million in Bucket 1 and €927 million in Bucket 2);**
- **€2,591 million of value adjustments pertaining to non-performing loans (Bucket 3).**

See Notes 3.1, 4.9 and 6.5 to the consolidated financial statements.

How our audit addressed this risk

We examined the procedures implemented by the Risk Management department to categorise outstanding loans (Stage 1, 2 or 3) and measure the amount of recorded value adjustments, in order to assess whether the estimates used were based on IFRS 9-compliant methods appropriately documented and described in the notes to the consolidated financial statements.

We assessed, in particular, how the macro-economic and geopolitical context, the macro-economic projections used to calculate value adjustments and the related financial information were taken into account.

We tested the key controls implemented by the Group for the annual portfolio reviews, the updating of credit ratings, the identification of sectors weakened by the uncertain economic environment, underperforming or non-performing loans and the measurement of value adjustments. We also familiarised ourselves with the main findings of the Group's specialised committees in charge of monitoring underperforming and non-performing loans.

Regarding collectively measured value adjustments in Stages 1 and 2, we:

- asked specialists to assess the methods and measurements for the various ECL inputs and calculation models;
- assessed the analyses carried out by management on sectors with a deteriorated outlook and having been seriously economically impacted by the uncertain economic environment;
- examined the methodology used by management to identify significant increases in credit risk (SICR);
- tested the controls that we deemed to be of key importance in relation to the transfer of the data used to calculate the ECL value adjustments or the reconciliations between the bases used to calculate these value adjustments and the accounting data;
- carried out independent ECL value adjustment calculations, compared the calculated amount with the recognised amount and examined the adjustments made by management where applicable.

Regarding individually calculated value adjustments in Stage 3, we:

- examined the estimates used for impaired significant counterparties of the Group;
- based on a sample of impaired or non-impaired credit files, examined the factors underlying the main assumptions used to assess the expected recovery flows, in particular with regard to valuing collateral.

Lastly, we examined the disclosures in relation to credit risk hedging provided in the notes to the consolidated financial statements.

RISK IN RELATION TO THE MEASUREMENT OF CERTAIN FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE IN LEVEL 3

Description of risk

As part of its capital markets activities, the Group originates, structures, sells and trades derivative financial instruments for companies, financial institutions and major issuers. Moreover, the issue of debt instruments, some of which are hybrid, to the Group's international and domestic customers contributes to the management of the Group's medium- and long-term refinancing.

- Derivative financial instruments held for trading purposes are measured at fair value through profit or loss on the balance sheet.
- "Hybrid" issues are recognised in financial liabilities subject to the fair value through profit or loss option.

Financial instruments whose measurement requires the use of significant unobservable market inputs are classified in level 3 fair value. We deemed the measurement of some of these financial instruments to be a key audit matter when it requires significant judgement from management, in particular as regards:

- the mapping of the observability of valuation inputs;
- the use of internal and non-standard valuation models;
- the valuation of inputs unsubstantiated by observable market data;
- the estimate of valuation adjustments designed to reflect uncertainties related to the models, the inputs used and counterparty and liquidity risks.

Derivative instruments are recorded in the balance sheet under financial assets and liabilities at fair value through profit or loss. At 31 December 2022, derivative instruments categorised in level 3 amounted to €5.1 billion in assets and €2.7 billion in liabilities.

Hybrid issues are recognised in financial liabilities subject to the fair value through profit or loss option. At 31 December 2022, they represented €8.8 billion in liabilities.

See Notes 3.3, 6.2 and 11.2 to the consolidated financial statements.

How our audit addressed this risk

We gained an understanding of the processes and controls put in place by the Group to identify, measure and recognise derivative financial instruments and hybrid issues classified in level 3.

We examined the controls that we deemed of key importance, particularly those performed by the Risk Management department, such as the review of the observability mapping, the independent verification of measurement inputs and the internal approval of valuation models. We also examined the processes for recording valuation adjustments and the accounting classification of financial products.

With the support of our specialists in the valuation of financial instruments, we carried out independent valuations, analysed those performed by the Group and examined the assumptions, inputs, methodologies and models used. In particular, we examined the documentation relating to developments in the observability mapping during the period.

We also assessed the main valuation adjustments recognised, as well as the justification provided by management for the main valuation differences with respect to counterparties observed in margin calls and gains or losses on the unwinding of financial instruments.

RISK IN RELATION TO MEASUREMENT OF GOODWILL

Description of risk

Goodwill is tested for impairment whenever there are objective indications of impairment and otherwise at least once a year. These tests are based on a comparison between the carrying amount of each Cash Generating Unit (CGU) and its recoverable amount, defined as the higher of fair value less costs to sell and value in use. Value in use is determined by discounting the estimated future cash flows of the CGU, as set out in the financial forecasts approved by the governing bodies and extended to 2027.

The capital allocation rate is determined by taking into account any specific requirements set by the regulator (in particular for Pillar 2).

By their nature, these impairment tests necessarily require management to make decisions concerning the key assumptions to use, in particular for determining economic scenarios in an uncertain economic environment, financial forecasts and discount rates.

Given the changes in the difference between the value in use and the carrying amount, as well as their sensitivity to the assumptions used by management, we pay particular attention to the tests conducted on the Financing Activities and Wealth Management CGUs.

The impairment tests performed at 31 December 2022 did not lead to any impairment losses being recognised on goodwill. Sensitivity tests are set out in Note 6.13 to the consolidated financial statements.

How our audit addressed this risk

We gained an understanding of the procedures implemented by the Group to identify objective indications of impairment and to assess the need to recognise impairment losses against goodwill.

We included valuation specialists in the audit teams to assess the assumptions used to determine the discount rates and the perpetual growth rates used as well as the models used for calculating discounted cash flows.

We tested the calculations and compared the main assumptions (capital allocation rate, discount rate, perpetual growth rate, etc.) with external sources.

We examined the financial forecasts prepared by management and used in the model to:

- verify their consistency with those presented to the Board of Directors and ensure that any restatements made were justified;
- assess the main underlying assumptions, including in relation to the extension of forecasts beyond the period presented to the Board of Directors, in view of financial forecasts made versus actual performance in prior periods;
- conduct sensitivity tests on some of the assumptions (level of capital allocated, discount rate, cost of risk, cost/income ratio).

We also examined the disclosures provided in the notes to the consolidated financial statements on the results of these impairment tests and the level of sensitivity to the various measurement inputs.

4.4. Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also verified the information presented in the Group management report prepared by the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

4.5. Other verifications and information pursuant to legal and regulatory requirements

Presentation of the consolidated financial statements to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the consolidated financial statements to be included in the annual financial report referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018. Regarding the consolidated financial statements, our work included verifying that the markups in the financial statements comply with the format defined by the aforementioned Regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

Due to the technical limitations inherent to block tagging the consolidated financial statements in the European single electronic reporting format, the content of some of the tags in the notes may not be rendered identically to the accompanying consolidated financial statements.

In addition, it is not our responsibility to ensure that the consolidated financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Crédit Agricole Corporate and Investment Bank by the General Meetings held on 30 April 2004 for PricewaterhouseCoopers Audit and on 20 May 1997 for ERNST & YOUNG et Autres.

At 31 December 2022, PricewaterhouseCoopers Audit and ERNST & YOUNG et Autres were in the nineteenth and the twentysixth consecutive year of their engagement, respectively.

4.6. Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for 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, as well as, where applicable, any internal audit systems relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

4.7. Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective 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, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain 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 are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

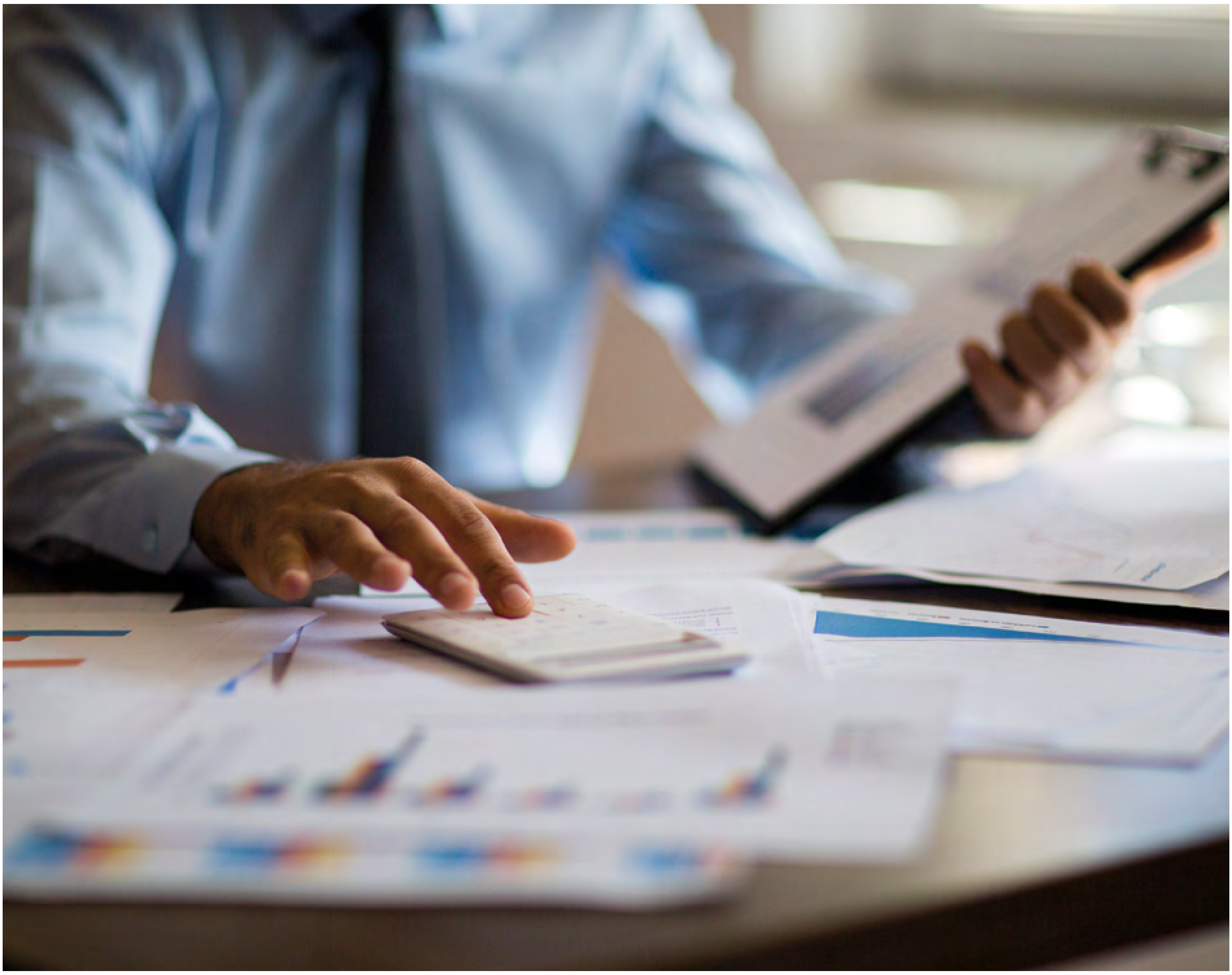
Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and Paris-La Défense, 21 March 2023

The Statutory Auditors

PricewaterhouseCoopers Audit		ERNST & YOUNG et Autres	
Agnès Hussherr	Laurent Tavernier	Matthieu Préchoux	Olivier Durand



PARENT-COMPANY FINANCIAL STATEMENTS AT 31 DECEMBER 2022

Approved by the Board of Directors
on February 7th 2023
and submitted
for approval by the Ordinary General Meeting
of 3 May 2023.

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CONTENTS

€1,576 M

NET INCOME

€5,092 M

NET BANKING INCOME

€686,625 M

TOTAL BALANCE SHEET

1. CRÉDIT AGRICOLE CIB (S.A.) FINANCIAL STATEMENTS

1.1. Assets

€ million	Notes	31.12.2022	31.12.2021
Cash money market and interbank items		**215,670**	**188,347**
Cash due from central banks		71,080	58,279
Treasury bills and similar securities	4, 4.2, 4.3 - 4.4	21,332	23,193
Loans and receivables to credit institutions	2	123,258	106,875
Loans and receivables to customers	3, 3.1, 3.2, 3.3 - 3.4	**205,044**	**191,547**
Portfolio securities		**39,559**	**40,156**
Bonds and other fixed income securities	4, 4.2, 4.3 - 4.4	33,975	33,159
Equities and other equity variables income securities	4 - 4.2	5,584	6,997
Fixed assets		**5,944**	**5,876**
Equity investments and other long-term equity investments	5, 5.1 - 6	242	223
Investments in subsidiaries and affiliates	5, 5.1 - 6	5,311	5,332
Intangible assets	6	280	241
Property, plant and equipment	6	111	80
Financial lease and similar operations	6	-	-
Treasury shares		**-**	**-**
Accruals, prepayments and sundry assets		**220,408**	**136,392**
Other assets	7	74,984	40,030
Accruals and prepayments	7	145,424	96,362
Total assets		**686,625**	**562,318**

1.2. Liabilities

€ million	Notes	31.12.2022	31.12.2021
Cash money markets and interbank items		**122,314**	**116,816**
Due to central banks		-	1,062
Due to credit institutions	9	122,314	115,754
Due to customers	10.1,10.2 - 10.3	**222,444**	**197,950**
Debts securities	11.1 - 11.2	**54,794**	**37,424**
Accruals, deferred income and sundry liabilities		**252,545**	**178,967**
Other liabilities	12	100,975	80,293
Accruals and deferred income	12	151,570	98,674
Provisions and subordinated debt		**17,715**	**15,372**
Provisions	13	3,272	3,333
Subordinated debt	14	14,443	12,039
Fund for general banking risks (FGBR)		**-**	**-**
Equity (excluding FGBR)	15	**16,813**	**15,789**
Share capital		7,852	7,852
Share premium		1,573	1,573
Reserves		806	806
Revaluation adjustments		-	-
Regulated provisions and investment subsidies		-	-
Retained earnings		5,006	4,199
Net income for the financial year		1,576	1,359
Total equity and liabilities		**686,625**	**562,318**

1.3. Off-balance sheet

€ million	31.12.2022	31.12.2021
Commitments given	**407,076**	**352,428**
Financing commitments	**216,395**	**186,788**
Commitments to credit institutions	39,604	31,394
Commitments to customers	176,791	155,394
Guarantee commitments [1]	**108,764**	**92,968**
Commitments to credit institutions	35,983	23,030
Commitments to customers	72,781	69,938
Commitments on securities [1]	**11,769**	**13,070**
Other commitments given [1]	**70,148**	**59,602**
Commitments received	**252,760**	**227,559**
Financing commitments	**28,665**	**25,462**
Commitments to credit institutions	12,043	14,900
Commitments to customers	16,622	10,562
Guarantee commitments [2]	**174,371**	**166,386**
Commitments to credit institutions	7,424	15,976
Commitments to customers	166,947	150,410
Commitments on securities [2]	**18,133**	**18,513**
Other commitments received	**31,591**	**17,197**

[1] *Including €15,448 million in commitments given to Crédit Agricole S.A. at 31.12.2022.*
[2] *Including €22 million in financing commitments received from Crédit Agricole S.A. at 31.12.2022.*

Off-balance sheet items: other information

Non-settled foreign exchange transactions and amounts payable in foreign currencies: Note 18
Transactions in forward financial instruments: Notes 19, 19.1, 19.2 and 19.3

1.4. Income statement

€ million	Notes	31.12.2022	31.12.2021
Interest and similar income	21	12,152	5,699
Interest and similar expenses	21	(10,264)	(3,852)
Income from variable-income securities	22	242	121
Fee and commission income	23 – 23.1	1,050	989
Fee and commission expenses	23 – 23.1	(588)	(546)
Net gain/(loss) on trading book	24	2,332	1,775
Net gain/(loss) on investment portfolios	25	18	27
Other banking income		302	267
Other banking expenses		(152)	(152)
Revenues		**5,092**	**4,328**
Operating expenses		**(2,978)**	**(2,734)**
Personnal costs	26.1 – 26.2	(1,654)	(1,546)
Other operating expenses	26.3	(1,324)	(1,188)
Depreciation, amortization and impairement of property, plant and equipment and intangible assets		**(82)**	**(72)**
Gross operating income		**2,032**	**1,522**
Cost of risk	27	(140)	(82)
Net operating income		**1,892**	**1,440**
Net gain/(loss) on fixed assets	28	34	51
Pre-tax income on ordinary activities		**1,926**	**1,491**
Net extraordinary items		-	-
Income tax charge	29	(350)	(132)
Net allocation to FGBR and regulated provisions		-	-
Net income for the financial year		**1,576**	**1,359**

1.5. Major events during the period 2022

A – Disposal of Credit Agricole CIB (Miami) business to Santander

Crédit Agricole CIB (Miami) is a branch of Crédit Agricole CIB, which is in turn 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 selling the business associated with outstanding loans to customers of the Crédit Agricole CIB (Miami) branch of Crédit Agricole CIB (CACIB).

Negotiations with Santander Bank, in progress since January 2021, resulted in the conclusion of a disposal agreement on 17 May 2021 for a portion of the commercial activity conducted by the Crédit Agricole CIB (Miami) branch of Crédit Agricole CIB for a total amount of €27 million. An earn-out of €4.5 million was received on 14 June 2022.

Outstanding amounts not sold were also cleared and the subsidiary, which no longer carries out any commercial activity, returned its licence and was closed on 1 May 2022.

B – Impacts of military operations in Ukraine

At the end of February 2022, tensions between Russia and Ukraine led to a military conflict, of which the magnitude and duration, nearly a year later, as well as its economic and financial impacts, remain highly uncertain. Crédit Agricole CIB has stopped all new financing to Russian and all commercial activities in the country since the start of the conflict. However, Crédit Agricole CIB is exposed directly and indirectly in Russia due to activities that predate the start of the conflict and has booked provisions on performing loans in the first quarter of 2022, in accordance with accounting principles and methods.

The exposures represented the equivalent of €2.9 billion at 31 December 2022 (including €2.7 billion recorded on the balance sheet). They decreased by -€1.5 billion compared with 31 December 2021 and -€1.8 billion since the start of the conflict at the end of February. The off-balance sheet portion of offshores exposures (documentary loans, financial guarantees and, to a lesser extent, undrawn confirmed credit facilities) amounted to €0.2 billion at 31 December 2022, down significantly by -€1.4 billion since the outbreak of the conflict. Due to the conflict and the subsequent international sanctions, the quality of the portfolio (rated at 96% Investment Grade as at 31 December 2021 and composed mainly of large Russian companies, particularly commodity producers and exporters) was downgraded from 31 March 2022 on the Group's internal rating scale. As such, from the first quarter of 2022, exposures were subject to significant provisioning, mainly on performing exposures, which was then updated throughout the year.

2. NOTES TO THE PARENT-COMPANY FINANCIAL STATEMENTS

NOTE 1: ACCOUNTING POLICIES AND PRINCIPLES

Crédit Agricole CIB's financial statements are prepared in accordance with the accounting principles applicable in France to banking institutions and with the rules defined by Crédit Agricole S.A., acting as the central institution responsible for adapting the general principles to the specific characteristics of the Crédit Agricole Group.

The presentation of the financial statements of Crédit Agricole CIB complies with the provisions of ANC Regulation 2014-07, which combines in a single regulation all accounting standards applicable to credit institutions.

Changes in the accounting method and presentation of the financial statements compared to the previous year relate to the following points:

Regulations/Recommendations	Date of first-time application: transactions completed or financial years beginning from
ANC Regulation No. 2022-01 amending ANC Regulation No. 2014-03 on the general chart of accounts	01/01/2022 (prospective)

1.1 Loans and financing commitments

Amounts due from credit institutions, the Crédit Agricole Group entities and customers are covered by ANC Regulation 2014-07.

They are presented in the financial statements according to their initial term or their nature:

- demand and term loans to credit institutions;
- current accounts, term accounts and advances for Crédit Agricole internal transactions;
- trade receivables and other loans and receivables granted to customers.

The Customers category includes transactions with financial customers.

Subordinated loans and repurchase agreements (represented by certificates or securities) are included under the various categories of loans and receivables according to counterparty type (interbank, Crédit Agricole internal transactions, customers).

Receivables are recognised on the balance sheet at their face value.

Pursuant to ANC Regulation 2014-07, fees received and marginal transaction costs incurred are spread over the effective term of the loan and are thus included in the relevant loan outstanding.

Accrued interest is recognised under the related accounts receivable and taken to profit or loss.

Financing commitments recognised off-balance sheet represent irrevocable commitments to provide cash advances and guarantee commitments that have not resulted in fund movements.

The accounting treatment of credit risk is defined below.

External and/or internal rating systems are used to assess the level of credit risk.

Loans and financing commitments are broken down between performing and non-performing loans and receivables.

PERFORMING LOANS AND RECEIVABLES

Unless receivables are classified as irrecoverable, they are considered as performing or non-performing and continue to be carried under their original classification.

◆ Credit risk provisions for performing and non-performing loans

Crédit Agricole CIB records provisions on the liabilities side of its balance sheet to cover 12-month expected credit losses (performing exposures) and/or lifetime expected credit losses when the credit quality has deteriorated significantly (non-performing exposures).

These provisions are determined in a specific monitoring process and are based on estimates of the expected credit loss.

◆ Expected Credit Loss (ECL)

The ECL is the present value of probability-weighted estimated credit losses (principal and interest). It is the present value of the difference between contractual cash flows and expected cash flows (including principal and interest).

The ECL approach aims to recognise expected credit losses as soon as possible.

◆ Governance and measurement of ECL

The governance of the provisioning measurement system is based on the organisation set up under the Basel framework. The Crédit Agricole Group Risk Department is responsible for defining the methodological framework and for the supervision of the mechanism for impairment of exposures.

Crédit Agricole Group relies primarily on the internal rating system and the current Basel processes to generate the risk parameters needed to calculate expected credit losses. The assessment of changes in credit risk is based on a model that anticipates losses, and extrapolation on the basis of reasonable scenarios. All available, relevant, reasonable and justifiable information, including forward looking information, is used.

The ECL estimate incorporates probability of default, loss given default and exposure at default parameters.

Impairment is largely based on internal models used for prudential monitoring, where they exist, with adjustments to determine an economic ECL.

The accounting approach also involves recalculating certain Basel parameters, in particular to neutralise internal collection costs or floors imposed by the regulatory authorities for regulatory loss given default (LGD) calculations.

The methods for determining expected credit losses are to be assessed according to the types of products: loans and receivables due from customers and off-balance sheet instruments.

The 12-month expected credit loss is a portion of lifetime expected credit losses, representing the lifetime cash flow shortfall occurring from a default within 12 months of the reporting date (or a shorter period if the exposure's expected life is shorter than 12 months), weighted by the probability of default within 12 months.

The expected credit loss is discounted using the effective interest rate determined on initial recognition of the financial instrument.

The provisioning parameters are measured and updated according to methodologies defined by Crédit Agricole Group and are used to establish an initial level of reference, or shared base, for provisioning.

Backtesting of models and parameters used is carried out at least once a year.

Forward-looking macro-economic data are taken into account in a methodological framework applicable at two levels:

- at the level of the Crédit Agricole Group, in determining a shared framework for taking into account forward looking data in the projection of PD and LGD parameters over the transaction amortisation period;
- at the level of each entity with regard to its own portfolios. Crédit Agricole CIB applies additional forward looking parameters on portfolios of loans and receivables due from customers and performing and non-performing financing commitments when local economic and/or structural factors expose it to additional losses not covered by the scenarios defined at the Group level.

◆ Significant increase in credit risk

Crédit Agricole CIB assesses the increase in credit risk of each exposure since inception at each closing date. This assessment of changes in credit risk enables entities to classify their transactions into risk buckets (performing exposures / non-performing exposures / impaired exposures).

To determine a significant increase in credit risk, Crédit Agricole Group applies a process with two levels of analysis:

- a first level using relative and absolute rules and criteria, applied to Group entities;
- a second level specific to each entity related to the assessment, based on an expert opinion of additional forward looking parameters when local economic and/or structural factors expose it to additional losses not covered by the scenarios defined at the Group level, of the risk borne by each entity on its portfolios which could lead to an adjustment of the Group's criteria for downgrading performing exposures to non-performing exposures (by transferring the portfolio or sub-portfolio to lifetime ECL).

The significant increase in credit risk is monitored for every financial instrument without exception. No contagion is required for a financial instrument from the same counterparty to be transferred from performing to non-performing. Monitoring of the significant deterioration in credit risk must cover the primary debtor, without taking into account guarantees, even for transactions guaranteed by the shareholder.

For exposures comprised of small loans with similar characteristics, the review by counterparty may be replaced by a statistical estimate of expected losses.

To measure the significant increase in credit risk since initial recognition, it is necessary to retrieve the internal rating and the probability of default (PD) applied on initial recognition.

The date of initial recognition refers to the trading date, when the entity becomes a party to the contractual provisions of the loan. For financing and guarantee commitments, the date of initial recognition is the date on which the irrevocable commitment is made.

For exposures not covered by an internal rating model, Crédit Agricole Group uses amounts past due for more than 30 days as the ultimate threshold representing a significant increase in credit risk leading to classification as a non-performing exposure.

For exposures measured using an internal rating system (particularly those monitored using advanced methods), Crédit Agricole Group considers that all of the information included in the rating system enables a more relevant assessment than just the criteria of arrears of over 30 days.

If the significant increase in credit risk since initial recognition is no longer observed, the outstandings are reclassified as performing loans (Stage 1), and the impairment is reduced to 12-month expected losses.

In order to compensate for the fact that certain factors or indicators of a significant increase in credit risk are not identifiable at the level of a financial instrument considered separately, the standard authorises an assessment of a significant increase in credit risk for portfolios, groups of portfolios or portions of portfolios of financial instruments.

The establishment of portfolios for an assessment of collective impairment can be based on common characteristics such as:

- the type of exposure;
- the credit risk rating (including the Basel II internal rating for entities with an internal rating system);
- the type of guarantee;
- the date of initial recognition;
- the term to maturity;
- the sector of activity;
- the geographic location of the borrower;
- the value of the asset allocated as a guarantee in relation to the financial assets, if this has an effect on the probability of default (for example, in the case of loans guaranteed only by real security in certain countries, or the loan-to-value ratio);
- the distribution channel, the purpose of the loan, etc.

The grouping of financial instruments for the purpose of assessing changes in credit risk on a collective basis may change over time as new information becomes available.

Allocations to and reversals of provisions for credit risk on performing and non-performing exposures are booked as cost of risk.

NON-PERFORMING LOANS AND RECEIVABLES

Loans and receivables of any kind, even those which are guaranteed, are classified as non-performing if they carry an identified credit risk arising from one of the following events:

- significant arrears, generally when a payment is more than ninety days past due, unless specific circumstances point to the fact that the delay is due to reasons beyond the debtor's control;

- the entity believes that the debtor is unlikely to settle its credit obligations in full unless it avails itself of certain measures such as the enforcement of collateral.

A loan is deemed to be non-performing when one or more events have occurred which have a negative effect on future estimated cash flows. The following events constitute observable data indicative of a non-performing loan:

- significant financial difficulties for the issuer or borrower;
- a breach of an agreement, such as a default or late payment;
- the granting by the lender(s) to the borrower, for economic or contractual reasons related to the borrower's financial difficulties, of one or more favours that the lender(s) would not have considered in other circumstances;
- an increasing probability of bankruptcy or financial restructuring of the borrower;
- the disappearance of an active market for the financial asset due to financial difficulties;
- the purchase or the creation of a financial asset with a large discount, which reflects the credit losses incurred.

A loan can be considered as non-performing due to the combined effect of multiple events.

A counterparty in default only returns to performing status after an observation period that confirms that the borrower is no longer at risk.

Crédit Agricole CIB distinguishes between irrecoverable exposures and non-performing exposures.

Non-performing exposures:

These are all non-performing loans which do not fall into the irrecoverable loans category.

Irrecoverable exposures:

Non-performing loans are considered to be irrecoverable when collection is deemed to be highly unlikely and a write-off is considered.

For non-performing loans, interest continues to accrue as long as the loan is considered non-impaired and will no longer accrue when the loan becomes irrecoverable.

The classification as a non-performing exposure may be discontinued, in which case the outstanding amount is reclassified as a performing loan.

Impairment resulting from credit risk on non-performing exposures

Once a loan is classified as non-performing, Crédit Agricole CIB recognises the probable loss by recording an impairment charged against assets on the balance sheet. These impairment losses represent the difference between the carrying amount of the receivable and estimated future cash flows discounted at the initial effective interest rate, taking into account the borrower's financial condition, its business prospects and any guarantees, after deduction of the cost of enforcing such guarantees.

Probable losses in respect of off-balance sheet commitments are covered by provisions recognised in liabilities.

Accounting treatment of impairment losses

Allocations to and reversals of impairment for the risk of non-collection of non-performing loans is recognised in cost of risk.

In accordance with ANC Regulation 2014-07, the Group has elected to recognise the effects of impairment reversal in cost of risk.

WRITE-OFFS

The assessment of the write-off period is based on expert judgement, and Crédit Agricole CIB determines it with its Risk Department, based on its knowledge of its activity.

Loans and receivables which have become irrecoverable are recorded as losses, and the corresponding impairments are reversed.

COUNTRY RISKS

Country risks (or risks on international commitments) represent the total amount of non-impaired on and off-balance sheet commitments carried by an institution, either directly or via hive-off vehicles, involving private or public debtors residing in the countries identified by the French Prudential Supervision and Resolution Authority (ACPR), or where settlement thereof depends on the position of public or private debtors residing in those countries. When these receivables are not classified as non-performing, they continue to be carried under their original classification.

RESTRUCTURED LOANS

Loans restructured due to financial difficulties are those for which the entity has changed the initial financial terms (interest rate, maturity, etc.) for economic or legal reasons related to the borrower's financial difficulties, in a manner that would not have been considered under other circumstances.

The definition of receivables restructured due to financial difficulties therefore involves two cumulative criteria:

- contractual modifications or refinancing of receivables (where concessions are granted);
- a customer in financial difficulty (a debtor experiencing, or about to experience, difficulties in meeting their financial commitments).

Restructuring must be assessed at the level of the contract and not at the customer level (no contagion).

They can be non-performing or performing at the restructuring date.

Restructured loans do not include loans whose characteristics have been renegotiated on a commercial basis with counterparties not showing any insolvency problems.

The reduction of future cash flows granted to a counterparty, or the postponing of these flows as part of a restructuring, results in the recognition of a discount. It corresponds to the shortfall in future cash flows, discounted at the original effective rate. It is equal to the difference between:

- the nominal value of the loan; and
- the sum of theoretical future cash flows from the restructured loan, discounted at the original effective interest rate (defined at the date of the financing commitment).

The discount recognised when a loan is restructured is recorded under cost of risk.

Loans restructured due to the debtor's financial position are rated in line with the Basel rules and are impaired according to the estimated credit risk.

As soon as the restructuring operation has been carried out, the exposure maintains this status of "restructured" for a period of at least two years if the exposure was performing at the time of the restructuring, or three years if the exposure was in default at the time of the restructuring. These periods are extended if certain events occur (new incidents, for example).

1.2 Securities portfolio

The rules governing the recognition of credit risk and the impairment of fixed-income securities are defined by Articles 2311-1 to 2391-1 and Articles 2211-1 to 2251-13 of ANC Regulation 2014-07.

These securities are presented in the financial statements according to their nature: treasury bills (treasury bonds and similar securities), bonds and other fixed income securities (negotiable debt securities and interbank market instruments) and equities and other variable income securities.

They are classified in the portfolios specified by the regulations (trading, long term investment securities, short term investment securities, medium term investment securities, fixed assets, other long term securities, equity investments, shares in subsidiaries and affiliates) according to the entity's management strategy and the characteristics of the instrument at the time of its purchase.

TRADING SECURITIES

These are securities that were originally:

- either purchased with the intention of selling them in the near future, or sold with the intention of repurchasing them in the near future;
- or held by the bank as a result of its market-making activity. The classification of these securities as trading securities depends on the effective turnover of the securities and on a significant trading volume taking into account market opportunities.

These securities must be tradable on an active market and resulting market prices must represent real transactions regularly undertaken in the market on an arm's length basis.

Trading securities also include:

- securities bought or sold as part of specialised management of the trading portfolio, including forward financial instruments, securities or other financial instruments that are managed together and which show indications of a recent short term profit-taking profile;
- securities on which there is a commitment to sell as part of an arbitrage transaction on an organised or similar market.
- borrowed securities (including, where applicable, borrowed securities subsequently loaned and reclassified as "trading securities lent") in connection with lending/borrowing transactions classified as trading securities and offset against the liabilities representing the borrowed securities recorded on the liabilities side of the balance sheet.

Except as provided in ANC Regulation 2014-07, trading securities may not be reclassified into another accounting category. They continue to be presented and measured as trading securities until they are removed from the balance sheet after being sold, fully redeemed or written off.

Trading securities are recognised on the date they are purchased for the amount of their purchase price, excluding transaction expenses and including accrued interest.

Liabilities relating to securities sold short are recognised on the liabilities side of the seller's balance sheet for the amount of the selling price excluding incidental purchase costs.

At each closing date, securities are measured at the most recent market price. The overall amount of differences resulting from price changes is taken to profit and loss and recorded in "Net gain/(loss) on trading book".

SHORT TERM INVESTMENT SECURITIES

This category consists of securities that do not fall into any other category.

The securities are recorded at their purchase price, excluding fees.

◆ Bonds and other fixed income securities

These securities are recognised at acquisition cost including accrued interests at acquisition date. The difference between the purchase price and the redemption value is spread over the remaining life of the security on an actuarial basis.

Income is recorded in the income statement under: "Interest and similar income on bonds and other fixed income securities".

◆ Equity and other variable income securities

Equities are recognised in the balance sheet at their purchase price excluding acquisition fees. The associated dividends are recorded as income under "Income from variable-income securities".

Revenues from Undertakings for Collective Investment in Transferable Securities (UCITS) are recorded in the same item at the time of collection.

At each closing date, short term investment securities are measured at the lowest between acquisition cost and market value. If the current value of an item or a group of similar securities (calculated from market prices at the reporting date, for example) is lower than its carrying amount, an impairment loss is recorded for the unrealised loss with no offsetting against any gains recognised on other categories of securities. Gains from hedging within the meaning of ANC Regulation 2014-07, in the form of purchases or sales of forward financial instruments, are factored in for the purposes of calculating impairment losses. Potential gains are not recorded.

Impairment intended to take into account counterparty risk and recognised under cost of risk is recognised on fixed income securities as follows:

- in the case of listed securities, impairment is based on market value, which intrinsically reflects credit risk. However, if Crédit Agricole CIB has specific information on the issuer's financial position that is not reflected in the market value, a specific impairment loss is recorded;
- in the case of unlisted securities, impairment is recorded in the same way as on loans and receivables due from customers based on identified probable losses (see Note 2.1 Loans and financing commitments – Impairment of non-performing exposures due to credit risk).

Sales of securities are deemed to take place on a first-in, first-out basis.

Impairment charges and disposal gains or losses on short term investment securities are recorded under "Net gain/(loss) from investment portfolios and similar".

LONG TERM INVESTMENT SECURITIES

Long term investment securities are fixed income securities with a fixed maturity date that have been acquired or transferred to this category with the clear intention of holding them until maturity.

This category only includes securities for which Crédit Agricole CIB has the necessary financial ability to continue holding them until maturity and that are not subject to any legal or other restriction that could interfere with its intention to hold them until maturity.

Long term investment securities are recognised at their purchase price, excluding acquisition costs and including accrued interest.

The difference between the purchase price and the redemption price is spread over the remaining life of the security.

Impairment is not recognised for long term investment securities if their market value falls below cost. However, if the impairment is associated with a risk specific to the issuer of the security, an impairment is recorded under "Cost of risk."

In the case of the sale or reclassification to another category of long term investment securities representing a material amount, the reporting entity is no longer authorised to classify securities previously bought or to be bought as long term investment securities during the current financial year and the two subsequent financial years, in accordance with ANC Regulation 2014-07.

MEDIUM TERM PORTFOLIO SECURITIES

In accordance with ANC Regulation 2014-07, these securities are "investments made on a regular basis, with the sole aim of securing a capital gain in the medium term, with no intention of investing in the issuer's business on a long term basis or taking an active part in its management".

Securities can only be included in this category if the activity is carried out to a significant extent and on an ongoing basis within a structured framework and gives the reporting entity a recurring return mainly in the form of capital gains on disposals.

Crédit Agricole CIB meets these conditions and some of its securities can be classified in this category.

Medium term portfolio securities are recorded at purchase price, excluding transaction expenses.

They are recognised at the end of the reporting period at the lower of historical cost or value in use, which is determined on the basis of the issuer's general outlook and the estimated remaining time horizon for holding the securities.

For listed companies, value in use is generally the average quoted price over a sufficiently long period of time, depending on the estimated time horizon for holding the securities, to mitigate the impact of substantial fluctuations in stock prices.

Impairment losses are booked for any unrealised losses calculated for each line of securities, and are not offset against any unrealised gains. Unrealised losses are recorded under "Net gains or losses on short term investment portfolios" along with impairment losses and reversals on these securities.

Unrealised gains are not recognised.

INVESTMENTS IN SUBSIDIARIES AND AFFILIATES, EQUITY INVESTMENTS AND OTHER LONG TERM EQUITY INVESTMENTS

- Investments in subsidiaries and affiliates are investments in companies that are under exclusive control and that are or are liable to be fully consolidated into a given group.
- Equity investments are investments (other than investments in subsidiaries and affiliates), of which the long term ownership is judged beneficial to the reporting entity, in particular because it allows it to exercise influence or control over the issuer.
- Other long term equity investments are composed of securities held with the intention of promoting long term business relations by creating a special relationship with the issuer, but with no influence on the issuer's management due to the small percentage of voting rights held.

The securities are recorded at their purchase price, excluding fees.

At the reporting date, the value of these securities is measured individually, based on value in use, and they are recorded in the balance sheet at the lowest of their historical cost or value in use.

Value in use represents the price the reporting entity would be prepared to pay to acquire these securities if it had to buy them having regard to its reasons for holding them.

Value in use may be estimated on the basis of various factors such as the issuer's profitability and prospective profitability, its equity, the economic environment, the average share price in the preceding months or the mathematical value of the security.

When value in use is lower than historical cost, impairment losses are booked for these unrealised losses and are not offset against any unrealised gains.

Impairment losses and reversals and disposal gains or losses on these securities are recorded under "Net gains (losses) on fixed assets".

MARKET PRICE

The market price at which the various categories of securities are measured is determined as follows:

- securities traded on an active market are measured at the latest price;
- if the market on which the security is traded is not or no longer considered active or if the security is unlisted, Crédit Agricole CIB determines the likely value at which the security concerned would be traded using valuation techniques. Firstly, these techniques take into account recent transactions carried out on an arm's length basis. If required, Crédit Agricole CIB uses valuation techniques commonly used by market participants to price these securities, when it has been demonstrated that these techniques provide reliable estimates of prices obtained in actual market transactions.

RECORDING DATES

Crédit Agricole CIB records securities classified as long term investment securities on the settlement/delivery date. Other securities, regardless of type or classification, are recognised on the trading date.

SECURITIES SOLD/BOUGHT UNDER REPURCHASE AGREEMENTS

Securities sold under repurchase agreements are kept on the balance sheet. The amount received, representing the liability to the buyer, is recorded as a liability.

Securities purchased under resale agreements are not recorded on the balance sheet, but the amount disbursed, representing the receivable from the seller, is recorded on the asset side of the balance sheet.

The corresponding income and expenses are taken to profit and loss on a pro rata basis.

Securities sold under repurchase agreements are subject to the accounting principles corresponding to the category of portfolio from which they originate.

SECURITIES LOANED AND BORROWED

In the accounts of the lender, a receivable is recorded in the balance sheet representing the market price of the loaned securities on the date of the loan, in place of the loaned securities. At each closing date, the receivable is measured using the rules applicable to loaned securities, including the recognition of accrued interest on short term and long term investment securities. In the accounts of the borrower, the security is recorded as an asset under trading securities at the market price prevailing on the date the security was borrowed. A liability to the lender is recorded on the balance sheet under “Liabilities relating to securities lending transactions”. At each closing date, the liability and the securities are measured at the most recent market price and recorded for their net amount on the balance sheet, in accordance with ANC Regulation No. 2020-10, amending ANC Regulation No. 2014-07 on the netting of securities borrowing transactions.

RECLASSIFICATION OF SECURITIES

In accordance with ANC Regulation 2014-07, the following securities may be reclassified:

- from the trading portfolio to the long term investment portfolio or the short term investment portfolio in the case of exceptional market conditions or, for fixed income securities that are no longer tradable in an active market and if the entity has the intention and ability to hold the securities for the foreseeable future or until maturity;
- from the short term investment portfolio to the long term investment portfolio in exceptional market conditions or for fixed income securities that are no longer tradable in an active market.

In 2022, Crédit Agricole CIB did not make this type of reclassification pursuant to ANC Regulation 2014-07.

1.3 Fixed assets

Crédit Agricole CIB applies ANC Regulation 2014-03 relating to the amortisation and impairment of assets.

It applies component accounting for all of its property, plant and equipment. In accordance with this method, the depreciable base takes into account the potential remaining value of property, plant and equipment.

The acquisition cost of fixed assets includes the purchase price plus any incidental expenses, namely expenses directly or indirectly incurred in connection with bringing the asset into service or “into inventory”.

Land is recorded at acquisition cost.

Buildings and equipment are recorded at acquisition cost, less depreciation, amortisation and impairment losses accumulated over the period of use.

Purchased software is measured at purchase price less accumulated depreciation, amortisation and any impairment losses since acquisition.

Proprietary software is measured at cost less accumulated depreciation, amortisation and impairment losses booked since completion.

Intangible assets other than software, patents and licences are not amortised. They may be subject to impairment.

The technical merger losses are recognised in the balance sheet according to the asset classes to which they are allocated, under “Other property, plant and equipment, intangible assets and financial assets, etc.” The loss is amortised, impaired and written off in the same way as the underlying asset.

Fixed assets are impaired over their estimated useful lives.

The following components and depreciation periods have been adopted by Crédit Agricole CIB following the application of component accounting for fixed assets. These depreciation periods are adjusted according to the type of asset and its location:

Component	Depreciation period
Land	Not depreciable
Structural works	30 to 80 years
Non-structural works	8 to 40 years
Plant and equipment	5 to 25 years
Fixtures and fittings	5 to 15 years
Computer equipment	4 to 7 years (accelerated or straight-line)
Special equipment	4 to 5 years (accelerated or straight-line)

Based on available information on the value of its fixed assets, Crédit Agricole CIB has concluded that impairment testing would not lead to any change in the existing depreciable amount.

1.4 Amounts due to customers and credit institutions

Amounts due to credit institutions, to Crédit Agricole entities and to customers are presented in the financial statements according to their remaining maturity or their nature:

- demand and term deposits for credit institutions,
- current accounts, term accounts and advances for Crédit Agricole internal transactions,
- special savings accounts and other amounts due to customers (notably including financial customers).

Repurchase agreements (represented by certificates or securities) are included under these various headings, according to counterparty type.

Accrued interest on these deposits is taken to profit or loss.

1.5 Debt securities

Debt securities are presented according to their form: interest-bearing notes, interbank market instruments, negotiable debt securities, bonds and other debt securities, excluding subordinated securities, which are classified in liabilities under “Subordinated debt”.

Accrued interest not yet due is taken to profit or loss.

Issuance or redemption premiums on bonds are amortised over the lifetime of each bond. The corresponding expense is recorded under “Interest and similar expenses on bonds and other fixed income securities”.

Redemption premiums and issuance premiums for debt securities are amortised according to the actuarial amortisation method.

Crédit Agricole CIB also amortises borrowing expenses in its parent company’s financial statements.

Financial services fees paid to the Regional Banks are recognised as expenses under “Fee and commission expenses”.

1.6 Provisions

Crédit Agricole CIB applies ANC Regulation 2014-03 for the recognition and measurement of provisions.

Provisions include provisions relating to financing commitments, retirement and early retirement liabilities, litigation and various risks.

The provisions also include country risks. All these risks are reviewed quarterly.

Provisions are set aside for country risks following an analysis of the types of transactions, the term of commitments, their form (receivables, securities, market products) as well as the country risk rating.

Crédit Agricole CIB partially hedges provisions on these foreign currency-denominated receivables by buying foreign currency, to limit the impact of changes in foreign exchange rates on provision levels.

1.7 Transactions in forward financial instruments

Hedging and market transactions in forward interest rate, foreign exchange or equity instruments are recorded in accordance with the provisions of ANC Regulation 2014-07.

Commitments relating to these transactions are recorded off-balance sheet at the par value of the contracts: this amount represents the volume of pending transactions.

Gains or losses relating to these transactions are recorded on the basis of the nature of the instrument and the strategy used:

HEDGING TRANSACTIONS

Gains or losses realised on hedging transactions (category “b” Article 2522-1 of ANC Regulation 2014-07) are recorded in the income statement in the same manner as income and expenses on the hedged item and under the same accounting heading.

Income and expenses relating to forward financial instruments used for hedging and managing Crédit Agricole S.A.’s overall interest rate risk (category “c” Article 2522-1 of ANC Regulation 2014-07) are recorded pro rata under “Interest and similar income (expenses) – Net gain/(loss) on macro-hedging transactions”. Unrealised gains and losses are not recorded.

MARKET TRANSACTIONS

Market transactions include:

- isolated open positions (category “a” of Article 2522-1 of ANC Regulation 2014-07)
- the specialised management of a trading portfolio (category “d” Article 2522 of ANC Regulation 2014-07)
- instruments traded on an organised or similar market, over the counter or included in a trading portfolio – within the meaning of ANC Regulation 2014-07.

They are marked to market on the closing date.

If there is an active market, the instrument is stated at the quoted price on that market. In the absence of an active market, fair value is determined using internal valuation techniques and models.

For instruments:

- in isolated open positions traded on organised or similar markets, all gains and losses (realised or unrealised) are recognised;
- in isolated open positions traded on over-the-counter markets, the expenses and incomes are recognised in profit and loss on a pro rata basis. Furthermore, only potential unrealised losses are recognised through a provision. Realised gains and losses are recognised in profit (loss) at the time of settlement;
- forming part of a transaction portfolio, all gains and losses (realised or unrealised) are recognised.

COUNTERPARTY RISK ON DERIVATIVE INSTRUMENTS

In accordance with ANC Regulation 2014-07, Crédit Agricole CIB includes the assessment of counterparty risk on derivative assets in the market value of derivatives. For this reason, only derivatives recognised as isolated open positions and in trading portfolios (respectively, derivatives classified in categories a and d of Article 2522-1 of the aforementioned regulation) are subject to a calculation of counterparty risk on derivative assets. (CVA - Credit Valuation Adjustment)

The CVA makes it possible to calculate counterparty losses expected by Crédit Agricole CIB.

The CVA is calculated on the basis of an estimate of expected losses based on the probability of default and loss given default. The methodology used maximises the use of observable market inputs.

It is based on:

- primarily market data such as registered and listed CDS (or Single Name CDS) or index-based CDS;
- in the absence of registered CDS on the counterparty, an approximation based on a basket of Single Name CDS of counterparties with the same rating operating in the same sector and located in the same area.

In certain circumstances, historical default data may also be used.

FUNDING VALUATION ADJUSTMENT

The value of non-collateralised or partially collateralised derivative instruments incorporates a Funding Valuation Adjustment (FVA) that represents costs and benefits related to the financing of these instruments. This adjustment is measured based on positive or negative future exposure of transactions for which a cost of financing is applied.

OTHER INTEREST RATE OR EQUITY TRANSACTIONS

Crédit Agricole CIB uses various instruments such as interest rate futures and equity derivatives for trading or specific hedging purposes.

Contracts concluded for trading purposes are measured at market value, and the corresponding gains or losses are taken to the income statement.

Gains or losses, realised or unrealised, resulting from the mark-to-market measurement of specific hedging contracts are spread over the maturity life of the hedged instrument.

CREDIT DERIVATIVES

Crédit Agricole CIB uses credit derivatives mainly for trading, in the form of Credit Default Swaps (CDS). CDS concluded for trading purposes are measured at market value, and the corresponding gains or losses are taken to the income statement.

1.8 Foreign currency transactions

At each closing date, receivables and liabilities, as well as forward foreign exchange contracts recorded as off-balance-sheet commitments denominated in foreign currencies, are translated at the exchange rate in force on the reporting date.

Income received and expenses paid are recognised at exchange rates on the day of the transaction. Accrued income and expenses not yet due are translated at the closing rates.

Assets in foreign currencies held long term, comprising allocations to branches, fixed assets, investment securities, subsidiaries’ securities and equity investments in foreign currency financed in euros are translated at the exchange rates on the date of acquisition (historical). A provision may be recognised if there is a permanent deterioration in the exchange rate affecting Crédit Agricole CIB’s foreign equity interests.

At each reporting date, forward foreign exchange transactions are measured at the relevant forward exchange rate. Recognised gains or losses are taken to the income statement under “Gains or losses on trading book - Gains (losses) on foreign currency transactions and similar financial instruments".

Pursuant to the implementation of ANC Regulation 2014-07, Crédit Agricole CIB has instituted multi-currency accounting to enable it to monitor its currency position and to measure its exposure to foreign exchange risk.

The overall amount of the operational foreign exchange position of Crédit Agricole CIB stood at -€924 million at 31 December 2022, versus €836 million at 31 December 2021.

SPOT AND FORWARD FOREIGN EXCHANGE CONTRACTS

At each closing date, spot foreign exchange contracts are measured at the spot exchange rate of the currency concerned. Forward foreign exchange transactions categorised as trading transactions are recognised at market value using the forward rate applicable to the remaining period of the contract. Recorded net gains or losses are recognised in the income statement under "Net gain/(loss) from trading portfolios – foreign exchange and similar financial instruments". Net gains and losses on forward foreign exchange transactions that are categorised as spot exchange transactions in connection with loans and borrowings are recognised on a pro rata basis over the term of the contracts.

CURRENCY FUTURES AND OPTIONS

Currency futures and options are used for trading purposes as well as to hedge specific transactions. Contracts concluded for trading purposes are measured at market value, and the corresponding gains or losses are taken to the income statement. Realised or unrealised gains or losses resulting from the mark-to-market valuation of specific hedging contracts are recognised in the same manner as the hedged transaction.

1.9 Consolidated of foreign branches

Branches keep separate accounts that comply with the accounting rules in force in the countries in which they are based.

At each reporting date, foreign branches' balance sheets and income statements are adjusted according to French accounting rules, converted into euros and integrated with the accounts of their head office after eliminating intra-group transactions.

The rules for conversion into euros are as follows:

- balance sheet items are translated at the closing rate;
- income and expenses paid and received are recorded at the exchange rate on the transaction date, whereas accrued income and expenses are translated at the average rate of the period.

Gains or losses resulting from this translation are recorded in the balance sheet under "Accruals, prepayments and sundry assets" or "Accruals, deferred income and sundry liabilities".

1.10 Off-balance sheet commitments

Off-balance sheet items mainly reflect the unused portion of given and received financing commitments and guarantee commitments.

An expense is recognised as provisions for given commitments if there is a probability that calling in the commitment will result in a loss for Crédit Agricole CIB.

Reported off-balance sheet items do not mention commitments on forward financial instruments or foreign exchange transactions. Similarly, they do not include received commitments concerning treasury bonds, similar securities and other securities pledged as collateral.

1.11 Employee profit-sharing and incentive plans

Employee profit-sharing is recognised in the income statement in the financial year in which the employees' rights are earned.

Incentive plans are covered by a company-wide agreement.

Profit-sharing and incentives are included in "Employee expenses".

1.12 Post-employment benefits

Commitments concerning retirement, early retirement and retirement benefits – defined benefit plans

Crédit Agricole CIB applied ANC Recommendation 2013-02 relating to the measurement and recognition of retirement and similar benefit obligations, such recommendation having then been repealed and incorporated in ANC Regulation 2014-03.

This recommendation was amended by the ANC on 5 November 2021. For defined benefit plans that subject benefits to conditions of seniority, for a maximum capped amount, and the employee's continued employment by the entity upon reaching retirement age, the recommendation allows the distribution of benefits to be determined on a straight-line basis based on:

- either the date on which the employee began employment
- or the date from which each year of employment is included in the calculation for the vesting of benefits

In accordance with this regulation, Crédit Agricole CIB sets aside provisions to cover its retirement and similar benefit obligations falling within the category of defined-benefit plans.

These obligations are measured on the basis of actuarial, financial and demographic assumptions, and in accordance with the projected unit credit method. This charge is calculated based on the discounted future benefit.

Since financial year 2021, Crédit Agricole CIB has applied the determination of the distribution of benefits on a straight-line basis from the date on which each year of employment is included in the calculation for the vesting of benefits (i.e. convergence with the IFRS IC decision of April 2021 on IAS 19).

Crédit Agricole CIB elected to immediately recognise the actuarial gains and losses in profit or loss, and accordingly the amount of the provision is equal to:

- the present value of the defined benefit obligation at the reporting date, calculated using the actuarial method recommended by the regulation,
- minus the fair value of plan assets, as applicable. These may be represented by an eligible insurance policy. In the event that the obligation is fully covered by such a policy, the fair value of the policy is deemed to be the value of the corresponding obligation, i.e. the amount of the corresponding actuarial liability.

RETIREMENT PLANS – DEFINED CONTRIBUTION PLANS

There are various mandatory pension plans to which employers contribute. The funds are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to provide all the benefits corresponding to the services rendered by staff during the current and previous years.

As a result, Crédit Agricole CIB has no liability in this respect other than the contributions payable for the past financial year.

The amount of contributions under the terms of these pension schemes is shown under “Employee expenses”.

1.13 Subscription to shares offered to employees as part of the Company Savings Scheme

SUBSCRIPTIONS TO SHARES AS PART OF THE COMPANY SAVINGS SCHEME

Subscriptions to shares offered to employees under the Company Savings Scheme, with a maximum discount of 30%, do not include a vesting period but may not be sold or transferred for five years. These subscriptions to shares are recognised in accordance with provisions relative to capital increases.

1.14 Extraordinary income and expenses

These comprise income and expenses that are extraordinary in nature and relate to transactions that do not form part of Crédit Agricole CIB’s ordinary activities.

1.15 Income tax charge

Generally, only tax that is payable is recognised in the parent company financial statements.

The tax expense shown in the income statement corresponds to income tax payable for the financial year. It includes the social security contribution on profits.

Income from receivables and securities portfolios is recognised net of tax credits.

Wholly-owned, directly or indirectly, by the Crédit Agricole Group, Crédit Agricole CIB is part of the tax consolidation group constituted by Crédit Agricole Group and is the head of the Crédit Agricole CIB sub-group constituted with the subsidiaries that are members of the tax consolidation group.

Crédit Agricole CIB has signed a tax consolidation agreement with Crédit Agricole S.A. Under the terms of agreements entered into with Crédit Agricole CIB, the deficits generated by all subsidiaries of the Crédit Agricole CIB sub-Group will be compensated by Crédit Agricole.

When tax credits on income from securities portfolios and amounts receivable are effectively used to pay income tax due for the year, they are recognised under the same heading as the income with which they are associated. The corresponding tax charge is kept under the heading “Income tax charge” in the income statement.

NOTE 2: LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS - ANALYSIS BY RESIDUAL MATURITY

	31.12.2022							31.12.2021
€ million	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Loans and receivables:								
- Demand	6,765	-	-	-	6,765	17	6,782	4,697
- Time	4,339	38,325	6,823	4,303	53,790	302	54,092	47,136
Pledged securities								
Securities bought under repurchases agreements	45,728	11,653	4,729	-	62,110	311	62,421	55,098
Subordinated debt	-	-	-	344	344	1	345	323
Total	**56,832**	**49,978**	**11,552**	**4,647**	**123,009**	**631**	**123,640**	**107,254**
Impairment					(316)	(66)	(382)	(379)
Net carrying amount [1]					**122,693**	**565**	**123,258**	**106,875**

[1] *Among related parties, the main counterparty is Crédit Agricole S.A. (€49,026 million at 31.12.2022 and €31,049 million at 31.12.2021).*

NOTE 3: LOANS AND RECEIVABLES DUE FROM CUSTOMERS

At 31 December 2022, in line with the economic stimulus measures implemented in response to the Covid-19 crisis, outstanding government-backed loans granted by Crédit Agricole CIB amounted to €1,017 million.

3.1 Analysis by residual maturity

	31.12.2022							31.12.2021
€ million	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Trade receivables	13,765	7,135	9,268	2,992	33,160	147	33,307	25,990
Other customer loans [1]	20,211	12,939	58,026	16,046	107,222	687	107,909	98,462
Pledged securities	-	-	-	-	-	-	-	-
Securities bought under repurchases agreements	48,535	11,045	3,918	-	63,498	236	63,734	67,145
Current accounts in debit	1,971	-	-	-	1,971	3	1,974	1,649
Impairment					(1,627)	(253)	(1,880)	(1,699)
Net carrying amount [1]					**204,224**	**820**	**205,044**	**191,547**

[1] *Subordinated loans granted to customers amounted to €326 million at 31.12.2022 compared to €310 million at 31.12.2021.*

3.2 Analysis by geographic area of beneficiaries

€ million	31.12.2022	31.12.2021
France (including overseas departements and territories)	38,711	35,623
Other EU countries	36,222	29,005
Rest of Europe	19,134	19,095
North America	38,413	35,218
Central and South America	12,951	13,763
Africa and Middle-East	12,751	11,878
Asia and Pacific (excl. Japan)	23,316	20,168
Japan	24,353	28,025
Supranational organisations	-	-
Total principal	**205,851**	**192,775**
Accrued interest	1,073	471
Impairment	(1,880)	(1,699)
Net carrying amount	**205,044**	**191,547**

3.3 Doubtful loans, bad debts and impairment by geographic area

€ million	31.12.2022					
	Gross outstandings	O/W non-compromised doubtful loans and receivables	O/W bad debts	Impairment of non-compromised doubtful loans and receivables	Impairments of bad debts	Coverage %
France (including overseas departements and territories)	38,711	552	167	(155)	(165)	44.51%
Other EU countries	36,222	297	200	(164)	(177)	68.61%
Rest of Europe	19,133	722	11	(176)	(11)	25.51%
North America	38,413	181	53	(30)	(54)	35.90%
Central and South America	12,951	771	335	(115)	(305)	37.97%
Africa and Middle-East	12,751	100	107	(31)	(107)	66.67%
Asia and Pacific (excl. Japan)	23,317	170	208	(31)	(90)	32.01%
Japan	24,353	232	-	(16)	-	6.90%
Supranational organisations	-	-	-	-	-	
Accrued interest	1,073	116	137	(116)	(137)	100.00%
Net carrying amount	**206,924**	**3,141**	**1,218**	**(834)**	**(1,046)**	**43.13%**

€ million	31.12.2021					
	Gross outstandings	O/W non-compromised doubtful loans and receivables	O/W bad debts	Impairment of non-compromised doubtful loans and receivables	Impairments of bad debts	Coverage %
France (including overseas departements and territories)	35,623	464	170	(143)	(168)	49.05%
Other EU countries	29,005	250	188	(124)	(174)	68.04%
Rest of Europe	19,095	255	23	(41)	(23)	23.02%
North America	35,218	126	53	(25)	(53)	43.58%
Central and South America	13,763	696	335	(160)	(305)	45.10%
Africa and Middle-East	11,878	119	103	(42)	(95)	61.71%
Asia and Pacific (excl. Japan)	20,168	153	76	(49)	(69)	51.53%
Japan	28,025	179	-	(17)	-	9.50%
Supranational organisations	-	-	-	-	-	
Accrued interest	471	90	120	(90)	(120)	100.00%
Net carrying amount	**193,246**	**2,332**	**1,068**	**(691)**	**(1,007)**	**49.94%**

3.4 Analysis by customer type

€ million	31.12.2022				
	Gross outstandings	O/W non-compromised doubtful loans and receivables	O/W bad debts	Impairment of non-compromised doubtful loans and receivables	Impairments of bad debts
Individual customers	-	-	-	-	-
Farmers	-	-	-	-	-
Other small businesses	-	-	-	-	-
Financial institutions	72,497	200	176	(112)	(176)
Corporates	123,663	2,825	774	(606)	(714)
Local authorities	9,691	-	131	-	(19)
Other customers	-	-	-	-	-
Accrued interest	1,073	116	137	(116)	(137)
Carrying amount	**206,924**	**3,141**	**1,218**	**(834)**	**(1,046)**

€ million	31.12.2021				
	Gross outstandings	O/W non-compromised doubtful loans and receivables	O/W bad debts	Impairment of non-compromised doubtful loans and receivables	Impairments of bad debts
Individual customers	-	-	-	-	-
Farmers	-	-	-	-	-
Other small businesses	-	-	-	-	-
Financial institutions	78,615	201	205	(97)	(188)
Corporates	105,449	2,041	710	(504)	(685)
Local authorities	8,711	-	33	-	(14)
Other customers	-	-	-	-	-
Accrued interest	471	90	120	(90)	(120)
Carrying amount	**193,246**	**2,332**	**1,068**	**(691)**	**(1,007)**

NOTE 4: TRADING, SHORT-TERM INVESTMENT, LONG-TERM INVESTMENT AND MEDIUM-TERM PORTFOLIO SECURITIES

	31.12.2022					31.12.2021
€ million	Trading securities [2]	Short-term investment securities	Medium-term portfolio securities	Long-term investment securities	Total	Total
Treasury Bills and similar securities	**13,271**	**1,554**	**-**	**6,488**	**21,313**	**23,177**
O/W residual net premium	-	-	-	(12)	(12)	(12)
O/W residual net discount	-	2	-	55	57	58
Accrued interest	2	4	-	13	19	16
Impairment	-	-	-	-	-	-
Net carrying amount	**13,273**	**1,558**	**-**	**6,501**	**21,332**	**23,193**
Bonds and other fixed income securities [1]	**8,848**	**9,298**	**-**	**15,724**	**33,870**	**33,072**
Issued by public bodies	1,898	2,801	-	3,667	8,366	10,070
Other issuers	6,950	6,497	-	12,057	25,504	23,002
O/W residual net premium	-	(55)	-	(20)	(75)	(57)
O/W residual net discount	-	16	-	38	54	88
Accrued interest	-	38	-	75	113	91
Impairment	-	(8)	-	-	(8)	(4)
Net carrying amount	**8,848**	**9,328**	**-**	**15,799**	**33,975**	**33,159**
Equities and other equity variable-income securities	**5,521**	**84**	**6**	**-**	**5,611**	**7,035**
Accrued interest	-	-	-	-	-	-
Impairment	-	(27)	-	-	(27)	(38)
Net carrying amount	**5,521**	**57**	**6**	**-**	**5,584**	**6,997**
Total	**27,642**	**10,943**	**6**	**22,300**	**60,891**	**63,349**
Estimated value	**27,642**	**10,648**	**4**	**20,600**	**58,894**	**62,706**

[1] Subordinated loans in the portfolio amount to €17 million at 31.12.2022 compared to €33 million at 31.12.2021.

[2] Apart from borrowed trading securities (including, if need be, borrowed securities that have been lent and classified as "trading securities on loan") presented in deduction of payables representative of borrowed securities value shown on the liability side of the balance sheet (Cf. Note 20 Debt securities clearing).

Disposal of investment securities prior to the maturity, in accordance with the exemption clauses laid down by the ANC Regulation 2014-07, amounted to €1,088 million for Crédit Agricole CIB. The added value gained from it amounted to €19 million.

BANKING BOOK

4.1 Reclassification

At 01.10.2008, Crédit Agricole CIB carried out reclassifications of securities as permitted by CRC Regulation 2008-17. There were no additional reclassifications of securities between 2009 and 2021. At 31.12.2022, the balance sheet value was nil. Changes over the year are detailed below.

CONTRIBUTION TO INCOME OF TRANSFERRED ASSETS SINCE RECLASSIFICATION

The contribution from assets transferred to net income for the financial year since the date of reclassification comprises all profits, losses, income and expenses recognised in the income statement and other comprehensive income or expenses.

	Pre-tax impact on 2009 earnings since reclassification (Assets reclassified before 2009)					
	Cumulative impact at 31.12.2021		2022 Impact		Cumulative impact at 31.12.2022	
€ million	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)	Recognized income and expenses	If the asset had been kept in its original category (change in fair value)
From trading to investment securities	(99)	(100)	1	1	(98)	(99)

4.2 Breakdown of listed and unlisted securities between fixed income and variable-income securities

€ million	31.12.2022				31.12.2021			
	Bonds and other fixed income securities	Treasury bills and similar items	Equities and other variable income securities	Total	Bonds and other fixed income securities	Treasury bills and similar items	Equities and other variable income securities	Total
Listed securities	33,529	21,245	5,570	60,344	32,796	23,177	6,946	62,919
Unlisted securities	341	68	41	450	276	-	89	365
Accrued interest	113	19	-	132	91	16	-	107
Impairment	(8)	-	(27)	(35)	(4)	-	(38)	(42)
Net carrying amount	**33,975**	**21,332**	**5,584**	**60,891**	**33,159**	**23,193**	**6,997**	**63,349**

4.3 Treasury bills, bonds and other fixed-income securities - Analysis by residual maturity

€ million	31.12.2022							31.12.2021
	≤ 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	4,977	5,795	14,806	8,292	33,870	113	33,983	33,163
Impairment	-	-	-	-	-	-	(8)	(4)
Net carrying amount	**4,977**	**5,795**	**14,806**	**8,292**	**33,870**	**113**	**33,975**	**33,159**
Treasury bills and similar items	-	-	-	-	-	-	-	-
Gross amount	4,617	2,999	4,356	9,341	21,313	19	21,332	23,193
Impairment	-	-	-	-	-	-	-	-
Net carrying amount	**4,617**	**2,999**	**4,356**	**9,341**	**21,313**	**19**	**21,332**	**23,193**

4.4 Treasury bills, bonds and other fixed-income securities - Analysis by geographic area

€ million	31.12.2022	31.12.2021
France (including overseas departements and territories)	12,802	12,642
Other EU countries	17,861	17,860
Other european countries	3,451	4,328
North America	8,067	8,930
Central and South America	612	290
Africa and Middle-East	609	640
Asia and Pacific (excl. Japan)	8,371	7,865
Japan	3,278	3,500
Supranational organisations	132	194
Total principal	**55,183**	**56,249**
Accrued interest	132	107
Impairment	(8)	(4)
Net carrying amount	**55,307**	**56,352**

NOTE 5: EQUITY INVESTMENTS AND SUBSIDIARIES

Company	Currency	Share capital	Premiums reserves and retained earnings before appropriation of earnings	Percentage of share capital owned	Carrying amounts of securities owned	Loans and receivables outstanding granted by the Company and not yet paid back	Guarantees and other commitments given by the Company	NBI or revenue (ex VAT) for the year ended (from audited financial statements of 2022)	Net income for the year ended	Dividends received by the Company during the financial year
		In million of original currency units	*In million of original currency units*	*In %*	*€ million*	*In million of original currency units*	*In million of original currency units*	*In million of original currency units*	*In million of original currency units*	*€ million*
I - Detailed information on investments whose gross carrying amount exceeds 1% of Crédit Agricole CIB's share capital										
A - Subsidiaries (more than 50% owned by Crédit Agricole CIB)										
BANCO CA BRASIL SA	BRL	2,107	267	82	434		USD 3	239	34	
CA GLOBAL PARTNERS Inc	USD	723	269	100	535				43	
CA PRIVATE BANKING	EUR	584	2,217	100	2,650	CHF 1,580		246	47	70
CA-CIB (China) Limited	CNY	6,296	832	100	765	CNY 4,000	CNY 19,982 EUR 4 USD 31 PKR 389 SEK 3 CHF 2 DZD 121	931	152	13
CA-CIB Global Banking	EUR	145	94	100	263			6	5	
CASA BV	JPY	11,714	19,274	100	258			6,637	2,271	
Subtotal (1)	**-**				**4,905**					
B - Banking affiliates (10 and 50% owned by Crédit Agricole CIB)										
-	-	-	-	-	-	-	-	-	-	-
Subtotal (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
II - General information relating to other subsidiaries and affiliates										
A - Subsidiaries not covered in I. above (3)					**393**					
a) French subsidiaries (aggregate)					118					
b) Foreign subsidiaries (aggregate)					275					
B - Affiliates not covered in I. above (4)					**255**					
a) French affiliates (aggregate)					67					
b) Foreign affiliates (aggregate)					188					
Total associates (1) + (2) + (3) + (4)					**5,553**					

5.1 Estimated value of equity investments

	31.12.2022		31.12.2021	
€ million	Net carrying amount	Estimated value	Net carrying amount	Estimated value
Investments in subsidiaries and affiliates				
Unlisted securities	6,321	7,377	6,366	7,377
Listed securities	-	-	-	-
Advances available for consolidation	-	-	-	-
Accrued interest	-	-	1	-
Impairment	(1,010)	-	(1,035)	-
Net carrying amount	**5,311**	**7,377**	**5,332**	**7,377**
Equity investments and other long-term investment securities				
Equity investments				
Unlisted securities	293	211	280	198
Listed securities	75	67	75	100
Advances available for consolidation	-	-	-	-
Accrued interest	-	-	-	-
Impairment	(141)	-	(139)	-
Sub-total of equity investments	**227**	**278**	**216**	**298**
Other long term equity investments				
Unlisted securities	10	12	9	10
Listed securities	7	7	-	-
Advances available for consolidation	-	-	-	-
Accrued interest	-	-	-	-
Impairment	(2)	-	(2)	-
Sub-total of long term equity investments	**15**	**19**	**7**	**10**
Overseas branch allocations	**-**	**-**	**-**	**-**
Net carrying amount	**242**	**297**	**223**	**308**
Total of equity investments	**5,553**	**7,674**	**5,555**	**7,685**

As regards listed securities, the market value shown in the above table is the quoted price of the shares on their trading market at 31 December. It may not be representative of the realisable value of the securities.

	31.12.2022	31.12.2021
€ million	Net carrying amount	Net carrying amount
Total gross value		
Unlisted securities	6,624	6,655
Listed securities	82	75
Total	**6,706**	**6,730**

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NOTE 6: MOVEMENTS IN FIXED ASSETS

€ million	31.12.2021	Change in scope	Merger	Increase (acquisitions)	Decrease (disposals, maturity)	Translation difference	Other movements	31.12.2022
Equity investments								
Gross amount	355	-	-	14	(5)	4	-	368
Impairment	(139)	-	-	(6)	4	-	-	(141)
Other long-term equity investment								
Gross amount	9	-	-	8	-	-	-	17
Impairment	(2)	-	-	-	-	-	-	(2)
Overseas branch allocations	-	-	-	-	-	-	-	-
Subtotal	**223**	**-**	**-**	**16**	**(1)**	**4**	**-**	**242**
Investments in subsidiaries and affiliates								
Gross amount	6,366	-	-	20	(53)	(12)	-	6,321
Impairment	(1,035)	-	-	(25)	46	4	-	(1,010)
Advances available for consolidation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Gross amount	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Accrued interest	**1**	**-**	**-**	**-**	**(1)**	**-**	**-**	**-**
Net carrying amount	**5,555**	**-**	**-**	**11**	**(9)**	**(4)**	**-**	**5,553**
Intangible assets	**241**	**-**	**-**	**120**	**(81)**	**-**	**-**	**280**
Gross amount	614	-	-	180	(106)	1	-	689
Depreciation	(373)	-	-	(60)	25	(1)	-	(409)
Property, plant and equipment	**80**	**-**	**-**	**36**	**(3)**	**-**	**(2)**	**111**
Gross amount	481	-	-	58	(22)	9	-	526
Depreciation	(401)	-	-	(22)	19	(9)	(2)	(415)
Financial lease and similar operations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Gross amount	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Net carrying amount	**321**	**-**	**-**	**156**	**(84)**	**-**	**(2)**	**391**

NOTE 7: ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS

€ million	31.12.2022	31.12.2021
Other asset [1]	**74,984**	**40,030**
Financial options bought	19,999	16,439
Collective management of *Livret de Développement Durable* (LDD) saving account securities	-	-
Miscellaneous debtors[2]	54,028	22,553
Settlement accounts	957	1,038
Due from shareholders - Unpaid capital	-	-
Accruals and prepayments	**145,424**	**96,362**
Items in course of transmission	-	-
Adjustement accounts	140,603	94,814
Accrued income	4,094	1,347
Prepaid expenses	279	166
Unrealised losses and deferred losses on financial instruments	-	-
Bond issue and redemption premiums	3	-
Other accrual prepayments and sundry assets	445	35
Net carrying amount	**220,408**	**136,392**

[1] The amounts shown are net of impairment and include accrued interest.
[2] Including €281 million for the contribution to the Guarantee and Resolution Fund paid in the form of a security deposit.
This deposit is usable by the Resolution and Guarantee Fund, at any time and without conditions, to finance an intervention

NOTE 8: IMPAIRMENT LOSSES DEDUCTED FROM ASSETS

€ million	31.12.2021	Change in scope	Merger	Depreciation charges	Reversals and utilisations	Translation differences	Other movements	31.12.2022
Cash, money-market and interbank items	379	-	-	10	(24)	17	-	382
Loans and receivables due from customers	1,699	-	-	576	(449)	54	-	1,880
Securities transactions	42	-	-	20	(25)	(2)	-	35
Participating interests and other long-term investments	1,176	-	-	31	(50)	(4)	-	1,153
Other	200	-	-	5	(26)	8	-	187
Total	**3,496**	**-**	**-**	**642**	**(574)**	**73**	**-**	**3,637**

NOTE 9: DUE TO CREDIT INSTITUTIONS - ANALYSIS BY RESIDUAL MATURITY

	31.12.2022							31.12.2021
€ million	≤ 3months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Accounts and overdrafts	-	-	-	-	-	-	-	-
Demand	13,796	-	-	-	13,796	23	13,819	8,486
Time	13,187	18,567	38,022	8,100	77,876	207	78,083	79,050
Pledged securities	-	-	-	-	-	-	-	-
Securities sold under repurchase agreements	18,731	7,873	3,431	250	30,285	127	30,412	28,218
Carrying amount [1]					**-**	**-**	**122,314**	**115,754**

[1] Of which transactions carried out with Crédit Agricole S.A. : €53,055 million at 31.12.2022 compared to €54,984 million at 31.12.2021.

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NOTE 10: DUE TO CUSTOMERS

10.1 Analysis by residual maturity

	31.12.2022							31.12.2021
€ million	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Current accounts in credit	56,252	-	-	-	56,252	116	56,368	52,027
Other accounts due to customers	87,803	9,834	2,953	1,986	102,576	270	102,846	82,686
Securities sold under repurchase agreements	60,196	2,876	16	4	63,092	138	63,230	63,237
Carrying amount							**222,444**	**197,950**

10.2 Analysis by geographic area

€ million	31.12.2022	31.12.2021
France (including overseas departements and territories)	49,984	39,681
Other EU countries	50,405	38,566
Rest of Europe	28,564	26,391
North America	45,447	46,521
Central and South America	12,149	12,527
Africa and Middle-East	5,246	5,009
Asia and Pacific (excl. Japan)	15,426	12,810
Japan	14,699	16,358
Supranational organisations	-	-
Total principal	**221,920**	**197,863**
Accrued interest	524	87
Carrying amount	**222,444**	**197,950**

10.3 Analysis by customer type

€ million	31.12.2022	31.12.2021
Individuals customers	12	15
Farmers	-	-
Other small businesses	-	-
Financial institutions	79,985	72,332
Corporates	123,305	109,576
Local authorities	18,618	15,940
Other customers	-	-
Total principal	**221,920**	**197,863**
Accrued interest	524	87
Carrying amount	**222,444**	**197,950**

NOTE 11: DEBT SECURITIES

11.1 Analysis by residual maturity

€ million	31.12.2022							31.12.2021
	≤ 3months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Interest-bearing notes	32	-	-	-	32	-	32	31
Money-market instruments	-	-	-	-	-	-	-	-
Negotiable debt securities:	24,519	8,921	6,546	10,931	50,917	193	51,110	33,174
Issued in France	1,331	2,283	6,284	10,931	20,829	108	20,937	15,138
Issued abroad	23,188	6,638	262	-	30,088	85	30,173	18,036
Bonds	-	1,052	1,838	752	3,642	10	3,652	4,219
Other debt instruments	-	-	-	-	-	-	-	-
Carrying amount					**54,591**	**203**	**54,794**	**37,424**

11.2 Bonds

€ million	Outstanding schedule at 31.12.2022			Outstanding at 31.12.2022	Outstanding at 31.12.2021
	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Euro	**460**	**1,610**	**700**	**2,770**	**3,420**
Fixed rate	-	-	-	-	-
Variable rate	460	1,610	700	2,770	3,420
Other currencies	**592**	**228**	**52**	**872**	**797**
Fixed rate	-	135	52	187	150
Variable rate	592	93	-	685	647
Total principal	**1,052**	**1,838**	**752**	**3,642**	**4,217**
Fixed rate	-	135	52	187	150
Variable rate	1,052	1,703	700	3,455	4,067
Related payables	3	5	2	10	2
Carrying amount				**3,652**	**4,219**

NOTE 12: ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIE

€ million	31.12.2022	31.12.2021
Other liabilities [1]	**100,975**	**80,293**
Counterparty transactions (trading securities)	37,204	41,791
Liabilities relating to stock lending transactions [2]	7	11
Optional instruments sold	21,813	18,321
Miscellaneous creditors	40,015	18,935
Settlement accounts	1,929	1,235
Payments in process	7	-
Other	-	-
Accruals and deferred income	**151,570**	**98,674**
Items in course of transmission	1,555	518
Adjustment accounts	146,670	95,217
Unearned income	533	393
Accrued expenses	2,298	2,157
Unrealised gains and deferred gains on financial instrument	-	-
Other accruals prepayments and sundry assets	514	389
Carrying amount	**252,545**	**178,967**

[1] *Amounts include accrued interests.*
[2] *Liabilities relating to stock lending transactions are shown after deduction of borrowed trading securities (including, if need be, borrowed securities that have been lent and classified as "trading securities on loan") (Cf. Note 20 Debt securities clearing).*

NOTE 13: PROVISIONS

€ million	31.12.2021	Change in scope	Merger	Deprecia-tion charges	Reversals and utilisations	Translation differences	Other movements	31.12.2022
Country risks	445	-	-	232	(194)	16	-	499
Financing commitment execution risks	390	-	-	288	(355)	15	-	338
Employee retirement and similar benefits [1]	185	1	-	15	(72)	(1)	-	128
Financial instruments	-	-	-	-	-	-	-	-
Litigations and others [2]	561	-	-	25	(181)	1	-	406
Other provisions [3]	1,752	1	-	935	(803)	16	-	1,901
Carrying amount	**3,333**	**2**	**-**	**1,495**	**(1,605)**	**47**	**-**	**3,272**

[1] including €587 million of actuarial liabilities, in face to €489 million of fair value assets (cf. table below on actuarial assumptions that have been used).
[2] Of which: - tax disputes: €246 million, - customer litigation: €150 million, - social litigation: €9 million.
[3] Including, for Crédit Agricole CIB Paris : - other risks and expenses: €1,333 million.

▶ Main actuarial assumptions

In percentage	31.12.2022 Eurozone	31.12.2022 Outisde Eurozone
Discount rate [1]	3.51%	3.19%
Actual return on plan assets/Reimbursement rights	4.35%	(20.35)%
Expected salary increase rates [2]	0.59%	1.73%
Rate of change in medical costs	0.00%	0.00%

[1] Discount rates are determined depending on the average period of the commitment, i.e. the arithmetic average of the periods calculated between the date of valuation and the date of payment weighted by staff turnover assumptions. The underlying item is the discount rate based on the iBoxx index.
[2] Depending on the populations in question (managers or non-managers).

13.1 Tax Audits

CRÉDIT AGRICOLE CIB PARIS TAX AUDIT

Credit Agricole CIB, is currently the subject of an accounting audit covering the 2019 and 2020 financial years. A proposed interrupt rectification was received in late 2022.

Credit Agricole CIB contests the corrected points with reasons. A provision xas recognized to cover the estimated risk.

13.2 Inquiries and requests for information from regulators

OFFICE OF FOREIGN ASSETS CONTROL (OFAC)

In October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US and New York authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008.

Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US and New York authorities in connection with their investigations, have agreed to pay a total penalty amount of US$787.3 million (i.e. €692.7 million). The payment of this penalty has been allocated to the pre-existing reserve that had already been taken and, therefore, has not affected the accounts for the second half of 2015.

The agreements with the Board of Governors of the US Federal Reserve (Fed) and the New York State Department of Financial Services (NYDFS) are with Crédit Agricole S.A. and Crédit Agricole CIB. The agreement with the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury is with Crédit Agricole CIB. Crédit Agricole CIB also entered into separate deferred prosecution agreements (DPAs) with the United States Attorney's Office for the District of Columbia (USAO) and the District Attorney of the County of New York (DANY), the terms of which are three years. On 19 October 2018, the two deferred prosecution agreements with USAO and DANY ended at the end of the three-year period, Crédit Agricole Corporate and Investment Bank having complied with all its obligations under the DPAs.

Crédit Agricole continues to strengthen its internal procedures and its compliance programmes regarding laws on international sanctions and will continue to cooperate fully with the US and New York authorities, with its home regulators, the European Central Bank and the French Regulatory and Resolution Supervisory Authority (ACPR), and with the other regulators across its worldwide network.

In accordance with the agreements reached with the NYDFS and the US Federal Reserve, Crédit Agricole's compliance programme is regularly reviewed to assess its effectiveness. These reviews include a review by an independent consultant appointed by the NYDFS for a term of one year and annual reviews by an independent board approved by the US Federal Reserve.

EURIBOR/LIBOR AND OTHER INDEXES

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into: (i) the calculation of the Libor (London Interbank Offered Rates) in a number of currencies, the Euribor (Euro Interbank Offered Rate) and certain other market indexes; and (ii) transactions connected with these rates and indexes. These demands covered several periods from 2005 to 2012.

As part of its cooperation with the authorities, Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB carried out investigations in order to gather the information requested by the various authorities and in particular the American authorities – the DOJ (Department of Justice) and CFTC (Commodity Future Trading

Commission) – with which they are in discussions. It is currently not possible to know the outcome of these discussions, nor the date when they will be concluded.

Furthermore, Crédit Agricole CIB is currently under investigation opened by the Attorney General of the State of Florida on both the Libor and the Euribor.

Following its investigation and an unsuccessful settlement procedure, on 21 May 2014, the European Commission sent a statement of objection to Crédit Agricole S.A. and to Crédit Agricole CIB pertaining to agreements or concerted practices for the purpose and/or effect of preventing, restricting or distorting competition in derivatives related to the Euribor.

In a decision dated 7 December 2016, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €114,654,000 for participating in a cartel in euro interest rate derivatives. Crédit Agricole S.A. and Crédit Agricole CIB are challenging the decision and have asked the European Court of Justice to overturn it. The hearing before the European Court of Justice was held on 17 March 2022 and the date of the judgement is not known at the present time.

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 Korea Fair Trade Commission (KFTC) decided to close the investigation launched in September 2015 into Crédit Agricole CIB and the Libor index on various currencies, Euribor and TIBOR indices. The investigation into certain foreign exchange derivatives (ABS-NDF) was 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 in the other ("Lieberman" for Libor); the "Lieberman" class action has now been closed, as the plaintiffs have decided to discontinue the proceedings. Concerning the "Sullivan" class action, Crédit Agricole S.A. and Crédit Agricole CIB had introduced a motion to dismiss the plaintiffs' claim, which the US District Court of New York State had upheld in first instance. On 14 June 2019, the plaintiffs had appealed the decision. While awaiting the deliberation on this appeal, the Federal Second Circuit Court of Appeal, in a different case (called Gelboim), delivered a ruling on 31 December 2021 that modified its jurisprudence concerning the personal competence of US jurisdictions with regard to foreign defendants. In order to avoid any possible negative impacts arising from this reversal of jurisprudence concerning the appeal being heard, Crédit Agricole S.A. and Crédit Agricole CIB had negotiated an agreement with the plaintiffs intended to bring the proceedings to a definitive conclusion, providing for the payment of US$55 million to the plaintiffs, which was made in 2022. This agreement, which does not include any admission of guilt on the part of Crédit Agricole S.A. and Crédit Agricole CIB, was approved by the New York court on 15 November 2022, a decision which has not been appealed. In accordance with the standard cooperation commitments made in this type of agreement, a request for the disclosure of documents (confirmatory discovery) could still be made by the plaintiffs in 2023 to Crédit Agricole S.A. and Crédit Agricole CIB, should they need such documents in the context of discussions with other parties that have not yet settled.

Since 1 July 2016, Crédit Agricole S.A. and Crédit Agricole CIB, together with other banks, are also party to a new class action suit in the United States ("Frontpoint") relating to the SIBOR (Singapore Interbank Offered Rate) and SOR (Singapore Swap Offer Rate) indexes. After having granted a first motion to dismiss filed by Crédit Agricole S.A. and Crédit Agricole CIB, the New York Federal District Court, ruling on a new motion 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 and SOR indexes were also rejected by the Court, therefore the SIBOR/Singapore dollar index alone is still taken into account. On 26 December 2018, the plaintiffs filed a new complaint aimed at reintroducing into the scope of the Frontpoint case the alleged manipulations of the SIBOR and SOR indexes that affected the transactions in US dollars. Crédit Agricole CIB, alongside the other defendants, objected to this new complaint at the hearing held on 2 May 2019 before the New York Federal District Court. On 26 July 2019, the Federal Court granted the defendants' motion to dismiss. The plaintiffs filed a notice of appeal on 26 August 2019.

On 17 March 2021, a panel of three judges of the Federal Second Circuit Court of Appeal allowed the plaintiffs' appeal, consequently considering the new complaint admissible and referring the case to the New York Federal District Court for continuation of the proceedings. The defendants, including Crédit Agricole CIB, asked the Federal Court of Appeal, sitting in plenary session, to reconsider this decision. This request was rejected by the Court of Appeal on 6 May 2021. Another appeal was filed on 12 May 2021 by the defendants with a view to obtaining the suspension of this return of the case before the first instance court, but this was dismissed on 24 May 2021. On 1 October 2021, the defendants filed an appeal before the US Supreme Court, which decided on 10 January 2022 not to hear the case. A new motion, currently under consideration, was filed by the defendants before the Federal Court with the aim of putting an end to this action.

On 27 May 2022, all 13 defendants signed a transactional agreement with the plaintiffs in order to bring this action to a definitive end. This agreement provides for the payment to the plaintiffs of a one-off sum with a specific sum attributed to each of the plaintiffs. As a result, Crédit Agricole CIB will pay US$7.3 million (8.03% of the total amount). This agreement, which does not include any admission of guilt on the part of Crédit Agricole CIB, was approved by the New York court on 29 November 2022, a decision which has not been appealed.

BONDS SSA

Several regulators requested information to Crédit Agricole S.A. and to Crédit Agricole CIB for investigations relating to 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.

In a decision dated 28 April 2021, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €3,993,000 for participating in a cartel on the secondary market for SSA bonds denominated in US dollars. On 7 July 2021, Crédit Agricole S.A. and Crédit Agricole CIB appealed against this decision before the European Court of Justice.

Crédit Agricole CIB was included with other banks in a putative consolidated class action before the United States District Court for the Southern District of New York. That action was dismissed on 29 August 2018 on the basis that the plaintiffs failed to allege an injury sufficient to give them standing. However, the plaintiffs were given an opportunity to attempt to remedy that defect. The plaintiffs filed an amended complaint on 7 November 2018. Crédit Agricole CIB as well as the other defendants filed motions to dismiss the amended complaint. An order issued on 30 September 2019 dismissed the class action against Crédit Agricole CIB for lack of jurisdiction and, in a subsequent ruling, the Court held that the plaintiffs had in any event failed to establish a violation of US antitrust law. In June 2020, the plaintiffs appealed against these two decisions. On 19 July 2021, the Second Circuit Court of Appeal confirmed the court's position that the plaintiffs had not succeeded in establishing a violation of US antitrust law. The time limit given to the plaintiffs for contesting this decision before the US Supreme Court expired on 2 December 2021 without the plaintiffs having taken any action in this regard. The plaintiffs then requested authorisation to introduce a motion aiming to annul the judgement of the court of first instance, on the grounds that the judge of this court had not revealed a conflict of interest at the start of the proceedings. The case was allocated to a new judge with a view to examining this application, and said new judge ordered the Parties to submit their observations on this issue. On 3 October 2022, this judge, District Judge Valerie Caproni, issued an opinion and denied the plaintiffs' motion to overturn the judgement, instructing the clerk to close the case. The plaintiffs did not appeal this decision of Judge Caproni.

On 7 February 2019, a second class action was filed against Crédit Agricole CIB and the other defendants named in the class action already pending before the United States District Court for the Southern District of New York. In July 2020, the plaintiffs voluntarily discontinued the action but the claim could be revived.

On 11 July 2018, Crédit Agricole S.A. and Crédit Agricole CIB were notified with other banks of a class action filed in Canada before the Ontario Superior Court of Justice. Another 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. Crédit Agricole S.A. and Crédit Agricole CIB have reached an agreement in principle to end the proceedings before the Federal Court. The definitive agreement still has to be negotiated, signed and approved by the Court.

O'SULLIVAN AND TAVERA

On 9 November 2017, a group of individuals (or their families or estates), who claimed to have been injured or killed in attacks in Iraq, filed a complaint ("O'Sullivan I") against several banks, including Crédit Agricole S.A., and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB), in US District Court for the District of New York.

On 29 December 2018, the same group of individuals, together with 57 new plaintiffs, filed a separate action ("O'Sullivan II") against the same defendants.

On 21 December 2018, a different group of individuals filed a complaint ("Tavera") against the same defendants.

All three complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants conspired with Iran and its agents to violate US sanctions and engage in transactions with Iranian entities in violation of the US Anti-Terrorism Act and the Justice Against Sponsors of Terrorism Act. Specifically, the complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants processed US dollar transactions on behalf of Iran and Iranian entities in violation of sanctions administered by the US Treasury Department's Office of Foreign Assets Control, which allegedly enabled Iran to fund terrorist organisations that, as is alleged, attacked plaintiffs. The plaintiffs are seeking an unspecified amount of compensatory damages.

On 2 March 2018, Crédit Agricole CIB and other defendants filed a motion to dismiss the O'Sullivan I complaint. On 28 March 2019, the Court granted defendants' motion to dismiss. On 22 April 2019, plaintiffs filed a motion to amend their complaint. On 20 May 2019, defendants filed an opposition to plaintiffs' motion, and plaintiffs filed a reply brief 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 motion requesting that the court enter a final judgement against defendants to allow an appeal. On 11 June 2020, the defendants filed an opposition to plaintiffs' motion, and plaintiffs filed a reply brief on 18 June 2020. On 29 June 2021, the Court dismissed the plaintiffs' motion.

On 28 July 2021, the Court ordered a stay of proceedings in the "O'Sullivan I" case pending a decision in the appeal in progress in a case Freeman versus HSBC Holdings, PLC, No. 19-3970 (2d. Cir.). (The "O'Sullivan II" and "Tavera" cases had previously been suspended pending the outcome of this appeal). On 20 January 2023, the Court extended the stay of the "O'Sullivan I" and "O'Sullivan II" proceedings pending a decision by the US Supreme Court on Twitter, Inc. v. Tamneh, et al. on the application of the US Anti-Terrorism Act to social media companies. In the "Tavera" case, the parties must decide on a possible extension of the stay of proceedings before 3 February 2023.

INTERCONTINENTAL EXCHANGE, INC. ("ICE")

On 15 January 2019 a class action ("Putnam bank") was filed 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 was filed by plaintiffs who claimed to have invested in financial instruments indexed to the USD ICE Libor. They accused the banks of having collusively set this index 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 before 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 30 November 2020, during briefing of the appeal, Plaintiffs' lawyers informed Defendants that all of the named Plaintiffs wished to withdraw from the case and, on 1 December 2020, Plaintiffs' counsel filed the motion to stay the appeal, which Defendants opposed. The court denied the motion on 7 December 2020 and Plaintiffs filed their reply brief on 15 December 2020.

On 28 December 2020, DYJ Holdings Inc. filed a motion for leave to intervene to replace the currents named plaintiffs. On 7 January 2021, Defendants filed a brief in opposition to DYJ Holdings' motion and also filed a motion to dismiss the appeal.

On 6 April 2021, the Court granted DYJ Holdings Inc's motion for leave to intervene and rejected the defendants' motion.

On 10 June 2021, the defendants filed a supplementary brief concerning questions of merit relating to the investments of DYJ Holdings Inc.

On 14 February 2022, the Second Circuit court rejected the appeal.

DYJ Holdings did not appeal against the rejection of its claim before the Supreme Court within the legal limit allowed, and the case is therefore now closed.

BINDING AGREEMENTS

Crédit Agricole Corporate and Investment Bank does not depend on any industrial, commercial or financial patent, license or contract.

NOTE 14: SUBORDINATED DEBT - ANALYSIS BY RESIDUAL MATURITY (IN CURRENCY OF ISSUE)

	31.12.2022					31.12.2021
€ million	≤ 3months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total	Total
Fixed-term subordinated debt	**-**	**-**	**750**	**3,520**	**4,270**	**3,539**
Euro	-	-	750	2,114	2,864	2,212
Other EU currencies						
US Dollar	-	-	-	1,406	1,406	1,327
Yen	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-
Undated subordinated debt	**-**	**-**	**-**	**10,129**	**10,129**	**8,470**
Euro	-	-	-	8,330	8,330	6,280
Other EU currencies						
US Dollar	-	-	-	1,799	1,799	2,190
Yen	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-
Participating securities and loans	**-**	**-**	**-**	**-**	**-**	**-**
Total principal	**-**	**-**	**750**	**13,649**	**14,399**	**12,009**
Accrued interest	-	-	-	-	44	30
Carrying amount	**-**	**-**	**-**	**-**	**14,443**	**12,039**

Expenses relating to subordinated debt amounted to -€573 million at 31.12.2022, compared to -€381 million at 31.12.2021.

NOTE 15: CHANGES IN EQUITY (BEFORE APPROPRIATION)

	Equity							
€ million	Share capital	Legal reserves	Statutory reserves	Share premiums, reserves and revaluation adjustments	Retained earnings	Regulated provisions	Net income	Total equity
Balance at 31 December 2020	**7,852**	**785**	**-**	**1,593**	**4,031**	**-**	**1,155**	**15,416**
Dividends paid in respect of 2021	-	-	-	-	(1,024)	-	-	(1,024)
Increase/decrease	-	-	-	-	-	-	-	-
2021 net income	-	-	-	-	-	-	1,359	1,359
Appropriation of 2020 parent company net income	-	-	-	-	1,155	-	(1,155)	-
Net charges/write-backs	-	-	-	0	-	-	-	-
Other changes	-	-	-	-	37	-	-	37
Balance at 31 December 2021	**7,852**	**785**	**-**	**1,594**	**4,199**	**-**	**1,359**	**15,789**
Dividends paid in respect of 2022	-	-	-	-	(552)	-	-	(552)
Increase/decrease	-	-	-	-	-	-	-	-
2021 net income	-	-	-	-	-	-	1,576	1,576
Appropriation of 2021 parent company net income	-	-	-	-	1,359	-	(1,359)	-
Net charges/write-backs	-	-	-	0	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Balance at 31 December 2022	**7,852**	**785**	**-**	**1,594**	**5,006**	**-**	**1,576**	**16,813**

At 31 December 2022, the share capital comprised 290,801,346 shares with a par value of €27 each.
"Retained earnings" includes €37 million in 2021 "Other changes" related to the modification done on 5 November 2021 of recommendation 2013-02 about the calculation of pension commitments and similar benefits.

NOTE 16: ANALYSIS OF THE BALANCE SHEET BY CURRENCY

	31.12.2022		31.12.2021	
€ million	Assets	Liabilities	Assets	Liabilities
Euro	345,054	350,043	263,271	268,004
Other EU currencies	4,136	4,370	2,826	1,436
US Dollar	220,824	214,128	196,764	182,379
Yen	56,021	42,222	42,128	27,512
Other currencies	60,590	75,862	57,329	82,987
Total	**686,625**	**686,625**	**562,318**	**562,318**

NOTE 17: TRANSACTIONS WITH SUBSIDIARIES, AFFILIATES AND EQUITY INVESTMENTS

€ million	31.12.2022	31.12.2021
Loans and receivables	**99,062**	**81,969**
Credit and other financial institions	70,676	48,757
Customers	22,375	27,602
Bonds and other fixed income securities	6,011	5,610
Debt	**111,298**	**106,794**
Credit and financial institutions	81,430	75,938
Customers	11,794	14,557
Debt securities and subordinated debts	18,074	16,299
Commitments given	**101,880**	**80,612**
Financing commitments given to credit institutions	682	590
Financing commitments given to customers	56,786	52,518
Guarantee given to credit and other financial institutions	20,936	9,098
Guarantees given to customers	2,757	3,825
Securities acquired with repurchase options	1,441	2,220
Other commitments given	19,278	12,361

The absence of information regarding the transactions done with related parties which have not been concluded at normal market conditions, is justified by the fact that transactions done by Crédit Agricole CIB (S.A.) with related parties are excluded from the list of transactions covered by this obligation, in accordance with provisions of the ANC Regulation, 2014-07.

NOTE 18: NON-SETTLED FOREIGN EXCHANGE TRANSACTIONS AND AMOUNTS PAYABLE IN FOREIGN CURRENCIES

	31.12.2022		31.12.2021	
€ million	To be received	To be delivered	To be received	To be delivered
Spot foreign-exchange transactions	**271,377**	**270,531**	**225,414**	**225,180**
Foreign currencies	229,903	224,109	197,121	202,466
Euro	41,474	46,422	28,293	22,714
Forward currency transactions	**2,904,780**	**2,907,580**	**2,501,451**	**2,504,270**
Foreign currencies	2,291,305	2,355,364	2,016,564	2,054,340
Euro	613,475	552,216	484,887	449,930
Foreign currency denominated loans and borrowings	**103**	**118**	**280**	**142**
Total	**3,176,260**	**3,178,229**	**2,727,145**	**2,729,592**

NOTE 19: TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS

	31.12.2022			31.12.2021		
€ million	Hedging transactions	Other transactions	Total [2]	Hedging transactions	Other transactions	Total
Futures and forwards	**131,347**	**22,059,456**	**22,190,803**	**137,710**	**18,054,246**	**18,191,956**
Exchange-traded [1]	**-**	**257,170**	**257,170**	**-**	**207,700**	**207,700**
Interest-rate futures	-	244,420	244,420	-	198,707	198,707
Currency forwards	-	-	-	-	334	334
Equity and stock index instruments	-	12,718	12,718	-	8,639	8,639
Other futures	-	32	32	-	20	20
Over-the-counter [1]	**131,347**	**21,802,286**	**21,933,633**	**137,710**	**17,846,546**	**17,984,256**
Interest rate swaps	76,751	12,733,647	12,810,398	84,505	11,128,786	11,213,291
Fx swaps	54,488	6,106,198	6,160,686	53,069	5,320,722	5,373,791
FRA	-	2,864,944	2,864,944	-	1,310,449	1,310,449
Equity and stock index instruments	108	93,509	93,617	136	83,964	84,100
Other futures	-	3,988	3,988	-	2,625	2,625
Options	**-**	**1,916,463**	**1,916,463**	**-**	**1,886,950**	**1,886,950**
Exchange-traded	**-**	**199,885**	**199,885**	**-**	**194,487**	**194,487**
Exchange traded interest rate futures	-	-	-	-	-	-
Bought	-	126,950	126,950	-	150,620	150,620
Sold	-	42,250	42,250	-	20,000	20,000
Equity and stock index instruments	-	-	-	-	-	-
Bought	-	12,185	12,185	-	8,658	8,658
Sold	-	18,500	18,500	-	15,209	15,209
Currency futures	-	-	-	-	-	-
Bought	-	-	-	-	-	-
Sold	-	-	-	-	-	-
Other futures	-	-	-	-	-	-
Bought	-	-	-	-	-	-
Sold	-	-	-	-	-	-
Over-the counter	**-**	**1,716,578**	**1,716,578**	**-**	**1,692,463**	**1,692,463**
Interest rate swap options	-	-	-	-	-	-
Bought	-	381,181	381,181	-	360,750	360,750
Sold	-	394,215	394,215	-	386,503	386,503
Other interest rate forwards	-	-	-	-	-	-
Bought	-	246,626	246,626	-	253,493	253,493
Sold	-	222,213	222,213	-	231,083	231,083
Equity and stock index instruments	-	-	-	-	-	-
Bought	-	2,249	2,249	-	1,510	1,510
Sold	-	1,090	1,090	-	1,058	1,058
Currency futures	-	-	-	-	-	-
Bought	-	214,834	214,834	-	181,057	181,057
Sold	-	234,216	234,216	-	216,501	216,501
Other futures	-	-	-	-	-	-
Bought	-	147	147	-	89	89
Sold	-	192	192	-	67	67
Credit derivative	-	-	-	-	-	-
Bought	-	13,293	13,293	-	54,597	54,597
Sold	-	6,322	6,322	-	5,755	5,755
Total	**131,347**	**23,975,919**	**24,107,266**	**137,710**	**19,941,196**	**20,078,906**

[1] The amounts stated under futures and forwards correspond to aggregate long and short positions (interest rate swaps and interest rate swaptions) or to aggregate purchases and sales of contracts (other contracts).

[2] Including €1,001,612 million with Crédit Agricole S.A. at December 31, 2022.

19.1 Forward financial instruments - Fair value

	31.12.2022			31.12.2021		
	Total fair value			Total fair value		
€ million	Assets	Liabilities	Notional total	Assets	Liabilities	Notional total
Interest rate instruments	**95,653**	**107,473**	**17,333,197**	**69,968**	**71,337**	**14,124,896**
Futures	-	-	244,420	-	-	198,707
FRA	3	-	2,864,944	3	-	1,310,449
Interest rate swaps	81,711	89,698	12,810,398	57,570	56,268	11,213,291
Interest rate options	9,666	11,962	944,596	9,807	12,324	917,873
Caps, floors and collars	4,273	5,813	468,839	2,588	2,745	484,576
Foreign currency and Instruments	**23,764**	**20,406**	**1,044,350**	**13,734**	**10,462**	**993,204**
Currency futures	19,967	17,538	595,300	10,889	8,058	595,312
Currency options	3,797	2,868	449,050	2,823	2,371	397,558
Futures	-	-	-	22	33	334
Other instruments	**14,061**	**5,774**	**164,333**	**8,502**	**5,326**	**182,327**
Equity and index derivatives	13,804	5,270	140,359	8,304	4,717	119,174
Precious metal derivatives	104	109	4,327	35	45	2,781
Commodity derivatives	-	-	32	-	-	20
Credit derivatives	153	395	19,615	163	564	60,352
Sub-total	**133,478**	**133,653**	**18,541,880**	**92,204**	**87,125**	**15,300,427**
Currency futures trading book	25,986	27,721	5,565,386	14,369	15,199	4,778,479
Currency futures banking book	-	-	-	-	-	-
Sub-total	**25,986**	**27,721**	**5,565,386**	**14,369**	**15,199**	**4,778,479**
Total	**159,464**	**161,374**	**24,107,266**	**106,573**	**102,324**	**20,078,906**

19.2 Forward financial instruments - Notional outstanding’s analysis by residual maturity

€ million	Over-the-counter			Exchange-traded			31.12.2022	31.12.2021
Notional amount outstanding	≤ 1 year	> 1 year ≤ 5 years	> 5 years	≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total	Total
Interest rate instruments	**6,669,224**	**6,035,796**	**4,214,557**	**357,802**	**55,763**	**55**	**17,333,197**	**14,124,896**
Futures	-	-	-	189,070	55,295	55	244,420	198,707
FRA	1,927,296	937,648	-	-	-	-	2,864,944	1,310,449
Interest rate swaps	4,658,804	4,523,911	3,627,683	-	-	-	12,810,398	11,213,291
Interest rate options	234	264,424	510,738	168,732	468	-	944,596	917,873
Caps, floors and collars	82,890	309,813	76,136	-	-	-	468,839	484,576
Foreign currency and gold	**775,510**	**230,205**	**38,635**	**-**	**-**	**-**	**1,044,350**	**993,204**
Currency futures	411,035	163,493	20,772	-	-	-	595,300	595,312
Currency options	364,475	66,712	17,863	-	-	-	449,050	397,558
Futures	-	-	-	-	-	-	-	334
Other instruments	**41,789**	**53,550**	**25,559**	**27,145**	**15,229**	**1,061**	**164,333**	**182,327**
Equity and index derivatives	34,486	40,608	21,862	27,113	15,229	1,061	140,359	119,174
Precious metal derivatives	4,321	6	-	-	-	-	4,327	2,781
Commodity derivatives	-	-	-	32	-	-	32	20
Credit derivatives	2,982	12,936	3,697	-	-	-	19,615	60,352
Sub-total	**7,486,523**	**6,319,551**	**4,278,751**	**384,947**	**70,992**	**1,116**	**18,541,880**	**15,300,427**
Currency futures trading book	3,495,265	1,364,365	705,756	-	-	-	5,565,386	4,778,479
Currency futures banking book	-	-	-	-	-	-	-	-
Sub-total	**3,495,265**	**1,364,365**	**705,756**	**-**	**-**	**-**	**5,565,386**	**4,778,479**
Total	**10,981,788**	**7,683,916**	**4,984,507**	**384,947**	**70,992**	**1,116**	**24,107,266**	**20,078,906**

19.3 Forward financial instruments - Counterparty risk

The valuation of counterparty risk related to forward financial instruments used by the establishment, measured by the market value of these instruments and by the potential credit risk resulting by regulatory add-ons, depending on residual maturity and nature of the contracts, can be summarized in the following way:

	31.12.2022		31.12.2021	
€ million	Market value	Potential credit risk	Market value	Potential credit risk
Risks regarding OECD governments, central banks and similar institutions	14,059	5,307	9,147	5,709
Risks regarding OECD financial institutions and similar	71,498	39,375	49,157	34,483
Risks on other counterparties	80,265	68,835	49,558	60,556
Total by counterparty type before netting agreements	**165,822**	**113,517**	**107,862**	**100,748**
Risks on:	-	-	-	-
- Interest rates, exchange rates and comodities contracts	153,256	107,004	101,731	94,407
- Equity and index derivatives	8,637	3,137	239	2,358
Impact of netting agreements	**105,688**	**85,410**	**77,587**	**75,849**
Total after impact of netting agreements	**60,134**	**28,107**	**30,275**	**24,899**

NOTE 20: DEBT SECURITIES CLEARING

	31.12.2022			31.12.2021		
	Gross payables representative of borrowed securities	Borrowed trading securities	Net payables representative of borrowed securities	Gross payables representative of borrowed securities	Borrowed trading securities	Net payables representative of borrowed securities
€ million	(a)	(b)	(c) = (a) - (b)	(a)	(b)	(c) = (a) - (b)
Treasury Bills and similar securities	19,829	19,829	0	24,648	24,648	0
- O/W lent securities		7,610			4,657	
Bonds and other fixed assets	9,656	9,656	0	11,777	11,777	0
- O/W lent securities		5,420			9,877	
Equities and other variable-income securities	8,965	8,965	0	5,614	5,614	0
- O/W lent securities		25			70	

NOTE 21: NET INTEREST AND SIMILAR INCOME

€ million	31.12.2022	31.12.2021
Interbank transactions	3,983	1,128
Customer transactions	7,091	4,051
Bonds and other fixed-income securities (see Note 22)	818	489
Debt securities	41	22
Other interest and similar income	219	9
Interest and similar income [1]	**12,152**	**5,699**
Interbank transactions	(4,832)	(2,547)
Customer transactions	(3,569)	(544)
Bonds and other fixed-income securities	(387)	(222)
Debt securities	(1,361)	(500)
Other interest and similar income	(115)	(39)
Interest and similar expense [2]	**(10,264)**	**(3,852)**
Net interest and similar income	**1,888**	**1,847**

[1] Including income with Crédit Agricole S.A. at 31.12.2022: €296 million.
[2] Including expenses with Crédit Agricole S.A. at 31.12.2022: -€1,132 million.

NOTE 22: INCOME FROM SECURITIES

	Fixed Income securities		Variable-income securities	
€ million	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Investment in subsidiaries and affiliates, equity investments and other long-term equity investments	-	-	241	120
Short term investment securities and medium term portfolio securities	232	255	1	1
Long-term investment securities	586	234	-	-
Other securities transactions	-	-	-	-
Income from securities	**818**	**489**	**242**	**121**

NOTE 23: NET COMMISSION AND FEE INCOME

	31.12.2022			31.12.2021		
€ million	Income	Expense	Net	Income	Expense	Net
Interbank transactions	62	(136)	(74)	52	(102)	(50)
Customer transactions	702	(49)	653	562	(43)	519
Securities transactions	25	(143)	(118)	13	(130)	(117)
Foreign exchange transactions	-	(38)	(38)	1	(32)	(31)
Forward financial instruments and other off-balance sheet transactions	156	(181)	(25)	247	(218)	29
Financial services (see Note 23.1)	105	(41)	64	115	(22)	93
Total net fee and commission income [1]	**1,050**	**(588)**	**462**	**990**	**(547)**	**443**

[1] *Including net commissions with Crédit Agricole S.A. at 31.12.2022: €12 million.*

23.1 Banking and financial services

€ million	31.12.2022	31.12.2021
Net income from managing mutual funds and securities on behalf of customers	41	43
Net income from payment instruments	(9)	20
Other net financial services income (expense)	32	30
Financial services	**64**	**93**

NOTE 24: GAINS (LOSSES) ON TRADING BOOKS

€ million	31.12.2022	31.12.2021
Gains (losses) on trading securities	2,155	139
Gains (losses) on forward financial instruments	(888)	744
Gains (losses) on foreign exchange and similar financial instruments	1,065	892
Net gains (losses) on trading book	**2,332**	**1,775**

NOTE 25: GAINS (LOSSES) ON SHORT-TERM INVESTMENT PORTFOLIOS AND SIMILAR

€ million	31.12.2022	31.12.2021
Short term investment securities		
Impairment losses	(19)	(17)
Reversals of impairment losses	14	15
Net losses/reversals	**(5)**	**(2)**
Gains on disposals	29	27
Losses on disposals	(15)	(8)
Net gains (losses) on disposals	**14**	**19**
Net gain (losses) on short term investment securities	**9**	**17**
Medium term portfolio securities		
Impairment losses	-	-
Reversals of impairment losses	-	-
Net losses/reversals	-	-
Gains on disposals	9	11
Losses on disposals	-	(1)
Net gains (losses) on disposals	**9**	**10**
Net gain (losses) on medium term investment portfolio securities	**9**	**10**
Net gain (losses) on short term investment portfolios and similar	**18**	**27**

NOTE 26: OPERATING EXPENSES

26.1 Employee expenses

€ million	31.12.2022	31.12.2021
Salaries	(1,224)	(1,114)
Social security expenses	(363)	(364)
Incentive plans	(42)	(32)
Employee profit-sharing	-	-
Payroll-related tax	(32)	(43)
Total employee expenses	**(1,661)**	**(1,553)**
Charge-backs and reclassification of employee expenses	7	7
Net expenses [1]	**(1,654)**	**(1,546)**

[1] Including pension expenses at 31.12.2022: -€100 million.
Including pension expenses at 31.12.2021: -€71 million.

26.2 Average number of headcount

In number	31.12.2022	31.12.2021
Managers	4,845	4,563
Non-managers	103	137
Managers and non-managers of foreign branches	3,238	3,086
Total	**8,186**	**7,786**
Of which:		
- France	4,948	4,700
- Foreign	3,238	3,086

26.3 Other administrative expenses

€ million	31.12.2022	31.12.2021
Taxes other than on income or payroll-related	(50)	(106)
External services	(1,411)	(1,237)
Other administrative expenses	(133)	(112)
Total administrative expenses	**(1,594)**	**(1,455)**
Charge-backs and reclassification of employee expenses	270	267
Total	**(1,324)**	**(1,188)**

NOTE 27: COST OF RISK

€ million	31.12.2022	31.12.2021
Depreciation charges to provisions and impairment	**(1,835)**	**(1,354)**
Impairment on doubtful loans and receivables	(484)	(359)
Other depreciation and impairment losses	(1,351)	(995)
Reversal of provisions and impairment losses	**1,800**	**1,391**
Reverval of impairment losses on doubtful loans and receivables [1]	382	397
Other reversals of provisions and impairment losses [2]	1,418	994
Change in provisions and impairment	**(35)**	**37**
Losses on non-impaired bad debts	(18)	(7)
Losses on impaired bad debts	(153)	(250)
Recoveries on loans written off	66	138
Cost of risk	**(140)**	**(82)**

[1] *Including €115 million on bad debts and doubtful loans at 31.12.2022.*
[2] *Including €38 million used to provision risk on the liabilities at 31.12.2022.*

NOTE 28: NET GAIN (LOSSES) ON FIXED ASSETS

€ million	31.12.2022	31.12.2021
Financial investments		
Impairment losses	-	-
Long-term investment securities	-	-
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	(32)	(184)
Reversals of impairments losses	-	-
Long-term investment securities	-	-
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	60	86
Net losses/reversals	**28**	**(98)**
Long-term investment securities	-	-
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	28	(98)
Gains on disposals	-	-
Long-term investment securities	11	15
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	-	142
Losses on disposals	-	-
Long-term investment securities	(5)	(3)
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	(17)	(31)
Losses on receivables from equity investments	-	-
Net gain (losses) on disposals	**(11)**	**123**
Long-term investment securities	6	12
Investments in subsidiaries and affiliates, equity investments and other long term equity investments	(17)	111
Net gain (losses)	**17**	**25**
Property, plant and equipment and intangible assets		
Disposal gains	18	28
Disposal losses	(1)	(2)
Net gain (losses)	**17**	**26**
Net gain (losses) on fixed assets	**34**	**51**

NOTE 29: INCOME TAX CHARGE

€ million	31.12.2022	31.12.2021
Net gain (losses) on fixed assets [1]	(350)	(132)
Other tax	-	-
Total	**(350)**	**(132)**

[1] Crédit Agricole CIB is a member of the Crédit Agricole S.A. tax consolidation group. The tax agreement between Crédit Agricole CIB and its parent company enables it to transfer its tax deficits.

As a part of the tax consolidation agreement, a tax income of €54 million to Crédit Agricole S.A. was recognised at December 31,2022.

A net release of tax provision of € 5 million, corresponding to Crédit Agricole S.A. compensated tax loss, but still due, as individuals, by the subsidiaries of the sub-group towards Crédit Agricole CIB, was also recognised at December 31,2022.

NOTE 30: OPERATIONS IN NON-COOPERATIVE STATES OR TERRITORIES

At 31 December 2022, Crédit Agricole CIB had no direct or indirect presence in non-cooperative states or territories within the meaning of Article 238-0 A of the French General Tax Code.

3. STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS (YEAR ENDED 31 DECEMBER 2022)

The Statutory Auditors

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex, France
French simplified joint-stock company (*Société par actions simplifiée*) with capital of €2,510,460
672 006 483 R.C.S. Nanterre

ERNST & YOUNG et Autres
Tour First
TSA 14444
92037 Paris-La Défense Cedex, France
French simplified joint-stock company (*Société par actions simplifiée*) with variable capital
438 476 913 R.C.S. Nanterre

The Statutory Auditors, Member of the *compagnie régionale de Versailles et du Centre*

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

3.1. Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying financial statements of Crédit Agricole Corporate and Investment Bank for the year ended 31 December 2022.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at 31 December 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

3.2. Basis for opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for Statutory Auditors for the period from 1 January 2022 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

3.3. Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

RISK IN RELATION TO THE MEASUREMENT OF PROVISIONS FOR REGULATORY AND TAX DISPUTES

Description of risk

Crédit Agricole Corporate and Investment Bank is subject to judicial proceedings and a number of investigations and requests for regulatory information from different regulators. These concern in particular the Euribor/Libor and SSA Bonds matters with authorities from various countries, including the United States, as well as the European Union.

A number of tax investigations are also ongoing in France and certain countries where the Company operates.

Deciding whether to recognise a provision and the amount of that provision requires the use of judgement, given that it is difficult to assess the outcome of disputes or the uncertainties related to certain tax treatments.

Given the degree of judgement required, the measurement of provisions for regulatory and tax disputes constitutes a significant risk of material misstatement in the financial statements, and we therefore deemed such measurement to be a key audit matter.

The various ongoing judicial proceedings, investigations and requests for information (Euribor/Libor, SSA Bonds and other indices), as well as tax proceedings, are presented in Note 13 to the financial statements.

How our audit addressed this risk

We gained an understanding of the procedure implemented by management for measuring the risks resulting from these disputes and tax uncertainties and, where applicable, the associated provisions, notably through quarterly exchanges with management and, in particular, the Company's Legal, Compliance and Tax departments.

Our work consisted primarily in:

- examining the assumptions used to determine provisions based on available information (documentation prepared by the Legal department or legal counsel of the Company, correspondence from regulators and minutes of Legal Risks Committee meetings);
- gaining an understanding of the analyses or findings of the Company's legal counsel and their responses to our requests for confirmation;
- as regards tax risks in particular, examining, with guidance from our specialists, the Company's responses submitted to the relevant authorities, as well as the risk estimates carried out by the Company;
- assessing, accordingly, the amount of provisions recorded at 31 December 2022.

Lastly, we examined the related disclosures provided in the notes to the financial statements.

CREDIT RISK AND ESTIMATE OF EXPECTED CREDIT LOSSES ON PERFORMING, UNDERPERFORMING AND NON-PERFORMING LOANS

Description of risk

As part of its corporate and investment banking operations, Crédit Agricole Corporate and Investment Bank originates and structures financing for large corporate clients in France and abroad.

When a loan is non-performing, the probable loss is recognised through impairment, shown as a deduction from assets. The Company also recognises provisions in liabilities to cover credit risks that are not individually allocated, such as country risk provisions or sectoral provisions generally calculated based on IFRS 9 models for estimating expected credit losses (ECL).

Given the significant judgement required in determining such provisions and impairment, we deemed the estimate of provisions for and impairment of performing and underperforming loans in the energy, automotive and Russian trade sectors (collectively impaired) and non-performing loans (individually impaired) to be a key audit matter due to:

- an uncertain economic environment linked mainly to the consequences of the war in Ukraine and the sanctions against Russia, to which are added the difficulties of economic recovery after the Covid-19 pandemic, particularly in China;
- the complexity of the models for calculating provisions on a collective basis;
- the degree of judgement needed to estimate recovery flows.

The financing granted is recorded under loans due from credit institutions and customer transactions. Impairment is recognised as a deduction from assets (€3,637 million) or as a liability (€837 million), including probable losses in respect of off-balance-sheet commitments for €338 million, and additions/reversals are recorded under cost of risk (€140 million).

See Notes 8, 13 and 27 to the financial statements.

How our audit addressed this risk

We examined the procedures implemented by the Risk Management department to categorise outstanding loans and measure the amount of provisions and impairment recorded, in order to assess whether the estimates used were based on methods appropriately documented and described in the notes to the financial statements.

We assessed, in particular, how the macro-economic and geopolitical context, the macro-economic projections used to calculate provisions and impairment and the related financial information were taken into account.

We tested the key controls implemented by the Company for the annual portfolio reviews, the updating of credit ratings, the identification of sectors weakened by the uncertain economic environment, underperforming or non-performing loans and the measurement of provisions and impairment. We also familiarised ourselves with the main findings of the Company's specialised committees in charge of monitoring underperforming and non-performing loans.

Regarding provisions and impairment measured on a collective basis, we:

- asked specialists to assess the methods and measurements for the various ECL inputs and calculation models;
- assessed the analyses carried out by management on sectors with a deteriorated outlook and having been seriously economically impacted by the uncertain economic environment;
- examined the methodology used by management to identify significant increases in credit risk;
- tested the controls that we deemed to be of key importance in relation to the transfer of the data used to calculate the ECL or the reconciliations between the bases used to calculate these ECL and the accounting data;
- carried out independent ECL calculations, compared the calculated amount with the recognised amount and examined the adjustments made by management where applicable.

Regarding provisions and impairment measured on an individual basis, we:

- examined the estimates used for impaired significant counterparties;
- based on a sample of impaired or non-impaired credit files, examined the factors underlying the main assumptions used to assess the expected recovery flows, in particular with regard to valuing collateral.

Lastly, we examined the disclosures in relation to credit risk hedging provided in the notes to the financial statements.

RISK IN RELATION TO THE MEASUREMENT OF COMPLEX DERIVATIVE INSTRUMENTS

Description of risk

As part of its capital markets activities, the Company originates, sells, structures and trades market products, including derivative financial instruments, for companies, financial institutions and major issuers.

These derivative financial instruments are recognised in accordance with the provisions of Title 5 "Forward financial instruments" of Book II "Specific transactions" of Regulation ANC 2014-07 of 26 November 2014. In particular, transactions entered into for trading purposes are measured at market value and the corresponding gains and losses are taken to income.

These financial instruments are considered to be complex when their measurement requires the use of significant unobservable market inputs.

We deemed the measurement of these complex derivative financial instruments to be a key audit matter, as it requires judgement from management, particularly concerning:

- the use of internal and non-standard valuation models;
- the valuation of inputs unsubstantiated by observable market data;
- the estimate of valuation adjustments designed to reflect uncertainties related to the models, the inputs used and counterparty and liquidity risks.

Losses on forward financial instrument transactions amounted to €-888 million at 31 December 2022.

See Notes 19 and 24 to the financial statements.

How our audit addressed this risk

We gained an understanding of the processes and controls put in place by the Company to identify, measure and recognise complex derivative financial instruments.

We examined the controls that we deemed of key importance, particularly those performed by the Risk Management department, such as the independent verification of measurement inputs and the internal approval of valuation models. We also examined the processes for recording valuation adjustments and the accounting classification of financial products.

With the support of our specialists in the valuation of financial instruments, we carried out independent valuations, analysed those performed by the Company and examined the assumptions, inputs, methodologies and models used.

We also assessed the main valuation adjustments recognised, as well as the justification provided by management for the main valuation differences with respect to counterparties observed in margin calls and gains or losses on the unwinding of financial instruments.

3.4. Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements, with the exception of the following matter.

Concerning the fair presentation and the consistency with the financial statements of the disclosures provided in relation to the payment terms referred to in article D.441-6 of the French Commercial Code, we have the following matter to report: as indicated in the management report, these disclosures do not include banking and related transactions as the Company considers that such disclosures are not within the scope of disclosures to be provided.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4 and L.225-10-10 of the French Commercial Code.

3.5. Other verifications and information pursuant to legal and regulatory requirements

Presentation of the financial statements to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the financial statements to be included in the annual financial report referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the presentation of the financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to ensure that the financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Crédit Agricole Corporate and Investment Bank by the General Meetings held on 30 April 2004 for PricewaterhouseCoopers Audit and on 20 May 1997 for ERNST & YOUNG et Autres.

At 31 December 2022, PricewaterhouseCoopers Audit and ERNST & YOUNG et Autres were in the nineteenth and the twentysixth consecutive year of their engagement, respectively.

3.6. Responsibilities of management and those charged with governance for the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

3.7. Responsibilities of the Statutory Auditors relating to the audit of the financial statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and Paris-La Défense, 21 March 2023

The Statutory Auditors

PricewaterhouseCoopers Audit		**ERNST & YOUNG et Autres**	
Agnès Hussherr	Laurent Tavernier	Matthieu Préchoux	Olivier Durand

GENERAL INFORMATION

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1. ARTICLES OF ASSOCIATION EFFECTIVE AT 31 DECEMBER 2022

Title I

CORPORATE FORM – REGISTERED NAME - CORPORATE PURPOSE - REGISTERED OFFICE – TERM

ARTICLE 1 – CORPORATE FORM

The Company is a joint stock company [French *Société Anonyme*] with a Board of Directors. It is governed by the laws and regulations that apply to credit institutions and to French *Sociétés Anonymes* and by the present Articles of Association.

ARTICLE 2 - REGISTERED NAME

The name of the Company is: "Crédit Agricole Corporate and Investment Bank".

ARTICLE 3 – CORPORATE PURPOSE

The purpose of the Company, in France and abroad, is:

- to enter into any banking transactions and any finance transactions, and more particularly:
  - to receive funds, grant loans, advances, credit, financing, guarantees, to undertake collection, payment, recoveries,
  - to provide advisory services in financial matters, and especially in matters of financing, indebtedness, subscription, issues, investment, acquisitions, transfers, mergers, restructurings,
  - to provide custodial, management, purchasing, sales, exchange, brokerage and arbitrage services with respect to all and any stocks, equity rights, financial products, derivatives, currencies, commodities, precious metals and in general all and any other securities of all kinds,
- to provide all and any investment services and related services as defined by the French Monetary and Financial Code and any subsequent legislation or regulation deriving therefrom,
- to establish and to participate in any ventures, associations, corporations, by way of subscription, purchase of shares or equity rights, merger or in any other way,
- to enter into transactions, either commercial or industrial, relating to securities or real estate, directly or indirectly related to any or all of the above purposes or to any similar or connected purposes,
- the foregoing, both on its own behalf and on behalf of third parties or as a partner and in any form whatsoever.

ARTICLE 4 - REGISTERED OFFICE

The registered office is at 12, Place des Etats-Unis - CS 70052 - 92547 Montrouge Cedex (France)

ARTICLE 5 – TERM

The Company's term of existence shall end on 25 November 2064, except in the event of early dissolution or extension of its life.

Title II

REGISTERED CAPITAL - SHARES

ARTICLE 6 – REGISTERED CAPITAL

The registered share capital of the Company is set at EUR 7,851,636,342 (seven billion, eight hundred and fifty-one million, six hundred and thirty-six thousand, three hundred and forty-two euros). The capital is divided into 290,801,346 (two hundred and ninety million, eight hundred and one thousand, three hundred and forty-six) fully paid-up shares, each with a nominal value of EUR 27 (twenty-seven euros).

ARTICLE 7 – FORM OF THE SHARES – ASSIGNMENT AND TRANSFER OF SHARES

7A. FORM OF THE SHARES

The shares must be registered in a pure nominative account at the issuing company.

7B. ASSIGNMENT AND TRANSFER OF SHARES

I. The assignment of shares for the benefit of spouses, ascendants and descendants is subject to no restriction.

The same shall apply to assignments for the benefit of Crédit Agricole S.A. and of any company placed under its control, under the terms of article L233-3 I & II of the French Commercial Code.

II. Except for cases mentioned under (I.) above, no private individual or legal entity (hereinafter the "Assignee") may become a shareholder of the Company or the holder of a right stripped from any share or any right derived therefrom in any manner whatsoever (hereinafter the "Assignment") if that person or entity has not been previously approved by the Chairman of the Board of Directors under the conditions set forth hereinbelow:

1°. The application for approval of the assignee shall be notified to the Company by extrajudicial instrument or by registered mail, return receipt requested, indicating the last name, first names and address of the assignee, the number of shares of which the assignment is envisaged, the price offered and the terms of sale. Approval shall be constituted either by notification thereof, or by the absence of such notification within a period of three months as from the date of the application.

The decision to approve shall be taken by the Chairman. No reasons need be given for that decision and in the event of a rejection this shall under no circumstances be justification for any claim.

The assignor shall be informed of the decision within fifteen days of receipt of the notification by registered mail, return receipt requested. In the event of a rejection, the assignor shall have ten days from the date of receipt and in accordance with same procedure as above, to make it known whether or not he wishes to abandon the proposed assignment.

2°. If the assignor does not abandon the proposed assignment, the Chairman shall be bound, within a maximum period of three months from the date of notification of the rejection, to arrange for the acquisition of the shares either by existing shareholders or by third parties, or, with the consent of the assignor, by the Company with a view to reducing its share capital.

To that end, the Chairman shall inform the shareholders of the proposed assignment by registered mail, return receipt requested, inviting each to indicate the number of shares he wishes to acquire.

Offers to purchase shares shall be sent by shareholders to the Chairman by registered mail, return receipt requested, within ten days of the date of receipt of the notification. The allocation of the shares proposed for sale between the shareholders wishing to purchase them shall be determined by the Chairman in proportion to their respective holdings in the total share capital and up to the limit of their applications.

3°. If no application to purchase shares is sent to the Chairman within the above time limit or if the requests do not cover the total number of the shares, the Chairman may arrange for the available shares to be purchased by third parties.

4°. With the agreement of the assignor, the shares may also be purchased by the Company. The Chairman shall seek such agreement by registered mail, return receipt requested, to which the assignor must respond within ten days of receipt.

If this agreement is given, the Board of Directors shall, upon proposal by the Chairman, call an Extraordinary General Meeting of shareholders for the purpose of deciding upon the redemption of the shares by the Company and the corresponding reduction in share capital. The Notice of Meeting must be sent out sufficiently early to ensure that the three-month time limit is observed as stipulated below.

In all the cases of purchase or redemption described above, the price for the shares shall be set as indicated at point (6) below.

5°. If all the shares have not been purchased or redeemed within a period of three months from the date of the notification of rejection, the assignor may complete the sale to the initial assignee for the totality of the shares to be assigned, notwithstanding the offers of partial purchase that may have been made.

The three months period may be extended by a court injunction issued in summary proceedings by the President of the Commercial Court, and not subject to appeal, at the behest of the Company, with the assigning shareholder and the assignee being duly called to attend the hearing.

6°. In the event that the shares on offer are acquired by shareholders or third parties, the Chairman shall notify to the assignor the last name, first names and address of the purchaser(s).

Failing an agreement between the parties, the price for the shares shall be determined under the conditions set forth in Article 1843-4 of the French Code of Civil Law.

The cost of the expert valuation shall be borne equally by vendor and purchaser.

7°. Within eight days of the date of determination of the price, notification shall be sent to the assignor by registered mail, return receipt requested, indicating that he must, within fifteen days of the receipt of that notification, make it known whether he wishes to abandon the proposed assignment or, if not, attend the registered office to receive payment of the price, which shall not bear interest, and to sign the share transfer form. Failing attendance by the assignor within the above-mentioned time limit of fifteen days, or failing notification to the Company within that time limit of his intention to abandon the assignment, the assignment to the purchaser or purchasers shall be formalised on the instructions of the Chairman of the Board of Directors or a specifically authorised person, with effect from the date of the formalisation of said assignment.

8°. The provisions of the present article shall apply generally to all and any manner of transfer of ownership, whether free of charge or not, by private deed or in any other manner, even where the assignment is effected by public auction under a court order or following a private decision, and whether such assignment is voluntary or enforced. They shall apply in particular to contributions to corporate capital, partial contributions of assets, mergers, spin-offs (scissions) and general transfers of property.

9°. The approval provisions contained in the present Article shall also apply to the assignment of rights of allocation of shares in the event of an increase in share capital by means of an incorporation of reserve funds, profits or issue premiums. They shall further apply in the event of the assignment of share subscription rights associated with an increase in capital in cash or individual relinquishment of subscription rights in favour of designated beneficiaries.

In either of these cases, the approval and the conditions governing the redemption of shares stipulated in the present article shall apply to all shares subscribed, and the time allowed to the Chairman for the notification to third party subscribers of their acceptance or rejection as shareholders shall be three months as from the date of final completion of the increase in share capital.

Where the shares are redeemed, the price shall be equal to the value of the new shares as determined under the conditions set forth in Article 1843-4 of the Code of Civil Law.

10°. In the event of allocation of shares following the distribution of the assets of a company holding those shares, allocations to persons who are not already shareholders of the Company shall be subject to the approval procedure described herein.

Consequently, any proposal to allocate shares to persons other than existing shareholders shall give rise to an application for approval by the liquidator of the company under the provisions of paragraph (1) hereinabove.

Failing notification to the liquidator of the Chairman's decision within three months of the date of the application for approval, such application shall be deemed approved.

In the event of a refusal to approve certain proposed recipients of allocations, the liquidator may, within thirty days of the notification of such refusal, amend the allocations in order to submit only those recipients who are approved.

If all the proposed recipients are rejected, or if the liquidator has not amended his proposed distribution within the above-mentioned time limit, the shares allocated to the non-approved shareholders must be purchased or redeemed from the company in liquidation under the conditions set forth in paragraphs 2 to 4 above. Failing such purchase or redemption of the totality of the shares covered by the rejection, within the time limit stipulated at point (5) above, the distribution may be completed in accordance with the proposal submitted.

III. Transfer of ownership of shares through inheritance or related to the liquidation of a common property between spouses is subject to no restriction.

ARTICLE 8 - RIGHTS AND OBLIGATIONS ATTACHED TO SHARES

Each share confers, in the ownership of the Company's assets, the distribution of profits and the liquidation bonus, a right proportional to the number of existing shares, taking into account, where applicable, redeemed and non-redeemed, fully paid-up and partly paid-up capital, the nominal amount of the shares and the rights of other classes of shares.

All present and future shares in the capital shall invariably be treated equally with regard to tax liability. Consequently, all duties and taxes which, for whatever reason, may become payable solely in respect of certain shares further to their redemption, whether during the life of the Company or upon its liquidation, shall be spread over all the shares making up the capital at the time of such redemption, in a manner such that all the present or future shares shall confer upon their owners, taking account where applicable of their nominal and non-redeemed amount and of the rights of shares of other classes, the same actual advantages and right to receive the same net amount.

On each occasion that it may be necessary to hold more than one share in order to exercise any right, the ownership of a single share or of shares in a number less than that required shall confer no right with respect to the Company, it being the responsibility of the shareholders to arrange personally for the grouping and, where applicable, for the purchase or sale of the necessary number of shares.

Title III

MANAGEMENT OF THE COMPANY

ARTICLE 9 – MEMBERSHIP OF THE BOARD OF DIRECTORS

The Company shall be managed by a Board of Directors with between six and twenty members. At least six Directors shall be appointed by General Meetings of shareholders in accordance with the provisions of Article L. 225-18 of the French Commercial Code or any subsequent provision deriving therefrom, and two shall be elected by the salaried employees in accordance with the provisions of Articles L. 225-27 to L. 225-34 of the French Commercial Code or any subsequent provisions deriving therefrom.

The following persons may also attend Board meetings in an advisory capacity:

- if applicable, one or more censeurs (non-voting members of the Board) appointed in accordance with Article 17 below,
- one member of the Economic and Social Committee, appointed by said Committee.

1. DIRECTORS APPOINTED BY GENERAL MEETINGS OF SHAREHOLDERS

These Directors shall be appointed, renewed or removed in accordance with the legal and regulatory provisions in force.

Their term of office shall be three years. However:

- by way of exception, the General Meeting may, for the establishment or maintenance of a staggering, appoint one or several directors for a different term not exceeding three years, in order to allow a staggered renewal of the directors' mandates,
- any Director appointed to replace another whose term of office has not expired shall hold office only for the remainder of his predecessor's term.

In the event of a vacancy or vacancies subsequent to death or resignation, or in other cases listed by law, such vacancies may be filled provisionally by co-optation under the conditions laid down by law and regulations in force.

2. DIRECTORS ELECTED BY EMPLOYEES

Two members shall be elected by the employees: one shall be elected by executive level staff (cadres), the other by the other categories of staff.

In any event, the number of members elected in this way may not exceed one-third of the members appointed by the General Meeting.

They shall be elected under the terms and in accordance with legal and regulatory provisions in force or, failing this, as determined by the Chief Executive Officer after consultation with the trade unions represented in the Company.

Both these Directors are elected for a term of office ending the same day:

- either at the close of the Annual Shareholders meeting held in the third calendar year following their election,
- or upon completion of the elections organized during this third calendar year when these take place after the annual shareholders meeting.

Where a seat falls vacant due to the death, resignation, removal or termination of the employment contract of a Director elected by employees, the vacancy shall be filled in accordance with the legal and regulatory provisions in force and the new Director shall take office immediately. If replacement proves impossible, elections for such member shall take place within three months.

In any event, the term for which a Director elected by employees may hold office shall be limited to the period remaining to run until the date on which his contract of employment ends.

ARTICLE 10 – OTHER PROVISIONS RELATIVE TO THE DIRECTORS

Any Director turning sixty five is automatically deemed to be resigning at the close of the annual General meeting of shareholders immediately following his/her sixty fifth birthday.

The term of office of a Director appointed by the shareholders in General meeting can however be renewed from year to year up to a maximum five times, being specified that at no time can the number of directors aged over sixty five exceed one third of the total number of Directors. Should the total number of Directors not be precisely divisible by three, that third part will be rounded upward.

ARTICLE 11 - PROCEEDINGS OF THE BOARD OF DIRECTORS

The Board of Directors shall meet as often as is dictated by the Company's interest, and when called by its Chairman or at least one third of its members.

If applicable, the Chief Executive Officer may request the Chairman to call a meeting of the Board on a specific agenda. Any such request is binding upon the Chairman.

Meetings of the Board of Directors shall be held either at the registered office or at any other place indicated in the Notice of Meeting.

Notice of Meeting may be given by any means, even orally.

In order for decisions at such meetings to be valid, at least half of the Board's sitting members must be present.

Any member of the Board of Directors may grant a proxy to another member to represent him at a meeting of the Board. Each member may hold no more than one proxy at any given meeting.

The Board of Directors' internal rules may stipulate that for calculation of the quorum and majority, Directors who take part in a Board meeting using a remote telecommunications means such as video-conferencing, the type and conditions of use of such means being determined by reference to the regulations in force, shall be deemed to be present.

Decisions shall require a majority vote of those Directors present in person and by proxy. When voting ends in a tie, the Chairman shall cast the deciding vote.

The Directors, as well as any other person called to attend the meetings of the Board of Directors, shall be subject to an obligation of discretion in respect of the proceedings of the Board as well as in respect of information of a confidential nature or described as confidential by the Chairman of the Board.

The chairman or at least one-third of the Directors may consult the Board of Directors in writing under the quorum and majority rules, on the following decisions:

- Replacement of a Director by co-optation mentioned in 9.1 of the articles of association;
- Necessary amendment of the articles of association to comply them with the law;
- Convening of General Meeting;
- Transfer of the head office to the same French department.

In case of written consultation, each Director, each Censor and the representative of the Economic and Social Committee receive by any means which enables to produce evidence of sending, a form including the draft of the proposed decisions, with necessary documents to vote, and the response time from the date of sending.

During the response time, each Director can ask any explanation or additional information as it may consider pertinent to him, related to the consultation subject.

The vote of each Director is cast on the written consultation form including the draft of the proposed decisions.

In case of failure to reply within the time limit, the Director is considered as absent for the calculation of quorum. If a Director, within the time limit, does not express in a clear and unequivocal manner his vote on one or more of the proposed decisions, it will be considered as an abstention.

Board decisions are considered to have been made after the deadline response.

ARTICLE 12 - ATTENDANCE REGISTER AND MINUTES OF MEETINGS OF THE BOARD OF DIRECTORS

A register of attendance shall be kept at the registered office and this shall be signed by the Directors attending each Board meeting.

The proceedings of the Board shall be recorded in minutes drawn up in accordance with the legal and regulatory provisions in force.

Such minutes shall be signed by the Chairman of the meeting and by at least one other Director. In the event that the Chairman of the meeting is unable to sign the minutes, they shall be signed by at least two Directors.

In case of written consultation of the Board of Directors, the consultation method, the proposed decisions, the written consultation results, and the list of the sent documents, are recorded in the minutes signed by the Chairman or by at least two Directors.

Production of a copy of, or an extract from the minutes of the meeting shall suffice as proof of the number of Directors in office and their presence or representation by proxy.

Copies of, or extracts from minutes of meetings shall be validly certified by the Chairman and Vice-Chairman of the Board, the Chief Executive Officer, or an authorised signatory duly empowered therefor.

During liquidation, such copies or extracts shall be certified by a single liquidator.

ARTICLE 13 - POWERS OF THE BOARD OF DIRECTORS

The Board of Directors shall determine the Company's business policies and ensure that they are duly implemented. Subject to the powers expressly allocated to General Meetings of shareholders and within the limits set by the corporate purpose, it shall consider any matter relating to the proper operation of the Company and shall take its decisions on any relevant issues during the course of its meetings.

The Board of Directors may carry out all checks and verifications it considers appropriate. The Chairman or the Chief Executive Officer of the Company shall be bound to provide each Director with all the information required in order to carry out his assigned tasks.

The Board may decide to set up committees to examine issues that the Board itself or its Chairman may submit to them. The Board shall determine the members and powers of such committees, and they shall act under the Board's responsibility.

Unless expressly assigned by law, the Board may grant those of its powers it chooses to any persons or committees it deems appropriate, by means of a special authorisation and for one or more specific purposes, with or without the possibility of sub-delegation.

The Board of Directors shall decide whether the general management of the Company shall be placed in the hands of the Chairman of the Board or the Chief Executive Officer.

In general terms, the Board of Directors is vested with all the powers granted to it under the laws in force.

ARTICLE 14 - REMUNERATION OF DIRECTORS

Directors may receive, in remuneration of their activity, by way of Directors' fees, a fixed annual sum, the amount of which shall be determined by an Ordinary General Meeting and shall remain applicable until otherwise decided.

The Board of Directors shall distribute the total amount of directors' fees between its members as it sees fit.

It may also itself allocate exceptional remuneration in respect of assignments or mandates entrusted to Directors. This remuneration shall be subject to the legal provisions that govern related party transactions.

In addition, the Chairman and the Vice-Chairman or Vice-Chairmen may receive remuneration in an amount to be determined by the Board of Directors.

ARTICLE 15 - CHAIRMAN OF THE BOARD

The Board of Directors shall elect the Chairman of the Board from amongst its members. The Board shall determine the length of his term of office, which may not exceed his term as a Director.

The Board of Directors may elect a Vice-Chairman or several Vice-Chairmen. It shall also determine the length of his/their term(s) of office, which may not exceed the length of his/their term(s) as Director(s).

The Chairman shall organise and coordinate the work of the Board and report on such activities to the General Meeting. He shall ensure that the Company's bodies operate satisfactorily and ensure, in particular, that the Directors are in a position to carry out their assignments.

In general terms, the Chairman shall be vested with all powers granted to him by the legislation in force.

As an exception to the provisions of Article 10 paragraph 1 of the present Articles of Association, the age limit for the performance of the duties of Chairman of the Board of Directors is set at 67, except where the Chairman also acts as Chief Executive Officer of the Company.

He shall benefit from the provisions of Article 10, paragraph 2.

ARTICLE 16 - GENERAL MANAGEMENT

The Chairman of the Board of Directors, or another individual appointed by the Board of Directors and having the title of Chief Executive Officer, shall be responsible for the general management of the Company.

Upon proposals by the Chief Executive Officer, the Board of Directors may appoint one or more individuals to assist the Chief Executive Officer, having the title of Deputy Chief Executive Officers.

1. CHIEF EXECUTIVE OFFICER

Within the limits set by the corporate purpose and subject to those powers expressly allocated by law to General Meetings and to the Board of Directors, the Chief Executive Officer shall be vested with the widest possible powers to act in the Company's name in all circumstances.

He shall represent the Company in its relations with third parties, especially with regard to legal proceedings.

Taking into account the corporate purpose, and in accordance with the law, sureties, endorsements and other guarantees in favour of third parties shall be granted by the Chief Executive Officer.

The Chief Executive Officer may decide to set up committees to examine issues that he shall submit to them for their opinion. He shall determine the members and powers of such committees.

The Chief Executive Officer may entrust those of his powers he chooses to any persons or committees he deems appropriate, by means of a special authorisation and for one or more specific purposes, with or without the possibility of sub-delegation of those same powers.

Where the Chief Executive Officer is a member of the Board of Directors, his term of office may not exceed his term of office as Director.

The age limit for Chief Executive Officers is set at sixty-five (65).

Where the Chairman of the Board of Directors is responsible for the general management of the Company, the provisions of this article shall apply to him.

2. DEPUTY CHIEF EXECUTIVE OFFICERS

The number of Deputy Chief Executive Officers is limited to a maximum of five.

The age limit for Deputy Chief Executive Officer is set at sixty-five (65).

When they are appointed, the scope and term of the powers of each Deputy Chief Executive Officer shall be set by the Board of Directors, in agreement with the Chief Executive Officer.

With regard to third parties, Deputy Chief Executive Officers shall benefit from the same powers as the Chief Executive Officer.

ARTICLE 17 - CENSEURS (NON-VOTING ADVISORY MEMBERS OF THE BOARD)

Upon proposal by the Chairman, the Board of Directors may appoint one or more legal entities or individuals as *censeurs* (non-voting advisory members of the Board).

Censeurs shall be appointed for a term of office that shall expire at the close of the first Board Meeting held after the Annual General Meeting called during the third calendar year following the year in which they were appointed as such. Any *Censeur* reaching the age of seventy two is deemed to resign automatically at the close of the Board meeting immediately following his/her seventy second birthday.

Each *Censeur* may be removed from office at any time by the Board of Directors upon proposal by the Chairman.

Depending on the agenda, *Censeurs* are called to attend meetings of the Board of Directors and General Meetings of the shareholders, and may, if invited to do so by the Chairman, take part in the proceedings in an advisory capacity.

Censeurs may receive fees in an amount decided by the Board.

Title IV

COMPANY AUDITS

ARTICLE 18 – STATUTORY AUDITORS

An Ordinary General Meeting of shareholders shall appoint Statutory Auditors to carry out assigned tasks as specified in law, at the times and under the conditions provided by the legislation in force.

Statutory Auditors shall be eligible for reappointment.

They shall receive remuneration in an amount determined in accordance with the terms and conditions laid down in the laws and regulations in force.

Title V

GENERAL MEETINGS

ARTICLE 19 – COMPOSITION - NATURE OF MEETINGS

General Meetings shall be composed of all shareholders, regardless of the number of shares they may own.

Duly constituted General Meetings shall represent all shareholders. Resolutions passed in General Meetings in accordance with the laws and regulations in force shall be binding on all shareholders.

General Meetings shall be designated as Extraordinary General Meetings where their resolutions relate to an amendment of the Articles of Association; they shall be designated as Ordinary General Meetings in all other cases.

Special Meetings of shareholders may take place involving the owners of a specific class of shares, if any, to decide upon changes to the rights attached to the shares of such class.

Such Special Meetings of shareholders shall be called and proceed in the same manner as Extraordinary General Meetings.

ARTICLE 20 - MEETINGS

General Meetings shall be called in accordance with the provisions of the laws and regulations in force.

Meetings shall be held either at the Company's registered office or at any other place designated in the Notice of Meeting.

General Meetings shall be chaired by the Chairman of the Board of Directors or, in his absence, by a Vice-Chairman of the Board of Directors or by a Director appointed by the Chairman of the Board of Directors for that purpose. Failing this, the General Meeting may itself elect the chair of the meeting.

The agenda shall be determined by the author of the Notice of Meeting. Only proposals from the author of the Notice of Meeting or from the shareholders shall be included in the agenda.

Each shareholder in the Ordinary or Extraordinary General Meeting shall have a number of votes proportional to the fraction of the Company's capital corresponding to the shares he owns or represents, provided however that such shares are not deprived of the right to vote.

The Board of Directors may decide that shareholders taking part in the meeting via videoconferencing facilities or by some other means of remote telecommunications enabling them to be satisfactorily identified shall be deemed to be personally present at the meeting for the purposes of calculation of the quorum and the majority, provided however that the type and conditions of use of such means shall comply with the laws and regulations in force.

ARTICLE 21 - ORDINARY GENERAL MEETINGS

Ordinary General Meetings shall proceed in accordance with the quorum and majority rules as provided by the laws and regulations in force.

Shareholders shall be called each year to attend an Ordinary General Meeting.

The annual Ordinary General Meeting shall consider the report of the Board of Directors and the reports of the Statutory Auditors.

It shall discuss, approve or adjust the annual financial statements and the consolidated financial statements, if any, and shall determine the manner in which the net earnings for the financial year shall be allocated.

It shall appoint the auditors.

It shall consider any other proposals on the agenda which do not fall within the remit of Extraordinary General Meetings.

In addition to this Annual General Meeting, Ordinary General Meetings may be called in exceptional circumstances.

ARTICLE 22 - EXTRAORDINARY GENERAL MEETINGS

Extraordinary General Meetings shall proceed in accordance with the quorum and majority rules as provided by laws and regulations in force.

Extraordinary General Meetings may make all and any amendments to the Articles of Association.

ARTICLE 23 - MINUTES

The proceedings of General Meetings of shareholders shall be recorded in minutes drawn up on a special register or on numbered loose-leaf pages. Such minutes shall be signed by the shareholders who have been appointed as officers of the meeting.

Evidence to third parties of the proceedings of any General Meeting may be properly provided by copies or extracts duly certified as a true record by the Chairman of the Board of Directors, a Vice-Chairman of the Board of Directors, the Secretary of the Meeting, or a company officer duly empowered therefor by any one of the above-mentioned persons.

Title VI

COMPANY ACCOUNTS

ARTICLE 24 – FINANCIAL YEAR

The financial year shall begin on 1 January and end on 31 December.

ARTICLE 25 - ACCOUNTING DOCUMENTS

At the close of each financial year, the Board of Directors shall draw up a detailed statement of assets and liabilities and the annual financial statements and, in addition, shall prepare a report on the management of the Company in compliance with applicable legal and regulatory provisions.

ARTICLE 26 - ALLOCATION AND DISTRIBUTION OF PROFIT

I - NET EARNINGS IN THE FINANCIAL YEAR - STATUTORY RESERVE – DISTRIBUTABLE PROFIT

Those amounts laid down by the legislation in force shall be set aside from the net earnings for the financial year, from which shall be deducted any losses carried forward from previous years when applicable.

The balance, plus any profit carried forward from previous years, shall form the distributable profit.

II - ALLOCATION OF DISTRIBUTABLE PROFIT - DISTRIBUTION OF RESERVES

1. Retained earnings and creation of reserves

An Ordinary General Meeting may set aside from the distributable profit any amounts to be carried forward or to be allocated to one or more reserve funds. Such reserve fund or funds shall be available for allocation to any purpose determined by a General Meeting of shareholders as proposed by the Board of Directors and in particular for the redemption or reduction of the capital by way of reimbursement or redemption of shares.

2. Dividends

The balance of the distributable profit shall be distributed between the shareholders in proportion to their shares in the capital of the Company.

3. Distribution of Reserves

The General Meeting may resolve to distribute sums taken from reserve funds of which it may freely dispose. In such event, the corresponding resolution shall expressly designate the reserve funds from which the payments are to be made.

4. Limitations on distribution

With the exception of the case of a reduction in share capital, no distribution shall be made to the shareholders if the shareholders' equity is, or would subsequently thereto become, lower than the amount of share capital plus those reserves that, under the laws and regulations in force, may not be distributed.

5. Distribution of portfolio securities

An Ordinary General Meeting may, as proposed by the Board of Directors, decide to allocate, for the purpose of all and any distributions of profits or reserves, negotiable securities held in portfolio by the Company, subject to an obligation for the shareholders to effect groupings as may be necessary to obtain the desired number of securities thus allocated.

III – PAYMENT OF DIVIDENDS

The manner in which dividends decided by the General Meeting are to be paid out shall be specified by the General Meeting or, failing this, by the Board of Directors, but payment within the period set by the laws and regulations in force shall be mandatory.

The General Meeting called in order to approve the financial statements for the financial year may grant each shareholder, for all or part of any distributed final or interim dividend, an option for the payment of that final or interim dividend in cash or in shares.

Title VII

DISSOLUTION – LIQUIDATION

ARTICLE 27

Unless otherwise provided by the laws and regulations in force, at the end of the Company's term of existence or in the event of its earlier dissolution, a General Meeting of shareholders shall determine the method of liquidation and appoint one or more liquidators whose powers the Meeting shall determine.

2. INFORMATION ABOUT THE COMPANY

2.1 Corporate name

Crédit Agricole Corporate and Investment Bank.

2.2 Registered Office

12, place des États-Unis
CS 70052
92547 MONTROUGE CEDEX
FRANCE
Tel: +33 (0)1 41 89 00 00
Website: www.ca-cib.com

2.3 Financial Year

The company's financial year begins on 1 January and ends on 31 December each year.

2.4 Date of incorporation and duration of the company

The Company was incorporated on 23 November 1973. Its term ends on 25 November 2064, unless the term is extended or the Company is wound up before that date.

2.5 Legal status

Crédit Agricole Corporate and Investment Bank is a French *société anonyme* (joint stock Corporation) with a Board of Directors governed by ordinary company law, in particular the Second Book of the French Commercial Code (*Code de commerce*).

Crédit Agricole Corporate and Investment Bank is a credit institution approved in France and authorised to conduct all banking operations and provide all investment and related services referred to in the French Monetary and Financial Code (*Code Monétaire et Financier*). In this respect, Crédit Agricole CIB is subject to oversight French Regulatory and Resolution Supervisory Authority (*Autorité de contrôle prudentiel et de résolution*). In its capacity as a credit institution authorised to provide investment services, the Company is subject to the French Monetary and Financial Code, particularly the provisions relating to the activity and control of credit institutions and investment service providers.

2.6 Investments made by Crédit Agricole CIB over the past three years

Completed acquisitions

Date	Investments	Financing
01/01/2022	Acquisition of 100% of CREDIT AGRICOLE MIDCAP ADVISORS	By capital

N.B.: Crédit Agricole CIB cannot disclose certain information about investment amounts without violating confidentiality agreements or revealing information to its rivals that could be detrimental to the Group

Acquisitions in progress and upcoming

Crédit Agricole CIB has no significant investments to come and identified at this stage, and significant investments in progress.

2.7 New products and services

Crédit Agricole CIB has marketed an innovative product, the Callable Reverse Repo. This product consists of combining the high relative value of Repos of Eurozone government bonds, with a volatility premium at its historical highs. This product is an alternative to callable bond issues issued by sovereign, supranational and agency (SSA) issuers, without sacrificing the value of the underlying's liquidity.

2.8 Research & Innovation

In 2021, Crédit Agricole CIB partnered with two quantum computing firms, Pasqal and Multiverse, to conduct two experiments:

- one on the performance gain for the valuation of derivatives in financial markets through a quantum calculation approach;
- one on anticipating the downgrading of counterparties' financial ratings through a quantum computer.

At the beginning of 2023, Crédit Agricole CIB announced the success of these two experiments.

2.9 Material contracts

Crédit Agricole CIB has not entered into any material contracts conferring a significant obligation or commitment on the Crédit Agricole CIB Group, apart from those concluded within the normal conduct of its business.

2.10 Recent trends

Crédit Agricole CIB's perspectives have not suffered any significant deterioration since 31 December 2022, the date of its latest audited and published financial statements. See the "Recent trends and outlook" section of chapter 4 "2022 business review and financial information" of this present document.

2.11 Significant changes

Post-closing events that are not supposed to impact accounts closed as of December 31, 2022.

Since 31 December 2022, there has been no significant change in the Group's financial or commercial situation has not occurred.

2.12 Issuer statement

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

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

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

2.13 Publicly available documents

The present document is available on the website:
https://www.ca-cib.com/about-us/financial-information

and on the French Financial markets authority (*Autorité des Marchés Financiers*, AMF) website in a French version:
www.amf-france.org

The entire regulated information, as defined by the AMF (under Title II of Book II of the AMF General Regulation), is available on the website of the Company:
https://www.ca-cib.com/about-us/financial-information/regulated-information

Caution: information found on the website is not included on the document, unless such information is incorporated by reference in the prospectus.

Articles of Association are available on section 1 "Articles of association effective at December, 31 2022" of chapter 8 "General information" of this present document.

A copy of these Articles of Association can also be obtained from Crédit Agricole CIB's Head Office and/or the French Trade and Companies Register (*Registre du Commerce et des Sociétés*).

3. STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS

General Meeting for the approval of the financial statements for the year ended 31 December 2022

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine cedex, France
French simplified joint stock company (*société par actions simplifiée*) with capital of €2,510,460
672 006 483 R.C.S. Nanterre

ERNST & YOUNG ET AUTRES
Tour First
TSA 14444
92037 Paris-La Défense cedex, France
French simplified joint stock company (*société par actions simplifiée*) with variable capital
438 476 913 R.C.S. Nanterre

Statutory Auditor, *Membre de la compagnie régionale de Versailles et du Centre*

This is a free translation into English of the Statutory Auditors' special report on related party agreements 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.

Crédit Agricole Corporate and Investment Bank, 12 place des États-Unis, 92547 Montrouge Cedex, France

To the Shareholders,

In our capacity as Statutory Auditors of Crédit Agricole Corporate and Investment Bank, we hereby report to you on related party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of the agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R.225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R.225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the General Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

3.1. Agreements to be submitted for the approval of the General Meeting

In accordance with Article L.225-40 of the French Commercial Code, we were informed of the following agreements entered into during the year and authorised in advance by the Board of Directors.

◆ Agreement for the transfer of SODICA shares between Crédit Agricole Capital Investissement & Finance and Crédit Agricole Corporate and Investment Bank

DIRECTORS CONCERNED

Paul Carite, Director of both companies concerned.

NATURE AND PURPOSE

Following the creation of the midcap division, its continued development is being focused around three main objectives:

- a long-term, coordinated client approach across the Group;
- Corporate and Investment Banking business lines dedicated to midcap companies at Crédit Agricole Corporate and Investment Bank, and better coordination within the Group, resulting in the reorganisation of certain business lines within the Group, including SODICA;
- a dedicated organisational structure focused on midcaps on both a local and international scale.

Through its buyback of 100% of SODICA's shares from Crédit Agricole Capital Investissement & Finance (CACIF), Crédit Agricole Corporate and Investment Bank aims to strengthen the midcap division's offering in coordination with the division's business lines under the new brand name "Crédit Agricole Midcap Advisors" (the new corporate name of the SODICA entity).

CONDITIONS

The agreement for the transfer of the SODICA shares was signed on 1 June 2022 at a price equal to the enterprise value assessed by Deloitte, i.e., €5.5 million, plus the transfer of net cash, for a total of €16.6 million.

The agreement provides for a vendor's warranty of 15% of the enterprise value for a period of 18 months, except for tax disputes which are covered for their statutory limitation period.

The transaction also provides for:

- the transfer of 55 CACIF employees to Crédit Agricole Corporate and Investment Bank, including 48 front office and dedicated support staff who will be made available to SODICA;
- the implementation of a transitional agreement providing for (i) legal, accounting, budget monitoring and collection services provided by IDIA to SODICA for a period of two years, and (ii) services provided by Crédit Agricole Corporate and Investment Bank to IDIA and SODICA for the maintenance and deployment of specific M&A and Venture Capital tools for a period of two years.

REASONS JUSTIFYING WHY THE COMPANY BENEFITS FROM THIS AGREEMENT

CACIF's agreement to sell 100% of SODICA's shares to Crédit Agricole Corporate and Investment Bank aims to strengthen the midcap division's offering in coordination with the midcap division's business lines under the new "Crédit Agricole Midcap Advisors" brand.

The transaction was completed on 1 June 2022 in accordance with the terms presented to the Board of Directors.

◆ Agreement for the distribution of the indemnity paid in the transaction between Crédit Agricole S.A and Crédit Agricole Corporate and Investment Bank relating to the dispute concerning Euribor submissions

EXECUTIVE OFFICERS AND DIRECTORS CONCERNED

Crédit Agricole S.A., shareholder;

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of Crédit Agricole Corporate and Investment Bank;

Xavier Musca, Deputy CEO of Crédit Agricole S.A. and CEO of Crédit Agricole Corporate and Investment Bank;

Sonia Bonnet-Bernard and Françoise Gri, directors of both Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank.

NATURE AND PURPOSE

Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank were named as defendants in 2012 and 2013, along with other financial institutions, in a class action lawsuit in the United States brought to federal court in New York, in relation to their Euro Interbank Offered Rate (Euribor) submissions.

In order to avoid the cost and risks of this dispute, which could have continued for several years, Crédit Agricole S.A., Crédit Agricole Corporate and Investment Bank and the plaintiffs reached a settlement in March 2022 to bring it to a definitive close, without acknowledging any liability on the part of Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank (hereinafter the "Settlement").

This Settlement was granted final approval by the New York court on 15 November 2022, providing the plaintiffs with one month to appeal the ruling.

Under the terms of the Settlement, which puts a definitive end to this dispute, Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank have undertaken to pay a lump sum of USD 55 million to the plaintiffs (hereinafter referred to as the "Indemnity").

Crédit Agricole S.A. has provisionally paid the Indemnity in full.

CONDITIONS

The draft agreement between Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank sets out the distribution of the Indemnity by mutual agreement between Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank. It is a formal measure for organising the distribution of the payment, without acknowledging any liability.

Crédit Agricole Corporate and Investment Bank shall definitively pay Crédit Agricole S.A. the sum of USD 29 million as its share of the Indemnity within ten days of the signature of the agreement and no later than 31 December 2022 in any event.

Crédit Agricole S.A. shall be liable for the sum of USD 26,000,000 as its share of the Indemnity.

This agreement was presented to the Board of Directors of Crédit Agricole S.A. on 13 December 2022 and approved under the same conditions by the Board of Directors of Crédit Agricole Corporate and Investment Bank on 9 December 2022. In accordance with the delegation granted by their respective Boards, this agreement was signed on 31 December 2022 by the CFOs of Crédit Agricole Corporate and Investment Bank and Crédit Agricole S.A.

REASONS JUSTIFYING WHY THE COMPANY BENEFITS FROM THIS AGREEMENT

Since the Settlement does not specify how the payment is to be divided between the parties, it was left to the parties to establish an agreement determining the proportion of the Indemnity attributed to each of them.

It should be noted that the payment of the Indemnity as well as the signature of an agreement dividing it between the two institutions may in no way be considered to constitute any acknowledgement of guilt by Crédit Agricole S.A. and/or Crédit Agricole Corporate and Investment Bank,

it being understood that:

- assuming responsibility for the partial payment of this Indemnity is consistent with the remit of Crédit Agricole S.A. which, in its capacity as central body, is the guarantor of the liquidity and solvency of all its affiliates, including Crédit Agricole Corporate and Investment Bank;
- implementing this agreement has favourable consequences for Crédit Agricole S.A. in the 2022 financial statements, since Crédit Agricole S.A. had paid the full amount of the Indemnity, for which Crédit Agricole Corporate and Investment Bank is now reimbursing its share, i.e., USD 29 million.

◆ Amendment No. 2 to the business transfer agreement relating to the transfer of the Banking Services Department's activities from Crédit Agricole S.A. to Crédit Agricole Corporate and Investment Bank

EXECUTIVE OFFICERS AND DIRECTORS CONCERNED

Crédit Agricole S.A., shareholder;

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of Crédit Agricole Corporate and Investment Bank;

Xavier Musca, Deputy CEO of Crédit Agricole S.A. and CEO of Crédit Agricole Corporate and Investment Bank;

Sonia Bonnet-Bernard and Françoise Gri, directors of both Crédit Agricole S.A. and Crédit Corporate and Investment Bank.

NATURE AND PURPOSE

Crédit Agricole Corporate and Investment Bank and Crédit Agricole S.A. decided to negotiate and establish the terms and conditions of changes to the transfer period and the time limit in order to take into account the shift in the migration schedule, through a second amendment to the business transfer agreement.

CONDITIONS

The time limit for the transition period will be extended until a date to be mutually agreed by Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank by which the IT systems migration will have been completed and the other operational constraints lifted, and to be no later than 31 December 2023. In addition, Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank may mutually agree to change the time limit at any time during the transition period.

This agreement was presented to the Board of Directors of Crédit Agricole S.A. on 13 December 2022 and approved under the same conditions by the Board of Directors of Crédit Agricole Corporate and Investment Bank on 9 December 2022. In accordance with the delegation granted by their respective Boards, this agreement was signed on 31 December 2022 by the CFOs of Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank.

REASONS JUSTIFYING WHY THE COMPANY BENEFITS FROM THIS AGREEMENT

Work on migrating Crédit Agricole S.A. customers to Crédit Agricole Corporate and Investment Bank is continuing, with the successful migration of the 39 Regional Banks and Banque Chalus in 2022.

The pace of the migrations, which are complex, was disrupted by constraints resulting from market projects (T2T2S convergence and changes to the 2023 rulebooks on SEPA instruments). As a result, the time limit for migration has been postponed until 2023 at the latest. The purpose of this amendment is therefore to take account of and formalise these time frames.

In view of the shift in the planned timing of the migration of IT systems and accounts to Crédit Agricole Corporate and Investment Bank, it is necessary to extend the time limit of the transition period, initially set at 31 December 2022, to a later date. Based on the current situation, a time limit of 31 December 2023 would make it possible to finalise the transfer of the IT systems and all the customer accounts.

◆ Guarantee granted to the corporate officers

CORPORATE OFFICERS CONCERNED

CEO and Deputy CEO

NATURE AND PURPOSE

To enable the Company to assume the costs resulting from proceedings against all corporate officers, including the Chief Executive Officer, the Board of Directors, at its meeting of 20 December 2012, was asked to authorize the signature of a guarantee in favour of the Chief Executive Officer.

CONDITIONS

The purpose of this guarantee is to cover any risk of liability in legal or administrative proceedings initiated against the Chief Executive Officer, notably in the United States, during the period set under the statute of limitations applicable to the claims in question, plus three years.

In view of the duties performed by the Chief Executive Officer within the Company, the Board of Directors, meeting on 30 July 2015, was asked to authorize the amendment of the guarantee in favour of the Chief Executive Officer relating to the corresponding scope of the duties performed by the beneficiary and to the improved clarity of the agreement.

In 2022, Xavier Musca, appointed Chief Executive Officer with effect as of 1 September 2022, benefited from this guarantee since he took up his position as CEO. In 2022, the Board of Directors authorised application of this guarantee to Sonia Bonnet-Bernard, appointed as Director by the General Meeting of 3 May 2022, and to Emmanuel Vey, co-opted by the Board of Directors on 9 December 2022 and Xavier Musca, appointed Chief Executive Officer with effect as of 1 September 2022, benefited from this guarantee since they took up their position.

Jean-François Balaÿ, Olivier Bélorgey and Pierre Gay, whose terms of office as Deputy Chief Executive Officers were renewed by the Board of Directors on 28 July 2022, continue to benefit from this guarantee.

REASONS JUSTIFYING WHY THE COMPANY BENEFITS FROM THIS AGREEMENT

The purpose of this guarantee is to cover any risk of liability in legal or administrative proceedings initiated against them, notably in the United States, during the period set under the statute of limitations applicable to the claims in question, plus three years.

3.2. Agreements already approved by the General Meeting

In accordance with Article R.225-30 of the French Commercial Code, we were informed of the following agreements, approved by the General Meeting in prior years, which were implemented during the year.

With Crédit Agricole S.A., shareholder holding more than 10% of voting rights

◆ Subscription for preferred shares or deeply subordinated notes

NATURE AND PURPOSE

Within the context of the strengthening of the shareholders' equity made necessary by the transfer to Crédit Agricole Corporate and Investment Bank (formerly Crédit Agricole Indosuez) of the Corporate and Investment Banking activities of Crédit Lyonnais, the Board of Directors, at its meeting on 4 March 2004, authorised one or more issues of deeply subordinated notes or preferred shares.

CONDITIONS

In this context, two issues of deeply subordinated notes in USD were performed in 2004 for a total amount of USD 1,730 million, for which Crédit Agricole S.A. subscribed.

In 2014, one of the issues in the amount of USD 1,260 million was redeemed in advance on 28 February 2014.

During 2022, the last issue in the amount of USD 470 million was fully repaid (the remaining USD 200 million outstanding at the end of 2021 was fully repaid in February 2022 and the amount of interest paid for 2022 was USD 455,556). As a result, there are no longer any deeply subordinated notes between Crédit Agricole Corporate and Investment Bank and Crédit Agricole S.A.

◆ Agreement between Crédit Agricole S.A and Crédit Agricole Corporate and Investment Bank relating to the payment of the EURIBOR fine

EXECUTIVE OFFICERS AND DIRECTORS CONCERNED

Crédit Agricole S.A., shareholder;

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of Crédit Agricole Corporate and Investment Bank.

NATURE AND PURPOSE

On 7 December 2016, the European Commission imposed a fine of €114,654,000 on Crédit Agricole Corporate and Investment Bank and Crédit Agricole S.A., considered to be jointly and severally liable, after an investigation carried out by the Commission concluded that a cartel in euro interest rate derivatives existed among seven banking institutions who colluded on the determination of the Euribor benchmark interest rate.

As soon as the Commission's judgement was delivered, Crédit Agricole announced that it would appeal the decision before the General Court of the European Union. An appeal was filed on 17 February 2017.

As the appeal did not stay the judgement, Crédit Agricole had to pay the full amount of the fine by 5 March 2017.

Within this context, it was provided that Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank should enter into an agreement determining the conditions relating to the provisional payment of the fine, and that the conditions of the breakdown between them of the final amount of the fine that may have to be paid would be decided after all European judicial remedies had been exhausted.

CONDITIONS

At its meeting on 10 February 2017, the Board of Directors of Crédit Agricole Corporate and Investment Bank authorised the draft agreement between Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank under which:

- in the period prior to the obtaining of a decision by a court of last instance having the force of res judicata, Crédit Agricole S.A. shall provisionally bear and pay the amount of €114,654,000 in respect of the penalty;
- the conditions of the breakdown of the final amount of the potential penalty shall be determined by mutual agreement between Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank at a later date, following a decision by a court of last instance having the force of *res judicata*.

The agreement was authorised in identical terms by the Board of Directors of Crédit Agricole S.A. on 20 January 2017.

In accordance with the delegation granted by their respective Boards, this agreement was signed on 27 February 2017 by Crédit Agricole Corporate and Investment Bank's CEO and that of Crédit Agricole S.A. The penalty was paid within the statutory time limit, i.e., before 5 March 2017.

◆ Business transfer agreement relating to the transfer of the Banking Services Department activities from Crédit Agricole S.A. to Crédit Agricole Corporate and Investment Bank

This agreement was the subject of an initial amendment authorised by the Board of Directors on 10 December 2020, which is included in Part 1, I.4 of this letter; and of a second amendment authorised by the Board of Directors on 9 December 2022, which is included in this report.

EXECUTIVE OFFICERS AND DIRECTORS CONCERNED

Crédit Agricole S.A., shareholder;

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of Crédit Agricole Corporate and Investment Bank;

Françoise Gri and Catherine Pourre (until the end of their terms of office at Crédit Agricole S.A on 24 May 2022), François Thibault (until the end of his term of office at Crédit Agricole S.A on 13 May 2020) and Jean-Pierre Paviet (until the end of his term of office on 4 May 2018), directors of both Crédit Agricole S.A and Crédit Agricole Corporate and Investment Bank.

NATURE AND PURPOSE

In line with the "Strategic Ambition 2020" Medium-Term Plan, which aims to refocus Crédit Agricole S.A. on its core activities, Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank agreed to transfer Crédit Agricole S.A.'s Banking Services Department ("DSB") to Crédit Agricole Corporate and Investment Bank's Operations & Country COOs Department ("OPC").

The transaction took the form of a business transfer agreement including:

- a settlement and correspondent banking activity consisting for the Banking Services Department in account management and the provision of services related to this account management (particularly electronic transfers, cheque clearing, etc.) for internal and external customers of the Crédit Agricole Group;
- an account management activity for the Regional Banks and some of the other Crédit Agricole Group credit institutions;
- a level 1 alerts treatment activity.

This transfer of activity excluded the management of certain accounts opened by Regional Banks with Crédit Agricole S.A. in its capacity as central body in accordance with the applicable regulations.

CONDITIONS

At its meeting of 12 December 2017, the Crédit Agricole Corporate and Investment Bank Board of Directors authorised the transfer of the DSB business, as described above, by means of a business transfer agreement effective 1 January 2018. Since that date, Crédit Agricole Corporate and Investment Bank has operated the acquired business with the human and material resources transferred.

However, for operational reasons and, in particular, IT systems migration, Crédit Agricole Corporate and Investment Bank was not able to open accounts for DSB customers on the transfer date. Consequently, accounts opened by customers will continue to be administered by Crédit Agricole S.A. during a transition period and will be opened by Crédit Agricole Corporate and Investment Bank during and at the end of the transition period according to a schedule based on progress made in the work to be done by Crédit Agricole Corporate and Investment Bank, which is expected to be completed no later than 31 December 2022 (this period was extended in view of the amendment authorised by the Board of Directors on 10 December 2020). During this transition period, Crédit Agricole S.A. will pass back to Crédit Agricole Corporate and Investment Bank the results of the operations of the business transferred, received by Crédit Agricole S.A. from DSB customers. In parallel, all expenses, costs and liabilities incurred by Crédit Agricole S.A. in respect of the transferred business will be assumed by Crédit Agricole Corporate and Investment Bank.

The business transfer was granted and accepted in return for the payment of €57,000.

As the business transfer agreement is not a routine business transaction for Crédit Agricole S.A. or Crédit Agricole Corporate and Investment Bank and thus cannot be considered as an "ordinary transaction entered into on an arm's length basis", it falls within the scope of a related party agreement governed by the provisions of Article L.225-38 of the French Commercial Code.

◆ Amendment No. 1 to the business transfer agreement relating to the transfer of the Banking Services Department's activities from Crédit Agricole S.A. to Crédit Agricole Corporate and Investment Bank

EXECUTIVE OFFICERS AND DIRECTORS CONCERNED

Crédit Agricole S.A., shareholder;

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of Crédit Agricole Corporate and Investment Bank;

Françoise Gri and Catherine Pourre (until the end of their terms of office at Crédit Agricole S.A. on 24 May 2022) and François Thibault (until the end of his term of office at Crédit Agricole S.A. on 13 May 2020), directors of both Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank.

DESCRIPTION OF THE INITIAL PROJECT

On 1 January 2018, Crédit Agricole S.A. transferred certain activities managed by its Banking Services Department ("BSD") to Crédit Agricole Corporate and Investment Bank, by means of a business transfer agreement entered into on 20 December 2017.

The management of certain accounts opened by the Regional Banks with Crédit Agricole S.A. in its capacity as central body, in accordance with the applicable regulations, was nevertheless excluded from the scope of the transfer and maintained at Crédit Agricole S.A.

For operational reasons, in particular the migration of IT systems, Crédit Agricole Corporate and Investment Bank was not able, as of 1 January 2018, to open accounts for the BSD customers. Consequently, it was agreed that Crédit Agricole S.A. would maintain its contractual relations with the BSD customers and would continue to manage the accounts opened by the latter, during a transition period starting on 1 January 2018.

NATURE AND PURPOSE

Crédit Agricole Corporate and Investment Bank and Crédit Agricole S.A. decided to negotiate and establish the terms and conditions of changes to the initial project through an amendment to the business transfer agreement.

Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank proposed to marginally adjust the scope of the transfer so as to exclude the following transferred activities, maintained at Crédit Agricole S.A. since 1 January 2018:

- CRCA and AMUNDI "mandatory reserve" accounts;
- BforBank "Investment" and "Refinancing" accounts;
- Two embargoed accounts and one account held by an individual now deceased.

At the same time, Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank also planned to extend the time limit of the transition period.

CONDITIONS

The business transfer agreement is cancelled in part, with retroactive effect from 1 January 2018, in order to expressly exclude the activities maintained from the scope of the transfer, as well as all the rights and obligations attached thereto such as existed at the date of transfer, and to include them in the excluded activities with retroactive effect from the date of transfer.

The partial cancellation of the business transfer agreement does not give rise to the retrocession by Crédit Agricole S.A. to Crédit Agricole Corporate and Investment Bank of a share of the transfer price relating to the maintained activities, the latter having been valued at zero when the transfer price was established.

The time limit for the transition period is extended until a date to be mutually agreed by Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank when the IT systems migration has been completed and the other operational constraints have been lifted, and to be no later than 31 December 2022 (or possibly mid-2023). In addition, Crédit Agricole S.A. and Crédit Agricole

Corporate and Investment Bank may mutually agree to change the time limit at any time during the transition period.

The signature of the amendment to the business transfer agreement is not a routine business transaction for Crédit Agricole S.A. or Crédit Agricole Corporate and Investment Bank. Consequently, the amendment to the business transfer agreement cannot be characterised as an "ordinary transaction entered into on an arm's length basis" either for Crédit Agricole S.A. or for Crédit Agricole Corporate and Investment Bank, and both companies must comply with the related party agreements procedure.

The updated time limit for the transition period is presented in the amendment n°2 included in this report.

- Billing and collection mandate as part of the transfer of Crédit Agricole S.A.'s IT services management activities (MSI) to Crédit Agricole Corporate and Investment Bank

EXECUTIVE OFFICERS AND DIRECTORS CONCERNED

Crédit Agricole S.A., shareholder;

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of Crédit Agricole Corporate and Investment Bank;

Françoise Gri and Catherine Pourre (until the end of their terms of office at Crédit Agricole S.A on 24 May 2022), François Thibault (until the end of his term of office at Crédit Agricole S.A on 13 May 2020) and Jean-Pierre Paviet (until the end of his term of office on 4 May 2018), directors of both Crédit Agricole S.A and Crédit Agricole Corporate and Investment Bank.

NATURE AND PURPOSE

At its meeting on 12 December 2017, the Board of Directors of Crédit Agricole S.A. approved the transfer of Crédit Agricole S.A.'s IT services management activities (ITSM) to Global IT (GIT), which performs the same functions for Crédit Agricole Corporate and Investment Bank.

The transfer of the activity took effect on 1 January 2018.

The transfer itself does not constitute a related party agreement but, as part of this transaction, Crédit Agricole Corporate and Investment Bank and Crédit Agricole S.A. set up a temporary billing and collection mandate, which falls within the scope of paragraph 2 of Article L.225-38 of the French Commercial Code regarding related party agreements. In this respect, this mandate was authorised by the Board of Directors of Crédit Agricole Corporate and Investment Bank at its meeting on 12 December 2017.

CONDITIONS

During a six- to twelve-month transition period starting from the ITSM transfer date, certain Crédit Agricole Group entities may benefit from ITSM services, on the basis of signed quotes. Billing and collection services will be carried out by Crédit Agricole S.A. under a billing and collection mandate, which includes, in particular, Crédit Agricole S.A.'s warranty given to Crédit Agricole Corporate and Investment Bank concerning the collection, from the entities benefiting from these services, of the amounts billed by Crédit Agricole S.A. in the name and on behalf of Crédit Agricole Corporate and Investment Bank.

At the end of this transition period, Crédit Agricole Corporate and Investment Bank may decide, if appropriate, to perform the services for these Group entities, through another Crédit Agricole Group entity, depending on the result of the services performed during the transition period, regulatory changes and any other reorganisation of activities carried out within the Crédit Agricole Group.

- Tax consolidation agreement between Crédit Agricole S.A. and Crédit Agricole Corporate and Investment Bank

EXECUTIVE OFFICERS AND DIRECTORS CONCERNED

Crédit Agricole S.A., shareholder;

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of Crédit Agricole Corporate and Investment Bank;

Françoise Gri and Catherine Pourre (until the end of their terms of office at Crédit Agricole S.A on 24 May 2022), directors of both Crédit Agricole S.A and Crédit Agricole Corporate and Investment Bank.

NATURE AND PURPOSE

In 1996, Crédit Agricole S.A. signed a tax consolidation agreement with Crédit Agricole Corporate and Investment Bank, which was renewed on 22 December 2015 for the 2015-2019 period, its purpose being to govern relations between Crédit Agricole S.A. on the one hand, and Crédit Agricole Corporate and Investment Bank and its consolidated subsidiaries on the other.

Under this agreement, Crédit Agricole Corporate and Investment Bank is deemed to constitute, along with its consolidated subsidiaries and sub-subsidiaries, a subgroup forming a tax subgroup, and thus calculates its corporate income tax on the basis of the overall results for its consolidated subsidiaries and sub-subsidiaries in its subgroup.

In addition, when the result of Crédit Agricole Corporate and Investment Bank's subgroup is a loss, it receives the saving in corporate income tax made by the group for the amount of the loss of this subgroup effectively allocated by Crédit Agricole S.A.

As the previous tax consolidation agreement expired in 2020, a new agreement was signed for the 2020-2024 period.

This tax consolidation agreement falls within the scope of the related party agreements referred to in Article L.225-38 of the French Commercial Code and must in principle be subject to prior authorisation by the Board of Directors. As the renewal of the tax consolidation agreement was signed on 9 December 2020 before prior approval by the Board of Directors, it was therefore subject to ex-post facto approval by the Board of Directors on 9 February 2021.

CONDITIONS

This renewal agreed upon in 2020 by Crédit Agricole Corporate and Investment Bank and Crédit Agricole S.A. covers the 2020-2024 period.

On the one hand, the amount of the definitive compensation for 2021 is zero, and on the other hand, the amount of the provisional compensation for 2022 is also zero.

With Crédit Lyonnais

◆ Agreement for the indemnification of Crédit Lyonnais by Crédit Agricole Corporate and Investment Bank

NATURE AND PURPOSE

The Corporate and Investment Banking business of Crédit Lyonnais was transferred to Crédit Agricole Corporate and Investment Bank (formerly Crédit Agricole Indosuez) on 30 April 2004 with retroactive effect from 1 January 2004, except for outstanding short, medium- or long-term commercial loans for which Crédit Agricole Corporate and Investment Bank preferred to defer the effective date until 31 December 2004 at the latest, mainly due to the time needed to complete their transfer.

To comply with the principle of retroactive effect from 1 January 2004, Crédit Agricole Corporate and Investment Bank undertook to indemnify Crédit Lyonnais for the counterparty risks relating to those loans from 1 January 2004.

CONDITIONS

The amount of the guarantee was €1.99 million at 31 December 2022. The amount of compensation due in respect of 2022 was €4,924.86, excluding taxes.

With Crédit Agricole S.A., shareholder holding more than 10% of voting rights, Crédit Agricole Technologies et Services, Crédit Agricole Assurances Solutions, CA Consumer Finance, Crédit Agricole Group Solutions, Crédit Agricole Payment Services, Crédit Lyonnais and Fédération Nationale du Crédit Agricole

◆ Shareholders' Agreement on the rules of governance of CA-GIP

This agreement was the subject of an amendment authorised by the Board of Directors on 3 August 2020, which follows this agreement.

EXECUTIVE OFFICERS AND DIRECTORS CONCERNED

Crédit Agricole S.A., shareholder;

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of Crédit Agricole Corporate and Investment Bank;

Jacques Boyer (until the end of his term of office as a director of Crédit Agricole Corporate and Investment Bank on 3 May 2021), Olivier Gavalda (until the end of his term of office with Crédit Agricole Corporate and Investment Bank on 1 November 2022), Luc Jeanneau and François Thibault (until the end of their terms of office with Crédit Agricole S.A on 13 May 2020), Nicole Gourmelon (until the end of her term of office at Crédit Agricole Corporate and Investment Bank on 7 May 2019), and Françoise Gri and Catherine Pourre (until the end of their terms of office at Crédit Agricole S.A on 24 May 2022), directors of both companies concerned.

NATURE AND PURPOSE

Pursuant to the above-mentioned Memorandum of Understanding, some of the parties agreed to set up a new company, CA-GIP, to lead the project concerning the merging of some of the Crédit Agricole Group's IT infrastructure and production activities. This company was formed in order to acquire, as from 1 January 2019, SILCA and the IT production activities of Crédit Agricole Technologies et Services, Crédit Agricole Corporate and Investment Bank in France and Crédit Agricole Assurances Solutions. Its role is to host the IT production activities of other Crédit Agricole Group entities. Together, the shareholder parties hold 100% of the share capital and voting rights of the company.

Within this context, the parties wished, through the Shareholders' Agreement:

- to supplement the rules of governance of CA-GIP provided for in the articles of incorporation;
- to organise their relationship as shareholders;
- to determine the conditions that they intend to comply with in the event of the transfer of all or part of their stake in the company's capital.

The Shareholders' Agreement relating to Crédit Agricole – Group Infrastructure Platform notably lays down the following rules of governance specific to Crédit Agricole – Group Infrastructure Platform: a Board of Directors composed 50/50 of Regional Banks and their subsidiaries or IT production entities and the Crédit Agricole S.A. Group, with a Chairman of the company who is also Chairman of the Board of Directors, appointed upon the proposal of the Regional Banks and a Chief Executive Officer appointed upon the proposal of the Crédit Agricole S.A. Group.

Noting, in addition to the presence of common executive officers and directors, that the rules of governance described above do not reflect the intended division of capital between the Regional Banks and their subsidiaries (36%) and the Crédit Agricole S.A. Group (64%), it was considered that this Shareholders' Agreement constituted a related party agreement within the meaning of the provisions of the French Commercial Code.

The shareholders' agreement was signed on 8 June 2018.

CONDITIONS

The Shareholders' Agreement specifies the rules of governance of Crédit Agricole – Group Infrastructure Platform, as concerns both the executive and the supervisory functions of the management body, as well as those of the subsidiary to be formed in accordance with the agreement. In particular, it organizes the rules relating to the financing of the company and the transfer of securities, as well as any conditions of the exit of a shareholder and the conditions under which the company's services will be provided.

◆ Amendment to the Shareholders' Agreement on the rules of governance of CA-GIP

EXECUTIVE OFFICERS AND DIRECTORS CONCERNED

Crédit Agricole S.A., shareholder;

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of Crédit Agricole Corporate and Investment Bank;

Jacques Boyer (until the end of his term of office with Crédit Agricole Corporate and Investment Bank on 3 May 2021), Paul Carite and Olivier Gavalda (until the end of their terms of office with Crédit Agricole Corporate and Investment Bank on 1 November 2022), Luc Jeanneau, Odet Triquet, Françoise Gri and Catherine Pourre (until the end of their terms of office with Crédit Agricole S.A. on 24 May 2022), and Laurence Renoult (until the end of her term of office with Crédit Agricole Corporate and Investment Bank on 30 October 2021).

NATURE AND PURPOSE

The formation of CA-GIP concerned the merger of some of Crédit Agricole Group's IT infrastructure and production activities. Within this context, several agreements were signed, some of which were related party agreements.

The parties (CATS, CASA, CAAS, CACF, CACIB, CAGS, CAPS, LCL and FNCA) notably entered into a shareholders' agreement on 8 June 2018 concerning the rules of governance of CA-GIP and supplementing the articles of incorporation of the latter, organising the parties' relationship as shareholders, and determining the conditions with which the parties intend to comply in the event of the transfer of all or part of their stake in the CAGIP's capital.

In accordance with Articles L.225-38 et seq. of the French Commercial Code, and due to the different signatories having directors in common, this shareholders' agreement is considered to be a related party agreement. Consequently, any subsequent change or amendment to this agreement must be submitted to the Board of Directors for approval.

CONDITIONS

By this amendment, the parties intend to modify the clauses and conditions of the shareholders' agreement initially entered into to facilitate the functioning of its governance bodies:

- facilitating the functioning of the Board of Directors of CA-GIP;
- ensuring flexibility in the appointment of the Chairs of specialist committees (in particular, the Audit and Finance Committee): Article 2.4.9.1(c) – Composition of the Audit and Finance Committee/Article 2.4.9.1(d) – Chair of the Audit and Finance Committee.

With Crédit Agricole S.A., shareholder holding more than 10% of voting rights, Crédit Agricole Assurances Solutions, Crédit Lyonnais, CA Consumer Finance, Credit Agricole Group Solutions, Credit Agricole-Group Infrastructure Platform and SILCA

SILCA guarantee agreement on the representations and warranties granted by the shareholders of SILCA for the benefit of CA-GIP, as well as the respective rights and obligations of the parties in the event of breach or inaccuracy of one or more of said representations

EXECUTIVE OFFICERS AND DIRECTORS CONCERNED

Crédit Agricole S.A., shareholder;

Philippe Brassac, CEO of Crédit Agricole S.A. and Chairman of the Board of Directors of Crédit Agricole Corporate and Investment Bank;

Jacques Boyer (until the end of his term of office as a director of Crédit Agricole Corporate and Investment Bank on 3 May 2021), Olivier Gavalda (until the end of his term of office with Crédit Agricole Corporate and Investment Bank on 1 November 2022), François Thibault (until the end of his term of office with Crédit Agricole S.A on 13 May 2020), Nicole Gourmelon (until the end of her term of office at Crédit Agricole Corporate and Investment Bank on 7 May 2019), and Françoise Gri and Catherine Pourre (until the end of their terms of office at Crédit Agricole S.A on 24 May 2022), directors of both companies concerned.

NATURE AND PURPOSE

At its meeting on 4 May 2018 during which it authorised the signing of the agreement, Crédit Agricole Corporate and Investment Bank's Board of Directors was informed that the signatories would undertake that the agreements for the contribution or divestment of business activities would provide for clauses guaranteeing assets and liabilities relating to management prior to the completion date and that, in the case of SILCA, a special mechanism must be studied insofar as this entity would be the subject of a merger before the expiry of the liability warranties.

The purpose of the guarantee agreement authorised by the Board of Directors is to set out the representations and warranties granted by the guarantors (SILCA shareholders) for the benefit of Crédit Agricole – Group Infrastructure Platform in respect of the merger of SILCA with CA-GIP, as well as the respective rights and obligations of the parties in the event of breach or inaccuracy of one or more of said representations.

CONDITIONS

The main conditions of the SILCA Guarantee are as follows:

- For a period of 36 months as from 1 January 2019, the Guarantors undertake, each in proportion to its share in the capital of SILCA at the date of completion of the merger, to indemnify CA-GIP for:
  - any increase in liabilities or any reduction in assets caused by or arising out of a fact or an event prior to 1 January 2019;
  - any damage suffered by CA-GIP as a result of the inaccuracy or untruthfulness of a representation relating to the assets transferred within the framework of the merger;
  - any damage suffered by CA-GIP following a third-party claim relating to acts prior to 1 January 2019 attributable to SILCA.

  The period of 36 months is replaced by the statute of limitations concerning any damage suffered by CAGIP due to the inaccuracy or untruthfulness of a representation relating to SILCA.

  The indemnification commitment for damage suffered by CA-GIP relating to tax matters will expire at the end of a period of ten working days as from the expiry of the statute of limitations.
- A threshold of €10,000 (ten thousand euros) per claim has been set for a claim to be taken into account.
- The parties have not set any aggregate limit.

Crédit Agricole Corporate and Investment Bank is no longer bound by the general guarantee obligation as of 1 January 2022. However, Crédit Agricole S.A.'s commitment under the tax guarantees remains in force until the expiry of the legal time period.

The agreement was signed on 21 November 2018. No claim was made under this guarantee in respect of 2022.

Guarantee granted to the corporate officers

CORPORATE OFFICERS CONCERNED

Members of the Board of Directors

NATURE AND PURPOSE

To enable your Company to assume the costs resulting from proceedings against all corporate officers, including directors, the Board of Directors, at its meeting of 20 December 2012, was asked to authorise the signature of a guarantee in favour of directors, including the Chairman.

CONDITIONS

The purpose of this guarantee is to cover any risk of liability in legal or administrative proceedings initiated against corporate officers, notably in the United States, during the period set under the statute of limitations applicable to the claims in question, plus three months. It was submitted to the shareholders for approval at the Ordinary General Meeting of 30 April 2013 based on the Statutory Auditors' report on related party agreements, in accordance with Article L.225-42 of the French Commercial Code, the Board having recused itself insofar as all directors were concerned.

In view of the positions held by the Directors within the Company, the Board was asked, at its meeting of 29 October 2015, to authorise the amendment of the guarantee in favour of the Directors in order to give it the same degree of clarity as that authorised by the Board of Directors at its meeting of 30 July 2015 in favour of the members of Executive Management.

Having noted that all directors were concerned and that they could therefore not take part in the vote, the Board of Directors submitted this agreement to the approval of the Ordinary General Meeting of 9 May 2016, in accordance with Article L.225-42 of the French Commercial Code.

All of the Directors benefit from this guarantee.

Neuilly-sur-Seine and Paris-La Défense, 21 March 2023

The Statutory Auditors

PricewaterhouseCoopers Audit		ERNST & YOUNG et Autres	
Agnès Hussherr	Laurent Tavernier	Olivier DURAND	Matthieu Préchoux

4. RESPONSIBILITY STATEMENT

Person reponsible for the Universal Registration Document

Xavier MUSCA Chief Executive Officer of Crédit Agricole CIB.

Responsibility statement

I hereby certify that, the information contained in the present Universal Registration Document is true and accurate and contains no omission likely to affect the import thereof.

I hereby certify that, to my knowledge, the consolidated financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and all entities included in the consolidated scope, and that the management report, made up of the sections indicated in the cross-reference table included in Chapter 8 of the present Document, provides a fair view of the development and performance of the business, profit or loss and financial position of the Company and of all the entities included in the consolidation scope, and that it describes the principal risks and uncertainties that they face.

Montrouge, 29 th March 2023

The Chief Executive Officer of Crédit Agricole CIB
Xavier MUSCA

5. STATUTORY AUDITORS

5.1 Primary and alternate statutory auditors

Primary statutory auditors	
Ernst & Young and Others Member of the Ernst & Young network	PricewaterhouseCoopers Audit Member of the PricewaterhouseCoopers network
Member of the Versailles regional association of Statutory auditors Company represented by: Olivier Durand and Matthieu Préchoux	Member of the Versailles regional association of Statutory auditors Company represented by: Agnès Hussherr and Laurent Tavernier
Head Office: 1-2, place des Saisons 92400 Courbevoie - PARIS-La Défense - France	Head Office: 63, rue de Villiers 92200 NEUILLY-SUR-SEINE

Length of statutory auditors' mandates	
The mandate of Ernst and Young and Others as the Statutory Auditor has been renewed for six financial periods by the Shareholders at the General Meeting held on May 4, 2018.	The mandate of PricewaterhouseCoopers Audit as the Statutory Auditor has been renewed for six financial periods by the Shareholders at the General Meeting held on May 4, 2018.
Length of alternate auditors' mandates	
The mandate of Picarle and Associates as Alternate Statutory Auditor of Ernst and Young and Others was not renewed by the Shareholders at the General meeting held on May 4, 2018, in accordance with the provisions of Section L. 823-1 of the Code of Commerce and Article 18 of the Company's Statutes.	The mandate of Mr. Etienne as Alternate Statutory Auditor of PricewaterhouseCoopers Audit was not renewed by the Shareholders at the General meeting held on May 4, 2018, in accordance with the provisions of Section L. 823-1 of the Code of Commerce and Article 18 of the Company's Statutes.

6. GLOSSARY

A

ABS	Asset-Backed Securities: securities which represent a portfolio of financial assets (excluding mortgage loans) and for which the cash flows are based on those of the underlying asset or asset portfolio.
ACPR	*Autorité de Contrôle Prudentiel et de Résolution/*French Regulatory and Resolution Supervisory Authority: French banking supervisory body.
Afep/Medef	*Association Française des Entreprises Privées/Mouvement des Entreprises de France* (Corporate governance code of reference for publicly traded companies).
AFS	Available For Sale.
ALM	Asset and Liability Management: management of the financial risks borne by an institution's balance sheet (interest rate, currency, liquidity) and its refinancing policy in order to protect the bank's asset value and/or its future profitability.
AMA	Advanced Measurement Approach.
AMF	*Autorité des Marchés Financiers/*French Financial markets authority
AQR	Asset Quality Review: includes regulatory risk evaluation, review of the quality of the actual assets and stress tests.
Asset encumbrance	Asset encumbrance corresponds to assets used to secure, collateralize or back up a credit facility for any type of transaction.
Asset management	Management of negotiable or other assets, for the manager's own account or for third-party (institutional or retail) investors. In third-party asset management, assets are managed in funds or in the framework of management mandates. Specialised products are offered to meet the range of customer expectations in terms of geographical and sector diversification, short-term or long-term investing and the desired level of risk.
Assets under management (1)	All assets under management by Indosuez Wealth Management
AT1	Additional Tier 1: capital eligible under Basel 3 made up of perpetual debt instruments without any redemption incentive or obligation. It is subject to a loss absorption mechanism where the CET1 ratio falls below a given threshold, fixed in their prospectus.

B

Back-testing	Method used to check the relevance of models and the suitability of the VaR (Value at Risk) in light of the risks actually borne.
Basel I (agreements)	Regulatory mechanism established in 1988 by the Basel Committee, to ensure the solvency and stability of the international banking system by setting a minimum, standardised, international limit on the capital of banks. It introduces a minimum capital ratio out of a bank's total risks which must be greater than 8%.
Basel II (agreements)	Regulatory mechanism intended to better identify and limit the risks of credit institutions. It mainly concerns the credit risk, market risks and operational risks of banks.

(1) *Alternative Perfomance Measures (details on Chapter 4, note 1.7, of this document).*

Basel III (agreements)	Regulatory standards for banks, which replace the previous Basel 2 agreements by increasing the quality and quantity of the minimum capital that banks are required to hold against the risk they take. It also introduces minimum standards for liquidity risk management (quantitative ratios), defines measures attempting to curb the financial system's pro-cyclicality (capital buffers varying according to the economic cycle) and tightens the requirements on institutions considered as systemically important. In the European Union, these regulatory standards were introduced under Directive 2013/36/EU (CRD 4 – Capital Requirements Directive) and Regulation (EU) No. 575/2013 (CRR – Capital Requirements Regulation).
BCBS	Basel Committee on Banking Supervision: institution of central banks governors of the G20 countries responsible for strenghtening the global financial system and improving the effectiveness of prudential supervision and of cooperation between banking regulators.
Bookrunner	Bookrunner (in investment transactions).
Bps	Basis points. A basis point is equal to 0.01% or 1/10,000.

C

Capital requirements	Regulatory capital requirements, amounting to 8% of the risk weighted assets (RWA).
CCA *(Certificat coopératif d'associés)*	Cooperative Associate Certificate Unlisted securities, which may be traded over the counter and may be issued only by cooperative companies. They may be subscribed by members of the issuing Regional Banks and affiliated Local Banks. A CCA does not carry voting rights but gives its holders rights to a share of the net assets and to receive dividends.
CCI *(Certificat coopératif d'investissement)*	Cooperative Investment Certificate Securities quoted on the stock exchange that do not carry voting rights and may be issued only by cooperative companies. A CCI gives its holders rights to a share of the net assets and to receive a dividend payment.
CCF	Credit Conversion Factor.
CCP	Central Counterparty.
CDO	Collateralised Debt Obligations, or debt securities linked to a portfolio of assets which can be bank loans (mortgages) or bonds issued by companies. The payment of interest and the principal may be subordinated (creation of tranches).
CDPC	Credit Derivatives Products Companies (companies specialising in selling protection against credit default via credit derivatives).
CDS	Credit Default Swap: an insurance mechanism against credit risk in the form of a bilateral financial contract, in which a buyer of protection pays a periodic premium to a protection seller, who promises to offset the losses on a reference asset (sovereign debt securities, securities issued by financial institutions or companies) in the event of a credit event (bankruptcy, default, moratorium, restructuring).
Central bank policy rate	Interest rate set by a country's or currency zone's central bank to regulate economic activity. Principal tool in a central bank's arsenal for fulfilling its role of regulating economic activity: inflation, stimulation of growth.
CGU	Cash generating unit: the smallest asset group identifiable which generates cash inflows which are largely independent of those generated by other assets or asset groups, according to IAS 36. "According to IFRS, a company must define as many cash generating units (CGUs) as possible which comprise it, these CGUs must be largely independent in their transactions and the company must allocate its assets to each of these CGUs. It is at the level of these CGUs that impairment tests are carried out occasionally, if there is reason to believe that their value has fallen, or every year if they make up the goodwill."
CHSCT	*Comité d'Hygiène, de Sécurité et des Conditions de Travail*/Health, Safety and Working Conditions Committee.
CLO	Collateralised Loan Obligation: credit derivative relating to a homogeneous portfolio of commercial loans.

CMBS	Commercial Mortgage-Backed Securities: debt security backed by a portfolio of consisting of corporate mortgage loans.
CMS	Constant Maturity Swap: contract which enables a short-term interest rate to be exchanged for a longer term interest rate.
Collateral	A transferable asset or a guarantee that provides security for the repayment of a loan, should the recipient of the loan fail to meet their repayment obligations.
Common Equity Tier 1	Common Equity Tier 1 capital of the institution which mainly consist of the share capital, the associated share premiums and reserves, less regulatory deductions.
Common Equity Tier 1 ratio	Ratio between Common Equity Tier 1 capital and assets weighted by risk, according to CRD4/CRR rules. Common Equity Tier 1 capital has a stricter definition than under the former CRD3 rules (Basel II).
Corporate governance	Any mechanism that can be implemented to achieve transparency, equality between shareholders and a balance of powers between management and shareholders. These mechanisms encompass the methods used to formulate and implement strategy, the operation of the Board of Directors, the organisation framework between different governing bodies and the compensation policy for Directors and executive managers.
Cost/income ratio (1)	The cost/income ratio is calculated by dividing operating expenses by revenues, indicating the proportion of revenues needed to cover operating expenses.
Cost of risk	The cost of risk reflects additions to and reversals from provisions for credit and counterparty risk (loans, securities, and off-balance sheet commitments).
Cost of risk/ outstandings	The cost of risk/outstandings is calculated by dividing the cost of credit risk (over four quarters on a rolling basis) by outstandings (over an average of the past four quarters, beginning of the period). Can also be calculated by dividing the annualised cost of credit risk for the quarter by outstandings at the beginning of the quarter. Similarly, the cost of risk for the period can be annualised and divided by the average outstandings at the beginning of the period. Since the first quarter of 2019, the outstandings taken into account are the customer outstandings, before allocations to provisions. The calculation method for the indicator is specified each time the indicator is used.
Coverage	Client monitoring.
Covered bond	Collateralised bond: bond for which the redemption and payment of interest are ensured by income flows of a portfolio of high-quality assets which serves as a guarantee, often a portfolio of mortgage loans. The transferor institution is often manager of the payment of cash flows to the investors (*obligations foncières* in France, *Pfandbriefe* in Germany). This product is usually issued by financial institutions.
CPM	Credit Portfolio Management. The impact of loan portfolio hedges is based on market movements in credit risk hedging and the level of reserves linked to the market movements.
CRBF	*Comité de Réglementation Bancaire et Financière.*
CRD	Capital Requirement Directive: European directive on regulatory capital requirements.
CRD 3	European directive on capital requirements, incorporating the provisions of Basel II and 2.5, notably as regards market risk: improved consideration of default risk and rating migration risk in the trading book (tranched and non-tranched assets) and reduction of the procyclical nature of the value at risk.
CRD 4/CRR (Capital Requirement Regulation)	Directive 2013/36/EU (CRD 4) and (EU) Regulation No 575/2013 (CRR) constitute the corpus of the texts transposing Basel III in Europe. They define European regulations on solvency ratios, major risks, leverage and liquidity and are completed by the technical standards of the European Banking Authority (EBA).
Crédit Agricole Group	This include Crédit Agricole S.A., Regional Banks and Local Banks.

(1) Alternative Perfomance Measures (details on Chapter 4, note 1.7, of this document).

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 (including Crédit Agricole CIB), joint ventures and associated companies that it holds directly or indirectly.
Crédit Agricole S.A. Parent Company	Legal entity that acts as central body and head of Crédit Agricole network and that guarantees the financial unity of the Group.
Credit Rating	Measurement of credit quality in the form of an opinion issued by a rating agency (Standard & Poor's, Moody's, Fitch Ratings, etc.). The rating may apply to a specific issuer (business, government, public-sector authority) and/or specific issues (bonds, securitised notes, secured bonds, etc.). The credit rating may influence an issuer's borrowing terms (interest rate it pays, its access to funding) and its market image (see Rating agency).
Credit spread	Actuarial margin (difference between a bond's yield to maturity and that on a risk-free borrowing with an identical maturity).
CRM	Comprehensive Risk Management: capital charge in addition to the IRC (Incremental Risk Charge) for the correlation portfolio of lending operations taking into account specific price risks (spread, correlation, recovery, etc.). CRM is a value at risk of 99.9% i.e. the highest risk obtained after eliminating 0.1% of the most unfavourable occurrences.
CSR	Corporate social (and environmental) responsibility.
CVA	Expected loss arising from the risk of a counterparty default which aims at building in the possibility that the full positive market value of instruments may not be recovered. The methodology used to determine the CVA is based largely on the same type of market parameters that market participants use.
CVaR	Credit Value at Risk: maximum loss likely after elimination of 1% of the most unfavourable occurrences, used to set limits for each individual counterparty.

D

Derivatives	A financial instrument or contract whose value changes according to the value of an underlying asset, which may be financial (shares, bonds, foreign currencies,etc.) or non-financial (commodities, agricultural commodities, etc.). This change may entail a multiplier effect (leverage). Derivatives may exist in the form of securities (warrants, certificates, structured EMTNs, etc.) or in the form of contracts (forwards, options, swaps, etc.). Listed derivative contracts are called futures.
DFA	The "Dodd-Frank Wall Street Reform and Consumer Protection Act", usually referred to as the "Dodd-Frank Act", is the US financial regulation law adopted in July 2010 in response to the financial crisis. The text is wide-ranging and covers many topics: the creation of a Financial Stability Oversight Council, treatmentof institutions of systemic importance, regulation of high-risk financial activities, limits on derivatives markets, improved monitoring of ratings agency practices, etc. The US regulators (Securities and Exchange Commission, Commodity Futures Trading Commission, etc.) are currently working on precise technical rules on these different areas.
Dilution	A transaction is described as "dilutive" when it reduces the portion of net asset value (e.g. net book value per share) or earnings (e.g. earnings per share) attributable to each share in the company.
Dividend	Portion of net income or reserves paid out to shareholders. The Board of Directors proposes the dividend to be voted on by shareholders at the Annual General Meeting, after the financial statements for the year ended have been approved.
DOJ	United States Department of Justice.
Doubtful loan	A doubtful loan is a defaulting loan. The debtor is considered to be in default when at least one of the following conditions has been met: • a payment generally more than ninety days past due, unless specific circumstances point to the fact that the delay is due to reasons independent of the debtor's financial situation; • the entity believes that the debtor is unlikely to settle its credit obligations unless it avails itself of certain measures such as enforcement of collateral security right.

DVA	The Debit Valuation Adjustment (DVA) is Symmetrical to the CVA and represents the expected loss from the counterparty's perspective on passive valuations of financial instruments. It reflects the impact of the entity's own credit risk on the valuation of these instruments.

E

EAD	Exposure at Default: exposure of the Group in the event of counterparty default. The EAD includes on and off the balance sheet exposures. Off-balance sheet exposures are converted into the balance sheet equivalents using internal or regulatory conversion factors (draw-down scenarios).
EBA	The European Banking Authority (EBA) was established on 24 November 2010, by a European regulation. In place since 1 January 2011 and based in London, it replaces the Committee of European Banking Supervisors (CEBS). This new authority has wide-ranging powers. It is responsible for harmonising regulations, ensuring coordination between national supervisory authorities and acting as mediator. The objective is to implement supervision at the European level without questioning the powers of national authorities for the day-to-day supervision of credit institutions.
ECB	European Central Bank.
EDTF	Enhanced Disclosure Task Force.
EL	Expected Loss is the likely loss given the quality of the transaction and of all the measures taken to mitigate the risk, such as collateral. It is obtained by multiplying the exposure at default (EAD) by the probability of default (PD) and by the loss given default (LGD).
EMEA	Europe, Middle East and Africa.
ESG	Environmental, Social and Governance.
EURIBOR	Euro Interbank Offered Rate: reference rate of the Eurozone market.
Extra-financial rating agency	Organisation specialised in qualitatively and quantitatively assessing corporates according to social and environmental criteria, following specifications related to sustainable development and using a specific form of rating.

F

Fair value	Amount for which an asset could be exchanged or for which a liability could be settled between well-informed, consenting parties acting under normal market conditions.
FCP *(Fonds commun de placement)*	Mutual fund Type of UCITS that issues units and does not have legal personality. By acquiring units, investors gain co-ownership of the securities, but do not have any voting rights. They are not shareholders. An FCP mutual fund is represented and managed from an administrative, financial and accounting perspective by a single management company, which may delegate these tasks.
FED	Federal Reserve System/Federal Reserve: Central Bank of the United States.
Finance, Technology (FinTech)	A FinTech is a non-banking company which uses information and communication technologies to deliver financial services.
Fides, Respect, Demeter (FReD)	Initiative to implement, manage and measure the progress made by the Corporate Social Responsibility (CSR) programme. FReD has three pillars with 19 commitments that aim to bolster trust (Fides), grow individuals and the corporate ecosystem (Respect) and protect the environment (Demeter). Every year since 2011, the FReD index has provided a measure of the progress made by the CSR programme being pursued by Crédit Agricole S.A. and its subsidiaries. PricewaterhouseCoopers conducts an annual audit of this index.

FSB	The Financial Stability Board's remit is to identify vulnerabilities in the global financial system and establish principles serving as a basis for the regulation and oversight of financial stability. It is made up of the governors, finance ministers and supervisors of G20 countries. Its primary objective is to coordinate at international level the work of the national financial authorities and of the international standard-setters in the regulation and supervision of financial institutions. Founded at the G20 meeting in London in April 2009, the FSB is the successor to the Financial Stability Forum set up by the G7 in 1999

G

GAAP	Generally Accepted Accounting Principles.
Goodwill	Amount by which the acquisition cost of a business exceeds the value of the net assets revalued at the time of acquisition. Every year, goodwill has to be tested for impairment, and any reduction in its value is recognised in the income statement.
Gross exposure	Exposure before taking into account provisions, adjustments and risk mitigation techniques.
Gross Operating Income (GOI)	Calculated as revenues less operating expenses (general operating expenses, such as employee expenses and other administrative expenses, depreciation and amortisation).
Green Bonds	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.

H

Haircut	Percentage deducted from the market value of securities to reflect their value in a stress environment (counterparty risk or market stress risk). The size of the haircut reflects the perceived risk.
HQE	*Haute Qualité Environnementale*/High Environmental Quality.
High Quality Liquid Assets (HQLA)	Assets are categorised as High-Quality Liquid Assets (HQLA), as defined by Capital Requirements Directive (CRD) IV, if they can be converted into cash quickly and easily without – or with minimum – loss of value, and, in general, if they can be mobilised in the central bank to obtain financing. The main characteristics of High-Quality Liquid Assets are: 1) low risk and volatility, 2) ability to be valued with ease and certainty, 3) low correlation with higher-risk assets, and 4) listed on a recognised and sizeable developed market. The High-Quality Liquid Assets that are not already being used as collateral form the numerator of the one-month Liquidity Coverage Ratio (LCR) for stress scenarios, according to the same regulation.

I

IAS	International Accounting Standards.
IASB	International Accounting Standards Board.
ICAAP	Internal Capital Adequacy Assessment Process: process reviewed in Pillar II of the Basel agreement, whereby the Group checks whether its capital is sufficient in light of all risks incurred.
IEA	International Energy Agency
IFRS	International Financial Reporting Standards.
ILAAP	Internal Liquidity Adequacy Assessment Process : internal assessment process under Pillar II of the Basel Agreement, whereby the Group checks the adequacy of its liquidity position against all risks incurred.
Impaired loan	Loan which has been provisioned due to a risk of non-repayment.
Impairment	Accounting recognition of a probable loss on an asset.

Impaired (or non-performing) loan coverage ratio	This ratio divides the outstanding provisions by the impaired gross customer outstandings.
Impaired (or non-performing) loan ratio	This ratio divides the gross customer outstandings depreciated on an individual basis, before provisions, by the total gross customer outstandings.
Institutional investors	Businesses, public-sector bodies and insurance companies involved in securities investment, for example, investing in the shares of listed companies. Pension funds and asset management and insurance companies come under this heading.
Investment grade	Long-term rating provided by an external agency and applicable to a counterparty or an underlying issue, ranging from AAA/Aaa to BBB-/Baa3. A rating of BB+/Ba1 and below qualifies instruments as Non-Investment Grade.
IRB	Internal Rating-Based: approach based on the ratings used to measure credit risk, as defined by European regulations.
IRBA	Internal Rating Based Approach.
IRC	Incremental Risk Charge: capital charge required in consideration of rating change risk and the risk of issuer default over one year for debt instruments in the trading portfolio (bonds and CDS). The IRC is a value at risk of 99.9% i.e. the highest risk obtained after eliminating 0.1% of the most unfavourable occurrences.
ISP	Investment service providers.
Issuer spread	Actuarial margin representing the difference between the actuarial rate of return at which the Group can borrow and that of a risk-free loan of identical duration.

L

LBO	Leveraged Buy out.
LCR	Liquidity Coverage Ratio: this ratio aims to promote the short-term resilience of a bank's liquidity risk profile. The LCR obliges banks to hold sufficient risk-free, highly liquid assets to cover outflows, net of inflows, assessed under stressed assumptions, to see it through a crisis period of 30 days without relying on any support from Central banks
Leverage ratio	A voluntarily simple ratio that is intended to control the size of banks' total assets. The leverage ratio establishes a link between Tier 1 regulatory capital and on-/off-balance sheet assets, after restatement of given items
LGD	Loss Given Default: Ratio between the loss experienced on an exposure on a counterparty at default and the size of the exposure at default
LIBOR	London Interbank Offered Rate.
Liquidity	For a bank, it is its ability to meet its short-term liabilities. For an asset this term refers to the possibility of buying or selling it quickly on a market with a limited reduction in value (haircut).

M

Market stress tests	To evaluate market risks, parallel to the internal VaR and SVaR model, the Group calculates a measurement of its risks using market stress tests, to take account of exceptional market disruption, which is based on 26 historical scenarios, as well as 8 theoretical scenarios.
Mark-to-Market	Method which involves measuring a financial instrument at fair value based on its market price.
Mark-to-Model	Method which involves, in the absence of market prices, measuring a financial instrument at fair value using a financial model based on observable or non-observable data.

Mezzanine	Hybrid financing between equity and debt. In terms of ranking, mezzanine debt is subordinate to senior debt, but remains senior to common shares.
MiFID	Markets in Financial instruments directive.
Minimum Requirement for own funds and Eligible Liabilities (MREL)	Ratio defined in the European Bank Recovery and Resolution Directive indicating the minimum requirement for own funds and eligible liabilities that have to be available to absorb losses in the event of resolution.
Monoline	Insurance company participating in a credit enhancement operation, and which provides its guarantee by issuing debt securities (e.g.: securitisation transactions), to improve the rating of the issue.
MSE	Medium-sized Enterprise.
MTP	Medium-term plan.

N

Net Banking Income (NBI) or revenues	The NBI is the difference between banking income (interest income, fee income, capital gains from market activities and other income from banking operations) and banking expenses (interest paid by the bank on its funding sources, fee expenses, capital losses arising on market activities and other expenses incurred by banking operations).
Net Banking Income underlying [1]	The underlying net banking income represents the stated net income Group share from which specific items have been deducted (i.e. non-recurring or exceptional items).
Net income Group share (NIGS)	Net income/(loss) for the financial year (after corporate income tax). Equal to net income less the share attributable to non-controlling interests in fully consolidated subsidiaries.
Net Income Group share underlying [1]	The underlying net income Group share represents the stated net income Group share from which specific items have been deducted (i.e. non-recurring or exceptional items).
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.
NSFR	Net Stable Funding Ratio: this ratio is intended to promote longer-term resilience through the introduction of additional incentives for banks to finance their activities using more sources with a greater structural stability. This structural liquidity ratio covering a one-year period has been designed to limit the funding of long term assets by short term resources
NZE	Net Zero Emissions by 2050 Scenario
NZBA	Net-Zero Banking Alliance

O

OFAC	Office of Foreign Assets Control.
Offsetting agreement	Agreement under which two parties to a financial contract (forward financial instrument), a securities loan or repurchase agreement, agree to offset their mutual loans and receivables pursuant to these contracts; the settlement of these only relates to a net offset balance, particularly in the event of default or termination. An overall offsetting agreement extends this mechanism to different families of transactions, which are governed by different framework agreements by way of a master agreement.
Operating income	Calculated as gross operating income less the cost of risk.
OTC	Over-The-Counter.

(1) APM-Alternative Perfomance Measures (details on Chapter 4, note 1.7, of this document).

P

Pricing	Setting a price.

R

Raison d'Être	The *Raison d'Être* of Crédit Agricole Group, adopted as a lasting measure within the framework of the Group project defined in 2019, engages and irrigates all the Group's activities and businesses. It does not fall within the scope of article 1835 of the Civil Code according to which "the articles of association may specify a *Raison d'Être*, consisting of the principles which the company adopts and for the respect of which it intends to allocate resources in carrying out its activity".
Rating	Evaluation, by a financial rating agency (Moody's, FitchRatings, Standard & Poor's), of the financial insolvency risk of an issuer (company, government or other state authority) or of a given transaction (bond issue, securitisation, covered bonds). The rating has a direct impact on the cost of raising funds.
Rating agency	Organisation specialised in assessing the solvency of issuers of debt securities, i.e. their ability to honour their repayment obligations (principal repayments and interest payments over the contractual period).
Ratio Core Tier 1	Ratio between Core Tier 1 capital and risk-weighted assets, according to the Basel II rules and their evolution referred to as Basel 2.5.
Resecuritisation	Securitisation of an exposure already securitised where the risk associated with the underlying exposures has been divided into tranches and for which at least one of the underlying exposures is a securitised exposure.
Resolution	Shortened form of "resolution of crises and bank failures". In practice, two types of plan need to be drawn up for every European bank: 1) a preventative recovery plan prepared by the bank's senior managers, and 2) a preventative resolution plan put in place by the competent supervisory authority. Resolution occurs before bankruptcy of the bank, to plan its ordered dismantling and avoid systemic risk.
Risk Appetite	Level of risk that the Group is willing to assume in pursuit of its strategic objectives. It is determined by type of risk and by business line. It may be stated using either quantitative or qualitative criteria. Establishing the risk appetite is one of the strategic management tools available to the Group's decision-making bodies.
Risks	The main types of risks specific to Crédit Agricole CIB are listed and explained below in the glossary, in the "Risks" section.
RMBS	Residential Mortgage Backed Securities: debt securities backed by an asset portfolio made up of residential mortgage loans.
RWA	Risk Weighted Assets: Assets and risk commitments (loans, etc.) held by a bank weighted by a prudential factor and based on the risk of loss and used, when added together, as the denominator for major solvency ratios.

S

SEC	US Securities and Exchange Commission (authority which controls the US financial markets).
Securitisation	Transfer of a credit risk (loan debts) to a body which issues, for this purpose, marketable securities subscribed by investors. This transaction may result in a transfer of loans and receivables (physical securitisation) or the transfer of the risks only (credit derivatives). Securitisation transactions can result in a subordination of securities (tranches).
SFEF	*Société de Financement de l'Économie Française* (French Financing Agency).
SFS	Specialised financial services.

SIFIs	Systemically Important Financial Institutions: the Financial Stability Board (FSB) coordinates all measures to reduce the moral hazards and risks of the global financial system posed by systemically important institutions (G-SIFI or Globally Systemically Important Financial Institutions or even GSIB - Global Systemically Important Banks). These institutions meet the criteria set out in the Basel Committee rules outlined in the document named "Global Systemically Important Banks: Assessment methodology and the additional loss absorbency requirement" and are identified in a list published in November 2011. This list is updated by the FSB every November. Institutions classified as GSIB will gradually have to apply increasing limits on the level of their share capital.
SMEs	Small and medium-sized enterprise.
Social bonds	Bonds issued by 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.
Socially Responsible Investment (SRI)	Systematic and clearly documented incorporation of environmental, social and governance criteria in investment decisions.
***Société d'investissement à capital variable* (SICAV) – open-ended investment company**	A type of UCITS which enables investors to invest in a portfolio of financial assets without holding them directly and to diversify their investments. It manages a portfolio of stocks or other assets and may specialise in a specific market, an asset class, an investment profile, or a specific sector. From a tax perspective, a SICAV unit is like a share.
Solvency	Measures the ability of a business or an individual to repay its debt over the medium to long term. For a bank, solvency reflects its ability to cope with the losses that its risk profile is likely to trigger. Solvency analysis is not the same as liquidity analysis. The liquidity of a business is its ability to honour its payments in the normal course of its business, to find new funding sources and to achieve a balance at all times between its incomings and outgoings. For banks, solvency is governed by the CRD 4 Directive and CRR Regulation.
SREP	Supervisory Review and Evaluation Process
Stress tests	Exercise to study the ramifications on banks' balance sheets, profit and loss and solvency in order to measure their ability to withstand these kinds of situations.
Single Resolution Fund (SRF)	The Single Resolution Fund is an **emergency** fund that can be used in **times of crisis**. The fund aims to prevent banks from failing after other options have been exhausted. The **fund is financed by the banking sector itself**. All banks across the 21 countries that are part of the EU's banking union must pay an annual fee (called contributions) to the fund. The individual amount a bank has to pay is based on a size and risk component.
Structured issue or structured product	Financial instrument combining a debt product and an instrument (such as an option) enabling exposure on all kinds of asset (shares, foreign currencies, rates, commodities). Instruments may include total or partial guarantee, of the capital invested. The term "structured product" or "structured issue" also refers to securities resulting from securitisation transactions, for which a ranking of bearers is organised.
Subordinated notes	Issues made by a company, the returns on and/or redemption of which are contingent upon an event (conditional upon payment of a dividend or achievement of an outcome).
SVaR	Stressed Value at Risk: identical to the VaR, the calculation method entails a "historical simulation" with "1-day" shocks and a 99% confidence interval. Unlike the VaR, which uses the 260 daily change scenarios over a rolling one-year period, Stressed VaR uses a historical one-year window corresponding to a period of significant financial stress.
Swap	Agreement between two counterparties to exchange one's assets or income from an asset for those of the other party's up to a given date.
Systemically important bank	Crédit Agricole Group, but not Crédit Agricole S.A., appears on the list of the 30 global systemically important banks (G-SIBs) published by the Financial Stability Board (FSB) in November 2012 and updated in November 2021. A systemically important bank has to put in place a basic capital buffer of between 1% and 3.5% in relation to Basel 3 requirements.

T

TCFD	Task Force on Climate-related Financial Disclosures The TCFD was created by the G20 at COP21 to define 11 recommendations concerning the financial transparency of companies in terms of managing climate risk.
Tier 1 Equity	Made up of Common Equity Tier 1 capital and Additional Tier 1 capital. The latter correspond to perpetual debt instruments without any redemption incentives, less regulatory deductions.
Tier 1 ratio	Ratio between Tier 1 capital and risk-weighted assets.
Tier 2 Equity	Additional capital mainly comprising subordinated securities less regulatory deductions.
TLTRO (Targeted long-term refinancing operations)	TLTROs are targeted long-term financing operations (four years and then three years) granted by the ECB to Eurozone credit institutions. The ECB therefore offers longer-term loans at favorable costs, provided that these funds are used to finance the economy. In order to benefit from the relaxed conditions (more favorable interest rates of up to -1%), credit institutions must demonstrate a target growth rate of credits to businesses and households. Three TLTRO operations were conducted: 2014, 2016 and 2019. Following the ECB's change in the remuneration terms for these operations in the fourth quarter of 2022, banks made early repayments on a significant share of loans.
Total capital ratio or solvency ratio	Ratio between total capital (Tier 1 and Tier 2) and risk-weighted assets.
Total Loss Absorbing Capacity (TLAC)	Designed at the G20's request by the Financial Stability Board. It aims to provide an indication of the loss-absorbing capacity and of the ability to raise additional capital of the systemically important banks (G-SIBs).
Treasury shares	Shares held by a company in its own capital. Treasury shares have no voting rights attached and are not used to calculate profit per share.
TSDI (*Titres subordonnés à durée indéteminée* - Undated subordinated notes)	Undated subordinated notes have no specified maturity date, with redemption being at the behest of the issuer beyond a certain date.
TSS (*Titres super-subordonnés* - Deeply subordinated notes)	Undated subordinated issue giving rise to perpetual returns. Their perpetual maturity arises from the fact that they do not have a contractual redemption date, with redemption taking place at the option of the issuer. Should the issuer be liquidated, these notes are redeemed after all the other creditors have been repaid.

U

Undertakings for collective investment in transferable securities (UCITS)	An UCITS is a portfolio of negotiable securities (equities, bonds, etc.) managed by professionals (asset management companies) and held collectively by retail or institutional investors. There are two types of UCITS – SICAVs (open-ended investment companies) and FCPs (mutual investment funds).

V

VaR	Value at Risk: Synthetic indicator used to track on a day-to-day basis the market risks taken by the Group, particularly in its trading activities (VaR is calculated using a 99% on 10 days-confidence interval, over one day, in line with the regulatory internal model). Reflects the largest exposure obtained after eliminating 1% of the most unfavourable occurrences over a 1-year history.
Volatility	Volatility measures the magnitude of the fluctuations of the price of an asset and thus its risk. It corresponds to the standard deviation of the instantaneous profitability of the asset over a certain period.
VSB	Very small businesses.

6.1. Risks

Credit Risk

- **Corporate & financial institutions risk:** Risk arising in the event of default by a counterparty or counterparties considered to be a single group of related clients in the major client scope, excluding the risk of sector and individual concentration and issuer risk.
- **Sector and individual concentration risk:** Risk arising from exposure to counterparties considered to be a single group of related clients, to counterparties operating in the same economic sector or in the same geographical region, or from the granting of loans relating to the same activity, or from the application of credit risk mitigation techniques, including collateral issued by the same issuer.
- **Country and sovereign risk:** Credit risk associated with exposures to countries and sovereigns, including the risk of concentrated exposures in credit and investment portfolios.
  - Country risk is the risk that the deterioration in the environment or the economic, financial, political or social situation of a country may affect the Bank's activities and the quality of our counterparties in that country;
  - Sovereign risk measures the losses incurred by CACIB under its commitments to sovereign counterparties in the event of their default or due to them being unable to meet their contractual obligations.
- **Counterparty risk on market transactions:** Risk arising in the event of the default or the deterioration in the credit quality of a counterparty or counterparties considered to be a single group of related clients under financial contracts (within the meaning of Article L 211.1 of the French Monetary and Financial Code) entered into with those counterparties.
- **Securitisation risk:** Credit risk arising from securitisation transactions in which CACIB acts as an investor, originator or sponsor, including reputational risks such as those arising in conjunction with complex structures or products

Financial risks

- **Global interest rate risk:** Risk of future loss on the net interest margin following interest rate stress. This risk reflects the potential impact of interest rate movements on the interest rate margin, net banking income and equity capital.
- **Liquidity risk: Liquidity** Risk covers:
  - liquidity price risk: the risk of additional financial costs caused by a change in refinancing spreads.
  - liquidity availability risk: risk of the funds required in order to meet commitments not being available.
- **Risk of change in the value of the securities portfolio or Issuer risk:** Risk of a fall in the value of securities held in the banking book (excluding equity investments) and recognised at fair value, where those securities were acquired to generate a return and/or to manage liquidity reserves.
- **Market risk:** Risk of loss of value of financial instruments arising from changes to market parameters, the volatility of these parameters and the correlations between these parameters. These parameters include exchange rates, interest rates, the prices of securities (shares, bonds) and commodities, derivative products and all other assets, such as property assets.
- **Foreign exchange risk (banking book):** Risk arising from structural foreign exchange positions (equity investments), as operational foreign exchange risk is systematically hedged.
- **Transformation risk:** This risk exists when assets are financed using resources with differing maturities. As a result of their traditional business of transforming resources with short maturities into longer term uses, banks are naturally affected by transformation risk, which itself entails liquidity risk and interest rate risk. Transformation is when assets have a longer maturity than liabilities and anti-transformation is when assets are financed by resources with a longer maturity.

Operational risks

- **Non-compliance risk:** Risk of judicial, administrative or disciplinary sanctions, significant financial losses or reputational damage, arising from non-compliance with laws, regulations or professional or ethical rules on banking and financial activities, or instructions from the executive body, in particular pursuant to the guidelines of the supervisory body. This sub-category of risk also includes the risk of internal and external fraud and the risk of misconduct.
- **Legal risk**: Risk of a dispute with a counterparty resulting from any inaccuracy, deficiency or insufficiency that may be attributable to the supervised entity in relation to its transactions. It therefore covers: legislative risk, i.e., breaches of the laws or regulations that govern the exercise of the Bank's activities in any jurisdiction in which it operates and that determine the legality and validity of its actions and their enforceability by third parties; contractual risk, i.e., the risk that, as a result of inaccuracy, deficiency or insufficiency, contractual documentation is not suitable for the transactions carried out, with the result that it does not fully and clearly reflect intentions.
- **Other operational risks (including accounting risk):** In addition to the sub-category of risks referred to above: the risk of losses resulting from inadequate or defective processes, staff and internal systems or external events; operational risks include risks associated with unlikely but high-impact events, as well as security risks to information systems and physical risks.

Other Risks

- **Business risks**: Risk covering two specific risks:
  - strategic risk: the risk linked to losses or falls in revenue or profits due to decisions over strategic choices and/or our competitive positioning;
  - systemic risk: global risk related to the macroeconomic, political and regulatory environment (in particular, the prudential and tax environment).

- **Climate risk:** Risk covering:
  - physical risks resulting from damage directly caused by meteorological and climatic events (acute risks, as for instance natural disasters, and chronic risks, associated with longer-term changes in climate patterns).
  - energy transition risks resulting from the effects of the implementation of a low-carbon business model (regulatory and legal, technological, market and reputational risks).

7. CROSS-REFERENCE TABLES

CROSS-REFERENCE TABLE OF THE ANNUAL REGISTRATION DOCUMENT

This cross-reference table contains the headings provided for in Annex 1 (as referred to in Annex 2) of Delegated Regulation (EU) 2019/980 of the Commission of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and repealing Commission Regulation (EC) No 809/2004 (Annex I), in application of the “Prospectus Directive”. It refers to the pages of this Universal Registration Document where the information relating to each of these headings is mentioned.

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	1.3 Statement or report of the persons acting as experts	Null
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	Annex 1 of the delegated regulation	Page number of the Universal Registration Document
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	10.1 Description of the main trends and any material change in the Group's financial performance since the end of the financial year	138 to 139; 425
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12.	**Administrative, management, supervisory and executive management bodies**	
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	18.1.3 Accounting standards	263 to 279; 377 to 385
	18.1.4 Change of accounting standards	Null
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19.1.4 Convertible or exchangeable securities or securities with subscription warrants attached	Null
19.1.5 Conditions governing any acquisition rights and/or any obligation attached to the capital subscribed, but not paid up, or on any undertaking to increase the capital	Null
19.1.6 Option or conditional or unconditional agreement of any member of the Group	Null
19.1.7 History of share capital	145
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[1] In accordance with Annex I of European Regulation 2017/1129, the following are incorporated by reference:
- the consolidated and annual financial statements for the year ended 31 December 2021 and the corresponding Statutory Auditors' Reports, as well as the Crédit Agricole CIB's management report, appearing respectively on pages 255 to 370 and 382 to 415, on pages 371 to 377 and 416 to 421 and on pages 135 to 147 of the Crédit Agricole CIB Universal Registration Document 2020 registered by the AMF on 24 march 2021 under number D.21-0183. The information is available via the following link: Universal Registration Document 2021.
- the consolidated and annual financial statements for the year ended 31 December 2020 and the corresponding Statutory Auditors' Reports, as well as the Crédit Agricole CIB's management report, appearing respectively on pages 280 to 396 and 408 to 440, on pages 397 to 403 and 441 to 446 and on pages 130 to 140 of the Crédit Agricole CIB Universal Registration Document 2020 registered by the AMF on 24 march 2021 under number D.21-0183. The information is available via the following link: Universal Registration Document 2020.

The sections of the Universal Registration Document 2021 and the Universal Registration Document 2020 not referred to above are either not applicable to investors or are covered in another part of this universal registration document.

All these documents incorporated by reference in the present document have been filed with the French Financial Markets Authority (Autorité des marchés financiers) and can be obtained on request free of charge during the usual office opening hours at the headquarters of the issuer as indicated at the end of the present document. These documents are available on the website of the Issuer ((Activity reports & Universal Registration Documents | Crédit Agricole CIB (ca-cib.com)) and on the website of the AMF (www.amf-france.org).

The information incorporated by reference has to be read according to the following cross-reference table. Any information not indicated in the cross-reference table but included in the documents incorporated by reference is only given for information.

THE FOLLOWING THEMATIC TABLE IDENTIFIES THE REGULATED INFORMATION WITHIN THE MEANING OF THE AMF GENERAL REGULATION CONTAINED IN THIS UNIVERSAL

This Universal Registration Document, which is published in the form of an annual report, includes all components of the 2022 Annual Financial Report referred to in Article L. 451-1-2 of the French Monetary and Financial Code as well as in Article 222-3 of the AMF's General Regulations and Order No. 2017-1162 of 12/07/2017 (Sapin 2 law):

▶ Cross-reference table with the Management report [(1)]

Reference texts	Elements required	Page number of the Universal Registration Document
1. Position and business activity of the company		
French Commercial Code, articles L. 225-100-1-I-1°, L. 232-1-II., L. 233-6 and L. 233-26	Position of the Company and objective and exhaustive analysis of changes in the business, results and financial position of the Company, including its debt in terms of the volume and complexity of the business	19 to 22; 131 to 145
French Commercial Code, article L. 225-100-1-I-2°	Key indicators of financial performance	6 to 7; 15 to 16; 129 to 130; 249; 373
French Commercial Code, article L. 225-100-1-I-2°	Key indicators of non-financial performance relating to the specific activity of the Company	6 to 7; 25
French Commercial Code, articles L. 232-1-II and L. 233-26	Material events that have occurred between the closing date of the financial year and the date of the Management Report	425
French Commercial Code, article L. 232-1-II	Existing branches	251; 356 to 358
French Commercial Code, article L. 233-6 para. 1	Acquisition of a stake in a company with its registered office in France on French territory	280; 424
French Commercial Code, articles L. 233-29, L. 233-30 and R. 233-19	Alienation of cross holdings	Null
French Commercial Code, articles L. 232-1-II and L. 233-26	Predictable change in the Company's position and future outlook	138 to 140
French Commercial Code, articles L. 232-1-II and L. 233-26	Research and development activities	425
French Commercial Code, article L. 225-102	Table showing the results of the Company for each of the last five financial years	144
French Commercial Code, article L. 441-4 and D.441-6	Information on payment times of suppliers and customers	143
French Monetary and Financial Code, articles L. 511-6 para. 2 and R. 511-2-1-3	Amount of inter-company loans made and Statutory Auditor's statement	Null
2. Internal control and risk management		
French Commercial Code, article L. 225-100-1-I-3°	Main risks and uncertainties facing the Company	150 to 160
French Commercial Code, article L. 22-10-35-1°	Financial risks related to the effects of climate change and presentation of the measures taken to reduce them	26 to 64; 158
French Commercial Code, article L. 22-10-35-2°	Main features of the internal control and risk management procedures for the preparation and processing of accounting and financial information	161 to 177
French Commercial Code, article L. 225-100-1-I-4°	Objectives and policy for hedging each transaction category and the Company's exposure to price, credit, liquidity and cash risks. The information includes the Company's use of financial instruments	150 to 154; 177 to 198; 220; 222 to 239; 241 to 245; 252 to 253; 281 to 309; 383 to 384
French Commercial Code, article L. 225-102-4	Vigilance plan and report on its effective implementation	26
3. Shareholders and capital		
French Commercial Code, article L. 233-13	Structure, change in the Company's share capital and threshold declarations	125; 334
French Commercial Code, articles L. 225-211 and R. 225-160	Acquisition and sale by the Company of treasury shares	125
French Commercial Code, article L. 225-102 para. 1	Statement of employee shareholding	125
French Commercial Code, articles R. 228-90 and R. 228-91	Indication of any adjustments for securities giving rights to capital in the event of share buybacks or financial transactions	Null
French Monetary and Financial Code, articles L. 621-18-2 and R. 621-43-1, AMF Regulation, article 223-26	Information on transactions in the Company's securities made by executives and related persons	116
French General Tax Code, article 243 bis	Dividends paid for the past three financial years	144; 259 to 260; 335; 400

(1) The informations related to the events after the Board of directors dated 7th February 2023 are not part of the Management report.

Reference texts	Elements required	Page number of the Universal Registration Document
4. Statement of non-financial performance		
Crédit Agricole CIB describes in Chapter 2 of this document the implementation of the Vigilance Plan of Crédit Agricole S.A. Group and its non-financial performance. However, this chapter does not constitute a statement on the implementation of the Vigilance Plan, nor a statement of non-financial performance that are presented in the Universal Registration Document of Crédit Agricole S.A. As a subsidiary of a group, Credit Agricole CIB is not subject to the publication of a statement of non-financial performance on its own scope.		N/A
5. Additional information required for the preparation of the Management report		
French Commercial Code, article L. 464-2	Injunctions or financial sanctions for anti-competitive practices	199 to 202; 331 to 334; 396 to 399

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1. Information on remuneration		N/A
2. Information on governance		
French Commercial Code, article L. 225-37-4-1°	List of all offices and positions held by each corporate officer during the financial year	94 to 114
French Commercial Code, article L. 225-37-4-2°	Agreements between an executive or a major shareholder and a subsidiary	82; 117
French Commercial Code, article L. 225-37-4-3°	Table summarising authorisations in force granted by the General Meeting of Shareholders concerning a capital increase	125
French Commercial Code, article L. 225-37-4-4°	Methods for exercising Executive Management	70; 78
French Commercial Code, article L. 22-10-10-1°	Composition and conditions for the preparation and organisation of the work of the Board	70 to 114
French Commercial Code, article L. 22-10-10-2°	Policy on diversity and application of the principle of balanced representation of women and men on the Board	76 to 78
French Commercial Code, article L. 22-10-10-3°	Restrictions, if any, imposed by the Board of Directors on the powers of the Chief Executive Officer	78
French Commercial Code, article L. 22-10-10-4°	Reference to a corporate governance code and application of the “comply or explain” principle	124
French Commercial Code, article L. 22-10-10-5°	Specific procedures for the participation of shareholders in the General Meeting	124
French Commercial Code, article L. 22-10-10-6°	Procedure for evaluating current agreements and implementation of that procedure	Null
French Commercial Code, Article L. 22-10-11 **3. Information that could have an impact in the event of a public purchase or exchange offer**		
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	Restrictions in the Articles of Association on the exercise of voting rights and transfer of shares, or agreement clauses of which the Company is informed pursuant to article L. 233-11 of the French Commercial Code	418 to 419
	Direct or indirect interests in the Company’s capital of which it is aware under articles L. 233-7 and L. 233-12 of the French Commercial Code	334
	List of the holders of any security that carries special rights and a description of such rights	Null
	Agreement between shareholders of which the Company is aware which could result in restrictions on the transfer of shares or the exercise of voting rights	125
	Rules applicable to the nomination and replacement of members of the Board of Directors and amendments to the Articles of Association of the Company	79 to 80; 90 to 91; 125; 420 to 423
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Reference texts		Page number of the Universal Registration Document
	Agreement entered into by the Company which are modified or end in the event of a change in control of the Company, unless this disclosure, excluding cases where there is a legal disclosure obligation, would seriously damage its interests	Null
	Agreements providing for indemnities for the members of the Board of Directors or the employees if they resign or are dismissed without real and serious cause, or if their employment ends due to a public exchange or purchase offer	123

CROSS-REFERENCE TABLE OF THE ANNUAL FINANCIAL REPORT

Sections	Articles	Page number of the Universal Registration Document
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2. Consolidated financial statements		255 to 362
3. Management report		See cross-reference table of the Management Report
4. Report on corporate governance		See cross-reference table of the Report on corporate governance
5. Statement of the persons responsible for the Annual Financial Report		435
6. Statutory Auditors' Reports on the parent company financial statements and the consolidated financial statements		363 to 369; 409 to 414

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Design & production : Crédit Agricole Corporate and Investment Bank / Production graphique (Crédit Agricole Immobilier). Crédits photos : Couverture, Getty Images - Visuels intérieurs, istock.