2022

AMENDMENT A03
TO THE UNIVERSAL REGISTRATION DOCUMENT

Working

every day

in the interest of our customers and society

Financial review at 30 June 2023

CRÉDIT AGRICOLE S.A.

Content

The English version of this present Amendment A03 to the Universal Registration Document was filed on 10th August 2023 with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation.

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

EXCELLENT PERFORMANCE OF THE UNIVERSAL BANKING MODEL

CAG AND CASA STATED AND UNDERLYING DATA Q2-2023

	CRÉDIT AGRICOLE S.A.		CRÉDIT AGRICOLE GROUP	
	Stated	Underlying	Stated	Underlying
Revenues	**€6,676m** +18.8% Q2/Q2	**€6,329m** +15.6% Q2/Q2	**€9,546m** +7.9% Q2/Q2	**€9,159m** +9.5% Q2/Q2
Costs excl. SRF	**-€3,218m** +3.0% Q2/Q2	**-€3,200m** +4.5% Q2/Q2	**-€5,233m** +4.8% Q2/Q2	**-€5,215m** +5.7% Q2/Q2
Gross Operating Income	**€3,461m** +39.3% Q2/Q2	**€3,133m** +30.3% Q2/Q2	**€4,319m** +12.3% Q2/Q2	**€3,950m** +15.4% Q2/Q2
Cost of risk	**-€534m** x2.6 Q2/Q2	**-€450m** x2.2 Q2/Q2	**-€938m** +52.5% Q2/Q2	**-€854m** +38.8% Q2/Q2
Net income Group share	**€2,040m** +24.7% Q2/Q2	**€1,850m** +18.0% Q2/Q2	**€2,481m** +2.1% Q2/Q2	**€2,249m** +6.7% Q2/Q2
C/I ratio (excl. SRF)	**48.2%** -7.4 pp Q2/Q2	**50.6%** -5.3 pp Q2/Q2	**54.8%** -1.6 pp Q2/Q2	**56.9%** -2.0 pp Q2/Q2

QUARTERLY AND HALF-YEAR RESULTS AT AN ALL TIME BEST: CASA REPORTED NET INCOME OF €2,040m IN Q2-23 AND €3,266m IN H1-23.

Underlying figures:

- Revenues at record level, €6,329m Q2-23, +15.6% Q2/Q2 pro-forma IFRS17
  - Revenues driven by dynamic business, notably in Insurance across all business lines, with continued strong net inflows in unit-linked products, Asset Management, Consumer Finance driven by the auto channel (first consolidation of CA Auto Bank), Investment banking with excellent performance in structured finance and financing solutions (repo, primary credit and securitisation).
  - French retail banking impacted by the increase in refinancing costs and the slowdown in loan production
  - CA Italia, IRB excluding Italy, CACEIS and CA Indosuez revenues supported by net interest margin
- Costs excl. SRF +4.5% Q2/Q2 pro-forma IFRS17 (first consolidation of CA Auto Bank)
- Cost/income ratio excl. SRF 52.3% H1-23

SOLID CAPITAL AND LIQUIDITY POSITIONS

- Crédit Agricole S.A. phased-in CET1 11.6% (340 bps>SREP)
- CAG phased-in CET1 17.6% (840 bps>SREP)

Within the scenario of strict adverse EBA stress tests, and based upon hypotheses radically contradictory to the French retail market, GCA strength does not waver as shown by CET1 2025 ratio, amongst strongest European banks.

- LCR 157.3% and €334bn in liquidity reserves at Crédit Agricole Group level after June-23 TLTRO-3 repayment
- Stock of provisions for performing loans €20.6bn, coverage ratio 83.6% for GCA

CONTINUED DEVELOPMENT PROJECTS

- Strengthening on Mobility market (start-up of Leasys and CA Auto Bank)
- Integration of European activities of RBC IS by CACEIS completed 03/07/2023
- Signing of an agreement for the acquisition of a majority stake in the capital of Banque Degroof Petercam[1]

ESG: CRÉDIT AGRICOLE SA RANKED AT TOP OF "DIVERSIFIED BANKS (EUROPE)" CATEGORY

- Crédit Agricole S.A.'s non-financial ratings raised (72/100, +5 pts) by the Moody's Analytics agency

At the meeting of the Board of Directors of Crédit Agricole S.A. on 3 August 2023, SAS Rue La Boétie informed the company of its intention to purchase Crédit Agricole S.A. shares on the market for a maximum amount of one billion euros in line with the operation announced in November 2022. Details of the transaction are provided in a press release issued today by SAS Rue La Boétie.

Dominique Lefebvre,
Chairman of SAS Rue La Boétie and Chairman of the Crédit Agricole S.A. Board of Directors
"These excellent results demonstrate the universal banking model's ability to adjust to a less favorable context and its usefulness towards both society and clients.
I would like to thank our chairmen, mutual shareholders and employees for their unwavering and daily commitment towards our clients."

Philippe Brassac,
Chief Executive Officer of Crédit Agricole S.A.

"Being available everywhere, to everyone, at any given time, to cover all possible needs, is what makes the model universal and safe for both clients and banks."

This press release comments on the results of Crédit Agricole S.A. and those of Crédit Agricole Group, which comprises the Crédit Agricole S.A. entities and the Crédit Agricole Regional Banks, which own 60.2% of Crédit Agricole S.A. Please refer to the appendices of this press release for details of specific items, which are adjusted for the various indicators to calculate underlying income. All 2022 figures are presented on a pro forma basis under IFRS17.

[1] *It would have an impact of around -30 bps on Crédit Agricole S.A.'s CET1*

Crédit Agricole Group

Group activity

The Group's commercial activity over the quarter was good across all business lines thanks to the customer focused banking model. In the second quarter of 2023, gross customer capture remained high, with 471,000 new retail banking customers, while the customer base grew by 114,000 customers[2]. More specifically, over the quarter, the Group recorded +371,000 new Retail banking customers in France and +100,000 new International retai banking customers (Italy and Poland), and the customer base grew respectively by +69,000 and +45,000 customers.

Inflows remained at a good level in the Asset gathering and Large customers division at +€1.1 billion over the quarter**,** driven by positive net inflows in **Asset Management** of +€3.7 billion despite customers' risk aversion in uncertain markets, both in MLT assets and in Treasury, with retail and institutional customers and in the JVs in India and Korea. In **insurance**, net inflows remained positive in France, driven by the success of unit-linked bond insurance, which also boosted the rate of gross inflows into unit-linked products, which remained high at 45.3%. Business also remained buoyant in property and casualty insurance and personal protection, with premium income up by 10.4%[3] and 5.2%[3] respectively compared with the second quarter of 2022. Insurance product **equipment rates** continued to rise year-on-year and at end June 2023 stood at 42.8% for the Regional Banks, 27.4% for LCL and 17.9% for CA Italia[4]

Corporate and Investment Banking posted good performance this quarter, especially in structured financing activities (up 20.4% compared with the second quarter of 2022) and good commercial activity in capital markets, particularly in financing solutions (repo, primary credit and securitization).

In **consumer finance**, CACF's production was up 9% compared with the second quarter of 2022, driven by the dynamism of the automotive channel (+30%, due in particular to a good start of the CA Autobank's white label business).

In **retail banking**, **loan production** was down compared with the second quarter of 2022 in a declining market, but the level of outstanding loans continued to rise across all business lines. Housing production was down in France, as monetary policy was tightened (-45.6% for LCL and -23.7% for the Regional Banks), as well as in Italy (-23.5%). At the same time, the rate at which new home loans were granted continued to rise compared with March 2023, both for retail banking in France and in Italy. Retail banking **customer assets** were slightly up from the first quarter of 2023. On-balance sheet deposits (+0.5% compared with March 2023 and +3.5% compared with June 2022) were driven mainly by CA Italia (+2.9%) and the Regional Banks (+0.5%) thanks to corporate maturity transactions. Quarterly off-balance sheet customer assets, up 0.7%, were positive across all business lines.

[2] Gross customer acquisition for first half 2023 was ~1,026,000 and the customer base was ~267,000.
[3] Constant scope excluding La Médicale
[4] Change vs. June 2022: +0.5 pp for RBs, +0.5 pp for LCL and +2.3 pp for CA Italia

Group results

In the second quarter of 2023, Crédit Agricole Group's **stated net income Group share** came to **€2,481 million**, up +2.1% compared to the second quarter of 2022.

Specific items for the quarter had a cumulative impact of +€232 million on net income Group share, and comprised non-recurring accounting items totalling +€244 million, mainly the reorganisation of the SFS division's Mobility business[5] (+€140 million) and the reversal of the provision for the Cheque Image Exchange fine provision (+€104 million). Recurring items amounted to -€11 million on net income Group share, and included accounting volatility items under revenues, i.e. the DVA (Debt Valuation Adjustment), the issuer spread portion of the FVA, and secured lending for -€11 million in net income Group share on capital markets and investment banking, and hedging of the Large Customers' loan book for -€1 million in net income Group share.

Excluding these specific items, **Crédit Agricole Group's underlying net income Group share**[6] amounted to **€2,249 million**, up +6.7% compared to second quarter 2022.

Credit Agricole Group – Stated and underlying results, Q2-23 and Q2-22

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**9,546**	**388**	**9,159**	**8,849**	**485**	**8,364**	+7.9%	+9.5%
Operating expenses excl.SRF	(5,233)	(18)	(5,215)	(4,996)	(63)	(4,933)	+4.8%	+5.7%
SRF	6	-	6	(8)	-	(8)	n.m.	n.m.
Gross operating income	**4,319**	**369**	**3,950**	**3,845**	**422**	**3,423**	**+12.3%**	**+15.4%**
Cost of risk	(938)	(84)	(854)	(615)	-	(615)	+52.5%	+38.8%
Equity-accounted entities	46	(12)	58	103	-	103	(55.7%)	(44.0%)
Net income on other assets	33	28	5	22	-	22	+54.7%	(74.6%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**3,460**	**301**	**3,160**	**3,355**	**422**	**2,933**	**+3.1%**	**+7.7%**
Tax	(772)	(69)	(704)	(771)	(108)	(664)	+0.1%	+6.0%
Net income from discont'd or held-for-sale ope.	4	-	4	23	(3)	26	(83.2%)	(85.2%)
Net income	**2,692**	**232**	**2,460**	**2,607**	**311**	**2,295**	**+3.3%**	**+7.2%**
Non controlling interests	(211)	(0)	(211)	(176)	11	(187)	+20.1%	+12.9%
Net income Group Share	**2,481**	**232**	**2,249**	**2,431**	**322**	**2,108**	**+2.1%**	**+6.7%**
Cost/Income ratio excl.SRF (%)	**54.8%**		**56.9%**	**56.5%**		**59.0%**	**-1.6 pp**	**-2.0 pp**

In the second quarter of 2023, **underlying revenues** totalled €9,159 million, up +9.5% from the second quarter of 2022, driven by the Asset Management and Insurance Services division (+46.4%), which benefited from a rise in insurance revenues (x3.1 and +42% on an IFRS17 basis[7]), the Specialised Financial Services division (+26.1%), which includes the first line-by-line integration of CA Auto Bank, International Retail Banking (+21.0%), with a healthy net interest margin, and Corporate and Investment Banking (+1.6%), which also benefited from a higher net interest margin in institutional financial services, with Investment Banking (BFI) revenues slightly lower

5 The reorganisation of the Mobility activities of the CA Consumer Finance Group had a non-recurring impact in Q2 2023 on all intermediate operating totals due to the transfer of business assets, indemnities received and paid, the accounting treatment of the 100% consolidation of CA Auto Bank (formerly FCA Bank) and the reorganisation of the automotive financing activities within the CA Consumer Finance Group (particularly the review of application solutions).

6 See Appendixes for more details on specific items.

7 Q2-22 base effect not taking into account investment management decisions implemented at the end of 2022, i.e. ring-fencing of equity and desensitisation of the portfolio.

but close to the historical best 2022 Q2;ⁱ underlying revenues in the French Retail Banking division (-2.9%) fell as a result of higher refinancing costs and resources.

Underlying operating expenses excluding the Single Resolution Fund (SRF) rose by +5.7% in the second quarter of 2023, to €5,215 million, mainly due to higher compensation in an inflationary context, support for business development and IT expenses. Overall, the Group's **underlying cost/income ratio excluding SRF** recorded a decrease of -2.0 percentage points to 56.9% in the second quarter of 2023. The **underlying gross operating income** was up +15.4% compared to the second quarter of 2022, reaching €3,950 million.

The **underlying cost of credit risk** declined to -€854 million, an increase of +39% compared with the second quarter of 2022, when it stood at -€615 million. The expense of -€854 million in the second quarter of 2023 breaks down into a provision for performing loans (stages 1 and 2) of -€154 million (vs. €220 million in the second quarter of 2022), a provision of -€697 million for proven risk (stage 3 - vs. €401 million in the second quarter of 2022), this decline is linked to the default of major French banking operations and the increase in proven risk in retail banking and consumer finance, and lastly a provision of -€3 million for other risks. The provisioning levels were determined by taking into account several weighted economic scenarios, as in previous quarters, and by applying adjustments on sensitive portfolios. The weighted economic scenarios for the second quarter were updated, with a favourable scenario (French GDP at +1% in 2023, +2.4% in 2024) and an unfavourable scenario (French GDP at +0.1% in 2023 and -0.1% in 2024). The **cost of credit risk on outstandings[8] over a rolling four-quarter period stood at 25 basis points, which is in line with the 25 basis point assumption of the Medium-Term Plan.** It stands at 29 basis points on a quarterly annualised basis[9].

Underlying pre-tax income stood at €3,160 million, a year-on-year increase of +7.7%. The underlying pre-tax income included the contribution from equity-accounted entities for €58 million (down -44.0%, mainly due to the line-by-line consolidation of CA Auto Bank, formerly FCA Bank) and net income on other assets, which came to €5 million this quarter. The underlying **tax charge was up +6.0%** over the period. Underlying net income before non-controlling interests was up +7.2% to €2,460 million. Non-controlling interests rose +12.9%. Lastly, **underlying net income Group share was €2,249 million, +6.7% higher** than in the second quarter of 2022.

[8] *The cost of risk relative to outstandings (in basis points) on a four quarter rolling basis is calculated on the cost of risk of the past four quarters divided by the average outstandings at the start of each of the four quarters after reintegration of CA Auto Bank outstandings*

[9] *The cost of risk relative to outstandings (in basis points) on an annualised basis is calculated on the cost of risk of the quarter multiplied by four and divided by the outstandings at the start of the quarter after reintegration of CA Auto Bank outstandings*

Credit Agricole Group – Stated and underlying results, H1-23 and H1-22

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**18,473**	**356**	**18,117**	**17,730**	**564**	**17,166**	+4.2%	+5.5%
Operating expenses excl.SRF	(10,517)	(18)	(10,498)	(10,078)	(81)	(9,997)	+4.4%	+5.0%
SRF	(620)	-	(620)	(803)	-	(803)	(22.8%)	(22.8%)
Gross operating income	**7,337**	**338**	**6,999**	**6,850**	**483**	**6,367**	**+7.1%**	**+9.9%**
Cost of risk	(1,486)	(84)	(1,402)	(1,503)	(195)	(1,308)	(1.1%)	+7.1%
Equity-accounted entities	153	(12)	165	211	-	211	(27.4%)	(21.7%)
Net income on other assets	37	28	10	35	-	35	+8.0%	(72.4%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**6,042**	**269**	**5,773**	**5,592**	**288**	**5,304**	**+8.0%**	**+8.8%**
Tax	(1,483)	(60)	(1,422)	(1,474)	(123)	(1,351)	+0.6%	+5.3%
Net income from discont'd or held-for-sale ope.	6	-	6	25	(7)	31	(76.9%)	(81.8%)
Net income	**4,565**	**209**	**4,356**	**4,143**	**158**	**3,984**	**+10.2%**	**+9.3%**
Non controlling interests	(415)	(0)	(415)	(362)	11	(373)	+14.7%	+11.4%
Net income Group Share	**4,150**	**209**	**3,941**	**3,781**	**169**	**3,612**	**+9.8%**	**+9.1%**
Cost/Income ratio excl.SRF (%)	**56.9%**		**57.9%**	**56.8%**		**58.2%**	**+0.1 pp**	**-0.3 pp**

Stated net income Group share **in the first half of 2023** amounted to €4,150 million, compared with €3,781 million in the first half of 2022, an increase of +9.8%.

Specific items for the first six months of 2023 include the specific items of the Regional Banks for first half 2023 detailed in the Regional Banks section, and the specific items of Crédit Agricole S.A. detailed in the Crédit Agricole S.A. section.

Excluding these specific items, **underlying net income Group share amounted to €3,941 million**, up +9.1% compared to first half 2022.

Underlying revenues totalled €18,117 million, up **+5.5%** in first half 2023 compared with first half 2022. This increase was due to very high revenues across all the business lines in the **Asset Gathering** division, the first line-by-line integration of CA Auto Bank in the **Specialised Financial Services** division, the highest level of revenues in the **Large Customers** division and a higher net interest margin in the **International Retail Banking** division; revenues in the **French Retail Banking** division were down due to the lower interest margin.

Underlying **operating expenses** excluding SRF amounted to -€10,498 million, up +5.0% compared with first half 2022, mainly due to higher compensation in an inflationary environment, support for business development and IT expenditure. The underlying cost/income ratio excluding SRF for first half 2023 was 57.9%, down -0.3 percentage points compared to first half 2022. The SRF totalled -€620 million in 2023, down -22.8% compared to 2022.

Underlying **gross operating income** totalled €6,999 million, up +9.9% compared to first half 2022.

The underlying **cost of risk** for the half-year rose to -€1,402 million (of which -€221 million in cost of risk on performing loans (stage 1 and 2), -€1,162 million in cost of proven risk, and +€19 million in other risks corresponding mainly to reversals of legal provisions), i.e. an increase of +7.1% compared to first half 2022.

As at 30 June 2023, risk indicators confirm **the high quality of Crédit Agricole Group's assets and risk coverage level**. The diversified loan book is mainly geared towards home loans (46% of gross outstandings) and corporates (32% of gross outstandings). Loan loss reserves amounts to €20.6 billion at the end of June 2023 (€10.9 billion for Regional Banks), 42% of which represented provisioning of performing loans (48% for Regional Banks). The loan loss reserves for performing loans have increased at Group level by +€3.3 billion since the fourth quarter of 2019. The prudent management of these loan loss reserves has enabled the Crédit Agricole Group to have one of the best[10] overall coverage ratios for doubtful loans (83.6% at the end of June 2023) among the largest European banks.

Net income on other assets stood at €10 million in first half 2023, vs. €35 million in first half 2022. **Underlying pre-tax income before discontinued operations and non-controlling interests** rose by +8.8% to €5,773 million. The tax charge was -€1,422 million, up +5.3%, with an underlying effective tax rate of 25.4%, down -1.2 percentage points compared to first half 2022. Underlying net income before non-controlling interests was therefore up by +11.4%. Non-controlling interests amounted to -€415 million in first half 2023, up +11.4%.

The underlying net income Group share for first half 2023 thus stood at €3,941 million, up +9.1% compared to first half 2022.

[10] *Analysis based on 30/06 data for Crédit Agricole S.A. and Crédit Agricole Group. Analysis based on 30/06/2023 reporting on customer loans, Stage 3 outstandings and Stage 1, 2 and 3 provisions for Banco Santander, Standard Chartered, Barclays, BNP Paribas, Deutsche Bank, HSBC. Société Générale, BPCE Group and UniCredit.*

Regional banks

Regional banks' activity grew in the second quarter of 2023. **Gross customer capture was up**, with +291,000 new customers over the quarter, while **the customer base grew by** +62,000 new customers over the quarter. The number of **customers using digital tools** increased, with "Ma Banque" application reaching now 8.6 million[11] users and the number of online signatures[12] grew up by +40% between the second quarter of 2022 and the second quarter of 2023. **The strong performance of the offer "Ma Banque Au Quotidien"** for individual customers has led to **an increase and improvement of the card stock** (+2.2% year-on-year, with +13% for Premium cards). In the professional market, the offer "Propulse" has quickly found its place in the range, complementing the offer of a 100% digital solution with management services (in eight months: 8,000 accounts opened strictly online and 15,000 online prospects, with a high satisfaction rate[13]).

Loan production has declined this quarter by -19.3% compared to the second quarter of 2022, (-6.8% Q2-23 vs. average 2018-2022). The decline is sharp in home loans (-23.7% compared to the second quarter of 2022), but it remains lower than the market[14]. The home loan production rate is up compared to the first half of 2023, and the average rate for 20-25 year lending reached 3.5%[15] early July 2023. **Loan outstandings** reached €642 billion at end June 2023, up +4.6% compared to the end of June 2022 (+1.0% compared to the end of March 2023) driven by the corporate market (+7.5% compared to the second quarter of 2022).

Total customer assets rose by +3.3% year on year to €866 billion at end June 2023. This growth was driven by on-balance sheet deposits, which reached €579 billion at end June 2023, up +2.7% compared to end June 2022 (including +9.9% for passbook accounts and +64.5% for term deposits). Compared with the first quarter of 2023, on-balance sheet deposits rose by 0.5%. Off-balance sheet customer assets reached €287 billion at end June 2023, up +4.6% year-on-year.

In the second quarter of 2023, Regional banks' stated revenues, including the SAS Rue La Boétie dividend[16], amounted to €4,950 million, down -5.3% compared to the second quarter of 2022, due to a decline in the intermediation margin of -33,8% (excluding the base effect of home purchase savings plans) and an increase in refinancing costs. There was also a negative base effect on the provision for home purchase savings plans of -€342 million recorded under specific items in the second quarter of 2022. Portfolio revenues were up, benefiting from positive market effects and an increase in dividends received. Fee and commission income was up 2.3%. **Operating expenses** increased +3.6% over the period largely due to the increase in staff costs. **Gross operating income** decreased by -12.5%. **The cost of risk** fell slightly by -1.7% compared to the second quarter of 2022 to -€408 million. **The Regional Banks' net income Group share**, including SAS Rue La Boétie dividend, amounted to €2,037 million in the second quarter of 2023, down -9.2% compared to the second quarter of 2022.

The Regional banks' contribution to the results of Crédit Agricole Group amounted to €413 million (- 46.2%) in stated net income Group share in the second quarter of 2023, with revenues of €3,353 million (-10.3%) and a cost of risk of -€405 million (-1.6%).

In the second quarter of 2023, specific items had a positive impact of €41 million on revenues (identical impact on net income Group share) and were linked to a reversal of the provision for "cheque image" exchange. **In the second quarter of 2022, specific items** had an impact of €342 million on revenues (€254 million on net income Group share) and corresponded to a reversal of provisions on home purchase savings plans.

In first half 2023, **revenues including the dividend from SAS Rue La Boétie** were down (-6.9%) compared to first half 2022. Operating expenses rose by +3.1%, and **gross operating income** consequently fell by -18.8% over the first half. Finally, with a **cost of risk** up +3.4%, **the Regional banks' net income Group share, including SAS Rue La Boétie dividend**, amounted to €2,472 million, down -18.2% compared to 2022 first half.

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[11] *Number of active profiles on "Ma Banque" corresponding to at least one synchronisation during the month*
[12] *Signatures initiated in BAM deposit mode (multi-channel bank access), Mobile customer portal or "Ma Banque" app*
[13] *4.8 over 5 on the store*
[14] *Home loan production in France down -47% for May 2023 according to the Banque de France*
[15] *Average rate for 20-25 year lending +58bp Q1/Q2*
[16] *SAS Rue La Boétie dividend paid annually in Q2*

The Regional banks' contribution to the results of Crédit Agricole Group in first half 2023 amounted to €833 million (-45.9%) in stated net income Group share, with revenues of €6,686 million (-9.9%) and a cost of risk of -€577 million (+3.6%).

Crédit Agricole S.A.

Results

Crédit Agricole S.A.'s Board of Directors, chaired by Dominique Lefebvre, met on 3 August 2023 to examine the financial statements for the second quarter of 2023.

Credit Agricole S.A. – Stated and underlying results, Q2-23 and Q2-22

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**6,676**	**346**	**6,329**	**5,619**	**143**	**5,477**	**+18.8%**	**+15.6%**
Operating expenses excl.SRF	(3,218)	(18)	(3,200)	(3,123)	(63)	(3,061)	+3.0%	+4.5%
SRF	4	-	4	(11)	-	(11)	n.m.	n.m.
Gross operating income	**3,461**	**328**	**3,133**	**2,485**	**80**	**2,405**	**+39.3%**	**+30.3%**
Cost of risk	(534)	(84)	(450)	(202)	-	(202)	x 2.6	x 2.2
Equity-accounted entities	27	(12)	39	94	-	94	(71.1%)	(58.2%)
Net income on other assets	29	28	1	11	-	11	x 2.7	(89.1%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**2,983**	**259**	**2,724**	**2,387**	**80**	**2,307**	**+25.0%**	**+18.1%**
Tax	(677)	(69)	(609)	(549)	(19)	(530)	+23.3%	+14.9%
Net income from discont'd or held-for-sale ope.	4	-	4	23	(3)	26	n.m.	n.m.
Net income	**2,309**	**190**	**2,119**	**1,861**	**57**	**1,803**	**+24.1%**	**+17.5%**
Non controlling interests	(269)	(1)	(269)	(225)	11	(235)	+19.9%	+14.2%
Net income Group Share	**2,040**	**190**	**1,850**	**1,636**	**68**	**1,568**	**+24.7%**	**+18.0%**
Earnings per share (€)	**0.64**	**0.06**	**0.58**	**0.51**	**0.02**	**0.49**	**+25.5%**	**+18.5%**
Cost/Income ratio excl. SRF (%)	**48.2%**		**50.6%**	**55.6%**		**55.9%**	**-7.4 pp**	**-5.3 pp**

In the second quarter of 2023, Crédit Agricole S.A.'s **stated net income Group share** amounted to **€2,040 million**, an increase of +24.7% from the second quarter of 2022.

Specific items for the quarter had a cumulative impact of +€190 million on net income Group share, and comprised non-recurring accounting items totalling +€201 million, mainly the reorganisation of the SFS division's Mobility business[17] (+€140 million) and the reversal of the provision for the Cheque Image Exchange fine (+€62 million). Recurring items amounted to -€11 million on net income Group share, and included accounting volatility items under revenues, i.e. the DVA (Debt Valuation Adjustment), the issuer spread portion of the FVA, and secured lending for -€11 million in net income Group share on capital markets and investment banking, and hedging of the Large Customers' loan book for -€1 million in net income Group share.

Excluding specific items, **underlying net income Group share**[18] stood at **€1,850 million** in the second quarter of 2023, a +18.0% rise over the second quarter of 2022.

In the second quarter of 2023, **underlying revenues** came to €6,329 million, up +15.6% compared to the second quarter of 2022. This growth was driven by the Asset Gathering division (+47.5%), which benefited from a rise in insurance premium revenues (x3.1 and +42% on an IFRS 17 basis[19]); Specialised Financial Services (+26.1%), which includes the first line-by-line integration of CA Auto Bank; International Retail Banking (+20.9%), with a

[17] The reorganisation of the Mobility activities of the CA Consumer Finance Group had a non-recurring impact in Q2 2023 on all intermediate operating totals due to the transfer of business assets, indemnities received and paid, the accounting treatment of the 100% consolidation of CA Auto Bank (formerly FCA Bank) and the reorganisation of the automotive financing activities within the CA Consumer Finance Group (particularly the review of application solutions).

[18] Underlying, excluding specific items. See Appendixes for more details on specific items.

[19] Q2-22 base effect not taking into account investment management decisions implemented at the end of 2022, i.e. ring-fencing of equity and desensitisation of the portfolio.

healthy net interest margin in Italy, Poland and Egypt; and Corporate and Investment Banking (+1.5%), boosted mainly by a higher net interest margin in asset servicing, with CIB revenues slightly lower but close to the historical best Q2 achieved in 2022. The underlying revenues of French Retail Banking (-4.4%) fell due to the higher costs of refinancing and funding resources.

Underlying operating expenses totalled -€3,196 million in the second quarter of 2023, an increase of +4.1% compared to the second quarter of 2022. **Excluding SRF**, this item comes to -€3,200 million for the second quarter of 2023, an increase of -€139 million, or +4.5%, of which -€62 million is due to the effect of the first-time consolidation of CA Auto Bank. The remainder is mainly attributable to the payroll increase of -€75 million (primarily Large Customers and IRB), and provisions for variable compensation and bonuses of -€26 million (mainly Corporate and Investment Banking), IT investments increased by -€35 million (mainly for Large Customers).

The underlying cost/income ratio excluding SRF in the second quarter of 2023 thus stood at 50.6%, a - 5.3 percentage points improvement compared to the second quarter of 2022.

Gross underlying operating income in the second quarter of 2023 totalled €3,133 million, a rise of +30.3%.

As at 30 June 2023, risk indicators confirm **the high quality of Crédit Agricole S.A.'s assets and risk coverage level**. The diversified loan book is mainly geared towards home loans (26% of gross outstandings) and corporates (43% of Crédit Agricole S.A. gross outstandings). The Non Performing Loans ratio remained stable and low at 2.6%. The coverage ratio[20] was high at 71.4%, up +0.6 percentage points over the quarter. **Loan loss reserves** amounted to €9.7 billion for Crédit Agricole S.A., an increase of +3.7% compared to end March 2023. Of those loan loss reserves, 36% were for performing loan provisioning. Loan loss reserves for performing loans are higher by €1.5 billion compared with the fourth quarter of 2019.

The underlying cost of credit risk deteriorated to -€450 million, a 2.2x increase compared with the second quarter of 2022 figure of -€202 million. The expense of -€450 million in the second quarter of 2023 consists of a write-back on performing loans (Stages 1 and 2) for -€14 million (versus a write-back of -€76 million in the second quarter of 2022), provisioning of proven risks for -€468 million (Stage 3, compared to -€309 million in the second quarter of 2022), the degradation due to a market significant case and the increase in proven risk on retail banking and consumer credit, and lastly a write-back of €4 million for other risks.

The provisioning levels were determined by taking into account several weighted economic scenarios, as in previous quarters, and by applying adjustments on sensitive portfolios. The weighted economic scenarios for the second quarter were updated, with a favourable scenario (French GDP at +1% in 2023, +2.4% in 2024) and an unfavourable scenario (French GDP at +0.1% in 2023 and -0.1% in 2024). The cost of risk relative to outstandings on a four quarter rolling basis[21] stood at 33 basis points, **i.e. in line with the assumption of the Medium-Term Plan of 40 basis points** and 35 basis points on an annualised quarterly basis[22].

The underlying contribution of equity-accounted entities came to €39 million in the second quarter of 2023, down -58.2% from the second quarter of 2022, impacted by a scope effect linked to the line-by-line consolidation of CA Auto Bank within SFS.

Net income on other assets stood at €1 million in the second quarter of 2023, down €10 million compared to the second quarter of 2022.

[20] Provisioning rate calculated with outstandings in Stage 3 as denominator, and the sum of the provisions recorded in Stages 1, 2 and 3 as numerator.

[21] The cost of risk relative to outstandings (in basis points) on a four quarter rolling basis is calculated on the cost of risk of the past four quarters divided by the average outstandings at the start of each of the four quarters after reintegration of CA Auto Bank outstandings

[22] The cost of risk relative to outstandings (in basis points) on an annualised basis is calculated on the cost of risk of the quarter multiplied by four and divided by the outstandings at the start of the quarter after reintegration of CA Auto Bank outstandings

Underlying income[23] **before tax,** discontinued operations and non-controlling interests was up +18.1% to €2,724 million. The **underlying effective tax rate** stood at 22.7%, while the underlying tax charge increased by +14.9% to -€609 million. Net income on discontinued operations came in at +€4 million, versus +€26 million in the second quarter of 2022. **Underlying net income before non-controlling interests** was therefore up +17.5% to €2,119 million. **Non-controlling interests** amounted to -€269 million in the second quarter of 2023, an increase of +14.2%.

Underlying net income Group share was up by +18.0% compared to the second quarter of 2022 at €1,850 million.

Underlying earnings per share in the second quarter of 2023 reached **€0.58**, increasing by +18.5% compared to the second quarter of 2022.

Underlying RoTE[24]*, which is calculated on the basis of an annualised underlying net income Group share*[25] *and IFRIC charges linearised over the year, net of annualised Additional Tier 1 coupons (return on equity Group share excluding intangibles) and adjusted for certain volatile items recognised in equity (including unrealised gains and/or losses), reached 14.7**% at 30 June 2023**, +0.3 percentage point compared to 31st March 2023.*

23 See Appendixes for more details on specific items.

24 See details on the calculation of the business lines' RoTE (return on tangible equity) and RONE (return on normalised equity) on Appendix4

25 The annualised underlying net income Group share corresponds to the annualisation of the underlying net income Group share (Q1x4; H1x2; 9Mx4/3) by restating each period for IFRIC impacts to linearise them over the year

Credit Agricole S.A. – Stated and underlying results, H1-23 and H1-22

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**12,797**	**315**	**12,482**	**11,203**	**152**	**11,051**	**+14.2%**	**+12.9%**
Operating expenses excl.SRF	(6,546)	(18)	(6,528)	(6,256)	(81)	(6,175)	+4.6%	+5.7%
SRF	(509)	-	(509)	(647)	-	(647)	(21.3%)	(21.3%)
Gross operating income	**5,741**	**296**	**5,445**	**4,300**	**71**	**4,229**	**+33.5%**	**+28.8%**
Cost of risk	(908)	(84)	(824)	(943)	(195)	(748)	(3.7%)	+10.1%
Equity-accounted entities	113	(12)	125	189	-	189	(40.1%)	(33.8%)
Net income on other assets	33	28	5	20	-	20	+60.8%	(75.9%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**4,979**	**227**	**4,752**	**3,567**	**(124)**	**3,691**	**+39.6%**	**+28.7%**
Tax	(1,199)	(60)	(1,138)	(950)	(17)	(934)	+26.2%	+21.9%
Net income from discont'd or held-for-sale ope.	6	-	6	24	(7)	31	n.m.	n.m.
Net income	**3,786**	**167**	**3,619**	**2,641**	**(147)**	**2,788**	**+43.4%**	**+29.8%**
Non controlling interests	(520)	(0)	(519)	(434)	11	(445)	+19.8%	+16.8%
Net income Group Share	**3,266**	**167**	**3,100**	**2,207**	**(136)**	**2,344**	**+48.0%**	**+32.3%**
Earnings per share (€)	**1.00**	**0.06**	**0.95**	**0.67**	**(0.05)**	**0.72**	**+48.6%**	**+31.5%**
Cost/Income ratio excl.SRF (%)	**51.2%**		**52.3%**	**55.8%**		**55.9%**	**-4.7 pp**	**-3.6 pp**

Stated net income Group share **in first half 2023** amounted to €3,266 million, compared with €2,207 million in first half 2022, an increase of +48.0%.

Specific items in first half 2023 had a positive impact of **+€167 million** on stated net income Group share. In addition to the second quarter items already mentioned above, the first quarter 2023 items had had a negative impact of -€23 million and corresponded to the recurring accounting volatility items, i.e. the DVA for -€6 million and the hedges of the Large Customers' loan book for -€17 million. The specific items for first half 2022 had a negative impact of -€136 million on stated net income Group share, explained by one of the recurring accounting volatility items, specifically the DVA for -€6 million, as well as hedges on the Large Customers' loan book for +€53 million and changes in the provision for home purchase savings plans for +€63 million. To this were added the Creval integration costs for -€16 million and those of Lyxor for -€26 million in net income Group share, as well as the provision for equity risk in Ukraine for -€195 million, and the reclassification of Crédit du Maroc to assets held for disposal for -€10 million. Excluding these specific items, **underlying net income Group share amounted to €3,100 million**, up **+32.3%** compared to first half 2022.

Underlying earnings per share stood at €0.95 per share in first half 2023, up **31.5%** compared to first half 2022.

Underlying[26] **RoTE,** which is calculated on the basis of an annualised underlying net income Group share[27] and IFRIC charges linearised over the year**,** net of annualised Additional Tier 1 coupons (return on equity Group share excluding intangibles) and restated for certain volatile items recognised in equity (including unrealised gains and/or losses), reached **14.7% for first half 2023**, up from first half 2022 (13.9%).

Underlying revenues were up **+12.9%** compared to first half 2022. Underlying **operating expenses** excluding SRF increased by 5.7% compared to first half 2022. The cost/income ratio excluding SRF for the first half of the year was 52.3%, an improvement of 3.6 percentage points compared to first half 2022. SRF for the period came to -€509 million, a decrease of 21.3% compared to first half 2022. Underlying **gross operating income** totalled €5,445 million, up +28.8% compared to first half 2022. Lastly, **cost of risk** increased over the period (+10.1%/-€76 million to -€824 million versus -€748 million in first half 2022).

[26] *See details on the calculation of the business lines' ROTE (return on tangible equity) and RONE (return on normalised equity)*

[27] *The annualised underlying net income Group share corresponds to the annualisation of the underlying net income Group share (Q1x4; H1x2; 9Mx4/3) by restating each period for IFRIC impacts to linearise them over the year*

Analysis of the activity and the results of Crédit Agricole S.A.'s divisions and business lines

Activity of the Asset Gathering division

In the second quarter of 2023, assets under management in the Asset Gathering (AG) division stood at €2,482 billion, up +1.2% compared to the end of March 2023 thanks to a positive market effect. Net inflows for the quarter were positive at +€1.1 billion, driven by €3.7 billion at Amundi. Over one year, assets under management rose by +2.0%, due to a positive market effect. Net inflows year-on-year were negative at -€4.7 billion, mainly due to significant outflows in the first quarter of 2023 for Amundi on low-margin institutional assets. Excluding double counting, assets under management stood at €2,205 billion at 30 June 2023, up +2.9% compared to 30 June 2022.

Insurance activity (Crédit Agricole Assurances) reached a record level in the second quarter, with total premium income of €9.1 billion, up +2.7% compared to the second quarter of 2022 (+3.8% at constant scope, excluding La Médicale). Premium income in first half 2023 achieved a record of €20.8 billion, up +3.6% compared to first half 2022 (+5.6%, at constant scope, excluding La Médicale).

In Savings/Retirement, the business enjoyed strong commercial momentum, with premium income of €14.8 billion at end June 2023, up +4.7% compared to first half 2022. Gross inflows amounted to €6.6 billion this quarter, with the unit-linked share remaining very high at 45.3% (+4.4 percentage points compared to the second quarter of 2022 and -0.4 points compared to the first quarter of 2023). Net inflows were -€0.2 billion this quarter as net inflows in France (+€1.1 billion) offset outflows from international markets, particularly Italy and Luxembourg. Similarly, positive net inflows from unit-linked contracts (+€1.5 billion) offset outflows from euro funds (-€1.8 billion).

Assets (savings, retirement and death and disability) stood at €326.3 billion, up year-on-year by +€6.9 billion, i.e. +2.2%. Unit-linked contracts accounted for 27.9% of assets, up +0.8 percentage points compared to March 2023, and +2.7 percentage points over one year. This asset was buoyed by the successful marketing of unit-linked bond products and favourable financial markets.

Policy Participation Reserve (PPE[28]) amounted to €11.9 billion at 30 June 2023, representing 5.6% of total euro outstandings.

Property and casualty insurance activity was dynamic, with premium income of €1.2 billion in the second quarter of 2023, up +3.8% compared to the second quarter of 2022 (+10.4% at constant scope, excluding La Médicale). At the end of June 2023, the portfolio of property and casualty policies totalled nearly €15.6 million[29], an increase of +1.1% over the quarter and +3.5% over one year (at constant scope, excluding La Médicale). The equipment of individual customers in the banking networks of Crédit Agricole Group increased compared to end June 2022 for all networks: 42.8%, or +0.5 percentage point for Regional Banks, 27.4%, or +0.5 percentage point for LCL, and 17.9% for CA Italia including Creval's customer base, or +2.3 percentage points. The combined ratio stood at 97.8%, an improvement of +3.9 percentage points year-on-year, as the second quarter of 2022 had been heavily impacted by weather-related claims.

In **death & disability/creditor/group insurance**, premium income for the second quarter of 2023 stood at €1.3 billion, up +5.2% from the second quarter of 2022, at constant scope excluding La Médicale, thanks to the strong growth of death & disability (up +15% at constant scope, excluding La Médicale) and of group insurance (+19%). Premium income from creditor insurance is stable.

[28] *Scope "Life France"*

[29] *Scope: property and casualty in France and abroad*

In the second quarter of 2023, the European asset management market was marked by persistent risk aversion, with very modest total inflows and even outflows from active management. Against this backdrop, **Asset Management (Amundi)** posted positive net inflows, both in Medium/Long-Term assets and Treasury products, in the Retail and Institutional segments alike

Assets under management reached €1,961 billion at the end of June 2023, up +1.4% compared to 31 March 2023. Year-on-year, AuM rose by +1.9% compared to 30 June 2022.

The **Retail** segment recorded net inflows of +€2.1 billion in the second quarter, reflecting the particularly high level of risk aversion among this client base, as evidenced in particular by a high level of inflows into Treasury products (+€1.9 billion) continued strong activity in Structured products (+€2.2 billion), which offer capital protection and returns, as well as Buy & Watch bond funds.

The **Institutionals** segment also recorded positive net inflows of €2.4 billion in the second quarter of 2023, driven by a record quarter in Employee Savings (+€3.4 billion in MLT assets). The excellent performance of this business line is due to a combination of rising corporate profits and companies' desire to develop ways to share value with their staff, such as through employee savings schemes.

Finally, **the Asian JVs**[30] recorded outflows of -0.9 billion in the second quarter of 2023, entirely due, as in the first quarter, to outflows from major institutions at ABC-CA (China, with outflows of -€5.5 billion), whereas the Indian JV recorded very buoyant activity (+€3.6 billion) and the other JVs also recorded positive net inflows.

Amundi Technology saw its revenues grow by more than +30% in the second quarter and second half 2023 compared with the same periods last year. The entity gained three new customers in the second quarter and seven in first half 2023.

In wealth management[31]**,** total assets under management (CA Indosuez Wealth Management and LCL Private Banking) amounted to €194.6 billion at the end of June 2023 (including €132.7 billion for Indosuez Wealth Management), and were stable compared to the end of March 2023 owing to a positive market effect. Net inflows were negative in wealth management at -€2.3 billion, impacted by changes in customer behaviour in a context of rising rates.

Results of the Asset Gathering division

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

In the second quarter of 2023, AG generated **revenues** of €1,732 million, up +47.5% compared to the second quarter of 2022, with a very high level of revenues across all of the division's business lines, in Insurance, Asset Management and Wealth Management. Costs excluding SRF decreased -1.7%. Thus, the cost/income ratio excluding SRF stood at 41.3%, down -20.7 percentage points compared to the second quarter of 2022. Gross operating income stood at €1,017 million, 2.3 times greater than the second quarter of 2022. Taxes stood at €246 million, a +72.6i % increase. The **net income Group share** of AG stood at €676 million, 2.8 times greater than the second quarter of 2022. Net income Group share increased between the second quarter of 2022 and the second quarter of 2023, across all of the division's business lines: asset management (+38.4%), insurance (x6.3) and wealth management (+56.3%).

In the first quarter of 2023, AG generated **revenues** of €3,478 million, up +26.8% compared to first half 2022. The increase is explained by a very good level of revenues overall in Insurance and Wealth Management activities. Costs excluding SRF were stable (+0.3%). As a result, the cost/income ratio excluding SRF stood at 41.1%, down -10.8 percentage points compared to first half 2022. Gross operating income stood at €2,042 million, a sharp increase of +55.8% compared to first half 2022. Taxes stood at €478 million, a +46.6% increase. The **net income Group share** of AG stood at €1,374 million, up +67.6% compared to first half 2022.

[30] Net inflows include assets under advisory and assets sold, and take into account 100% of Asian JVs' net inflows. For Wafa Gestion in Morocco, net inflows reflect Amundi's share in the JV's capital.

[31] LCL Private Banking and Indosuez Wealth Management

Net income Group share increased between first half 2022 and first half 2023 across all of the division's business lines: asset management (+12.8%), insurance (x2.1) and wealth management (+62.3%).

In first half 2023, AG contributed 47% to the underlying net income Group share of Crédit Agricole S.A.'s core businesses (excluding Corporate Centre division) and 30% to underlying revenues excluding Corporate Centre division.

As at 30 June 2023, equity allocated to the division amounted to €12.4 billion, including €10.5 billion for Insurance, €1.3 billion for Asset management, and €0.5 billion for Wealth management. The division's risk weighted assets amounted to €46.9 billion, including €27.6 billion for Insurance, €13.6 billion for Asset management and €5.7 billion for Wealth management.

The **underlying RoNE** (return on normalised equity) stood at 25.6% at end of June 2023.

Insurance results

In the second quarter of 2023, **revenues** from insurance totalled €668 million, 3.1 times higher than in the second quarter of 2022 pro forma under IFRS17, and +42% under IFRS17, i.e. after restatement for the base effect in 2022, which did not take into account the investment management decisions implemented at the end of 2022 (segregation of equity and desensitisation of the portfolio). This 42% increase is linked to the market downturn and a high level of claims in the second quarter of 2022.

This quarter's revenues were made up of Savings/Retirement (€539 million)[32], personal protection (€123 million)[33] and property and casualty insurance (€59 million)[34].

Gross operating income came to €593 million and tax to -€142 million. As a result, **net income Group share** was €433 million, 6.3 times higher than in the second quarter of 2022, and 1.7 times higher under the IFRS17 run rate[35].

The Contractual Service Margin (CSM) stood at €23.6 billion at 30 June 2023, up 8.2% compared with 31 December 2022. CSM rose again in the second quarter thanks to the impact of new business exceeding the quarter's CSM allocation, the positive effect of the market environment on inventory valuation, and a good performance by the savings business line in France.

Revenues from insurance in **first half 2023** amounted to €1,379 million, up 83.9% compared with first half 2022, and up 13.6% under the IFRS17[35] run rate, mainly due to a base effect in 2022 (investment management decisions implemented at the end of 2022, i.e. segregation of equity and desensitisation of the portfolio, were not taken into account in the IFRS17 pro-forma), a decline in the markets in first half 2022, and a high level of weather-related claims in the second quarter of 2022. Gross operating income was twice as high as in first half 2022, up 13.7% under the IFRS17 run rate[35]. Finally, the tax charge for first half 2023 rose by 81.4%. All in all, net income Group share came to €907 million, 2.1 times higher than in first half 2022, and up 16% at constant scope under the IFRS17 run rate[35].

At 30 June 2023, Crédit Agricole Assurances' solvency was high at 222%, increasing of +18 percentage points compared to 31 December 2022.

Insurance contributed 26% to the underlying net income Group share of Crédit Agricole S.A.'s core businesses. (excluding the Corporate Centre division) at the end of March 2023 and 11% to their underlying revenues.

[32] Amount of allocation of CSM and RA
[33] Amount of allocation of CSM and RA, excluding funeral guarantees
[34] Net of cost of reinsurance, excluding financial results
[35] IFRS17 run rate: i.e. after restatement of the 2022 base effect, which did not take into account the investment management decisions implemented at the end of 2022 (segregation of equity and desensitisation of the portfolio).

Asset management results

In the second quarter of 2023, **revenues** totalled €803 million, up 9.5% compared with the second quarter of 2022, thanks to higher margins on management fees, financial revenues that became positive and a high level of performance fees. Operating **expenses** excluding SRF stood at €439 million, a slight increase of +1.9% compared with the second quarter of 2022 (excluding Lyxor integration costs recorded last year), boosted in particular by synergies from the Lyxor acquisition, which were achieved at 80% of target, ahead of the initial timetable. As a result, the **cost/income ratio excluding SRF** was 54.7%. Gross operating income increased by +38.8% compared to the second quarter of 2022. The contribution from equity-accounted entities, comprising the contribution from the Amundi joint ventures, stood at €27 million, up +29.6% from the second quarter of 2022, while the tax charge amounted to -€91 million, up +37.0%. Lastly, net income Group share increased by +38.4% to €201 million.

In **first half 2023**, revenues from asset management rose by 1.9%, driven as in the quarter by financial income (€29 million vs. -€27 million in first half 2022) and Amundi Technology revenues (+33.0% to €29 million), while net management fee and commission income and performance fee and commission income were down. However, the decline in management fee and commission income was less pronounced than the decline in average assets excluding JVs, reflecting the improvement in margins already commented on in the quarter. Operating expenses excluding SRF rose by 1.4%, excluding the impact of Lyxor integration costs recorded in first half 2022 (€51 million before tax). The cost/income ratio excluding SRF was 55.2%, a decline of -3.5 percentage points compared to first half 2022. As a result, gross operating income was up +10.8% compared to first half 2022. The net income of equity-accounted entities increased by +20.7%. All in all, net income Group share stood at €387 million, an increase of +12.8%.

Asset management contributed 11% to the underlying net income Group share of Crédit Agricole S.A.'s core businesses. (excluding the Corporate Centre) at end June 2023 and by 12% to their underlying revenues.

Wealth management results[36]

Revenues from Wealth Management amounted to €262 million in the second quarter of 2023, up +14.9% from the second quarter of 2022, boosted by the rise in interest rates, which had a positive impact on the interest margin, which increased by +75% between the second quarter of 2022 and the second quarter of 2023. **Expenses excluding SRF** totalled €201 million, up steadily by +5.0%. As a result, the **cost/income ratio** fell by -7.2 percentage points year-on-year to 76.9% in the second quarter of 2023. Gross operating income, excluding SRF, rose +66.4% to €60 million. **Net income Group share** amounted to €43 million, up +56.3% compared to the second quarter of 2022.

In first half 2023, Wealth management's revenues rose sharply by +17.3% compared to first half 2022, to reach €522 million. Costs excluding SRF were up +7.1%. Gross operating income was therefore up +76.3% at €115 million. Thus, net income Group share increased by +62.1% to €80 million for the half-year.

Asset management contributed 2% to the underlying net income Group share of Crédit Agricole S.A.'s core businesses (excluding the Corporate Centre) at end June 2023 and by 4% to their underlying revenues.

On the 4th of August, signing of an agreement for the acquisition of a majority stake in the capital of Banque Degroof Petercam[37].

36 Indosuez Wealth Management scope

37 Cf. dedicated press release available on our website

Activity of the Large Customers division

Corporate and Investment Banking (CIB) posted excellent commercial performance in the second quarter of 2023, close to the second quarter of 2022's record level. **Asset servicing** recorded very good business levels during the period, benefiting from interest rate levels.

In the second quarter, **underlying revenues** in **Corporate and Investment Banking (CIB)** were close to the level of the best second quarter on record[38] at €1,550 million, down -1.8% year-on-year. **Capital markets and investment banking** maintained a high level of underlying revenues at €774 million, down -4.9% compared with the second quarter of 2022, especially in FICC (down -1.1% over the period) thanks to excellent business in financing activities (repo, primary credit and securitization. In a less active M&A market, investment banking activity declined, with underlying revenues down -23.2% over the period. Underlying revenues from **financing activities** were up +1.4% compared to the second quarter of 2022 to stand at €776 million. This can be explained in particular by the excellent performance of structured finance in all sectors (+20.4% compared with the second quarter of 2022). Commercial banking was down (-7.8% compared with the second quarter of 2022), in Corporate & Leverage Finance due in particular to greater selectivity in leverage finance, and despite the dynamic activity of International Trade & Transaction Banking driven by cash management.

Financing activities thus confirmed its **position as leader** in syndicated loans (#1 in France[39] and #2 in EMEA[39]) and ranked #3 in project finance loans worldwide[39] CACIB reaffirmed its leading position in bond issues with its rankings as #2 in All bonds in EUR Worldwide[39] and #2 in Green, Social & Sustainable bonds in EUR[40]. Average regulatory **VaR** stood at €17.9 million in the second quarter of 2023, an insignificant increase from the €15.9 million recorded in the first quarter of 2023, reflecting changes in positions and financial markets. However, it remained at a level that reflected **prudent risk management**.

In **asset servicing (CACEIS)**, the acquisition of the activities of RBC Investor Services in Europe was completed on 3 July; the operations acquired will be consolidated in the third quarter of 2023. Uptevia, a 50/50 joint venture combining the issuer services business lines[41] of CACEIS and BNP Paribas, has been accounted for using the equity method since the first quarter of 2023.

In the second quarter of 2023, **assets** were up +2.1% compared with the first quarter of 2023 thanks to dynamic sales and a confirmed market recovery. **Assets under custody** rose by +1.7% at end June 2023 compared to end March 2023 (up +4.8% from end June 2022), to reach €4,273 billion. **Assets under administration** were up +2.8% this quarter (+5.4% year-on-year), to €2,278 billion at end June 2023. In addition, **settlement/delivery volumes** rose by 29% in the second quarter of 2023 compared with the second quarter of 2022.

Results of the Large Customers division

In the second quarter of 2023, stated **revenues** of the Large customers division amounted to €1,906 million, down -3.3% compared to the first quarter of 2022, buoyed by excellent performance in both corporate and investment banking and asset servicing, and remained close to the very high level of the second quarter of 2022. The division's specific items this quarter had an impact of -€16 million on financing activities and comprised the DVA (the issuer spread portion of the FVA, and secured lending) amounting to -€15 million, and loan book hedging totalling -€1 million. **Operating expenses excluding SRF** were 8.2% higher than in the second quarter of 2022, notably in staff costs and IT investments to support growth. As a result, the division's **gross operating income** was down from the second quarter of 2022, standing at €869 million. The division recorded an overall net addition for **cost of risk** of -€32 million in the second quarter of 2023, compared to a reversal of +€76 million in the second quarter of 2022, which included a +€14 million reversal of provisions related to the war in Ukraine. Stated profit before tax totalled €844 million, down -22.5% during the period. The tax charge was -€174 million. Lastly, stated **net income Group share** reached €622 million in the second quarter of 2023, compared with

[38] The second quarter of 2022 was the best ever for CIB's underlying revenues, which totalled €1,579 million.
[39] Refinitiv
[40] Bloomberg
[41] Operational register keeping, organisation of general meetings and other services to issuers in France

stated income of €843 million in the second quarter of 2022. Underlying net income Group share came to €633 million in the second quarter of 2023, versus €785 million in the second quarter of 2022.

In first half 2023, the **revenues** of the Large Customers business line amounted to a historic high of €3,957 million (+7.1% compared to first half 2022). **Operating expenses excluding SRF** rose +12.0% compared to first half 2022 to €2,159 million, largely related to staff costs and IT investments. **SRF expenses** fell sharply by -29.4% compared to first half 2022. Gross operating income for first half 2023 therefore totalled €1,486 million, up +12.2% from first half 2022. The **cost of risk** ended first half 2023 with a net provision of -€68 million compared to a net provision of -€202 million in first half 2022, which included the impact of the Russia-Ukraine war and its consequences in terms of provisioning on performing loans in the first quarter of 2022. The business line's contribution to underlying **net income Group share** was at €998 million, a strong increase of +24.9% compared to first half 2022. Underlying net income Group share came to €1,033 million in first half 2023, versus €753 million in first half 2022.

The division contributed 30% to the **underlying net income Group share** of Crédit Agricole S.A.'s core businesses. (excluding the Corporate Centre division) at end June 2023 and 31% to **underlying revenues** excluding the Corporate Centre.

At 30 June 2023, the **equity allocated** to the division was €12.8 billion, while its **risk weighted assets** were €135.1 billion.

Underlying **RoNE** (return on normalised equity) stood at 17.2% at end June 2023.

Corporate and Investment banking results

In the **second quarter of 2023**, Corporate and Investment Banking reported a high level of **stated revenues** of €1,535 million, down -7.4% from the second quarter of 2022, which was the best second quarter on record, thanks to excellent performance in all of its business lines. The division's specific items this quarter had an impact of €-16million and comprised the DVA (the issuer spread portion of the FVA, and secured lending) amounting to -€15 million, and loan book hedging totalling -€1 million. **Operating expenses excluding SRF** rose by +9.4% to -€807 million, mainly in staff costs (increase in FTEs in 2022 and adjustment of variable compensation) and IT to support the development of the business lines. **Gross operating income was down -20.9% compared to the second quarter of 2022** and reached €727 million. The cost/income ratio (excluding SRF) was 52.6%, a negative change of +8.1 percentage points over the period. However, it remains at a low level, below the target set out in the Medium-Term Plan 2025 (<55%). The **cost of risk** recorded a moderate net depreciation of -30 million compared to a significant reversal of +€75 million in the second quarter of 2022. Lastly, **pre-tax income** in the second quarter of 2023 stood at €697 million, versus €994 million one year earlier. The tax charge is -€136 million. All in all, stated **net income Group share** for the second quarter of 2023 stood at €547 million. Underlying net income Group share came to €558 million in the second quarter of 2023, versus €733 million in the second quarter of 2022.

In first half 2023, **stated revenues** rose +5.1% compared to first half 2022, to €3,226 million, the highest half-yearly level ever. The specific items this half-year had an impact of -€47 million and comprised the DVA (the issuer spread portion of the FVA, and secured lending) amounting to -€23 million, and loan book hedging totalling -€25 million. **Expenses excl. SRF** rose +14.2%, mainly in staff costs, due to the growth in FTEs in 2022 and continuing adjustment of variable compensation to activity, and in IT to support the development of the business lines. **The contribution to the SRF** fell significantly in the first half of the year, by -29.5% to -€271 million in first half 2023. As a result, **gross operating income** at €1,264 million was up sharply (+5.0% compared to first half 2022.) The **cost of risk** recorded an addition of -€65 million in first half 2023, compared with -€204 million in first half 2022, which included the conservative provisioning of Russian exposures (addition of -€346 million on performing loans in Russia in the first quarter of 2022). The tax charge came to -€298 million, a +19.7% increase in line with activity growth. All in all, stated **net income Group share** for first half 2023 stood at a record level of €879 million, an increase of +19.9% over the period. Underlying net income Group share came to €914 million in first half 2023, versus €687 million in first half 2022.

Risk weighted assets at end June 2023 rose by a moderate +€2.4 billion compared to end March 2023 to €126.0 billion. This change was mainly due to higher market RWAs (changes in VaR, SVaR and CRTB[42]), positive model and exchange rate impacts.

Asset servicing results

In the second quarter of 2023, stated asset servicing **revenues** amounted to €371 million, a sharp increase of +18.4% compared to the second quarter of 2022 (+21.6% when adjusted for Uptevia[43], which contributed €8.1 million in the second quarter of 2022). This increase was driven by the net interest margin, which doubled over the period as a result of treasury activity, which itself benefited from interest rate levels. **Operating expenses** excluding SRF increased by +4.2% to -€231 million (+7.3% when adjusted for Uptevia[43], which contributed -€6.4 million in the second quarter of 2022). These figures reflect the impact of inflation on payroll and include -€6.3 million in integration costs relating to the acquisition of RBC Investor Services' activities in Europe, which will be consolidated from the third quarter of 2023. As a result, **gross operating income** rose strongly (+55.1%) in the second quarter of 2023 to €142 million. The cost/income ratio excluding SRF thus came to 62.2% (60.5% excluding RBC integration costs), an improvement of 10.2 percentage points compared to the second quarter of 2022. The second quarter of 2023 also recorded €7 million in income from equity-accounted entities. This was the result of strong performance by the Latin-American entities and now includes the contribution from Uptevia[43]. **Net income** thus totalled €109 million, up +39.8% compared to the second quarter of 2022. Adjusted for the €34 million share of non-controlling interests, the business line's contribution to **net income Group share** totalled €75 million in the second quarter of 2023, up by +42.0% compared to the second quarter of 2022.

Stated revenues for first half 2023 were up +16.9% compared with first half 2022, buoyed by strong commercial momentum and an interest margin that doubled over the period. Costs **excluding SRF** were up +4.8%, and include -€9.5 million in integration costs relating to the acquisition of RBC Investor Services' activities in Europe. Meanwhile, **SRF costs** fell sharply by -28.3%. This resulted in a very strong +83.4% increase in **gross operating income** compared to first half 2022. **Net income** was thus up by +78.3%. The overall contribution of the business line to **net income Group share** in first half 2023 was €119 million, representing a +80.6% increase compared to 30 June 2022.

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[42] *CRTB: Counterparty credit risk in the trading book*

[43] *Formation on 1 January 2023 of a 50/50 joint venture combining the issuer services business lines of CACEIS and BNP Paribas; Uptevia has been equity-accounted since Q1-23.*

Specialised financial services activity

In the second quarter of 2023, **commercial production** at Crédit Agricole Consumer Finance (CACF) remained high at €13.6 billion, a +9% increase over the second quarter of 2022, driven by particularly brisk business in the Automotive channel[44] (+30%). At end June 2023, CACF's total outstandings stood at €107 billion, i.e., +10.8% compared to end June 2022. Outstandings at the automotive entities amounted to €40.4 billion, of which €24.7 billion at Crédit Agricole Auto Bank this quarter. This follows the reorganisation of CACF's "Mobility" activities and the execution of the agreement with Stellantis with effect from the beginning of April. Leasys, the 50/50 joint venture with Stellantis, contributed €5.9 billion in outstandings at 100%.

Commercial production in leasing at Crédit Agricole Leasing and Factoring (CAL&F) saw strong momentum in the second quarter of 2023 with a year-on-year increase of +4.9%. Leasing outstandings rose to €18.3 billion at end June 2023 (of which €14.7 billion in France and €3.6 billion abroad), for a year-on-year increase of +9.5%. By contrast, **commercial production in factoring** at Crédit Agricole Leasing and Factoring (CAL&F) fell in the second quarter of 2023 by -23.6% due to a base effect (the second quarter of 2022 had seen the start-up of a major deal). Factored revenues for the quarter rose by +3.4% to €30.4 billion, with particularly good growth in France. Lastly, the financed quota also rose in second quarter to 70.9% (+8.2 points vs the second quarter of 2022).

Key developments for the business line include the implementation of the agreement between CACF and Stellantis, which took effect this quarter and finalised the creation of the Leasys 50/50 joint venture with Stellantis, and the acquisition of 100% of CA Auto Bank (formerly FCA Bank) and Drivalia (car renting and car sharing). In addition, CACF acquired the activities of ALD and LeasePlan in six European countries, representing a total fleet of more than 100,000 vehicles (of which 30,000 were taken over by Leasys and 70,000 by CA Auto Bank) and total outstandings of approximately €1.7 billion.

Specialised Financial Services results

The division's results were impacted by the execution of the agreement between CACF and Stellantis, which came into effect this quarter. The stated **revenues** of Specialised Financial Services rose to €1,162 million in the second quarter of 2023, up +69.8% compared to the second quarter of 2022. The division's specific items, totalling €299 million, stemmed solely from consumer finance and were linked to the reorganisation of CACF's Mobility activities[45]. Excluding these items, underlying revenues came to €863 million, an increase of +26.1% over the quarter. The full consolidation of CA Auto Bank contributed €176 million to revenues this quarter. Stated costs excluding SRF came to -€430 million, i.e. an increase of +19.5%. Specific items, linked to the reorganisation of CACF's Mobility activities[45], amounted to -€18 million. Excluding this item, underlying expenses came to - €413 million, an increase of +14.3% over the quarter. The full consolidation of CA Auto Bank contributed -€62 million to expenses this quarter. As a result, **underlying gross operating income** increased by +39.3% to €454 million. The **underlying cost/income ratio** excluding SRF also showed strong improvement at 47.6% (-4.9 percentage points). The stated **cost of risk** rose sharply compared to the second quarter of 2022 by 2.7x to €304 million. Adjusted for -€85 million in specific items relating to the reorganisation of CACF's Mobility activities (day-1 loss)[45], cost of risk was €219 million. The increase in the underlying cost of risk was thus +95.6% (+€107 million over the period). The full consolidation of CA Auto Bank contributed -€25 million to cost of risk this quarter. The stated **net income from equity-accounted entities** fell by -86% to €11 million. This includes the formation of the Leasys 50/50 joint venture which launched in this quarter (formerly FCA Bank accounted for as a 50/50 JV). Adjusted for -€12 million in specific items relating to the reorganisation of CACF's Mobility activities[45], net income from equity-accounted entities came to €23 million, with the creation of Leasys contributing €14 million this quarter. The stated **net income group share** totalled €304 million, up by +51.4%. Specific items had an impact of €140 million on net income Group share. Underlying net income Group share thus came to €164 million, down by -18.2% compared to the second quarter of 2022.

44 CA Auto Bank, automotive JVs and auto activities of other entities

45 The reorganisation of the Mobility activities of the CA Consumer Finance Group has a non-recurring impact in the second quarter of 2023 on all intermediate operating totals due to the transfer of business assets, indemnities received and paid, the accounting treatment of the 100% consolidation of CA Auto Bank (formerly FCA Bank) and the reorganisation of the automotive financing activities within the CA Consumer Finance Group (particularly the review of application solutions).

In **first half 2023,** the stated revenues of **Specialised Financial Services** increased by +33.6%, driven by the excellent performance of CAL&F (+7.4% compared to first half 2022) and higher revenues for CACF (+41.5% compared to first half 2022), linked to the full consolidation of CA Auto Bank since the second quarter of 2023. The **specific items** for first half 2023 were concentrated in the second quarter of 2023 and are thus the same as those mentioned above, relating exclusively to the reorganisation of CACF's Mobility activities[46]. The various items in the income statement for first half 2023 are impacted by the line-by-line consolidation of CA Auto Bank starting in the second quarter of 2023. The division's **underlying revenues** came to €1,535 million, an increase of +11.8% over the period**. Underlying costs excluding SRF** increased by +7.7% compared to first half 2022. The underlying cost/income ratio excluding SRF remained low at 50.9%%, an improvement of +2.0 percentage points compared to first half 2022. **The SRF contribution** came to -€29 million in first half 2023, down -15.7% compared to first half 2022. The underlying **cost of risk** increased by +59.8% in first half 2023 compared to first half 2022. The contribution of equity-accounted entities fell by -38.6% in underlying terms over the period. The underlying **net income Group** share thus came to €291 million, down by -20% compared to the second quarter of 2022, mainly related to the increased cost of risk.

The division contributed 8% to the **underlying net income Group share** of the Crédit Agricole S.A. business lines. (excluding the Corporate Centre division) in the first half of 2023 and 12% to **underlying revenues** excluding the Corporate Centre.

At 30 June 2023, the **equity allocated** to the division was €6.6 billion and its **risk weighted assets** were €69.9 billion.

Underlying **RoNE** (return on normalised equity) stood at 9.5% at end of June 2023.

Consumer finance results

The business line's results for the second quarter of 2023 were impacted by the execution of the agreement between CACF and Stellantis, effective this quarter, on the reorganisation of CACF's Mobility activities[46]. **Specific items** for the quarter were the same as those previously described for the Specialised Financial Services division, with an impact of €140 million on net income Group share. Stated **revenues** amounted to €981 million. Adjusted for specific items, revenues totalled €682 million in the second quarter of 2023, up +29.5% compared to the second quarter of 2022. The total was affected by the consolidation of CA Auto Bank[47] and a margin still penalised by refinancing costs (but with a continued gradual rise in customer loan production rates, up +25 bps in the second quarter of 2023 compared with the first quarter of 2023). Stated **costs** excluding SRF stood at €335 million. Adjusted of specific items, they came to €316 million, up 16.5% compared to the second quarter of 2022, mainly reflecting the consolidation of CA Auto Bank.[48]. As a result, gross operating income rose by +43.8% to €368 million, while the cost/income ratio excluding SRF stood at 46.4%, an improvement of 5.2 percentage points over the second quarter of 2022. The stated **cost of risk** was -€285 million in the second quarter of 2023. Adjusted for specific items, the cost of risk doubled over the period, standing at -€201 million. The increase is mainly attributable to the traditional segments, reflecting the inflationary environment. Also noteworthy was the integration of the Mobility activities[49] this quarter, which are inherently less risky. The annualised cost of risk on outstandings was 123 bps[50], with the first-time consolidation of CA Auto Bank representing a gain of around 50 bps. The Non Performing Loans ratio and the coverage ratio fell respectively to 3.8% (versus 4.9% at end March 2023) and 83.4% (versus 85% at end March), mainly due to the consolidation of CA Auto Bank. The stated contribution of **equity-accounted entities** came to €14 million (down -82.2%). Adjusted for specific items, it totalled €26 million, down -66.8% compared with the second quarter of 2022, due to the full consolidation of CA Auto Bank (formerly FCA Bank, previously recognised under equity-accounted

[46] The reorganisation of the Mobility activities of the CA Consumer Finance Group has a non-recurring impact in the second quarter of 2023 on all intermediate operating totals due to the transfer of business assets, indemnities received and paid, the accounting treatment of the 100% consolidation of CA Auto Bank (formerly FCA Bank) and the reorganisation of the automotive financing activities within the CA Consumer Finance Group (particularly the review of application solutions).

[47] Contribution of €176 million over the quarter to revenues

[48] Contribution of -€62 million over the quarter to expenses

[49] Contribution of -€25 million over the quarter to cost of risk

[50] Annualised cost of risk as a share of outstandings (in basis points) calculated on the basis of the cost of risk for the quarter multiplied by 4 divided by the outstandings at the beginning of the quarter after adding back CA Auto Bank's outstandings

entities at 50%). The new entity, Leasys, a 50/50 joint venture with Stellantis specialising in multi-brand operational leasing, contributed €14 million this quarter. The stated tax charge was -€122 million. Adjusted for specific items, the tax charge amounted to -€49 million in the first quarter of 2023, an increase of +9.3%. Finally, **stated net income Group share** totalled €262 million (+66.7%). Adjusted for specific items, it came to €122 million in the second quarter of 2023, a decrease of -22.2%.

In first half 2023, the specific items affecting consumer finance were concentrated exclusively in the second quarter, with the reorganisation of CACF's Mobility activities. The impacts are the same as those mentioned above. Stated **revenues** amounted to €1,492 million (+41.5%). Adjusted for specific items, revenues totalled €1,192 million, an increase of +13.1% compared to the first half 2022. Stated **costs** excluding SRF amounted to €612 million (+11.5%). Adjusted for specific items, costs were up by +8.2% compared with first half 2022. The contribution to the SRF was -€13 million (-17.7% compared with first half 2022), and the underlying **cost/income ratio** excluding SRF fell to 49.8%, remaining at a low level. This resulted in a +19.6% increase in underlying gross operating income compared to first half 2022. The stated cost of risk totalled -€432 million (+99.1%). Adjusted for specific items, the cost of risk increased by 60.4% to -€347 million compared to first half 2022. The stated underlying contribution of **equity-accounted entities** was €88 million, down by -44.4%. Adjusted for specific items, it fell by -36.8% to €100 million. Finally, **net income Group share for first half 2023** totalled €358 million (+23.8%). Adjusted for specific items, it came to €219 million, a decrease of -24.2%.

Leasing & Factoring results

Revenues totalled €180 million, up 14.0% compared with the second quarter of 2022, driven in particular by a volume effect on factoring. Of note, leasing revenues stabilised over the quarter. Costs excluding SRF rose by +€7 million (+6.8%), reflecting higher costs both abroad, with increased payroll in Poland and the ramp-up of leasing in Germany, and in France, with IT development projects. The **cost/income ratio excluding SRF** stood at 52.2%, an improvement of -3.5 percentage points compared to the second quarter of 2022. As a result **gross operating income** totalled €70 million, up sharply (+22.7%) from the second quarter of 2022. The **cost of risk** increased to €19 million, with several quarter-specific items, while **net income Group share** stood at €42 million, a slight decline of -€2 million from the second quarter of 2022 (-4.2%).

In first half 2023, revenues totalled €342 million, a +7.4% increase compared to first half 2022. **Costs excluding SRF** increased by +5.8% to €187 million. The SRF contribution came to -€15 million in first half 2023, (-15.0% lower than in first half 2022). **Gross operating income** rose to €139 million, a +12.7% increase compared to first half 2022. **The underlying cost/income ratio excluding SRF** amounted to 54.9%, an improvement of 0.8 percentage points compared to first half 2022. The **cost of risk** was up compared to first half 2022 (+56.2%). **Underlying net income Group share** was €72 million, a modest decline of -3.3% compared to first half 2022.

Crédit Agricole S.A. Retail Banking activity

In Crédit Agricole S.A.'s **Retail Banking** business, loan production slowed amid rising interest rates, particularly at LCL, but customer capture remained buoyant, and the number of customers taking out insurance policies was high.

Retail banking activity in France

For **French Retail Banking**, loan production at **LCL** continued to slow in the second quarter of 2023 and stood at €7 billion, down -41.5% compared with the second quarter of 2022, in line with the overall slowdown in the market linked to the tightening of monetary conditions and with a base effect linked to a great level of production in the second quarter of 2022. The loan production in the second quarter of 2023 down -20.2% compared to the 2018-2022 loan production average. In the Small Businesses market, production was down -21.2% compared with the second quarter of 2022, -50.1% in the Corporates market and -45.6% in the Home Loans market, against a backdrop of a slowdown in the French market (-47% in home loan production according to the Banque de France, May 2023/May 2022), while lending rates for home loans continued to rise, with LCL recording an increase of 61 basis points between the second quarter of 2023 and the first quarter of 2023. The rate at signature was 3.99% (week of 17 to 21 July 2023). Outstanding loans totalled €167.3 billion at end June 2023, up +6.7% from end June 2022, of which +7.2% for home loans, +6.6% for loans to small businesses, +6.2% for corporate loans and +3.8% for consumer finance. Customer assets, which stood at €240.9 billion at end June 2023, were also up, by +4.5% compared with end June 2022, driven by on-balance sheet deposits (+5.9%) linked to growth in term deposits (2.6x compared with end June 2022 but up a moderate +8.0% compared with end March 2023) and passbook accounts (+12.2% compared with end June 2022 but virtually stable at -1.3% compared with end March 2023), with off-balance sheet savings also up compared with end June 2022 (+2.2%).

In first half 2023, gross customer capture stood at 175,000 new customers and net customer capture at 28,100 customers. The equipment rate for car, multi-risk home, health, legal, all mobile phones or personal accident insurance rose year-on-year by +0.5 percentage points compared to the second quarter of 2022 to stand at 27.4% at end June 2023.

Retail banking activity in Italy

The business of **CA Italia**, the **retail bank in Italy**, continued to grow in the second quarter of 2023 in a declining market environment. Gross customer capture for the second quarter of 2023 reached 45,000 new customers, while the customer base increased by about 16,500 customers. Loan outstandings at CA Italia stood at €59.7[51] billion at the end of June 2023, up +1.5% compared to the end of June 2022 despite the declining market[52]. Loan production was down -12% (excluding Ecobonus and PGE)[53] compared with the second quarter of 2022, mainly due to the fall in home loans (down -23.5% compared with the second quarter of 2022), in line with the market[54]. However, the loan production rate was up +22 basis points compared with the first quarter of 2023 and the rate for home loans was up +43 basis points over the same period.

Consumer finance production[55] was up +3.8% compared with the second quarter of 2022. Customer assets stood at €113.2 billion at the end of June 2023, up +2.8% compared to the end of June 2022. On-balance sheet deposits improved by +5.5% compared with the second quarter of 2022, driven by corporate transactions falling due and stable individual deposits despite the attractiveness of Italian government securities. Off-balance sheet deposits remained stable compared with June 2022, but edged up by +0.2% compared with the first quarter of 2023.

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51 Net of POCI outstandings

52 Source: Abi Monthly Outlook, June 23: -1.9%

53 "Ecobonuses" correspond to refinancing of the customer tax credit: Italian tax deductions for renovation, energy efficiency and building safety, introduced in 2021.

54 Source: CRIF: -22.4% of home loan production H1/H1 in Italy, but increase in demand for home loans of +6.6 pp YoY

55 Agos

CA Italia's equipment rate in car, multi-risk home, health, legal, all mobile phones or personal accident insurance increased to 17.9% (+0.5 percentage points compared with the second quarter of 2022).

Crédit Agricole Group activity in Italy[56]

The Crédit Agricole Group in Italy has been jointly developing retail banking and business lines. As a result, in first half 2023, the launch of CA Auto Bank will contribute to the expansion of services dedicated to car and mobility financing, both in terms of electric vehicle sharing and short- and long-term vehicle leasing. In addition, changes to the digital platform aims to accelerate synergies between entities. Finally, the launch of the Private Equity business, with its two dedicated funds - APEI-Private Equity and Ambition Agri Agro Investissement, aim, respectively to promote the investment in the non-listed SMEs as well as in the French and Italian companies specialising in the agricultural and food sectors. In addition, the Group in Italy continues to pursue its ESG strategy, enriching the existing set up with new offers aiming at financing green vehicles and proposing subsidised financing conditions for the green financing projects as well as for the cross-selling initiatives between entities.

Loan outstandings and **the level of inflows** stood respectively at 97 billion euros and 329 billion euros as of 30 June 2023. The number of customers reached 5.9 million at the end of June 2023, an increase of around 760,000 customers compared with the end of 2022, mainly due to the integration of CA Aurobank's customers into the scope of the entities present in Italy, as well as the dynamic customer capture at CA Italia.

Underlying revenues of the Italian entities rose by 20%[57] compared with first half 2022, especially at CA Italia, thanks to a net interest margin boosted by higher rates on customer loans. **Expenses** remained under control and were up slightly by 5% compared to first half 2022. Lastly, Italy's contribution to Crédit Agricole SA's **results** in the first quarter of 2023 amounted to €591 million on an underlying basis[57], representing an improvement of +32% compared with the first half of 2022.

International Retail Banking activity excluding Italy

For **International Retail Banking excluding Italy**[58], commercial activity was brisk in Poland and Egypt. On the contrary, it continues to be heavily penalised for Ukraine against a backdrop of continuing conflict with Russia.

International Retail Banking business excluding Italy had **loan outstandings** of €6.9 million at the end of June 2023, down -43.2% (-39% at constant exchange rates) compared with the end of June 2022[59], and customer assets were down -31.6% (-26.7% at constant exchange rates) over the same period. At constant exchange rates, **in Poland and Egypt,** loan outstandings rose by +6.8% and customer assets by +14.4% over the same period; in **Poland**, loan outstandings rose by +6.1% compared with June 2022 across all segments. Inflows rose by +4.4% over the same period, driven by transactions on term accounts. Loan production also remained dynamic, up +12% compared to the second quarter of 2022. Lastly, gross customer capture in Poland rose by 55,000 in the second quarter of 2023 (+16,000 in customer base). In **Egypt**, between end June 2022 and end June 2023, loan outstandings increased by +10.1% at constant rate. Customer assets rose sharply by 52.9% over the same period at constant rate. Finally, since the start of 2023, Egypt has increased its active customer base by +3%.

The surplus of deposits for loans in Poland and Egypt amounted to €2.1 billion at 30 June 2023, and reached €3.6 billion including the Ukraine scope.

As at 30 June 2023, the **Retail banking** business line contributed 22% to the net income Group share of Crédit Agricole S.A.'s core businesses (excluding Corporate Centre division) and 30% to underlying revenues excluding Corporate Centre.

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[56] At 30 June 2023, this scope corresponds to the aggregation of all Group entities present in Italy: CA Italia, CACF (Agos, Leasys, CA Auto Bank), CAA (CA Vita and CACI), Amundi, CACIB, CAIWM

[57] Excluding participation in Banco BPM (accounted in CC) and including the contribution of CAAB and Leasys starting from April 2023

[58] At 30 June 2023, this scope includes the entities of CA Polska, CA Egypt and CA Ukraine.

[59] Including Crédit du Maroc customer assets in the second quarter of 2022, the entity classified under IFRS 5 since the first quarter of 2022 and the sale of control (63.7%) in the fourth quarter of 2022. The remaining 15% is to be sold within 18 months.

As at 30 June 2023, the equity allocated to the division was €9.4 billion, including €4.9 billion for French retail banking and €4.5 billion for International retail banking. Risk weighted assets for the division totalled €98.8 billion, including €51.7 billion for French retail banking and €47.1 billion for International retail banking.

French retail banking results

In the second quarter of 2023, LCL's **revenues** were down by -5.1% compared to the second quarter of 2022, at €959 million[60]. The decrease in the net interest margin (-18.8%) is linked to the increase in the cost of client resources and refinancing and with the client rate repricing progression. Fee and commission income also rose significantly (+11.8%), driven by growth in fee and commission income from payment instruments and life and property and casualty insurance. **Expenses excluding SRF** were kept under control at -€554 million, down compared to the second quarter of 2022 (-3.2%). The cost/income ratio excluding SRF increased slightly by 1.1 percentage points to 57.7% and remains at a low level. Gross operating income fell by -5.5% to €411 million. The **cost of risk** continued to normalise, rising by +60% compared with the second quarter of 2022 to -€69 million (reversal of provisions for various claims in second quarter of 2022). The coverage ratio stood at 62.8% at the end of June, down -5 percentage points this quarter compared to the end of March 2023. The non-performing loan ratio was 1.9% at end June 2023, up slightly by 0.2 pp compared to end March 2023. As a result, **net income Group share** stood at €257 million and decreased by -11.6% compared to the second quarter of 2022.

In first half 2023, LCL's revenues fell by -5.1% compared with first half 2022, to €1,895 million, due to the contraction in the net interest margin (-16.7%) against a backdrop of higher refinancing and funding costs, but with an increase in fee and commission income (+8.9%), particularly for life and property and casualty insurance and payment instruments. Expenses excluding SFR were down by -1.3% and the cost/income ratio excluding SFR remained under control (+2.3 percentage points compared with first half 2022) to 60.8%. As a result, gross operating income fell by -8.1% and the cost of risk rose by +29.0%. All in all, the business-line's contribution to net income Group share stood at €409 million and was down -13.7%.

In the end, the business line contributed 11% to the **underlying net income Group share** of Crédit Agricole S.A.'s core businesses. (excluding the Corporate Centre division) in the first half of 2023 and 15% to **underlying revenues** excluding the Corporate Centre.

LCL's underlying return on normalised equity (RoNE) stood at 16.0% at end of June 2023.

International Retail Banking results[61]

In the **second quarter of 2023**, **International Retail Banking** revenues totalled €982 million, up +20.9% (+25.6% at constant exchange rates) compared with the second quarter of 2022, driven mainly by the rise in the net interest margin against a backdrop of rising interest rates. **Operating expenses excluding SRF** remained under control despite the inflationary environment, coming in at €502 million, down slightly compared to the second quarter of 2022 (stable at constant exchange rates). As a result, **gross operating income** amounted to €479 million, an increase of +58.4% (+69.9% at constant exchange rates) compared to the second quarter of 2022. The **cost of risk** came to -€127 million, up +8.3% (+14.3% at constant exchange rates) compared to the second quarter of 2022, taking into account the conservative provisioning of CHF loans in Poland and higher provisioning for performing loans in Italy. **Income from discontinued operations** was down -74.2%, due to the disposal of the controlling interest in Crédit du Maroc in the fourth quarter of 2022[62]. **Net income Group share** of International retail banking was €197 million, up +75.0%[63] (+85.6% at constant exchange rates) compared to the fourth quarter of 2022.

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[60] *Including €21m reversal of provision for Cheque Image Exchange as a specific item*

[61] *At 30 June 2023 this scope includes the entities CA Italia, CA Polska, CA Egypt and CA Ukraine.*

[62] *The Crédit du Maroc entity has been classified under IFRS 5 since the first quarter of 2022 and the disposal of the controlling interest (63.7%) took place in the fourth quarter of 2022. The remaining 15% is to be sold within 18 months; Crédit du Maroc's contribution to net income was €2.8 m in Q2 2023 (€8.8m in Q2 22) and €4.5m in H1 23 (€1.4m in H1 22).*

[63] *Provisions of -€195 million for Ukraine risk, adjusted to underlying income for Q1-2022*

For **first half 2023**, **International Retail Banking revenues** rose by 22.0% to €1,951 million (+26.9% at constant exchange rates). **Expenses excluding SRF** were kept under control at €987 million, stable compared with first half 2022 (+2.3% at constant exchange rates). **Gross operating income** totalled €924 million, up +61.4% (+73.1% at constant exchange rates). The **cost of risk** fell by -38.2% (-29.5% at constant exchange rates) to -€241 million compared to the second half 2022, mainly due to the conservative provisioning for Ukraine risk, which was adjusted to underlying income for the first quarter of 2022 (provisions of - €195 million for Ukraine risk, adjusted to underlying income for Q1-2022). All in all, **net income Group share** of **International retail banking** was €375 million, compared to €13 million in the fourth quarter of 2022**Erreur ! Signet non défini.**.

In the first half of 2023, the International retail banking business line contributed 11% to the underlying net income Group share of Crédit Agricole S.A.'s core businesses (excluding Corporate Centre) and for 15% to underlying revenues excluding Corporate Centre.

Italian retail banking results

In **the second quarter of 2023**, **Crédit Agricole Italy revenues** stood at €760 million, up +22.2% compared to the second quarter of 2022. The rise in rates continues to benefit the net interest margin(+43.6%), which has a positive impact on loan production rates, which increased by +22 basis points between the first and second quarter of 2023, but also via the revaluation of the rate on the stock of loans on the asset side by +38 basis points over the same period. **Operating expenses excluding SRF** were stable compared to the second quarter of 2022, coming in at -€397 million. Adjusted for Créval integration costs[64] in the second quarter of 2022, they were up +6.7%, reflecting the increase in business. All in all, gross operating income increased by +65.6% compared to the second quarter of 2022 to €363 million. The **cost of risk** amounted to -€89 million in the second quarter, up +20.4% compared to the second quarter of 2022, including -€44 million for proven risk and -€45 million in provisioning for performing loans. Cost of risk on outstandings[65] stood at 57 basis points, up 3 basis points compared to the first quarter of 2023. The Non-Performing Loans ratio stands at 3.5%, down slightly from the second quarter of 2022, and the coverage ratio stands at 67.7% (-0.9 percentage points compared to the first quarter of 2023). This translates into a **net income Group share** of €150 million for CA Italia, up +65.8% compared to the second quarter of 2022.

In **first half 2023**, **revenues** for **Crédit Agricole Italia** rose +22.5% to €1,520 million. **Expenses excluding SRF** stood at €769 million, stable[66] compared to first half 2022. **Gross operating income** thus stood at €712 million, an increase of +64.6% compared to the second quarter of 2022. The **cost of risk** rose by +25.8% to €150 million compared to the second half 2022, mainly due to the increase in provisions for performing loans (+€41 million), with defaults remaining limited. As a result, **net income Group share** of CA Italia totalled €310 million, an increase of +70.4% compared to first half 2022.

CA Italia's underlying RoNE (return on normalised equity) was 21.9% at 30 June 2023.

[64] +6.7% excluding Creval integration costs of -€22 million adjusted to underlying income for Q2 2022

[65] Over a rolling four quarter period.

[66] Up +3.9%, adjusted for Creval integration costs of -€30m in H1-22 on an underlying basis

International Retail Banking results – excluding Italy[67]

In the **second quarter of 2023**, **revenues** for **International Retail Banking excluding Italy** totalled €222 million, up +16.9% (+39.1% at constant exchange rates) compared to the second quarter of 2022. The increase in revenues was driven by the net interest margin, which rose sharply against a backdrop of rising interest rates, particularly in Poland and Egypt (+20.4% compared with the second quarter of 2022, +41.7% at constant exchange rates), as a result of higher lending prices and volumes. **Operating expenses excluding SRF** remained under control at €106 million, stable compared with the second quarter of 2022 (up 9.5% at constant exchange rates). **Gross operating income** amounted to €116 million, an increase of +39.6% (+84.7% at constant exchange rates) compared to the second quarter of 2022. The **cost of risk** reached -€38 million, down -12.3%, (+2.1% at constant exchange rates) taking into account the provisioning of CHF loans in Poland, bringing the provisioning rate for CHF loans in Poland above 74% (compared with around 55% in the first quarter of 2023). Furthermore, at end June 2023, the coverage ratio for loan outstandings remained very high in Poland and Egypt, at 122% and 146% respectively; in Ukraine, the local coverage ratio was 30%. **Income from discontinued operations** was down -74.2% due to the disposal of the controlling interest in Crédit du Maroc in the fourth quarter of 2022[67]. All in all, **International Retail Banking excluding Italy** contributed €47 million to net income Group share, x2.1 (x3 at constant exchange rates) compared to the second quarter of 2022.

In **first half 2023**, **revenues** for **International Retail Banking excluding Italy** totalled €430 million, up +20.3% (+45.1% at constant exchange rates) compared to second quarter 2022, driven by the increase in the net interest margin. **Operating expenses excluding SRF** were stable at -€218 million (+0.2% compared with first half 2022, up +11.9% at constant exchange rates). Thanks to the strong growth in revenues, **gross operating income excluding SRF** came to €212 million, up by +51.6% (x2 at constant exchange rates) compared with first half 2022. The **cost of risk** amounted to -€91 million, a decrease of -66.3% (-59% at constant exchange rates) compared with first half 2022, which had been impacted by the provisioning of -€195 million for Ukraine, adjusted to underlying income for the first quarter of 2022. **Income from discontinued operations** fell by -62.9%, related to the disposal of the controlling interest in Crédit du Maroc in the fourth quarter of 2022. Finally, the contribution of International Retail Banking excluding Italy to **net income Group share** was €65 million (versus -€169 million in first half 2022, impacted by the provisioning for Ukraine).

The underlying RoNE (return on normalised equity) of International Retail Banking excluding Italy stood at 21.5% at 30 June 2023.

Corporate Centre results

The "internal margins" effect at the time of the consolidation of the insurance activities at the Crédit Agricole level was accounted through the Corporate Centre, contributing to a further reduction in the cost/income ratio of Crédit Agricole S.A. The impact of internal margins was -€206 million in revenues and +€206 million in expenses.

The underlying net income Group share of Corporate Centre was -€16 million in second quarter 2023, up by +€36 million compared with second quarter 2022. The contribution of the Corporate Centre division can be analysed by distinguishing between the "structural" contribution (-€107 million) and other items (+€91 million).

The contribution of the "structural" component increased by +€22 million compared to second quarter 2022 and can be broken down into three types of activity:

- The activities and functions of the Corporate Centre of the Crédit Agricole S.A. corporate entity. This contribution was -€261 million in the second quarter of 2023, down by -€95 million, including a drop in revenues linked mainly to a base effect on the TLTRO and on the home purchase savings provision.
- The businesses that are not part of the business lines, such as CACIF (Private equity), CA Immobilier and BforBank (equity-accounted). Their contribution was +€147 million in the second quarter of 2023,

[67] *The Crédit du Maroc entity has been classified under IFRS 5 since the first quarter of 2022 and the disposal of the controlling interest (63.7%) took place in the fourth quarter of 2022. The remaining 15% is to be sold within 18 months; Crédit du Maroc's contribution to net income was €1.6m in Q2 2023 (€10.1m in Q2 22) and €4.5m in H1 23 (€7.1m in H1 22).*

reflecting the positive impact of the revaluation of Banco BPM shares (+€138 million, with a share price of at 30 June 2023 €4.26).

- Group support functions. Their contribution amounted to +€7 million this quarter (+€3 million compared with second quarter 2022).

The contribution of “other items” was up by +€14 million compared to second quarter 2022.

The underlying net income Group share of the Corporate Centre division in first half 2023 was -€321 million, down -€58 million compared to first half 2022. The structural component contributed -€487 million, while the division’s other items contributed +€167 million over the half-year.

The “structural” component contribution was down -€70 million compared with first half 2023 and can be broken down into three types of activities:

- The activities and functions of the Corporate Centre of the Crédit Agricole S.A. corporate entity. This contribution amounted to -€647 million for first half 2023, down by €191 million compared with first half 2022;
- Business lines not attached to the core businesses, such as Crédit Agricole CIF (private equity) and CA Immobilier and BforBank: their contribution, which stood at +€151 million in first half 2023, increased +€120 million compared to first half 2022.
- Group support functions: their contribution was +€9 million in first half 2023 compared to a neutral contribution in first half 2022.

The contribution of “other items” was up +€12 million compared to first half 2022.

At 30 June 2023, risk-weighted assets stood at €26.2 billion.

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Financial strength

Crédit Agricole Group

As at 30 June 2023, the **phased-in Common Equity Tier 1 (CET1) ratio** of Crédit Agricole Group was 17.6%, unchanged from end March 2023. Consequently, Crédit Agricole Group had a substantial buffer of 8.4 percentage points between the level of its CET1 ratio and the SREP requirement of 9.2%,[68] which is the largest SREP gap among European G-SIBs[69]. The fully loaded CET1 ratio is 17.4%.

During second quarter 2023:

- The CET1 ratio benefited this quarter from an impact of +30 basis points related to **retained earnings**, which exceeds the organic growth of the business lines,
- Changes in risk weighted assets related to **business line organic growth** impacted the Group's CET1 ratio by -28 basis points, which corresponds to an increase in the business lines' risk weighted assets (of which +€2.1 billion for the Regional Banks),

The phased-in **Tier 1 ratio** stood at 18.8% while the **phased-in total** ratio was 21.5% at end June 2023.

The **phased-in leverage ratio** stood at 5.6%, well above the regulatory requirement of 3.5%. In addition to the minimum requirement of 3% in effect since 1 January 2023, and only for global systemically important institutions (G-SII), a leverage ratio buffer will be added, defined as half of the G-SII buffer of the entity, which amounts to 0.5% for the Crédit Agricole Group.

Risk weighted assets for the Crédit Agricole Group amounted to €595.8 billion, up by +€11.6 billion compared to 31 March 2023. **The organic growth of the business lines** (including foreign exchange) contributed +€9.2 billion to this increase, of which +€2.1 billion of risk weighted assets at the Regional Banks. **Mergers and acquisitions** related to the restructuring of the partnership between CACF and Stellantis contributed +€2.7 billion to the growth of RWAs, while methodology and regulatory effects had a slightly positive effect of -€0.3 billion in the quarter.

Maximum Distributable Amount (MDA and L-MDA) trigger thresholds

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

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

At 30 June 2023, **Crédit Agricole Group** posted a buffer of **778 basis points above the MDA trigger, i.e. €46 billion in CET1 capital**.

At 30 June 2023, **Crédit Agricole S.A.** posted a buffer of **338 basis points above the MDA trigger, i.e. €13 billion in CET1 capital**.

Failure to comply with the leverage ratio buffer requirement would result in a restriction of distributions and the calculation of a maximum distributable amount (L-MDA).

At 30 June 2023, **Crédit Agricole Group** posted a buffer of **213 basis points above the L-MDA trigger, i.e. €42 billion in Tier 1 capital**.

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[68] *At 30 June 2023, increase in the countercyclical buffer (to 40 bps at 30/06/2023 from 7 bps at 31/03/2023), raising the SREP requirement to 9.2%.*

[69] *Based on public data of the 12 European G-SIBs as at 30/06/2023 for CAG, BPCE, BNPP, Deutsche Bank, Santander, UniCredit, Barclays, HSBC, Standard Chartered, ING, Société Générale, and as at 31/03/2023, for UBS. CASA data (30/06/2023). Distance to SREP or requirement in CET1 equivalent.*

TLAC

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

- a TLAC ratio above 18% of risk weighted assets (RWA), plus – in accordance with EU directive CRD 5 – a combined capital buffer requirement (including, for the Crédit Agricole Group, a 2.5% capital conservation buffer, a 1% G-SIB buffer and the counter-cyclical buffer set at 0.40% for the CA Group at 30/06/23). Considering the combined capital buffer requirement, the Crédit Agricole Group must adhere to a TLAC ratio of above 21.9%;
- a TLAC ratio of above 6.75% of the Leverage Ratio Exposure (LRE).

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

At 30 June 2023, **Crédit Agricole Group's TLAC ratio** stood at **27.1% of RWA and 8.1% of leverage ratio exposure, excluding eligible senior preferred debt,**[70] which is well above the requirements. The TLAC ratio expressed as a percentage of risk weighted assets fell by 30bps over the quarter, reflecting the increase in RWAs, which was not offset by the increase in equity and eligible items over the period. Expressed as a percentage of leverage exposure (LRE), the TLAC ratio was up +20 basis points compared to March 2023[71].

The Group thus has a TLAC ratio excluding eligible senior preferred debt that is 520 bps, i.e. €31 billion, higher than the current requirement of 21.9% of RWA.

At end-June 2023, €2.2 billion equivalent was issued in the market (senior non-preferred and Tier 2 debt) on top of the €1.25 billion of AT1. The amount of Crédit Agricole Group senior non-preferred securities taken into account in the calculation of the TLAC ratio was €27.5 billion.

MREL

The required minimum levels are set by decisions of resolution authorities and then communicated to each institution, then revised periodically. Since 1 January 2022, Crédit Agricole Group has been requested to meet a minimum total MREL requirement of:

- 21.04% of RWA, plus – in accordance with EU directive CRD 5 – a combined capital buffer requirement (including, for the Crédit Agricole Group, a 2.5% capital conservation buffer, a 1% G-SIB buffer and the counter-cyclical buffer set at 0.40% for the CA Group at 30/06/23). Considering the combined capital buffer requirement, the Crédit Agricole Group must adhere to a total MREL ratio of above 24.9%;
- 6.02% of the LRE.

At 30 June 2023, **Crédit Agricole Group had a MREL ratio of 32.1% of RWA and 9.6% of leverage exposure**, well above the total MREL requirement.

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

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[70] As part of its annual resolvability assessment, Crédit Agricole Group has chosen to waive the possibility offered by Article 72ter(3) of the Capital Requirements Regulation (CRR) to use senior preferred debt for compliance with its TLAC requirements in 2023.

[71] The presentation on the balance sheet of the revaluation difference of rate-hedged portfolios was reclassified between assets and liabilities as of March 31, 2023, generating an adjustment to the TLAC ratio of +6bp

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

At 30 June 2023, **Crédit Agricole Group** had a buffer of **520 basis points above the M-MDA trigger, taking into account the TLAC requirement applicable at 30 June 2023, i.e. €31 billion of CET1 capital.**

Crédit Agricole S.A.

At 30 June 2023, Crédit Agricole S.A.'s solvency ratio was higher than the Medium-Term Plan target, with a phased-in **Common Equity Tier 1 (CET1) ratio of 11.6%**, stable compared to end March 2023. Crédit Agricole S.A. therefore had a substantial buffer of 3.4 percentage points between the level of its CET1 ratio and the 8.2% SREP requirement [72]. The buffer is lower than the 3.7 percentage points at end March 2023 due to the impact of the increase in the countercyclical buffer. The fully loaded CET1 ratio reached 11.5% in second quarter 2023:

- The CET1 ratio benefited this quarter from a positive impact of +21 basis points linked to **retained earnings**. This impact corresponds to net income Group share net of AT1 coupons and the distribution of 50% of income, i.e. a provision for dividends of €0.32 per share for the second quarter of 2023, and a provision for dividends of €0.50 per share for first half 2023,
- The change in risk weighted assets due to **organic growth in the business lines** impacted the CET1 ratio by -21 basis points, including an increase of +€5.2 billion in the risk weighted assets of the SFS division due to the strong momentum generated by the launch of Crédit Agricole Auto Bank, an increase of +€3.1 billion in the risk weighted assets of the Large Customers division, mainly due to the increase in market RWAs (VaR, SVaR and Counterparty Risk in the Trading Book), and a decrease of -€1.6 billion in the risk weighted assets of Insurance as a result of the decline in equity-accounted value[73] following the payment of the final dividend for the 2022 financial year,
- **Methodology and regulatory effects** mainly concern irrevocable payment undertakings (IPU). This item had a negative impact of -3 basis points on the CET1 ratio,
- Finally, **mergers and acquisitions, OCI and other items** had a negative impact of -2 basis points on the CET1 ratio, and mainly related to the restructuring of the partnership between CACF and Stellantis (-3 basis points).

The phased-in **leverage ratio** was 4.0% at end June 2023, up +0.2 percentage point compared to end March 2023[74] and above the 3% requirement.

The phased-in **Tier 1 ratio** stood at 13.5% and the phased-in total ratio at 17.6% this quarter.

Risk weighted assets for Crédit Agricole S.A. amounted to €376.9 billion at 30 June 2023, up by +€8.8 billion compared to 31 March 2023. **The business lines' RWA contribution** (including foreign exchange impact) was +€6.4 billion, including an increase of +€5.2 billion in the risk weighted assets of the SFS division due to the strong momentum generated by the launch of Crédit Agricole Auto Bank, an increase of +€2.9 billion in the risk weighted assets of the Large Customers division, mainly due to the increase in market RWAs (VaR, SVaR and Counterparty Risk in the Trading Book), and a decrease of -€1.9 billion in the risk weighted assets of Insurance as a result of the decline in equity-accounted value following the payment of the final dividend for the 2022 financial year, **Mergers and acquisitions** related to the restructuring of the partnership between CACF and Stellantis contributed +€2.7 billion to the growth of RWAs, while **methodology and regulatory effects** had a slightly positive effect of -€0.3 billion in the quarter.

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[72] At 30 June 2023, increase in the countercyclical buffer (buffer of 34 bps at 30/06/2023 vs. 8 bps at 31/03/2023), raising the SREP requirement to 8.2%.

[73] Change in equity-accounted value excluding OCI

[74] The presentation on the balance sheet of the revaluation difference of interest rate hedged portfolios was reclassified between assets and liabilities as of March 31, 2023, generating a leverage ratio adjustment of +4 bp

Liquidity and Funding

Liquidity is measured at Crédit Agricole Group level.

In order to provide simple, relevant and auditable information on the Group's liquidity position, the banking cash balance sheet's stable resources surplus is calculated quarterly.

The banking cash balance sheet is derived from Crédit Agricole Group's IFRS financial statements. It is based on the definition of a mapping table between the Group's IFRS financial statements and the sections of the cash balance sheet and whose definition is commonly accepted in the marketplace. It relates to the banking scope, with insurance activities being managed in accordance with their own specific prudential constraints.

Further to the breakdown of the IFRS financial statements in the sections of the cash balance sheet, netting calculations are carried out. They relate to certain assets and liabilities that have a symmetrical impact in terms of liquidity risk. Deferred taxes, fair value impacts, collective impairments, short-selling transactions and other assets and liabilities were netted for a total of €39 billion at end-June 2023. Similarly, €130 billion in repos/reverse repos were eliminated insofar as these outstandings reflect the activity of the securities desk carrying out securities borrowing and lending operations that offset each other. Other nettings calculated in order to build the cash balance sheet – for an amount totalling €195 billion at end-June 2023 – relate to derivatives, margin calls, adjustment/settlement/liaison accounts and to non-liquid securities held by Corporate and Investment banking (BFI) and are included in the "Customer-related trading assets" section.

Note that deposits centralised with Caisse des Dépôts et Consignations are not netted in order to build the cash balance sheet; the amount of centralised deposits (€91 billion at end-June 2023) is booked to assets under "Customer-related trading assets" and to liabilities under "Customer-related funds".

In a final stage, other restatements reassign outstandings that accounting standards allocate to one section, when they are economically related to another. As such, senior issuances placed through the banking networks as well as financing by the European Investment Bank, the Caisse des Dépôts et Consignations and other refinancing transactions of the same type backed by customer loans, which accounting standards would classify as "Medium long-term market funds", are reclassified as "Customer-related funds".

Note that for Central Bank refinancing transactions, outstandings related to the T-LTRO (Targeted Longer-Term Refinancing Operations) are included in "Long-term market funds". In fact, T-LTRO 3 transactions are similar to long-term secured refinancing transactions, identical from a liquidity risk standpoint to a secured issue.

Medium to long-term repurchase agreements are also included in "Long-term market funds".

Finally, the CIB's counterparties that are banks with which we have a commercial relationship are considered as customers in the construction of the cash balance sheet.

Standing at €1,640 billion at 30 June 2023, the Group's banking cash balance sheet shows **a surplus of stable funding resources over stable application of funds of €172 billion**, down -€45 billion compared to end-march 2023 due to the €12 billion increase in refinancing needs resulting from commercial activity (€22 billion increase in loans and €10 billion increase in customer-related funds), and the repayment of TLTROs in June (€48bn) partially offset by medium to long-term market funds raised.

Total TLTRO 3 outstandings for Crédit Agricole Group amounted to €45.5 billion[75] at 30 June 2023, down -€48 billion[76], which were repaid during the quarter. It should be noted, with regard to the position in stable ressources, that internal management excludes the temporary surplus of stable resources provided by the increase in T-LTRO 3 outstandings in order to secure the Medium-Term Plan's target of €110 billion to €130 billion, regardless of the repayment strategy.

[75] *Including CA Auto Bank*
[76] *Including CA Auto Bank*

Furthermore, given the excess liquidity, the Group remained in a short-term lending position at 30 June 2023 (central bank deposits exceeding the amount of short-term net debt).

Medium-to-long-term market funds stood at €260 billion at 30 June 2023, down -€35 billion compared to end-March 2023, due to the repayment in June 2023 of €48 billion of TLTRO 3 resources.

They included senior secured debt of €113 billion, senior preferred debt of €96 billion, senior non-preferred debt of €30 billion and Tier 2 securities amounting to €21 billion.

The Group's liquidity reserves, at market value and after haircuts, amounted to €334 billion at 30 June 2023, down -€123 billion compared to end-March 2023. They covered short-term net debt more than two times over (excluding the replacements with Central Banks).

This decrease in reserves is mainly explained by the impact of the end of the "ACC[77] real estate" channel for -€114 billion and the normalization of the haircuts from Banque the France on other eligible claims (temporarily eased during Covid crisis) for -€5 billion.

The issuance program of the new CA HL SFH (Crédit Agricole Home Loan SFH), which has received ACPR/BCE approval on 18 July 2023 and which claims were issued at the end of July 2023, is expected to rebuild around +€70 billion of ECB-eligible reserves.

The overall level of liquidity reserves will remain at a very high level, estimated at around €404 billion pro-forma 30 June 2023.

Crédit Agricole Group also continued its efforts to maintain immediately available reserves (after recourse to ECB financing). Central bank eligible non-HQLA assets after haircuts amounted to €54 billion.

Credit institutions are subject to a threshold for the LCR ratio, set at 100% on 1 January 2018.

At 30 June 2023, the average year-on-year LCR ratios were respectively 157.3% for Crédit Agricole Group and 146.4% for Crédit Agricole S.A. The month-end LCR ratios were respectively 142.9% for Crédit Agricole Group (a surplus of €84.3 billion) and 140.3% for Crédit Agricole S.A. (a surplus of €72 billion). They were higher than the Medium-Term Plan target (around 110%).

In addition, **the NSFR of Crédit Agricole Group and Crédit Agricole S.A. exceeded 100%**, in accordance with the regulatory requirement applicable since 28 June 2021 and above the Medium-Term Plan target (>100%).

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

At 30 June 2023, the Group's main issuers raised the equivalent of €38.4 billion[78,79] in medium-to-long-term debt through the open market, 51% of which was issued by Crédit Agricole S.A. Significant events for the Group were as follows:

- Crédit Agricole CIB issued €8.6 billion in structured format;
- Crédit Agricole Italia completed a new issuance in covered bond format in June for €1 billion with a six-year term;
- Crédit Agricole Consumer Finance issued €2.8 billion in ABS securitisations;
- Crédit Agricole Auto Bank (CAAB), the new name of FCA Bank, extended its access to the market with a new senior preferred issuance in June for €600 million with a three-year term;
- Crédit Agricole Next Bank (Switzerland) carried out a covered bond issuance in June with three- and seven-year terms (green format) for CHF 100 million each.

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

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[77] *Additional Credit Claims*
[78] *Gross amount before buy-backs and amortisations*
[79] *Excl. AT1 issuances*

- €10.5 billion in secured financing;
- €14.9 billion in plain-vanilla unsecured financing;
- €9.0 billion in structured financing;
- €4.0 billion in long-term institutional deposits and CDs.

In addition, €12.2 billion was raised through off-market issuances, split as follows:

- €8.6 billion from banking networks (the Group's retail banking or external networks);
- €2.2 billion from supranational organisations or financial institutions;
- €1.4 billion from national refinancing vehicles (including the credit institution CRH).

At 30 June 2023, Crédit Agricole S.A. raised the equivalent of €19.7 billion[80],[81] through the open market:

The bank raised the equivalent of €19.7 billion, of which €1.8 billion in senior non-preferred debt, €0.4 billion in Tier 2 debt, €11.8 billion in senior preferred debt and €5.8 billion in senior secured debt. The financing comprised a variety of formats and currencies:

- €11.8 billion;
- 4.1 billion US dollars (€3.8 billion equivalent);
- 1.3 billion pounds sterling (€1.4 billion equivalent);
- 172 billion Japanese yen (€1.1 billion equivalent);
- 0.8 billion Swiss francs (€0.8 billion equivalent);
- 0.9 billion Australian dollars (€0.6 billion equivalent);
- 0.5 billion Singapore dollars (€0.4 billion equivalent).

Crédit Agricole S.A. has announced an increase in its 2023 refinancing plan from €19 billion[82,83] to €25 billion in order to support its strong commercial momentum and to maintain its regulatory ratios at a high level.

Since end June 2023, Crédit Agricole S.A. has raised an additional €0.6 billion, including a €0.5 billion senior secured issue through the CA PS SCF vehicle and a CNY1 billion senior preferred issue in Panda format (€126 million equivalent). At end July 2023, the MLT financing plan thus stood at €20.4 billion, or 81% of the 2023 programme.

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

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[80] Gross amount before buy-backs and amortisations
[81] Excl. AT1 issuances
[82] Gross amount before buy-backs and amortisations
[83] Excl. AT1 issuances

Economic and financial environment

First half

In the first half of the year, inflation in the major developed economies continued to fall, while still remaining high (especially core inflation), and monetary tightening continued. The momentum of the post-Covid recovery continued to ease off and growth rates dipped. Drastic recessions were avoided particularly because of the buffers left over from the pandemic, namely private savings which, although diminishing, were still abundant, and labour markets which had proved fairly resilient.

Inflation: fall in headline inflation, slow progress for core inflation

Value chains, congested at the end of the Covid pandemic due to demand very quickly outpaced supply, and commodity markets, disrupted by the war in Ukraine, gradually returned to normal. Energy, manufacturing and food commodity prices fell, as did transport costs. At end-June 2023, for example, prices of oil, iron ore, wheat and sea freight were down year-on-year by close to 34%, 7%, 21% and 50% respectively. This upstream disinflation led to a rapid and largely automatic fall in headline inflation.

In the United States, year-on-year price inflation fell to 6.4% in December and then to 3% in June, having peaked at 9% in June 2022. Meanwhile, core inflation remained high at 4.8% in June, after peaking at 6.5% in March 2022. In the eurozone, after peaking at 10.6% in October 2022, inflation ticked down to 9.2% in December and then 5.5% in June. After peaking at 5.7% in March 2023, core inflation has been falling only very slowly (5.4% in June). Although a wage-price spiral cannot be blamed for this, despite a buoyant labour market, core inflation has been resistant. This is because increases in upstream costs have been spread across all prices and the increased consumption of services has taken over from the consumption of goods.

Growth: more robust than expected but slowing significantly

Although growth in the **United States** has continued to be revised upwards, it regressed slightly (annualised quarterly rate of 2% in the first quarter, versus 2.6% and 3.2% in the fourth and third quarters of 2022 respectively). In contrast to brisk consumption (growth of 4.2% in the quarter, and contribution to growth of 2.8 percentage points, or pp), productive investment turned in a mediocre performance (virtually zero contribution) and residential investment continued to contract (-4%, down for the eighth consecutive quarter, which is a cumulative drop of 22% between first quarter 2021 and first quarter 2023). Inventory changes were the main drag on growth in the first quarter with a contribution of -2.1 pp. This was due to major destocking and a slowdown in investment. Although corporate profits fell sharply for the second consecutive quarter, the financial position of households improved: after seven consecutive quarters of reduced spending power, real disposable income grew by 2.9%. The savings rate (4.3%) recovered slightly, but has remained below its pre-Covid average (7.9%, 2017–2019) since mid-2021. For its part, the labour market has held up well: since March 2022, the unemployment rate has hovered between 3.4% and 3.7% and stood at 3.6% in June.

There was also a marked slowdown in the **eurozone**: GDP growth (year-on-year) fell from 1.8% in the fourth quarter of 2022 to 1% in first quarter of 2023. Business activity subsequently fell again by 0.1% (quarter-on-quarter), dragged down by growth in Germany (-0.3%), which also recorded two consecutive quarters of decline. Although domestic demand once again made a negative contribution to growth (-0.3 points), this was modest compared to the previous quarter (-1.2 points). With inflation easing from its peak in the fourth quarter of 2022, household consumption fell for the second consecutive quarter (-0.3%), even though this was less than in the previous quarter (-1%). Investment picked up (+0.6%, following -3.5%), but growth remained modest. Foreign trade's positive contribution to growth was once again due to a sharper fall in imports than exports.

As suggested by a number of indicators, the period of sustained expansion was therefore coming to an end, particularly in the manufacturing sector. That said, the reduction of business in this sector has not yet translated into an increase in corporate failures. These have remained relatively few across the economy as a whole. The unemployment rate of 6.5% in May 2023 showed little change from one month earlier but was down slightly from one year earlier (6.7% in May 2022).

In **France**, after an abrupt slowdown in the second half of 2022, growth proved resilient, remaining positive at the start of the year (0.2% in first quarter 2023). However, this apparent robustness masked the weakness of domestic demand. While foreign trade continued to drive growth, household consumption failed to rebound in the first quarter. After contracting in the fourth quarter of 2022, it was only stable in the first quarter of 2023 and remains below its pre-pandemic level. Goods consumption fell sharply, impacted most notably by food consumption (year-on-year food inflation was still 13.7% in June, after having reached 15.9% in March). Household investment was also down sharply for the third consecutive quarter. Lastly, monetary tightening began having an impact on investment by non-financial companies; this declined for the first time since the third quarter of 2021.

Ongoing monetary tightening and interest rate hikes

Since the beginning of 2022, central banks have been prioritising the fight against inflation. Both the Federal Reserve and the ECB have steadfastly introduced aggressive policies to raise key interest rates. Since March 2022 in the United States and July 2022 in the eurozone, interest rates have risen by 500 and 400 basis points (bp) respectively to stand at 5.25% (Federal Funds Rate Upper Limit) and 4% (refinancing rate) at the beginning of July 2023.

Alongside this monetary tightening, short maturities of the yield curve (two-year swap rates or sovereign rates) rallied sharply. On the other hand, yields on long maturities (ten-year rates) had less of a "climb". This was due to the nature of inflation – considered more of a shock than an ongoing, steady increase – fears of a slowdown and central banks' determination to get inflation down to their targets. **Interest rate curves have therefore inverted.** Equity markets performed particularly well at the beginning of the year, based on the view that there would be a vigorous recovery in China after it abandoned its zero-Covid policy and an imminent pivot in monetary policy (imminent end to the hike in key interest rates rapidly followed by a reduction).

However, these movements were briefly interrupted in March when US monetary tightening claimed its first banking victims in the US (the most notable being the collapse of Silicon Valley Bank)[84] followed by a carbon copy in Europe caused by the vicissitudes of Crédit Suisse. These two events brought the issue of financial stability back to the fore and triggered a temporary upturn in risk aversion (fall in equities and "risk-free" sovereign rates, wider credit spreads) and expectations of rapid monetary easing. Central banks nevertheless reaffirmed their commitment to fighting inflation and to dealing with the sources of financial instability using ad hoc measures. The Fed unveiled a new instrument of monetary policy to help banks meet potential liquidity requirements.[85] It then continued its monetary tightening, as did the ECB. After a turbulent March, the markets calmed down again.

At 30 June 2023, US two- and ten-year sovereign yields stood at 5.0% and 3.9%, a year-on-year rise of around 200 bp and 80 bp respectively (+50 bp and -2 bp in the first half of 2023). German two- and ten-year sovereign yields were 3.2% and 2.4%, a year-on-year rise of 270 bp and 100 bp respectively (+50 bp and -20 bp in the first half of the year). Despite the end of the ECB's bond purchase programme under the APP (Asset Purchase Programme) and major TLTRO maturities at the end of June, the risk premiums paid by non-core and semi-core countries remained close, contrary to what some may have feared. At 30 June, French and Italian spreads stood at approximately 55 bp and 170 bp respectively against the Bund (declines of around 5 bp and 35 bp respectively since the start of the year). In addition, equity markets posted strong gains: the S&P 500, Eurostoxx 50 and CAC 40 indexes rose by 16%, 14% and 12% respectively during the first half of the year. Over the same period, the euro (at 1.09 against the dollar) appreciated by 2.2%.

[84] *A regional bank specialised in financing tech start-ups and companies, sectors that have experienced difficulties in raising funds in a context of monetary tightening and that consume high levels of cash. To cope with its customers' withdrawals, SVB had to sell $21 billion of US bonds and registered a loss of $1.8 billion due to the bonds having lost their value on the secondary market on account of the rise in interest rates. Poorly capitalised and coping with potential capital losses on its securities portfolio, SVB launched a capital increase that failed. This led to a bank run (mass withdrawals from its customers) that the bank was unable to withstand, precipitating its bankruptcy. Furthermore, due to its relatively small size, the bank had benefited from more relaxed banking regulations sanctioned by the Trump administration. As a result, the bank's potential losses and low capitalisation had not been detected upstream.*

[85] *Loans of up to one year in length against collateral such as US Treasuries valued at par rather than market value. This eliminates the risk of unrealised losses that can occur very suddenly when a bank is forced to sell assets (as was the case with SVB).*

Finally, the Livret A passbook accounts rate rose from 2% (the level at which it had been since August 2022) to 3% in February 2023. It was decided in mid-July to keep it at 3% until the start of 2025.

Outlook

With the labour market holding up well and savings still abundant, albeit diminishing, household consumption absorbed the drain on spending power and monetary tightening better than feared. Growth held up better than expected, as did core inflation.

Business activity is nevertheless decelerating, as indicated by surveys suggesting a widespread global slowdown. Developing a scenario of deceleration without collapse presupposes a slow decline in inflation easing revenues and putting an end to key rate hikes.

Global environment

In the **United States**, cracks are beginning to appear and are getting wider as the repressive effects of monetary and financial tightening are being felt. Residential investment has already been significantly curtailed, and productive investment is likely to contract in turn. Consumers, who had been shoring up growth, have been dipping into savings and resorting to credit, and could be less confident and less extravagant going forwards. While better-than-expected employment figures may provide a softer landing, the risk of a recession will still loom in the second half of the year. A moderate recession would lead to average growth of 1.2% in 2023 and then just 0.7% in 2024. This ultimately natural slowdown is based on the assumption that headline inflation and especially core inflation will continue to decline, ending 2023 at around 3.2% and 3.6% respectively, before both approaching 2.5% at the end of 2024. The risk to this scenario is that inflation will be more persistent than predicted and lead to a monetary scenario that is more aggressive than anticipated.

Far from the hoped-for recovery, **China** is struggling to regain its momentum. A profound confidence crisis among households (fear of unemployment, precautionary savings) together with unresolved turbulence in the property market continues to dampen domestic demand. This translates into inflation so low as to threaten deflation. The Chinese authorities cannot ignore the fact that the recovery is not living up to its promises, but they lack the appropriate tools to stimulate consumption. The annual growth target cautiously announced by the authorities of "around 5%" should be achieved (favourable base effects) but there are doubts about China's ability to maintain this pace.

Eurozone including France

In the **eurozone**, the scenario assumes modest growth of 0.6% in 2023 and 1.3% in 2024 – still below its potential rate – based on average headline inflation falling from 8.4% in 2022 to 5.5% in 2023 and 2.9% in 2024. **The (actual and forecast) fall in the growth rate is fairly drastic: rather than heralding a recession, it "normalises" behaviours**.

The factors underpinning this normalisation scenario remain. Corporate failures are still relatively few and limited to specific sectors (hospitality, transport and logistics); the labour market is holding up well; corporate profits are "acceptable", with businesses having, in certain sectors, restored their margins thanks to the rise in prices. In addition, the expected decline in inflation should limit the extent to which business activity is weakened: consumption should benefit from the improvement in real income as well as excess savings available to the wealthiest households, even though a large portion of this surplus has already been turned into non-liquid property and financial assets. Meanwhile, non-housing investment is expected to remain steady thanks to the decline in the cost of intermediate goods and strong support from European funds. **Most factors, however, are threats**: there are fears of tighter credit conditions (which could shift growth normalisation towards a sharper correction) and an anticipated margin squeeze.

Unlike some European countries, **France** was able to avoid a technical recession at the beginning of the year. However, growth drivers are "seizing up". Household consumption has already fallen as a result of inflation. Furthermore, the rise in interest rates designed to counter inflation is weighing on household investment and will contribute to the slowdown in investment on the part of non-financial companies. Growth is expected to decline sharply in 2023, from 2.5% in 2022 to 0.6%. In 2024, a slow recovery with growth of 1% could be on the cards.

Monetary policy and interest rates

While the sharp fall in headline inflation has mostly been automatic, the resilience of core inflation, itself fuelled by stronger-than-expected growth, has led central banks to be more aggressive. Provided that inflation, and especially core inflation, continues to fall, the end of key rate hikes can be expected soon. Long rates could then slowly move towards a modest decline.

In June, following ten consecutive rate hikes totalling 500 basis points, the **Federal Reserve** opted for the status quo (Federal Funds Rate Upper Limit at 5.25%), pointing out that there could be further hikes and delivering a *dot plot*[86] that suggested a further tightening of 50 basis points (bp), which is an aggressive forecast. The fear of a recession coupled with the fact that inflation is still too high argues in favour of an increase limited to 25 bp, as the market has suggested. The Fed Funds could therefore reach their peak in the summer (Upper Limit at 5.5%). There could be a gradual monetary easing from the second quarter of 2024 (25 bp per quarter), leaving the Upper Limit at 4.75% at the end of 2024.

The **ECB** is likely to maintain a restrictive, or even a highly restrictive, monetary policy over the coming quarters since inflation is falling too slowly and is still nowhere near target. The ECB is therefore likely to raise rates twice (in July and September, taking the deposit rate to 4%) while continuing its policy of quantitative tightening: reinvestments under the APP would end in July 2023 while those up to the end of 2024 under the PEPP would continue; TLTRO repayments would continue until the end of 2024 (but more gradually after the June 2023 repayment). There would be no cut in key rates before the end of 2024 (-50 bp).

By prioritising the fight against inflation, monetary strategies have helped limit the de-anchoring of inflation expectations and long-rate over-reaction, but they have promoted inverted interest rate curves and low or even negative real yields. Barring any inflation surprises, the risk of a rise in "risk-free" long rates and a noticeable widening of sovereign spreads within the eurozone is limited. The risk of an inverted curve over the long term is very real; our scenario assumes a slightly positive slope (2/10-year swap rate) from 2025 onwards. The US and German 10-year rates are expected to be approximately 3.75% and 2.60% respectively at the end of 2023, then

[86] *A chart showing the projected key interest rates of each FOMC (Federal Open Market Committee) member. The dots/projections reflect what each member believes to be the appropriate federal funds rate at the end of the next three years and in the long term.*

falling slightly to 3.50% and remaining stable. The spreads against the Bund are predicted to be 65 bp for France and 200 bp for Italy at end-2023. Finally, our scenario banks on the euro being around 1.10 against the dollar at the end of 2023.

Appendix 1 – Specific items, Crédit Agricole Group and Crédit Agricole S.A.

Credit Agricole Group – Specific items, Q2-23, Q2-22, H1-23 and H1-22

€m	Q2-23		Q2-22		H1-23		H1-22	
	Gross impact*	Impact on Net income	Gross impact*	Impact on Net income	Gross impact*	Impact on Net income	Gross impact*	Impact on Net income
DVA (LC)	(15)	(11)	22	16	(23)	(17)	(9)	(6)
Loan portfolio hedges (LC)	(1)	(1)	57	42	(25)	(18)	74	55
Home Purchase Savings Plans (LCL)	-	-	29	21	-	-	34	26
Home Purchase Savings Plans (CC)	-	-	35	26	-	-	53	39
Home Purchase Savings Plans (RB)	-	-	342	254	-	-	412	306
Mobility activities reorganisation (SFS)	299	214	-	-	299	214	-	-
Check Image Exchange penalty (CC)	42	42	-	-	42	42	-	-
Check Image Exchange penalty (LCL)	21	21	-	-	21	21	-	-
Check Image Exchange penalty (RB)	42	42	-	-	42	42	-	-
Total impact on revenues	**388**	**306**	**485**	**360**	**356**	**283**	**564**	**418**
Creval integration costs (IRB)	-	-	(22)	(13)	-	-	(30)	(18)
Lyxor integration costs (AG)	-	-	(40)	(21)	-	-	(51)	(26)
Mobility activities reorganisation (SFS)	(18)	(13)	-	-	(18)	(13)	-	-
Total impact on operating expenses	**(18)**	**(13)**	**(63)**	**(34)**	**(18)**	**(13)**	**(81)**	**(44)**
Mobility activities reorganisation (SFS)	(85)	(61)	-	-	(85)	(61)	-	-
Provision for own equity risk Ukraine (IRB)	-	-	-	-	-	-	(195)	(195)
Total impact on cost of credit risk	**(85)**	**(61)**	**-**	**-**	**(85)**	**(61)**	**(195)**	**(195)**
Mobility activities reorganisation (SFS)	(12)	(12)	-	-	(12)	(12)	-	-
Total impact equity-accounted entities	**(12)**	**(12)**	**-**	**-**	**(12)**	**(12)**	**-**	**-**
Mobility activities reorganisation (SFS)	28	12	-	-	28	12	-	-
Total impact on Net income on other assets	**28**	**12**	**-**	**-**	**28**	**12**	**-**	**-**
Reclassification of held-for-sale operations (IRB)	-	-	(3)	(3)	-	-	(7)	(10)
Total impact on Net income from discounted or held-for-sale operations	**-**	**-**	**(3)**	**(3)**	**-**	**-**	**(7)**	**(10)**
Total impact of specific items	**301**	**232**	**419**	**322**	**269**	**209**	**281**	**169**
Asset gathering	**-**	**-**	**(40)**	**(21)**	**-**	**-**	**(51)**	**(26)**
French Retail banking	**63**	**63**	**371**	**275**	**63**	**63**	**446**	**331**
International Retail banking	**-**	**-**	**(25)**	**(16)**	**-**	**-**	**(232)**	**(223)**
Specialised financial services	**212**	**140**	**-**	**-**	**212**	**140**	**-**	**-**
Large customers	**(16)**	**(12)**	**79**	**59**	**(47)**	**(35)**	**65**	**48**
Corporate centre	**42**	**42**	**35**	**26**	**42**	**42**	**53**	**39**

** Impact before tax and before non-controlling interests*

Crédit Agricole S.A. – Specific Items Q2-23, Q2-22, H1-23 and H1-22

€m	Q2-23		Q2-22		H1-23		H1-22	
	Gross impact*	Impact on Net income	Gross impact*	Impact on Net income	Gross impact*	Impact on Net income	Gross impact*	Impact on Net income
DVA (LC)	(15)	(11)	22	16	(23)	(16)	(9)	(6)
Loan portfolio hedges (LC)	(1)	(1)	57	41	(25)	(18)	74	53
Home Purchase Savings Plans (FRB)	-	-	29	20	-	-	34	24
Home Purchase Savings Plans (CC)	-	-	35	26	-	-	53	39
Mobility activities reorganisation (SFS)	299	214	-	-	299	214	-	-
Check Image Exchange penalty (CC)	42	42	-	-	42	42	-	-
Check Image Exchange penalty (LCL)	21	20	-	-	21	20	-	-
Total impact on revenues	**346**	**264**	**143**	**104**	**315**	**241**	**152**	**111**
Mobility activities reorganisation (SFS)	(18)	(13)	-	-	(18)	(13)	-	-
Creval integration costs (IRB)	-	-	(22)	(12)	-	-	(30)	(16)
Lyxor integration costs (AG)	-	-	(40)	(21)	-	-	(51)	(26)
Total impact on operating expenses	**(18)**	**(13)**	**(63)**	**(32)**	**(18)**	**(13)**	**(81)**	**(42)**
Provision for own equity risk Ukraine (IRB)	-	-	-	-	-	-	(195)	(195)
Mobility activities reorganisation (SFS)	(85)	(61)	-	-	(85)	(61)	-	-
Total impact on cost of credit risk	**(85)**	**(61)**	**-**	**-**	**(85)**	**(61)**	**(195)**	**(195)**
Mobility activities reorganisation (SFS)	(12)	(12)	-	-	(12)	(12)	-	-
Total impact equity-accounted entities	**(12)**	**(12)**	**-**	**-**	**(12)**	**(12)**	**-**	**-**
Mobility activities reorganisation (SFS)	28	12	-	-	28	12	-	-
Total impact Net income on other assets	**28**	**12**	**-**	**-**	**28**	**12**	**-**	**-**
Reclassification of held-for-sale operations (IRB)	-	-	(3)	(3)	-	-	(7)	(10)
Total impact on Net income from discounted or held-for-sale operations	**-**	**-**	**(3)**	**(3)**	**-**	**-**	**(7)**	**(10)**
Total impact of specific items	***259***	***190***	***77***	***68***	***227***	***167***	***(131)***	***(136)***
Asset gathering	*-*	*-*	*(40)*	*(21)*	*-*	*-*	*(51)*	*(26)*
French Retail banking	*21*	*20*	*29*	*20*	*21*	*20*	*34*	*24*
International Retail banking	*-*	*-*	*(25)*	*(15)*	*-*	*-*	*(232)*	*(221)*
Specialised financial services	*212*	*140*	*-*	*-*	*212*	*140*	*-*	*-*
Large customers	*(16)*	*(11)*	*79*	*57*	*(47)*	*(34)*	*65*	*47*
Corporate centre	*42*	*42*	*35*	*26*	*42*	*42*	*53*	*39*

** Impact before tax and before non-controlling interests*

Appendix 2 – Crédit Agricole Group: results by business lines

Credit Agricole Group – Results by business line, Q2-23 and Q2-22

€m	Q2-23 (stated)							
	RB	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	**3,353**	**959**	**1,005**	**1,741**	**1,162**	**1,905**	**(578)**	**9,546**
Operating expenses excl. SRF	(2,448)	(554)	(520)	(715)	(430)	(1,038)	471	(5,233)
SRF	2	6	(0)	(0)	2	2	(6)	6
Gross operating income	**907**	**411**	**485**	**1,026**	**735**	**869**	**(113)**	**4,319**
Cost of risk	(405)	(69)	(125)	(0)	(304)	(32)	(3)	(938)
Cost of legal risk	-	-	-	-	-	-	-	-
Equity-accounted entities	0	-	0	27	11	7	(0)	46
Net income on other assets	4	2	0	0	26	0	(0)	33
Income before tax	**507**	**345**	**361**	**1,053**	**468**	**844**	**(116)**	**3,460**
Tax	(93)	(76)	(105)	(245)	(143)	(174)	63	(772)
Net income from discont'd or held-for-sale ope.	-	-	3	1	0	-	-	4
Net income	**413**	**269**	**259**	**809**	**325**	**670**	**(53)**	**2,692**
Non controlling interests	(0)	0	(39)	(122)	(21)	(34)	5	(211)
Net income Group Share	**413**	**269**	**220**	**687**	**304**	**635**	**(48)**	**2,481**

€m	Q2-22 (stated)							
	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	**3,738**	**1,010**	**1,189**	**830**	**685**	**1,970**	**(573)**	**8,849**
Operating expenses excl. SRF	(2,359)	(572)	(726)	(517)	(360)	(959)	497	(4,996)
SRF	3	(3)	0	(8)	1	(1)	(0)	(8)
Gross operating income	**1,382**	**435**	**463**	**305**	**326**	**1,010**	**(76)**	**3,845**
Cost of risk	(411)	(43)	(4)	(118)	(112)	76	(3)	(615)
Cost of legal risk	-	-	-	-	-	-	-	-
Equity-accounted entities	1	-	21	0	78	3	0	103
Net income on other assets	11	5	2	6	(2)	(1)	0	22
Income before tax	**982**	**397**	**482**	**194**	**290**	**1,088**	**(79)**	**3,355**
Tax	(213)	(94)	(147)	(55)	(60)	(204)	3	(771)
Net income from discont'd or held-for-sale ope.	-	-	11	11	1	-	0	23
Net income	**768**	**303**	**347**	**149**	**231**	**884**	**(76)**	**2,607**
Non controlling interests	(0)	(2)	(91)	(27)	(30)	(27)	1	(176)
Net income Group Share	**768**	**301**	**256**	**123**	**201**	**858**	**(76)**	**2,431**

Credit Agricole Group – Results by business line, H1-23 and H1-22

	H1-23 (stated)							
€m	RB	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	**6,686**	**1,895**	**1,994**	**3,486**	**1,834**	**3,956**	**(1,378)**	**18,473**
Operating expenses excl. SRF	(4,889)	(1,153)	(1,020)	(1,430)	(800)	(2,159)	935	(10,517)
SRF	(111)	(44)	(40)	(6)	(29)	(312)	(77)	(620)
Gross operating income	**1,686**	**698**	**934**	**2,050**	**1,005**	**1,485**	**(521)**	**7,337**
Cost of risk	(577)	(135)	(240)	(1)	(463)	(68)	(3)	(1,486)
Equity-accounted entities	7	-	1	49	85	11	(0)	153
Net income on other assets	6	2	0	0	25	5	(1)	37
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**1,122**	**566**	**695**	**2,098**	**652**	**1,433**	**(525)**	**6,042**
Tax	(289)	(138)	(203)	(475)	(177)	(358)	157	(1,483)
Net income from discontinued or held-for-sale operations	-	-	5	1	0	-	-	6
Net income	**833**	**428**	**497**	**1,624**	**475**	**1,075**	**(368)**	**4,565**
Non controlling interests	(0)	(0)	(79)	(233)	(44)	(54)	(4)	(415)
Net income Group Share	**833**	**428**	**418**	**1,390**	**431**	**1,021**	**(372)**	**4,150**

	H1-22 (stated)							
€m	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	**7,425**	**1,996**	**2,757**	**1,634**	**1,372**	**3,692**	**(1,147)**	**17,730**
Operating expenses excl. SRF	(4,685)	(1,168)	(1,425)	(1,018)	(726)	(1,927)	872	(10,078)
SRF	(156)	(69)	(7)	(38)	(34)	(442)	(56)	(803)
Gross operating income	**2,584**	**759**	**1,324**	**578**	**612**	**1,323**	**(331)**	**6,850**
Cost of risk	(557)	(104)	(5)	(393)	(237)	(202)	(6)	(1,503)
Equity-accounted entities	5	-	41	1	158	6	-	211
Net income on other assets	24	5	3	6	(2)	(1)	(0)	35
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**2,056**	**659**	**1,363**	**193**	**532**	**1,127**	**(337)**	**5,592**
Tax	(516)	(175)	(330)	(112)	(114)	(279)	53	(1,474)
Net income from discontinued or held-for-sale operations	-	-	10	12	2	-	0	25
Net income	**1,540**	**484**	**1,043**	**92**	**420**	**847**	**(285)**	**4,143**
Non controlling interests	(1)	(2)	(206)	(57)	(56)	(36)	(4)	(362)
Net income Group Share	**1,540**	**482**	**837**	**35**	**364**	**811**	**(289)**	**3,781**

Appendix 3 – Crédit Agricole S.A. : results by business line

Crédit Agricole S.A. – Results by business line, Q2-23 et Q2-22

€m	Q2-23 (stated)						
	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**1,732**	**1,906**	**1,162**	**959**	**982**	**(66)**	**6,676**
Operating expenses excl. SRF	(715)	(1,038)	(430)	(554)	(503)	21	(3,218)
SRF	(0)	2	2	6	(0)	(6)	4
Gross operating income	**1,017**	**869**	**735**	**411**	**479**	**(51)**	**3,461**
Cost of risk	(0)	(32)	(304)	(69)	(127)	(2)	(534)
Equity-accounted entities	27	7	11	-	0	(19)	27
Net income on other assets	0	0	26	2	0	-	29
Income before tax	**1,045**	**844**	**468**	**345**	**353**	**(71)**	**2,983**
Tax	(246)	(174)	(143)	(76)	(103)	65	(677)
Net income from discontinued or held-for-sale operations	1	-	0	-	3	-	4
Net income	**799**	**670**	**325**	**269**	**252**	**(6)**	**2,309**
Non controlling interests	(123)	(48)	(21)	(12)	(55)	(10)	(269)
Net income Group Share	**676**	**622**	**304**	**257**	**197**	**(16)**	**2,040**

€m	Q2-22 (stated)						
	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**1,174**	**1,971**	**685**	**1,010**	**812**	**(33)**	**5,619**
Operating expenses excl. SRF	(727)	(959)	(360)	(572)	(502)	(3)	(3,123)
SRF	0	(1)	1	(3)	(8)	(0)	(11)
Gross operating income	**447**	**1,011**	**326**	**435**	**302**	**(36)**	**2,485**
Cost of risk	(4)	76	(112)	(43)	(117)	(3)	(202)
Equity-accounted entities	21	3	78	-	0	(9)	94
Net income on other assets	2	(1)	(2)	5	6	0	11
Income before tax	**467**	**1,090**	**290**	**397**	**191**	**(48)**	**2,387**
Tax	(143)	(204)	(60)	(94)	(55)	6	(549)
Net income from discontinued or held-for-sale operations	11	-	1	-	11	0	23
Net income	**335**	**885**	**231**	**303**	**147**	**(41)**	**1,861**
Non controlling interests	(93)	(43)	(30)	(12)	(35)	(11)	(225)
Net income Group Share	**242**	**843**	**201**	**291**	**113**	**(52)**	**1,636**

Crédit Agricole S.A. – Results by business line, H1-23 et H1-22

	H1-23 (stated)						
€m	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**3,478**	**3,957**	**1,834**	**1,895**	**1,951**	**(318)**	**12,797**
Operating expenses excl. SRF	(1,430)	(2,159)	(800)	(1,153)	(987)	(18)	(6,546)
SRF	(6)	(312)	(29)	(44)	(40)	(77)	(509)
Gross operating income	**2,042**	**1,486**	**1,005**	**698**	**924**	**(413)**	**5,741**
Cost of risk	(1)	(68)	(463)	(135)	(241)	(0)	(908)
Equity-accounted entities	49	11	85	-	1	(33)	113
Net income on other assets	0	5	25	2	0	-	33
Change in value of goodwill	-	-	-	-	-	-	-
Income before tax	**2,090**	**1,433**	**652**	**566**	**684**	**(447)**	**4,979**
Tax	(478)	(358)	(177)	(138)	(201)	153	(1,199)
Net income from discontinued or held-for-sale operations	1	-	0	-	5	-	6
Net income	**1,613**	**1,076**	**475**	**428**	**488**	**(293)**	**3,786**
Non controlling interests	(239)	(77)	(44)	(19)	(113)	(27)	(520)
Net income Group Share	**1,374**	**998**	**431**	**409**	**375**	**(321)**	**3,266**

	H1-22 (stated)						
€m	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**2,743**	**3,694**	**1,372**	**1,996**	**1,599**	**(201)**	**11,203**
Operating expenses excl. SRF	(1,425)	(1,927)	(726)	(1,168)	(988)	(22)	(6,256)
SRF	(7)	(442)	(34)	(69)	(38)	(56)	(647)
Gross operating income	**1,311**	**1,325**	**612**	**759**	**572**	**(279)**	**4,300**
Cost of risk	(5)	(202)	(237)	(104)	(390)	(4)	(943)
Equity-accounted entities	41	6	158	-	1	(17)	189
Net income on other assets	3	(1)	(2)	14	6	0	20
Change in value of goodwill	-	-	-	-	-	-	-
Income before tax	**1,349**	**1,128**	**532**	**669**	**189**	**(301)**	**3,567**
Tax	(326)	(280)	(114)	(175)	(112)	57	(950)
Net income from discontinued or held-for-sale operations	10	-	2	-	12	0	24
Net income	**1,033**	**848**	**420**	**493**	**90**	**(244)**	**2,641**
Non controlling interests	(213)	(49)	(56)	(20)	(77)	(19)	(434)
Net income Group Share	**820**	**800**	**364**	**473**	**13**	**(263)**	**2,207**

Appendix 4 – Data per share

Crédit Agricole S.A. – Bénéfice par action, actif net par action et RoTE

Crédit Agricole S.A. - data per share

(€m)		Q2-2023 IFRS17	Q2-2022 IFRS4	H1-23 IFRS17	H1-22 IFRS4
Net income Group share - stated		2,040	1,976	3,266	2,528
- Interests on AT1, including issuance costs, before tax		(94)	(86)	(235)	(208)
NIGS attributable to ordinary shares - stated	[A]	1,946	1,890	3,031	2,320
Average number shares in issue, excluding treasury shares (m)	[B]	3,025	3,023	3,024	2,965
Net earnings per share - stated	**[A]/[B]**	**0.64 €**	**0.63 €**	**1.00 €**	**0.78 €**
Underlying net income Group share (NIGS)		1,850	1,908	3,100	2,665
Underlying NIGS attributable to ordinary shares	[C]	1,756	1,822	2,865	2,457
Net earnings per share - underlying	**[C]/[B]**	**0.58 €**	**0.60 €**	**0.95 €**	**0.83 €**

(€m)		30/06/2023 IFRS17	30/06/2022 IFRS4
Shareholder's equity Group share		67,879	64,417
- AT1 issuances		(7,235)	(5,986)
- Unrealised gains and losses on OCI - Group share		1,352	2,006
- Payout assumption on annual results*		-	-
Net book value (NBV), not revaluated, attributable to ordin. sh.	**[D]**	**61,997**	**59,288**
- Goodwill & intangibles** - Group share		(17,077)	(18,345)
Tangible NBV (TNBV), not revaluated attrib. to ordinary sh.	**[E]**	**44,920**	**40,943**
Total shares in issue, excluding treasury shares (period end, m)	[F]	3,024.7	3,022.9
NBV per share , after deduction of dividend to pay (€)	[D]/[F]	20.5 €	19.6 €
TNBV per share, after deduction of dividend to pay (€)	[G]=[E]/[F]	14.9 €	13.5 €

** dividend proposed to the Board meeting to be paid*
*** including goodwill in the equity-accounted entities*

(€m)		H1-23 IFRS17	H1-22 IFRS4
Net income Group share - stated	[K]	3,266	2,528
Impairment of intangible assets	[L]	0	0
IFRIC	[M]	-542	-682
Stated NIGS annualised	[N] = ([K]-[L]-[M])*2+[M]	7,075	5,738
Interests on AT1, including issuance costs, before tax, annualised	[O]	-470	-416
Stated result adjusted	[P] = [N]+[O]	6,605	5,322
Tangible NBV (TNBV), not revaluated attrib. to ord. sh. - avg (1)	[J]	42,778	40,195
Stated ROTE adjusted(2) (%)	= [P] / [J]	15.4%	13.2%
Underlying Net income Group share	[Q]	3,100	2,665
Underlying NIGS annualised	[R] = ([Q]-[M])*2+[M]	6,741	6,011
Underlying NIGS adjusted	[S] = [R]+[O]	6,271	5,595
Underlying ROTE adjusted(2)(%)	= [S] / [J]	14.7%	13.9%

(1) Average of the NTBV not revalued attributable to ordinary shares calculated between 31/12/2022 and 30/06/2023

(2) ROTE calculated on the basis of an annualised net income Group share and linearised IFRIC costs over the year

Alternative Performance Indicators[87]

NBV Net Book Value not re-evaluated

The Net Book Value not re-evaluated corresponds to the shareholders' equity Group share from which the amount of the AT1 issues, the unrealised gains and/or losses on OCI Group share and the pay-out assumption on annual results have been deducted.

NBV per share Net Book Value per share - NTBV per share Net Tangible Book Value per share

One of the methods for calculating the value of a share. This represents the Net Book Value divided by the number of shares in issue at end of period, excluding treasury shares.

Net Tangible Book Value per share represents the Net Book Value after deduction of intangible assets and goodwill, divided by the number of shares in issue at end of period, excluding treasury shares.

EPS Earnings per Share

This is the net income Group share, from which the AT1 coupon has been deducted, divided by the average number of shares in issue excluding treasury shares. It indicates the portion of profit attributable to each share (not the portion of earnings paid out to each shareholder, which is the dividend). It may decrease, assuming the net income Group share remains unchanged, if the number of shares increases.

Cost/income ratio

The cost/income ratio is calculated by dividing operating expenses by revenues, indicating the proportion of revenues needed to cover operating expenses.

Cost of risk/outstandings

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). It 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.

Doubtful loan

Defaulting loan. The debtor is considered to be in default when at least one of the following conditions has been met:

- a payment generally more than 90 days past due, unless specific circumstances point to the fact that the delay is due to reasons independent of the debtor's financial situation;
- the entity believes that the debtor is unlikely to settle its credit obligations unless it avails itself of certain measures such as enforcement of collateral security right.

Impaired loan

Loan which has been provisioned due to a risk of non-repayment.

MREL

The MREL (Minimum Requirement for Own Funds and Eligible Liabilities) ratio is defined in the European "Bank Recovery and Resolution Directive" (BRRD). This Directive establishes a framework for the resolution of banks throughout the European Union, with the aim to provide resolution authorities

[87] *APMs are financial indicators not presented in the financial statements or defined in accounting standards but used in the context of financial communications, such as underlying net income Group share or RoTE. They are used to facilitate the understanding of the company's actual performance. Each APM indicator is matched in its definition to accounting data.*

with shared instruments and powers to pre-emptively tackle banking crises, preserve financial stability and reduce taxpayers' exposure to losses. Directive (EU) 2019/879 of 20 May 2019 known as "BRRD2" amended the BRRD and was transposed into French law by Order 2020-1636 of 21 December 2020.

The MREL ratio corresponds to an own funds and eligible liabilities buffer required to absorb losses in the event of resolution. Under BRRD2, the MREL ratio is calculated as the amount of eligible capital and liabilities expressed as a percentage of risk weighted assets (RWA), as well as a leverage ratio exposure (LRE). Are eligible for the numerator of the total MREL ratio the Group's regulatory capital, as well as eligible liabilities issued by the central body and the Crédit Agricole network affiliated entities, i.e. subordinated notes, senior non-preferred debt instruments and certain senior preferred debt instruments with residual maturities of more than one year.

Impaired (or doubtful) loan coverage ratio

This ratio divides the outstanding provisions by the impaired gross customer outstandings.

Impaired (or doubtful) loan ratio

This ratio divides the gross customer outstandings depreciated on an individual basis, before provisions, by the total gross customer outstandings.

TLAC

The Financial Stability Board (FSB) has defined the calculation of a ratio aimed at estimating the adequacy of the bail-in and recapitalisation capacity of Global Systemically Important Banks (G-SIBs). This Total Loss Absorbing Capacity (TLAC) ratio provides resolution authorities with the means to assess whether G-SIBs have sufficient bail-in and recapitalisation capacity before and during resolution. It applies to Global Systemically Important Banks, and therefore to Crédit Agricole Group.

The Group's regulatory capital as well as subordinated notes and eligible senior non-preferred debt with residual maturities of more than one year issued by Crédit Agricole S.A. are eligible for the numerator of the TLAC ratio.

Net income Group share

Net income/(loss) for the financial year (after corporate income tax). Equal to net income Group share, less the share attributable to non-controlling interests in fully consolidated subsidiaries.

Underlying Net income Group share

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) in order to facilitate the understanding of the company's actual earnings.

Net income Group share attributable to ordinary shares

The net income Group share attributable to ordinary shares represents the net income Group share from which the AT1 coupon has been deducted, including issuance costs before tax.

RoTE Return on Tangible Equity

The RoTE (Return on Tangible Equity) measures the return on tangible capital by dividing the Net income Group share annualised by the group's NBV net of intangibles and goodwill. The annualised Net income Group share corresponds to the annualisation of the Net income Group share (Q1x4; H1x2; 9Mx4/3) excluding impairments of intangible assets and restating each period of the IFRIC impacts in order to linearise them over the year.

Disclaimer

The financial information for second quarter and first half 2023 for Crédit Agricole S.A. and Crédit Agricole Group comprises this press release and the presentation slides and related appendices, all of which are available at https://www.credit-agricole.com/en/finance/financial-publications.

This press release may include prospective information on the Group, supplied as information on trends. This data does not represent forecasts within the meaning of EU Delegated Act 2019/980 of 14 March 2019 (Chapter 1, Article 1, d).

This information was developed from scenarios based on a number of economic assumptions for a given competitive and regulatory environment. Therefore, these assumptions are by nature subject to random factors that could cause actual results to differ from projections. Likewise, the financial statements are based on estimates, particularly in calculating market value and asset impairment.

Readers must take all these risk factors and uncertainties into consideration before making their own judgement.

Applicable standards and comparability

The figures presented for the six-month period ending 30 June 2023 have been prepared in accordance with IFRS as adopted in the European Union and applicable at that date, and with prudential regulations currently in force. This financial information does not constitute a set of financial statements for an interim period as defined by IAS 34 "Interim Financial Reporting" and has not been audited.

Note: The scopes of consolidation of the Crédit Agricole S.A. and Crédit Agricole Groups have not changed materially since the Crédit Agricole S.A. 2022 Universal Registration Document and its A.01 update (including all regulatory information about the Crédit Agricole Group) were filed with the AMF (the French Financial Markets Authority).

The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding.

At 30 June 2023, Crédit Agricole Auto Bank is the name of the new entity formed from the takeover of 100% of FCA Bank by Crédit Agricole Consumer Finance. Crédit Agricole Auto Bank is fully consolidated in the Crédit Agricole S.A. consolidated financial statements.

At 30 June 2023, Leasys is the new joint subsidiary between CACF and Stellantis. This entity is consolidated using the equity accounted method in the Crédit Agricole S.A. consolidated financial statements

Financial Agenda

8 November 2023	Publication of the 2023 third quarter and first 9 months results
8 February 2024	Publication of the 2023 fourth quarter and full year results
03 May 2024	Publication of the 2024 first quarter results
22 May 2024	General Meeting
1 August 2024	Publication of the 2024 second quarter and the first half year results
6 November 2024	Publication of the 2024 third quarter and first 9 months results

Contacts

CREDIT AGRICOLE PRESS CONTACTS

Alexandre Barat	+ 33 1 57 72 12 19	alexandre.barat@credit-agricole-sa.fr
Olivier Tassain	+ 33 1 43 23 25 41	olivier.tassain@credit-agricole-sa.fr
Mathilde Durand	+ 33 1 57 72 19 43	mathilde.durand@credit-agricole-sa.fr
Bertrand Schaefer	+33 (0)1 49 53 43 76	bertrand.schaefer@ca-fnca.fr

CREDIT AGRICOLE S.A. INVESTOR RELATIONS CONTACTS

Institutional shareholders	+ 33 1 43 23 04 31	investor.relations@credit-agricole-sa.fr
Individual shareholders	+ 33 800 000 777 (freephone number – France only)	relation@actionnaires.credit-agricole.com
Cécile Mouton	+ 33 1 57 72 86 79	cecile.mouton@credit-agricole-sa.fr
Equity investor relations:		
Jean-Yann Asseraf	+ 33 1 57 72 23 81	jean-yann.asseraf@credit-agricole-sa.fr
Fethi Azzoug	+ 33 1 57 72 03 75	fethi.azzoug@credit-agricole-sa.fr
Joséphine Brouard	+ 33 1 43 23 48 33	joséphine.brouard@credit-agricole-sa.fr
Oriane Cante	+ 33 1 43 23 03 07	oriane.cante@credit-agricole-sa.fr
Nicolas Ianna	+ 33 1 43 23 55 51	nicolas.ianna@credit-agricole-sa.fr
Leila Mamou	+ 33 1 57 72 07 93	leila.mamou@credit-agricole-sa.fr
Anna Pigoulevski	+ 33 1 43 23 40 59	anna.pigoulevski@credit-agricole-sa.fr
Annabelle Wiriath	+ 33 1 43 23 55 52	annabelle.wiriath@credit-agricole-sa.fr
Credit investor and rating agency relations:		
Rhita Alami Hassani	+ 33 1 43 23 15 27	rhita.alamihassani@credit-agricole-sa.fr
Florence Quintin de Kercadio	+ 33 1 43 23 25 32	florence.quintindekercadio@credit-agricole-sa.fr

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Second quarter and first half 2023 results presentation

WORKING EVERY DAY IN THE INTEREST OF OUR CUSTOMERS AND SOCIETY

RESULTS

SECOND QUARTER AND FIRST HALF 2023

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At 30 June 2023, Leasys is the new joint subsidiary between CACF and Stellantis. This entity is consolidated using the equity accounted method in the Crédit Agricole S.A. consolidated financial statements

NOTE

The Crédit Agricole Group scope of consolidation comprises:
the Regional Banks, the Local Banks, Crédit Agricole S.A. and their subsidiaries. This is the scope of consolidation that has been selected by the competent authorities to assess the Group's position in the recent stress test exercises.

Crédit Agricole S.A.
is the listed entity, which notably owns the subsidiaries of its business lines (Asset gathering, Large customers, Specialised financial services, French retail banking and International retail banking)

Contents

CRÉDIT AGRICOLE S.A. | CRÉDIT AGRICOLE GROUP

EXCELLENT PERFORMANCE OF THE UNIVERSAL BANKING MODEL

Quarterly and half-year results at a peak

→ Buoyed by record-high revenues

→ Historically low C/I ratio

→ High ROTE (1) +14.7%

Solid capital and liquidity positions

→ Best capital position among G-SIBs in Europe for CA Group

→ High level of liquidity post June 2023 TLTRO repayment

Continued development projects

→ Ramp up of CACF on Mobility market (start-up of Leasys and CA Auto Bank)

→ Integration of European activities of RBC IS by CACEIS

→ Signing of an agreement for the acquisition of a majority stake in the capital of Banque Degroof Petercam(5)

ESG: Crédit Agricole S.A. ranked at top of "diversified banks (Europe)" category

→ Crédit Agricole S.A.'s non-financial ratings raised (72/100, + 5 points) by the agency Moody's Analytics

Crédit Agricole S.A.	Crédit Agricole Group
€2,040m Q2-23 Net income (2) +24.7% Q2/Q2	€2,481m Q2-23 Net income (2) +2.1% Q2/Q2
€6,676m Q2-23 Revenues(2) +18.8% Q2/Q2	€9,546m Q2-23 Revenues(2) +7.9% Q2/Q2
11.6% Phased in CET1 30/06/23	17.6% Phased in CET1 30/06/23
52.3% H1-23 cost/income ratio(3)	157.3% Q2-23 LCR(4)

(1) Underlying ROTE (see slides 45, 46 and 49 for details of specific items) ; (2) Stated ;(3) Underlying cost/income ratio excl. SRF; (4) 12-month rolling average (5) It would have an impact of around -30 bps on Crédit Agricole S.A.'s CET1

CRÉDIT AGRICOLE S.A.

CASA KEY FIGURES PRO FORMA IFRS 17

	Q2 2023 Underlying(1)	H1 2023 Underlying(1)
Revenues	€6,329m *+15.6% Q2/Q2*	€12,482m *+12.9% H1/H1*
Operating expenses excl. SRF	€-3,200m *+4.5% Q2/Q2*	€-6,528m *+5.7% H1/H1*
Gross operating income	€3,133m *+30.3% Q2/Q2*	€5,445m *+28.8% H1/H1*
Cost of risk	€-450m *x 2.2 Q2/Q2*	€-824m *+10.1% H1/H1*
Underlying net income	€1,850m *+18.0% Q2/Q2*	€3,100m *+32.3% H1/H1*
Specific items	€190m	€167m
	Stated	**Stated**
Stated Net income	€2,040m *+24.7% Q2/Q2*	€3,266m *+48.0% H1/H1*

Underlying ROTE (2)	14.7%	*+0.3pp vs Q1-23*
Solvency (Phased-in CET1)	11.6%	*+3.4 pp vs. SREP*
Underlying earnings per share(3)	€0.95	*+31.5% H1/H1*
Net tangible book value per share	€14.9	

(1) Underlying (see slides 45 and 46 for details of specific items)
(2) Underlying ROTE calculated on the basis of an annualised underlying net income Group share and linearised IFRIC costs over the year
(3) EPS is calculated after deduction of AT1 coupons (see appendix page 67)

CRÉDIT AGRICOLE S.A. | 5 | SECOND QUARTER AND FIRST HALF 2023 RESULTS | CRÉDIT AGRICOLE GROUP

CRÉDIT AGRICOLE GROUP

CAG KEY FIGURES PRO FORMA IFRS 17

	Q2 2023 Underlying(1)	H1 2023 Underlying(1)
Revenues	€9,159m *+9.5% Q2/Q2*	€18,117m *+5.5% H1/H1*
Operating expenses excl. SRF	€-5,215m *+5.7% Q2/Q2*	€-10,498m *+5.0% H1/H1*
Gross operating income	€3,950m *+15.4% Q2/Q2*	€6,999m *+9.9% H1/H1*
Cost of risk	€-854m *+38.8% Q2/Q2*	€-1,402m *+7.1% H1/H1*
Underlying net income	€2,249m *+6.7% Q2/Q2*	€3,941m *+9.1% H1/H1*
Specific items	€232m	€209m
	Stated	**Stated**
Stated Net income	€2,481m *+2.1% Q2/Q2*	€4,150m *+9.8% H1/H1*

Cost/income ratio excl. SRF(1)	57.9%	*-0.3 pp H1/H1*
Solvency (Phased-in CET1)	17.6%	*+8.4 pp vs. SREP*

(1) Underlying (see slide 49 for details of specific items)

CRÉDIT AGRICOLE S.A. | 6 | SECOND QUARTER AND FIRST HALF 2023 RESULTS | CRÉDIT AGRICOLE GROUP

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CRÉDIT AGRICOLE GROUP

ACTIVITY

Good business momentum

+ 471,000 gross
+ 114,000 net
new customers in Q2-23[1]

Increasing property and casualty insurance equipment rate[2]
42.8% RB, 27.4% LCL, 17.9% CA Italy

→ **Dynamic insurance and asset management activity, buoyant in consumer finance and CIB**

Insurance: positive net inflows in France, UL rate of 45.3% of gross inflows, property & casualty premium income +10%[3] Q2/Q2, dynamic activity in death and disability insurance

Asset management: positive inflows in Q2, in MLT assets, Treasury and India and Korea JVs

Consumer finance: dynamic production driven by the auto channel[4] (+30% Q2/Q2)

CIB: excellent performance of structured financing (+20.4% Q2/Q2[5]) and in financial solutions (repo, primary credit and securitisation)

→ **Slowdown in retail banking loan production in the environment of tighter monetary policy**

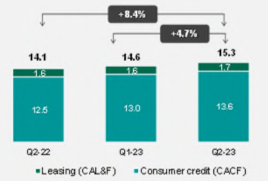
→ **Stable retail bank deposits June/March**

On-balance sheet deposits: +0.5% June/March (+0.5% RB; - 0.3% LCL; +2.9% CA Italy)
Off-balance sheet deposits: +0.7% June/March (+0.9% RB; +0.5% LCL; +0.2% CA Italy)

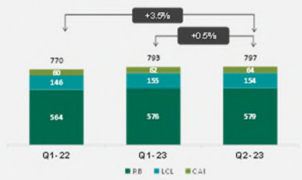
CIB - Leader positions

#1 – Syndicated loans in France[6]
#2 – Syndicated loans in EMEA[6]
#3 – Project finance loans worldwide[6]

Consumer & Leasing loan production (€bn)



On-balance sheet deposits (RB, LCL, CAI – €bn)[7]



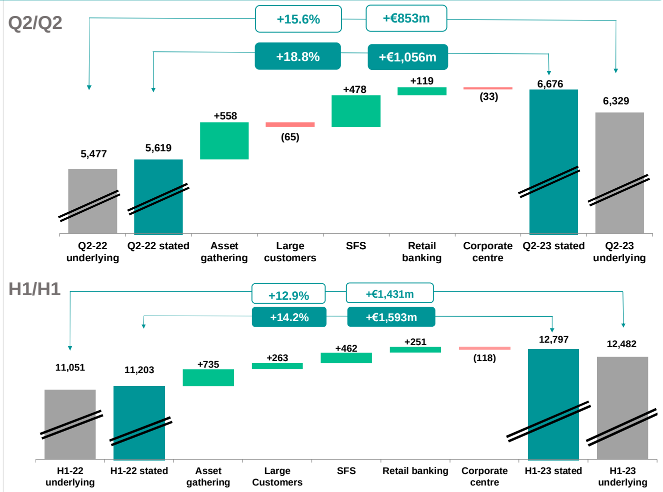
(1) Q2-23 customer capture in retail banking in France, Italy, Poland; H1-23: gross capture 1,026,000 customers and net capture 267,000 customers (2) Car, home, health, legal, all mobile phones or personal accident insurance. Data at end-June 2023. Change vs June 22: +0.5 pp RB; +0.5 pp LCL; +2.3 pp CA Italy. (3) Constant scope, excluding La Médicale (4) CA Auto Bank, automobile JVs and the auto activities of the other entities (5) Underlying revenues (6) Refinitiv. (7) Including liquid company savings. Outstanding Livret A and LDD before centralisation with the CDC for LCL and RBs

CRÉDIT AGRICOLE S.A.

REVENUES

Highest revenues level

Q2/Q2 and H1/H1 change in revenues by business line – in €m, under IFRS 17



AG: Asset gathering; LC: Large customers; SFS: Specialised financial services; RB: Retail banking; CC: Corporate Centre

High underlying revenues buoyed by all business lines

Growth Q2/Q2:

- → **Insurance** revenues x3.1; +42% at IFRS 17[1] run-rate; adverse climate effects and a deterioration in market conditions in Q2 2022; dynamic activity
- → **Asset management** revenues +9.5% buoyed by growth in management fee and commission income and a positive Customer mix effect
- → **SFS** revenues[2] +26.1%, benefiting from the integration of CA Auto Bank; production driven by the automotive business
- → **CIB** revenues -1.8 % Q2/Q2; H1-23 at a record level (+9% H1/H1)
- → **LCL** revenues -4.4%, in line with the Q1 2023 trend
- → NII up for **CA Italy** +43.6%, CACEIS (x2), **Poland** and **Egypt** +20.4%[3], Indosuez (+75%),

(1) Base effect Q2-22 without taking into account of management decisions on investments/assets made at the end of 2022, i.e. segregation of equity and derisking the portfolio (2) +69.8% stated and +26.1% excluding the one-off effect of restructuring the Mobility activities (3) +41.7% at constant exchange rates

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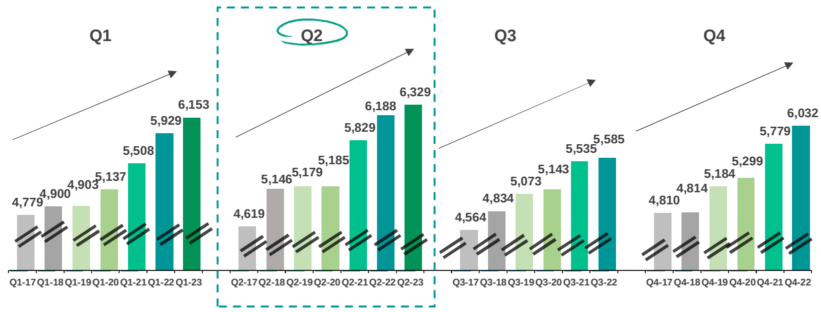
CRÉDIT AGRICOLE S.A.

REVENUES

Rising underlying quarterly revenues since 2017

Underlying revenues under IFRS 4 from 2017 to 2022; IFRS 17 since Q1-23



Group development model secures steady and strong growth momentum, in all environments

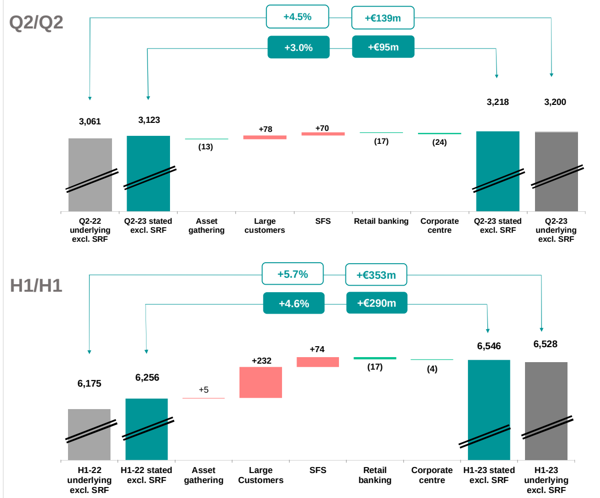
CRÉDIT AGRICOLE S.A. | 10 | SECOND QUARTER AND FIRST HALF 2023 RESULTS | CRÉDIT AGRICOLE GROUP

CRÉDIT AGRICOLE S.A.

EXPENSES

Expenses under control

Q2/Q2 and H1/H1 change in expenses excluding SRF, by business line, under IFRS 17



Underlying expenses[1] +€139m excluding SRF (+4.5% Q2/Q2)

→ of which a scope effect of ~€62m with the first consolidation of CA Auto Bank within the SFS business line

→ of which a payroll increase of ~€75m, mainly in CIB and CA Italy; remuneration hike expected in Q3 in France

→ of which €26m of provisions for variable compensation and bonuses, mainly in CIB

→ of which investments and IT costs ~€35m, mainly in LC

AG: Asset gathering; LC: Large customers; SFS: Specialised financial services; RB: Retail banking; CC: Corporate Centre

(1) underlying pro forma IFRS 17 excl. SRF; detail of specific items available on pages 45, 46

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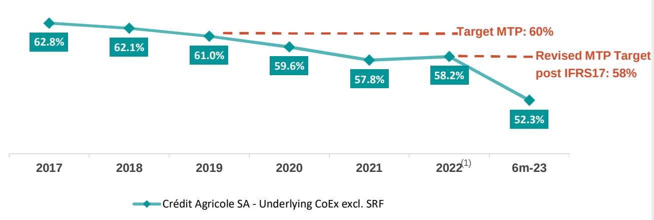
CRÉDIT AGRICOLE S.A.

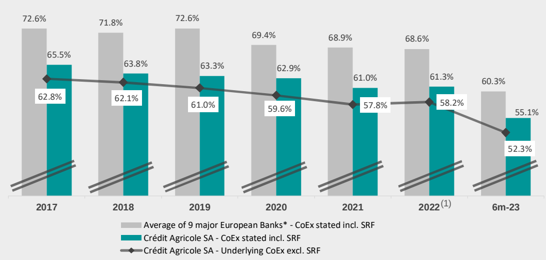
EXPENSES

Cost/income ratio at the highest standards

Control over the cost/income ratio



Comparison with European peers



(1) IFRS4 data
(*) Arithmetic mean of 9 major European banks: Société Générale; BNP Paribas; Santander; UniCredit; Deutsche Bank; Standard Chartered; HSBC, Barclays; UBS data from Q1 2023

CRÉDIT AGRICOLE S.A. | 12 | SECOND QUARTER AND FIRST HALF 2023 RESULTS | CRÉDIT AGRICOLE GROUP

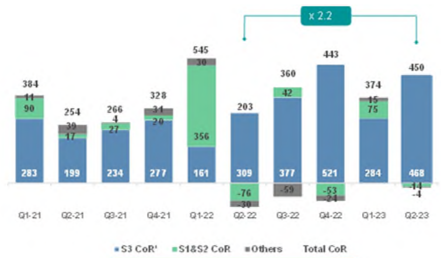
CRÉDIT AGRICOLE GROUP | CRÉDIT AGRICOLE S.A.

RISKS

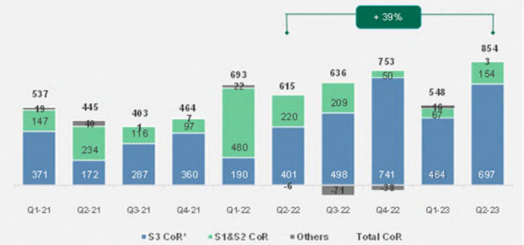
Cost of risk below the 2025 MTP assumption, rise in provisioning for proven risk

Underlying cost of risk (CoR) broken down by stage (in €m): S1&S2 – provisioning of performing loans; S3 – provisioning for proven risks (*)

Crédit Agricole S.A.



Crédit Agricole Group



Crédit Agricole S.A.
33 bp(1)/35 bp(2)
CoR/outstandings 4 rolling quarters (1) | CoR/outstandings annualised (2)

Crédit Agricole Group
25 bp(1)/29 bp(2)
CoR/outstandings 4 rolling quarters (1) | CoR/outstandings annualised (2)

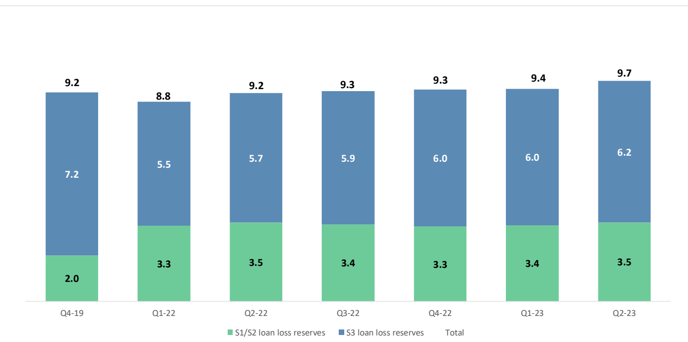
(1) Cost of risk on outstandings (in basis points) over 4 rolling quarters calculated on the basis of the cost of risk for the last 4 quarters divided by the average of the outstandings at the beginning of the period for the last 4 quarters, including CA Auto Bank outstandings
(2) Annualised cost of risk on outstandings (in basis points) calculated on the basis of the cost of risk for the quarter multiplied by 4 divided by the outstandings at the beginning of the quarter, including CA Auto Bank outstandings
(*) Including non-provisioned losses. See slide 55 in appendix on Russia.

CRÉDIT AGRICOLE GROUP | CRÉDIT AGRICOLE S.A.

ASSET QUALITY (1/2)

High CAG and CASA loans loss reserves

Crédit Agricole SA – Loan loss reserves in €bn



High share of performing loans' provisions:

- → **CASA: +€1.5bn provisions on performing loans** Q2-2023/Q4-2019 (to 36% of total provisions, vs 22% at end-2019)
- → **CAG(2): +€3.3bn provisions on performing loans** Q2-2023/Q4-2019 (to 42% of total provisions (3) vs 29% at end-2019)

As a reminder, decline in loan loss reserves in Q4 2021 related to CA Italy NPL disposal for €1.5bn

Low non performing loans ratio

Crédit Agricole S.A.:	Regional Banks	Crédit Agricole Group
2.6%	1.7%	2.1%
-0.1 pp Q2-23/Q1-23	Stable Q2-23/Q1-23	Stable Q2-23/Q1-23

High coverage ratio(1)

Crédit Agricole S.A.:	Regional Banks	Crédit Agricole Group
71.4%	98.8%	83.6%
+0.6 pp Q2-23/Q1-23	-0.1 pp Q2-23/Q1-23	+0.2 pp Q2-23/Q1-23

Increase in loan loss reserves(1)

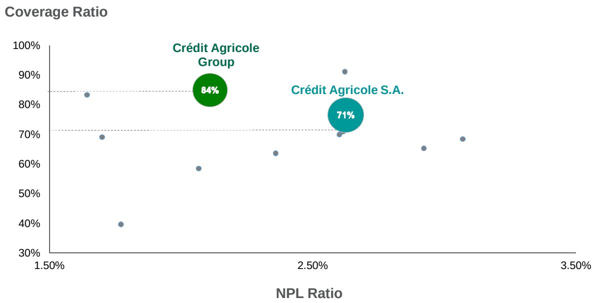
Crédit Agricole S.A.:	Regional Banks (2)	Crédit Agricole Group
€9.7bn	€10.9bn	€20.6bn

(1) Loan loss reserves (on proven risk and on performing loans IFRS 9). Coverage ratios are calculated based on loans and receivables due from customers in default.
(2) Detailed loan loss reserves for the Crédit Agricole Group are presented in slide 59
(3) 48% related to provisions for performing loans for the Regional Banks (vs 35% at end-2019, i.e. +€1.85bn)

CRÉDIT AGRICOLE GROUP | CRÉDIT AGRICOLE S.A.

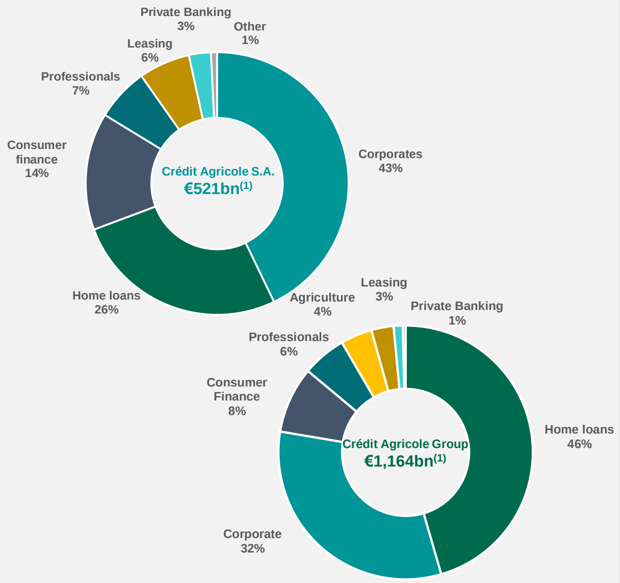
ASSET QUALITY (2/2)

Very high coverage ratios



Source: Data at 30/06/23 for Crédit Agricole S.A. and Crédit Agricole Group. Analysis based on 30/06/2023 reporting on customer loans, Stage 3 outstandings and Stage 1, 2 and 3 provisions for Société Générale, BPCE Group, Banco Santander, Barclays, BNP Paribas, UniCredit, Standard Chartered, Deutsche Bank, HSBC. (1) Gross customer loans outstanding excl. credit institutions

Diversified loan book



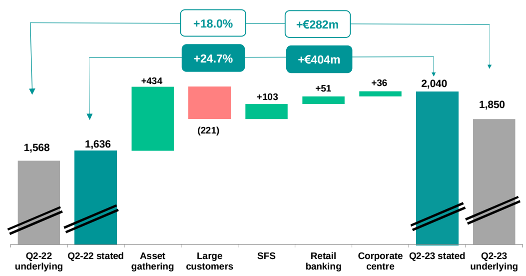
CRÉDIT AGRICOLE S.A.

NET INCOME GROUP SHARE

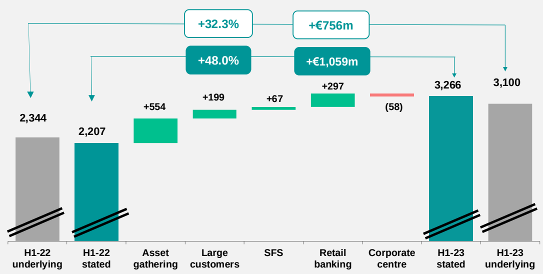
High net income level

Q2/Q2 and H1/H1 change in net income Group share by business line – €m, under IFRS 17

Q2/Q2



H1/H1

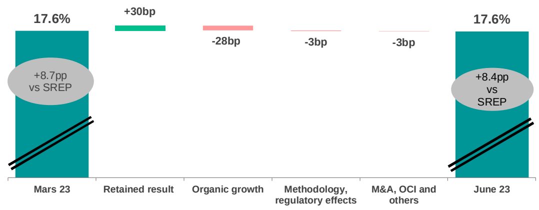


AG: Asset gathering; LC: Large customers; SFS: Specialised financial services; RB: Retail banking; CC: Corporate Centre

FINANCIAL STRENGTH CAG

Very solid capital position for the Group

Crédit Agricole Group : evolution of phased-in CET1 ratio (bp)



CA Group CET1 stable at 17.6% and at 17.4% fully loaded:

→ Retained earnings (+30 bp) higher than the organic growth of the business lines (increase in Regional Banks' RWAs of +€2.1bn June/March)

Best distance to SREP of European G-SIBs (840 bp)

→ **Increase in the countercyclical buffer[1],** bringing the SREP requirement to 9.2%

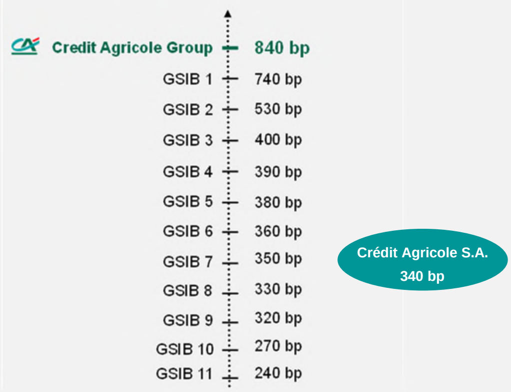
→ **Leverage ratio:** 5.6% phased-in

→ **TLAC**: 27.1% of RWA, 8.1% of leverage exposure excl. eligible senior preferred debt[2]

→ **MREL:** 32.1% of RWA, 9.6% of leverage exposure[3]

Best capital position among G-SIBs in Europe

Distance to SREP[4] - Q2 2023

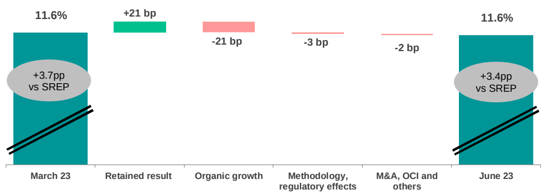


(1) At 30 June 2023, increase in the countercyclical buffer (40 bp at 30/06/2023 vs buffer of 7 bp at 31/03/2023), raising the SREP requirement to 9.2% (2) Higher than the requirement of 21.9% of RWAs and 6.75% of leverage exposure (3) Higher than the MREL requirement of 24.9% of RWAs and 6.0% of leverage exposure (4) Based on public data of the 12 European G-SIBs as at 30/06/2023 for CAG, BPCE, BNPP, Deutsche Bank ,Santander, UniCredit, Barclays, HSBC, Standard Chartered, ING, Société Générale and, as at 31/03/2023, for UBS. CASA data (30/06/2023). Distance to SREP or requirement in CET1 equivalent.

FINANCIAL STRENGTH CASA

Capital level above target

Crédit Agricole SA : evolution of phased-in CET1 ratio (bp)



▶ **CASA CET1 11.6% (stable vs. Q1-23); 11.5% fully loaded**

▶ **Distance to SREP[1]:** +340 bp, impacted by the countercyclical buffer increase bringing the SREP requirement to 8.2%

▶ **Leverage ratio:** 4.0% phased-in

Organic capital generation that finances the growth of the business lines

→ **Retained income:**

- Net income net of dividend and AT1 coupons (+21 bp)
- Dividends: €0.50 per share at end June, €0.32 of which for Q2

→ **Growth of business line RWAs:**

- SFS business line +€5.2bn (strong activity related to the launch of CAAB),
- Large Customers business line +€3.1bn (mainly market RWAs: VaR, SVaR and RCTB[2])
- Decline in insurance equity-accounted value[3]) (-€1.6bn in RWAs) following payment of the dividend

→ **Methodology and regulatory effects:** mainly irrevocable payment commitment (-3 bp)

→ **M&A:** restructuring of the partnership between CACF and Stellantis (-3 bp)

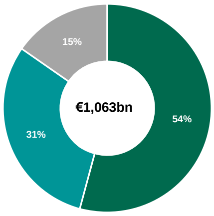
(1) At 30 June 2023, increase in the countercyclical buffer (buffer of 34 bp at 30/06/2023 vs 8 bp at 31/03/2023), raising the SREP requirement to 8.2% (2) counterparty risk in the trading book (3) change in the equity-accounted value excluding OCI

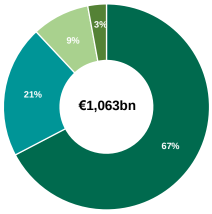
FINANCIAL STRENGTH CAG

Customer deposits stable and diversified, 67% for Individuals/SMEs

CAG customer deposits as at 30/06/2023 (€bn)

→ **CAG customer deposits amounting to €1,063bn[1] at 30/06/2023**





At 31/12/2022:

→ **37m[2] retail banking customers, of which 27m individual customers in France**

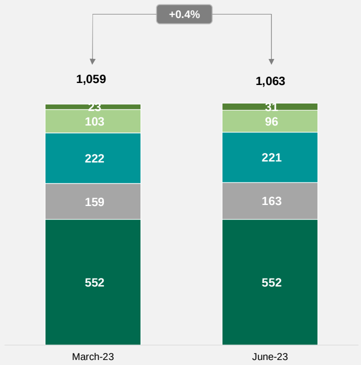
→ **€598bn[3] guaranteed customer deposits of which:**

- 100% of the €81bn in CDC centralised savings
- 69% of the €708bn[4] individual deposits guaranteed

(1) Based on internal models (2) Customers (individuals, professionals, corporates) in French and international retail banking (3) Amount based on Liability data reports, including €81bn in savings centralised at CDC (4) Amount based on Liability data reports, excluding savings centralised at CDC

→ **Stability of CAG customer deposits at 30/06/2023**

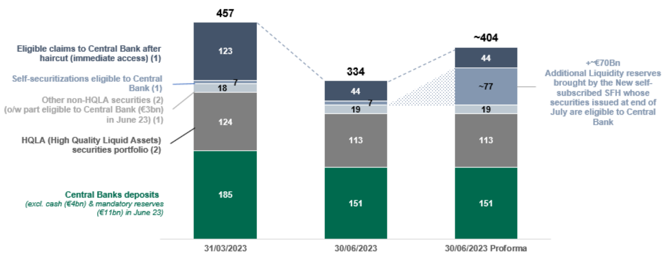
Change in the Group's customer deposits (in €bn)



FINANCIAL STRENGTH CAG

High level of reserves and liquidity indicators above pre-covid levels despite TLTRO repayment

Liquidity reserves at 30/06/2023 (€bn)



(1) Eligible for Central Bank operations to improve LCR buffer
(2) Available market securities, at market value and after haircut

~€404bn
liquidity reserves at 30/06/23 pro forma
-€53bn vs.31/03/23

Level of liquidity reserves down at 30/06/2023 but largely built up again at end-July 2023

→ Impact of the end of *"ACC Real Estate[3]"* channel at 30 June 2023 for -€114bn

→ Impact of the planned end of the widening of Banque de France discounts on other eligible receivables established during the Covid crisis for -€5bn

→ The issue programme of the new CA HL SFH, for which the ACPR/ECB authorisation was delivered on 18 July, enabled around €70bn in ECB-eligible reserves to be built up

→ The overall level of reserves remains at a very high level of around €400 billion in pro-forma terms at June 30, 2023.

LCR maintained at a high level, supported by a significant surplus of €84bn at end-June 2023 (vs. €120bn at end-March 2023); increasing at end-June 2023 excluding TLTRO repayment

→ Crédit Agricole Group: 157.3% on average over 12 months, 142.9% at end June 2023 (representing a surplus of €84.3bn)

→ Crédit Agricole S.A.: 146.4% on average over 12 months, 140.3% at end June 2023 (representing a surplus of €72bn)

Stable resources still high at 30/06/2023

→ Surplus of stable resources of €172bn, down €45bn in Q2 23 following TLTRO repayments late June (€48bn)

As a reminder, internal management excludes the temporary surplus of stable resources provided by the increase in T-LTRO 3 outstandings in order to secure the MTP target (€110-130bn), regardless of the future repayment strategy

→ NSFR: Crédit Agricole Group > 100% and Crédit Agricole S.A. > 100%

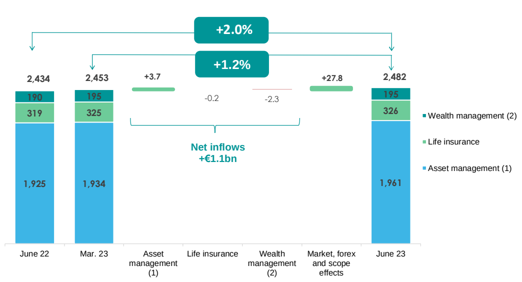
Crédit Agricole Group outstandings in T-LTRO 3 of €45.5 billion at end June 2023

(3) *"Additional Credit Claims"*

Contents

ASSET GATHERING AND INSURANCE

Positive inflows and strong net income



Contribution to earnings (in €m)	Q2-23 stated	∆ Q2/Q2 stated	H1-23 stated	∆ H1/H1 stated
Insurance (*)	433	x 6.3	907	x 2.1
Asset management	201	+38.4%	387	+12.8%
Wealth management	43	+56.3%	80	+62.3%
Net income Group Share	**676**	**x 2.8**	**1,374**	**+67.6%**

(*) the 2022 and 2023 P&L data for the Insurance business lines are presented under IFRS 17

Net positive inflows for the business line

→ **Asset management:** Positive net inflows despite risk aversion, both for treasury and MLT, in retail and for institutional clients; continued growth for the JV in India.

→ **Insurance:** Good premium income growth Q2/Q2 for Property & Casualty, Personal insurance, and continued dynamic net inflows in UL.

→ **Wealth management[2]:** net inflows impacted by the change in customer behaviour in a context of rising rates; assets under management were maintained at €195bn and benefited from a positive market effect.

Very high level of net income for all businesses

→ **Asset management:** Revenues up +9.5% Q2/Q2 and very good control of expenses. High net income in Q2 and H1.

→ **Insurance:** High level of net income for the quarter and strong solvency.

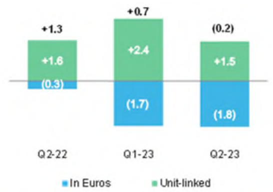
→ **Wealth management[3]:** High quarter level for GOI at €60m (+66.4% Q2/Q2); revenues up +14.9% Q2/Q2 buoyed by the rise in rates; C/I ratio 76.9% (-7.2 pp/Q2-22).

(1) Scope including distribution assets and assets under advisory (2) Scope: Indosuez Wealth Management and LCL Private Banking
(3) Scope: Indosuez Wealth Management

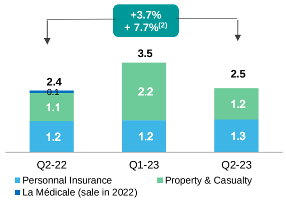
INSURANCE

Strong business momentum, high net income and strong solvency

Savings/Retirement
Net inflows (€bn)



Protection of persons (1) **and assets**
Premium income (€bn)



Contribution to earnings (in €m)	Q2-23 stated IFRS 17	∆ Q2/Q2 stated IFRS17	H1-23 stated IFRS 17	∆ H1/H1 stated IFRS 17
Revenues	**668**	**x 3.1**	**1,379**	**+83.9%**
Gross operating income	593	x 4	1,223	x 2
Net income Group Share	**433**	**x 6.3**	**907**	**x 2.1**

(*) the 2022 and 2023 P&L data for the Insurance business lines are presented in IFRS 17 norms

Savings/retirement: gross inflows +2.3% Q2/Q2

→ **Inflows:** still positive net inflows in France offset by international redemptions (Italy and Luxembourg); UL rate of 45.3% in gross inflows

→ **Outstandings**(3)**:** €326.3bn, +2.2% year on year; UL rate 27.9%, +2.7 pp Q2/Q2, driven by the success of the distribution of unit-linked bonds and favourable financial markets.

Property & Casualty(4): premium income +10.4%(2) Q2/Q2

→ **15.6 million contracts** at end June 2023, +3.5%(2) year-on-year

→ **Combined ratio**(5) 97.8% end June 2023 (-3.9 pp YoY related to the climate impact in Q2-22)

Personal insurance: premium income up +5.2%(2) Q2/Q2

→ Strong growth in death & disability (+15%) and group insurance (+19%)

→ Creditor insurance stable Q2/Q2

CAA deploys emergency measures for customers affected by damage due to urban violence

High level of net income and solvency

→ **Revenues**: x3.1; +42% at IFRS 17 run rate(6) due to the market drop in Q2-22 and a high rate of claims in Q2-22. Q2-23 revenues of €668m including in particular revenues of €539m(7) for Retirement savings, €123m(7)(8) for personal insurance and €59m in property and casualty insurance(9)

→ **CSM**: €23.6bn, +8.2% Dec./June; further increase in the CSM over the quarter with an impact of new business greater than the amortization in the CSM and positive market effect on the stock valuation.

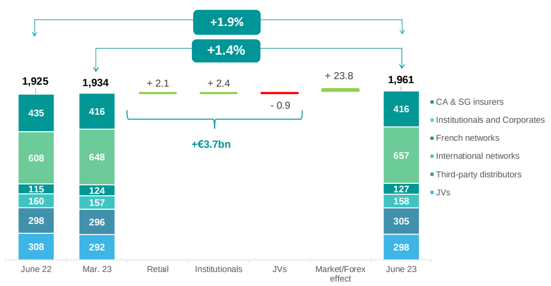
Rise in solvency to 222% i.e. +18 pp vs. Q4-22

(1) Death & disability, creditor, group insurance (2) Constant scope, excluding La Médicale (3) Saving, retirement and death & disability (4) Equipment rate: 42.8% RB; 27.4% LCL; 17.9% CA Italy (including Creval) (5) Combined property & casualty ratio (Pacifica): (claims + operating expenses + fee and commission expenses)/premium income, net of reinsurance (6) Base effect in Q2-22 not taking account of management decisions on investments/assets made at the end of 2022, i.e. segregation of equity and derisking the portfolio; (7) Amount of allocation of CSM and RA (8) Excluding funeral guarantee (9) Net of the cost of reinsurance, excluding financial income

ASSET MANAGEMENT

High level of net income despite the context of risk aversion

Assets under management (in €bn)



Contribution to earnings (in €m)	Q2-23 stated	∆ Q2/Q2 stated	H1-23 stated	∆ H1/H1 stated
Revenues	**803**	**+9.5%**	**1,577**	**+1.9%**
Operating expenses excl.SRF	(439)	(6.8%)	(870)	(4.3%)
SRF	(0)	n.m.	(3)	(25.1%)
Gross operating income	**364**	**+38.8%**	**703**	**+10.8%**
Cost of risk	(2)	(40.8%)	(3)	(64.2%)
Equity-accounted entities	27	+29.6%	49	+20.7%
Net income Group Share	**201**	**+38.4%**	**387**	**+12.8%**
Cost/Income ratio excl.SRF (%)	*54.7%*	*-9.6 pp*	*55.2%*	*-3.5 pp*

Positive inflows in Q2, in MLT(1) and in Treasury

→ **Context of strong risk aversion** in uncertain markets(2), weak inflows in the European asset management market

→ **Retail: inflows of +€2.1bn,** breakeven for MLT(1) assets (+€0.2bn), concentrated in less risky treasury, structured and bond products *(Buy & Watch)*

→ **Institutional: +€2.4bn**, driven by a record Q2 in Employee savings (+€3.4bn in MLT assets), despite the redemptions in the CA & SG Insurer mandates (-€2.4bn in MLT assets)

→ **China:** continuing strong institutional outflows at ABC-CA (-€5.5bn), but return to breakeven for Amundi BOC WM

→ **JVs excluding China**: continuing strong inflows in India (+€3.6bn) and Korea (+€0.6bn)

High net income in Q2, good operating efficiency

→ **Revenues** up +9.5% Q2/Q2 thanks to the improvement in margins on management fees, and the rise in performance fees and financial income; Amundi Technology revenues +31% Q2/Q2.

→ **Expenses excluding SRF under control:** increase of +1.9% Q2/Q2 excluding the costs of the integration of Lyxor in Q2 2022 (€40m), related to the context of inflation offset by the Lyxor synergies with 80% of the target generated, ahead of the initial schedule.

→ **Cost/income ratio excl. SRF 54.7%**

(1) Medium to long-term assets excluding JV (2) Average markets over one year: equities +4%, bonds -6%, quarterly averages Q2/Q2, composite index 50% Eurostoxx 600 + MSCI World for equities, Bloomberg Euro Aggregate for bonds

CRÉDIT AGRICOLE S.A.

WEALTH MANAGEMENT

Agreement with a view to acquiring a majority stake in Degroof Petercam

A synergy-laden acquisition for Crédit Agricole Group that respects the bank's Belgian roots and identity

An acquisition that will benefit Crédit Agricole Group as a whole	• **Significant strengthening of Crédit Agricole Group's position in Belgium and generation of material synergies with the Group's various business lines,** which would therefore be strengthened in the BeNeLux area. Wealth management generates fee and commission income and liquidity for the Group • **Acquisition in line with Crédit Agricole S.A. and Indosuez Wealth Management Group's 2025 targets** of continuing to grow sales and extend its range of products and services
A partnership giving rise to a leader and natural consolidator in European private banking	• **Expansion of Indosuez Wealth Management Group in Europe,** with Belgium becoming its second-largest branch, and **positioning it as a major player in Wealth management in Europe** • **Access to a new family and entrepreneurial customer base in Belgium and globally,** while benefiting from the expertise of Degroof Petercam Asset Management and the investment banking activities • **Ability to offer higher value-added** services thanks to the combined expertise of the two firms (private banking, asset management, ESG products, private equity, property, lending and financial advice for entrepreneurs) **and access to the global network and vast expertise of Crédit Agricole Group**
A project in partnership with the bank's leading shareholder, the CLdN group	• CLdN will retain a stake of around 20%, indicative of the **desire to preserve the bank's Belgian roots and identity** • **Long-term partnership** involving liquidity mechanisms

The transaction is subject to approval from the relevant regulatory bodies

CRÉDIT AGRICOLE S.A. | 25 | SECOND QUARTER AND FIRST HALF 2023 RESULTS | CRÉDIT AGRICOLE GROUP

CRÉDIT AGRICOLE S.A.

WEALTH MANAGEMENT

Agreement with a view to acquiring a majority stake in Degroof Petercam

Degroof Petercam, a top-tier private bank in Belgium

- Founded in 1871, Degroof Petercam is an independent, family-owned bank dating back over 150 years. It works closely alongside its customers in its key markets: Belgium, Luxembourg and France
- The bank stands out for its wealthy customer base and high levels of customer satisfaction
- The bank uses its renowned expertise and advisory qualities to manage high value-added funds and mandates with a significant ESG element (91% of DPAM funds are Art. 8, 8+ and 9) and provide investment banking services to entrepreneurs

€71bn Total customer assets	**€559m** Revenues
1,469 FTE	**20.3%** CET1 Ratio

Creating a pan-European leader in wealth management

Combined key figures – Indosuez Wealth Management Group & Degroof Petercam

~€200bn	~€1,500m	~€190m	~€20bn	~€21bn	~4,500
Total customer assets	Revenues	Net income	Loans outstanding	Surplus liquidity	FTE

NB: Figures correct as at 31 December 2022.

The transaction is subject to approval from the relevant regulatory bodies

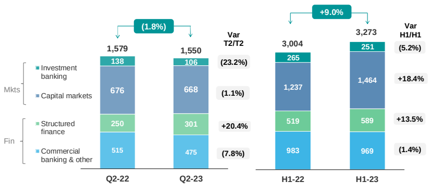
CRÉDIT AGRICOLE S.A. | 26 | SECOND QUARTER AND FIRST HALF 2023 RESULTS | CRÉDIT AGRICOLE GROUP

CRÉDIT AGRICOLE S.A.

LARGE CUSTOMERS - CIB

Excellent commercial performance and results

Underlying revenues[(1)] (€m)



Leader position

#2 – All Bonds in EUR Worldwide[(2)]
#2 – EUR Green, Social & Sustainable bonds[(3)]

#1 – Syndicated loans in France[(2)]
#2 – Syndicated loans in EMEA[(2)]
#3 – Project finance loans worldwide[(2)]

Contribution to earnings (in €m)	Q2-23 stated	∆ Q2/Q2 stated	H1-23 stated	∆ H1/H1 stated
Revenues	**1,535**	**(7.4%)**	**3,226**	**+5.1%**
Operating expenses excl.SRF	(807)	+9.4%	(1,691)	+14.2%
SRF	(1)	+0.7%	(271)	(29.5%)
Gross operating income	**727**	**(20.9%)**	**1,264**	**+5.0%**
Cost of risk	(30)	n.m.	(65)	(67.9%)
Net income Group Share	**547**	**(30.7%)**	**879**	**+19.9%**
Cost/Income ratio excl. SRF (%)	*52.6%*	*+8.1 pp*	*52.4%*	*+4.2 pp*

Underlying revenues[(1)] Q2-23 close to the best historical Q2 (-1.8% vs. Q2-22)

→ **Capital markets and investment banking: -4.9% Q2/Q2 underlying[(1)].** High level of revenues maintained for FICC (-1.1% Q2/Q2) thanks to excellent activity in financing solutions (repo, primary credit and securitization); investment banking revenues were down (-23.2% Q2/Q2) in a less active M&A market

→ **Financing activities: +1.4% Q2/Q2 underlying[(1)].** Excellent performance of structured financing in all sectors (+20.4% Q2/Q2); commercial banking was down (-7.8% Q2/Q2) in relation to CLF[(4)] notably linked to strengthened selectivity in leveraged finance, dynamic ITB[(5)] activity driven by cash management

Record H1-23 net income of €879m (+19.9% H1/H1) For Q2-23:

→ **Expenses excl. SRF** +9.4% Q2/Q2, notably in relation to staff costs (growth in FTEs in 2022 and continuing adjustment of variable compensation to activity) and in IT to support the development of the business lines

→ **Cost/income ratio excl. SRF** low, below the MTP target of (<55%)

→ **Moderate net addition to the cost of risk of -€30m[(6)]** vs. a significant reversal of +€75m in Q2-22

→ **RWA €126.0bn at end-June 23:** +€2.4bn June/March, moderate growth related mainly to the rise in market RWAs (VaR, SVaR and RCTB); favourable model effects and foreign exchange impact.

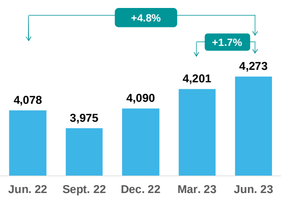
(1) Underlying revenues adjusted for the following non-recurring items: DVA and loan book hedging representing -€16m in Q2-23 vs €79m in Q2-22 (2) Refinitiv (3) Bloomberg (4) Corporate & Leveraged Finance (5) International Trade & Transaction Banking (6) Breakdown of Russian exposures in slide 55; cost of risk on Russian exposures +€14m in Q2-23, including +€6m€ for performing loans

CRÉDIT AGRICOLE S.A.

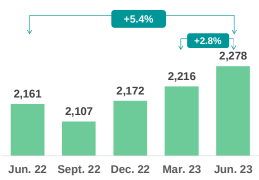
LARGE CUSTOMERS – ASSET SERVICING (CACEIS)

Very good level of operating income

Assets under custody - AUC (€bn)



Assets under administration - AUA (€bn)



Contribution to earnings (in €m)	Q2-23 stated	∆ Q2/Q2 stated	H1-23 stated	∆ H1/H1 stated
Revenues	**371**	**+18.4%**	**731**	**+16.9%**
Operating expenses excl.SRF	(231)	+4.2%	(468)	+4.8%
SRF	2	x 9.7	(42)	(28.3%)
Gross operating income	**142**	**+55.1%**	**221**	**+83.4%**
Cost of risk	(2)	n.m.	(3)	n.m.
Equity-accounted entities	7	x 2.3	11	+78.7%
Net income Group Share	**75**	**+42.0%**	**119**	**+80.6%**
Cost/Income ratio excl. SRF (%)	*62.2%*	*-8.5 pp*	*64.0%*	*-7.4 pp*

Increase in Assets under Management

→ **Assets under custody and administration** up vs.March 23 (+2.1%) thanks to the commercial momentum and confirmed market recovery

→ **Settlement/delivery volume** +29% Q2/Q2

Finalisation of the acquisition of RBC Investor Services' European activities on 3 July 2023[(1)]

Sharp rise in net income, improvement of cost/income ratio

→ **Revenues[(2)] driven by net interest margin** (x2 Q2/Q2 thanks to the level of rates), offsetting previous negative market effects on fee and commission income from assets

→ **Expenses[(2)]:** impact of inflation on payroll. RBC integration costs -€6.3m in Q2-23. C/I excl. FRU & RBC integration costs at 60.5% (-10.2 pp Q2/Q2)

→ **Equity-accounted entities**: good result for LATAM entities; includes Uptevia[(2)] since Q1-23

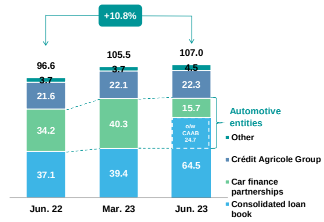
(1) RBC Investor Services will be fully consolidated in Q3-2023 (2) Since 01/01/23, creation of a 50/50 JV between CACEIS and BNP Paribas combining the issuer services businesses; excluding the effect of Uptevia, which was fully consolidated in 2022 (revenues of €8.1m and expenses of -€6.4m in Q2-22) and has been accounted for using the equity method since Q1-23, the change in revenues was +21.6% Q2/Q2 and that of expenses was +7.3% Q2/Q2

CRÉDIT AGRICOLE S.A.

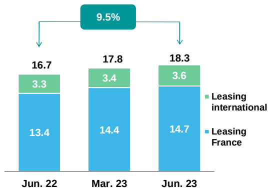
SPECIALISED FINANCIAL SERVICES

Reorganisation of CACF's Mobility activities during the quarter

CACF – Gross managed loans (€bn)



CAL&F – Gross consolidated loans (€bn)



Contribution to earnings (in €m)	Q2-23 stated	∆ Q2/Q2 stated	H1-23 stated	∆ H1/H1 stated
Revenues	**1,162**	**+69.8%**	**1,834**	**+33.6%**
o/w CACF	*981*	*+86.4%*	*1,492*	*+41.5%*
o/w CAL&F	*180*	*+14.0%*	*342*	*+7.4%*
Operating expenses excl.SRF	(430)	+19.5%	(800)	+10.2%
SRF	2	x 2.3	(29)	(15.7%)
Gross operating income	**735**	**x 2.3**	**1,005**	**+64.1%**
Cost of risk	(304)	x 2.7	(463)	+95.5%
Equity-accounted entities	11	(86.0%)	85	(46.2%)
Net income Group Share	**304**	**+51.4%**	**431**	**+18.3%**
o/w CACF	*262*	*+66.7%*	*358*	*+23.8%*
o/w CAL&F	*42*	*(4.2%)*	*72*	*(3.3%)*
Cost/Income ratio excl.SRF (%)	*37.0%*	*-15.6 pp*	*43.6%*	*-9.3 pp*

Consumer finance driven by the automotive business, momentum in the leasing business

→ **CACF: production** +9% Q2/Q2, driven by the automobile channel(1) at +30% Q2/Q2 and by international activity. **Managed loans** +€10bn YoY, of which +€6.2bn for automotive entities (very good start of the white-label CA Auto Bank activity)

→ **CAL&F:** solid **leasing** momentum with **production** at +4.9% Q2/Q2 and **outstandings** up across all business lines (+9.5% Q2/Q2, including +8.3% for renewable energy); increase in **factored turnover to** +3.4% and the financed share to 70.9%.

100% CA Auto Bank consolidation and launch of Leasys JV

→ **CACF** excluding specific items(2): **revenues** +29.5% Q2/Q2, impact of the consolidation of CA AB(2), margin still affected by refinancing costs (although +25 bp increase Q2/Q1 in customer production rates); **expenses** +16.5% due to the consolidation of CA AB(2). **Cost of risk** increased (x2) in traditional segments, in connection with the inflationary context, integration of Mobility activities (inherently less risky), 123 bps on outstandings(3), NPL rate at 3.8% and coverage ratio at 83.4%

→ **CAL&F: revenues** Q2/Q2 growth driven by factoring (volume effect), stabilisation of leasing revenues, **cost/income** down at 52.5% (-3.5pp), increase in **cost of risk** for some files.

(1) CA Auto Bank, automotive JV and auto activities of other entities (2) Impacts of the reorganisation of CACF's Mobility activities, see slide 30

(3) Annualised cost of risk on outstandings (in basis points) calculated on the basis of the cost of risk for the quarter multiplied by 4 divided by the outstandings at the beginning of the quarter, after integration of CA Auto Bank outstandings – +~50bps related to the 1st consolidation of CA Auto Bank

CRÉDIT AGRICOLE GROUP | CRÉDIT AGRICOLE S.A.

SPECIALISED FINANCIAL SERVICES

New organisation of CACF's "Mobility" activities: contribution of €218m in Q2 and a neutral CET1 impact

One-off impacts Q2-23

€140m Net income

Revenues	+€299m
Expenses	-€18m
Cost of risk	-€85m
Equity accounting	-€12m
Income on other assets	+€28m
Taxes	-€73m

New operational scope Q2-23

100% consolidation CA Auto Bank

Revenues	+€176m
Expenses	-€62m
Cost of risk	-€25m
Net income	+€64m
AuM	*€24.7bn*

Leasys JV 50/50

Equity accounting	+€14m
AuM(1)	*+€5.9bn*

(1) At 100%

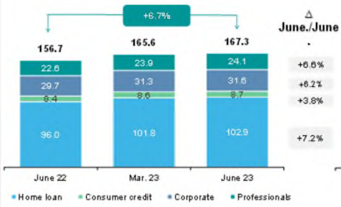
The reorganisation of the CACF Group's "Mobility" activities has a non-recurring impact in Q2-23 due to the transfer of business assets, indemnities received and paid, the accounting treatment of the 100% consolidation of CA Auto Bank (formerly FCA Bank) and the reorganisation of the automotive financing activities within the CA Consumer Finance Group (particularly the review of application solutions)

CRÉDIT AGRICOLE S.A.

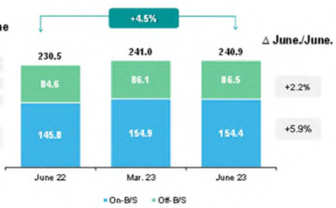
FRENCH RETAIL BANKING – LCL

Continued increase in customer rates, resilient results

Loans outstanding (€bn)



Customer assets (€bn)



Contribution to earnings (in €m)	Q2-23 stated	Δ Q2/Q2 stated	H1-23 stated	Δ H1/H1 stated
Revenues	**959**	**(5.1%)**	**1,895**	**(5.1%)**
Operating expenses excl.SRF	(554)	(3.2%)	(1,153)	(1.3%)
SRF	6	n.m.	(44)	(35.5%)
Gross operating income	**411**	**(5.5%)**	**698**	**(8.1%)**
Cost of risk	(69)	+60.0%	(135)	+29.0%
Net income Group Share	**257**	**(11.6%)**	**409**	**(13.7%)**
Cost/Income ratio excl.SRF (%)	*57.7%*	*+1.1 pp*	*60.8%*	*+2.3 pp*

Continued increase in production rates, customer assets up year-on-year, stable over the quarter

→ **Loans outstanding:** outstandings +6.7% June/June in all markets; production(1) -41.5% Q2/Q2 in a context of rising rates and base effect linked to a high level of production in Q2-22 (Q2-23 prod. Vs 2018-2022 average -20.2%(2); o/w -45.6% for home loans, in line with the market trend(3) (home loan production rate +61 bp Q1/Q2, signature rate 3.99%(4))

→ **Customer assets:** AuM +4.5% June/June, particularly for term deposits (x2.6 June/June, moderate increase +8% June/March) and passbook accounts (+12% June/June, down slightly June/March -1%), stabilisation of the volume and mix of resources in Q2; off-balance sheet deposits +2.2% June/June

→ **Customer capture:** in H1-23, +175.3K new customers, net acquisition +28.1K(5)

→ **Equipment Home-Car-Health insurance**(6): +0.5 pp Q2/Q2 to 27.4%

(1) Excluding SGL; (2) see appendix page 54; (3) home loan production in France -47% in May 2023 according to Banque de France; (4) Week of 17-21 July 2023; (5) Net customer capture +4% year on year; (6) Equipment rate – Car, home, health, legal, all mobile phones or GAV

Resilient income despite interest rates environnement and inflation

→ **Revenues**(7): Net interest income -18.8% Q2/Q2 due to higher refinancing and resources costs; fee and commission income +11.8% Q2/Q2, driven by payment instruments and life and non-life insurance.

→ **Controlled expenses excluding SRF:** -3.2% Q2/Q2, cost/income ratio excl. SRF low at 57.7%

→ **Cost of risk/outstandings**(8) 16 bp; non performing loans ratio low at 1.9%; coverage ratio 62.8%

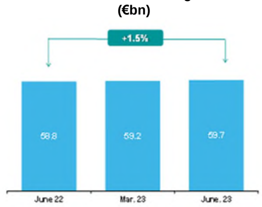
(7) including reversal of provision for Cheque Image Exchange as a specific item for €21m; (8) in bp over four rolling quarters

CRÉDIT AGRICOLE S.A.

INTERNATIONAL RETAIL BANKING – ITALY

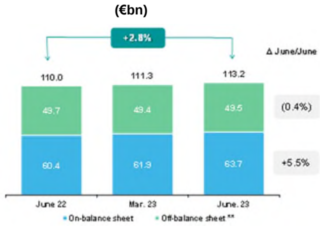
Strong activity, sharp increase in income

Loans outstanding* (€bn)



* Net of POCI outstandings

Customer assets (€bn)



** Excluding assets under custody

Contribution to earnings (in €m)	Q2-23 stated	Δ Q2/Q2 stated	H1-23 stated	Δ H1/H1 stated
Revenues	**760**	**+22.2%**	**1,520**	**+22.5%**
Operating expenses excl.SRF	(397)	+0.6%	(769)	(0.2%)
SRF	(0)	(100.0%)	(40)	+4.9%
Gross operating income	**363**	**+65.6%**	**712**	**+64.6%**
Cost of risk	(89)	+20.4%	(150)	+25.8%
Net income	**193**	**+72.1%**	**398**	**+70.9%**
Non controlling interests	(43)	+98.5%	(88)	+72.5%
Net income Group Share	**150**	**+65.8%**	**310**	**+70.4%**
Cost/Income ratio excl.SRF (%)	*52.3%*	*-11.2 pp*	*50.5%*	*-11.5 pp*

Growth of the business despite downward market trend

→ **Activity/Customer capture:** +45K new customers(1) in Q2-23; property and casualty insurance equipment rate 17.9% (+2.3pp Q2-22); consumer finance production(2) +3.8% Q2/Q2

→ **Loans outstanding:** +1.5% June/June despite the downward market trend(3); loan production(4) -12% Q2/Q2, including home loans (-23.5% Q2/Q2), in line with the market(5); loan production rate up +22 bp Q2/Q1 and rate on the stock of home loans +43 bp Q2/Q1

→ **Customer assets:** on-balance sheet deposits up +5.5%, driven by term deposits, individual deposits stable despite the attractiveness of government securities; off-balance sheet deposits stable June/June, but recovering in Q2-23

(1) Gross customer capture (+16.5K net customer capture) (2) Agos (3) Source: Abi Monthly Outlook June 23: -1.9% (4) Excluding State guaranteed loans and Ecobonus, production excluding home loans +5.5% H1/H1 (5) Source: CRIF: -22.4% of home loan production H1/H1 in Italy, but increase in demand for home loans of +6.6 pp YoY (6) Increase of +6,7% Q2/Q2 excluding Creval integration costs (-€22m, restated in Q2-22 underlying results), notably related to the activity development

Dynamic results +65.8% Q2/Q2, good operating efficiency

→ **Strong increase in revenues Q2/Q2**, driven by net interest income (+43.6% Q2/Q2), thanks to the impact of the rate hike

→ **Expenses excluding SRF stable Q2/Q2**(6), continued Creval synergies; cost/income ratio -11.2 pp Q2/Q2 to 52.3%,

→ **Cost of risk/outstandings** 57 bp; prudent provisioning maintained, coverage ratio 67.7% (+0.9 pp Q2/Q1); non performing loans ratio down slightly at 3.5% (-0.1 pp Q2/Q1).

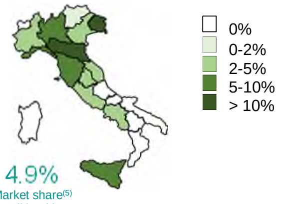
CRÉDIT AGRICOLE GROUP IN ITALY

Development in Italy, the Group's second domestic market

CA Group in Italy[1]

~ 5.9m Customers[3]	€329bn Total customer assets[2]
1.228 Points of sale	€97bn Loans outstanding
~ 16,400 Employees	€2.4bn Revenues[3]

CAI market share in Italy[4]

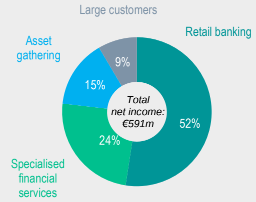


Distribution of the Group's net income[10] in Italy

€591m Underlying net income in H1-23

+32% Change in net income H1/H1

+20% Underlying revenues H1/H2



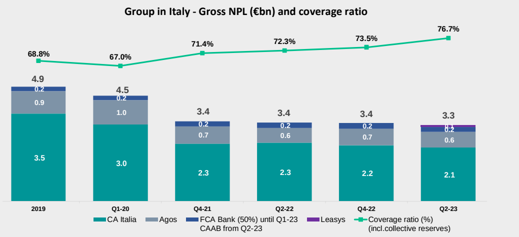
Continuation of business initiatives

- **Launch of CA Auto Bank:** 100% owned by CACF, offering services dedicated to automotive and mobility financing with a wide range of solutions, ranging from electric vehicles sharing to short- and long-term car rental (Drivalia).
- **Development of a digital platform** to accelerate synergies between entities; new offers proposed to CA Italia clients through Home Banking on-line platform to invest in funds managed by Amundi (Amundi CA Smart Advisory) and to request loans from Agos
- **Group ESG strategy:** improvement of the offer with Leasing Mobility Green distributed by Agos to finance green vehicles and CAI GreenBack Mortgage offering a premium rate for green products and projects financing as well as for the cross-selling with other entities
- **Launch of Private Equity activities** via two new funds: APEI – Private Equity CA Italy (~€100m) to invest in non listed SMEs and "Ambition Agri Agro Investissement" (~€300m, of which maximum €100m in Italy), to accompagny French and Italian corporates in the agri-agro sector in their agricultural and agri-food transition.

Rank

- #2 commercial bank on NPS[6]
- #2 in consumer finance[7]
- #3 in asset management[8]
- #4 in life insurance[9]

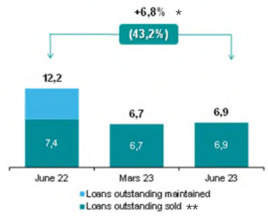
Risk profile of the Group in Italy

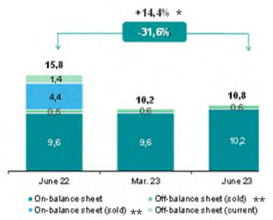


(1) Sum of the Group entities in Italy : CA Italia, CACF (Agos, Leasys, CA Auto Bank), CAA (CA Vita, CACI, CA Assicurazioni), Amundi, CACIB, CAIWM, CACEIS ((2) Including "external Amundi AUM and CACEIS AUC (3) Extension of the scope, including all entities present in Italy, notably CA Auto Bank with ~760m customers, as compared to Q4-22 which included CAI and Agos clients only. (4) Source: Banca d'Italia, 30/06/2023 (5) In number of branches (6) Net Promoter Score (7) Based on the Assofin publication, 31/12/2022 (excl. credit card) (8) AuM. Source: Assogestioni, 31/12/2022 (9) Production. Source: IAMA, 30/04/2023 (10) Excluding participation in Banco CPM (accounted in CC) and including the contribution of CAAB and Leasys starting from April 2023

INTERNATIONAL RETAIL BANKING – EXCL. ITALY

Increase in results, operational efficiency





* Variation at constant exchange rates in Poland and Egypt
** Outstandings of sold entities: Crédit du Maroc – disposal of 63.7% on 06/12/22 (15% to be sold within 18 months)

Contribution to earnings (in €m)	Q2-23 stated	∆ Q2/Q2 stated	H1-23 stated	∆ H1/H1 stated
Revenues	**222**	**+16.9%**	**430**	**+20.3%**
Operating expenses	(106)	(0.8%)	(218)	+0.2%
Gross operating income	**116**	**+39.6%**	**212**	**+51.6%**
Cost of risk	(38)	(12.3%)	(91)	(66.3%)
Net income Group Share	**47**	**x 2.1**	**65**	**n.m.**
Cost/Income ratio excl.SRF (%)	*47.8%*	*-8.5 pp*	*50.7%*	*-10.2 pp*

Buoyant commercial activity in Poland and Egypt

→ **Customer capture:** +55 K new customers in Poland in Q2 2023, net customer capture +29K; customer base up +3% in Egypt since beginning 2023

→ **Loans outstanding**[1]**:** +6.8% June/June, of which Poland (+6.1%) and Egypt (+10.1%); loan production in Poland: +12% Q2/Q2

→ **Customer assets**[1]: on-balance sheet deposits +14.3% June/June, of which Poland (+4.4%, driven by term deposits) and Egypt (+52.9% in all segments)

→ **Liquidity: net deposits/loans surplus** +€2.1bn at 30 June 2023[2]

(1) Variation at constant exchange rate; scope Poland and Egypt
(2) Cash surplus of €3.6bn including Ukraine
(3) Variation at current exchange rate; at constant exchange rate revenues +12.1% and expenses +11.1%
(4) Variation at current exchange rate; at constant exchange rate revenues x2

Net profit international retail banking x2 Q2/Q2, driven by net interest income

→ **CA Poland:** revenues +15.5% Q2/Q2 [3] due to net interest income (combined price and volume effect); expenses +14.5%[3] linked to the increase in wages in an inflationary environment and continued marketing and IT expenses; net income affected by the provisioning of CHF loans (coverage ratio > 74% (vs ~55% in Q1-23); coverage ratio at 122%% (+1.7 pp Q2/Q1), NPL ratio stable at 5.6%

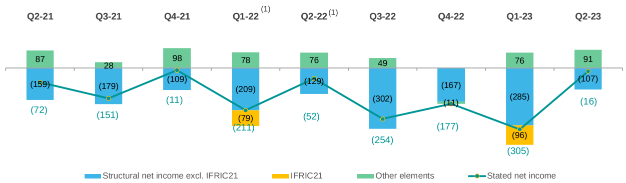
→ **CA Egypt:** sharp increase in revenues +23.7%[4], buoyed by net interest income due to higher customer loan rates, cost of customer assets under control; historic net income; NPL ratio stable at 2.8%, high coverage ratio at 146% (+0.5 pp Q2/Q1)

→ **CA Ukraine:** Q2-23 net income positive at €23m, local coverage ratio of loans outstanding at 30%

CRÉDIT AGRICOLE S.A.

CORPORATE CENTRE

Q2-23 Net Income impacted by the stake in Banco BPM



Impact of the « IFRS 17 internal margins » effect this quarter

→ Revenues -€206m, expenses +€206m

Stated Net Income Group Share Q2/Q2 (+€36m)

→ Favourable impact (+€138m) with the revaluation of Banco BPM shares (fixing 30/06/2023 at €4.26)

→ Excluding this item, the decrease in Net Income Group Share is mainly due to an unfavourable base effect on home savings provisions, TLTRO and private equity

Contribution to earnings (in €m)	Q2-23 IFRS17	Q2-22 IFRS17	∆ Q2/Q2 IFRS17	H1-23	H1-22	∆ H1/H1
Revenues	**(66)**	**(33)**	**(33)**	**(318)**	**(201)**	**(118)**
Operating expenses excl. SRF	21	(3)	24	(18)	(22)	+4
SRF	(6)	(0)	(6)	(77)	(56)	(21)
Gross operating income	**(51)**	**(36)**	**(14)**	**(413)**	**(279)**	**(134)**
Cost of risk	(2)	(3)	1	(0)	(4)	+4
Equity-accounted entities	(19)	(9)	(10)	(33)	(17)	(16)
Net income Group share stated	(16)	(52)	36	(321)	(263)	(58)
Net income Group share underlying	(58)	(78)	21	(362)	(302)	(61)
Of which structural net income (stated):	**(107)**	**(129)**	**+22**	**(487)**	**(417)**	**(70)**
- Balance sheet & holding Crédit Agricole S.A.	*(261)*	*(166)*	*(95)*	*(647)*	*(457)*	*(191)*
- Other activities (CACIF, CA Immobilier, BforBank etc.)	*147*	*33*	*+114*	*151*	*32*	*+120*
- Support functions (CAPS, CAGIP, SCI)	*7*	*5*	*+3*	*9*	*8*	*+1*
Of which other elements of the division (stated)	**91**	**76**	**+14**	**167**	**154**	**+12**

(1) Pro forma IFRS17

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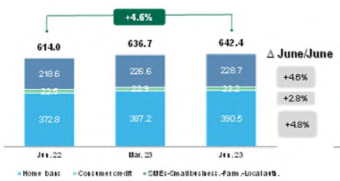
CRÉDIT AGRICOLE GROUP

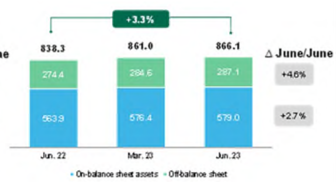
REGIONAL BANKS

A resilient performance in an unfavorable interest rate environment

Loans outstanding (€bn)



Customer assets (€bn)



Activity remains buoyant despite a slowdown in production due to rising interest rates

→ **Customer capture:** +291K new customers in Q2, net customer capture +62K(1); **digitally active customers:** 8,6m(2) users on the app Ma Banque; online signatures +40% Q2/Q2(3)

→ **Loans**: outstandings +4.6% June/June, of which +7.5% for corporates; loan production down -19.3% Q2/Q2, (production Q2-23 vs. average 2018-2022 -6,8%(4)) of which home loan production -23.7%(5) in a bearish market. Home loan production rate(6) up, average 20-25 year lending rate 3.5% in early July 2023 (+58 bp Q1/Q2)

→ **Customer assets**: on-balance sheet deposits +2.7% June/June (of which term deposits +65.4%, passbook accounts +9.9%) and +0.5% June/March; positive net inflows in Q2 in life insurance (+€0.8bn) and securities (+€0.6bn)

→ **Equipment:** property and casualty equipment rate 42.8% at end-June 2023 (+0.5 pt vs 2022)

→ **Payment solutions:** number of card increasing by +2.2% over a year (of which +13% Premium cards)

(1) Net customer capture: +190,000 new customers over one year; (2) Number of active profils on "Ma Banque" corresponding to at least one synchronisation in the month; (3) Signatures initiated in BAM (multi-channel bank access) deposit mode, mobile customer portal or "Ma Banque" app; (4) cf. see slide 54; (5) Home loan production down -47% in May 2023 according to Banque de France; (6) Credit rate on monthly production. Only maturity loans, in euros and at a fixed rate, are taken into account.

Regional Banks' consolidated results (incl. SAS RLB's dividend(7)) (in €m)	Q2-23 stated	Δ Q2/Q2 stated	H1-23 stated	Δ H1/H1 stated
Revenues	4,950	**(5.3%)**	8,277	**(6.9%)**
Operating expenses	(2,427)	+3.6%	(4,963)	+3.1%
Gross operating income	**2,524**	**(12.5%)**	**3,314**	**(18.8%)**
Cost of risk	(408)	(1.7%)	(577)	+3.4%
Net income Group Share	**2,037**	**(9.2%)**	**2,472**	**(18.2%)**
Cost/Income ratio (%)	*49.0%*	*+4.2 pp*	*60.0%*	*+5.9 pp*

Contribution to CAG's earnings (in €m)	Q2-23 stated	Δ Q2/Q2 stated	H1-23 stated	Δ H1/H1 stated
Net income Group share	**413**	**(46.2%)**	**833**	**(45.9%)**

Results impacted by higher refinancing costs

→ **Revenues:** -5.3% Q2/Q2 impacted by a strong base effect on the home purchase savings plan provision in Q2-22; intermediation margin down -33.8%(8) due to higher refinancing costs; portfolio revenues up sharply due to positive market effects (market downturn in Q2-22) and higher dividends received; commissions increasing at +2.3%.

→ **Operating expenses:** +3.6% Q2/Q2 due to an increase in staff costs

→ **Cost of risk:** -€408m in Q2-23, mainly on proven risks, slightly decreasing compared to Q2-22

(7) Dividend SAS Rue La Boétie annually paid in Q2
(8) Excluding the base effect of home purchase savings plans in Q2-22

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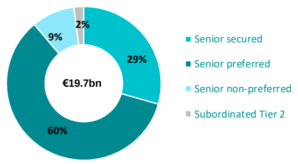
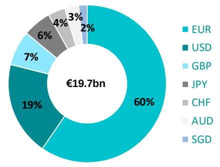
CRÉDIT AGRICOLE GROUP | CRÉDIT AGRICOLE S.A.

REFINANCING

€19.7bn(1)(2) issued by Crédit Agricole S.A. at end-June 2023 toward a revised plan of €25bn

Crédit Agricole S.A.: - MLT market funding at 30/06/2023



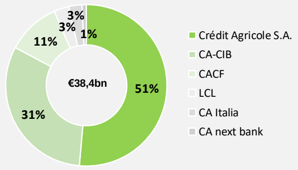


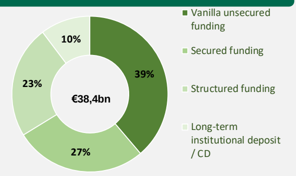
Senior preferred (€11.8bn) & senior secured (€5.8bn) Average maturity: 6.2 years Spread vs 3m Euribor: 78 bp	**€17.5bn** (Target: €20bn)	**Senior non-preferred (€1.8bn) & Tier 2 (€0.4bn)** Average maturity: 5.6 years Spread vs 3m Euribor: 168 bp	**€2.2bn** (Target: €5bn)

Crédit Agricole S.A.

- At end-June, €19.7bn(1)(2) of MLT market funding issued, diversified funding with various formats and currencies
- Increase of the 2023 funding plan from €19bn(1)(2) to €25bn(1)(2) to support dynamic business activity and maintain regulatory ratios at a high level
  - **€0.6bn(1)(2) of additional funding** since end of June, including a CA PS SCF for €500m and one Senior Preferred issuance in Panda format for CNY1.0bn (€126m eq.)
  - At end-July, the MLT funding plan amounts to **€20.4bn** (1)(2), i.e. **81% of the revised plan**
- **AT1 Perp NC6 years issuance for €1.25bn** with an initial rate of 7.25% on 03/01/23

Crédit Agricole Group - MLT market funding at 30/06/2023





Crédit Agricole Group

- **At end-June, €38.4bn(1)(2) issued in the market by Group issuers,** highly diversified funding:
  - **Crédit Agricole CIB**: €8.6bn of structured issuances
  - **CA Italia:** new Covered bond issuance in June for €1bn at 6 years
  - **CACF**: including €2.8bn of ABS securitisation
  - **Crédit Agricole Auto Bank (CAAB)**: new name for FCA Bank and continued market access, with first Senior Preferred issuance in June for €600m at 3 years
  - **Crédit Agricole next bank (Switzerland)**: new Covered bond double tranche issuance in June at 3 years and 7 years (Green format) for CHF100m each
- In addition, **€12.2bn**(1) of **off-market issuances** divided between:
  - **€8.6bn** in **Group retail** networks or **external bank** networks,
  - **€2.2bn** in **supranational organisations** and **financial institutions,**
  - **€1.4bn** in **investment institutions** (incl. CRH)

(1) Gross amount before buy-backs and amortisations (except for CA-CIB)
(2) Excluding AT1 issuance

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CRÉDIT AGRICOLE S.A.

APPENDICES

Q2 stated results (amounts in €m then Q2/Q2 change)

Q2-23 stated																		
€m	AG	Insurance	Asset Management	Wealth Management	LC	CIB	Capital market	Financing activities	Asset servicing	SFS	CACF	CAL&F	FRB (LCL)	IRB	IRB others	CA Italia	Corporate center	Total
Revenus	**1,732**	**668**	**803**	**262**	**1,906**	**1,535**	**760**	**775**	**371**	**1,162**	**981**	**180**	**959**	**982**	**222**	**760**	**(66)**	**6,676**
Operating expenses exclud SRF	(715)	(74)	(439)	(201)	(1,038)	(807)	(471)	**(335)**	(231)	(430)	(335)	(94)	(554)	(503)	(106)	(397)	21	(3,218)
SRF	(0)	-	(0)	(0)	2	(1)	(2)	**1**	2	2	2	(0)	6	(0)	-	(0)	(6)	4
Gross operationg result	**1,017**	**593**	**364**	**60**	**869**	**727**	**286**	**441**	**142**	**735**	**649**	**86**	**411**	**479**	**116**	**363**	**(51)**	**3,461**
Cost of risk	(0)	(0)	(2)	2	(32)	(30)	42	**(72)**	(2)	(304)	(285)	(19)	(69)	(127)	(38)	(89)	(2)	(534)
Net income on other assets	27	-	27	-	7	-	-	**-**	7	11	14	-	-	0	0	0	(19)	27
Tax	(246)	(142)	(91)	(14)	(174)	(136)	(39)	**(97)**	(38)	(143)	(122)	(21)	(76)	(103)	(22)	(82)	65	(677)
Net income	**799**	**452**	**298**	**50**	**670**	**561**	**289**	**272**	**109**	**325**	**282**	**42**	**269**	**252**	**59**	**193**	**(6)**	**2,309**
Non controling interests	(123)	(19)	(97)	(7)	(48)	(14)	(7)	**(7)**	(34)	(21)	(21)	(0)	(12)	(55)	(12)	(43)	(10)	(269)
Net income Group Share	**676**	**433**	**201**	**43**	**622**	**547**	**282**	**265**	**75**	**304**	**262**	**42**	**257**	**197**	**47**	**150**	**(16)**	**2,040**

∆ Q2-23/Q2-22 stated																		
in %	AG	Insurance	Asset Management	Wealth Management	LC	CIB	Capital market	Financing activities	Asset servicing	SFS	CACF	CAL&F	FRB (LCL)	IRB	IRB others	CA Italia	Corporate center	Total
Revenus	**+47.5%**	**x 3.1**	**+9.5%**	**+14.9%**	**(3.3%)**	**(7.4%)**	**(9.1%)**	**(5.7%)**	**+18.4%**	**+69.8%**	**+86.4%**	**+14.0%**	**(5.1%)**	**+20.9%**	**+16.9%**	**+22.2%**	**+99.6%**	**+18.8%**
Operating expenses exclud SRF	(1.7%)	+15.5%	(6.8%)	+5.0%	+8.2%	+9.4%	+6.8%	+13.2%	+4.2%	+19.5%	+23.3%	+6.8%	(3.2%)	+0.3%	(0.8%)	+0.6%	n.m.	+3.0%
SRF	n.m.	n.m.	n.m.	n.m.	n.m.	+0.7%	n.m.	n.m.	x 9.7	x 2.3	x 2.5	n.m.	n.m.	(100.0%)	n.m.	(100.0%)	n.m.	n.m.
Gross operationg result	**x 2.3**	**x 4**	**+38.8%**	**+66.4%**	**(14.0%)**	**(20.9%)**	**(29.4%)**	**(14.2%)**	**+55.1%**	**x 2.3**	**x 2.5**	**+22.7%**	**(5.5%)**	**+58.4%**	**+39.6%**	**+65.6%**	**+39.5%**	**+39.3%**
Cost of risk	(99.0%)	(76.5%)	(40.8%)	x 21.1	n.m.	n.m.	x 12.3	n.m.	n.m.	x 2.7	x 2.9	+55.3%	+60.0%	+8.3%	(12.3%)	+20.4%	(35.8%)	x 2.6
Net income on other assets	+29.6%	(100.0%)	+29.6%	n.m.	x 2.2	(100.0%)	n.m.	(100.0%)	x 2.3	(86.0%)	(82.2%)	n.m.	n.m.	x 10	n.m.	x 10	x 2.1	(71.1%)
Tax	+72.6%	x 2.1	+37.0%	+83.1%	(14.7%)	(26.4%)	(30.3%)	(24.7%)	x 2	x 2.4	x 2.7	+39.6%	(19.8%)	+89.1%	+43.8%	x 2.1	x 10	+23.3%
Net income	**x 2.4**	**x 5.1**	**+37.5%**	**+65.6%**	**(24.3%)**	**(30.6%)**	**(18.1%)**	**(40.3%)**	**+41.3%**	**+40.5%**	**+50.8%**	**(3.8%)**	**(11.1%)**	**+70.9%**	**+67.2%**	**+72.1%**	**(85.4%)**	**+24.1%**
Non controling interests	+32.0%	(0.1%)	+35.8%	x 2.6	+12.3%	(25.1%)	(14.8%)	(33.8%)	+39.8%	(30.9%)	(31.8%)	+54.9%	(1.4%)	+57.7%	(8.8%)	+98.5%	(8.6%)	+19.9%
Net income Group Share	**x 2.8**	**x 6.3**	**+38.4%**	**+56.3%**	**(26.2%)**	**(30.7%)**	**(18.2%)**	**(40.4%)**	**+42.0%**	**+51.4%**	**+66.7%**	**(4.2%)**	**(11.6%)**	**+75.0%**	**x 2.1**	**+65.8%**	**(69.4%)**	**+24.7%**

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H1-2023 stated results (amounts in €m then H1/H1 change)

6M-23 stated																		
€m	AG	Insurance	Asset Management	Wealth Management	LC	CIB	Capital market	Financing activities	Asset servicing	SFS	CACF	CAL&F	FRB (LCL)	IRB	IRB others	CA Italia	Corporate center	Total
Revenus	**3,478**	**1,379**	**1,577**	**522**	**3,957**	**3,226**	**1,693**	**1,533**	**731**	**1,834**	**1,492**	**342**	**1,895**	**1,951**	**430**	**1,520**	**(318)**	**12,797**
Operating expenses exclud SRF	(1,430)	(156)	(870)	(404)	(2,159)	(1,691)	(983)	**(708)**	(468)	(800)	(612)	(187)	(1,153)	(987)	(218)	(769)	(18)	(6,546)
SRF	(6)	-	(3)	(3)	(312)	(271)	(177)	**(94)**	(42)	(29)	(13)	(15)	(44)	(40)	-	(40)	(77)	(509)
Gross operationg result	**2,042**	**1,223**	**703**	**115**	**1,486**	**1,264**	**533**	**731**	**221**	**1,005**	**866**	**139**	**698**	**924**	**212**	**712**	**(413)**	**5,741**
Cost of risk	(1)	1	(3)	1	(68)	(65)	29	**(94)**	(3)	(463)	(432)	(31)	(135)	(241)	(91)	(150)	(0)	(908)
Net income on other assets	49	-	49	-	11	0	-	**0**	11	85	88	-	-	1	0	1	(33)	113
Tax	(478)	(280)	(174)	(25)	(358)	(298)	(126)	**(172)**	(60)	(177)	(144)	(33)	(138)	(201)	(36)	(165)	153	(1,199)
Net income	**1,613**	**945**	**576**	**92**	**1,076**	**901**	**436**	**465**	**174**	**475**	**402**	**73**	**428**	**488**	**90**	**398**	**(293)**	**3,786**
Non controling interests	(239)	(38)	(189)	(12)	(77)	(22)	(11)	**(11)**	(55)	(44)	(44)	(1)	(19)	(113)	(24)	(88)	(27)	(520)
Net income Group Share	**1,374**	**907**	**387**	**80**	**998**	**879**	**425**	**454**	**119**	**431**	**358**	**72**	**409**	**375**	**65**	**310**	**(321)**	**3,266**

6M / 6M-22 stated																		
in %	AG	Insurance	Asset Management	Wealth Management	LC	CIB	Capital market	Financing activities	Asset servicing	SFS	CACF	CAL&F	FRB (LCL)	IRB	IRB others	CA Italia	Corporate center	Total
Revenus	**+26.8%**	**+83.9%**	**+1.9%**	**+17.3%**	**+7.1%**	**+5.1%**	**+13.4%**	**(2.7%)**	**+16.9%**	**+33.6%**	**+41.5%**	**+7.4%**	**(5.1%)**	**+22.0%**	**+20.3%**	**+22.5%**	**+58.6%**	**+14.2%**
Operating expenses exclud SRF	+0.3%	+11.9%	(4.3%)	+7.1%	+12.0%	+14.2%	+13.5%	+15.2%	+4.8%	+10.2%	+11.5%	+5.8%	(1.3%)	(0.1%)	+0.2%	(0.2%)	(18.5%)	+4.6%
SRF	(14.8%)	n.m.	(25.1%)	+1.3%	(29.4%)	(29.5%)	(28.2%)	(31.8%)	(28.3%)	(15.7%)	(17.7%)	(14.0%)	(35.5%)	+4.9%	n.m.	+4.9%	+36.9%	(21.3%)
Gross operationg result	**+55.8%**	**x 2**	**+10.8%**	**+76.3%**	**+12.2%**	**+5.0%**	**+39.8%**	**(11.1%)**	**+83.4%**	**+64.1%**	**+77.0%**	**+12.7%**	**(8.1%)**	**+61.4%**	**+51.6%**	**+64.6%**	**+48.2%**	**+33.5%**
Cost of risk	(82.8%)	n.m.	(64.2%)	(77.8%)	(66.1%)	(67.9%)	x 3.9	(55.4%)	n.m.	+95.5%	+99.1%	+56.1%	+29.0%	(38.2%)	(66.3%)	+25.8%	(88.2%)	(3.7%)
Net income on other assets	+20.7%	n.m.	+20.7%	n.m.	+78.2%	(40.7%)	n.m.	(40.7%)	+78.7%	(46.2%)	(44.4%)	n.m.	n.m.	(25.2%)	n.m.	(25.2%)	+89.2%	(40.1%)
Tax	+46.6%	+81.4%	+9.6%	+85.4%	+27.9%	+19.7%	+18.2%	+20.9%	+94.7%	+55.4%	+72.4%	+8.9%	(21.3%)	+79.8%	+48.8%	+88.3%	x 2.7	+26.2%
Net income	**+56.1%**	**x 2**	**+12.3%**	**+67.8%**	**+26.8%**	**+20.1%**	**+54.6%**	**(0.7%)**	**+78.3%**	**+13.1%**	**+16.5%**	**(3.0%)**	**(13.3%)**	**x 5.4**	**n.m.**	**+70.9%**	**+20.3%**	**+43.4%**
Non controling interests	+12.0%	(0.0%)	+11.2%	x 2.2	+58.3%	+29.4%	+58.7%	+9.8%	+73.5%	(20.9%)	(21.5%)	+37.6%	(3.7%)	+46.6%	(5.2%)	+72.5%	+44.2%	+19.8%
Net income Group Share	**+67.6%**	**x 2.1**	**+12.8%**	**+62.3%**	**+24.9%**	**+19.9%**	**+54.5%**	**(0.9%)**	**+80.6%**	**+18.3%**	**+23.8%**	**(3.3%)**	**(13.7%)**	**x 29.3**	**n.m.**	**+70.4%**	**+22.0%**	**+48.0%**

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Underlying Q2 income (amounts in €m then Q2/Q2 change)

Q2-23 underlying																		
€m	**AG**	Insurance	Asset Management	Wealth Management	**LC**	CIB	Capital market	Financing activities	Asset servicing	**SFS**	CACF	CAL&F	**FRB (LCL)**	**IRB**	IRB others	CA Italia	**Corporate center**	**Total**
Revenus	**1,732**	**668**	**803**	**262**	**1,921**	**1,550**	**774**	**776**	**371**	**863**	**682**	**180**	**938**	**982**	**222**	**760**	**(107)**	**6,329**
Operating expenses exclud SRF	(715)	(74)	(439)	(201)	(1,038)	(807)	(471)	(335)	(231)	(411)	(316)	(94)	(554)	(503)	(106)	(397)	21	(3,200)
SRF	(0)	-	(0)	(0)	2	(1)	(2)	**1**	2	2	2	(0)	6	(0)	-	(0)	(6)	4
Gross operationg result	**1,017**	**593**	**364**	**60**	**885**	**743**	**301**	**442**	**142**	**454**	**368**	**86**	**390**	**479**	**116**	**363**	**(92)**	**3,133**
Cost of risk	(0)	(0)	(2)	2	(32)	(30)	42	(72)	(2)	(220)	(201)	(19)	(69)	(127)	(38)	(89)	(2)	(450)
Net income on other assets	27	-	27	-	7	0	-	**0**	7	23	26	-	-	0	0	0	(19)	39
Tax	(246)	(142)	(91)	(14)	(178)	(141)	(43)	(98)	(38)	(70)	(49)	(21)	(76)	(103)	(22)	(82)	65	(609)
Net income	**799**	**452**	**298**	**50**	**682**	**572**	**300**	**273**	**109**	**185**	**143**	**42**	**248**	**252**	**59**	**193**	**(48)**	**2,119**
Non controling interests	(123)	(19)	(97)	(7)	(48)	(14)	(7)	(7)	(34)	(21)	(21)	(0)	(11)	(55)	(12)	(43)	(10)	(269)
Net income Group Share	**676**	**433**	**201**	**43**	**633**	**558**	**292**	**266**	**75**	**164**	**122**	**42**	**237**	**197**	**47**	**150**	**(58)**	**1,850**

∆ Q2-23/Q2-22 underlying																		
in %	**AG**	Insurance	Asset Management	Wealth Management	**LC**	CIB	Capital market	Financing activities	Asset servicing	**SFS**	CACF	CAL&F	**FRB (LCL)**	**IRB**	IRB others	CA Italia	**Corporate center**	**Total**
Revenus	**+47.5%**	**x 3.1**	**+9.5%**	**+14.9%**	**+1.5%**	**(1.8%)**	**(4.9%)**	**+1.4%**	**+18.4%**	**+26.1%**	**+29.5%**	**+14.0%**	**(4.4%)**	**+20.9%**	**+16.9%**	**+22.2%**	**+58.0%**	+15.6%
Operating expenses exclud SRF	+4.1%	+15.5%	+1.9%	+5.0%	+8.2%	+9.4%	+6.8%	+13.2%	+4.2%	+14.3%	+16.5%	+6.8%	(3.2%)	+5.0%	(0.8%)	+6.7%	n.m.	+4.5%
SRF	n.m.	n.m.	n.m.	n.m.	n.m.	+0.7%	n.m.	n.m.	x 9.7	x 2.3	x 2.5	n.m.	n.m.	(100.0%)	n.m.	(100.0%)	n.m.	n.m.
Gross operationg result	**x 2.1**	**x 4**	**+20.2%**	**+66.4%**	**(5.1%)**	**(11.6%)**	**(21.5%)**	**(3.3%)**	**+55.1%**	**+39.3%**	**+43.8%**	**+22.7%**	**(4.0%)**	**+47.5%**	**+39.6%**	**+50.3%**	**+29.4%**	**+30.3%**
Cost of risk	(99.0%)	(76.5%)	(40.8%)	x 21.1	n.m.	n.m.	x 12.3	n.m.	n.m.	+96.0%	x 2	+55.3%	+60.0%	+8.3%	(12.3%)	+20.4%	(35.8%)	x 2.2
Net income on other assets	+29.6%	(100.0%)	+29.6%	n.m.	x 2.2	(100.0%)	n.m.	(100.0%)	x 2.3	(70.6%)	(66.8%)	n.m.	n.m.	x 10	n.m.	x 10	x 2.1	(58.2%)
Tax	+61.3%	x 2.1	+19.0%	+83.1%	(3.0%)	(14.9%)	(15.0%)	(14.9%)	x 2	+17.1%	+9.3%	+39.6%	(12.9%)	+66.6%	+43.8%	+73.9%	x 4.2	+14.9%
Net income	**x 2.2**	**x 5.1**	**+20.6%**	**+65.6%**	**(17.6%)**	**(23.6%)**	**(10.9%)**	**(34.0%)**	**+41.3%**	**(19.9%)**	**(23.7%)**	**(3.8%)**	**(11.9%)**	**+52.3%**	**+53.9%**	**+51.8%**	**(29.2%)**	**+17.5%**
Non controling interests	+19.6%	(0.1%)	+19.5%	x 2.6	+16.4%	(17.8%)	(7.8%)	(26.7%)	+39.8%	(30.9%)	(31.8%)	+54.9%	(1.4%)	+44.7%	(8.8%)	+73.3%	(8.6%)	+14.2%
Net income Group Share	**x 2.6**	**x 6.3**	**+21.1%**	**+56.3%**	**(19.4%)**	**(23.8%)**	**(10.9%)**	**(34.2%)**	**+42.0%**	**(18.2%)**	**(22.2%)**	**(4.2%)**	**(12.3%)**	**+54.6%**	**+86.8%**	**+46.6%**	**(26.3%)**	**+18.0%**

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Underlying H1-2023 income (amounts in €m then H1/H1 change)

6M-23 underlying																		
m€	**AG**	Insurance	Asset Management	Wealth Management	**LC**	CIB	Capital market	Financing activities	Asset servicing	**SFS**	CACF	CAL&F	**FRB (LCL)**	**IRB**	IRB others	CA Italia	**Corporate center**	**Total**
Revenus	**3,478**	**1,379**	**1,577**	**522**	**4,004**	**3,273**	**1,715**	**1,558**	**731**	**1,535**	**1,192**	**342**	**1,874**	**1,951**	**430**	**1,520**	**(360)**	**12,482**
Operating expenses exclud SRF	(1,430)	(156)	(870)	(404)	(2,159)	(1,691)	(983)	(708)	(468)	(782)	(594)	(187)	(1,153)	(987)	(218)	(769)	(18)	(6,528)
SRF	(6)	-	(3)	(3)	(312)	(271)	(177)	**(94)**	(42)	(29)	(13)	(15)	(44)	(40)	-	(40)	(77)	(509)
Gross operationg result	**2,042**	**1,223**	**703**	**115**	**1,533**	**1,312**	**556**	**756**	**221**	**724**	**585**	**139**	**677**	**924**	**212**	**712**	**(455)**	**5,445**
Cost of risk	(1)	1	(3)	1	(68)	(65)	29	(94)	(3)	(378)	(347)	(31)	(135)	(241)	(91)	(150)	(0)	(824)
Net income on other assets	49	-	49	-	11	0	-	**0**	11	97	100	-	-	1	0	1	(33)	125
Tax	(478)	(280)	(174)	(25)	(370)	(310)	(132)	(178)	(60)	(104)	(71)	(33)	(138)	(201)	(36)	(165)	153	(1,138)
Net income	**1,613**	**945**	**576**	**92**	**1,111**	**936**	**453**	**484**	**174**	**336**	**262**	**73**	**407**	**488**	**90**	**398**	**(335)**	**3,619**
Non controling interests	(239)	(38)	(189)	(12)	(78)	(23)	(11)	(11)	(55)	(44)	(44)	(1)	(18)	(113)	(24)	(88)	(27)	(519)
Net income Group Share	**1,374**	**907**	**387**	**80**	**1,033**	**914**	**442**	**472**	**119**	**291**	**219**	**72**	**388**	**375**	**65**	**310**	**(362)**	**3,100**

6M / 6M-22 underlying																		
en %	**AG**	Insurance	Asset Management	Wealth Management	**LC**	CIB	Capital market	Financing activities	Asset servicing	**SFS**	CACF	CAL&F	**FRB (LCL)**	**IRB**	IRB others	CA Italia	**Corporate center**	**Total**
Revenus	**+26.8%**	**+83.9%**	**+1.9%**	**+17.3%**	**+10.3%**	**+9.0%**	**+14.2%**	**+3.7%**	**+16.9%**	**+11.8%**	**+13.1%**	**+7.4%**	**(4.5%)**	**+22.0%**	**+20.4%**	**+22.5%**	**+42.1%**	+12.9%
Operating expenses exclud SRF	+4.0%	+11.9%	+1.4%	+7.1%	+12.0%	+14.2%	+13.5%	+15.2%	+4.8%	+7.7%	+8.2%	+5.8%	(1.3%)	+3.1%	+0.4%	+3.9%	(18.5%)	+5.7%
SRF	(14.8%)	n.m.	(25.1%)	+1.3%	(29.4%)	(29.5%)	(28.2%)	(31.8%)	(28.3%)	(15.7%)	(17.7%)	(14.0%)	(35.5%)	+4.9%	n.m.	+4.9%	+36.9%	(21.3%)
Gross operationg result	**+50.0%**	**x 2**	**+2.7%**	**+76.3%**	**+21.7%**	**+15.2%**	**+42.6%**	**+0.9%**	**+83.4%**	**+18.3%**	**+19.6%**	**+12.7%**	**(6.6%)**	**+53.3%**	**+51.4%**	**+53.9%**	**+37.2%**	**+28.8%**
Cost of risk	(82.8%)	n.m.	(64.2%)	(77.8%)	(66.1%)	(67.9%)	x 3.9	(55.4%)	n.m.	+59.8%	+60.1%	+56.1%	+29.0%	+23.4%	+19.7%	+25.8%	(88.2%)	+10.1%
Net income on other assets	+20.7%	n.m.	+20.7%	n.m.	+78.2%	(40.7%)	n.m.	(40.7%)	+78.7%	(38.6%)	(36.8%)	n.m.	n.m.	(25.2%)	n.m.	(25.2%)	+89.2%	(33.8%)
Tax	+41.2%	+81.4%	+1.5%	+85.4%	+40.8%	+33.6%	+21.2%	+44.7%	+94.7%	(8.4%)	(14.8%)	+8.9%	(17.0%)	+65.0%	+48.8%	+69.0%	x 2.2	+21.9%
Net income	**+50.6%**	**x 2**	**+4.5%**	**+67.8%**	**+38.8%**	**+33.3%**	**+57.0%**	**+16.8%**	**+78.3%**	**(20.1%)**	**(23.9%)**	**(3.0%)**	**(13.0%)**	**+56.4%**	**+53.1%**	**+57.2%**	**+18.4%**	**+29.8%**
Non controling interests	+5.9%	(0.0%)	+3.8%	x 2.2	+63.5%	+43.2%	+60.9%	+29.4%	+73.5%	(20.9%)	(21.5%)	+37.6%	(2.9%)	+45.0%	+10.1%	+58.8%	+44.2%	+16.8%
Net income Group Share	**+62.5%**	**x 2.1**	**+4.9%**	**+62.3%**	**+37.2%**	**+33.1%**	**+56.9%**	**+16.5%**	**+80.6%**	**(20.0%)**	**(24.4%)**	**(3.3%)**	**(13.5%)**	**+60.2%**	**+79.0%**	**+56.8%**	**+20.0%**	**+32.3%**

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Q2-23 specific items: +€190m in net income Group share

Non-recurring items: +€201m impact on net income Group share in Q2-22

- Reorganisation of the Mobility activities[(1)], **+€140m in net income Group share**
- Reversal of the provision for cheque image exchange, **+€62m in net income Group share**

Recurring items[(2)]: -€11m impact on net income Group share in Q2-22

- CIB: DVA, issuer spread portion of FVA and secured lending, **-€11m in net income Group share**
- CIB: loan book hedge: **-€0.6m in net income Group share**

(1) The reorganisation of the Mobility activities of the CA Consumer Finance Group has a non-recurring impact in Q2 2023 on all intermediate operating totals due to the transfer of business assets, indemnities received and paid, the accounting treatment of the 100% consolidation of CA Auto Bank (formerly FCA Bank) and the reorganisation of the automotive financing activities within the CA Consumer Finance Group (particularly the review of application solutions).

Q2-22 specific items: +€68 million in net income group share

Non-recurring items: -€35 million impact on net income group share in Q2-22

- CAI (Creval consolidation costs): **-€12m in net income Group share**
- Amundi (Lyxor consolidation costs): **-€21m in net income Group share**
- Other IRB (IFRS 5 Q1-2022 Crédit du Maroc update): **-€3 million in net income group share**

Recurring items: +€103 million impact on net income group share in Q2-22

- CIB: DVA, issuer spread portion of FVA and secured lending: **+€16m in net income Group share**
- CIB: loan book hedge: **+€41m in net income Group share**
- LCL and CC: home purchase savings provisions (acquired in a high interest rate environment): **+€46m in net income Group share**

See slide 46 for details on specific items for Crédit Agricole S.A. and slide 49 for Crédit Agricole Group

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Alternative performance measures – specific items Q2-23 and H1-23

€m	Q2-23		Q2-22		H1-23		H1-22	
	Gross impact*	Impact on Net income	Gross impact*	Impact on Net income	Gross impact*	Impact on Net income	Gross impact*	Impact on Net income
DVA (LC)	(15)	(11)	22	16	(23)	(16)	(9)	(6)
Loan portfolio hedges (LC)	(1)	(1)	57	41	(25)	(18)	74	53
Home Purchase Savings Plans (FRB)	-	-	29	20	-	-	34	24
Home Purchase Savings Plans (CC)	-	-	35	26	-	-	53	39
Mobility activities reorganisation (SFS)	299	214	-	-	299	214	-	-
Check Image Exchange penalty (CC)	42	42	-	-	42	42	-	-
Check Image Exchange penalty (LCL)	21	20	-	-	21	20	-	-
Total impact on revenues	**346**	**264**	**143**	**104**	**315**	**241**	**152**	**111**
Mobility activities reorganisation (SFS)	(18)	(13)	-	-	(18)	(13)	-	-
Creval integration costs (IRB)	-	-	(22)	(12)	-	-	(30)	(16)
Lyxor integration costs (AG)	-	-	(40)	(21)	-	-	(51)	(26)
Total impact on operating expenses	**(18)**	**(13)**	**(63)**	**(32)**	**(18)**	**(13)**	**(81)**	**(42)**
Provision for own equity risk Ukraine (IRB)	-	-	-	-	-	-	(195)	(195)
Mobility activities reorganisation (SFS)	(85)	(61)	-	-	(85)	(61)	-	-
Total impact on cost of credit risk	**(85)**	**(61)**	**-**	**-**	**(85)**	**(61)**	**(195)**	**(195)**
Mobility activities reorganisation (SFS)	(12)	(12)	-	-	(12)	(12)	-	-
Total impact equity-accounted entities	**(12)**	**(12)**	**-**	**-**	**(12)**	**(12)**	**-**	**-**
Mobility activities reorganisation (SFS)	28	12	-	-	28	12	-	-
Total impact Net income on other assets	**28**	**12**	**-**	**-**	**28**	**12**	**-**	**-**
Reclassification of held-for-sale operations (IRB)	-	-	(3)	(3)	-	-	(7)	(10)
Total impact on Net income from discounted or held-for-sale operations	**-**	**-**	**(3)**	**(3)**	**-**	**-**	**(7)**	**(10)**
Total impact of specific items	*259*	*190*	*77*	*68*	*227*	*167*	*(131)*	*(136)*
Asset gathering	*-*	*-*	*(40)*	*(21)*	*-*	*-*	*(51)*	*(26)*
French Retail banking	*21*	*20*	*29*	*20*	*21*	*20*	*34*	*24*
International Retail banking	*-*	*-*	*(25)*	*(15)*	*-*	*-*	*(232)*	*(221)*
Specialised financial services	*212*	*140*	*-*	*-*	*212*	*140*	*-*	*-*
Large customers	*(16)*	*(11)*	*79*	*57*	*(47)*	*(34)*	*65*	*47*
Corporate centre	*42*	*42*	*35*	*26*	*42*	*42*	*53*	*39*

* Impact before tax and before minority interests

+€190m
Net impact of specific items on Q2-23 net income

APPENDICES

Reconciliation between stated and underlying income – Q2-23

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**6,676**	**346**	**6,329**	**5,619**	**143**	**5,477**	**+18.8%**	**+15.6%**
Operating expenses excl.SRF	(3,218)	(18)	(3,200)	(3,123)	(63)	(3,061)	+3.0%	+4.5%
SRF	4	-	4	(11)	-	(11)	n.m.	n.m.
Gross operating income	**3,461**	**328**	**3,133**	**2,485**	**80**	**2,405**	**+39.3%**	**+30.3%**
Cost of risk	(534)	(84)	(450)	(202)	-	(202)	x 2.6	x 2.2
Equity-accounted entities	27	(12)	39	94	-	94	(71.1%)	(58.2%)
Net income on other assets	29	28	1	11	-	11	x 2.7	(89.1%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**2,983**	**259**	**2,724**	**2,387**	**80**	**2,307**	**+25.0%**	**+18.1%**
Tax	(677)	(69)	(609)	(549)	(19)	(530)	+23.3%	+14.9%
Net income from discont'd or held-for-sale ope.	4	-	4	23	(3)	26	n.m.	n.m.
Net income	**2,309**	**190**	**2,119**	**1,861**	**57**	**1,803**	**+24.1%**	**+17.5%**
Non controlling interests	(269)	(1)	(269)	(225)	11	(235)	+19.9%	+14.2%
Net income Group Share	**2,040**	**190**	**1,850**	**1,636**	**68**	**1,568**	**+24.7%**	**+18.0%**
Earnings per share (€)	**0.64**	**0.06**	**0.58**	**0.51**	**0.02**	**0.49**	**+25.5%**	**+18.5%**
Cost/Income ratio excl. SRF (%)	**48.2%**		**50.6%**	**55.6%**		**55.9%**	**-7.4 pp**	**-5.3 pp**

€1,850m
Underlying net income Group Share in Q2-23

€0.58
Underlying earnings per share in Q2-23

APPENDICES

Reconciliation between stated and underlying income – H1-23

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**12,797**	**315**	**12,482**	**11,203**	**152**	**11,051**	**+14.2%**	**+12.9%**
Operating expenses excl.SRF	(6,546)	(18)	(6,528)	(6,256)	(81)	(6,175)	+4.6%	+5.7%
SRF	(509)	-	(509)	(647)	-	(647)	(21.3%)	(21.3%)
Gross operating income	**5,741**	**296**	**5,445**	**4,300**	**71**	**4,229**	**+33.5%**	**+28.8%**
Cost of risk	(908)	(84)	(824)	(943)	(195)	(748)	(3.7%)	+10.1%
Equity-accounted entities	113	(12)	125	189	-	189	(40.1%)	(33.8%)
Net income on other assets	33	28	5	20	-	20	+60.8%	(75.9%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**4,979**	**227**	**4,752**	**3,567**	**(124)**	**3,691**	**+39.6%**	**+28.7%**
Tax	(1,199)	(60)	(1,138)	(950)	(17)	(934)	+26.2%	+21.9%
Net income from discont'd or held-for-sale ope.	6	-	6	24	(7)	31	n.m.	n.m.
Net income	**3,786**	**167**	**3,619**	**2,641**	**(147)**	**2,788**	**+43.4%**	**+29.8%**
Non controlling interests	(520)	(0)	(519)	(434)	11	(445)	+19.8%	+16.8%
Net income Group Share	**3,266**	**167**	**3,100**	**2,207**	**(136)**	**2,344**	**+48.0%**	**+32.3%**
Earnings per share (€)	**1.00**	**0.06**	**0.95**	**0.67**	**(0.05)**	**0.72**	**+48.6%**	**+31.5%**
Cost/Income ratio excl.SRF (%)	**51.2%**		**52.3%**	**55.8%**		**55.9%**	**-4.7 pp**	**-3.6 pp**

€3,100m
Underlying net income Group Share in H1-23

€0.95
Underlying earnings per share in H1-23

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APPENDICES

Alternative performance measures – specific items Q1-23 and S1-23

€m	Q2-23 Gross impact*	Q2-23 Impact on Net income	Q2-22 Gross impact*	Q2-22 Impact on Net income	H1-23 Gross impact*	H1-23 Impact on Net income	H1-22 Gross impact*	H1-22 Impact on Net income
DVA (LC)	(15)	(11)	22	16	(23)	(17)	(9)	(6)
Loan portfolio hedges (LC)	(1)	(1)	57	42	(25)	(18)	74	55
Home Purchase Savings Plans (LCL)	-	-	29	21	-	-	34	26
Home Purchase Savings Plans (CC)	-	-	35	26	-	-	53	39
Home Purchase Savings Plans (RB)	-	-	342	254	-	-	412	306
Mobility activities reorganisation (SFS)	299	214	-	-	299	214	-	-
Check Image Exchange penalty (CC)	42	42	-	-	42	42	-	-
Check Image Exchange penalty (LCL)	21	21	-	-	21	21	-	-
Check Image Exchange penalty (RB)	42	42	-	-	42	42	-	-
Total impact on revenues	**388**	**306**	**485**	**360**	**356**	**283**	**564**	**418**
Creval integration costs (IRB)	-	-	(22)	(13)	-	-	(30)	(18)
Lyxor integration costs (AG)	-	-	(40)	(21)	-	-	(51)	(26)
Mobility activities reorganisation (SFS)	(18)	(13)	-	-	(18)	(13)	-	-
Total impact on operating expenses	**(18)**	**(13)**	**(63)**	**(34)**	**(18)**	**(13)**	**(81)**	**(44)**
Mobility activities reorganisation (SFS)	(85)	(61)	-	-	(85)	(61)	-	-
Provision for own equity risk Ukraine (IRB)	-	-	-	-	-	-	(195)	(195)
Total impact on cost of credit risk	**(85)**	**(61)**	**-**	**-**	**(85)**	**(61)**	**(195)**	**(195)**
Mobility activities reorganisation (SFS)	(12)	(12)	-	-	(12)	(12)	-	-
Total impact equity-accounted entities	**(12)**	**(12)**	**-**	**-**	**(12)**	**(12)**	**-**	**-**
Mobility activities reorganisation (SFS)	28	12	-	-	28	12	-	-
Total impact on Net income on other assets	**28**	**12**	**-**	**-**	**28**	**12**	**-**	**-**
Reclassification of held-for-sale operations (IRB)	-	-	(3)	(3)	-	-	(7)	(10)
Total impact on Net income from discounted or held-for-sale	**-**	**-**	**(3)**	**(3)**	**-**	**-**	**(7)**	**(10)**
Total impact of specific items	**301**	**232**	**419**	**322**	**269**	**209**	**281**	**169**
Asset gathering	**-**	**-**	**(40)**	**(21)**	**-**	**-**	**(51)**	**(26)**
French Retail banking	**63**	**63**	**371**	**275**	**63**	**63**	**446**	**331**
International Retail banking	**-**	**-**	**(25)**	**(16)**	**-**	**-**	**(232)**	**(223)**
Specialised financial services	**212**	**140**	**-**	**-**	**212**	**140**	**-**	**-**
Large customers	**(16)**	**(12)**	**79**	**59**	**(47)**	**(35)**	**65**	**48**
Corporate centre	**42**	**42**	**35**	**26**	**42**	**42**	**53**	**39**

** Impact before tax and before minority interests*

+€232m
Net impact of specific items on Q2-23 net income Group share

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Reconciliation between stated and underlying income – Q2-23

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**9,546**	**388**	**9,159**	**8,849**	**485**	**8,364**	+7.9%	+9.5%
Operating expenses excl.SRF	(5,233)	(18)	(5,215)	(4,996)	(63)	(4,933)	+4.8%	+5.7%
SRF	6	-	6	(8)	-	(8)	n.m.	n.m.
Gross operating income	**4,319**	**369**	**3,950**	**3,845**	**422**	**3,423**	**+12.3%**	**+15.4%**
Cost of risk	(938)	(84)	(854)	(615)	-	(615)	+52.5%	+38.8%
Equity-accounted entities	46	(12)	58	103	-	103	(55.7%)	(44.0%)
Net income on other assets	33	28	5	22	-	22	+54.7%	(74.6%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**3,460**	**301**	**3,160**	**3,355**	**422**	**2,933**	**+3.1%**	**+7.7%**
Tax	(772)	(69)	(704)	(771)	(108)	(664)	+0.1%	+6.0%
Net income from discont'd or held-for-sale ope.	4	-	4	23	(3)	26	(83.2%)	(85.2%)
Net income	**2,692**	**232**	**2,460**	**2,607**	**311**	**2,295**	**+3.3%**	**+7.2%**
Non controlling interests	(211)	(0)	(211)	(176)	11	(187)	+20.1%	+12.9%
Net income Group Share	**2,481**	**232**	**2,249**	**2,431**	**322**	**2,108**	**+2.1%**	**+6.7%**
Cost/Income ratio excl.SRF (%)	**54.8%**		**56.9%**	**56.5%**		**59.0%**	**-1.6 pp**	**-2.0 pp**

€2,249m
Underlying net income Group Share in Q2-23

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APPENDICES

Reconciliation between stated and underlying income – H1-23

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**18,473**	**356**	**18,117**	**17,730**	**564**	**17,166**	+4.2%	+5.5%
Operating expenses excl.SRF	(10,517)	(18)	(10,498)	(10,078)	(81)	(9,997)	+4.4%	+5.0%
SRF	(620)	-	(620)	(803)	-	(803)	(22.8%)	(22.8%)
Gross operating income	**7,337**	**338**	**6,999**	**6,850**	**483**	**6,367**	**+7.1%**	**+9.9%**
Cost of risk	(1,486)	(84)	(1,402)	(1,503)	(195)	(1,308)	(1.1%)	+7.1%
Equity-accounted entities	153	(12)	165	211	-	211	(27.4%)	(21.7%)
Net income on other assets	37	28	10	35	-	35	+8.0%	(72.4%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**6,042**	**269**	**5,773**	**5,592**	**288**	**5,304**	**+8.0%**	**+8.8%**
Tax	(1,483)	(60)	(1,422)	(1,474)	(123)	(1,351)	+0.6%	+5.3%
Net income from discont'd or held-for-sale ope.	6	-	6	25	(7)	31	(76.9%)	(81.8%)
Net income	**4,565**	**209**	**4,356**	**4,143**	**158**	**3,984**	**+10.2%**	**+9.3%**
Non controlling interests	(415)	(0)	(415)	(362)	11	(373)	+14.7%	+11.4%
Net income Group Share	**4,150**	**209**	**3,941**	**3,781**	**169**	**3,612**	**+9.8%**	**+9.1%**
Cost/Income ratio excl.SRF (%)	**56.9%**		**57.9%**	**56.8%**		**58.2%**	**+0.1 pp**	**-0.3 pp**

€3,941m

Underlying net income Group Share in H1-23

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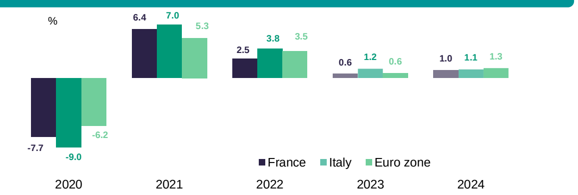
APPENDICES

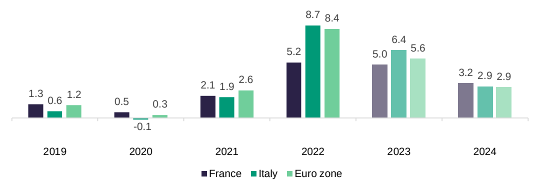
Moderate growth in the Eurozone in 2024

France, Italy, Eurozone – GDP Growth



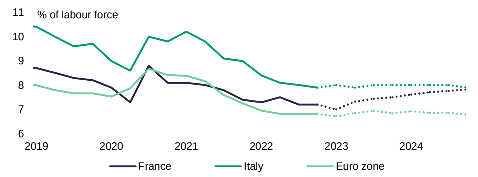
Source: Eurostat, Crédit Agricole S.A./ECO. Forecasts at 30 June 2023

France, Italy, Eurozone - Average annual Inflation (%)



Source: Eurostat, CACIB/ECO. Forecasts at 30 June 2023.

France, Italy, Eurozone – Unemployment rate



Source: Eurostat, Crédit Agricole S.A./ECO. Forecasts at 30 June 2023

France – institutional forecasts (GDP France)

- IMF (April 2023): +0.7% in 2023 and +1.3% in 2024
- European Commission (March 2023): +0.7% in 2023 and +1.4% in 2024
- OECD (June 2023): +0.8% in 2023 and +1.3% in 2024
- Banque de France (March 2023): +0.6% in 2023 and +1.2% in 2024

Provisioning of performing loans: use of alternative scenarios complementary to the central scenario

- A favourable scenario: French GDP +1% in 2023 and +2.4% in 2024
- Unfavourable scenario: French GDP +0.1% in 2023 and -0.1% in 2024

Source: Eurostat, Crédit Agricole S.A./ECO. Forecasts at 13 April 2023

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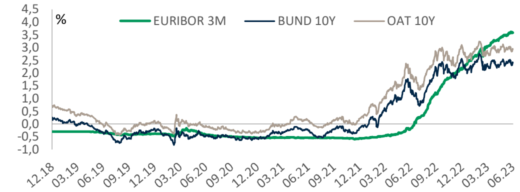
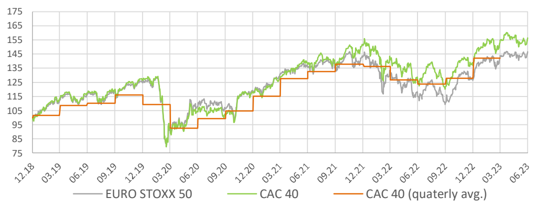
APPENDICES

Rise in equity markets, monetary tightening continues

Interest rates, in euros (%)



Equity indexes (base 100 = 31/12/2018)



Stock

- Shares (EuroStoxx 50): spot +1.9% T2/T1; average: +3.7% Q2/Q1 and 16.9% Q2/Q2

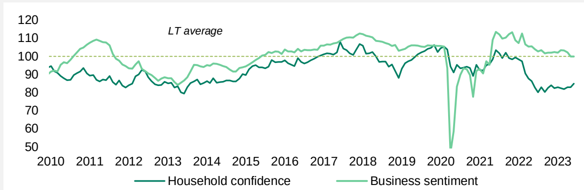
Interest rates

- 10-year OAT: down -17 bp since 31 December 2022, up +12 bp quarter on quarter and +98 bp compared with 30 June 2022
- Spread at 30/06: OAT/Bund 55 bp (+2.5 bp/March 23), BTP/Bund: 168 bp (-14.3 bp/March 23)

Exchange

- EUR/ USD spot: stability T2/T1 (+0.7%), increase of +4.1 T2/T2

France – Household and business leaders' confidence



Source: Insee, Forecasts at 13 April 2023.

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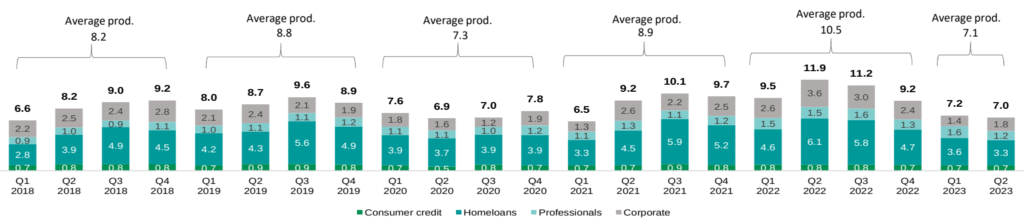
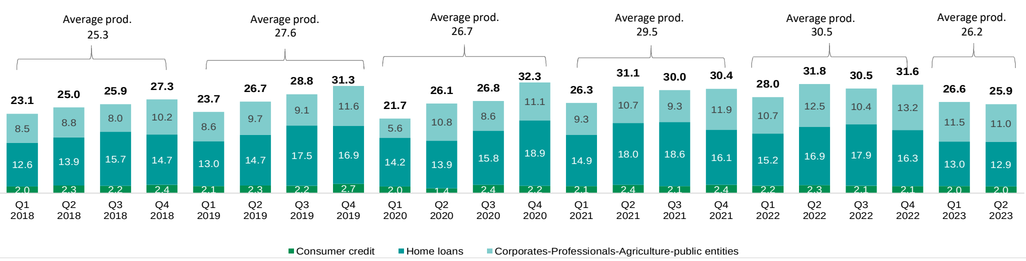
Change in French Retail new loans production

LCL new loans production (excluding SGL) since 2018 (€Bn)



Regional banks new loans production (excluding SGL) since 2018 (€Bn)



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APPENDICES

Continued decrease of residual exposures in Russia

Crédit Agricole S.A. exposure to Russia (on- and off-balance sheet)

in €bn	28/02/2022	31/12/2022	31/03/2023	30/06/2023	Δ 30/06/2023 - 28/02/2022	Δ 30/06/2023 - 31/03/2023
Total Onshore	**0.7**	**0.2**	**0.3**	**0.2**	**-0.6**	**-0.1**
Total Offshore	**4.6**	**2.9**	**2.7**	**2.3**	**-2.3**	**-0.3**
On Balance Sheet	*3.1*	*2.7*	*2.6*	*2.3*	*-0.8*	*-0.3*
Off Balance Sheet	*1.5*	*0.2*	*0.1*	*0.1*	*-1.5*	*0.0*
Variation Risk (MtM)	**0.2**	**0.0**	**0.0**	**0.0**	**-0.2**	**0.0**

Decline in total exposures to Russia by eq. of -€0.4bn vs 31/03

Since the start of the war, exposures reduced by eq. -€3.1bn

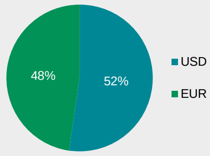
→ On-shore exposures: stable vs. 31/12

→ Continued decline in offshore exposures of eq. -€0.3bn vs 31/03
≈48% maturities of less than 1 year

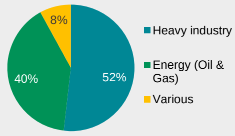
→ Loan loss reserves at 30/06/2023: €502m

Breakdown of off-shore on-balance sheet exposures – 30/06/2023

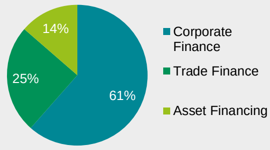
By currency



By sector of activity



By type of activity



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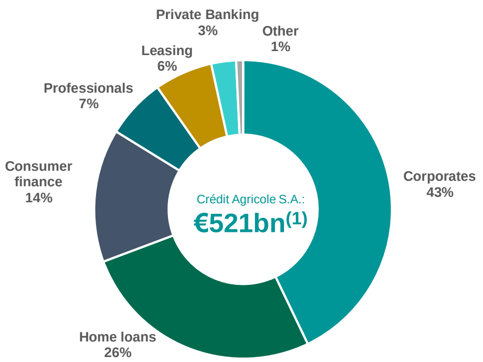
Diversified loan book, skewed towards corporate and home loans

Gross customer loans outstanding[(1)] at Crédit Agricole S.A. (30/06/2023)



Corporate loans[(1)] €223bn
- Including €161bn Crédit Agricole CIB, €32bn LCL, €23bn IRB, €8bn CACEIS

Home loans €138bn
- Including €103bn LCL: mostly fixed-rate, amortisable, collateralised or mortgage-secured loans
- Including €34bn at the IRB

Consumer finance €75bn
- Of which €66bn CACF (including Agos) and €9bn for CASA retail networks, excluding non-consolidated entities (automobile JVs)

Loans to professionals €34bn
- Including €24bn LCL and €10bn at the IRB

(1) Gross customer loans outstanding excl. credit institutions

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CAG and CASA exposure to corporate real estate[1] limited and high quality

Data as of end-2022

Limited exposure to corporate real estate[2] at end-2022

Corporate real estate: 4.5% of CAG commercial lending (on- and off-balance sheet) at end-2022

- CAG: €79.4bn exposure out of €1,781bn total exposure, or 4.5%
- Crédit Agricole SA: €35.0bn exposure out of €1,111bn total exposure, or 3.1%

Real estate professionals[1] [2]: 3.3% of CAG commercial lending (2.9% Crédit Agricole SA)

- €57.9bn exposure for CAG (€32.2bn for Crédit Agricole SA) of which ~€24bn on offices and commercial premises and ~€15bn on residential real estate (~€17bn and ~€5bn respectively for Crédit Agricole SA)
- Of which €25.6bn Regional Banks, €22.9bn Crédit Agricole CIB, €5.3bn LCL and €2.2bn CA Italy

CAA: 9% of the euro fund investment portfolio in real estate [3]

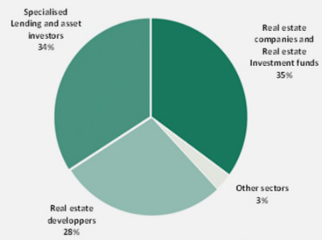
Real estate professionals (REP): satisfactory asset quality and controlled risks at the end of 2022

LTV (loan to value): 79% of CAG exposures with LTV<60%[4]

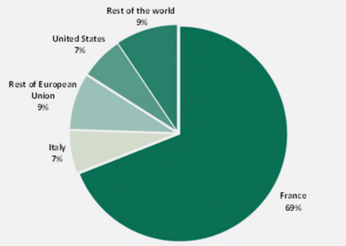
72% of CAG exposures to real estate professionals are **Investment Grade**[5]

CAG real estate professional **default rate** of 2.7%[6]; S3 **coverage ratio** of 53%.

Exposures (on- and off-balance sheet)/type of customer (CAG end-2022 data on real estate professionals[2])[7]



Exposures (on- and off-balance sheet)/geographic area (CAG end-2022 data on real estate professionals[2])[8]



(1) 93% of CAG's exposure to real estate professionals is included in corporate real estate (the remainder of corporate real estate corresponds to real estate financing provided to corporate clients), and 7% in exposures to other sectors including Tourism/Hotels/Catering. 88% share and 12% for CASA

(2) Scope of real estate professionals: real estate developers, listed and unlisted real estate companies, investment funds specialising in real estate, asset investors, real estate subsidiaries of financial institutions (insurance companies, banks etc.).

(3) Excluding unit-linked contracts, in market value, i.e. around 26 billion euros. Portfolio in unrealised gains.

(4) 81% of CASA exposures with an LTV<60%; LTV calculated on 64% of exposures to real estate professionals for CAG and 69% of CASA exposures,

(5) 84% of Crédit Agricole SA's exposures are investment grade; Internal rating equivalent;

(6) Default rate of 4.1% for Crédit Agricole SA (REP); Default rate calculated with on- and off-balance sheet exposures as the denominator. Recalculated on balance sheet exposures, default rate of approximately 4% on the Crédit Agricole Group portfolio (REP).

(7) For Crédit Agricole S.A.: France (47%); Italy (11%); Rest of the European Union (14%); United States (11%); rest of the world (17%)

(8) For Crédit Agricole S.A.: Real estate companies and real estate investment funds (30%); Development (18%); Specialised lending and asset investors (48%); Others (4%)

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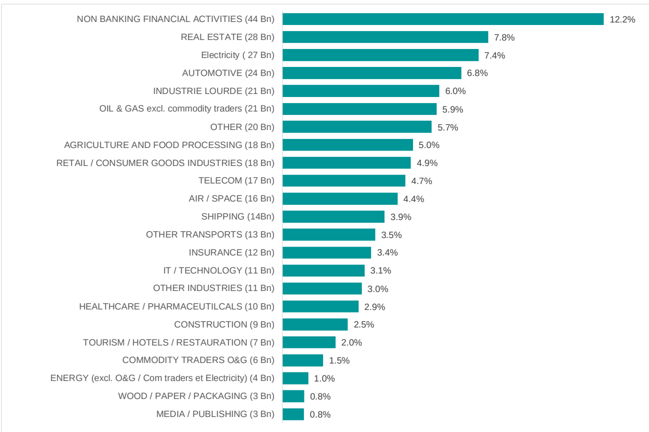
APPENDICES

Well-balanced corporate portfolio

Crédit Agricole S.A.: €361bn of EAD [1] Corporate at 30/06/2023



- 72% of Corporate exposures are Investment Grade[2]
- SME exposures of €26.1bn at 30/06/2023
- LBO exposures[3] of €4.0bn at the end of May 2023

(1) Exposure at default is a regulatory definition used in Pillar 3. It corresponds to the exposure at default after integration of risk reduction factors. It includes exposures to balance sheet assets and part of the off-balance sheet commitments after application of the credit conversion factor.

(2) Equivalent internal rating (3) Crédit Agricole CIB scope only

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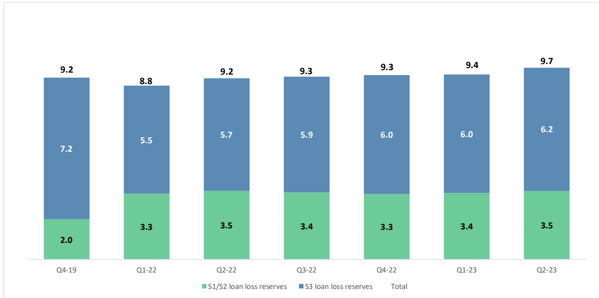
High CAG and CASA loans loss reserves

Crédit Agricole Group – Loan loss reserves in €bn

Crédit Agricole S.A. – Loan loss reserves in €bn



High share of performing loans' provisions:

→ **CASA: +€1.5bn provisions on performing loans** Q2-2023/Q4-2019 (to 36% of total provisions, vs 22% at end-2019)
→ **CAG** (2) **: +€3.3bn provisions on performing loans** Q2-2023/Q4-2019 (to 42% of total provisions (2) vs 29% at end-2019)

(1) Loan loss reserves, including collective provisions. Coverage ratios are calculated based on loans and receivables due from customers in default.
(2) 48% related to provisions for performing loans for the Regional Banks (vs 35% at end-2019, i.e. +€1.85bn)

As a reminder, decline in loan loss reserves in Q4 2021 related to CA Italy NPL disposal for €1.5bn

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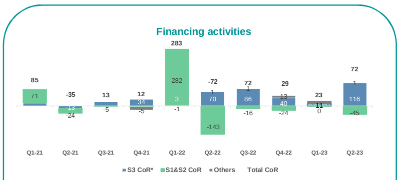
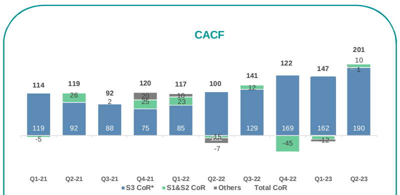
High coverage ratios, NPL ratios under control, in all business lines

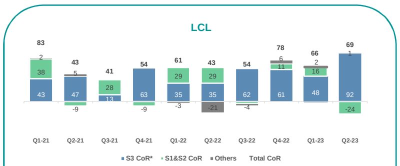
Underlying credit cost of risk (CoR) by *stage* and by business line (in €m) – Cost of risk on outstandings (in basis points over four rolling quarters*)



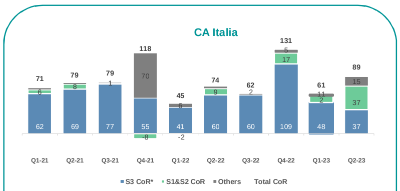
CoR: n.m. Q2/Q2; CoR / outstandings: 14 bp
NPL ratio: 3.0%; Coverage ratio: 66.9%



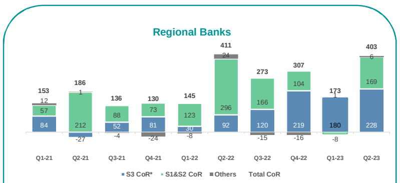
CoR: x 2 Q2/Q2; CoR/outstandings: 134 bps
NPL ratio: 3.8%; Coverage ratio: 83.4%



CoR: +60% Q2/Q2; CoR / outstandings: 16 bp
NPL ratio: 1.9%; Coverage ratio: 62.8%



CoR: +20.4% Q2/Q2; CoR / outstandings: 57 bp
NPL ratio: 3.5%; Coverage ratio: 67.7%



CoR: -0.9% Q2/Q2; CoR/outstandings: 18 bp
NPL ratio: 1.7%; Coverage ratio: 98.8%

(*) Cost of risk on outstandings (on an annualised quarterly basis) at 21 bp for Financing activities, 123 bp for CACF (after CA Autobank integration), 17 bp for LCL, 59 bp for CA Italia and 25 bp for the RBs. Coverage ratios are calculated based on loans and receivables due from customers in default.

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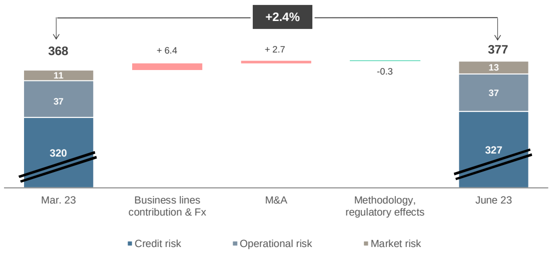
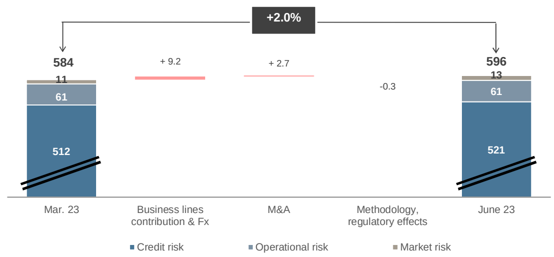
RWA

Crédit Agricole S.A.



Crédit Agricole Group



Crédit Agricole S.A.: +€8.8bn increase June/March

→ **Business lines' contribution** (including foreign exchange)**:** +€6.4bn organic change in business lines, including SFS +€5.2bn (strong activity due to the launch of CAAB), Large Customers +€2.9bn (mainly market RWA: VaR, SVaR and RCTB[(1)]), and -€1.9bn on the Insurance equity-accounted value following payment of the balance of the dividend for 2022

→ **M&A:** restructuring of the partnership between CACF and Stellantis

Crédit Agricole Group: +€11.6bn increase June/March

→ **Business lines' contribution (incl. FX):** +€9.2bn, of which Regional Banks +€2.1bn

(1) Counterparty risk of the trading book

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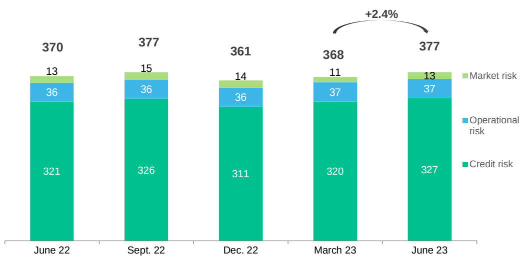
RWA and allocated capital by business line

€bn	Risk-weighted assets June 2023	Risk-weighted assets March 2023	Risk-weighted assets June 2022	Capital June 2023	Capital March 2023	Capital June 2022
Asset gathering	**46.9**	**47.9**	**41.1**	**12.4**	**12.0**	**12.7**
- Insurance ***	*27.6*	*29.5*	*23.8*	*10.5*	*10.3*	*11.1*
- Asset management	*13.6*	*12.8*	*12.5*	*1.3*	*1.2*	*1.2*
- Wealth Management	*5.7*	*5.6*	*4.8*	*0.5*	*0.5*	*0.5*
French Retail Banking (LCL)	**51.7**	**51.7**	**51.6**	**4.9**	**4.9**	**4.9**
International retail Banking	**47.1**	**46.1**	**51.1**	**4.5**	**4.4**	**4.9**
Specialised financial services	**69.9**	**60.5**	**57.5**	**6.6**	**5.7**	**5.5**
Large customers	**135.1**	**132.9**	**142.2**	**12.8**	**12.6**	**13.5**
- Financing activities	*79.8*	*79.5*	*83.6*	*7.6*	*7.6*	*7.9*
- Capital markets and investment banking	*46.2*	*44.0*	*49.1*	*4.4*	*4.2*	*4.7*
- Asset servicing	*9.2*	*9.4*	*9.5*	*0.9*	*0.9*	*0.9*
Corporate Centre	**26.2**	**28.9**	**26.5**	**-**	**-**	**-**
TOTAL	376.9	368.1	370.0	41.2	39.7	41.4



* ** Methodology: 9.5% of RWAs for each business line; Insurance: 80% of Solvency 2 capital requirements

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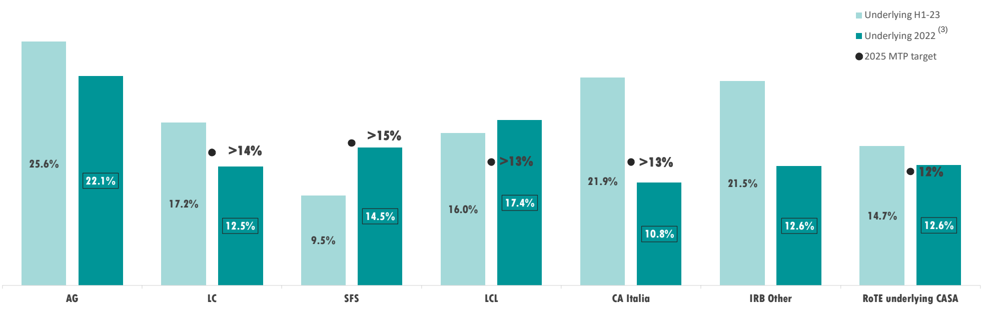
APPENDICES

Profitable business lines

6m-23 annualised underlying RoNE [1,2] by business line and 2025 targets (%)



AG: Asset Gathering, including Insurance; RB: Retail Banking, SFS: Specialised financial services; LC: Large customers; CC: Corporate Centre

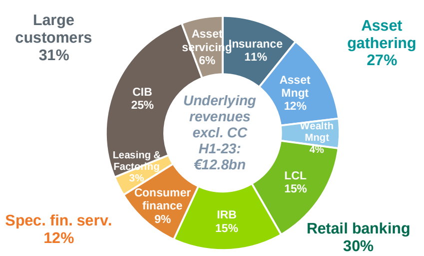
(1) See pages 46 (Crédit Agricole S.A.) and 49 (Crédit Agricole Group) for further details on the specific items
(2) After deduction of AT1 coupons, charged to net equity, see page 67
(3) 2022 data under IFRS4

CRÉDIT AGRICOLE S.A.

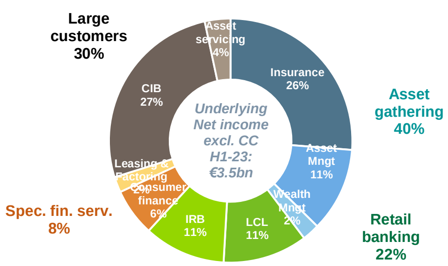
APPENDICES

A stable, diversified and profitable business model

Underlying 2023 revenues[1] by business line (excluding Corporate Centre) (%)



Underlying net income Group share[1] 2023 by business line (excluding Corporate Centre) (%)



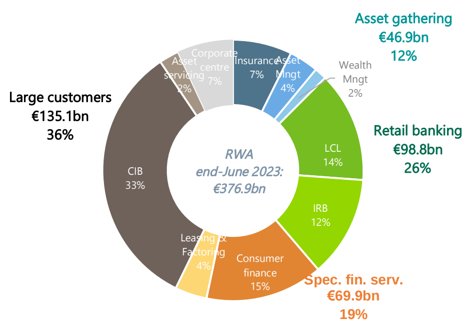
[1] See slides 45 and 46 for details on specific items

CRÉDIT AGRICOLE S.A.

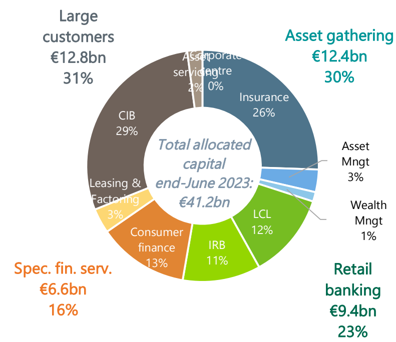
APPENDICES

Risk-weighted assets and allocated equity by business line

Risk weighted assets by business line at 30/06/2023 (in €bn and %)



Allocated capital by business line at 30/06/2023 (in €bn and %)



CRÉDIT AGRICOLE S.A.

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Distribution of share capital and number of shares

	30/06/2023		31/12/2022		30/06/2022	
Breakdown of share capital	**Number of shares**	**%**	**Number of shares**	**%**	**Number of shares**	**%**
SAS Rue La Boétie	1,822,030,012	60.2%	1,726,880,218	56.8%	1,726,880,218	57.1%
Treasury shares (1)	1,225,578	0.0%	18,994,580	0.6%	3,021,362	0.1%
Employees (company investment fund, ESOP)	191,495,431	6.3%	181,574,181	6.0%	174,361,581	5.8%
Float	1,011,151,329	33.4%	1,115,111,737	36.7%	1,121,639,189	37.1%
Total shares in issue (period end)	**3,025,902,350**		**3,042,560,716**		**3,025,902,350**	
Total shares in issue, excluding treasury shares (period end)	***3,024,676,772***		***3,023,566,136***		***3,022,880,988***	
Total shares in issue, excluding treasury shares (average number)	***3,024,431,947***		***2,989,007,006***		***2,964,718,994***	

(1) Excluded in the calculation of the earning per share

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Data per share

(€m)		Q2-2023 IFRS17	Q2-2022 IFRS4	H1-23 IFRS17	H1-22 IFRS4
Net income Group share - stated		2,040	1,976	3,266	2,528
- Interests on AT1, including issuance costs, before tax		(94)	(86)	(235)	(208)
NIGS attributable to ordinary shares - stated	[A]	1,946	1,890	3,031	2,320
Average number shares in issue, excluding treasury shares (m)	[B]	3,025	3,023	3,024	2,965
Net earnings per share - stated	**[A]/[B]**	**0.64 €**	**0.63 €**	**1.00 €**	**0.78 €**
Underlying net income Group share (NIGS)		1,850	1,908	3,100	2,665
Underlying NIGS attributable to ordinary shares	[C]	1,756	1,822	2,865	2,457
Net earnings per share - underlying	**[C]/[B]**	**0.58 €**	**0.60 €**	**0.95 €**	**0.83 €**

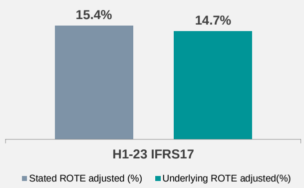
(€m)		30/06/2023 IFRS17	30/06/2022 IFRS4
Shareholder's equity Group share		67,879	64,417
- AT1 issuances		(7,235)	(5,986)
- Unrealised gains and losses on OCI - Group share		1,352	2,006
- Payout assumption on annual results*		-	-
Net book value (NBV), not revaluated, attributable to ordin. sh.	**[D]**	**61,997**	**59,288**
- Goodwill & intangibles** - Group share		(17,077)	(18,345)
Tangible NBV (TNBV), not revaluated attrib. to ordinary sh.	**[E]**	**44,920**	**40,943**
Total shares in issue, excluding treasury shares (period end, m)	[F]	3,024.7	3,022.9
NBV per share , after deduction of dividend to pay (€)	[D]/[F]	20.5 €	19.6 €
TNBV per share, after deduction of dividend to pay (€)	[G]=[E]/[F]	14.9 €	13.5 €

** dividend proposed to the Board meeting to be paid*
*** including goodwill in the equity-accounted entities*

(€m)		H1-23 IFRS17	H1-22 IFRS4
Net income Group share - stated	[K]	3,266	2,528
Impairment of intangible assets	[L]	0	0
IFRIC	[M]	-542	-682
Stated NIGS annualised	[N] = ([K]-[L]-[M])*2+[M]	7,075	5,738
Interests on AT1, including issuance costs, before tax, annualised	[O]	-470	-416
Stated result adjusted	[P] = [N]+[O]	6,605	5,322
Tangible NBV (TNBV), not revaluated attrib. to ord. sh. - avg (3)	[J]	42,778	40,195
Stated ROTE adjusted (%)	= [P] / [J]	15.4%	13.2%
Underlying Net income Group share	[Q]	3,100	2,665
Underlying NIGS annualised	[R] = ([Q]-[M])*2+[M]	6,741	6,011
Underlying NIGS adjusted	[S] = [R]+[O]	6,271	5,595
Underlying ROTE adjusted(%)	= [S] / [J]	14.7%	13.9%

**** including assumption of dividend for the current exercise*

Underlying(1) ROTE adjusted(2) (%)



(1) Underlying. See pages 45,46 for details of the specific items
(2) Underlying ROTE calculated on the basis of an annualised underlying net income Group share and linearised IFRIC costs over the year
(3) Average of the NTBV not revalued attributable to ordinary shares calculated between 31/12/2022 and 30/06/2023

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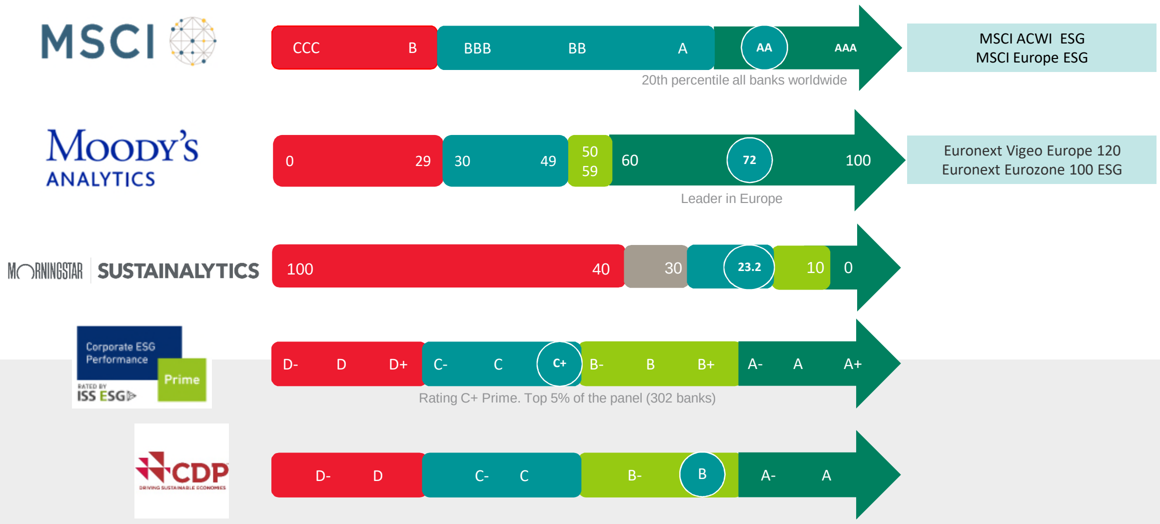
Financial ratings

Crédit Agricole S.A. - Ratings at 30/06/23

Ratings	LT / ST Counterparty	Issuer / LT senior preferred debt	Outlook / Review	ST senior preferred debt	Last review date	Rating action
S&P Global Ratings	AA-/A-1+ (RCR)	A+	Stable outlook	A-1	19/10/2022	LT / ST ratings affirmed; outlook unchanged
Moody's	Aa2/P-1 (CRR)	Aa3	Stable outlook	P-1	15/12/2021	LT / ST ratings affirmed; outlook unchanged
Fitch Ratings	AA- (DCR)	A+/AA-	Stable outlook	F1+	19/10/2022	LT / ST ratings affirmed; outlook unchanged
DBRS	AA (high) / R-1 (high) (COR)	AA (low)	Stable outlook	R-1 (middle)	20/07/2023	LT / ST ratings affirmed; outlook unchanged

APPENDICES

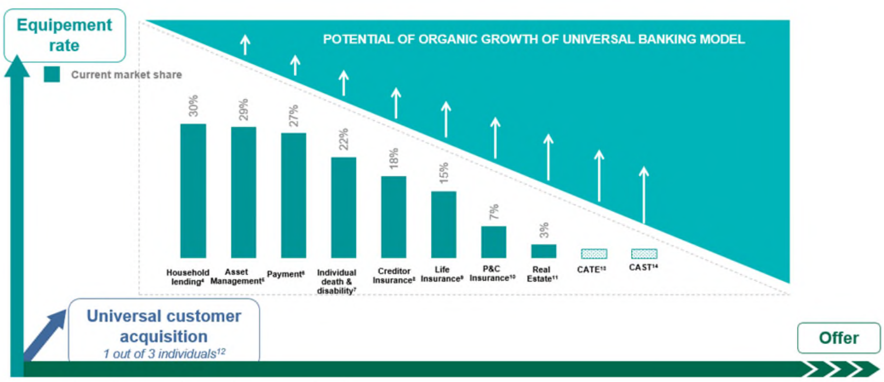
Crédit Agricole S.A.'s Non-Financial Ratings up: Moody's Analytics up +5 points in 2023, after +4 points in 2022, positioning Crédit Agricole as leader among its peers. Presence confirmed in ESG indices in 2023



APPENDICES

The Group's organic growth model: a virtuous circle between acquisition, customer servicing and offer development

(graph illustrating market share in France)



(4) LCL and RB market share on household and similar loans at end-November 2022, Crédit Agricole S.A.– France study; (5) Market share in UCITS in France at end-December 2022 for all segments of customers, (6) Market share of issues, in number of transactions, Banque de France Monétique 2021 data (7) End-2021, scope: annual temporary death premiums + funeral insurance + long-term care, (8) End-2021, scope: annual premiums received by CAA originated by CRCA and LCL/market share including the portion of deals originated by the Regional Banks via CNP/PREDICA co-insurance 24%, (9) End-2021, PREDICA outstanding in life insurance and individual savings, (10) End-2021, Casualty and Property activities of Pacifica & La Médicale de France, annual premiums. Market size, source: Argus de l'Assurance. (11) End-2021, internal source, (12) 35% of French - source: Sofia 2021 KANTAR (13) Crédit Agricole Transitions & Energies, (14) Crédit Agricole Santé et Territoires (Healthcare and Regions)

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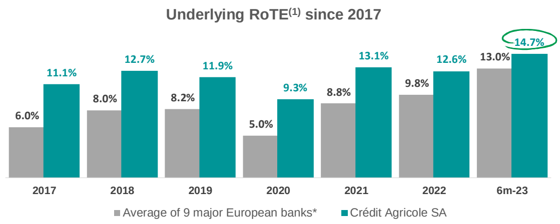
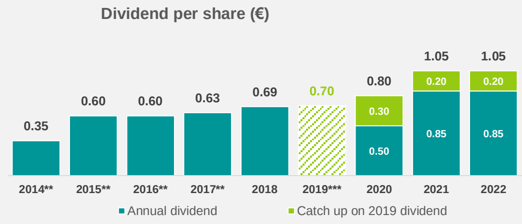
APPENDICES

Very strong return on tangible equity (ROTE) at 14.7% H1-23





H1-23 ROTE[1] 14.7%

* Arithmetic mean of 9 major European banks: Société Générale; BNP Paribas; Santander; UniCredit; Deutsche Bank; HSBC; Standard Chartered; Barclays; UBS data from Q1 2023.
** Excl. loyalty dividend
*** 2019 dividend placed in reserves following the ECB recommendation

(1) Underlying ROTE calculated on the basis of underlying net income (see appendix pages 46, 48 and 67)

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ALL FINANCIAL INDICATORS ARE IN LINE WITH THE MTP TARGETS

	2022 Targets	2022	2025 Targets
Net income	> €5bn	€5.5bn	> €6bn
ROTE	> 11%	12.6%(1)	> 12%
Cost/income ratio excl. SRF	< 60%	58.2%	< 58%(2)
CET1	11%	11.2%	11%(3)
Payout ratio	50% in cash	1.05 €/share dividend	50% in cash

2023: continued adaptation to the new rates context
2025: confirmation of all financial targets

(1) 2022 underlying ROTE
(2) Ceiling throughout the MTP, reduced from 60% to 58% post-IFRS 17, which includes the investments in the development of the New Business Lines
(3) Throughout Ambitions 2025; floor of +250 bp minimum in relation to the SREP regulatory requirements in CET1.

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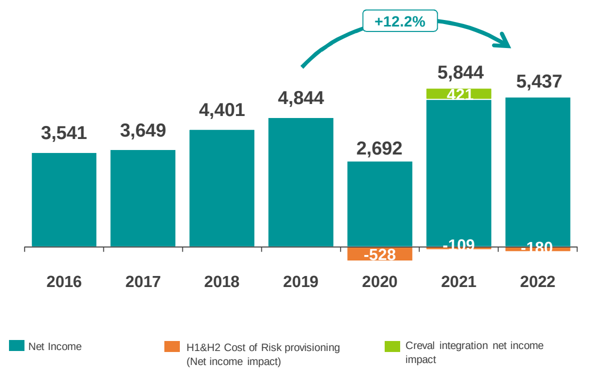
APPENDICES

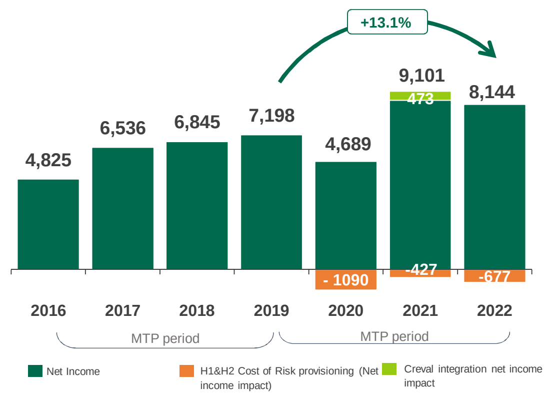
Crédit Agricole S.A.:

Net Income Group Share stated – in million euros



Crédit Agricole Group

Net Income Group Share stated – in million euros



List of contacts:

CRÉDIT AGRICOLE S.A. INVESTOR RELATIONS CONTACTS: :

Institutional shareholders	+ 33 1 43 23 04 31	investor.relations@credit-agricole-sa.fr
Individual shareholders	+ 33 800 000 777 (toll-free call in France only)	credit-agricole-sa@relations-actionnaires.com

Cécile Mouton	**+ 33 1 57 72 86 79**	**cecile.mouton@credit-agricole-sa.fr**
Jean-Yann Asseraf	+ 33 1 57 72 23 81	jean-yann.asseraf@credit-agricole-sa.fr
Fethi Azzoug	+ 33 1 57 72 03 75	fethi.azzoug@credit-agricole-sa.fr
Joséphine Brouard	+ 33 1 43 23 48 33	josephine.brouard@credit-agricole-sa.fr
Oriane Cante	+ 33 1 43 23 03 07	oriane.cante@credit-agricole-sa.fr
Nicolas Ianna	+ 33 1 43 23 55 51	nicolas.ianna@credit-agricole-sa.fr
Leïla Mamou	+ 33 1 57 72 07 93	leila.mamou@credit-agricole-sa.fr
Anna Pigoulevski	+ 33 1 43 23 40 59	anna.pigoulevski@credit-agricole-sa.fr
Annabelle Wiriath	+ 33 1 43 23 55 52	annabelle.wiriath@credit-agricole-sa.fr

CREDIT AGRICOLE PRESS CONTACTS:

Alexandre Barat	+ 33 1 57 72 12 19	alexandre.barat@credit-agricole-sa.fr
Olivier Tassain	+ 33 1 43 23 25 41	olivier.tassain@credit-agricole-sa.fr
Mathilde Durand	+ 33 1 57 72 19 43	mathilde.durand@credit-agricole-sa.fr
Bertrand Schaefer	+ 33 1 49 53 43 76	bertrand.schaefer@ca-fnca.fr

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WORKING EVERY DAY IN THE INTEREST OF OUR CUSTOMERS AND SOCIETY

RESULTS

FOR THE 2nd QUARTER & FIRST HALF 2023

Appendices

Disclaimer

The financial information on Crédit Agricole S.A. and Crédit Agricole Group for second quarter and first half 2023 comprises these appendices which are available on the website: https://www.credit-agricole.com/en/finance/financial-publications.

This presentation may include prospective information on the Group, supplied as information on trends. This data does not represent forecasts within the meaning of EU Delegated Act 2019/980 of 14 March 2019 (Chapter 1, article 1, d).

This information was developed from scenarios based on a number of economic assumptions for a given competitive and regulatory environment. Therefore, these assumptions are by nature subject to random factors that could cause actual results to differ from projections. Likewise, the financial statements are based on estimates, particularly in calculating market value and asset impairment.

Readers must take all these risk factors and uncertainties into consideration before making their own judgement.

The figures presented for the six-month period ending 30 June 2023 have been prepared in accordance with IFRS as adopted by the European Union and applicable at that date, and with applicable prudential regulations. This financial information does not constitute a set of financial statements for an interim period as defined by IAS 34 “Interim Financial Reporting” and has not been audited.

Note: The scopes of consolidation of the Crédit Agricole S.A. and Crédit Agricole Groups have not changed materially since the Crédit Agricole S.A. 2022 Universal Registration Document and its A.01 update (including all regulatory information about the Crédit Agricole Group) were filed with the AMF (the French Financial Markets Authority).

The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding.

At 30 June 2023, Crédit Agricole Auto Bank is the name of the new entity formed from the takeover of 100% of FCA Bank by Crédit Agricole Consumer Finance. Crédit Agricole Auto Bank is fully consolidated in the Crédit Agricole S.A. consolidated financial statements.

At 30 June 2023, Leasys is the new joint subsidiary between CACF and Stellantis. This entity is consolidated using the equity accounted method in the Crédit Agricole S.A. consolidated financial statements

NOTE

The Crédit Agricole Group scope of consolidation comprises:
the Regional Banks, the Local Banks, Crédit Agricole S.A. and their subsidiaries. This is the scope of consolidation that has been selected by the competent authorities to assess the Group's position in the recent stress test exercises.

Crédit Agricole S.A.
is the listed entity, which notably owns the subsidiaries of its business lines (Asset gathering, Large customers, Specialised financial services, French retail banking and International retail banking)

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Activity indicators – Asset Gathering

Assets under Management (€bn)

€bn	Dec. 19	Mar. 20	Jun. 20	Sept. 20	Dec. 20	Mar. 21	Jun. 21	Sept. 21	Dec. 21	Mar. 22	Jun. 22	Sept. 22	Dec. 22	Mar. 23	Jun. 23	Δ Jun./Jun.
Asset management – Amundi	1,653	1,527	1,592	1,662	1,729	1,755	1,794	1,811	2,064	2,021	1,925	1,895	1,904	1,934	1,961	+1.9%
Savings/retirement	304	299	302	304	308	312	316	318	323	322	319	318	322	325	326	+2.2%
Wealth management	183	172	177	177	182	188	189	191	195	193	190	190	190	195	195	+2.4%
Assets under management - Total	2,141	1,998	2,071	2,143	2,219	2,256	2,300	2,320	2,581	2,535	2,434	2,403	2,416	2,453	2,482	+2.0%
AuM excl. double counting	**1,795**	**1,821**	**1,822**	**1,823**	**1,895**	**1,938**	**1,978**	**1,996**	**2,256**	**2,223**	**2,142**	**2,124**	**2,138**	**2,178**	**2,205**	**+2.9%**

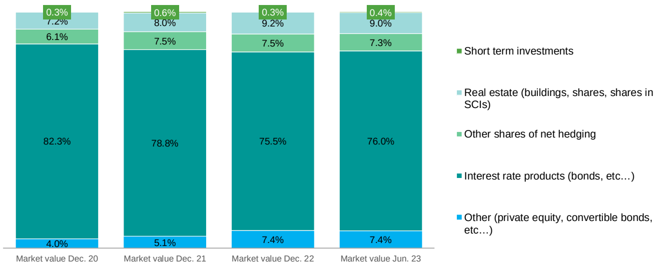
€bn	Dec. 19	Mar. 20	Jun. 20	Sept. 20	Dec. 20	Mar. 21	Jun. 21	Sept. 21	Dec. 21	Mar. 22	Jun. 22	Sept. 22	Dec. 22	Mar. 23	Jun. 23	Δ Jun./Jun.
LCL Private Banking	51.3	49.4	51.2	51.6	54.1	57.2	58.6	59.8	60.1	59.5	59.4	59.8	60.2	61.8	61.9	+4.2%
CAI Wealth Management	132.1	122.4	125.7	125.0	128.0	131.3	130.8	131.2	134.6	133.1	130.6	130.3	129.9	133.1	132.7	+1.6%
Of which France	*33.3*	*30.8*	*32.0*	*32.3*	*33.7*	*34.7*	*36.1*	*36.5*	*37.6*	*37.3*	*37.6*	*37.6*	*38.0*	*39.5*	*39.6*	+5.4%
Of which International	*98.9*	*91.6*	*93.7*	*92.8*	*94.3*	*96.7*	*94.7*	*94.7*	*97.0*	*95.8*	*93.0*	*92.7*	*91.9*	*93.6*	*93.1*	+0.1%
Total	**183.4**	**171.8**	**176.8**	**176.7**	**182.2**	**188.5**	**189.4**	**191.0**	**194.8**	**192.6**	**190.0**	**190.1**	**190.1**	**194.9**	**194.6**	**+2.4%**

APPENDICES

Activity indicators – Asset Gathering - Insurance

Outstandings (€bn) / Breakdown of investments

euros bn	Dec. 20	Mar. 21	Jun. 21	Sept. 21	Dec. 21	Mar. 22	Jun. 22	Sept. 22	Dec. 22	Mar. 23	Jun. 23	Δ Jun./Jun.
Unit-linked	74.5	78.5	81.6	83.1	86.6	84.5	80.4	78.9	82	88.1	91.1	+13.2%
Euros	233.8	233.8	234.6	235.1	236.4	237.8	239.0	239.2	239	236.4	235.2	(1.6%)
Total	**308.3**	**312.3**	**316.2**	**318.2**	**323.0**	**322.3**	**319.4**	**318.0**	**321.5**	**324.6**	**326.3**	**+2.2%**
	24.2%	*25.1%*	*25.8%*	*26.1%*	*26.8%*	*26.2%*	*25.2%*	*24.8%*	*25.6%*	*27.2%*	*27.9%*	



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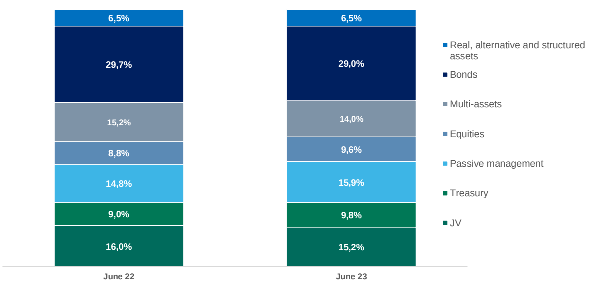
Activity indicators – Asset Gathering - Amundi

Asset management – assets under management – breakdown by asset class (€Bn)



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Stated and underlying detailed income statement (€m) – Asset gathering

€m	Q2-23 stated IFRS17	Specific items	Q2-23 underlying IFRS17	Q2-22 stated IFRS17	Specific items	Q2-22 underlying IFRS17	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**1,732**	**-**	**1,732**	**1,174**	**-**	**1,174**	+47.5%	+47.5%
Operating expenses excl.SRF	(715)	-	(715)	(727)	(40)	(687)	(1.7%)	+4.1%
SRF	(0)	-	(0)	0	-	0	n.m.	n.m.
Gross operating income	**1,017**	**-**	**1,017**	**447**	**(40)**	**487**	**x 2.3**	**x 2.1**
Cost of risk	(0)	-	(0)	(4)	-	(4)	(99.0%)	(99.0%)
Equity-accounted entities	27	-	27	21	-	21	+29.6%	+29.6%
Net income on other assets	0	-	0	2	-	2	(98.6%)	(98.6%)
Income before tax	**1,045**	**-**	**1,045**	**467**	**(40)**	**507**	**x 2.2**	**x 2.1**
Tax	(246)	-	(246)	(143)	10	(153)	+72.6%	+61.3%
Net income	**799**	**-**	**799**	**335**	**(30)**	**365**	**x 2.4**	**x 2.2**
Non controlling interests	(123)	-	(123)	(93)	10	(103)	+32.0%	+19.6%
Net income Group Share	**676**	**-**	**676**	**242**	**(21)**	**262**	**x 2.8**	**x 2.6**
Cost/Income ratio excl.SRF (%)	**41.3%**		**41.3%**	**61.9%**		**58.5%**	**-20.7 pp**	**-17.2 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**3,478**	**-**	**3,478**	**2,743**	**-**	**2,743**	+26.8%	+26.8%
Operating expenses	(1,430)	-	(1,430)	(1,425)	(51)	(1,375)	+0.3%	+4.0%
SRF	(6)	-	(6)	(7)	-	(7)	(14.8%)	(14.8%)
Gross operating income	**2,042**	**-**	**2,042**	**1,311**	**(51)**	**1,361**	**+55.8%**	**+50.0%**
Cost of risk	(1)	-	(1)	(5)	-	(5)	(82.8%)	(82.8%)
Equity-accounted entities	49	-	49	41	-	41	+20.7%	+20.7%
Net income on other assets	0	-	0	3	-	3	(98.0%)	(98.0%)
Income before tax	**2,090**	**-**	**2,090**	**1,349**	**(51)**	**1,400**	**+54.9%**	**+49.3%**
Tax	(478)	-	(478)	(326)	13	(339)	+46.6%	+41.2%
Net income	**1,613**	**-**	**1,613**	**1,033**	**(38)**	**1,071**	**+56.1%**	**+50.6%**
Non controlling interests	(239)	-	(239)	(213)	12	(225)	+12.0%	+5.9%
Net income Group Share	**1,374**	**-**	**1,374**	**820**	**(26)**	**846**	**+67.6%**	**+62.5%**
Cost/Income ratio excl.SRF (%)	**41.1%**		**41.1%**	**51.9%**		**50.1%**	**-10.8 pp**	**-9.0 pp**

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Stated and underlying detailed income statement (€m) - Insurance

€m	Q2-23 stated IFRS17	Specific items	Q2-23 underlying IFRS17	Q2-22 stated IFRS17	Specific items	Q2-22 underlying IFRS17	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**668**	**-**	**668**	**213**	**-**	**213**	x 3.1	x 3.1
Operating expenses excl.SRF	(74)	-	(74)	(64)	-	(64)	+15.5%	+15.5%
SRF	-	-	-	-	-	-	n.m.	n.m.
Gross operating income	**593**	**-**	**593**	**149**	**-**	**149**	**x 4**	**x 4**
Cost of risk	(0)	-	(0)	(0)	-	(0)	(76.5%)	(76.5%)
Income before tax	**593**	**-**	**593**	**148**	**-**	**148**	**x 4**	**x 4**
Tax	(142)	-	(142)	(69)	-	(69)	x 2.1	x 2.1
Net income from discont'd or held-for-sale ope.	-	-	-	9	-	9	n.m.	n.m.
Net income Group Share	**433**	**-**	**433**	**69**	**-**	**69**	**x 6.3**	**x 6.3**
Cost/Income ratio excl.SRF (%)	**11.1%**		**11.1%**	**30.2%**		**30.2%**	**-19.1 pp**	**-19.1 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**1,379**	**-**	**1,379**	**750**	**-**	**750**	+83.9%	+83.9%
Operating expenses excl.SRF	(156)	-	(156)	(139)	-	(139)	+11.9%	+11.9%
SRF	-	-	-	-	-	-	n.m.	n.m.
Gross operating income	**1,223**	**-**	**1,223**	**611**	**-**	**611**	**x 2**	**x 2**
Cost of risk	1	-	1	(0)	-	(0)	n.m.	n.m.
Income before tax	**1,224**	**-**	**1,224**	**610**	**-**	**610**	**x 2**	**x 2**
Tax	(280)	-	(280)	(154)	-	(154)	+81.4%	+81.4%
Net income from discont'd or held-for-sale ope.	-	-	-	9	-	9	n.m.	n.m.
Net income Group Share	**907**	**-**	**907**	**427**	**-**	**427**	**x 2.1**	**x 2.1**
Cost/Income ratio excl.SRF (%)	**11.3%**		**11.3%**	**18.6%**		**18.6%**	**-7.3 pp**	**-7.3 pp**

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Stated and underlying detailed income statement (€m) – Asset management

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**803**	**-**	**803**	**734**	**-**	**734**	+9.5%	+9.5%
Operating expenses excl.SRF	(439)	-	(439)	(471)	(40)	(431)	(6.8%)	+1.9%
Gross operating income	**364**	**-**	**364**	**262**	**(40)**	**303**	**+38.8%**	**+20.2%**
Cost of risk	(2)	-	(2)	(4)	-	(4)	(40.8%)	(40.8%)
Equity-accounted entities	27	-	27	21	-	21	+29.6%	+29.6%
Income before tax	**389**	**-**	**389**	**283**	**(40)**	**324**	**+37.4%**	**+20.2%**
Tax	(91)	-	(91)	(66)	10	(76)	+37.0%	+19.0%
Net income	**298**	**-**	**298**	**217**	**(30)**	**247**	**+37.5%**	**+20.6%**
Non controlling interests	(97)	-	(97)	(72)	10	(82)	+35.8%	+19.5%
Net income Group Share	**201**	**-**	**201**	**145**	**(21)**	**166**	**+38.4%**	**+21.1%**
Cost/Income ratio excl.SRF (%)	**54.7%**		**54.7%**	**64.3%**		**58.7%**	**-9.6 pp**	**-4.1 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**1,577**	**-**	**1,577**	**1,548**	**-**	**1,548**	+1.9%	+1.9%
Operating expenses excl.SRF	(870)	-	(870)	(909)	(51)	(858)	(4.3%)	+1.4%
SRF	(3)	-	(3)	(5)	-	(5)	(25.1%)	(25.1%)
Gross operating income	**703**	**-**	**703**	**635**	**(51)**	**685**	**+10.8%**	**+2.7%**
Cost of risk	(3)	-	(3)	(8)	-	(8)	(64.2%)	(64.2%)
Equity-accounted entities	49	-	49	41	-	41	+20.7%	+20.7%
Net income on other assets	0	-	0	4	-	4	(98.0%)	(98.0%)
Income before tax	**750**	**-**	**750**	**672**	**(51)**	**722**	**+11.6%**	**+3.8%**
Tax	(174)	-	(174)	(159)	13	(171)	+9.6%	+1.5%
Net income	**576**	**-**	**576**	**513**	**(38)**	**551**	**+12.3%**	**+4.5%**
Non controlling interests	(189)	-	(189)	(170)	12	(182)	+11.2%	+3.8%
Net income Group Share	**387**	**-**	**387**	**343**	**(26)**	**369**	**+12.8%**	**+4.9%**
Cost/Income ratio excl.SRF (%)	**55.2%**		**55.2%**	**58.7%**		**55.4%**	**-3.5 pp**	**-0.3 pp**

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Stated and underlying detailed income statement (€m) – Wealth management

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**262**	**-**	**262**	**228**	**-**	**228**	+14.9%	+14.9%
Operating expenses excl.SRF	(201)	-	(201)	(192)	-	(192)	+5.0%	+5.0%
Gross operating income	**60**	**-**	**60**	**36**	**-**	**36**	**+66.4%**	**+66.4%**
Cost of risk	2	-	2	0	-	0	x 21.1	x 21.1
Net income on other assets	(0)	-	(0)	(1)	-	(1)	(99.4%)	(99.4%)
Income before tax	**62**	**-**	**62**	**35**	**-**	**35**	**+77.4%**	**+77.4%**
Tax	(14)	-	(14)	(7)	-	(7)	+83.1%	+83.1%
Net income from discont'd or held-for-sale ope.	1	-	1	2	-	2	n.m.	n.m.
Net income Group Share	**43**	**-**	**43**	**27**	**-**	**27**	**+56.3%**	**+56.3%**
Cost/Income ratio excl.SRF (%)	**76.9%**		**76.9%**	**84.2%**		**84.2%**	**-7.2 pp**	**-7.2 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**522**	**-**	**522**	**445**	**-**	**445**	+17.3%	+17.3%
Operating expenses excl.SRF	(404)	-	(404)	(377)	-	(377)	+7.1%	+7.1%
SRF	(3)	-	(3)	(3)	-	(3)	+1.3%	+1.3%
Gross operating income	**115**	**-**	**115**	**65**	**-**	**65**	**+76.3%**	**+76.3%**
Cost of risk	1	-	1	3	-	3	(77.8%)	(77.8%)
Net income on other assets	(0)	-	(0)	(1)	-	(1)	(98.0%)	(98.0%)
Income before tax	**116**	**-**	**116**	**67**	**-**	**67**	**+73.0%**	**+73.0%**
Tax	(25)	-	(25)	(13)	-	(13)	+85.4%	+85.4%
Net income from discont'd or held-for-sale ope.	1	-	1	1	-	1	n.m.	n.m.
Net income Group Share	**80**	**-**	**80**	**49**	**-**	**49**	**+62.3%**	**+62.3%**
Cost/Income ratio excl.SRF (%)	**77.3%**		**77.3%**	**84.7%**		**84.7%**	**-7.3 pp**	**-7.3 pp**

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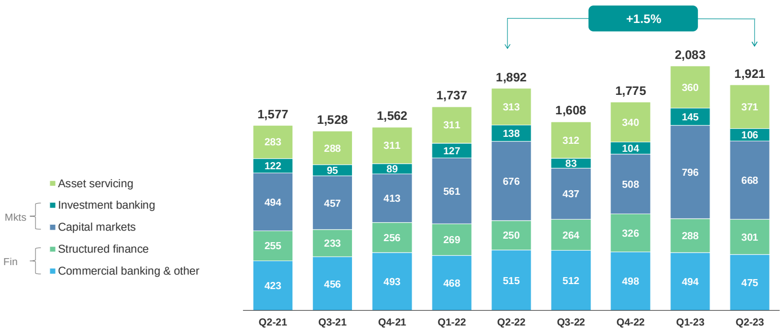
Activity indicators – Large customers

Underlying revenues by business lines (€m) : historical pro forma data on financing activities*



(*) Since Q2-22, transfer of the Leveraged and Telecom Finance activities from structured finance to commercial banking . Présentation here of restated figures with a neutral impact on the total of the financing activites

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Activity indicators – Large customers

CACIB mandates

- **Capital markets**

- **Financing activities**

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Stated and underlying detailed income statement (€m) – Large customers

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**1,906**	**(16)**	**1,921**	**1,971**	**79**	**1,892**	(3.3%)	+1.5%
Operating expenses excl.SRF	(1,038)	0	(1,038)	(959)	-	(959)	+8.2%	+8.2%
SRF	2	-	2	(1)	-	(1)	n.m.	n.m.
Gross operating income	**869**	**(16)**	**885**	**1,011**	**79**	**932**	**(14.0%)**	**(5.1%)**
Cost of risk	(32)	0	(32)	76	-	76	n.m.	n.m.
Equity-accounted entities	7	(0)	7	3	-	3	x 2.2	x 2.2
Net income on other assets	0	-	0	(1)	-	(1)	n.m.	n.m.
Income before tax	**844**	**(16)**	**860**	**1,090**	**79**	**1,011**	**(22.5%)**	**(14.9%)**
Tax	(174)	4	(178)	(204)	(20)	(184)	(14.7%)	(3.0%)
Net income from discont'd or held-for-sale ope.	-	-	-	-	-	-	n.m.	n.m.
Net income	**670**	**(12)**	**682**	**885**	**59**	**827**	**(24.3%)**	**(17.6%)**
Non controlling interests	(48)	0	(48)	(43)	(1)	(41)	+12.3%	+16.4%
Net income Group Share	**622**	**(11)**	**633**	**843**	**57**	**785**	**(26.2%)**	**(19.4%)**
Cost/Income ratio excl.SRF (%)	**54.5%**		**54.0%**	**48.7%**		**50.7%**	**+5.8 pp**	**+3.3 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**3,957**	**(47)**	**4,004**	**3,694**	**65**	**3,629**	+7.1%	+10.3%
Operating expenses excl.SRF	(2,159)	0	(2,159)	(1,927)	-	(1,927)	+12.0%	+12.0%
SRF	(312)	-	(312)	(442)	-	(442)	(29.4%)	(29.4%)
Gross operating income	**1,486**	**(47)**	**1,533**	**1,325**	**65**	**1,260**	**+12.2%**	**+21.7%**
Cost of risk	(68)	0	(68)	(202)	-	(202)	(66.1%)	(66.1%)
Equity-accounted entities	11	(0)	11	6	-	6	+78.2%	+78.2%
Net income on other assets	5	-	5	(1)	-	(1)	n.m.	n.m.
Income before tax	**1,433**	**(47)**	**1,481**	**1,128**	**65**	**1,063**	**+27.1%**	**+39.3%**
Tax	(358)	12	(370)	(280)	(17)	(263)	+27.9%	+40.8%
Net income from discont'd or held-for-sale ope.	-	-	-	-	-	-	n.m.	n.m.
Net income	**1,076**	**(35)**	**1,111**	**848**	**48**	**800**	**+26.8%**	**+38.8%**
Non controlling interests	(77)	1	(78)	(49)	(1)	(48)	+58.3%	+63.5%
Net income Group Share	**998**	**(34)**	**1,033**	**800**	**47**	**753**	**+24.9%**	**+37.2%**
Cost/Income ratio excl.SRF (%)	**54.6%**		**53.9%**	**52.2%**		**53.1%**	**+2.4 pp**	**+0.8 pp**

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Stated and underlying detailed income statement (€m) – CIB

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**1,535**	**(16)**	**1,550**	**1,658**	**79**	**1,579**	(7.4%)	(1.8%)
Operating expenses excl.SRF	(807)	0	(807)	(738)	-	(738)	+9.4%	+9.4%
SRF	(1)	-	(1)	(1)	-	(1)	+0.7%	+0.7%
Gross operating income	**727**	**(16)**	**743**	**919**	**79**	**840**	**(20.9%)**	**(11.6%)**
Cost of risk	(30)	0	(30)	75	-	75	n.m.	n.m.
Net income on other assets	0	-	0	(1)	-	(1)	n.m.	n.m.
Income before tax	**697**	**(16)**	**713**	**994**	**79**	**915**	**(29.8%)**	**(22.1%)**
Tax	(136)	4	(141)	(186)	(20)	(165)	(26.4%)	(14.9%)
Net income from discont'd or held-for-sale ope.	-	-	-	-	-	-	n.m.	n.m.
Net income	**561**	**(12)**	**572**	**808**	**59**	**749**	**(30.6%)**	**(23.6%)**
Non controlling interests	(14)	0	(14)	(18)	(1)	(17)	(25.1%)	(17.8%)
Net income Group Share	**547**	**(11)**	**558**	**790**	**57**	**733**	**(30.7%)**	**(23.8%)**
Cost/Income ratio excl.SRF (%)	**52.6%**		**52.0%**	**44.5%**		**46.7%**	**+8.1 pp**	**+5.3 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**3,226**	**(47)**	**3,273**	**3,069**	**65**	**3,004**	+5.1%	+9.0%
Operating expenses excl.SRF	(1,691)	0	(1,691)	(1,481)	-	(1,481)	+14.2%	+14.2%
SRF	(271)	-	(271)	(384)	-	(384)	(29.5%)	(29.5%)
Gross operating income	**1,264**	**(47)**	**1,312**	**1,204**	**65**	**1,139**	**+5.0%**	**+15.2%**
Cost of risk	(65)	0	(65)	(204)	-	(204)	(67.9%)	(67.9%)
Net income on other assets	0	-	0	(1)	-	(1)	n.m.	n.m.
Income before tax	**1,199**	**(47)**	**1,246**	**999**	**65**	**934**	**+20.0%**	**+33.4%**
Tax	(298)	12	(310)	(249)	(17)	(232)	+19.7%	+33.6%
Net income from discont'd or held-for-sale ope.	-	-	-	-	-	-	n.m.	n.m.
Net income	**901**	**(35)**	**936**	**751**	**48**	**702**	**+20.1%**	**+33.3%**
Non controlling interests	(22)	1	(23)	(17)	(1)	(16)	+29.4%	+43.2%
Net income Group Share	**879**	**(34)**	**914**	**734**	**47**	**687**	**+19.9%**	**+33.1%**
Cost/Income ratio excl.SRF (%)	**52.4%**		**51.7%**	**48.3%**		**49.3%**	**+4.2 pp**	**+2.4 pp**

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Stated and underlying detailed income statement (€m) – Financing activities

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**775**	**(1)**	**776**	**822**	**57**	**765**	(5.7%)	+1.4%
Operating expenses excl.SRF	(335)	0	(335)	(296)	-	(296)	+13.2%	+13.2%
SRF	1	-	1	(12)	-	(12)	n.m.	n.m.
Gross operating income	**441**	**(1)**	**442**	**514**	**57**	**457**	**(14.2%)**	**(3.3%)**
Cost of risk	(72)	0	(72)	72	-	72	n.m.	n.m.
Net income on other assets	0	-	0	(1)	-	(1)	n.m.	n.m.
Income before tax	**369**	**(1)**	**370**	**585**	**57**	**528**	**(36.9%)**	**(29.9%)**
Tax	(97)	0	(98)	(129)	(15)	(115)	(24.7%)	(14.9%)
Net income	**272**	**(1)**	**273**	**456**	**42**	**413**	**(40.3%)**	**(34.0%)**
Non controlling interests	(7)	0	(7)	(10)	(1)	(9)	(33.8%)	(26.7%)
Net income Group Share	**265**	**(1)**	**266**	**446**	**41**	**404**	**(40.4%)**	**(34.2%)**
Cost/Income ratio excl.SRF (%)	**43.3%**		**43.2%**	**36.0%**		**38.7%**	**+7.2 pp**	**+4.5 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**1,533**	**(25)**	**1,558**	**1,575**	**74**	**1,502**	(2.7%)	+3.7%
Operating expenses excl.SRF	(708)	0	(708)	(615)	-	(615)	+15.2%	+15.2%
SRF	(94)	-	(94)	(138)	-	(138)	(31.8%)	(31.8%)
Gross operating income	**731**	**(25)**	**756**	**823**	**74**	**749**	**(11.1%)**	**+0.9%**
Cost of risk	(94)	0	(94)	(211)	-	(211)	(55.4%)	(55.4%)
Net income on other assets	0	-	0	(1)	-	(1)	n.m.	n.m.
Income before tax	**637**	**(25)**	**662**	**611**	**74**	**537**	**+4.3%**	**+23.2%**
Tax	(172)	6	(178)	(142)	(19)	(123)	+20.9%	+44.7%
Net income	**465**	**(18)**	**484**	**469**	**55**	**414**	**(0.7%)**	**+16.8%**
Non controlling interests	(11)	0	(11)	(10)	(1)	(9)	+9.8%	+29.4%
Net income Group Share	**454**	**(18)**	**472**	**459**	**53**	**405**	**(0.9%)**	**+16.5%**
Cost/Income ratio excl.SRF (%)	**46.2%**		**45.5%**	**39.0%**		**40.9%**	**+7.2 pp**	**+4.5 pp**

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Stated and underlying detailed income statement (€m) – Capital markets & investment banking

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**760**	**(15)**	**774**	**836**	**22**	**814**	(9.1%)	(4.9%)
Operating expenses excl.SRF	(471)	-	(471)	(441)	-	(441)	+6.8%	+6.8%
SRF	(2)	-	(2)	11	-	11	n.m.	n.m.
Gross operating income	**286**	**(15)**	**301**	**405**	**22**	**383**	**(29.4%)**	**(21.5%)**
Cost of risk	42	-	42	3	-	3	x 12.3	x 12.3
Income before tax	**328**	**(15)**	**343**	**409**	**22**	**387**	**(19.8%)**	**(11.4%)**
Tax	(39)	4	(43)	(56)	(6)	(51)	(30.3%)	(15.0%)
Net income from discont'd or held-for-sale ope.	-	-	-	-	-	-	n.m.	n.m.
Net income	**289**	**(11)**	**300**	**353**	**16**	**336**	**(18.1%)**	**(10.9%)**
Non controlling interests	(7)	0	(7)	(8)	(0)	(8)	(14.8%)	(7.8%)
Net income Group Share	**282**	**(11)**	**292**	**344**	**16**	**328**	**(18.2%)**	**(10.9%)**
Cost/Income ratio excl.SRF (%)	**62.1%**		**60.9%**	**52.8%**		**54.2%**	**+9.3 pp**	**+6.7 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**1,693**	**(23)**	**1,715**	**1,493**	**(9)**	**1,502**	+13.4%	+14.2%
Operating expenses excl.SRF	(983)	-	(983)	(866)	-	(866)	+13.5%	+13.5%
SRF	(177)	-	(177)	(246)	-	(246)	(28.2%)	(28.2%)
Gross operating income	**533**	**(23)**	**556**	**381**	**(9)**	**390**	**+39.8%**	**+42.6%**
Cost of risk	29	-	29	7	-	7	x 3.9	x 3.9
Income before tax	**562**	**(23)**	**585**	**389**	**(9)**	**397**	**+44.6%**	**+47.2%**
Tax	(126)	6	(132)	(107)	2	(109)	+18.2%	+21.2%
Net income from discont'd or held-for-sale ope.	-	-	-	-	-	-	n.m.	n.m.
Net income	**436**	**(17)**	**453**	**282**	**(6)**	**288**	**+54.6%**	**+57.0%**
Non controlling interests	(11)	0	(11)	(7)	0	(7)	+58.7%	+60.9%
Net income Group Share	**425**	**(16)**	**442**	**275**	**(6)**	**281**	**+54.5%**	**+56.9%**
Cost/Income ratio excl.SRF (%)	**58.1%**		**57.3%**	**58.0%**		**57.6%**	**+0.1 pp**	**-0.4 pp**

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Stated and underlying detailed income statement (€m) – Asset Servicing

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**371**	**-**	**371**	**313**	**-**	**313**	+18.4%	+18.4%
Operating expenses excl.SRF	(231)	-	(231)	(222)	-	(222)	+4.2%	+4.2%
SRF	2	-	2	0	-	0	x 9.7	x 9.7
Gross operating income	**142**	**-**	**142**	**92**	**-**	**92**	**+55.1%**	**+55.1%**
Cost of risk	(2)	-	(2)	1	-	1	n.m.	n.m.
Equity-accounted entities	7	-	7	3	-	3	x 2.3	x 2.3
Income before tax	**147**	**-**	**147**	**96**	**-**	**96**	**+52.9%**	**+52.9%**
Tax	(38)	-	(38)	(19)	-	(19)	x 2	x 2
Net income	**109**	**-**	**109**	**77**	**-**	**77**	**+41.3%**	**+41.3%**
Non controlling interests	(34)	-	(34)	(25)	-	(25)	+39.8%	+39.8%
Net income Group Share	**75**	**-**	**75**	**53**	**-**	**53**	**+42.0%**	**+42.0%**
Cost/Income ratio excl.SRF (%)	**62.2%**		**62.2%**	**70.8%**		**70.8%**	**-8.5 pp**	**-8.5 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**731**	**-**	**731**	**625**	**-**	**625**	+16.9%	+16.9%
Operating expenses excl.SRF	(468)	-	(468)	(446)	-	(446)	+4.8%	+4.8%
SRF	(42)	-	(42)	(58)	-	(58)	(28.3%)	(28.3%)
Gross operating income	**221**	**-**	**221**	**121**	**-**	**121**	**+83.4%**	**+83.4%**
Cost of risk	(3)	-	(3)	2	-	2	n.m.	n.m.
Equity-accounted entities	11	-	11	6	-	6	+78.7%	+78.7%
Income before tax	**234**	**-**	**234**	**129**	**-**	**129**	**+82.2%**	**+82.2%**
Tax	(60)	-	(60)	(31)	-	(31)	+94.7%	+94.7%
Net income	**174**	**-**	**174**	**98**	**-**	**98**	**+78.3%**	**+78.3%**
Non controlling interests	(55)	-	(55)	(32)	-	(32)	+73.5%	+73.5%
Net income Group Share	**119**	**-**	**119**	**66**	**-**	**66**	**+80.6%**	**+80.6%**
Cost/Income ratio excl.SRF (%)	**64.0%**		**64.0%**	**71.4%**		**71.4%**	**-7.4 pp**	**-7.4 pp**

APPENDICES

Activity indicators – Specialised financial services

Consumer credit & leasing ouststandings / factored receivables (€bn)

CACF OUTSTANDINGS

Consumer credit (CACF) - Gross managed loans

(€bn)	Dec. 20	Mar. 21	Jun. 21	Sept. 21	Dec. 21	Mar. 22	Jun. 22	Sept. 22	Dec. 22	Mar. 23	Jun. 23	∆ Jun./Jun.
Consolidated loan book	33.2	33.0	33.4	35.3	35.9	36.3	37.1	38.0	39.1	39.4	64.5	73.8%
Car finance partnerships	31.7	32.8	32.4	31.0	31.9	32.8	34.2	35.5	38.5	40.3	15.7	-54.2%
Crédit Agricole Group	20.3	20.4	20.7	20.9	21.2	21.3	21.6	21.8	21.9	22.1	22.3	3.1%
Other	5.7	5.3	5.6	3.9	3.5	3.4	3.7	3.7	3.6	3.7	4.5	23.0%
Total	**90.9**	**91.4**	**92.1**	**91.0**	**92.5**	**93.9**	**96.6**	**98.9**	**103.0**	**105.5**	**107.0**	**10.8%**
O/w Agos (total managed loan book)	*13.8*	*13.6*	*13.8*	*13.8*	*14.1*	*14.3*	*14.8*	*15.1*	*15.6*	*15.9*	*16.4*	*11.0%*

CAL&F OUTSTANDINGS

Leasing & Factoring (CAL&F) - Leasing book and factored receivables

(€bn)	Dec. 20	Mar. 21	Jun. 21	Sept. 21	Dec. 21	Mar. 22	Jun. 22	Sept. 22	Dec. 22	Mar. 23	Jun. 23	∆ Jun./Jun.
Leasing portfolio	15.5	15.7	15.9	16.0	16.2	16.5	16.7	17.0	17.6	17.8	18.3	9.5%
incl. France	*12.6*	*12.8*	*12.8*	*13.0*	*13.0*	*13.3*	*13.4*	*13.6*	*14.1*	*14.4*	*14.7*	9.6%
Factored turnover	21.5	20.4	20.8	23.5	26.7	26.2	29.6	28.4	31.2	29.3	30.6	3.4%
incl. France	*14.4*	*13.3*	*14.8*	*14.2*	*16.7*	*16.0*	*18.1*	*16.8*	*19.5*	*18.0*	*19.3*	6.6%

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Stated and underlying detailed income statement (€m) – Specialised financial services

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**1,162**	**299**	**863**	**685**	**-**	**685**	+69.8%	+26.1%
Operating expenses excl.SRF	(430)	(18)	(411)	(360)	-	(360)	+19.5%	+14.3%
SRF	2	-	2	1	-	1	x 2.3	x 2.3
Gross operating income	**735**	**281**	**454**	**326**	**-**	**326**	**x 2.3**	**+39.3%**
Cost of risk	(304)	(85)	(220)	(112)	-	(112)	x 2.7	+96.0%
Equity-accounted entities	11	(12)	23	78	-	78	(86.0%)	(70.6%)
Net income on other assets	26	28	(2)	(2)	-	(2)	n.m.	(4.6%)
Income before tax	**468**	**212**	**256**	**290**	**-**	**290**	**+61.2%**	**(11.9%)**
Tax	(143)	(73)	(70)	(60)	-	(60)	x 2.4	+17.1%
Net income from discont'd or held-for-sale ope.	0	-	0	1	-	1	n.m.	n.m.
Net income	**325**	**140**	**185**	**231**	**-**	**231**	**+40.5%**	**(19.9%)**
Non controlling interests	(21)	-	(21)	(30)	-	(30)	(30.9%)	(30.9%)
Net income Group Share	**304**	**140**	**164**	**201**	**-**	**201**	**+51.4%**	**(18.2%)**
Cost/Income ratio excl.SRF (%)	**37.0%**		**47.6%**	**52.5%**		**52.5%**	**-15.6 pp**	**-4.9 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**1,834**	**299**	**1,535**	**1,372**	**-**	**1,372**	+33.6%	+11.8%
Operating expenses excl.SRF	(800)	(18)	(782)	(726)	-	(726)	+10.2%	+7.7%
SRF	(29)	-	(29)	(34)	-	(34)	(15.7%)	(15.7%)
Gross operating income	**1,005**	**281**	**724**	**612**	**-**	**612**	**+64.1%**	**+18.3%**
Cost of risk	(463)	(85)	(378)	(237)	-	(237)	+95.5%	+59.8%
Equity-accounted entities	85	(12)	97	158	-	158	(46.2%)	(38.6%)
Net income on other assets	25	28	(3)	(2)	-	(2)	n.m.	+78.2%
Income before tax	**652**	**212**	**440**	**532**	**-**	**532**	**+22.6%**	**(17.3%)**
Tax	(177)	(73)	(104)	(114)	-	(114)	+55.4%	(8.4%)
Net income from discont'd or held-for-sale ope.	0	-	0	2	-	2	n.m.	n.m.
Net income	**475**	**140**	**336**	**420**	**-**	**420**	**+13.1%**	**(20.1%)**
Non controlling interests	(44)	-	(44)	(56)	-	(56)	(20.9%)	(20.9%)
Net income Group Share	**431**	**140**	**291**	**364**	**-**	**364**	**+18.3%**	**(20.0%)**
Cost/Income ratio excl.SRF (%)	**43.6%**		**50.9%**	**52.9%**		**52.9%**	**-9.3 pp**	**-2.0 pp**

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Stated and underlying detailed income statement (€m) – CA-CF

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**981**	**299**	**682**	**527**	**-**	**527**	+86.4%	+29.5%
Operating expenses excl.SRF	(335)	(18)	(316)	(272)	-	(272)	+23.3%	+16.5%
SRF	2	-	2	1	-	1	x 2.5	x 2.5
Gross operating income	**649**	**281**	**368**	**256**	**-**	**256**	**x 2.5**	**+43.8%**
Cost of risk	(285)	(85)	(201)	(100)	-	(100)	x 2.9	x 2
Equity-accounted entities	14	(12)	26	78	-	78	(82.2%)	(66.8%)
Net income on other assets	26	28	(2)	(2)	-	(2)	n.m.	(34.0%)
Income before tax	**404**	**212**	**192**	**232**	**-**	**232**	**+74.1%**	**(17.3%)**
Tax	(122)	(73)	(49)	(45)	-	(45)	x 2.7	+9.3%
Net income from discont'd or held-for-sale ope.	-	-	-	-	-	-	n.m.	n.m.
Net income	**282**	**140**	**143**	**187**	**-**	**187**	**+50.8%**	**(23.7%)**
Non controlling interests	(21)	-	(21)	(30)	-	(30)	(31.8%)	(31.8%)
Net income Group Share	**262**	**140**	**122**	**157**	**-**	**157**	**+66.7%**	**(22.2%)**
Cost/Income ratio excl.SRF (%)	**34.1%**		**46.4%**	**51.6%**		**51.6%**	**-17.4 pp**	**-5.2 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**1,492**	**299**	**1,192**	**1,054**	**-**	**1,054**	+41.5%	+13.1%
Operating expenses excl.SRF	(612)	(18)	(594)	(549)	-	(549)	+11.5%	+8.2%
SRF	(13)	-	(13)	(16)	-	(16)	(17.7%)	(17.7%)
Gross operating income	**866**	**281**	**585**	**489**	**-**	**489**	**+77.0%**	**+19.6%**
Cost of risk	(432)	(85)	(347)	(217)	-	(217)	+99.1%	+60.1%
Equity-accounted entities	88	(12)	100	158	-	158	(44.4%)	(36.8%)
Net income on other assets	23	28	(5)	(2)	-	(2)	n.m.	x 2
Income before tax	**546**	**212**	**333**	**428**	**-**	**428**	**+27.4%**	**(22.2%)**
Tax	(144)	(73)	(71)	(83)	-	(83)	+72.4%	(14.8%)
Net income from discont'd or held-for-sale ope.	-	-	-	-	-	-	n.m.	n.m.
Net income	**402**	**140**	**262**	**345**	**-**	**345**	**+16.5%**	**(23.9%)**
Non controlling interests	(44)	-	(44)	(55)	-	(55)	(21.5%)	(21.5%)
Net income Group Share	**358**	**140**	**219**	**289**	**-**	**289**	**+23.8%**	**(24.4%)**
Cost/Income ratio excl.SRF (%)	**41.0%**		**49.8%**	**52.1%**		**52.1%**	**-11.0 pp**	**-2.3 pp**

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Stated and underlying detailed income statement (€m) – CAL&F

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**180**	**-**	**180**	**158**	**-**	**158**	+14.0%	+14.0%
Operating expenses excl.SRF	(94)	-	(94)	(88)	-	(88)	+6.8%	+6.8%
SRF	(0)	-	(0)	0	-	0	n.m.	n.m.
Gross operating income	**86**	**-**	**86**	**70**	**-**	**70**	**+22.7%**	**+22.7%**
Cost of risk	(19)	-	(19)	(12)	-	(12)	+55.3%	+55.3%
Net income on other assets	(0)	-	(0)	0	-	0	n.m.	n.m.
Income before tax	**64**	**-**	**64**	**58**	**-**	**58**	**+9.4%**	**+9.4%**
Tax	(21)	-	(21)	(15)	-	(15)	+39.6%	+39.6%
Net income Group Share	**42**	**-**	**42**	**44**	**-**	**44**	**(4.2%)**	**(4.2%)**
Cost/Income ratio excl.SRF (%)	**52.2%**		**52.2%**	**55.7%**		**55.7%**	**-3.5 pp**	**-3.5 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**342**	**-**	**342**	**318**	**-**	**318**	+7.4%	+7.4%
Operating expenses excl.SRF	(187)	-	(187)	(177)	-	(177)	+5.8%	+5.8%
SRF	(15)	-	(15)	(18)	-	(18)	(14.0%)	(14.0%)
Gross operating income	**139**	**-**	**139**	**123**	**-**	**123**	**+12.7%**	**+12.7%**
Cost of risk	(31)	-	(31)	(20)	-	(20)	+56.1%	+56.1%
Net income on other assets	1	-	1	0	-	0	x 2.9	x 2.9
Income before tax	**106**	**-**	**106**	**104**	**-**	**104**	**+2.5%**	**+2.5%**
Tax	(33)	-	(33)	(31)	-	(31)	+8.9%	+8.9%
Net income Group Share	**72**	**-**	**72**	**75**	**-**	**75**	**(3.3%)**	**(3.3%)**
Cost/Income ratio excl.SRF (%)	**54.9%**		**54.9%**	**55.7%**		**55.7%**	**-0.8 pp**	**-0.8 pp**

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Activity Indicators – French retail banking

Customer savings / loans outstandings (€bn)

LCL - Customer savings (€bn)

Customer savings (€bn)*	Dec. 20	Mar.21	Jun. 21	Sept. 21	Dec. 21	Mar.22	Jun. 22	Sept. 22	Dec. 22	Mar.23	Jun. 23	∆ Jun./Jun.
Securities	10.5	11.3	13.9	12.0	13.0	12.6	12.3	11.6	12.0	14.9	14.2	+15.9%
Mutual funds and REITs	8.6	8.7	8.9	8.6	8.7	8.2	7.6	7.1	7.9	8.5	8.6	+12.4%
Life insurance	62.4	63.6	62.9	64.8	65.7	65.3	64.8	64.0	63.9	62.6	63.8	(1.6%)
Off-balance sheet savings	**81.5**	**83.6**	**85.7**	**85.4**	**87.3**	**86.2**	**84.6**	**82.8**	**83.8**	**86.1**	**86.5**	**+2.2%**
Demand deposits	70.3	71.0	74.4	76.0	78.8	78.8	79.1	78.2	73.2	67.2	65.4	(17.3%)
Home purchase savings plans	10.1	10.2	10.2	10.1	10.1	10.2	10.1	10.0	9.9	9.9	9.7	(3.8%)
Bonds	6.2	5.9	5.4	5.3	4.9	5.1	4.4	4.7	6.3	7.4	8.0	+82.9%
Passbooks*	41.3	42.0	42.2	43.0	42.1	42.7	43.7	44.4	46.6	49.7	49.1	+12.2%
Time deposits	10.5	10.4	9.9	9.7	9.3	8.5	8.5	10.3	15.3	20.6	22.2	x 2,6
On-balance sheet savings	**138.3**	**139.6**	**142.0**	**144.1**	**145.2**	**145.3**	**145.8**	**147.6**	**151.4**	**154.9**	**154.4**	**+5.9%**
TOTAL	**219.8**	**223.1**	**227.8**	**229.5**	**232.5**	**231.5**	**230.5**	**230.4**	**235.2**	**241.0**	**240.9**	**+4.5%**

Passbooks o/w (€bn)*	Dec. 20	Mar.21	Jun. 21	Sept. 21	Dec. 21	Mar.22	Jun. 22	Sept. 22	Dec. 22	Mar.23	Jun. 23	∆ Jun./Jun.
Livret A	*11.2*	*11.7*	*11.9*	*12.3*	12.2	12.6	12.9	13.2	13.5	14.6	15.3	+18.8%
LEP	*1.0*	*1.0*	*1.0*	*1.0*	0.9	1.0	1.0	1.1	1.2	1.5	1.6	+58.5%
LDD	*8.8*	*9.1*	*9.1*	*9.1*	9.0	9.1	9.1	9.1	9.1	9.4	9.6	+5.5%

* Including liquid company savings. Outstanding Livret A and LDD before centralisation with the CDC.

Retail Banking in France (LCL) - Loans outstandings

Loans outstanding (€bn)	Dec. 20	Mar.21	Jun. 21	Sept. 21	Dec. 21	Mar.22	Jun. 22	Sept. 22	Dec. 22	Mar.23	Jun. 23	∆ Jun./Jun.
Corporate	28.9	28.6	27.8	28.1	28.3	28.8	29.7	31.1	31.6	31.3	31.6	+6.2%
Professionals	20.4	20.9	21.0	21.3	21.6	22.1	22.6	23.2	23.5	23.9	24.1	+6.6%
Consumer credit	8.0	7.9	8.0	8.1	8.3	8.4	8.4	8.5	8.7	8.6	8.7	+3.8%
Home loans	86.1	86.7	87.9	90.2	92.3	93.8	96.0	98.5	100.5	101.8	102.9	+7.2%
TOTAL	**143.4**	**144.0**	**144.7**	**147.6**	**150.6**	**153.1**	**156.7**	**161.3**	**164.3**	**165.6**	**167.3**	**+6.7%**

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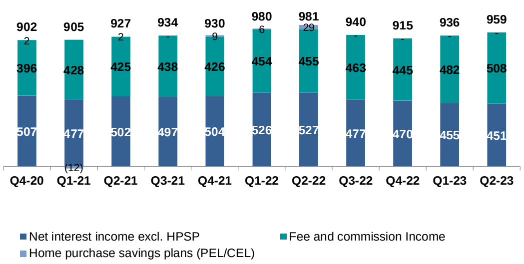
Activity Indicators – French retail banking

Revenues (€m)

Revenues (€m)	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	∆ Q2/Q2
Net interest income	**508**	**465**	**504**	**497**	**513.1**	**532.0**	**555.2**	**476.8**	**470.0**	**454.9**	**450.6**	**(18.8%)**
Home purchase savings plans (PEL/CEL)	2	(12)	2	-	9.2	5.8	28.6	-	-	-	-	(100.0%)
Net interest income excl. HPSP	***507***	***477***	***502***	***497***	***504***	***526***	***527***	***477***	***470***	***455***	***451***	***(14.4%)***
Fee and commission Income	**396**	**428**	**425**	**438**	**425.6**	**454.3**	**454.7**	**463.5**	**444.7**	**481.5**	**508.3**	**+11.8%**
- Securities	*32*	*33*	*33*	*32*	34.5	35.9	32.4	30.2	25.6	30.9	30.3	(6.2%)
- Insurance	*147*	*181*	*172*	*177*	164.4	180.8	183.1	182.7	165.2	196.4	196.1	+7.1%
- Account management and payment instruments	*217*	*215*	*220*	*228*	226.7	237.5	239.2	250.5	253.8	254.2	281.8	+17.8%
TOTAL	904	893	929	934	939	986	1 010	940	915	936	959	-5.1%
TOTAL excl. HPSP	902	905	927	934	930	980	981	940	915	936	959	-2.3%



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Stated and underlying detailed income statement (€m) – French retail banking

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**959**	**21**	**938**	**1,010**	**29**	**981**	(5.1%)	(4.4%)
Operating expenses excl.SRF	(554)	-	(554)	(572)	-	(572)	(3.2%)	(3.2%)
SRF	6	-	6	(3)	-	(3)	n.m.	n.m.
Gross operating income	**411**	**21**	**390**	**435**	**29**	**406**	**(5.5%)**	**(4.0%)**
Cost of risk	(69)	-	(69)	(43)	-	(43)	+60.0%	+60.0%
Net income on other assets	2	-	2	5	-	5	(50.9%)	(50.9%)
Income before tax	**345**	**21**	**324**	**397**	**29**	**368**	**(13.2%)**	**(12.1%)**
Tax	(76)	-	(76)	(94)	(7)	(87)	(19.8%)	(12.9%)
Net income	**269**	**21**	**248**	**303**	**21**	**282**	**(11.1%)**	**(11.9%)**
Non controlling interests	(12)	(1)	(11)	(12)	(1)	(11)	(1.4%)	(1.4%)
Net income Group Share	**257**	**20**	**237**	**291**	**20**	**270**	**(11.6%)**	**(12.3%)**
Cost/Income ratio excl.SRF (%)	**57.7%**		**59.0%**	**56.6%**		**58.3%**	**+1.1 pp**	**+0.7 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**1,895**	**21**	**1,874**	**1,996**	**34**	**1,962**	(5.1%)	(4.5%)
Operating expenses excl.SRF	(1,153)	-	(1,153)	(1,168)	-	(1,168)	(1.3%)	(1.3%)
SRF	(44)	-	(44)	(69)	-	(69)	(35.5%)	(35.5%)
Gross operating income	**698**	**21**	**677**	**759**	**34**	**725**	**(8.1%)**	**(6.6%)**
Cost of risk	(135)	-	(135)	(104)	-	(104)	+29.0%	+29.0%
Net income on other assets	2	-	2	14	-	14	(82.6%)	(82.6%)
Income before tax	**566**	**21**	**545**	**669**	**34**	**634**	**(15.4%)**	**(14.1%)**
Tax	(138)	-	(138)	(175)	(9)	(166)	(21.3%)	(17.0%)
Net income	**428**	**21**	**407**	**493**	**26**	**468**	**(13.3%)**	**(13.0%)**
Non controlling interests	(19)	(1)	(18)	(20)	(1)	(19)	(3.7%)	(2.9%)
Net income Group Share	**409**	**20**	**388**	**473**	**24**	**449**	**(13.7%)**	**(13.5%)**
Cost/Income ratio excl.SRF (%)	**60.8%**		**61.5%**	**58.5%**		**59.5%**	**+2.3 pp**	**+2.0 pp**

APPENDICES

Activity Indicators – International retail banking

Customer assets & Loans outstandings (€bn)

CA Italy (€bn) *	Dec. 20	Mar. 21	June 21	Sept 21	Dec 21	Mar. 22	June 22	sept 2022	Dec 22	Mars 23	June 23	∆ June/June
Total loans outstanding	45.5	46.5	61.2	60.9	59.4	58.6	58.8	59.0	59.4	59.2	59.7	+1.5%
o/w retail customer loans	22.4	22.7	28.1	28.2	28.3	28.3	28.6	28.7	28.9	29.0	29.0	+1.4%
o/w professionals loans	7.7	7.5	9.8	9.7	9.6	10.3	9.8	9.6	9.2	9.0	8.9	(8.6%)
o/w corporates loans, including SMEs	13.5	14.0	21.1	20.6	20.4	13.3	17.9	18.1	18.4	18.4	18.8	+5.3%
On-balance sheet customer assets	44.9	44.1	61.1	61.9	63.1	61.8	60.4	60.4	62.3	61.9	63.7	+5.5%
Off-balance sheet customer assets	39.9	40.8	50.6	51.6	52.8	46.9	49.7	49.3	49.6	49.4	49.5	(0.4%)
Total assets (€bn)	84.8	85.0	111.8	113.5	115.8	108.7	110.0	109.7	111.9	111.3	113.2	+2.8%

IRB Others (€bn)	Dec. 20	Mar. 21	June 21	Sept 21	Dec 21	Mar. 22	June 22	sept 2022	Dec 22 *	Mars 23	June 23	∆ June/June
Total loans outstanding	11.7	11.8	12.5	12.8	12.8	12.8	12.2	12.2	6.9	6.7	6.9	(43.2%)
o/w retail customer loans	5.9	6.0	6.2	6.3	6.3	6.3	5.8	5.7	3.6	3.6	3.8	(34.0%)
o/w SMEs and professionnals	1.2	1.2	1.3	0.6	0.6	0.6	0.3	0.4	0.3	0.3	0.3	(2.3%)
o/w Large corporates	4.5	4.5	4.7	5.9	5.8	5.9	6.0	6.1	3.0	2.8	2.8	(53.7%)
On-balance sheet customer assets	13.5	14.0	14.3	14.3	15.1	15.0	13.9	14.2	9.8	9.6	10.2	(26.7%)
Off-balance sheet customer assets	2.4	2.5	2.1	2.1	2.0	1.9	1.9	1.8	0.5	0.6	0.6	(67.2%)
Total assets (€bn)	15.9	16.4	16.4	16.4	17.2	16.9	15.8	16.0	10.3	10.2	10.8	(31.6%)

* Net of POCI outstandigs
** Disposal of controlling interest in Crédit du Maroc in Q4 2022

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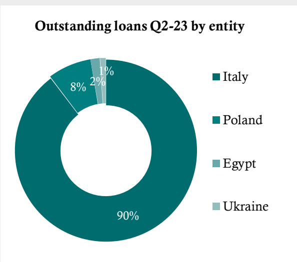
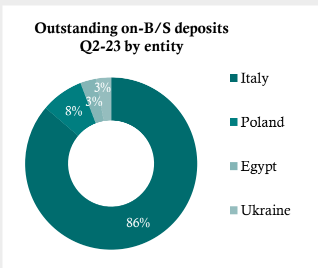
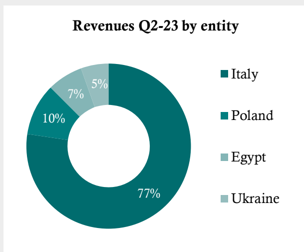
Activity Indicators – International retail banking

Loans outstanding / Outstanding on-B/S / Revenues by entity (%)







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Stated and underlying detailed income statement (€m) – International retail banking

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**982**	**-**	**982**	**812**	**-**	**812**	+20.9%	+20.9%
Operating expenses excl.SRF	(503)	-	(503)	(502)	(22)	(479)	+0.3%	+5.0%
SRF	(0)	-	(0)	(8)	-	(8)	(100.0%)	(100.0%)
Gross operating income	**479**	**-**	**479**	**302**	**(22)**	**325**	**+58.4%**	**+47.5%**
Cost of risk	(127)	-	(127)	(117)	-	(117)	+8.3%	+8.3%
Equity-accounted entities	0	-	0	0	-	0	x 10	x 10
Net income on other assets	0	-	0	6	-	6	(94.4%)	(94.4%)
Income before tax	**353**	**-**	**353**	**191**	**(22)**	**214**	**+84.3%**	**+65.1%**
Tax	(103)	-	(103)	(55)	7	(62)	+89.1%	+66.6%
Net income from discont'd or held-for-sale ope.	3	-	3	11	(3)	14	n.m.	n.m.
Net income	**252**	**-**	**252**	**147**	**(18)**	**165**	**+70.9%**	**+52.3%**
Non controlling interests	(55)	-	(55)	(35)	3	(38)	+57.7%	+44.7%
Net income Group Share	**197**	**-**	**197**	**113**	**(15)**	**128**	**+75.0%**	**+54.6%**
Cost/Income ratio excl.SRF (%)	**51.2%**		**51.2%**	**61.8%**		**59.0%**	**-10.5 pp**	**-7.8 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**1,951**	**-**	**1,951**	**1,599**	**0**	**1,598**	+22.0%	+22.0%
Operating expenses excl.SRF	(987)	-	(987)	(988)	(31)	(958)	(0.1%)	+3.1%
SRF	(40)	-	(40)	(38)	-	(38)	+4.9%	+4.9%
Gross operating income	**924**	**-**	**924**	**572**	**(30)**	**603**	**+61.4%**	**+53.3%**
Cost of risk	(241)	-	(241)	(390)	(195)	(195)	(38.2%)	+23.4%
Equity-accounted entities	1	-	1	1	-	1	(25.2%)	(25.2%)
Net income on other assets	0	-	0	6	-	6	(92.7%)	(92.7%)
Income before tax	**684**	**-**	**684**	**189**	**(225)**	**415**	**x 3.6**	**+65.0%**
Tax	(201)	-	(201)	(112)	10	(122)	+79.8%	+65.0%
Net income from discont'd or held-for-sale ope.	5	-	5	12	(7)	19	n.m.	n.m.
Net income	**488**	**-**	**488**	**90**	**(222)**	**312**	**x 5.4**	**+56.4%**
Non controlling interests	(113)	-	(113)	(77)	1	(78)	+46.6%	+45.0%
Net income Group Share	**375**	**-**	**375**	**13**	**(221)**	**234**	**x 29.3**	**+60.2%**
Cost/Income ratio excl.SRF (%)	**50.6%**		**50.6%**	**61.8%**		**59.9%**	**-11.2 pp**	**-9.3 pp**

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Stated and underlying detailed income statement (€m) – CA Italia

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**760**	**-**	**760**	**622**	**-**	**622**	+22.2%	+22.2%
Operating expenses excl.SRF	(397)	-	(397)	(394)	(22)	(372)	+0.6%	+6.7%
SRF	(0)	-	(0)	(8)	-	(8)	(100.0%)	(100.0%)
Gross operating income	**363**	**-**	**363**	**219**	**(22)**	**241**	**+65.6%**	**+50.3%**
Cost of risk	(89)	-	(89)	(74)	-	(74)	+20.4%	+20.4%
Equity-accounted entities	0	-	0	0	-	0	x 10	x 10
Net income on other assets	0	-	0	6	-	6	(96.4%)	(96.4%)
Income before tax	**275**	**-**	**275**	**152**	**(22)**	**174**	**+81.0%**	**+57.8%**
Tax	(82)	-	(82)	(40)	7	(47)	x 2.1	+73.9%
Net income	**193**	**-**	**193**	**112**	**(15)**	**127**	**+72.1%**	**+51.8%**
Non controlling interests	(43)	-	(43)	(22)	3	(25)	+98.5%	+73.3%
Net income Group Share	**150**	**-**	**150**	**90**	**(12)**	**102**	**+65.8%**	**+46.6%**
Cost/Income ratio excl.SRF (%)	**52.3%**		**52.3%**	**63.4%**		**59.8%**	**-11.2 pp**	**-7.6 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**1,520**	**-**	**1,520**	**1,241**	**-**	**1,241**	+22.5%	+22.5%
Operating expenses excl.SRF	(769)	-	(769)	(770)	(30)	(740)	(0.2%)	+3.9%
SRF	(40)	-	(40)	(38)	-	(38)	+4.9%	+4.9%
Gross operating income	**712**	**-**	**712**	**432**	**(30)**	**463**	**+64.6%**	**+53.9%**
Cost of risk	(150)	-	(150)	(119)	-	(119)	+25.8%	+25.8%
Equity-accounted entities	1	-	1	1	-	1	(25.2%)	(25.2%)
Net income on other assets	0	-	0	6	-	6	-95%	(95.0%)
Income before tax	**564**	**-**	**564**	**321**	**(30)**	**351**	**+75.7%**	**+60.5%**
Tax	(165)	-	(165)	(88)	10	(98)	+88.3%	+69.0%
Net income	**398**	**-**	**398**	**233**	**(20)**	**253**	**+70.9%**	**+57.2%**
Non controlling interests	(88)	-	(88)	(51)	4	(56)	+72.5%	+58.8%
Net income Group Share	**310**	**-**	**310**	**182**	**(16)**	**198**	**+70.4%**	**+56.8%**
Cost/Income ratio excl.SRF (%)	**50.5%**		**50.5%**	**62.1%**		**59.6%**	**-11.5 pp**	**-9.1 pp**

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Stated and underlying detailed income statement (€m) – International retail banking - others

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**222**	**-**	**222**	**190**	**-**	**190**	+16.9%	+16.9%
Operating expenses	(106)	-	(106)	(107)	-	(107)	(0.8%)	(0.8%)
SRF	-	-	-	-	-	-	n.m.	n.m.
Gross operating income	**116**	**-**	**116**	**83**	**-**	**83**	**+39.6%**	**+39.6%**
Cost of risk	(38)	-	(38)	(44)	-	(44)	(12.3%)	(12.3%)
Income before tax	**78**	**-**	**78**	**40**	**-**	**40**	**+97.0%**	**+97.0%**
Tax	(22)	-	(22)	(15)	-	(15)	+43.8%	+43.8%
Net income from discont'd or held-for-sale ope.	3	-	3	11	(3)	14	n.m.	n.m.
Net income	**59**	**-**	**59**	**35**	**(3)**	**38**	**+67.2%**	**+53.9%**
Non controlling interests	(12)	-	(12)	(13)	-	(13)	(8.8%)	(8.8%)
Net income Group Share	**47**	**-**	**47**	**22**	**(3)**	**25**	**x 2.1**	**+86.8%**
Cost/Income ratio excl.SRF (%)	**47.8%**		**47.8%**	**56.3%**		**56.3%**	**-8.5 pp**	**-8.5 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**430**	**-**	**430**	**358**	**0**	**358**	+20.3%	+20.4%
Operating expenses	(218)	-	(218)	(218)	(0)	(218)	+0.2%	+0.4%
SRF	-	-	-	-	-	-	n.m.	n.m.
Gross operating income	**212**	**-**	**212**	**140**	**(0)**	**140**	**+51.6%**	**+51.4%**
Cost of risk	(91)	-	(91)	(271)	(195)	(76)	(66.3%)	+19.7%
Net income on other assets	0	-	0	(0)	-	(0)	n.m.	n.m.
Income before tax	**121**	**-**	**121**	**(131)**	**(195)**	**64**	**n.m.**	**+89.7%**
Tax	(36)	-	(36)	(24)	-	(24)	+48.8%	+48.8%
Net income from discont'd or held-for-sale ope.	5	-	5	12	(7)	19	n.m.	n.m.
Net income	**90**	**-**	**90**	**(143)**	**(202)**	**59**	**n.m.**	**+53.1%**
Non controlling interests	(24)	-	(24)	(26)	(4)	(22)	(5.2%)	+10.1%
Net income Group Share	**65**	**-**	**65**	**(169)**	**(205)**	**36**	**n.m.**	**+79.0%**
Cost/Income ratio excl.SRF (%)	**50.7%**		**50.7%**	**60.9%**		**60.8%**	**-10.2 pp**	**-10.1 pp**

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Stated and underlying detailed income statement (€m) – Corporate centre

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**(66)**	**42**	**(107)**	**(33)**	**35**	**(68)**	+99.6%	+58.0%
Operating expenses excl.SRF	21	-	21	(3)	-	(3)	n.m.	n.m.
SRF	(6)	-	(6)	(0)	-	(0)	x 160.1	x 160.1
Gross operating income	**(51)**	**42**	**(92)**	**(36)**	**35**	**(71)**	**+39.5%**	**+29.4%**
Cost of risk	(2)	-	(2)	(3)	-	(3)	(35.8%)	(35.8%)
Equity-accounted entities	(19)	-	(19)	(9)	-	(9)	x 2.1	x 2.1
Net income on other assets	-	-	-	0	-	0	n.m.	n.m.
Income before tax	**(71)**	**42**	**(113)**	**(48)**	**35**	**(83)**	**+49.1%**	**+36.3%**
Tax	65	-	65	6	(9)	16	x 10	x 4.2
Net income	**(6)**	**42**	**(48)**	**(41)**	**26**	**(67)**	**(85.4%)**	**(29.2%)**
Non controlling interests	(10)	-	(10)	(11)	-	(11)	(8.6%)	(8.6%)
Net income Group Share	**(16)**	**42**	**(58)**	**(52)**	**26**	**(78)**	**(69.4%)**	**(26.3%)**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**(318)**	**42**	**(360)**	**(201)**	**53**	**(253)**	+58.6%	+42.1%
Operating expenses excl.SRF	(18)	-	(18)	(22)	-	(22)	(18.5%)	(18.5%)
SRF	(77)	-	(77)	(56)	-	(56)	+36.9%	+36.9%
Gross operating income	**(413)**	**42**	**(455)**	**(279)**	**53**	**(332)**	**+48.2%**	**+37.2%**
Cost of risk	(0)	-	(0)	(4)	-	(4)	(88.2%)	(88.2%)
Equity-accounted entities	(33)	-	(33)	(17)	-	(17)	+89.2%	+89.2%
Net income on other assets	-	-	-	0	-	0	n.m.	n.m.
Income before tax	**(447)**	**42**	**(488)**	**(301)**	**53**	**(353)**	**+48.7%**	**+38.3%**
Tax	153	-	153	57	(14)	70	x 2.7	x 2.2
Net income	**(293)**	**42**	**(335)**	**(244)**	**39**	**(283)**	**+20.3%**	**+18.4%**
Non controlling interests	(27)	-	(27)	(19)	-	(19)	+44.2%	+44.2%
Net income Group Share	**(321)**	**42**	**(362)**	**(263)**	**39**	**(302)**	**+22.0%**	**+20.0%**

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Income statement(1) by business line Q1-23 and Q1-22

€m	Q2-23 (stated)						
	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**1,732**	**1,906**	**1,162**	**959**	**982**	**(66)**	**6,676**
Operating expenses excl. SRF	(715)	(1,038)	(430)	(554)	(503)	21	(3,218)
SRF	(0)	2	2	6	(0)	(6)	4
Gross operating income	**1,017**	**869**	**735**	**411**	**479**	**(51)**	**3,461**
Cost of risk	(0)	(32)	(304)	(69)	(127)	(2)	(534)
Equity-accounted entities	27	7	11	-	0	(19)	27
Net income on other assets	0	0	26	2	0	-	29
Income before tax	**1,045**	**844**	**468**	**345**	**353**	**(71)**	**2,983**
Tax	(246)	(174)	(143)	(76)	(103)	65	(677)
Net income from discontinued or held-for-sale operations	1	-	0	-	3	-	4
Net income	**799**	**670**	**325**	**269**	**252**	**(6)**	**2,309**
Non controlling interests	(123)	(48)	(21)	(12)	(55)	(10)	(269)
Net income Group Share	**676**	**622**	**304**	**257**	**197**	**(16)**	**2,040**

€m	Q2-22 (stated)						
	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**1,174**	**1,971**	**685**	**1,010**	**812**	**(33)**	**5,619**
Operating expenses excl. SRF	(727)	(959)	(360)	(572)	(502)	(3)	(3,123)
SRF	0	(1)	1	(3)	(8)	(0)	(11)
Gross operating income	**447**	**1,011**	**326**	**435**	**302**	**(36)**	**2,485**
Cost of risk	(4)	76	(112)	(43)	(117)	(3)	(202)
Equity-accounted entities	21	3	78	-	0	(9)	94
Net income on other assets	2	(1)	(2)	5	6	0	11
Income before tax	**467**	**1,090**	**290**	**397**	**191**	**(48)**	**2,387**
Tax	(143)	(204)	(60)	(94)	(55)	6	(549)
Net income from discontinued or held-for-sale operations	11	-	1	-	11	0	23
Net income	**335**	**885**	**231**	**303**	**147**	**(41)**	**1,861**
Non controlling interests	(93)	(43)	(30)	(12)	(35)	(11)	(225)
Net income Group Share	**242**	**843**	**201**	**291**	**113**	**(52)**	**1,636**

AG : Asset Gathering ; FRB : French Retail Banking ; SFS : Specialised Financial Services ; LC : Large Customers ; CC : Corporate Center
(1) Presentation of main aggregates of the income statement

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Income statement[1] by business line H1-23 and H1-22

	H1-23 (stated)						
€m	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**3,478**	**3,957**	**1,834**	**1,895**	**1,951**	**(318)**	**12,797**
Operating expenses excl. SRF	(1,430)	(2,159)	(800)	(1,153)	(987)	(18)	(6,546)
SRF	(6)	(312)	(29)	(44)	(40)	(77)	(509)
Gross operating income	**2,042**	**1,486**	**1,005**	**698**	**924**	**(413)**	**5,741**
Cost of risk	(1)	(68)	(463)	(135)	(241)	(0)	(908)
Equity-accounted entities	49	11	85	-	1	(33)	113
Net income on other assets	0	5	25	2	0	-	33
Change in value of goodwill	-	-	-	-	-	-	-
Income before tax	**2,090**	**1,433**	**652**	**566**	**684**	**(447)**	**4,979**
Tax	(478)	(358)	(177)	(138)	(201)	153	(1,199)
Net income from discontinued or held-for-sale operations	1	-	0	-	5	-	6
Net income	**1,613**	**1,076**	**475**	**428**	**488**	**(293)**	**3,786**
Non controlling interests	(239)	(77)	(44)	(19)	(113)	(27)	(520)
Net income Group Share	**1,374**	**998**	**431**	**409**	**375**	**(321)**	**3,266**

	H1-22 (stated)						
€m	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**2,743**	**3,694**	**1,372**	**1,996**	**1,599**	**(201)**	**11,203**
Operating expenses excl. SRF	(1,425)	(1,927)	(726)	(1,168)	(988)	(22)	(6,256)
SRF	(7)	(442)	(34)	(69)	(38)	(56)	(647)
Gross operating income	**1,311**	**1,325**	**612**	**759**	**572**	**(279)**	**4,300**
Cost of risk	(5)	(202)	(237)	(104)	(390)	(4)	(943)
Equity-accounted entities	41	6	158	-	1	(17)	189
Net income on other assets	3	(1)	(2)	14	6	0	20
Change in value of goodwill	-	-	-	-	-	-	-
Income before tax	**1,349**	**1,128**	**532**	**669**	**189**	**(301)**	**3,567**
Tax	(326)	(280)	(114)	(175)	(112)	57	(950)
Net income from discontinued or held-for-sale operations	10	-	2	-	12	0	24
Net income	**1,033**	**848**	**420**	**493**	**90**	**(244)**	**2,641**
Non controlling interests	(213)	(49)	(56)	(20)	(77)	(19)	(434)
Net income Group Share	**820**	**800**	**364**	**473**	**13**	**(263)**	**2,207**

AG : Asset Gathering ; FRB : French Retail Banking ; SFS : Specialised Financial Services ; LC : Large Customers ; CC : Corporate Center
(1) Presentation of main aggregates of the income statement

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Underlying income statement[1] by business line Q2-23 and Q2-22

	Q2-23 (underlying)						
€m	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**1,732**	**1,921**	**863**	**938**	**982**	**(107)**	**6,329**
Operating expenses excl. SRF	(715)	(1,038)	(411)	(554)	(503)	21	(3,200)
SRF	(0)	2	2	6	(0)	(6)	4
Gross operating income	**1,017**	**885**	**454**	**390**	**479**	**(92)**	**3,133**
Cost of risk	(0)	(32)	(220)	(69)	(127)	(2)	(450)
Equity-accounted entities	27	7	23	-	0	(19)	39
Net income on other assets	0	0	(2)	2	0	-	1
Income before tax	**1,045**	**860**	**256**	**324**	**353**	**(113)**	**2,724**
Tax	(246)	(178)	(70)	(76)	(103)	65	(609)
Net income from discontinued or held-for-sale operations	1	-	0	-	3	-	4
Net income	**799**	**682**	**185**	**248**	**252**	**(48)**	**2,119**
Non controlling interests	(123)	(48)	(21)	(11)	(55)	(10)	(269)
Net income Group Share	**676**	**633**	**164**	**237**	**197**	**(58)**	**1,850**

	Q2-22 (underlying)						
€m	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**1,174**	**1,892**	**685**	**981**	**812**	**(68)**	**5,477**
Operating expenses excl. SRF	(687)	(959)	(360)	(572)	(479)	(3)	(3,061)
SRF	0	(1)	1	(3)	(8)	(0)	(11)
Gross operating income	**487**	**932**	**326**	**406**	**325**	**(71)**	**2,405**
Cost of risk	(4)	76	(112)	(43)	(117)	(3)	(202)
Equity-accounted entities	21	3	78	-	0	(9)	94
Net income on other assets	2	(1)	(2)	5	6	0	11
Income before tax	**507**	**1,011**	**290**	**368**	**214**	**(83)**	**2,307**
Tax	(153)	(184)	(60)	(87)	(62)	16	(530)
Net income from discontinued or held-for-sale operations	11	-	1	-	14	0	26
Net income	**365**	**827**	**231**	**282**	**165**	**(67)**	**1,803**
Non controlling interests	(103)	(41)	(30)	(11)	(38)	(11)	(235)
Net income Group Share	**262**	**785**	**201**	**270**	**128**	**(78)**	**1,568**

AG : Asset Gathering ; FRB : French Retail Banking ; SFS : Specialised Financial Services ; LC : Large Customers ; CC : Corporate Center
(1) Presentation of main aggregates of the income statement

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Underlying income statement[1] by business line H1-23 and H1-22

	H1-23 (underlying)						
€m	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**3,478**	**4,004**	**1,535**	**1,874**	**1,951**	**(360)**	**12,482**
Operating expenses excl. SRF	(1,430)	(2,159)	(782)	(1,153)	(987)	(18)	(6,528)
SRF	(6)	(312)	(29)	(44)	(40)	(77)	(509)
Gross operating income	**2,042**	**1,533**	**724**	**677**	**924**	**(455)**	**5,445**
Cost of risk	(1)	(68)	(378)	(135)	(241)	(0)	(824)
Equity-accounted entities	49	11	97	-	1	(33)	125
Net income on other assets	0	5	(3)	2	0	-	5
Income before tax	**2,090**	**1,481**	**440**	**545**	**684**	**(488)**	**4,752**
Tax	(478)	(370)	(104)	(138)	(201)	153	(1,138)
Net income from discontinued or held-for-sale operations	1	-	0	-	5	-	6
Net income	**1,613**	**1,111**	**336**	**407**	**488**	**(335)**	**3,619**
Non controlling interests	(239)	(78)	(44)	(18)	(113)	(27)	(519)
Net income Group Share	**1,374**	**1,033**	**291**	**388**	**375**	**(362)**	**3,100**

	H1-22 (underlying)						
€m	AG	LC	SFS	FRB (LCL)	IRB	CC	Total
Revenues	**2,743**	**3,629**	**1,372**	**1,962**	**1,598**	**(253)**	**11,051**
Operating expenses excl. SRF	(1,375)	(1,927)	(726)	(1,168)	(958)	(22)	(6,175)
SRF	(7)	(442)	(34)	(69)	(38)	(56)	(647)
Gross operating income	**1,361**	**1,260**	**612**	**725**	**603**	**(332)**	**4,229**
Cost of risk	(5)	(202)	(237)	(104)	(195)	(4)	(748)
Equity-accounted entities	41	6	158	-	1	(17)	189
Net income on other assets	3	(1)	(2)	14	6	0	20
Income before tax	**1,400**	**1,063**	**532**	**634**	**415**	**(353)**	**3,691**
Tax	(339)	(263)	(114)	(166)	(122)	70	(934)
Net income from discontinued or held-for-sale operations	10	-	2	-	19	0	31
Net income	**1,071**	**800**	**420**	**468**	**312**	**(283)**	**2,788**
Non controlling interests	(225)	(48)	(56)	(19)	(78)	(19)	(445)
Net income Group Share	**846**	**753**	**364**	**449**	**234**	**(302)**	**2,344**

AG : Asset Gathering ; FRB : French Retail Banking ; SFS : Specialised Financial Services ; LC : Large Customers ; CC : Corporate Center
(1) Presentation of main aggregates of the income statement

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Activity indicators – Regional Banks

Customer assets & Loans outstandings (€bn)

Customer assets (€bn)*	Jun. 21	Sept. 21	Dec. 21	Mar. 22	Jun. 22	Sept. 22	Dec. 22	Mar. 23	Jun. 23	∆ Jun./Jun.
Securities	48.8	48.2	49.2	45.6	43.0	42.0	44.2	46.2	46.8	+8.8%
Mutual funds and REITs	26.8	27.2	27.8	26.1	24.8	24.2	25.3	26.8	27.8	+12.3%
Life insurance	205.2	205.7	208.6	208.4	206.6	205.0	208.7	211.6	212.4	+2.8%
Off-balance sheet assets	**280.8**	**281.1**	**285.6**	**280.1**	**274.4**	**271.2**	**278.2**	**284.6**	**287.1**	**+4.6%**
Demand deposits	218.5	224.9	230.2	231.6	233.8	235.7	231.3	218.0	212.0	(9.3%)
Home purchase savings schemes	110.7	110.7	112.5	112.1	111.5	110.8	111.5	108.4	105.8	(5.2%)
Passbook accounts	165.8	169.6	171.7	177.0	180.4	187.2	191.6	197.1	198.1	+9.9%
Time deposits	40.3	39.8	39.5	38.5	38.2	38.7	42.3	52.8	63.1	+65.4%
On-balance sheet assets	**535.2**	**545.1**	**554.0**	**559.3**	**563.9**	**572.4**	**576.7**	**576.4**	**579.0**	**+2.7%**
TOTAL	**815.9**	**826.1**	**839.5**	**839.3**	**838.3**	**843.6**	**854.9**	**861.0**	**866.1**	**+3.3%**

NB: Change in method in march 2019: recognition of life insurance policies purchased from non-Group providers

Passbooks, o/w (€bn)*	Jun. 21	Sept. 21	Dec. 21	Mar. 22	Jun. 22	Sept. 22	Dec. 22	Mar. 23	Jun. 23	∆ Jun./Jun.
Livret A	59.9	60.8	61.2	63.8	65.2	67.9	70.5	75.6	77.9	+19.5%
LEP	11.7	11.7	11.4	12.3	12.3	13.4	14.8	17.2	17.8	+44.9%
LDD	36.0	36.1	36.1	36.6	36.8	37.2	38.2	39.6	40.3	+9.7%
Mutual shareholders passbook account	11.8	12.0	12.2	12.3	12.3	12.4	12.4	13.1	13.5	+9.3%

** including customer financial instruments. Livret A and LDD outstandings before centralisation with the CDC.*

Loans outstanding (€bn)	Jun. 21	Sept. 21	Dec. 21	Mar. 22	Jun. 22	Sept. 22	Dec. 22	Mar. 23	Jun. 23	∆ Jun./Jun.
Home loans	352.1	358.2	363.1	367.2	372.8	378.9	384.2	387.2	390.5	+4.8%
Consumer credit	21.8	21.8	22.3	22.3	22.5	22.6	22.9	22.9	23.2	+2.8%
SMEs	99.1	101.5	104.7	107.2	109.8	112.8	115.3	116.8	118.1	+7.5%
Small businesses	29.7	29.7	30.0	30.3	30.6	30.7	30.6	31.0	31.1	+1.6%
Farming loans	43.0	43.3	42.6	43.5	44.6	44.9	44.6	45.5	46.3	+3.9%
Local authorities	33.4	33.3	33.6	33.2	33.6	33.1	33.7	33.3	33.2	(1.2%)
TOTAL	**579.1**	**587.7**	**596.3**	**603.7**	**614.0**	**622.9**	**631.2**	**636.7**	**642.4**	**+4.6%**

CRÉDIT AGRICOLE GROUP

APPENDICES
Activity indicators – Regional Banks

Detail of fees and commissions / Evolution of credit risk outstandings (m€)

Regional Banks – detail of fees and commissions, from Q2-21 to Q2-23

€m	Q2-21	Q3-21	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	∆ Q2/Q2
Services and other banking transactions	212	216	221	231	223	223	232	228	227	+1.8%
Securities	67	63	75	78	74	69	68	77	68	(8.3%)
Insurance	739	741	826	983	742	810	776	976	852	+14.8%
Account management and payment instruments	467	496	502	490	511	524	506	519	530	+3.7%
Net fees & commissions from other customer activities(1)	112	94	121	96	91	89	106	108	126	+38.3%
TOTAL(1)	**1,597**	**1,610**	**1,745**	**1,878**	**1,640**	**1,715**	**1,689**	**1,908**	**1,801**	**+9.9%**

(1) Revenues generated by the subsidiaries of the Regional Banks, namely fees and commisions from leasing and operating leasing transactions

Regional Banks - Evolution of credit risk outstandings

€m	June 22	Dec. 22	March 23	June 23
Gross customer loans outstanding	617,827	634,996	639,989	645,827
of which: impaired loans	9,760	10,624	10,740	11,048
Loans loss reserves (incl. collective reserves)	10,274	10,522	10,616	10,912
Impaired loans ratio	1.6%	1.7%	1.7%	1.7%
Coverage ratio (excl. collective reserves)	55.7%	51.5%	51.6%	51.2%
Coverage ratio (incl. collective reserves)	105.3%	99.0%	98.9%	98.8%

(1) Revenues generated by the subsidiaries of the Regional Banks, namely fees and commissions from leasing and operating leasing transactions

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Stated and underlying detailed income statement (€m) – Regional banks

€m	Q2-23 stated	Specific items	Q2-23 underlying	Q2-22 stated	Specific items	Q2-22 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying
Revenues	**3,353**	**42**	**3,311**	**3,738**	**342**	**3,396**	**(10.3%)**	**(2.5%)**
Operating expenses excl.SRF	(2,448)	-	(2,448)	(2,359)	-	(2,359)	+3.8%	+3.8%
SRF	2	-	2	3	-	3	(8.1%)	(8.1%)
Gross operating income	**907**	**42**	**865**	**1,382**	**342**	**1,040**	**(34.4%)**	**(16.8%)**
Cost of risk	(405)	-	(405)	(411)	-	(411)	(1.6%)	(1.6%)
Equity-accounted entities	0	-	0	1	-	1	(99.9%)	(99.9%)
Net income on other assets	4	-	4	11	-	11	(58.0%)	(58.0%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**507**	**42**	**465**	**982**	**342**	**640**	**(48.4%)**	**(27.3%)**
Tax	(93)	-	(93)	(213)	(88)	(125)	(56.3%)	(25.4%)
Net income Group Share	**413**	**42**	**371**	**768**	**254**	**514**	**(46.2%)**	**(27.8%)**
Cost/Income ratio excl.SRF (%)	**73.0%**		**73.9%**	**63.1%**		**69.5%**	**+9.9 pp**	**+4.5 pp**

€m	H1-23 stated	Specific items	H1-23 underlying	H1-22 stated	Specific items	H1-22 underlying	∆ H1/H1 stated	∆ H1/H1 underlying
Revenues	**6,686**	**42**	**6,645**	**7,425**	**412**	**7,013**	**(9.9%)**	**(5.2%)**
Operating expenses excl.SRF	(4,889)	-	(4,889)	(4,685)	-	(4,685)	+4.4%	+4.4%
SRF	(111)	-	(111)	(156)	-	(156)	(28.7%)	(28.7%)
Gross operating income	**1,686**	**42**	**1,644**	**2,584**	**412**	**2,172**	**(34.8%)**	**(24.3%)**
Cost of risk	(577)	-	(577)	(557)	-	(557)	+3.6%	+3.6%
Equity-accounted entities	7	-	7	5	-	5	+48.6%	+48.6%
Net income on other assets	6	-	6	24	-	24	(75.8%)	(75.8%)
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.
Income before tax	**1,122**	**42**	**1,081**	**2,056**	**412**	**1,644**	**(45.4%)**	**(34.3%)**
Tax	(289)	-	(289)	(516)	(106)	(409)	(44.0%)	(29.4%)
Net income Group Share	**833**	**42**	**792**	**1,540**	**306**	**1,234**	**(45.9%)**	**(35.9%)**
Cost/Income ratio excl.SRF (%)	**73.1%**		**73.6%**	**63.1%**		**66.8%**	**+10.0 pp**	**+6.8 pp**

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Income statement by business line Q2-23 and Q2-22

	Q2-23 (stated)							
€m	RB	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	**3,353**	**959**	**1,005**	**1,741**	**1,162**	**1,905**	**(578)**	**9,546**
Operating expenses excl. SRF	(2,448)	(554)	(520)	(715)	(430)	(1,038)	471	(5,233)
SRF	2	6	(0)	(0)	2	2	(6)	6
Gross operating income	**907**	**411**	**485**	**1,026**	**735**	**869**	**(113)**	**4,319**
Cost of risk	(405)	(69)	(125)	(0)	(304)	(32)	(3)	(938)
Cost of legal risk	-	-	-	-	-	-	-	-
Equity-accounted entities	0	-	0	27	11	7	(0)	46
Net income on other assets	4	2	0	0	26	0	(0)	33
Income before tax	**507**	**345**	**361**	**1,053**	**468**	**844**	**(116)**	**3,460**
Tax	(93)	(76)	(105)	(245)	(143)	(174)	63	(772)
Net income from discont'd or held-for-sale ope.	-	-	3	1	0	-	-	4
Net income	**413**	**269**	**259**	**809**	**325**	**670**	**(53)**	**2,692**
Non controlling interests	(0)	0	(39)	(122)	(21)	(34)	5	(211)
Net income Group Share	**413**	**269**	**220**	**687**	**304**	**635**	**(48)**	**2,481**

	Q2-22 (stated)							
€m	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	**3,738**	**1,010**	**1,189**	**830**	**685**	**1,970**	**(573)**	**8,849**
Operating expenses excl. SRF	(2,359)	(572)	(726)	(517)	(360)	(959)	497	(4,996)
SRF	3	(3)	0	(8)	1	(1)	(0)	(8)
Gross operating income	**1,382**	**435**	**463**	**305**	**326**	**1,010**	**(76)**	**3,845**
Cost of risk	(411)	(43)	(4)	(118)	(112)	76	(3)	(615)
Cost of legal risk	-	-	-	-	-	-	-	-
Equity-accounted entities	1	-	21	0	78	3	0	103
Net income on other assets	11	5	2	6	(2)	(1)	0	22
Income before tax	**982**	**397**	**482**	**194**	**290**	**1,088**	**(79)**	**3,355**
Tax	(213)	(94)	(147)	(55)	(60)	(204)	3	(771)
Net income from discont'd or held-for-sale ope.	-	-	11	11	1	-	0	23
Net income	**768**	**303**	**347**	**149**	**231**	**884**	**(76)**	**2,607**
Non controlling interests	(0)	(2)	(91)	(27)	(30)	(27)	1	(176)
Net income Group Share	**768**	**301**	**256**	**123**	**201**	**858**	**(76)**	**2,431**

AG : Asset Gathering ; FRB : French Retail Banking ; SFS : Specialised Financial Services ; LC : Large Customers ; CC : Corporate Center

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Income statement by business line H1-23 and H1-22

	H1-23 (stated)							
€m	RB	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	**6,686**	**1,895**	**1,994**	**3,486**	**1,834**	**3,956**	**(1,378)**	**18,473**
Operating expenses excl. SRF	(4,889)	(1,153)	(1,020)	(1,430)	(800)	(2,159)	935	(10,517)
SRF	(111)	(44)	(40)	(6)	(29)	(312)	(77)	(620)
Gross operating income	**1,686**	**698**	**934**	**2,050**	**1,005**	**1,485**	**(521)**	**7,337**
Cost of risk	(577)	(135)	(240)	(1)	(463)	(68)	(3)	(1,486)
Equity-accounted entities	7	-	1	49	85	11	(0)	153
Net income on other assets	6	2	0	0	25	5	(1)	37
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**1,122**	**566**	**695**	**2,098**	**652**	**1,433**	**(525)**	**6,042**
Tax	(289)	(138)	(203)	(475)	(177)	(358)	157	(1,483)
Net income from discontinued or held-for-sale operations	-	-	5	1	0	-	-	6
Net income	**833**	**428**	**497**	**1,624**	**475**	**1,075**	**(368)**	**4,565**
Non controlling interests	(0)	(0)	(79)	(233)	(44)	(54)	(4)	(415)
Net income Group Share	**833**	**428**	**418**	**1,390**	**431**	**1,021**	**(372)**	**4,150**

	H1-22 (stated)							
€m	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	**7,425**	**1,996**	**2,757**	**1,634**	**1,372**	**3,692**	**(1,147)**	**17,730**
Operating expenses excl. SRF	(4,685)	(1,168)	(1,425)	(1,018)	(726)	(1,927)	872	(10,078)
SRF	(156)	(69)	(7)	(38)	(34)	(442)	(56)	(803)
Gross operating income	**2,584**	**759**	**1,324**	**578**	**612**	**1,323**	**(331)**	**6,850**
Cost of risk	(557)	(104)	(5)	(393)	(237)	(202)	(6)	(1,503)
Equity-accounted entities	5	-	41	1	158	6	-	211
Net income on other assets	24	5	3	6	(2)	(1)	(0)	35
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**2,056**	**659**	**1,363**	**193**	**532**	**1,127**	**(337)**	**5,592**
Tax	(516)	(175)	(330)	(112)	(114)	(279)	53	(1,474)
Net income from discontinued or held-for-sale operations	-	-	10	12	2	-	0	25
Net income	**1,540**	**484**	**1,043**	**92**	**420**	**847**	**(285)**	**4,143**
Non controlling interests	(1)	(2)	(206)	(57)	(56)	(36)	(4)	(362)
Net income Group Share	**1,540**	**482**	**837**	**35**	**364**	**811**	**(289)**	**3,781**

AG : Asset Gathering ; FRB : French Retail Banking ; SFS : Specialised Financial Services ; LC : Large Customers ; CC : Corporate Center

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Income statement by business line Q2-23 and Q2-22

	Q2-23 (underlying)							
€m	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	**3,311**	**938**	**1,741**	**1,005**	**863**	**1,921**	**(620)**	**9,159**
Operating expenses excl. SRF	(2,448)	(554)	(715)	(520)	(411)	(1,038)	471	(5,215)
SRF	2	6	(0)	(0)	2	2	(6)	6
Gross operating income	**865**	**390**	**1,026**	**485**	**454**	**885**	**(155)**	**3,950**
Cost of risk	(405)	(69)	(0)	(125)	(220)	(32)	(3)	(854)
Equity-accounted entities	0	-	27	0	23	7	(0)	58
Net income on other assets	4	2	0	0	(2)	0	(0)	5
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**465**	**324**	**1,053**	**361**	**256**	**860**	**(158)**	**3,160**
Tax	(93)	(76)	(245)	(105)	(70)	(178)	63	(704)
Net income from discontinued or held-for-sale operations	-	-	1	3	0	-	-	4
Net income	**372**	**248**	**809**	**259**	**185**	**681**	**(95)**	**2,460**
Non controlling interests	(0)	0	(122)	(39)	(21)	(34)	5	(211)
Net income Group Share	**371**	**248**	**687**	**220**	**164**	**647**	**(90)**	**2,249**

	Q2-22 (underlying)							
€m	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	**3,396**	**981**	**1,189**	**830**	**685**	**1,891**	**(608)**	**8,364**
Operating expenses excl. SRF	(2,359)	(572)	(686)	(494)	(360)	(959)	497	(4,933)
SRF	3	(3)	0	(8)	1	(1)	(0)	(8)
Gross operating income	**1,040**	**406**	**503**	**328**	**326**	**931**	**(111)**	**3,423**
Cost of risk	(411)	(43)	(4)	(118)	(112)	76	(3)	(615)
Equity-accounted entities	1	-	21	0	78	3	0	103
Net income on other assets	11	5	2	6	(2)	(1)	0	22
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**640**	**368**	**523**	**216**	**290**	**1,009**	**(114)**	**2,933**
Tax	(125)	(87)	(157)	(63)	(60)	(184)	12	(664)
Net income from discontinued or held-for-sale operations	-	-	11	14	1	-	0	26
Net income	**515**	**282**	**377**	**167**	**231**	**826**	**(102)**	**2,295**
Non controlling interests	(0)	(2)	(100)	(29)	(30)	(27)	1	(187)
Net income Group Share	**514**	**280**	**277**	**139**	**201**	**799**	**(101)**	**2,108**

AG : Asset Gathering ; FRB : French Retail Banking ; SFS : Specialised Financial Services ; LC : Large Customers ; CC : Corporate Center

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Income statement by business line H1-23 and H1-22

	H1-23 (underlying)							
€m	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	**6,645**	**1,874**	**3,486**	**1,994**	**1,535**	**4,004**	**(1,420)**	**18,117**
Operating expenses excl. SRF	(4,889)	(1,153)	(1,430)	(1,020)	(782)	(2,159)	935	(10,498)
SRF	(111)	(44)	(6)	(40)	(29)	(312)	(77)	(620)
Gross operating income	**1,644**	**677**	**2,050**	**934**	**724**	**1,533**	**(562)**	**6,999**
Cost of risk	(577)	(135)	(1)	(240)	(378)	(68)	(3)	(1,402)
Equity-accounted entities	7	-	49	1	97	11	(0)	165
Net income on other assets	6	2	0	0	(3)	5	(1)	10
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**1,081**	**545**	**2,098**	**695**	**440**	**1,480**	**(566)**	**5,773**
Tax	(289)	(138)	(475)	(203)	(104)	(370)	157	(1,422)
Net income from discontinued or held-for-sale operations	-	-	1	5	0	-	-	6
Net income	**792**	**407**	**1,624**	**497**	**336**	**1,110**	**(410)**	**4,356**
Non controlling interests	(0)	(0)	(233)	(79)	(44)	(54)	(4)	(415)
Net income Group Share	**792**	**407**	**1,390**	**418**	**291**	**1,057**	**(413)**	**3,941**

	H1-22 (underlying)							
€m	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	**7,013**	**1,962**	**2,757**	**1,634**	**1,372**	**3,627**	**(1,199)**	**17,166**
Operating expenses excl. SRF	(4,685)	(1,168)	(1,375)	(988)	(726)	(1,927)	872	(9,997)
SRF	(156)	(69)	(7)	(38)	(34)	(442)	(56)	(803)
Gross operating income	**2,172**	**725**	**1,375**	**608**	**612**	**1,258**	**(384)**	**6,367**
Cost of risk	(557)	(104)	(5)	(198)	(237)	(202)	(6)	(1,308)
Equity-accounted entities	5	-	41	1	158	6	-	211
Net income on other assets	24	5	3	6	(2)	(1)	(0)	35
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**1,644**	**625**	**1,413**	**418**	**532**	**1,062**	**(390)**	**5,304**
Tax	(409)	(166)	(343)	(122)	(114)	(262)	66	(1,351)
Net income from discontinued or held-for-sale operations	-	-	10	19	2	-	0	31
Net income	**1,235**	**459**	**1,081**	**315**	**420**	**799**	**(324)**	**3,984**
Non controlling interests	(1)	(2)	(217)	(57)	(56)	(36)	(4)	(373)
Net income Group Share	**1,234**	**456**	**863**	**258**	**364**	**763**	**(328)**	**3,612**

AG : Asset Gathering ; FRB : French Retail Banking ; SFS : Specialised Financial Services ; LC : Large Customers ; CC : Corporate Center

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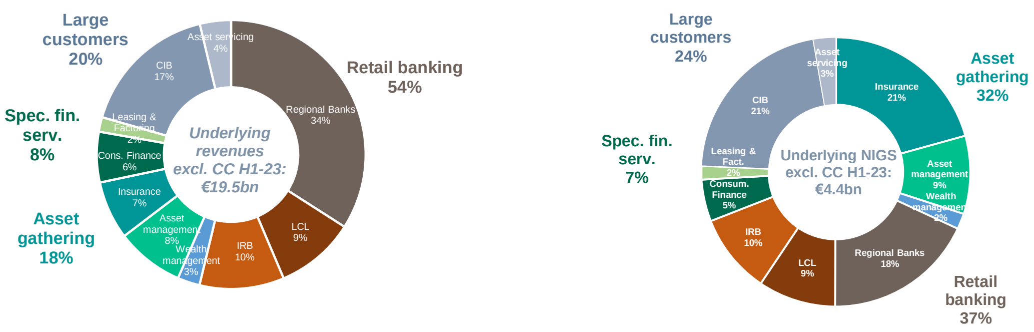
Crédit Agricole Group

Underlying revenues and net income by business line (excl. CC) (€m)



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APPENDICES
Risk indicators

Evolution of credit risk outstandings

Crédit Agricole Group - Evolution of credit risk outstandings

€m	June 22	Dec. 22	March 23	June 23
Gross customer loans outstanding	1,103,965	1,134,254	1,136,259	1,166,636
of which: impaired loans	22,120	23,968	23,958	24,656
Loans loss reserves (incl. collective reserves)	19,455	19,864	19,981	20,625
Impaired loans ratio	2.0%	2.1%	2.1%	2.1%
Coverage ratio (excl. collective reserves)	50.4%	48.0%	48.2%	48.2%
Coverage ratio (incl. collective reserves)	88.0%	82.9%	83.4%	83.6%

Crédit Agricole S.A. - Evolution of credit risk outstandings

€m	June 22	Dec. 22	March 23	June 23
Gross customer loans outstanding	485,980	499,096	496,150	520,646
of which: impaired loans	12,356	13,339	13,214	13,605
Loans loss reserves (incl. collective reserves)	9,177	9,339	9,361	9,709
Impaired loans ratio	2.5%	2.7%	2.7%	2.6%
Coverage ratio (excl. collective reserves)	46.2%	45.3%	45.5%	45.8%
Coverage ratio (incl. collective reserves)	74.3%	70.0%	70.8%	71.4%

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Risk breakdown[1] by business sector and geographic region

Risk indicators

Risk breakdown[1] by business sector and geographic region

By business sector	Jun. 23	Jun. 22
Retail banking	26.5%	23.6%
Non-merchant service / Public sector / Local authorities	24.8%	30.4%
Energy (2)	0.0%	8.0%
Power (2)	*3.9%*	*0.0%*
Petrol & Gas (2)	*4.0%*	*0.0%*
Other non banking financial activities	6.0%	5.2%
Banks	1.9%	2.8%
Real estate	3.1%	2.9%
Aerospace	1.7%	1.6%
Others	3.7%	1.7%
Automotive	3.3%	3.3%
Heavy industry	2.9%	2.8%
Retail and consumer goods	2.1%	1.9%
Construction	1.7%	1.6%
Food	2.3%	2.2%
Shipping	1.5%	1.5%
Other transport	1.5%	1.2%
Other industries	2.2%	2.1%
Telecom	2.0%	1.7%
Healthcare / pharmaceuticals	1.2%	1.1%
Insurance	1.1%	1.1%
Tourism / hotels / restaurants	0.8%	0.8%
IT / computing	1.8%	1.7%
Not allocated	0.1%	0.8%
Total	**100%**	**100%**

By geographic region	Jun. 23	Jun. 22
France (excl. retail banking)	34.3%	40.0%
France (retail banking)	16.4%	15.0%
Western Europe (excl. Italy)	12.9%	12.2%
Italy	14.4%	12.0%
North America	6.9%	6.0%
Asia and Oceania excl. Japan	4.6%	5.0%
Africa and Middle-East	2.7%	3.3%
Japan	4.7%	3.7%
Eastern Europe	1.7%	1.5%
Central and South America	1.3%	1.2%
Not allocated	0.0%	0.0%
Total	**100%**	**100%**

(1) The commercial lending portfolio figures are calculated in accordance with IFRS7 requirements, they encompass both on balance-sheet and off-balance-sheet exposures.
(2) Energy exposures are splitted in 2022 between Power and Oil & Gas

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Risk indicators

VaR – Market risk exposures

Crédit Agricole S.A. - Market risk exposures - VAR (99% - 1 day)

m€

	Q2-23			30/06/2023	30/12/2022
	Minimum	Maximum	Average		
Fixed income	10	17	**14**	12	9
Credit	6	9	**7**	7	6
Foreign Exchange	3	6	**4**	3	5
Equities	2	4	**3**	3	2
Commodities	0	0	**0**	0	0
Mutualised VaR for Crédit Agricole S.A.	**15**	**21**	**18**	**16**	**15**
Compensation Effects*			**-10**	**-9**	**-8**

- Crédit Agricole S.A.'s VaR (99% - 1 day) is computed by taking into account the impact of diversification between the Group's various entities
- VaR (99 % - 1 day) at 30/06/2023: 18 M€ for Crédit Agricole S.A.

*Diversification gains between risk factors

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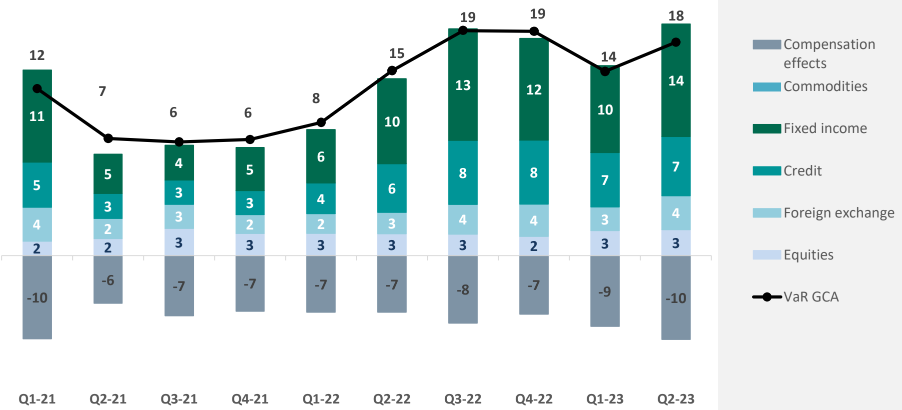
Risk indicators

VaR – Market risk exposures

Crédit Agricole S.A. - Quaterly average of VAR (99% - 1 day, in m€)



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Financial structure

Crédit Agricole S.A. solvency (in euro bn)

Credit Agricole SA: solvency (in euros Bn)

	Phased-in	
	30/06/23	31/12/22
Share capital and reserves	30.9	29.6
Consolidated reserves	36.6	34.5
Other comprehensive income	(2.9)	(4.9)
Net income (loss) for the year	3.3	5.4
EQUITY - GROUP SHARE	**67.9**	**64.6**
(-) Expected dividend	(1.5)	(3.2)
(-) AT1 instruments accounted as equity	(7.2)	(6.0)
Eligible minority interests	4.5	4.5
(-) Prudential filters	(0.2)	(0.1)
o/w: Prudent valuation	*(1.1)*	*(1.2)*
(-) Deduction of goodwills and intangible assets	(18.5)	(18.6)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	(0.1)	(0.1)
Shortfall in adjustments for credit risk relative to expected losses under the internal ratings-based approach	(0.3)	(0.2)
Amount exceeding thresholds	0.0	0.0
Insufficient coverage for non-performing exposures (Pillar 2)	(0.0)	(0.0)
Other CET1 components	(1.0)	(0.3)
COMMON EQUITY TIER 1 (CET1)	**43.6**	**40.6**
Additionnal Tier 1 (AT1) instruments	7.6	6.5
Other AT1 components	(0.3)	(0.2)
TOTAL TIER 1	**50.9**	**46.9**
Tier 2 instruments	15.1	16.2
Other Tier 2 components	0.1	0.0
TOTAL CAPITAL	**66.2**	**63.1**
RWAs	**376.9**	**376.9**
CET1 ratio	**11.6%**	**10.8%**
Tier 1 ratio	**13.5%**	**12.4%**
Total capital ratio	**17.6%**	**16.7%**

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Financial structure

Crédit Agricole Group solvency (in euro bn)

Credit Agricole Group: solvency (in euros Bn)	Phased-in 30/06/23	Phased-in 31/12/22
Share capital and reserves	32.4	30.5
Consolidated reserves	98.1	92.6
Other comprehensive income	(2.6)	(4.7)
Net income (loss) for the year	4.1	8.1
EQUITY - GROUP SHARE	**132.1**	**126.5**
(-) Expected dividend	(0.7)	(1.6)
(-) AT1 instruments accounted as equity	(7.2)	(6.0)
Eligible minority interests	3.6	3.6
(-) Prudential filters	(1.1)	(0.9)
o/w: Prudent valuation	*(2.2)*	*(2.1)*
(-) Deduction of goodwills and intangible assets	(19.1)	(19.1)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	(0.1)	(0.1)
Shortfall in adjustments for credit risk relative to expected losses under the internal ratings-based approach	(0.4)	(0.3)
Amount exceeding thresholds	0.0	0.0
Insufficient coverage for non-performing exposures (Pillar 2)	(1.0)	(1.0)
Other CET1 components	(1.3)	(0.1)
COMMON EQUITY TIER 1 (CET1)	**104.7**	**100.9**
Additionnal Tier 1 (AT1) instruments	7.6	6.5
Other AT1 components	(0.3)	(0.3)
TOTAL TIER 1	**112.1**	**107.1**
Tier 2 instruments	15.1	16.1
Other Tier 2 components	0.9	0.8
TOTAL CAPITAL	**128.1**	**124.0**
RWAs	**595.8**	**574.6**
CET1 ratio	**17.6%**	**17.6%**
Tier 1 ratio	**18.8%**	**18.6%**
Total capital ratio	**21.5%**	**21.6%**

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Financial structure and balance sheet

Balance sheet (€bn)

Assets	30/06/2023	31/12/2022 *
Cash and Central banks	161.7	207.6
Financial assets at fair value through profit or loss	500.9	446.5
Hedging derivative instruments	27.6	31.9
Financial assets at fair value through other comprehensive income	210.6	208.9
Loans and receivables due from credit institutions	582.2	567.5
Loans and receivables due from customers	510.9	488.6
Debt securities	82.8	87.2
Revaluation adjustment on interest rate hedged portfolios **	-10.2	-10.9
Current and deferred tax assets	6.7	6.4
Accruals, prepayments and sundry assets	65.7	67.5
Non-current assets held for sale and discontinued operations	0.1	0.1
Contrats d'assurance émis - Actif		
Contrats de réassurance détenus - Actif	1.0	1.0
Investments in equity affiliates	2.5	4.3
Investment property	11.7	12.0
Property, plant and equipment	6.9	6.0
Intangible assets	3.1	3.1
Goodwill	15.7	15.7
Total assets	**2,179.9**	**2,143.3**

Liabilities	30/06/2023	31/12/2022 *
Central banks	0.0	0.1
Financial liabilities at fair value through profit or loss	346.4	292.6
Hedging derivative instruments	37.9	45.6
Due to banks	243.0	284.2
Customer accounts	807.0	825.6
Debt securities in issue	242.2	214.7
Revaluation adjustment on interest rate hedged portfolios **	-9.5	-10.4
Current and deferred tax liabilities	2.6	2.2
Accruals and sundry liabilities	66.8	54.7
Liabilities associated with non-current assets held for sale	0.0	0.2
Contrats d'assurance émis - Passif	339.4	331.3
Contrats de réassurance détenus - Passif	0.1	0.1
Provisions	3.6	3.5
Subordinated debt	23.7	23.4
Non-controlling interests	67.9	66.5
Non-controlling interests	8.9	9.0
Total liabilities	**2,179.9**	**2,143.3**

* The data as of 31 December 2022 has been restated following the implementation of IFRS 17

** The presentation on the balance sheet of the revaluation difference of rate hedged portfolios was reclassified between assets and liabilities as of December 31, 2022. Its net amount has not changed, and amounts to € -455 million as of December 31, 2022.

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Financial structure and balance sheet

Detail of net equity (€m)

€m	Group share	Non-controlling interests	Total	Subordinated debt
At 31 December 2022 *	**66 519**	**8 961**	**75 480**	**23 370**
Impacts of new standards	295	-	295	
Capital increase	(160)	-	(160)	
Dividends paid out in 2023	(3 172)	(465)	(3 637)	
Change in treasury shares held	171	-	171	
Issuance / redemption of equity instruments	1 237	-	1 237	
Remuneration for equity instruments issued	(226)	(71)	(297)	
Impact of acquisitions/disposals on non-controlling interests	-	-	-	
Change due to share-based payments	13	6	19	
Change in other comprehensive income	(34)	(44)	(78)	
Change in share of reserves of equity affiliates	(25)	2	(23)	
Result for the period	3 266	520	3 786	
Other	(5)	28	23	
At 30 June 2023	**67 879**	**8 937**	**76 816**	**23 660**

(*) The data as of 31 December 2022 has been restated following the implementation of IFRS 17

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Financial structure and balance sheet

Balance sheet (€bn)

Assets	30/06/2023	31/12/2022 *	Liabilities	30/06/2023	31/12/2022 *
Cash and Central banks	164.8	210.8	Central banks	0.0	0.1
Financial assets at fair value through profit or loss	500.6	446.1	Financial liabilities at fair value through profit or loss	339.2	285.5
Hedging derivative instruments	44.7	50.5	Hedging derivative instruments	39.6	47.3
Financial assets at fair value through other comprehensive income	219.5	219.2			
Loans and receivables due from credit institutions	124.2	114.1	Due to banks	115.2	152.2
Loans and receivables due from customers	1146.0	1113.2	Customer accounts	1077.4	1093.5
Debt securities	113.1	115.9	Debt securities in issue	249.1	221.9
Revaluation adjustment on interest rate hedged portfolios	-8.7	-9.1	Revaluation adjustment on interest rate hedged portfolios	6.2	7.0
Current and deferred tax assets	9.1	9.1	Current and deferred tax liabilities	2.4	2.3
Accruals, prepayments and sundry assets	54.5	56.0	Accruals and sundry liabilities	74.3	65.6
Non-current assets held for sale and discontinued operations	0.1	0.1	Liabilities associated with non-current assets held for sale	0.0	0.2
Insurance contrats issued- Assets	-	-	Insurance contrats issued - Liabilities	343.4	334.3
Reinsurance contracts held - Assets	1.0	1.0	Reinsurance contracts held - Liabilities	0.1	0.1
Investments in equity affiliates	2.3	4.0			
Property, plant and equipment	13.0	13.2	Provisions	5.6	5.6
Intangible assets	11.7	10.8	Subordinated debt	23.4	23.2
Goodwill	3.3	3.4	Shareholder's equity	132.1	128.2
Total assets	16.3	16.2	Non-controlling interests	7.4	7.4
Total assets	**2,415.5**	**2,374.4**	**Total liabilities**	**2,415.5**	**2,374.4**

(*) The data as of 31 December 2022 has been restated following the implementation of IFRS 17

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Legal risks

Legal risks

The main legal and tax proceedings outstanding at Crédit Agricole S.A. and its fully consolidated subsidiaries are described in the 2022 management report in the 2022 Universal Registration Document.

The update will be described in the Amendment A03 to the 2022 Universal Registration Document.

List of contacts:

CRÉDIT AGRICOLE S.A. INVESTOR RELATIONS CONTACTS :

Institutional shareholders	+ 33 1 43 23 04 31	investor.relations@credit-agricole-sa.fr
Individual shareholder	+ 33 800 000 777 (toll-free call in France only)	credit-agricole-sa@relations-actionnaires.com

Cécile Mouton	+ 33 1 57 72 86 79	**cecile.mouton@credit-agricole-sa.fr**
Jean-Yann Asseraf	+ 33 1 57 72 23 81	jean-yann.asseraf@credit-agricole-sa.fr
Fethi Azzoug	+ 33 1 57 72 03 75	fethi.azzoug@credit-agricole-sa.fr
Joséphine Brouard	+ 33 1 43 23 48 33	josephine.brouard@credit-agricole-sa.fr
Oriane Cante	+ 33 1 43 23 03 07	oriane.cante@credit-agricole-sa.fr
Nicolas Ianna	+ 33 1 43 23 55 51	nicolas.ianna@credit-agricole-sa.fr
Leïla Mamou	+ 33 1 57 72 07 93	leila.mamou@credit-agricole-sa.fr
Anna Pigoulevski	+ 33 1 43 23 40 59	anna.pigoulevski@credit-agricole-sa.fr
Annabelle Wiriath	+ 33 1 43 23 55 52	annabelle.wiriath@credit-agricole-sa.fr

CREDIT AGRICOLE PRESS CONTACTS:

Alexandre Barat	+ 33 1 57 72 12 19	alexandre.barat@credit-agricole-sa.fr
Olivier Tassain	+ 33 1 43 23 25 41	olivier.tassain@credit-agricole-sa.fr
Mathilde Durand	+ 33 1 57 72 19 43	mathilde.durand@credit-agricole-sa.fr
Bertrand Schaefer	+ 33 1 49 53 43 76	bertrand.schaefer@ca-fnca.fr

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GROUPE CRÉDIT AGRICOLE

Financial strength

Solvency

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

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

At 30 June 2023, **Crédit Agricole Group** posted a buffer of **778 basis points above the MDA trigger, i.e. €46 billion in CET1 capital**.

At 30 June 2023, **Crédit Agricole S.A.** posted a buffer of **338 basis points above the MDA trigger, i.e. €13 billion in CET1 capital**.

Table 1. Credit Agricole Group - MDA trigger threshold

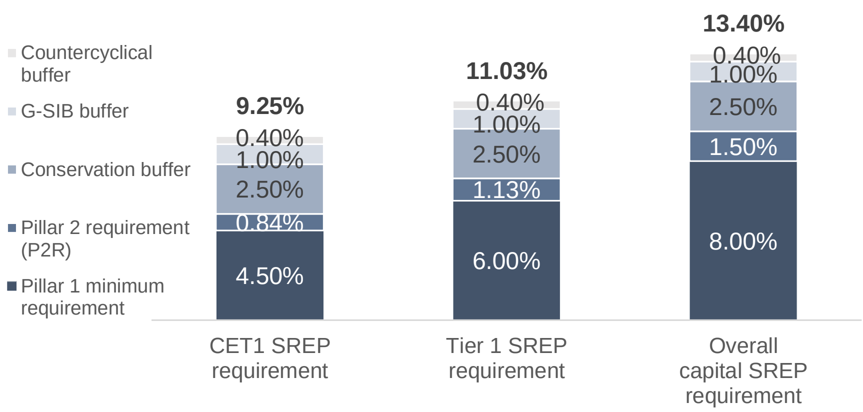
	CET1	Tier 1	Total capital
30/06/23 Phased-in solvency ratios	17.6%	18.8%	21.5%
Distance to SREP requirement (1)	833 bp	778 bp	810 bp

The lowest of the 3 figures is the distance to MDA trigger threshold

778 bp

€46bn

Distance to restrictions on distribution



The Pillar 2 Guidance (P2G) is not included because actually or potentially failure to meet this recommendation has no automatic impact on distributed amounts

Table 2. Crédit Agricole S.A. – MDA trigger treshold

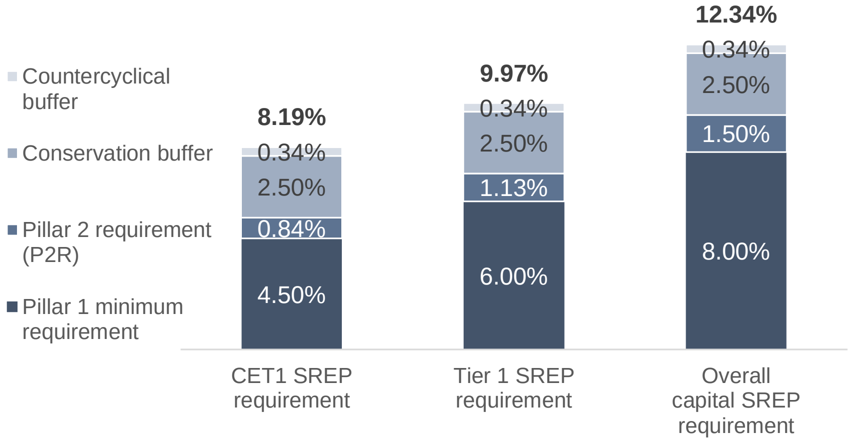
	CET1	Tier 1	Total capital
30/06/23 Phased-in solvency ratios	**11.6%**	**13.5%**	**17.6%**
Distance to SREP requirement (1)	**338 bp**	**355 bp**	**522 bp**

The lowest of the 3 figures is the distance to MDA trigger threshold

338 bp

€13bn

Distance to restrictions on distribution



The Pillar 2 Guidance (P2G) is not included because actually or potentially failure to meet this recommendation has no automatic impact on distributed amounts

Failure to comply with the leverage ratio buffer requirement would result in a restriction of distributions and the calculation of a maximum distributable amount (L-MDA).

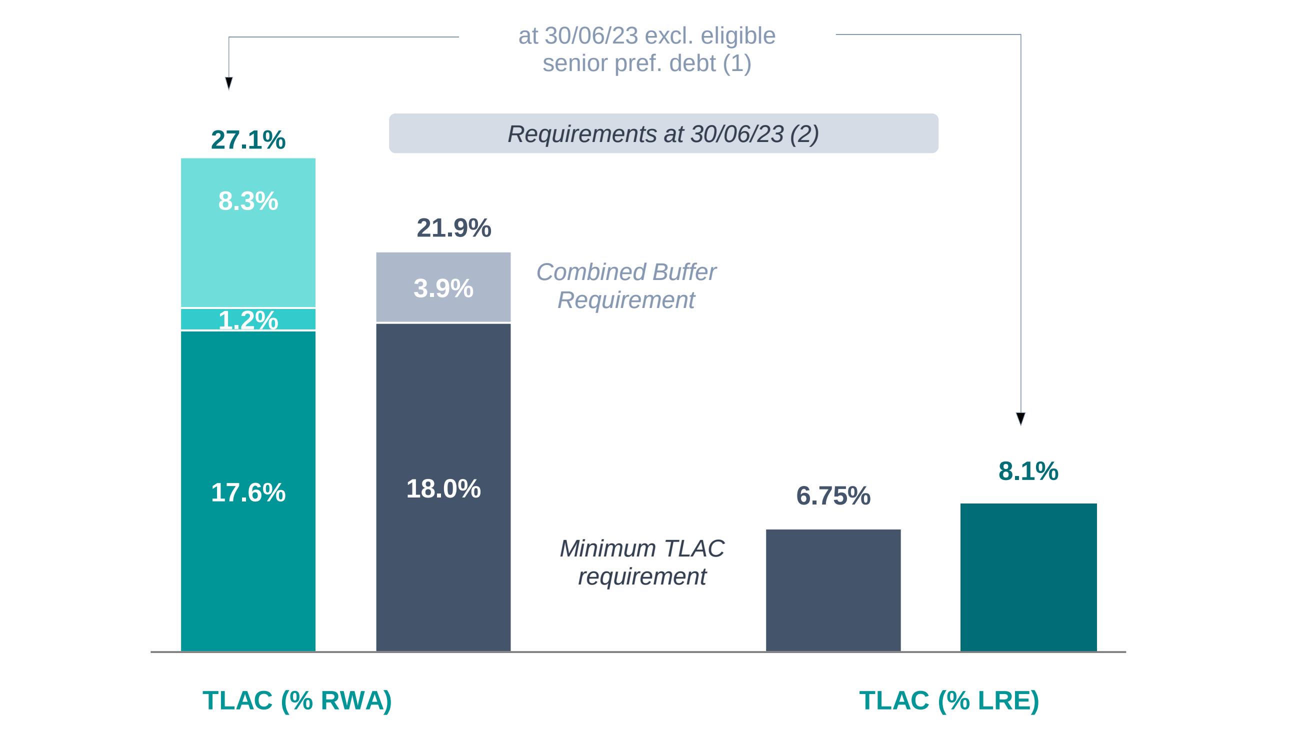
At 30 June 2023, **Crédit Agricole Group** posted a buffer of **213 basis points above the L-MDA trigger, i.e. €42 billion in Tier 1 capital**.

TLAC

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

- a TLAC ratio above 18% of risk weighted assets (RWA), plus – in accordance with EU directive CRD 5 – a combined capital buffer requirement (including, for the Crédit Agricole Group, a 2.5% capital conservation buffer, a 1% G-SIB buffer and the counter-cyclical buffer set at 0.40% for the CA Group at 30/06/23). Considering the combined capital buffer requirement, the Crédit Agricole Group must adhere to a TLAC ratio of above 21.9%;
- a TLAC ratio of above 6.75% of the Leverage Ratio Exposure (LRE).

Table 3. Crédit Agricole Group - TLAC ratio at 30/06/23



[(1)] As part of its annual resolvability assessment, Crédit Agricole Group has chosen to waive the possibility offered by Article 72b(3) of the Capital Requirements Regulation to use senior preferred debt for compliance with its TLAC requirements in 2023.

[(2)] According to CRDV, the combined buffer requirement (CBR) stacking on top of the TLAC requirement as % of RWAs includes a 2.5% capital conservation buffer, a 1% G-SIB buffer and a countercyclical capital buffer; the latter is set at 0.40% for Credit Agricole Group as at 30/06/2023.

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

At 30 June 2023, **Crédit Agricole Group's TLAC ratio** stood at **27.1% of RWA and 8.1% of leverage ratio exposure, excluding eligible senior preferred debt,[1]** which is well above the requirements. The TLAC ratio expressed as a percentage of risk weighted assets fell by 30bps over the quarter, reflecting the increase in RWAs, which was not offset by the increase in equity and eligible items over the period. Expressed as a percentage of leverage exposure (LRE), the TLAC ratio was up +20 basis points compared to March 2023[2].

The Group thus has a TLAC ratio excluding eligible senior preferred debt that is 520 bps, i.e. €31 billion, higher than the current requirement of 21.9% of RWA.

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[2] The presentation on the balance sheet of the revaluation difference of rate-hedged portfolios was reclassified between assets and liabilities as of March 31, 2023, generating an adjustment to the TLAC ratio of +6bp

At end-June 2023, €2.2 billion equivalent was issued in the market (senior non-preferred and Tier 2 debt) on top of the €1.25 billion of AT1. The amount of Crédit Agricole Group senior non-preferred securities taken into account in the calculation of the TLAC ratio was €27.5 billion.

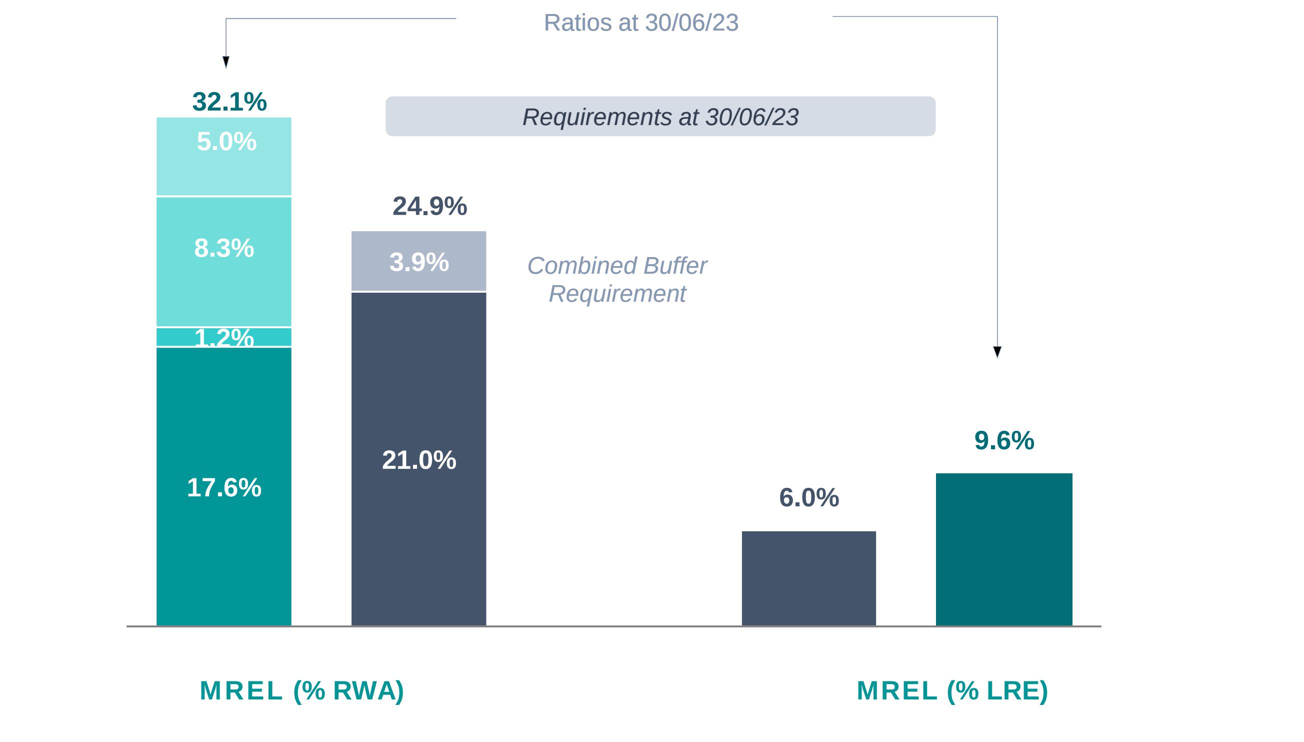
MREL

The required minimum levels are set by decisions of resolution authorities and then communicated to each institution, then revised periodically. Since 1 January 2022, Crédit Agricole Group has been requested to meet a minimum total MREL requirement of:

- 21.04% of RWA, plus – in accordance with EU directive CRD 5 – a combined capital buffer requirement (including, for the Crédit Agricole Group, a 2.5% capital conservation buffer, a 1% G-SIB buffer and the counter-cyclical buffer set at 0.40% for the CA Group at 30/06/23). Considering the combined capital buffer requirement, the Crédit Agricole Group must adhere to a total MREL ratio of above 24.9%;
- 6.02% of the LRE.

At 30 June 2023, **Crédit Agricole Group had a MREL ratio of 32.1% of RWA and 9.6% of leverage exposure**, well above the total MREL requirement.

Table 4. Crédit Agricole Group - MREL ratio at 30/06/23



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

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

At 30 June 2023, **Crédit Agricole Group** had a buffer of **520 basis points above the M-MDA trigger, taking into account the TLAC requirement applicable at 30 June 2023, i.e. €31 billion of CET1 capital.**

Liquidity and Funding

Liquidity is measured at Crédit Agricole Group level.

In order to provide simple, relevant and auditable information on the Group's liquidity position, the banking cash balance sheet's stable resources surplus is calculated quarterly.

The banking cash balance sheet is derived from Crédit Agricole Group's IFRS financial statements. It is based on the definition of a mapping table between the Group's IFRS financial statements and the sections of the cash balance sheet and whose definition is commonly accepted in the marketplace. It relates to the banking scope, with insurance activities being managed in accordance with their own specific prudential constraints.

Further to the breakdown of the IFRS financial statements in the sections of the cash balance sheet, netting calculations are carried out. They relate to certain assets and liabilities that have a symmetrical impact in terms of liquidity risk. Deferred taxes, fair value impacts, collective impairments, short-selling transactions and other assets and liabilities were netted for a total of €39 billion at end-June 2023. Similarly, €130 billion in repos/reverse repos were eliminated insofar as these outstandings reflect the activity of the securities desk carrying out securities borrowing and lending operations that offset each other. Other nettings calculated in order to build the cash balance sheet – for an amount totalling €195 billion at end-June 2023 – relate to derivatives, margin calls, adjustment/settlement/liaison accounts and to non-liquid securities held by Corporate and Investment banking (BFI) and are included in the "Customer-related trading assets" section.

Note that deposits centralised with Caisse des Dépôts et Consignations are not netted in order to build the cash balance sheet; the amount of centralised deposits (€91 billion at end-June 2023) is booked to assets under "Customer-related trading assets" and to liabilities under "Customer-related funds".

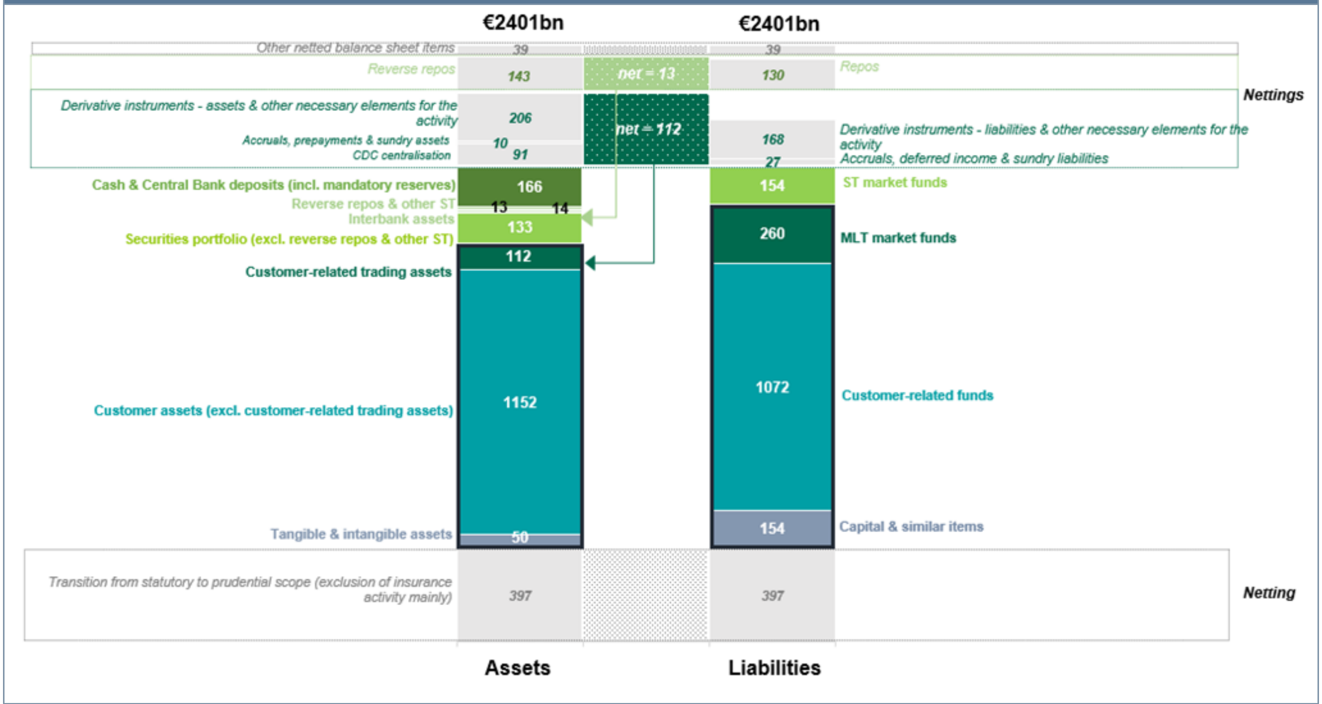
In a final stage, other restatements reassign outstandings that accounting standards allocate to one section, when they are economically related to another. As such, senior issuances placed through the banking networks as well as financing by the European Investment Bank, the Caisse des Dépôts et Consignations and other refinancing transactions of the same type backed by customer loans, which accounting standards would classify as "Medium long-term market funds", are reclassified as "Customer-related funds".

Note that for Central Bank refinancing transactions, outstandings related to the T-LTRO (Targeted Longer-Term Refinancing Operations) are included in "Long-term market funds". In fact, T-LTRO 3 transactions are similar to long-term secured refinancing transactions, identical from a liquidity risk standpoint to a secured issue.

Medium to long-term repurchase agreements are also included in "Long-term market funds".

Finally, the CIB's counterparties that are banks with which we have a commercial relationship are considered as customers in the construction of the cash balance sheet.

Table 5. Crédit Agricole Group - Construction of the banking cash balance sheet at 30/06/23



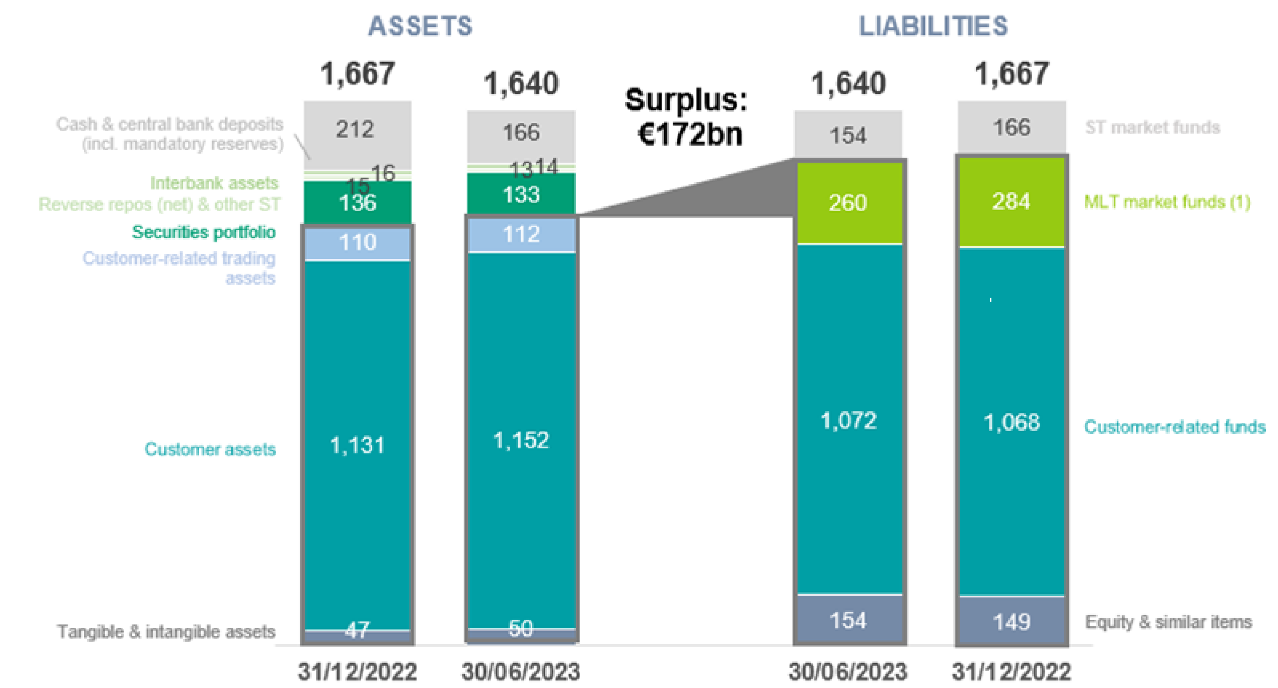
Standing at €1,640 billion at 30 June 2023, the Group's banking cash balance sheet shows **a surplus of stable funding resources over stable application of funds of €172 billion**, down -€45 billion compared to end-march 2023 due to the €12 billion increase in refinancing needs resulting from commercial activity (€22 billion increase in loans and €10 billion increase in customer-related funds), and the repayment of TLTROs in June (€48bn) partially offset by medium to long-term market funds raised.

Total TLTRO 3 outstandings for Crédit Agricole Group amounted to €45.5 billion[3] at 30 June 2023, down -€48 billion[4], which were repaid during the quarter. It should be noted, with regard to the position in stable ressources, that internal management excludes the temporary surplus of stable resources provided by the increase in T-LTRO 3 outstandings in order to secure the Medium-Term Plan's target of €110 billion to €130 billion, regardless of the repayment strategy.

Furthermore, given the excess liquidity, the Group remained in a short-term lending position at 30 June 2023 (central bank deposits exceeding the amount of short-term net debt).

[3] *Including CA Auto Bank*
[4] *Including CA Auto Bank*

Table 6. Groupe Crédit Agricole - Bilan cash au 30/06/2023

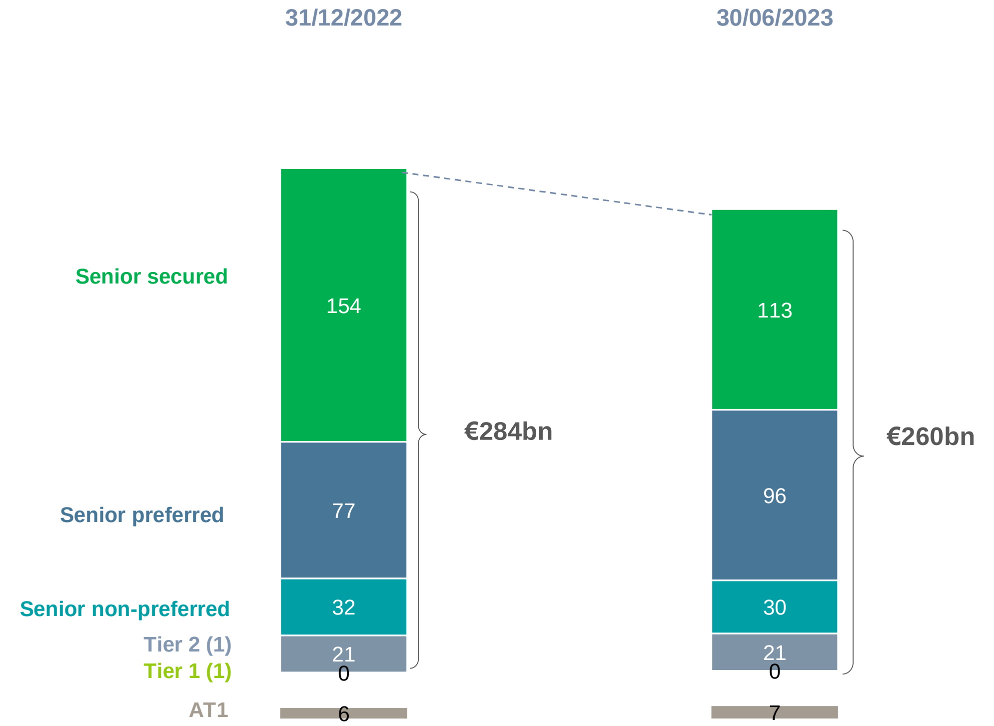


(1) MLT market funds include T-LTRO drawings

Medium-to-long-term market funds stood at €260 billion at 30 June 2023, down -€35 billion compared to end-March 2023, due to the repayment in June 2023 of €48 billion of TLTRO 3 resources.

They included senior secured debt of €113 billion, senior preferred debt of €96 billion, senior non-preferred debt of €30 billion and Tier 2 securities amounting to €21 billion.

Table 7. Crédit Agricole Group - Breakdown of stock of medium- to long-term market funds at 30/06/23



(1) Notional amount
Accounting value (excluding prudential solvency adjustments)

The Group's liquidity reserves, at market value and after haircuts, amounted to €334 billion at 30 June 2023, down -€123 billion compared to end-March 2023. They covered short-term net debt more than two times over (excluding the replacements with Central Banks).

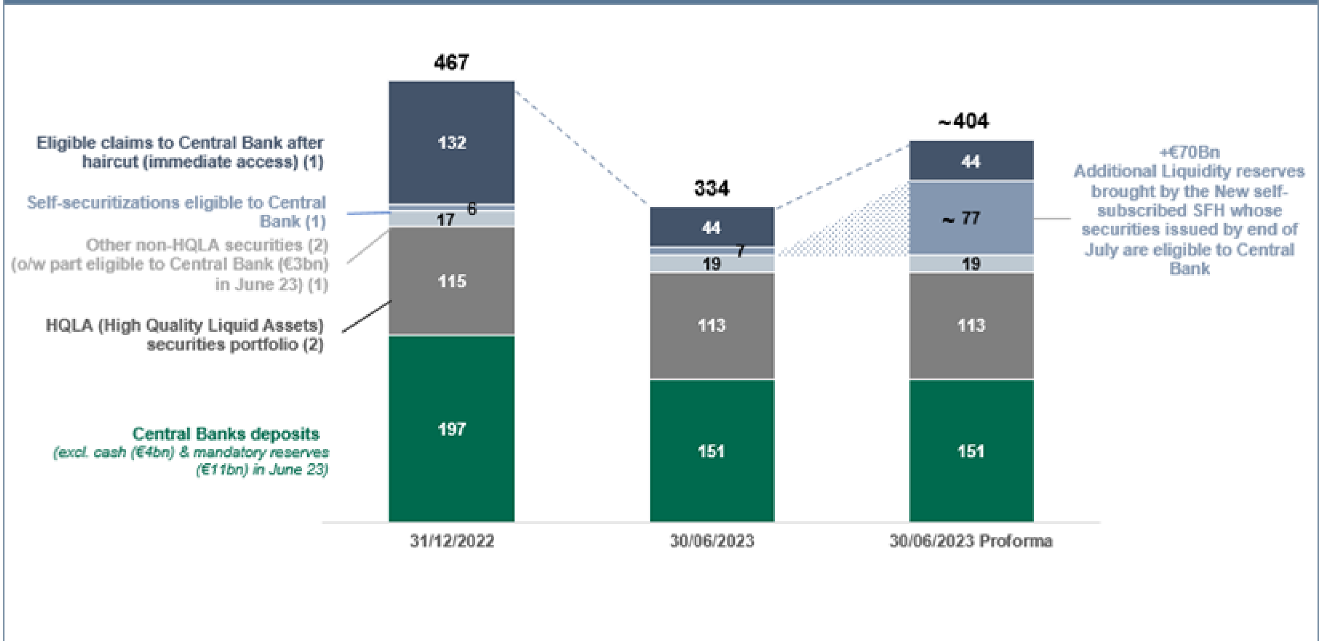
This decrease in reserves is mainly explained by the impact of the end of the "ACC[5] real estate" channel for -€114 billion and the normalization of the haircuts from Banque the France on other eligible claims (temporarily eased during Covid crisis) for -€5 billion.

The issuance program of the new CA FH SFH (Crédit Agricole Financement de l'Habitat SFH), which has received ACPR/BCE approval on 18 July 2023 and which claims were issued at the end of July 2023, is expected to rebuild around +€70 billion of ECB-eligible reserves.

The overall level of liquidity reserves will remain at a very high level, estimated at around €404 billion pro-forma 30 June 2023.

Crédit Agricole Group also continued its efforts to maintain immediately available reserves (after recourse to ECB financing). Central bank eligible non-HQLA assets after haircuts amounted to €54 billion.

Table 8. Crédit Agricole Group – Liquidity reserves at 30/06/23



Credit institutions are subject to a threshold for the LCR ratio, set at 100% on 1 January 2018.

At 30 June 2023, the average year-on-year LCR ratios were respectively 157.3% for Crédit Agricole Group and 146.4% for Crédit Agricole S.A. The month-end LCR ratios were respectively 142.9% for Crédit Agricole Group (a surplus of €84.3 billion) and 140.3% for Crédit Agricole S.A. (a surplus of €72 billion). They were higher than the Medium-Term Plan target (around 110%).

In addition, **the NSFR of Crédit Agricole Group and Crédit Agricole S.A. exceeded 100%**, in accordance with the regulatory requirement applicable since 28 June 2021 and above the Medium-Term Plan target (>100%).

[5] *Additional Credit Claims*

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

At 30 June 2023, the Group's main issuers raised the equivalent of €38.4 billion[6,7] **in medium-to-long-term debt through the open market**, 51% of which was issued by Crédit Agricole S.A. Significant events for the Group were as follows:

- Crédit Agricole CIB issued €8.6 billion in structured format;
- Crédit Agricole Italia completed a new issuance in covered bond format in June for €1 billion with a six-year term;
- Crédit Agricole Consumer Finance issued €2.8 billion in ABS securitisations;
- Crédit Agricole Auto Bank (CAAB), the new name of FCA Bank, extended its access to the market with a new senior preferred issuance in June for €600 million with a three-year term;
- Crédit Agricole Next Bank (Switzerland) carried out a covered bond issuance in June with three- and seven-year terms (green format) for CHF 100 million each.

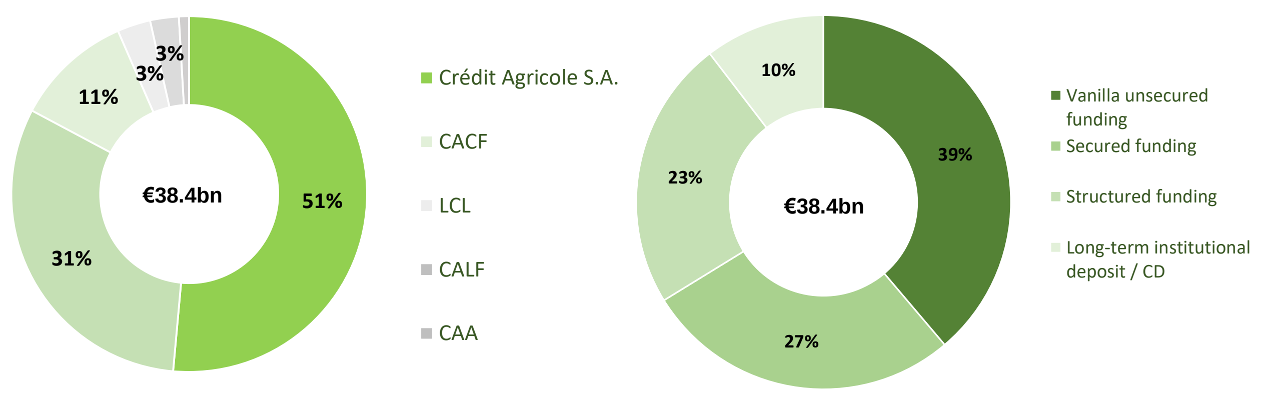
The Group's medium-to-long-term financing can be broken down into the following categories:

- €10.5 billion in secured financing;
- €14.9 billion in plain-vanilla unsecured financing;
- €9.0 billion in structured financing;
- €4.0 billion in long-term institutional deposits and CDs.

In addition, €12.2 billion was raised through off-market issuances, split as follows:

- €8.6 billion from banking networks (the Group's retail banking or external networks);
- €2.2 billion from supranational organisations or financial institutions;
- €1.4 billion from national refinancing vehicles (including the credit institution CRH).

Table 9. Crédit Agricole Group – MLT market funding at 30/06/2023



At 30 June 2023, Crédit Agricole S.A. raised the equivalent of €19.7 billion[8,9] **through the open market:**

The bank raised the equivalent of €19.7 billion, of which €1.8 billion in senior non-preferred debt, €0.4 billion in Tier 2 debt, €11.8 billion in senior preferred debt and €5.8 billion in senior secured debt. The financing comprised a variety of formats and currencies:

- €11.8 billion;

[6] *Gross amount before buy-backs and amortisations*
[7] *Excl. AT1 issuances*
[8] *Gross amount before buy-backs and amortisations*
[9] *Excl. AT1 issuances*

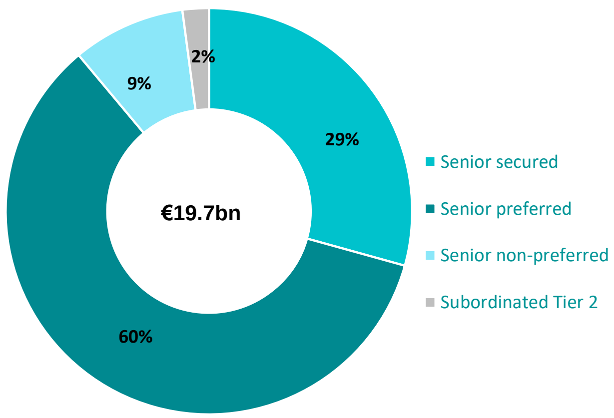
- 4.1 billion US dollars (€3.8 billion equivalent);
- 1.3 billion pounds sterling (€1.4 billion equivalent);
- 172 billion Japanese yen (€1.1 billion equivalent);
- 0.8 billion Swiss francs (€0.8 billion equivalent);
- 0.9 billion Australian dollars (€0.6 billion equivalent);
- 0.5 billion Singapore dollars (€0.4 billion equivalent).

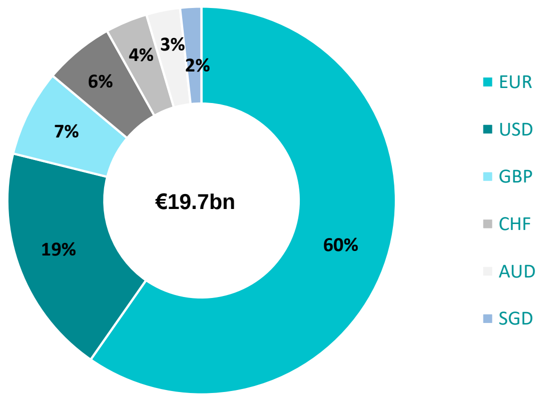
Crédit Agricole S.A. has announced an increase in its 2023 refinancing plan from €19 billion[10,11] to €25 billion in order to support its strong commercial momentum and to maintain its regulatory ratios at a high level.

Since end June 2023, Crédit Agricole S.A. has raised an additional €0.6 billion, including a €0.5 billion senior secured issue through the CA PS SCF vehicle and a CNY1 billion senior preferred issue in Panda format (€126 million equivalent). At end July 2023, the MLT financing plan thus stood at €20.4 billion, or 81% of the 2023 programme.

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

Table 10. Crédit Agricole S.A. – MLT market funding at 30/06/2023





Senior preferred (€11.8bn) & senior secured (€5.8bn)
Average maturity: 6.2 years
Spread vs 3m Euribor: 78 bp

€17.5bn
(Target around €20bn)

Senior non-preferred (€1.8bn) & Tier 2 (€0.4bn)
Average maturity: 5.6 years
Spread vs 3m Euribor: 168 bp

€2.2bn
(Target around €5bn)

[10] *Gross amount before buy-backs and amortisations*
[11] *Excl. AT1 issuances*

Crédit Agricole S.A. risk factors

This section sets out the main risks to which Crédit Agricole S.A. is exposed, as well as certain risks related to holding Crédit Agricole S.A. securities. Other parts of this chapter discuss Crédit Agricole S.A.'s risk appetite and the systems employed to manage these risks. Information on the management of risks to which Crédit Agricole S.A. is exposed is presented in accordance with IFRS 7 on disclosures on financial instruments.

The term "Crédit Agricole S.A." used in this part refers to Crédit Agricole S.A. as a corporate entity (i.e. parent company of the Crédit Agricole Group, listed on the stock exchange) together with all its directly and indirectly held subsidiaries within the meaning of Article L. 233-3 of the French Commercial Code (Code de commerce) (hereafter individually a "subsidiary" or collectively the "subsidiaries").

1. RISK FACTORS RELATED TO CRÉDIT AGRICOLE S.A. AND ITS ACTIVITY

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

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

These risk factors are described below.

1.1 Credit and counterparty risk

a) Crédit Agricole S.A. is exposed to the credit risk of its counterparties

The risk of insolvency of its customers and counterparties is one of the main risks to which Crédit Agricole S.A. is exposed. Credit risk impacts Crédit Agricole S.A.'s consolidated financial statements when counterparties are unable to honour their obligations and when the carrying amount of these obligations in the bank's records is positive. Counterparties may be banks, financial institutions, industrial or commercial companies, governments and their various entities, investment funds, or individuals. The level of counterparty defaults may increase compared to recent historically low levels; Crédit Agricole S.A. may be required to record significant charges and provisions for possible bad and doubtful loans, affecting its profitability.

While Crédit Agricole S.A. seeks to reduce its exposure to credit risk by using risk mitigation techniques such as collateralisation, obtaining guarantees, entering into credit derivatives and entering into netting contracts, it cannot be certain that these techniques will be effective to offset losses resulting from counterparty defaults that are covered by these techniques. Moreover, Crédit Agricole S.A. is exposed to the risk of default by any party providing the credit risk hedge (such as a counterparty in derivatives) or to the risk of loss of value of the collateral. In addition, only a portion of Crédit Agricole S.A.'s overall credit risk is covered by these techniques. Accordingly, Crédit Agricole S.A. has significant exposure to the risk of counterparty default.

As at 30 June 2023, the exposure of Crédit Agricole S.A. to credit and counterparty risk (including dilution risk and settlement delivery risk) was €1,771.8 billion before taking into account risk mitigation methods. This is distributed as follows: 15% retail customers, 24% corporates, 22% governments and 33% credit institutions and investment firms. Moreover, the amounts of risk-weighted assets (RWAs) relating to credit risk and counterparty risk to which Crédit Agricole S.A. is exposed were €292.8 billion and €24.9 billion, respectively, as at 30 June 2023. At that period-end, the gross amount of loans and receivables in default was €14.3 billion.

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

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

As at 30 June 2023, the gross outstanding loans, receivables and debt securities of Crédit Agricole S.A. were €1,193.6 billion. With regard to credit risk, the amounts of reserves, accumulated impairments and related adjustments amounted to €10.3 billion. The cost of risk on outstandings of Crédit Agricole S.A. for the second quarter of 2023[1] was 33 basis points.

c) A deterioration in the quality of industrial and commercial corporate debt obligations could adversely impact Crédit Agricole S.A.'s results

The credit quality of corporate borrowers could deteriorate significantly, primarily from increased economic uncertainty and, in certain sectors, the risks associated with trade policies of major economic powers. The risks could be exacerbated by the recent practice by which lending institutions have reduced the level of covenant protection in their loan documentation, making it more difficult for lenders to intervene at an early stage to protect assets and limit the risk of non-payment. If a trend towards deterioration in credit quality were to appear, Crédit Agricole S.A. may be required to record asset

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

impairment charges or to write off the value of its corporate debt portfolio, which would in turn significantly impact Crédit Agricole S.A.'s profitability and financial position.

As at 30 June 2023, Crédit Agricole S.A.'s gross exposure to sectors other than financial and insurance activities; public administration and defence, compulsory social security; and administrative and support service activities amounted to €249 billion (of which €8.2 billion in default) and were subject to accumulated impairments of €5.5 billion.

d) Crédit Agricole S.A. may be adversely affected by events impacting sectors to which it has significant exposure

Crédit Agricole S.A.'s credit exposures are very diversified due to its comprehensive customer-focused universal banking model activities undertaken through both the LCL and Crédit Agricole Italy networks. At end-June 2023, the share of retail customers in Crédit Agricole S.A.'s total portfolio of commercial lending was 26%, or €279.1 billion. Moreover, Crédit Agricole S.A. is subject to the risk that certain events may have a disproportionately large impact on a particular sector to which it is significantly exposed. As at 30 June 2023, 24% of Crédit Agricole S.A.'s commercial lending involved borrowers in the public sector (including local authorities), representing an amount of approximately €257.3 billion, and 8% of borrowers in the Energy sector, representing an amount of approximately €82.9 billion. Public sector borrowers can be affected by national and local budgetary policies and spending priorities. Borrowers in the energy sector are exposed to energy price volatility. If these sectors were to experience adverse conditions, Crédit Agricole S.A.'s profitability and financial position could be adversely affected.

e) The soundness and conduct of other financial institutions and market participants could adversely affect Crédit Agricole S.A.

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

As at 30 June 2023, the total amount of Crédit Agricole S.A.'s gross exposure to counterparties that are credit institutions and related entities was €548.8 billion (including exposure to the Regional Banks), of which €513.2 billion was using the internal ratings-based method.

f) Crédit Agricole S.A. is exposed to country risk and counterparty risk concentrated in the countries where it operates

Crédit Agricole S.A. is subject to country risk, meaning the risk that economic, financial, political or social conditions in a given country in which it operates will affect its financial interests. Crédit Agricole S.A.

monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environments may require to record additional charges or losses beyond the amounts previously written down in its financial statements. Crédit Agricole S.A. is especially exposed in absolute value to the country risk for France and Italy. At 30 June 2023, Crédit Agricole S.A.'s commercial lending commitment amounted to €534.2 billion in France and €151.8 billion in Italy, representing 51% and 14%, respectively, of Crédit Agricole S.A.'s total exposure over the period. Worsening economic conditions in these countries would impact Crédit Agricole S.A. In addition, Crédit Agricole S.A. has significant exposures in countries outside the OECD, which are subject to risks that include political instability, unpredictable regulation and taxation, expropriation and other risks that are less present in more developed economies.

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

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

■ In Ukraine, Crédit Agricole Ukraine's commercial lending amounted to €852 million at 30 June 2023, financed locally for the most part. The risks on these exposures were provisioned up to 47% of outstandings as at 30 June 2023. Exposure has steadily declined since the start of the conflict (€1.7 billion as at 31 March 2022 then €961 million at the end of 2022) with a policy of partially redeploying portfolio amortisation in favour of strategic customers and sectors

■ In Russia, Crédit Agricole S.A. has stopped all financing of Russian corporates since the start of the conflict as well as all commercial activity in the country. However, Crédit Agricole S.A. is directly and indirectly exposed in Russia due to its pre-conflict activities and has recorded provisions on performing loans in the first quarter of 2022 in accordance with IFRS.

Exposures booked in the subsidiary Crédit Agricole CIB AO (onshore exposures) represented the equivalent of €0.2 billion as at 30 June 2023, a stable amount compared with 31 December 2022. The subsidiary's equity amounted to around €144 million equivalent, including around €64 million in equity and €80 million in subordinated debt as at 30 June 2023 (€74 million and €77 million respectively as at 31 December 2022).

Exposures booked outside Crédit Agricole CIB AO (offshore exposures[1]) represented the equivalent of €2.3 billion as at 30 June 2023 (almost all of which is recorded on the balance sheet[2]). They were down -€0.6 billion from 31 December 2022 and down -€2.3 billion from the start of the conflict in February 2022. The off-balance-sheet portion of the offshore exposures (documentary credits, financial guarantees and, to a lesser extent, undrawn confirmed credit facilities) amounted to €0.1 billion as at 30 June 2023, down by -€1.4 billion since the outbreak of the conflict.

As a result of the conflict and the international sanctions that followed, the quality of the portfolio (rated at 96% Investment Grade at 31 December 2022, consisting mainly of large Russian corporates, including commodities producers and exporters) was downgraded in Crédit Agricole S.A.'s internal rating scale at 31 March 2022. From the first quarter of 2022, exposures were subject to significant provisioning, mainly on performing exposures, which was then updated at each reporting date. In the first half of 2023, the cost of risk relating to Russian exposures was limited to €7.7 million, including €4.3 million relating to performing exposures (Stages 1 and 2) and €3.4 million relating to specific provisions (Stage 3).

The Russian exposure of Crédit Agricole Indosuez Wealth Management represented €152 million at 30 June 2023, a significant decrease from 31 December 2022 (equivalent to €220 million).

Overall, these exposures, of limited size (less than 1% of the total exposures of Crédit Agricole CIB at 30 June 2023) continue to be closely monitored.

[1] On- and off-balance sheet commercial lending of customers and banks, net of the guarantees of export credit agencies, excluding the fluctuation risk.
[2] Used portion of credit facilities.

g) Crédit Agricole S.A. is subject to counterparty risk in the conduct of its market activities

Crédit Agricole S.A. could suffer losses in the event of a counterparty defaulting in its securities, currency, commodities and other market activities. When Crédit Agricole S.A. holds portfolios of debt securities, including in the context of its market making activities, it is subject to the risk of deterioration in the credit quality of issuers or default. As part of its trading activities, Crédit Agricole S.A. is exposed to the risk of a counterparty defaulting in the execution of its transaction settlement obligations. Crédit Agricole S.A.'s derivatives activities are also subject to the risk of a counterparty default, as well as to significant uncertainty regarding the amounts due in the event of such a default. The risk-weighted assets (RWAs) corresponding to the counterparty risk on derivatives and deferred settlement transactions and indicated in Pillar 3 were €11.5 billion at 30 June 2023. Although Crédit Agricole S.A. often obtains collateral or makes use of compensation rights to deal with these risks, these techniques may not be sufficient to ensure complete protection, and Crédit Agricole S.A. may incur significant losses due to the failure of major counterparties.

1.2 Financial risks

a) Crédit Agricole S.A.'s profitability and financial position may be impacted by the rapid tightening of monetary policy

Due to the surge in inflation, the ECB has been rapidly tightening its monetary policy since July 2022: it has raised its key rates by 400 basis points (bp) in eleven months and has reduced and then stopped reinvesting the proceeds of its Asset Purchase Programme (APP) from July 2023. The two-year swap rate has thus gained 245 bp in one year (to the end of June 2023) and 415 bp since the end of 2021, while the ten-year swap rate has gained 80 bp in one year and 280 bp in 18 months; the yield curve has been inverted since the end of 2022, a trend which has intensified in 2023 with expectations of a more permanently restrictive monetary policy and a significant slowdown in the economy. At the same time, TLTRO outstandings, which provided banks with long-term financing at a reduced cost, fell by €1,500 billion in one year (-72%).

These movements led to a rapid increase in banks' financing terms, both on the markets and with customers. Customer deposit outstandings in France (source: Banque de France) have slowed significantly (+0.7% year-on-year in May 2023) and the rise in interest rates has led to a rapid reallocation of deposits away from low-interest demand deposits towards term deposits with maturities of less than two years and regulated passbook deposits. The average interest rate on deposits has risen by 100 bp in one year (at May 23), and the rate on new term deposits with maturities of less than two years has risen by more than 300 bp.

At the same time, loan outstandings slowed as a result of the rise in interest rates (+1.6%), but less so than deposits. New lending (cumulative over 12 months) was down 11% year-on-year (-27% for housing loans to households). The rise in the interest rate on outstandings is slow due to the high proportion of fixed-rate loans. On new loans, the increase is limited by the usury rate (+250 bp for new loans to non-financial corporations and +170 bp for new loans to households over one year).

The ECB is expected to continue raising rates in 2023 and to maintain them there for several quarters, while continuing to reduce its balance sheet, which will keep pressure on interest rates.

In this context, Crédit Agricole S.A.'s results have been and could continue to be significantly affected by the increased cost of its resources (increased compensation of deposits in a context of increased competition in the collection of deposits and an increase in the cost of market resources and substitution for higher-cost TLTROs), and by the risk of the increase in market rates being passed on partially or in a deferred manner to originated loans under the combined effect of a decrease in new production and increased competition, and the usury rate mechanism impacting the net interest margin.

In addition, inflation remains a major concern and risk. Although it has fallen sharply since autumn 2022, largely due to base effects on energy prices – which rose sharply a year ago – and also to the easing of supply constraints, the ECB is keeping a close eye on “underlying” inflation (excluding volatile prices), which is proving more resilient and reflects the spread of the rise in energy prices and other inputs affected by the war in Ukraine to all prices and wages. The ECB is particularly concerned about the risk of triggering a wage-price spiral, which would lead to self-sustaining inflation and a complete shift in expectations. In addition to the indirect impacts relating to their consequences on monetary policy and interest rates, inflation-related pressures that last longer than expected could have a significant direct effect on Crédit Agricole S.A.’s expenses. (salaries, purchases) and consequently on its financial results.

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

Due to its Retail Banking activity carried out mainly through LCL and CA Italy, Crédit Agricole S.A. is exposed to fluctuations in interest rates.

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

Sensitivity to the net interest income below is calculated with a pass-through rate[1] of 100% of market rate variations applied to variable-rate assets and liabilities (for all floating rate instruments already on the balance sheet, and only for new transactions for fixed rate instruments) and demand deposits maintained at their current high level. In fact, the variation in the net interest margin would materialise more gradually than the results presented below would suggest.

Analysis in terms of economic value

As at the end of December 2022, if interest rates in the main areas in which Crédit Agricole S.A. is exposed were to fall[2], this would have a positive impact of €2.4 billion on the economic value[3] of Crédit Agricole S.A.; conversely, an increase in interest rates in the main areas in which the Crédit Agricole Group is exposed would have a negative impact of -€4.4 billion. These impacts are calculated based on a balance sheet phased out over the next 30 years, meaning they do not take into account future production and do not include any dynamic impact from a change of positions on the balance sheet. The average maturity of deposits without contractual maturity (demand deposits and savings books) outside financial institutions is limited to five years; the balance sheet being used excludes equity and shareholdings in compliance with regulations governing interest rate risk (Supervisory Outlier Test).

Net interest margin analysis

With a pass-through rate of 50% applied to housing loans and a 25% migration of non-remunerated demand deposits to passbook deposits and considering a one-, two- and three-year horizon and assuming a constant balance sheet (i.e. an identical renewal of maturing transactions), at end-December 2022, in the event of a -50 basis point drop in interest rates in the main areas where

[1] The pass-through rate is the sensitivity of customer rates to a market rate variation.

[2] The interest rate shocks used correspond for the economic value analysis to the regulatory scenarios, namely +/-200 bps in the euro zone and in the United States and +/-100 bps in Switzerland, and for the net interest margin analysis at a uniform shock of +/-50 bps.

[3] Net present value of the current balance sheet from which the value of equities and fixed assets is excluded.

Crédit Agricole S.A. is exposed(2), Crédit Agricole S.A.'s net interest margin would fall by -€0.3 billion in year one, -€0.4 billion in year two and -€0.6 billion in year three; conversely, in the event of an increase in interest rates of +50 basis points in the main areas where Crédit Agricole S.A. is exposed, Crédit Agricole S.A.'s net interest margin would increase by +€0.4 billion in year one, +€0.4 billion in year two and +€0.5 billion in year three.

With a pass-through rate of 100% applied to housing loans, the sensitivities in year one, year two and year three would respectively be -€0.4 billion, -€0.5 billion and -€0.7 billion for a parallel downward shock scenario, and respectively +€0.5 billion, +€0.5 billion and +€0.7 billion for a parallel upward shock scenario.

These impacts do not capture delayed effects of past interest rates increases. Moreover, in France, in the context of high interest rates observed in 2022, the pass-through rate on the asset side has been limited by the fixed interest rate model and the usuary rate. In practice, the pass-through rate stood at 30% (instead of 50%). Besides, on the liability side, rates on regulated saving accounts have increased non only based on interest rate increase but as well based on inflation, and the ALM of the bank cannot hedge entirely this latter risk. In such context, the sensitivity of revenues to rate increase has been significantly lower in 2022 than the estimated figure presented in 2021 URD.

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

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

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

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

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

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

In 2022, market downturns have reduced the value of customer portfolios with subsidiaries specialised in asset management, insurance, asset servicing and wealth management and reduced the amount of inflows, thus reducing Crédit Agricole S.A.'s revenues from these activities. At end-June 2023, 16%,11% and 6% of the revenues of Crédit Agricole S.A. were generated from its asset and wealth management, insurance and asset servicing businesses, respectively. Crédit Agricole S.A. is the leading insurer in France, through Crédit Agricole Assurances[1]. Amundi's assets under management stood at €1,961 billion at the end of June 2023, and CAA's assets under management stood at €326 billion at the end of June 2023. Future downturns could have similar effects on the results and financial position of Crédit Agricole S.A. The management fees and commissions that the subsidiaries

[1] Source: *L'Argus de l'assurance.*

charge their customers are generally based on the value or performance of those portfolios, therefore any market downturn could impact the revenues earned for these services.

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

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

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

The carrying amount of Crédit Agricole S.A.'s securities and derivatives portfolios and certain other assets, as well as that of its own debt, in its balance sheet are adjusted as at each financial statement date. The carrying amount adjustments reflect, among other things, the credit risk inherent in Crédit Agricole S.A.'s own debt and variations in value in the fixed income and equity markets. Most of the adjustments are made on the basis of changes in fair value of the assets or liabilities of Crédit Agricole S.A. during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. Changes that are recognised in the income statement, to the extent not offset by opposite changes in the fair value of other assets, affect the consolidated net income of Crédit Agricole S.A. All fair value adjustments affect shareholders' equity and, as a result, the capital adequacy ratios of Crédit Agricole S.A. The fact that fair value adjustments are recognised in one accounting period does not mean that further adjustments will not be necessary in subsequent periods.

As at 30 June 2023, the gross outstanding debt securities held by Crédit Agricole S.A. were €106.1 billion. Accumulated impairments and reserves and negative fair value adjustments due to credit risk were €152 million.

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

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

Crédit Agricole S.A.'s businesses are materially affected by conditions in the financial markets, which in turn are impacted by current and anticipated future economic conditions in France, Europe and in the other regions around the world where Crédit Agricole S.A. operates. Adverse changes in market, economic or geopolitical conditions could create a challenging operating environment for financial institutions. Crédit Agricole S.A. is therefore highly exposed to the following risks: fluctuations in interest rates, share prices, foreign exchange rates, the premium applicable to bond issues (including those of Crédit Agricole S.A.) and the price of oil and precious metals.

To measure the potential losses associated with these risks, Crédit Agricole S.A. uses a Value at Risk (VaR) model detailed in Risk management – 2.5 Market risk of the 2022 Universal Registration Document. The VaR of Crédit Agricole S.A. as at 30 June 2023 was €16 million.

Crédit Agricole S.A. also carries out stress tests in order to quantify its potential exposure in extreme scenarios, as described and quantified in paragraphs 2.5.III.1 "Methodology for measuring and managing market risks – Indicators" and 2.5.IV "Exposures" in Chapter 5 "Risks and Pillar 3" in the 2022

Universal registration document. These techniques are based on hypothetical or historical approaches from which future market conditions may differ significantly. Accordingly, Crédit Agricole S.A.'s exposure to market risk in extreme scenarios could be greater than the exposures predicted by its quantification techniques.

The amount of risk-weighted assets (RWAs) relating to the market risk to which Crédit Agricole S.A. is exposed was €12.8 billion as at 30 June 2023.

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

f) Crédit Agricole S.A. may suffer losses in connection with its holdings of equity securities

Equity securities held by Crédit Agricole S.A. could decline in value, causing losses for Crédit Agricole S.A. Crédit Agricole S.A. bears the risk of a decline in value of equity securities in connection with its market-making and trading activities, mainly with respect to listed equity securities, in its private equity business, and in connection with transactions in which it acquires strategic equity investments in a company with a view to exercising control and influencing the management policies of Crédit Agricole S.A. In the case of strategic equity investments, Crédit Agricole S.A.'s degree of control may be limited, and any disagreement with other shareholders or with management of the entity concerned may adversely impact the ability of Crédit Agricole S.A. to influence the policies of this entity. If Crédit Agricole S.A.'s equity securities decline in value significantly, Crédit Agricole S.A. may be required to record fair value adjustments or recognise asset impairment charges in its consolidated financial statements, which could negatively impact its results of operations and financial position.

As at 30 June 2023, Crédit Agricole S.A. held €55.4 billion in equity instruments, of which €42 billion were recorded at fair value through profit or loss; €7.3 billion were held for trading purposes and €6.1 billion were recognised at fair value through equity.

g) Crédit Agricole S.A. must implement appropriate asset and liability management in order to control the exposure to losses. Prolonged market downturns could reduce liquidity, making it more difficult to dispose of assets and could result in significant losses

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

Crédit Agricole S.A.'s primary objective in managing liquidity is to ensure that it has sufficient resources to meet its requirements in the event of any type of severe, prolonged liquidity crisis. As at 30 June 2023, Crédit Agricole S.A. had an LCR (Liquidity Coverage Ratio – the regulatory prudential ratio to ensure the short-term resilience of the liquidity risk profile) of 146.4%[1], higher than the regulatory minimum of 100% and exceeding the Medium-Term Plan target of 110%.

In some of Crédit Agricole S.A.'s business activities, notably its market, asset management and insurance activities, it is possible that protracted market movements, particularly asset price declines, reduce the level of activity in the market or reduce market liquidity. Such developments can lead to

[1] Average LCR over 12 rolling months at end-June 2023.

material losses if Crédit Agricole S.A. cannot close out deteriorating positions in a timely manner. This may especially be the case of not very liquid assets held by Crédit Agricole S.A.

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

h) Crédit Agricole S.A.'s hedging strategies may not eliminate all risk of losses

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

At 30 June 2023, the notional amount of protection bought in the form of credit derivatives was €5.7 billion (€6.5 billion at 31 December 2022), the notional amount of short positions was zero (idem at 31 December 2022).

1.3 Operational risks and associated risks

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

Over the period from 2021 to 2023, operational risk incidents for Crédit Agricole S.A. were divided as follows: the "Implementation, delivery and process management" category represents 34% of the operational loss, the "Customers, products and business practices" category represents 15% of the operational loss, and the "External fraud" category represents 39% of the operational loss. Other operational risk incidents can be broken down into employment and safety practice (4%), internal fraud (3%), business disruptions and system failures (3%).

In addition, the amount of risk-weighted assets (RWAs) relating to operational risk to which Crédit Agricole S.A. is exposed was €37.5 billion as at 30 June 2023.

a) Crédit Agricole S.A. is exposed to the risk of fraud

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

At the end of 2022, the amount of proven fraud for Crédit Agricole S.A. was €99 million, representing a decrease of -6% compared with 2021 (€105 million).

Consumer finance, Retail Banking in France (LCL) and International Retail Banking accounted for 88% of total fraud.

The risk breakdown for fraud is as follows:

- fraud in payment instruments (electronic payment, transfers and cheques): 22%;
- identity and documentary fraud: 46%;
- robbery: 6%;
- PSA/NPAI: 12%;
- others: 14%.

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

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

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

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

Crédit Agricole S.A. is also exposed to the risk of an operational failure or interruption of one of its clearing agents, foreign exchange markets, clearing houses, custodians or other financial intermediaries or external service providers that it uses to execute or facilitate its securities transactions. It is also at risk in the event of a failure of an external information technology service provider, such as a cloud data storage company. As its interconnectivity with its customers grows, Crédit Agricole S.A. may also become increasingly exposed to the risk of operational failure of its customers' information systems. Crédit Agricole S.A.'s communications and information systems, and those of its customers, service providers and counterparties, may also be subject to failures or interruptions resulting from cyber-crime or cyber-terrorism. Crédit Agricole S.A. cannot guarantee that failures or interruptions in its systems or in those of other parties will not occur or, if they do occur, that they will be adequately resolved. Over the period from 2021 to 2023, operational losses due to the risk of business disruptions and system failures accounted for between 2% and 3% of operational losses.

c) Crédit Agricole S.A.’s risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses

Crédit Agricole S.A.’s risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all types of market environments or against all types of risk, including risks that it fails to identify or anticipate. Furthermore, the risk management procedures and policies used by Crédit Agricole S.A. do not guarantee effective risk reduction in all market configurations. These procedures may not be effective against certain risks, particularly those that Crédit Agricole S.A. has not previously identified or anticipated. Some of the qualitative tools and metrics used by Crédit Agricole S.A. for managing risk are based upon its use of observed historical market behaviour. Crédit Agricole S.A. applies statistical and other tools to these observations to assess its risk exposures. The tools and metrics may fail to predict future risk exposures of Crédit Agricole S.A. These risk exposures could, for example, arise from factors it did not anticipate or correctly evaluate in its statistical models or from unprecedented market movements. This would limit its ability to manage its risks and affect its results. Crédit Agricole S.A.’s losses could therefore be significantly greater than those anticipated based on historical measures.

In addition, certain of the processes that Crédit Agricole S.A. uses to estimate risk, including expected credit losses under the IFRS standards in force, are based on both complex analysis and factors that could lead to uncertain assumptions. Both qualitative and quantitative models used by Crédit Agricole S.A. may not be comprehensive and could lead Crédit Agricole S.A. to significant or unexpected losses. While no material issue has been identified to date, risk management systems are also subject to the risk of operational failure, including fraud.

At 30 June 2023, Crédit Agricole S.A. had a regulatory prudential capital requirement of €3 billion in order to cover the operational risk, including €1.9 billion as calculated by the advanced measurement approach (AMA) based on past losses and medium- and long-term loss assumptions, and €1.1 billion using the standardised approach (TSA).

d) Any damage to Crédit Agricole S.A.’s reputation could have a negative impact on Crédit Agricole S.A.’s business

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

Reputational risk is a key element for Crédit Agricole S.A. and is managed by the Compliance department of Crédit Agricole S.A. (including the Compliance departments of relevant Crédit Agricole S.A. subsidiaries), which notably ensures the prevention and control of the risks of non-compliance with, in this context, the prevention of money laundering, the fight against the financing of terrorism, the prevention of fraud and corruption, compliance with embargoes and asset freezing obligations, and the protection of client data.

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

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

Organised as a business line, the Legal Affairs department has two main objectives: to control legal risk, which can give rise to disputes and liabilities, whether civil, disciplinary or criminal, and to provide the legal support needed by entities to enable them to carry out their activities.

At 30 June 2023, provisions for legal risks amounted to €347 million, compared to €361 million at 31 December 2022.

f) The international scope of Crédit Agricole S.A.'s operations exposes it to legal and compliance risks

Due to its international scope, Crédit Agricole S.A.'s operations are exposed to risks inherent to foreign operations, including the need to comply with multiple and often complex laws and regulations applicable to activities in each of the countries where Crédit Agricole S.A. is active, such as local banking laws and regulations, internal control and disclosure requirements, data privacy restrictions, European, U.S. and local anti-money laundering and anti-corruption laws and regulations, international sanctions and other rules and requirements. Violations of these laws and regulations could harm the reputation of Crédit Agricole S.A., result in litigation, civil or criminal penalties, or otherwise have a material adverse effect on its business.

To illustrate, in October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US federal and New York State authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008. Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US 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).

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

At end-2022, Crédit Agricole S.A. had operations in 46 countries. This includes the parent entity, its subsidiaries and their branches. It does not include held-for-sale and discontinued operations, nor any equity-accounted entities. Note that in 2022, 69% of the revenues (excluding intercompany disposals) of Crédit Agricole S.A. came from its two main locations (France and Italy).

1.4 Risks relating to the environment in which Crédit Agricole S.A. operates

a) Persistent inflation and, as a result, persistently high interest rates could negatively affect Crédit Agricole S.A.'s business activities, operations and financial performance.

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

- Geopolitical developments, in particular the war in Ukraine, the future of which is highly uncertain, and the risks they entail with regard to prices, particularly energy and food prices, and supply chains
- Weather conditions, which also affect prices, and climatic events such as drought, floods or a difficult winter, can lead to renewed price tensions
- In more structural terms, the Covid crisis and the war in Ukraine have clearly brought to light the major issues of sovereignty, preserving strategic sectors and protecting key supplies, in order to not be dependent on a hostile power or a single supplier. Combined with the accelerating challenges of climate transition, developments in countries' industrial strategies are leading to an economic reconfiguration of global value chains and giving rise to forms of protectionism, such as the American Inflation Reduction Act. These movements are likely to create additional price tensions and destabilise the economic sectors and players concerned.

Higher inflation could lead central banks to adopt even more restrictive monetary policies, leading to persistently high interest rates, further eroding household purchasing power and worsening corporate conditions. Business failures, which fell sharply in 2020 (unrelated to the macroeconomic context) as a result of massive public support, are gradually returning to normal, but the number of failures could rise more rapidly than expected, leading to a rise in the unemployment rate. These various factors not only increase the risk of default by Crédit Agricole S.A.'s customers, but also the risk of financial instability and a downturn in the financial markets, which have an impact on Crédit Agricole S.A.'s business activities and cost of risk.

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

At 30 June 2023, Crédit Agricole S.A.'s exposures to sectors regarded as "sensitive" to inflation and rising interest rates were as follows: (a) real estate (excluding housing loans) with EAD (Exposure at Default[1]) of €28.2 billion, of which 2.3% in default; (b) automotive, with EAD of €24.5 billion, of which 0.4% in default; (c) heavy industries, with EAD of €21.5 billion, of which 2.6% in default; (d) non-food goods and retail with EAD of €17.9 billion, of which 2.2% in default; and (e) construction and public works with EAD of €9 billion, of which 1.3% in default.

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

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

In the operation of its activities, Crédit Agricole S.A. is significantly exposed to changes in the financial markets and to the development of the economic conditions in France, Europe and the rest of the world, as well as to the global geopolitical situation. In the financial year ended 31 December 2022, 52% of Crédit Agricole S.A.'s revenues were generated in France, 17% in Italy, 20% in the rest of Europe and 11% in the rest of the world. A deterioration in economic conditions in the markets where Crédit Agricole S.A. operates could have one or several of the following impacts:

■ more-adverse economic conditions would affect the business and operations of customers of Crédit Agricole S.A., which could decrease revenues and increase the rate of default on loans and other receivables

■ macro-economic policies adopted in response to actual or anticipated economic conditions could have unintended effects, and are likely to impact market parameters such as interest rates and foreign exchange rates, which in turn could affect the businesses of Crédit Agricole S.A. that are most exposed to market risk

■ perceived favourable economic conditions generally or in specific business sectors, and the indiscriminate quest for profitability, could result in asset price bubbles, which could in turn exacerbate the impact of corrections when conditions become less favourable

■ a significant economic disruption (such as the global financial crisis of 2008, the European sovereign debt crisis of 2011, the Covid crisis of 2020 or the war in Ukraine and the energy crisis it caused in 2022) could have a severe impact on all of the activities of Crédit Agricole S.A., particularly if the disruption is characterised by an absence of market liquidity that makes it difficult to sell certain categories of assets at their estimated market value or at all

■ On the broader front, events of a geopolitical nature may occur and cause the relationship between governments and the organisation of the global economy to change more or less abruptly, in such a way that there is a major impact on the Bank's activities in the short or long term Major geopolitical risks can have major macroeconomic impacts on countries, sectors, value chains and companies. For example, uncertainties linked to the outcome of the war in Ukraine or intensified tensions between the United States and China and their desire for economic decoupling, especially in the technology sectors, could give rise to multiple scenarios and trigger a number of risks: trade war and sanctions, military tensions around Taiwan and in the South China Sea, and nuclear risk

■ a decline in the prices of bonds, equities and commodities could impact a significant portion of the business of Crédit Agricole S.A., including in particular trading, investment banking and asset management revenues

■ More generally, greater uncertainties and significant market disruptions may increase volatility. This could have a significant adverse impact on Crédit Agricole S.A.'s trading and investment activities in the bond, foreign exchange, commodities and equity markets, as well as on its positions in other investments. In recent years, the financial markets have experienced significant disruption and volatility, which could reoccur, exposing the Crédit Agricole S.A. to significant losses. Such losses could extend to many trading and hedging instruments used by Crédit Agricole S.A., including swaps, forwards, futures, options and structured products. In addition, financial market volatility makes it difficult to anticipate trends and implement effective trading strategies.

In addition, in a context of declining global growth in 2023 and tighter monetary policies, a deterioration in economic conditions would increase the difficulties and failures of businesses and the unemployment rate could start rising again, increasing the probability of customer default. The heightened economic, geopolitical and climatic uncertainty could have a strong negative impact on the valuation of risky assets, on the currencies of countries in difficulty, and on the price of commodities

■ The succession of unprecedented exogenous shocks and the resulting difficulties in assessing the economic situation may lead central banks to adopt inappropriate monetary policies: a premature end to monetary tightening could lead to self-sustaining inflation and a loss of the central bank's credibility, while a policy that is too restrictive for too long could lead to a pronounced recession in activity

■ The political and geopolitical context – more conflictual and tenser – induces greater uncertainty and increases the overall level of risk. In the event of rising tensions or the materialisation of latent risks, this could lead to major market movements and have a negative impact on economies

■ in France, there could also be a significant drop in confidence in the event of a more marked deterioration of the social context which could lead households to consume less and save more as a precaution, and companies to delay investments, which could be harmful to growth and to the quality of private debt, which has increased more than in the rest of Europe

■ in France, a political and social crisis, against the backdrop of weak growth and high public debt, would have a negative impact on confidence and investors, and could cause an additional rise in interest rates and in the cost of refinancing for the government, companies and the banks It could also lead to losses on the sovereign portfolios of banks and insurers. For example, Crédit Agricole S.A.'s exposure to French sovereign debt was €137.3 billion at the end of December 2022 (Pillar 3), which represents 7.3% of Crédit Agricole S.A. exposures.

The current economic and financial balances are fragile and uncertain. It is therefore difficult to predict when economic or financial market developments will occur, and to determine which markets will be most significantly impacted in the event of a significant deterioration. If economic or market conditions in France or elsewhere in Europe, or global markets more generally, were to deteriorate or become significantly more volatile, Crédit Agricole S.A.'s operations could be disrupted, and its business, results of operations and financial position could as a result experience a material adverse effect.

c) Crédit Agricole S.A. operates in a highly regulated environment, and its profitability and financial position could be significantly impacted by ongoing legal and regulatory changes

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

To illustrate, such regulations pertain to, in particular:

■ regulatory prudential requirements applicable to credit institutions, including prudential rules in terms of adequacy and minimum capital and liquidity requirements, risk diversification, governance, restrictions in terms of equity investments and compensation as defined in particular by (i) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (as amended, in particular, by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 and by Regulation (EU) 2020/873 of the European Parliament and the Council of 24 June 2020) and (ii) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the regulatory prudential supervision of credit institutions and investment firms (as modified, notably, by the Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019) as transposed into domestic law; under these regulations, credit institutions such as the Crédit Agricole Group must notably meet the requirements regarding minimum capital ratio, risk diversification and liquidity, monetary policy, reporting/disclosures, as well as restrictions on equity investments. At 30 June 2023, Crédit Agricole S.A.'s phased-in Common Equity Tier 1 (CET1) ratio was 11.6% and that of the Crédit Agricole Group was 17.6%

■ the rules applicable to bank recovery and resolution as defined notably by (i) Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms), as transposed into domestic law and (ii) Regulation (EU) 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund (as modified, notably, by Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019); accordingly, Crédit Agricole S.A. is placed under the supervision of the ECB to which, in particular, a Crédit Agricole Group recovery plan is submitted each year in accordance with the applicable regulations (for more information, see the "Risk Management" section of the 2022 Universal

Registration Document). In addition, the contribution of Crédit Agricole S.A.to the annual financing of the Single Resolution Fund can be significant. Thus, at end-June 2023, Crédit Agricole S.A.'s contribution to the Single Resolution Fund stood at €508 million

■ the regulations applicable to financial instruments (including shares and other securities issued by Crédit Agricole S.A.), as well as the rules relating to financial reporting, information disclosure and market abuse (Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse), which in particular increases the obligations of Crédit Agricole S.A. in terms of transparency and reporting;

■ the monetary, liquidity, interest rate and other policies of Central Banks and regulatory authorities;

■ the regulations governing certain types of transactions and investments, such as derivatives and securities financing transactions and money market funds (Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 over-the-counter derivatives, central counterparties and trade repositories);

■ regulations of market infrastructures, such as trading platforms, central counterparties, central securities depositories and securities settlement systems;

■ tax and accounting legislation in the jurisdictions where Crédit Agricole S.A. operates; and

■ the rules and procedures relating to internal control, anti-money laundering and combating terrorist financing, risk management and compliance.

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

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

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

■ The measures relating to the banking and financial sector in which Crédit Agricole S.A. operates could be amended again, expanded or strengthened, and new measures could be introduced, further affecting the predictability of the regulatory regimes to which Crédit Agricole S.A. is subject and requiring rapid implementation likely to mobilise significant resources within Crédit Agricole S.A. In addition, the adoption of these new measures could increase the constraints on Crédit Agricole S.A. and require a strengthening of the actions carried out by Crédit Agricole S.A. presented above in response to the existing regulatory context.

■ In addition, the general political environment has evolved unfavourably for banks and the financial industry, resulting in additional pressure on legislative and regulatory bodies to adopt more stringent regulatory measures, despite the fact that these measures can have adverse consequences on lending and other financial activities, and on the economy.

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

1.5 Risk related to the strategy and transactions of Crédit Agricole S.A.

a) Crédit Agricole S.A. may not achieve the targets set out in its 2025 Medium-Term Plan

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

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

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

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

Crédit Agricole S.A. has therefore chosen to use its universal banking model to support transitions for as many people as possible. By providing all its customers, from large international corporates to the most modest households, with products and services that use green energy and by constantly striving for innovation and progress, Crédit Agricole S.A. is continuing its role as a stakeholder committed to major societal changes.

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

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

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

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

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

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

Revenues from the insurance activities of the Subsidiaries specialising in this field significantly depend upon the extent to which the actual claims experience is consistent with the assumptions used in setting the prices for their products and establishing technical reserves. Crédit Agricole Assurances uses both its own empirical analysis and industry data to develop its products and estimate future policy benefits, including information used in pricing the insurance products and establishing the related actuarial liabilities. However, there can be no insurance that there could be more claims than the hypothesis used for pricing and provisioning anticipated. Unanticipated risks, such as a pandemic or a natural disaster, could result in loss inconsistent with the hypothesis used to price these products and provision. To the extent that the actual claims paid by Crédit Agricole Assurances to policyholders are higher than the underlying assumptions used in initially establishing the future policy reserves, or if events or trends cause Crédit Agricole Assurances to change the underlying assumptions, Crédit Agricole Assurances may be exposed to greater liabilities than expected, which may adversely affect Crédit Agricole S.A.'s insurance business, results of operations and financial position.

Crédit Agricole Assurances continues to adapt its strategy to changes in interest rates, in particular by strengthening its policy of redirecting funds to unit-linked policies and by increasing its profit-sharing reserves (provision pour participation aux excédents – PPE), which were €11.9 billion at 30 June 2023 (compared with €12.0 billion at 31 December 2022), i.e. 5.5% of outstanding euro-denominated policies, which represents several years' worth of interest rates provided to policyholders and which constitutes a level of coverage higher than the market average in France. Moreover, the unit-linked portion in assets under management of Crédit Agricole Assurances reached 27.9% at 30 June 2023, up 2.7 points year-on-year. In Property and Casualty insurance the combined ratio remained well under control. It achieved 97.8%[1].

Finally, Crédit Agricole Assurances posted a high level of solvency: 222%[2] at 30 June 2023.

c) Adverse events may affect several of Crédit Agricole S.A.'s businesses simultaneously

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

d) Crédit Agricole S.A. is exposed to environmental and societal risks

Environmental risks can affect Crédit Agricole S.A. in two ways. Firstly, they can have direct impacts on its operating tools in terms of physical risks. These risks are components of operational risk, the consequences of which should remain marginal at the level of Crédit Agricole S.A. Crédit Agricole S.A. is also exposed to reputational risk related to its compliance with public commitments, particularly environmental. Crédit Agricole S.A. may thus face controversy by being challenged by third parties if they believe that these commitments are not being met.

Environmental risks may also affect the counterparties of Crédit Agricole S.A.'s subsidiaries and therefore, indirectly, Crédit Agricole S.A. Environmental risks are thus considered to be risk factors that influence the other main categories of existing risks, notably credit, but also market, liquidity and operational risks. However, these risks could mainly materialise through credit risk: for instance, when a Crédit Agricole S.A. subsidiary lends to corporates that conduct activities that emit greenhouse gases, it is subject to the risk that more stringent regulations or limitations will be imposed on its borrower,

[1] Ratio (claims experience + overheads + fee and commission income) / premiums, net of reinsurance, Pacifica scope, restated for climate events

[2] Standard formula without transitory measures, except for the grandfathering of subordinated debt

which could have an adverse impact on the latter's credit quality and the value of the assets financed (e.g. sudden drop in revenues). Such consequences may also arise as a result of technological changes accelerating the transition to a more low-carbon economy, or changes in the behaviour of end consumers (increase in leverage ratios to finance the transition). Similarly, these adverse impacts may be associated with physical risk events – such as natural disasters, but also long-term changes in climate models (increasing frequency and the impacts of events such as droughts, flooding, rising sea levels etc.) – having a negative impact on the counterparties of Crédit Agricole S.A. subsidiaries in the performance of their activities. Crédit Agricole S.A. could thus face reputational risk if one of its subsidiaries' counterparties were to be the subject of a controversy related to environmental factors (e.g. non-compliance with regulations on greenhouse gas emissions, damage to biodiversity in the event of an industrial accident leading to the pollution of ecosystems etc.).

With the acceleration of transitional restrictions to address climate change, the increasing intensity of acute weather phenomena and concern surrounding the preservation of resources, Crédit Agricole S.A. will have to adapt its activities and its counterparty selection appropriately in order to achieve its strategic objectives, avoid suffering losses and limit its reputational risk (see Net Zero Commitments detailed in Chapter 2 of the Universal Registration Document §*3.4.5*).

These developments have been communicated by Crédit Agricole S.A. in its 2025 Medium-Term Plan and in its climate strategy. More specifically, after making commitments in the thermal coal sector, Crédit Agricole S.A. is gradually formalising its ambitions for new sectors, in particular as part of the Net Zero Banking Alliance to which the Crédit Agricole Group belongs. Amundi has joined the Net Zero Asset Manager Alliance initiative and CAA has joined the Net Zero Assets Owners' Alliance initiative. These commitments confirm the Crédit Agricole Group's dedication in supporting the economy towards its goal to be carbon neutral by 2050, with binding milestones in the interim period.
In terms of social risk, Crédit Agricole S.A. could fail to achieve the targets of its Societal Project, which strives to economically and socially strengthen all territories and all customers, in particular by promoting the inclusion of young people, access to care, and ageing well – everywhere and for all.

Furthermore, it may not fully achieve the targets set in the 2025 Medium-Term Plan with regard to pursuing its managerial, cultural and human transformation. This could result in a failure to achieve the quality of the working conditions and framework it has set out and thus damage Crédit Agricole S.A.'s reputation, which could have a negative impact on its business.

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

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

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

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

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

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

f) Crédit Agricole S.A. faces intense competition

Crédit Agricole S.A. faces intense competition in all financial services markets and for its products and services, including Retail Banking services. To illustrate this, the Regional Banks, which provide their customers with Crédit Agricole S.A.'s financial products, have a market share of nearly 24%[1] in France.

The European financial services markets are mature, and the demand for financial services products is, to some extent, related to overall economic development. Competition in this environment is based on many factors, including the products and services offered, pricing, distribution systems, customer service, brand recognition, perceived financial strength and the willingness to use capital to serve customer needs. Consolidation has created a number of firms that, like Crédit Agricole S.A., have the ability to offer a wide range of products, from insurance, loans and deposit taking to brokerage, investment banking and asset management services.

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

[1] This market share applies to household bank deposits and to household loans (source: Banque de France, December 2022).

1.6 Risks related to the structure of Crédit Agricole Group

a) If any member of the Crédit Agricole Network encounters future financial difficulties, Crédit Agricole S.A. would be required to mobilise the resources of the Crédit Agricole Network (including its own resources) to support such member

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

Under the statutory financial support mechanism provided for in Article L. 511-31 of the French Monetary and Financial Code, Crédit Agricole S.A., as the corporate centre of the Network, must take all necessary measures to guarantee the liquidity and solvency of each member of the Network, as well as the Network as a whole. As a result, each member of the Network benefits from the statutory financial support mechanism and contributes thereto. The general provisions of the French Monetary and Financial Code are transposed into internal provisions setting out the operational measures required for this legal mechanism for internal financial solidarity. Specifically, they have established a Fund for bank liquidity and solvency risks (fonds pour risques bancaires de liquidité et de solvabilité – FRBLS) designed to enable Crédit Agricole S.A. to fulfil its role as corporate centre by providing assistance to any member of the Network that may be experiencing difficulties.

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

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

The European banking crisis management framework was adopted in 2014 by EU Directive 2014/59 (known as the "Bank Recovery and Resolution Directive – BRRD"), transposed into French law by the French Decree-Law No. 2015-1024 of 20 August 2015 (Ordonnance n° 2015-1024 portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière), which also adapted French law to take into account the provisions of European Regulation 806/2014 of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund. The Directive (EU) 2019/879 of 20 May 2019, known as "BRRD2", amended the BRRD and was transposed into French law by the French Decree-Law No. 2020-1636 of 21 December 2020.

This framework, which includes measures to prevent and to resolve banking crises, is intended to preserve financial stability, to ensure the continuity of activities, services and operations of institutions whose failure could significantly impact the economy, to protect depositors, and to avoid or limit the use of public financial support as much as possible. In this context, the European Resolution Authorities, including the Single Resolution Board, have been granted extensive powers to take all necessary measures in connection with the resolution of all or part of a credit institution or the group to which it belongs.

For cooperative banking groups, the "extended single point of entry" ("extended SPE") resolution strategy is preferred by the resolution authorities, whereby resolution tools would be applied simultaneously at the level of Crédit Agricole S.A. and its affiliated members. In this respect, and in the event of a resolution of the Crédit Agricole Group, the perimeter comprising Crédit Agricole S.A. (in its capacity as the corporate centre) and all its affiliated members would be considered, as a whole, as the extended single entry point. Given the foregoing and the financial support mechanism that exist within the Network, a member of the Network cannot be placed individually in resolution.

The resolution authorities may initiate resolution proceedings against a credit institution when it determines that: the institution has failed or is likely to fail, there is no reasonable prospect that another private measure will prevent the failure within a reasonable time, a resolution measure is required, and a liquidation procedure would fail, to achieve the objectives of the resolution mentioned above.

The resolution authorities may use one or more resolution tools, as described below, with the objective of recapitalising or restoring the viability of the institution. The resolution tools should be implemented in such a way that shareholders (shares, mutual shares, CCIs, CCAs) bear losses first, then the other creditors bear losses, provided that they are not legally excluded from bail-in or excluded form bail-in by a decision of the resolution authorities. French law also provides for safeguard when certain resolution tools or decisions are implemented, including the principle according to which equity holders and creditors of an institution in resolution should not incur greater losses than they would have incurred had the institution been wound-up under a judicial liquidation proceeding under the French Commercial Code ("no creditor worse off than under normal insolvency proceedings" principle referred to in Article L. 613-57-I of the French Monetary and Financial Code). Thus, investors are entitled to claim compensation if the treatment they receive in resolution is less favourable than the treatment they would have received if the institution had been subject to normal insolvency proceedings.

In the event that the resolution authorities decide to open a resolution proceeding against Crédit Agricole Group, they will first write down the CET1 instruments (shares, mutual shares, CCI and CCA), Additional Tier 1 instruments, and Tier 2 instruments, in order to absorb losses, and possibly convert the Additional Tier 1 instruments and Tier 2[1] instruments into equity. Then, if the resolution authorities decide to use the bail-in tool, such bail-in tool would be applied to other debt instruments[2], resulting in the partial or total write-down of these instruments or their conversion into equity in order to absorb losses.

The resolution authorities may decide to implement, on the corporate centre and its affiliated members in a coordinated manner, write-down or conversion measures and, where applicable, bail-ins. In such an event, write-down or conversion measures and, where applicable, bail-in measures would apply to all entities of the Network, irrespective of the concerned entity and of the root of the losses.

The creditor hierarchy in resolution is defined by the provisions of Article L.613-55-5 of the French Monetary and Financial Code, applicable as at the date of implementation of the resolution.

The holders of equity and any creditors of the same rank or with identical rights in liquidation will then be treated equally, irrespective of which entity of Crédit Agricole Group they are creditors.

The extent of this bail-in, which also aims to recapitalise the Crédit Agricole Group, is based on own funds requirements at the consolidated level.

Therefore, investors must then be aware that there is a significant risk, for the holders of shares, mutual shares, CCI and CCA, and for the holders of debt instruments issued or implemented by any member of the Network to lose all or part of their investment if a resolution proceeding is implemented on the Crédit Agricole Group, irrespective of which entity they are a creditor.

The other banking resolution tools available to the resolution authorities are essentially the total or partial transfer of the activities of the institution to a third party or to a bridge institution, and the institution's assets separation tool.

This resolution framework does not affect the statutory financial support mechanism provided for in Article L.511-31 of the French Monetary and Financial Code, which applies to the Network, as defined in Article R.512-18 of the same Code. Crédit Agricole S.A. considers that, in practice, this mechanism should be implemented prior to any resolution measures.

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

[1] Articles L.613-48 and L.613-48-3 of the French Monetary and Financial Code.
[2] Articles L.613-55 and L.613-55-1 of the French Monetary and Financial Code.

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

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

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

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

Risk management

The structure, principles and tools for managing and monitoring these risks are described in detail in the 2022 Universal Registration Document, in the risk management section of the management report (in Section 5).

The main risk categories to which Crédit Agricole S.A. is exposed are credit risk, market risk (interest rate risk, foreign exchange risk and price risk), structural balance sheet risk (global interest rate risk, foreign exchange risk, liquidity risk), and legal risk.

The main trends observed in the first half of 2023 are presented below, with the exception of sovereign risk in the Eurozone, which is considered to be significant and whose trends are described in Note 3.2 to the financial statements.

1. CREDIT RISK

The principles, methodologies and systems for managing credit risk are described in detail in the 2022 Universal Registration Document, Section 5, Chapter 2. No significant changes occurred in the first half of 2023.

I. Exposure and concentration

I.1. Exposure to credit risk

At 30 June 2023, the aggregate gross carrying amount of on- and off-balance sheet credit risk exposures stood at €1,237 billion, versus €1,202 billion at 31 December 2022, a decrease of 0.5% for the period. The aggregate amount of value adjustments relating to these exposures stood at €11.4 billion at end-June 2023, versus €11.1 billion at 31 December 2022.

I.2. Concentration

The analysis of credit risk concentration by geographic area and business sector covers commercial lending commitments, excluding Crédit Agricole Group internal transactions and collateral given by Crédit Agricole S.A. as part of repurchase agreements, i.e. €1,053.4 billion at 30 June 2023, versus €1,111.2 billion at 31 December 2022. This scope excludes, in particular, derivative instruments, which are mainly monitored in VaR (see market risks below) and financial assets held by insurance companies.

Diversification by geographic area and business sector

Geographic area of exposure	**June 23**	**Dec. 22**
AFRICA AND MIDDLE EAST	3%	3%
CENTRAL AND SOUTH AMERICA	1%	1%
NORTH AMERICA	7%	6%
ASIA AND OCEANIA EXCLUDING JAPAN	5%	5%
EASTERN EUROPE	2%	2%
WESTERN EUROPE EXCLUDING ITALY	13%	13%
FRANCE (Retail)	16%	16%
FRANCE (excluding Retail)	34%	40%
ITALY	14%	13%
JAPAN	5%	2%
TOTAL	**100%**	**100%**

Business sector	June 22	Dec. 22
AIR/SPACE	2%	2%
AGRICULTURE AND FOOD PROCESSING	2%	2%
INSURANCE	1%	1%
AUTOMOTIVE	3%	3%
OTHER NON-BANKING FINANCIAL ACTIVITIES	6%	6%
OTHER INDUSTRIES	2%	2%
OTHER TRANSPORT	1%	1%
BANKING INSTITUTIONS	2%	2%
WOOD/PAPER/PACKAGING	0%	0%
BUILDING AND PUBLIC WORKS	2%	2%
RETAIL/CONSUMER GOODS INDUSTRIES	2%	2%
OTHER	4%	4%
ENERGY	8%	8%
REAL ESTATE	3%	3%
HEAVY INDUSTRY	3%	3%
IT/TECHNOLOGY	2%	2%
SHIPPING	2%	1%
MEDIA/PUBLISHING	0%	0%
HEALTHCARE/PHARMACEUTICALS	1%	1%
NON-TRADING SERVICES/PUBLIC SECTOR/LOCAL AUTHORITIES	24%	27%
TELECOM	2%	2%
TOURISM/HOTELS/RESTAURANTS	1%	1%
UTILITIES	0%	1%
RETAIL BANKING	26%	24%
Total	**100%**	**100%**

The sharp decline in deposits with central banks (- €46 billion i.e. -22% of balance sheet amounts) contributed to the decline in the relative share of France (excluding Retail) in the breakdown by geographic area as well as that of the public sector in the breakdown by sector. The growth in retail banking was boosted by increasing business volume from CA Italy, including a perimeter effect with CA Auto Bank.

I.3. Exposure of loans and receivables

The breakdown of impaired loans and receivables is shown in Note 3 “Credit risk” to the consolidated financial statements.

II. Cost of risk

Crédit Agricole S.A.'s cost of risk and details of the movements that affected the cost of risk are presented in Note 4.9 to the consolidated financial statements.

III. Application of IFRS 9

III.1 Evaluation of credit risk

Information relating to the macro-economic scenarios applied in second quarter 2023:

The Group used four scenarios for calculating IFRS 9 provisioning parameters in production during June 2023, with the following projections for 2026.

These four scenarios include different assumptions about the effects of the Covid-19 pandemic and of the Russia-Ukraine war and its repercussions on the economy (rising inflation, downward revision of GDP growth).

First scenario: "Central" scenario

The central scenario, **weighted at 50%,** sees the intensification of the Russia-Ukraine war and a peace process that seems very far off. This scenario forecasts falling but still high inflation in the Eurozone in 2023, plus a very sharp economic slowdown and ongoing monetary tightening.

Falling but still high inflation in the Eurozone:

Eurozone inflation peaked in October 2022 (+10.6%) and has been falling very gradually ever since, although it still remains high (9.6% in Q1 2023). Supply difficulties have eased since China ended its zero-Covid policy and world trade got back to normal. Positive base effects on energy prices, a drop in energy market prices at the start of 2023, a milder winter and large gas inventories are also having a favourable downward effect on inflation. In 2023-2024, energy prices remain high but are contained. Oil is at $98/b and $103/b respectively (annual average), and gas is at €75/MWh and €90/MWh. Wages are rising faster than usual but do not trigger a wage-price spiral. Eurozone inflation (Harmonised Index of Consumer Prices – HICP) is expected to be 5.9% (on average) in 2023 and 3.7% at year-end. In France, the CPI is forecast at 5.4% on average in 2023 and 5.1% at year-end. While the price cap allowed France to soften the rise in energy prices over time, inflation is falling more slowly in France than elsewhere.

This environment propels the Eurozone into a regime of weak growth. While supply problems are lessening, domestic demand is slowing significantly, affected by high inflation and lower budgetary support measures. Meanwhile, higher interest rates are penalising lending. Corporate profitability has deteriorated under the combined effect of rising production costs and wages and weaker demand, which has the effect of slowing investment somewhat. Household purchasing power is falling due to persistent inflation and fewer support measures. The labour market remains robust but job growth is slowing. Real estate markets, both residential and commercial, undergo major corrections as rising interest rates make loans more costly.

Growth is expected to be very moderate at +0.6% in the Eurozone in 2023 and in France (+0.6%), with the expected recovery not kicking in until the second half of the year and then only to a limited degree.

The fight against inflation remains the central banks' priority

The central banks continue to pursue a restrictive monetary policy to significantly slow inflation, even at the expense of growth. They do not, however, rule out using specific tools to refinance the banking system in the event of difficulties.

In the United States, the Fed raises rates by 25 basis points to take the target range to 5.00%-5.25% and then maintains this rate until the end of 2023. A rate cut is forecast to begin in 2024 with a gradual reduction of 100 bp over the year (25 bp per quarter). The increase in long rates peaks in the summer of 2023 before slowly coming down in the second half of 2023, with a steepening of the yield curve that becomes more pronounced in 2024.

In the Eurozone, monetary tightening intensifies with the refinancing rate rising to 4.25% before the summer and remaining at that level until mid-2024. It will not start to fall until the second half of 2024, ending up at 3.75% at the end of 2024. Long rates will continue to rise more steeply at the shorter end of the yield curve (two-year swaps) from now until the summer of 2023, with the curve gradually flattening. Spreads in semi-core or periphery countries widen only slightly, despite the rise in interest rates and quantitative tightening. From the second half of 2023 and again in 2024, long rates gradually fall but the yield curve remains inverted while sovereign spreads against the Bund narrow slightly.

Second scenario: “Moderate adverse” scenario

This scenario, **weighted at 35%**, includes a further sharp rise in energy prices over a period concentrated between the second half of 2022 and the first half of 2023.

Triggering of the crisis: The assumption is for a much stronger recovery in activity in China with an acceleration in consumption, investment and exports. Business in the US is also brisker than in the central scenario. Worsening climate conditions with a hotter summer in 2023 and a harsher winter in 2024 lead to higher demand for power. Competition for LNG between Asia and Europe intensifies, putting pressure on oil and gas prices, especially in Europe.

New inflation shock:

Oil and gas prices rise significantly in Europe compared to their levels at the start of 2023. The challenges facing France’s nuclear industry continue, putting more pressure on gas prices which in turn impacts electricity prices. There is a second-round effect on inflation, which returns to high levels in late 2023 and early 2024.

Very weak growth in 2023-2024, with technical recession

The rise in energy prices once again undermines production, particularly in the most energy-intensive sectors. Corporate profitability is dented by rising costs and weak demand, leading to investment stagnation. Household purchasing power falls significantly and job numbers are lower than in the central scenario. GDP growth in the Eurozone is close to zero on average in 2023 and 2024, and even slightly negative in some countries. A technical recession seems likely.

Further monetary tightening by the ECB to curb inflation

The ECB raises its refinancing rate to a slightly higher level (+125 bp in 2023) than in the central scenario (+75 bp). The lull in inflation in 2024 allows for a limited reduction of 50 bp. Normalisation will not begin in earnest until 2025 and will continue gradually into 2026. Long rates rise rapidly in 2023 in response to the upstream price shock, bringing fears as to where inflation will end up. Sovereign interest rates rise while sovereign risk premiums get bigger. With inflation falling, long rates decline sharply in 2024 and continue to normalise over the next two years, but nevertheless remain slightly higher than those of the central scenario.

Third scenario: “Favourable” scenario

In this scenario, **weighted at 5%**, the economic situation in the Eurozone is assumed to be more favourable than in the central scenario from the second half of 2023. Oil and gas prices are lower in 2023-2024 due to a better climate context, greater energy efficiency and less competition for LNG from Asia. Plans for substantial investment in Europe will also support business starting in 2024.

In the Eurozone, inflation is brought back to 2.5% on average in 2024 and around 2% in 2025-2026. Expectations of households and businesses improve as a result of greater purchasing power and consumption, which goes hand-in-hand with more use of the savings surplus accumulated in 2020-2021. Improved confidence, lower energy costs and measures to stimulate public- and private-sector investment lead to an upturn in investment expenditure from 2024 onwards.

Financial trends

The ECB starts cutting key interest rates timidly at the end of 2023 before introducing steeper cuts in 2024. Long rates fall at the end of 2023 in anticipation of lower inflation and a drop in key rates. Bund and 10-year swap rates fall gradually to levels slightly lower than in the central scenario. Spreads in France and Italy are slightly more moderate than in the central scenario. The stock market and real estate markets remain robust.

Fourth scenario: "Severe adverse" scenario (budgetary stress), weighted at 10%

New cumulative shocks in 2023: The war in Ukraine drags on and sanctions against Russia are tightened (total halt to oil imports and massive reduction in gas imports). China's increased support for Russia prompts the United States and the Eurozone to impose sanctions on China (embargo on high-tech products), which hits back with its own trade restrictions. Furthermore, the winter of 2023 is especially harsh, adversely impacting the farming and agri-food sectors. Meanwhile, France experiences its own problems, with major protests against certain reforms (pension reforms and higher taxes to finance the energy transition) and high levels of social conflict, such as the yellow vest protests, all of which brings the country to a standstill. Italy also undergoes a political crisis, with the victory of a right-wing coalition in 2023 challenging European treaties and leading to a power struggle with the European Commission.

Persistent inflationary shock in 2023: pressure on energy prices persists and intensifies for both oil and gas. Europe is unable to fully compensate for the lack of gas despite reducing consumption and/or getting supplies from alternative sources albeit at a much higher price (soaring gas prices). Food prices are also under significant pressure. The inflationary process at work in 2022 in the "central" scenario is repeated in 2023 in this "stress" scenario. Eurozone inflation is very high in 2023 at around 8% on average, and the situation is the same in France.

Weak fiscal response: the European governments react to this new inflation shock with more limited support measures (wishing to avoid new budget gaps) and do not provide a coordinated response (like the EU recovery plan). In France, the price cap is reduced fairly substantially and is more targeted.

Vigorous response from the central banks and strong pressure on long-term rates

The Fed and the ECB pursue monetary tightening in 2023 to a greater extent than in the central scenario, in response to higher and longer-lasting inflation. The ECB raise rates quite significantly in 2023 (deposit at 2.75% and refi at 3.25% at the end of 2023). Long rates rise more sharply in the face of the risk of an inflationary spiral (10-year swap rate at 3.25% and Bund at 2.75%). Spreads in France and Italy get significantly wider in 2023 as a result of fears about debt sustainability and the specific crises in both countries (OAT Bund spread at 185 bp and BTP Bund at 360 bp).

Eurozone recession in 2023

The accumulation of shocks (production impacted by rising costs, value chain disruption, shortages in some sectors and a drop in corporate profits and household purchasing power) pushes the Eurozone into recession in 2023 (-1.5% drop in GDP), with a marked rise in the zone's unemployment rate. Stock markets plunge (-35% on the CAC in 2023) and residential real estate shrinks (between -10% and -20% cumulatively over three years), while commercial real estate takes a harder hit (-30% cumulatively) in France and Italy due to the sharp rise in interest rates and the recession which is under way.

The assumption is that stress would be concentrated throughout 2023 before a gradual recovery in 2024-2025 with "normalisation" at the end of the period.

A lull in the Ukraine war, a drop in energy prices and lower interest rates improve the outlook for growth in 2024 and 2025, especially as fiscal policy once again becomes more flexible to hold back a recessionary spiral.

Focus on changes to the main macro-economic variables under each of the four scenarios:

	Réf.	Scénario central				Adverse modéré				Stress budgétaire				Favorable			
	2022	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026
PIB – zone euro	3,5	0,6	1,2	1,1	1,1	-0,2	-0,1	1,1	1,2	-1,5	1,7	1,6	1,3	0,8	1,9	1,6	1,4
Taux Chômage – zone euro	6,8	6,9	7,0	6,9	6,9	7,2	7,5	7,3	7,2	8,1	7,7	7,5	7,4	6,8	6,7	6,4	6,3
Taux inflation – zone euro	8,4	5,9	3,2	2,3	2,2	7,2	4,1	2,5	2,0	8,0	2,4	1,8	1,8	5,4	2,5	2,0	1,8
PIB - France	2,6	0,6	1,1	1,2	1,0	0,1	-0,1	1,0	1,4	-1,6	2,0	1,8	1,4	1,0	2,4	2,4	2,1
Taux Chômage - France	7,3	7,5	7,7	8,0	8,0	7,9	8,3	8,5	8,3	8,6	8,9	8,2	8,0	7,2	7,0	6,7	6,5
Taux inflation - France	5,2	5,4	3,2	2,3	2,0	6,4	4,7	2,4	1,8	7,5	1,5	1,6	1,6	4,7	2,6	1,9	1,6
OAT 10 ans	3,1	3,3	3,0	2,8	2,6	4,1	3,3	3,0	2,8	4,6	2,0	1,8	1,8	3,1	2,7	2,5	2,3

At the end of June 2023, including local forward-looking scenarios, the Stage 1/Stage 2 provisions on the one hand (provisioning for performing loans) and Stage 3 provisions on the other hand (provisioning for proven risks) represented 36% and 64%, respectively, of the stock of hedges for Crédit Agricole S.A.

At the end of June 2023, net additions to Stage 1/Stage 2 provisions represented - 2% of Crédit Agricole S.A.'s interim cost of risk (with reversals slightly exceeding additions). This is compared to 102% for the Stage 3 share of proven risks and other provisions, based on a presentation excluding restated exceptional items.

Sensitivity analysis of macro-economic scenarios in the calculation of IFRS 9 provisions (ECL Stages 1 and 2) based on central parameters:

Crédit Agricole S.A. scope:

Change in ECL when applying 100% of the scenario (Crédit Agricole S.A. scope)			
Central scenario	**Moderate adverse**	**Severe adverse**	**Favourable scenario**
-2.3%	+2.0%	+7.3%	-5.8%

This exposure to ECL defined based on central parameters may be subject to adjustments due to the local forward-looking scenarios which, where necessary, may reduce or increase it.

Criteria used to assess the disappearance of a significant deterioration in credit risk

These are symmetrical to those that determine what is Stage 2. In the event that it was triggered by restructuring for financial difficulties, the disappearance of significant deterioration entails the application of a probationary period in accordance with the terms and conditions described in the notes to the financial statements (see Note 1.2 "Accounting policies and principles" and the "Financial instruments" chapter of Crédit Agricole S.A.'s 2022 Universal Registration Document), discussing the conditions for exiting a situation of restructuring for financial difficulties.

III.2 ECL trends

Changes in the structure of outstanding amounts and ECL during the period are detailed in Section 3.1 of the consolidated financial statements as at 30 June 2023.
The comments below pertain to the scope of financial assets at amortised cost (loans and receivables from customers), which represent more than 90% of value adjustments for losses.

Structure of outstandings

Lending at Crédit Agricole S.A. has remained brisk, with customer outstandings up +4.3% in first-half 2023 to €21.6 billion. This increase was primarily driven by the scope effect of the first-time 100% consolidation of CA Auto Bank totalling €24.1 billion. With regard to the other business divisions, the increase was +€3.0 billion (+1.8%) for LCL, +€1.9 billion (+4.7%) for consumer finance excluding the scope effect, and +€1.7 billion (+5.4%) for leasing/factoring, partially offset by Large customers: -€7 billion (-3.9%).

The portfolio structure has changed slightly since the start of the year due to local stresses, rating changes with a heavier weighting for Stage 2 contracts, and the accounting consolidation of CA Auto Bank. The result was an overall reduction in Stage 2 outstandings of -€1.6 billion, which now account for 10.4% of total outstandings versus 11.2% at the end of 2022. With lending still brisk, Stage 1 outstandings rose by €22.9 billion in the first half but were relatively unchanged excluding the scope effect (+€0.3 billion with effects offset between business lines). They accounted for 87% of total outstandings versus 86.1% at the end of 2022.

The decline in Stage 2 outstandings was confined to corporate and investment banking (-€4.2 billion) and somewhat offset by an increase in retail banking in Italy (+€1.2 billion with a Stage 2 rate of 8.4% versus 7.16% at end-2022) and consumer finance: +0.7 billion, of which €1.1 billion due to the scope effect, with dilution from that scope effect reducing the weighting from 10.13% at the end of 2022 to 7.24% at the end of the first half.

Defaulting loans (Stage 3) were up by just +€0.3 billion, despite a scope effect of +0.4 billion, their relative weighting dropping to 2.61% of total outstandings versus 2.67% at the end of 2022. There was an increase in LCL (+€0.2 billion) and consumer finance (+€0.5 billion, of which +€0.4 billion due to the scope effect), partially offset by CIB (-€0.5 billion).

ECL trends

For the entire scope of Crédit Agricole S.A., value adjustments for losses increased by €370 million from the start of the year, all stages combined, including a scope effect of €342 million.

ECLs for the highest-rated counterparties (Stage 1) were up 12.2% in the first half (+€117 million), largely due to the scope effect (+€93 million), with a coverage ratio up slightly to 0.24% from 0.22% at the end of 2022. This included in particular the effects of updating the latest macro-scenarios used to calculate IFRS 9 provisions.

ECLs for the Stage 2 portfolio fell by -€5 million, excluding a +€67 million scope effect. Overall, the Stage 2 coverage ratio increased to 4.42% from 4.18% at the end of 2022.

The coverage ratio for impaired loans (Stage 3) increased for Crédit Agricole S.A. (45.80% versus 45.28% at the end of 2022). Stage 3 ECLs were up overall by €191 million or +3.2%, +€183 million of this due to the scope effect.

2. MARKET RISK

Management systems and the methodology for measuring and controlling market risk are described in Crédit Agricole S.A.'s 2022 Universal Registration Document, Section 5, Chapter 2.5.

Main changes:

Risk management

Since March, VaR includes xVA exposures in its calculation, in contrast to previously when only hedges were taken into account. There were no other major changes to the organisation of the market risk internal control system or VaR measurement methodologies during the first half of 2023.

Exposure:

VaR

The VaR of Crédit Agricole S.A. incorporates the impacts of diversification between the different Group entities. This pooled VaR was up slightly at end-June 2023 compared with its level at end-2022 (€16 million versus €15 million). This rise was mainly due to the increase in the contribution from the interest rate risk factor and more importantly as a result of interest rate movements triggered by the events in March (liquidity crisis of US regional banks and takeover of Crédit Suisse).

The change in VaR on the capital market activities of Crédit Agricole S.A. between 1 January 2023 and 30 June 2023, broken down by major risk factor, is shown in the table below:

Change in exposure to risks resulting from Crédit Agricole S.A.'s capital market activities

in millions of euros	VaR (99% - 1 day) 1 January to 30 June 2023				30-Dec-22
	Minimum	Maximum	**Average**	30 June	
Rate	8	18	**12**	12	9
Credit	5	9	**7**	7	6
Foreign exchange	2	6	**4**	3	5
Equity securities	2	4	**3**	3	2
Commodities	0	0	**0**	0	0
VaR of Crédit Agricole S.A. Group	**11**	**21**	**16**	**16**	**15**
Diversification gains between risk factors			**-9**	**-9**	**-8**

N.B.: VaR includes the contribution from the CVA desk's foreign exchange and interest rate hedges.

Stressed VaR (99%, 1 day)

The stressed VaR is calculated on the scope of Crédit Agricole CIB. The table below shows the change in regulatory stressed VaR on the capital market activities of Crédit Agricole CIB between 31 December 2022 and 30 June 2023:

In millions of euros	30/06/2023	Minimum	Maximum	Average	31/12/2022
Stressed VaR	21	14	30	22	22

As required by the regulator, SVaR (Stressed Value at Risk) is produced on a weekly basis.

Stressed VaR averaged €22.1 million in the first half of 2023, relatively unchanged from 2022, and with a narrower variation range. It continues to reflect Crédit Agricole CIB's prudent management policy.

IRC (Incremental Risk Charge) capital requirement

IRC is calculated on the scope of so-called linear credit positions (i.e. excluding the correlation portfolio) of Crédit Agricole CIB. The table below shows the change in IRC on the capital market activities of Crédit Agricole Corporate and Investment Bank between 31 December 2022 and 30 June 2023:

in millions of euros	30/06/2023	Minimum	Maximum	Average	31/12/2022
IRC	216	120	216	179	147

CVA (Credit Valuation Adjustment) capital requirement

The table below shows the change in CVA on the capital market activities of Crédit Agricole Corporate and Investment Bank between 31 December 2022 and 30 June 2023:

in millions of euros	30/06/2023	Minimum	Maximum	Average	31/12/2022
CVA	375	315	375	337	349

Prudent valuation capital requirement

The table below shows the change in prudent valuation capital requirements on the capital market activities of Crédit Agricole CIB, between 31 December 2022 and 30 June 2023:

in millions of euros	30/06/2023	Minimum	Maximum	Average	31/12/2022
Prudent valuation	906	906	921	914	975
o/w capital market activities	686	686	698	692	757

3. ASSET AND LIABILITY MANAGEMENT

The balance sheet management framework and monitoring system is described in the 2022 Universal Registration Document, Section 5, Chapter 2.6.

The main changes in asset and liability management during the first half of 2023 relate to liquidity data and are shown below.

3.1 Cash balance sheet at 30 June 2023

In order to provide simple, pertinent and auditable information on the Group's liquidity position, the cash balance sheet long-term sources surplus is calculated quarterly.

The cash balance sheet is derived from Crédit Agricole Group's IFRS financial statements. It is based on the definition of a comparison table between the Group's IFRS financial statements and the sections of the cash balance sheet, the definition of which corresponds to that commonly accepted in the market.

It relates to the banking scope, with insurance activities being managed in accordance with their own specific regulatory constraints.

Further to the breakdown of the IFRS financial statements in sections of the cash balance sheet, netting calculations are carried out. They relate to certain assets and liabilities that have a symmetrical impact in terms of liquidity risk. Deferred taxes, fair value impacts, collective impairments, short-selling transactions and other assets and liabilities were netted for a total of €39 billion at end-June 2023. Similarly, €130 billion in repos/reverse repos were eliminated insofar as these outstandings reflect the activity of the securities desk carrying out securities borrowing and lending transactions that offset each other. Other nettings calculated in order to build the cash balance sheet – for an amount totalling €195 billion at end-June 2023 – relate to derivatives, margin calls, adjustment/settlement/delivery accounts and to non-liquid securities held by corporate and investment banking (CIB) and are included in the "Customer-related trading assets" section.

Note that deposits cleared with Caisse des Dépôts et Consignations are not netted in order to build the cash balance sheet; the amount of centralised savings (€91 billion at end-June 2023) is booked to assets under "Customer-related trading assets" and to liabilities under "Customer-related funds".

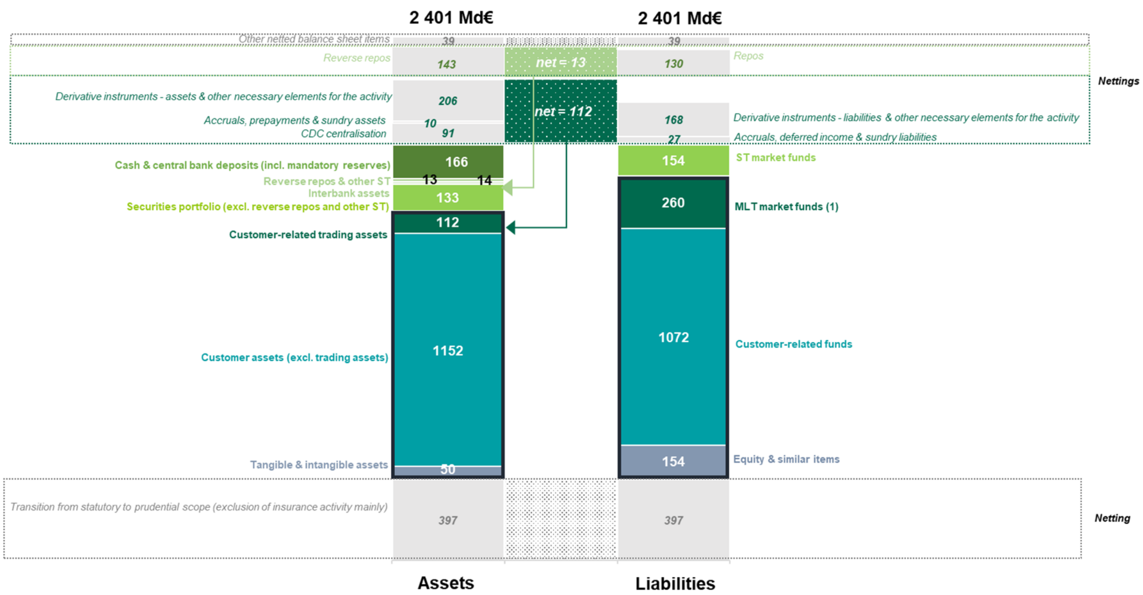
In a final stage, other restatements reassign outstandings that accounting standards allocate to one section, when they are economically related to another. As such, senior issues placed through the banking networks as well as financing by the European Investment Bank, the Caisse des Dépôts et Consignations and other refinancing transactions of the same type backed by customer loans, which accounting standards would classify as "Long-term market funds", are reclassified as "Customer-related funds".

Note that for central bank refinancing transactions, outstandings related to the TLTRO (Targeted Longer-Term Refinancing Operations) are included in "Long-term market funds". The TLTRO 3 operations do not allow for early redemption by the ECB and, given their three-year contractual maturity, are equivalent to long-term secured refinancing, identical in liquidity risk terms to a secured issue.

Medium-to-long-term repurchase agreements are also included in "Long-term market funds".

Finally, the CIB's counterparties that are banks with which we have a commercial relationship are considered as customers in the construction of the cash balance sheet.

Crédit Agricole Group cash balance sheet before netting at 30 June 2023



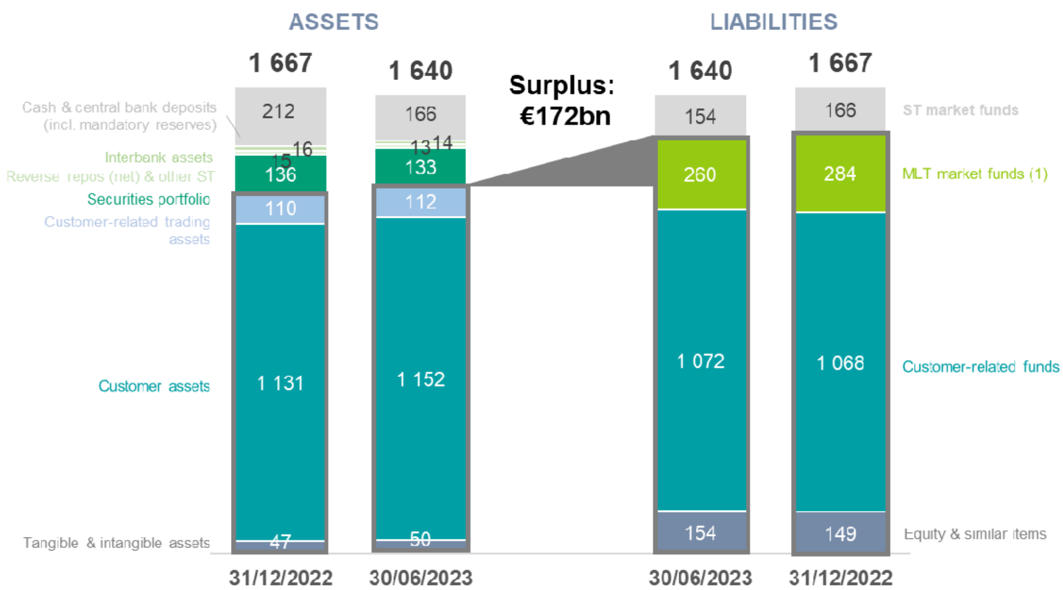
Standing at €1,640 billion at 30 June 2023, the Group's banking cash balance sheet shows a surplus of stable funding resources over stable application of funds of €172 billion, down €41 billion compared to end-December 2022, due in particular to the repayment of a significant share of TLTRO 3 resources (€49 billion) raised in the context of the Covid-19 pandemic.

Additionally, the Group continues to benefit from its active role in the European Central Bank's "TLTRO 3" medium-to-long-term refinancing transactions, carried out in connection with the Covid-19 pandemic. Total TLTRO 3 outstandings for Crédit Agricole Group amounted to €45.5 billion[1] at 30 June 2023.

Note that internal steering does not factor in the temporary surplus of stable funding resources resulting from the increase in TLTRO 3 financing. This is to secure the Medium-Term Plan target of €110 billion to €130 billion, independently of the future repayment strategy.

Furthermore, given the excess liquidity, the Group posted a short-term lending position at 30 June 2023 (Central Bank deposits and short-term replacements exceeding the amount of short-term debt).

Crédit Agricole Group cash balance sheet at 30 June 2023



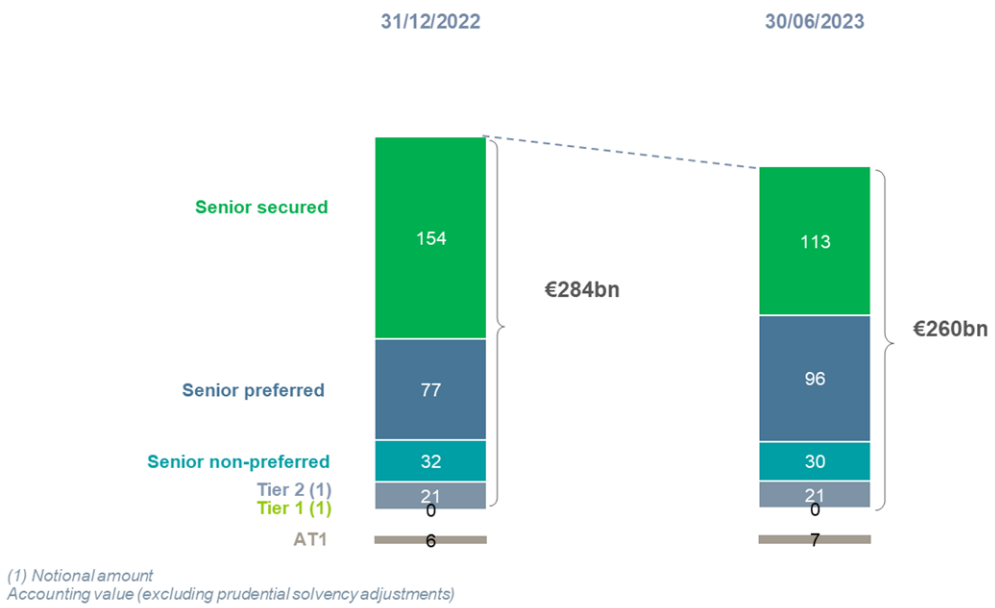
(1) MLT market funds include T-LTRO drawings

Medium-to-long-term market resources were €260 billion at 30 June 2023, down by €24 billion over the half year due in particular to the repayment of a significant share of TLTRO 3 resources. Excluding the impact of TLTRO 3, medium-to-long-term market resources increased by €25 billion over the half year, driven by a sustained market refinancing plan.

[1] Including CA Auto Bank.

Their composition is detailed below:

Changes in medium-to-long-term market resources of Crédit Agricole Group



3.2 Change in Crédit Agricole Group's liquidity reserves

Liquidity reserves after haircuts totalled €334 billion at 30 June 2023, a drop of €133 billion compared to end-December 2022. They covered net short-term debt more than two times over (excluding the replacements with central banks).

This drop in liquidity reserves at 30 June 2023 was mainly due to the impact of the discontinuation at 30 June 2023 of the "real estate ACC[2]" channel totalling -€114 billion and the normalisation of Banque de France haircuts on other eligible loans (temporarily eased during the pandemic) amounting to -€5 billion.

The self-subscribed issuance programme of the new CA HL SFH (Crédit Agricole Home Loan SFH), which received ACPR/ECB approval on 18 July 2023 and whose securities were issued at the end of July 2023, will provide a top-up of an additional €70 billion in ECB-eligible reserves.

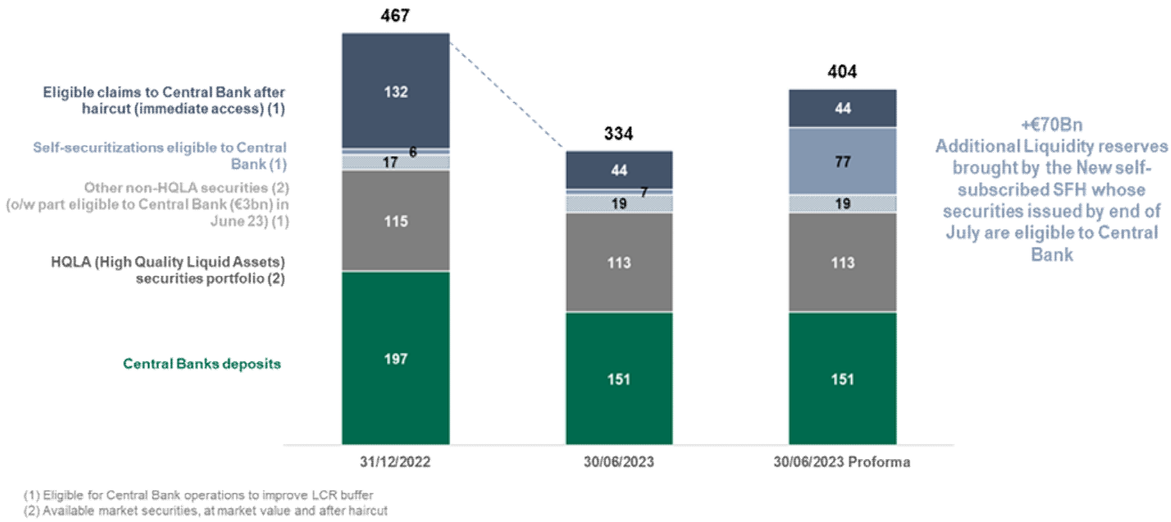
These new reserves mean that the overall level of pro-forma vision liquidity reserves at 30 June 2023 will remain at the very high level of €404 billion.

The high level of deposits with the central banks stems from the replacement of substantial excess liquidity.

The Crédit Agricole Group also continued its efforts to maintain immediately available reserves (after recourse to the ECB financing). Non-HQLA assets eligible for Central Bank refinancing after haircuts totalled €54 billion.

[2] Additional Credit Claims.

Crédit Agricole Group liquidity reserves at 30 June 2023



Available liquidity reserves at end-June 2023 comprised:

- €44 billion in receivables eligible for Central Bank refinancing operations after the ECB haircut;
- €7 billion in self-held securitisation units that are eligible for Central Bank refinancing operations, after the haircut. The issuance at the end of July 2023 of securities of the new CA HL SFH will provide a top-up of an additional €70 billion in ECB-eligible reserves;
- €151 billion in Central Bank deposits (excluding cash and mandatory reserves);
- a securities portfolio amounting to €132 billion after haircut, consisting of HQLA marketable securities of €113 billion and other marketable securities of €19 billion after liquidity haircut (including €3 billion eligible for Central Bank refinancing).

The allocation of limits arising from Crédit Agricole Group's liquidity risk management and control system to each Crédit Agricole S.A. subsidiary and Regional Bank ensures that local liquidity risks are matched by adequate coverage from reserves.

3.3 Regulatory ratios

Since March 2014, Eurozone credit institutions have been obliged to report to their supervisory authorities their Liquidity Coverage Ratio (LCR), as defined by the EBA (European Banking Authority). The aim of the LCR is to boost the short-term resilience of banks' liquidity risk profile by ensuring that they have sufficient unencumbered High Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately, on private markets, assuming a liquidity crisis lasting 30 calendar days.

Credit institutions are subject to a threshold for this ratio, set at 100% since 1 January 2018.

In billions of euros **12-month average at 30/06/2023**	**Crédit Agricole Group**	**Crédit Agricole S.A.**
LIQUIDITY BUFFER	377.0	347.0
TOTAL NET CASH OUTFLOWS	240.0	237.7
LIQUIDITY COVERAGE RATIO (LCR)	157.3%	146.4%

Note: the average LCRs reported above now correspond to the arithmetic mean of the last 12 month-end ratios reported over the observation period, in compliance with the requirements of the European CRR2 regulation.

The average LCRs over 12 months for Crédit Agricole Group and Crédit Agricole S.A. were respectively 157.3% and 146.4% at end-June 2023. They exceeded the Medium-Term Plan target of around 110%.

In addition, since 28 June 2021, Eurozone credit institutions have been obliged to report to their supervisory authorities their Net Stable Funding Ratio (NSFR), as defined by the EBA (European Banking Authority). The NSFR is intended to ensure that the institution has sufficient "stable" resources (i.e. with an initial maturity greater than one year) to finance its medium-to-long-term assets.

At end-June 2023, the NSFR ratios of the Crédit Agricole Group and Crédit Agricole S.A. were above 100%, in keeping with the regulatory requirement and the Medium-Term Plan target of 100%.

3.4 Refinancing strategy and conditions in first-half 2023

After a start to the year marked by record volumes of new issues on the primary market, persistent inflationary pressures in first-half 2023 led the major central banks to continue their policies of raising interest rates, encouraged by equity markets that remained robust despite restrictive monetary policies. The ECB, for example, recorded a cumulative increase of 150 bp over the half-year to reach 4.0% at 30 June 2023, while the Fed continued its policy, which began in earnest in 2022, for a total increase of 75 bp (5.25% at 30 June 2023).

The rapid rise in interest rates nevertheless weakened US banking institutions and led to the failures in March of some regional banks in the United States and the collapse of Crédit Suisse in Europe. Although the takeover of Crédit Suisse by its rival UBS prevented the spread of a systemic crisis, the bank's rescue came at the cost of the cancellation of its AT1 instruments by the Swiss authorities. After the primary market reopened at the end of March, putting an end to two consecutive weeks of sluggishness in a context of investor aversion to subordinated debt securities, the reassuring publication of the European banking sector's quarterly results supported the primary market's gradual return to normal.

Spreads on covered bonds gradually widened as a result of abundant primary supply and the ECB's gradual withdrawal. The primary market got off to a particularly solid start, with half-year volumes reaching €142 billion, or more than two-thirds the record volume of covered bonds issued in euros on the euro FIG (Financial Institutions Group) market throughout the whole of 2022. In April, the ECB also reaffirmed its intention to discontinue its asset purchase programmes, announcing the scrapping of the APP at the end of July 2023 and the PEPP at the end of 2024. Furthermore, the European central banks gradually reduced their participation in the euro FIG primary market to zero in the first quarter.

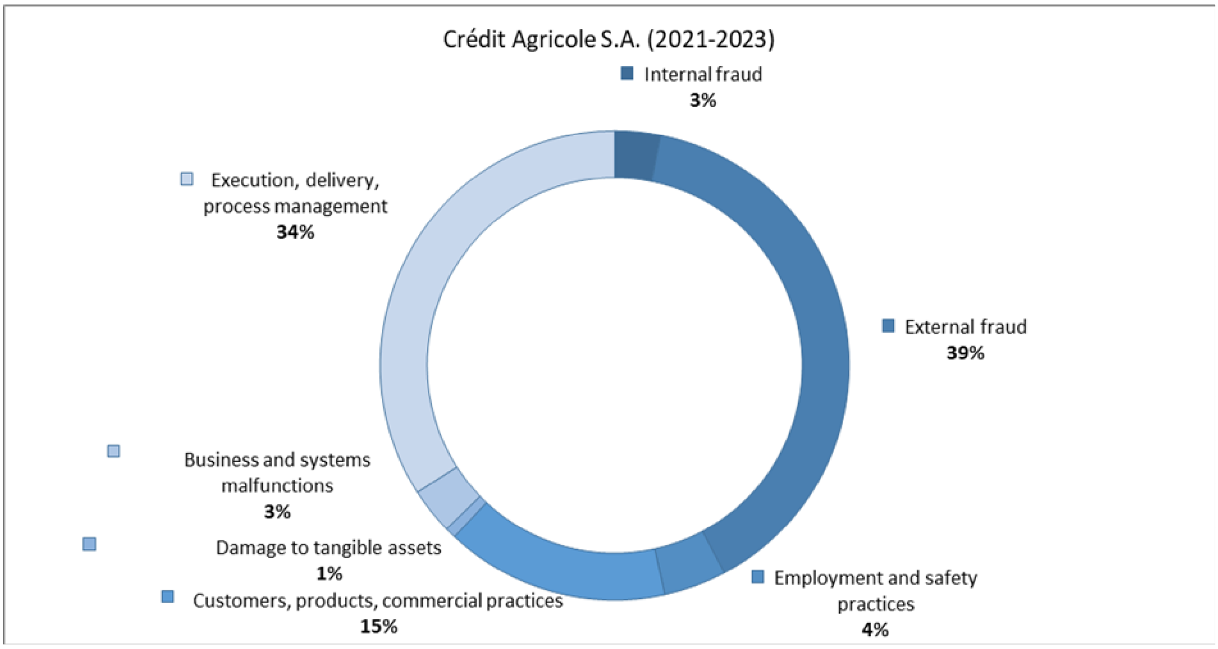
Bond issuance volumes in the first half of the year held firm, as banks' liquidity needs increased and TLTRO repayments were on the horizon. The FIG primary market was therefore particularly buoyant compared to one year earlier (€318 billion in covered, senior unsecured and subordinated formats in H1 2023, versus €245 billion in H1 2022). By first-half 2023, for example, 75% of the €430 billion in euro FIG volume issued in 2022 had already been recognised, reflecting an abundant primary supply across all formats and currencies that was well absorbed by the markets. With underlying inflation stabilising in Europe and the United States, the approaching end of the central banks' rate increase cycle also stabilised issuance conditions and spreads.

4. OPERATIONAL RISKS

The operational risk management and supervision systems risks are described in the 2022 Universal Registration Document, Chapter 5, Section 2.8.

Section 2.8.III. "Exposure" of Chapter 5 of the 2022 Universal Registration Document on the breakdown of operational losses and risk weighted assets by Basel risk category has been updated as shown below:

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

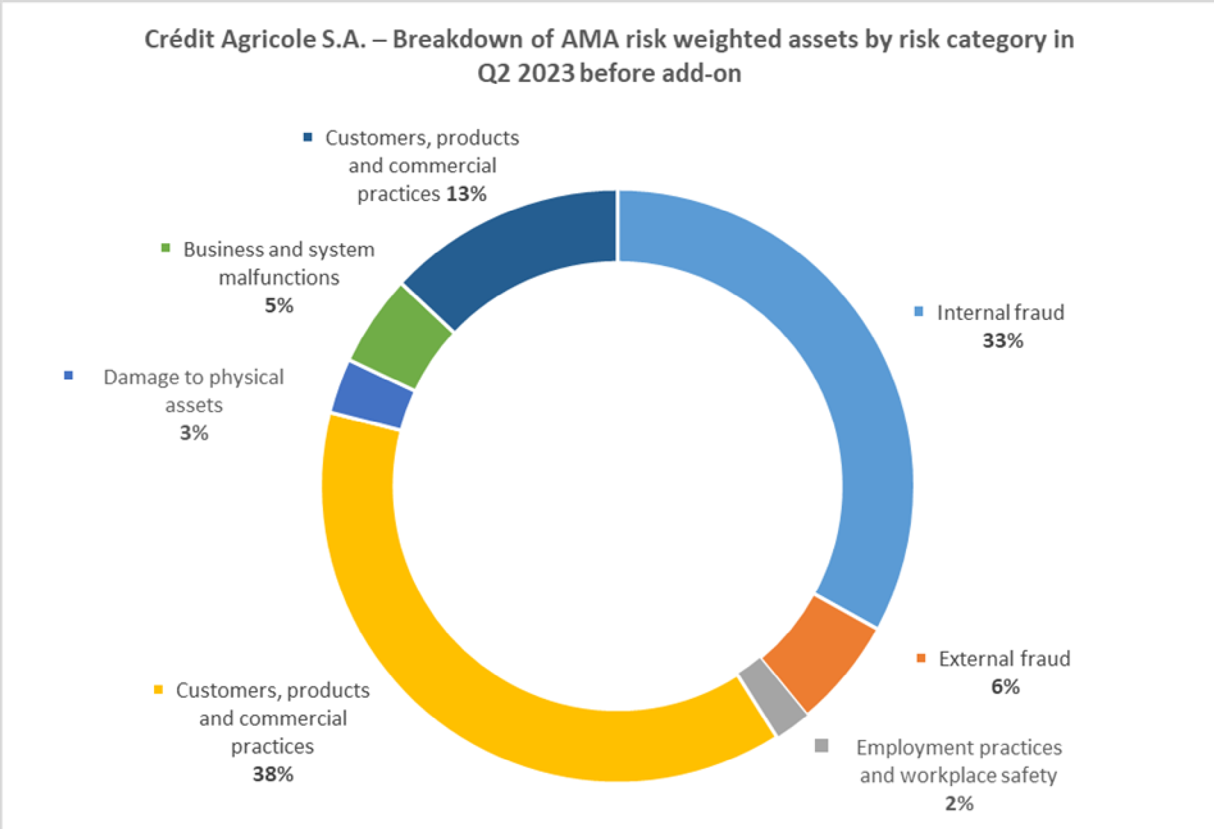


Generally speaking, the exposure profile in terms of operating risks detected in the last three years reflects the principal activities of Crédit Agricole S.A.:

- exposure to external fraud that remains significant, mainly in connection with credit boundary operational risk (document fraud, fraudulent invoices, addressee unknown), with a major incident occurring in 2023 (financing of false invoices), and then payment instruments fraud (bank cards, fraudulent transfers);
- execution and delivery risks, process management risks due to processing errors (data entry errors, management monitoring failures, processing or delivery failures, data and/or risk analysis failures…). This category includes an exceptional incident that occurred in 2021 (discontinued IT project at CAMCA) and another in 2022 in a securitisation file (notification of defaults contested by the investor);
- exposure to the Customer category, marked in particular by a provision following the questioning of unfair terms relating to mortgage loans in Swiss francs at CA Bank Polska in 2022;
- risk of internal fraud which is now contained after several exceptional incidents in 2020.

Remedial and preventive action plans at local or Group level were introduced to reduce the exposure of Crédit Agricole S.A. to Operational Risk. Periodic monitoring of action plans for incidents with an impact higher than €5 million has been implemented since 2014 within the Group Operational Risk Committee and since 2016 in the Group Risk Committee.

BREAKDOWN OF RISK WEIGHTED ASSETS BY BASEL RISK CATEGORY (Q2 2023)



5. DEVELOPMENTS IN LEGAL RISK

The main legal and tax proceedings outstanding at Crédit Agricole S.A. and its fully consolidated subsidiaries are described in the 2022 management report.

With respect to the exceptional events and the litigations set out in this report and updated in the first quarter of 2023 in the A02 the new developments are mentioned:

- In the last paragraph of the part relating to “CIE case (Cheque Image Exchange)”,
- In the second paragraph of the part relating to “Bonds SSA”,
- In the penultimate and the last paragraphs of the part relating to “O’Sullivan and Tavera”.

Litigation and exceptional events

CIE case (Cheque Image Exchange)

In March 2008, LCL and Crédit Agricole S.A. and ten other banks were served statement of objections on behalf of the Conseil de la concurrence, which was then succeeded by the Autorité de la concurrence (French Competition Authority).

They were accused of colluding to implement and apply interchange fees for cashing cheques, when switching to the Cheque Image Exchange system, i.e. between 2002 and 2007. In the opinion of the French Competition Authority, these fees constituted anti-competitive price agreements in the meaning of Articles 81 paragraph 1 of the treaty establishing the European Community and Article L. 420-1 of the French Commercial Code, and allegedly caused damage to the economy.

In their defense, the banks categorically refuted the anticompetitiveness of the fees and contested the legality of the proceedings.

In a decision published on 20 September 2010, the French Competition Authority stated that the Cheque Image Exchange fee (CEIC) was anti-competitive by object. Concerning one of the fees for related services, the fee for cancellation of wrongly cleared transactions (AOCT fee), the French Competition Authority called on the banks to revise their amount within six months of the notification of the decision.

The accused banks were sanctioned for an overall amount of €384.92 million.

LCL and Crédit Agricole were respectively sentenced to pay €20.7 million and €82.1 million for the CEIC and €0.2 million and €0.8 million for the AOCT.

All of the banks appealed the decision to the Paris Court of Appeal. By a judgement of 23 February 2012, the Court overruled the decision, stating that the French Competition Authority had not proven the existence of restrictions of competition qualifying as anticompetitive practices by object.

Following an appeal filed by the Autorité de la concurrence, on 14 April 2015, the French Supreme Court (Cour de cassation) overruled the Paris Court of Appeal's decision dated 23 February 2012 and remanded the case to the Paris Court of Appeal on the sole ground that the Paris Court of Appeal declared the UFC-Que Choisir and ADUMPE's interventions in the proceedings devoid of purpose without having considered their arguments.

The Supreme Court did not rule on the merits of the case and Crédit Agricole had brought the case before the Paris Court of Appeal.

In a judgement dated 21 Decembre 2017, the Paris Court of Appeal confirmed the decision of the French Competition Authority dated 20 September 2010 but reduced from euros 82 940 000 to euros 76 560 000 the sanction on Crédit Agricole. LCL's sanction remained unchanged, at an amount of 20,930,000 euros.

As well as the other banks parties to this procedure, LCL and Crédit Agricole filed an appeal with the Supreme Court.

On 29 January 2020, the French Supreme Court overruled the Paris Court of Appeal's decision dated 21 December 2017 and referred the case to the Court on the ground that the Paris Court of Appeal had not characterized the existence of restrictions of competition by object.

In a decision dated 2 December 2021, the Paris Court of Appeal overturned the decision of the French Competition Authority and ruled that it is not established that the introduction of the CEIC and the AOCT fees constituted any anti-competitive practices by their object or by their effects.

On 31 December 2021, the French Competition Authority filed an appeal against this judgement with the French Supreme Court. In a judgment dated 28 June 2023, the French Supreme Court rejected the appeal of the French Competition Authority, and confirmed ultimately that neither the CEIC nor the AOCT fees were restrictions of competition by object, and that it was not established that the CEIC had any effect of distorting, restricting or preventing competition between banks. This decision puts a definitive end to this case.

Office of Foreign Assets Control (OFAC)

In October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US and New York authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008.

Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US and New York authorities in connection with their investigations, have agreed to pay a total penalty amount of $787.3 million (i.e. €692.7 million). The payment of this penalty has been allocated to the pre-existing reserve that had already been taken and, therefore, has not affected the accounts for the second half of 2015.

The agreements with the Board of Governors of the Federal Reserve System (Fed) and the New-York State Department of Financial Services (NYDFS) are with CASA and Crédit Agricole CIB. The agreement with the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury is with Crédit Agricole CIB. Crédit Agricole CIB also entered into separate deferred prosecution agreements (DPAs) with the United States Attorney's Office for the District of Columbia (USAO) and the District Attorney of the County of New York (DANY), the terms of which are three years. On October 19, 2018 the two deferred prosecution agreements with USAO and DANY ended at the end of the three year period, Crédit Agricole CIB having complied with all its obligations under the DPAs.

Crédit Agricole continues to strengthen its internal procedures and its compliance programs regarding laws on international sanctions and will continue to cooperate fully with the US and New York authorities with its home regulators, the European Central Bank and the French Regulatory and Resolution Supervisory Authority (ACPR), and with the other regulators across its worldwide network.

Pursuant to the agreements with NYDFS and the US Federal Reserve, Crédit Agricole's compliance program is subject to regular reviews to evaluate its effectiveness, including a review by an independent consultant appointed by NYDFS for a term of one year and annual reviews by an independent consultant approved by the Federal Reserve.

Euribor/Libor and other indexes

Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB, in their capacity as contributors to a number of interbank rates, have received requests for information from a number of authorities as part of investigations into: (i) the calculation of the Libor (London Interbank Offered Rates) in a number of currencies, the Euribor (Euro Interbank Offered Rate) and certain other market indices; and (ii) transactions connected with these rates and indices. These demands covered several periods from 2005 to 2012.

As part of its cooperation with the authorities, Crédit Agricole S.A. and its subsidiary Crédit Agricole CIB carried out investigations in order to gather the information requested by the various authorities and in particular the American authorities – the DOJ (Department of Justice) and CFTC (Commodity Future Trading Commission) – with which they are in discussions. It is currently not possible to know the outcome of these discussions, nor the date when they will be concluded.

Furthermore, Crédit Agricole CIB is currently under investigation opened by the Attorney General of the State of Florida on both the Libor and the Euribor.

Following its investigation and an unsuccessful settlement procedure, on 21 May 2014, the European Commission sent a statement of objection to Crédit Agricole S.A. and to Crédit Agricole CIB pertaining to agreements or concerted practices for the purpose and/or effect of preventing, restricting or distorting competition in derivatives related to the Euribor.

In a decision dated 7 December 2016, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB €114,654,000 for participating in a cartel in euro interest rate derivatives. Crédit Agricole S.A. and Crédit Agricole CIB are challenging this decision and have asked the General Court of the European Union to overturn it. The hearing before the Court was held on 17 March 2022 and the date of the decision is not known at this stage.

The Swiss competition authority, COMCO, has conducted an investigation into the market for interest rate derivatives, including the Euribor, with regard to Crédit Agricole S.A. and several Swiss and international banks. This investigation was closed following a settlement procedure under which Crédit Agricole S.A agreed to pay a penalty of CHF 4.465.701 and proceedings costs amounting to CHF 187.012 without any admission of guilt.

Moreover, in June 2016 the South Korean competition authority (KFTC) decided to close the investigation launched in September 2015 into Crédit Agricole CIB and the Libor index on various currencies, Euribor and Tibor indices. The investigation into certain foreign exchange derivatives (ABS-NDF) has been closed by the KFTC according to a decision notified to Crédit Agricole CIB on 20 December 2018.

Concerning the two class actions in the United States of America in which Crédit Agricole S.A. and Crédit Agricole CIB have been named since 2012 and 2013 along with other financial institutions, both as defendants in one (“Sullivan” for the Euribor) and only Crédit Agricole S.A. as defendant for the other (“Lieberman” for Libor), the “Lieberman” class action is now closed, as the plaintiffs decided to voluntarily dismiss from the proceedings. Concerning the“Sullivan” class action, Crédit Agricole S.A. and Crédit Agricole CIB had introduced a motion to dismiss the plaintiffs’ claim, which was, in fist instance, granted by the US District Court of New York State. On 14 June 2019, the plaintiffs had appealed this decision. While awaiting the decision on this appeal, the U.S. Second District Court of Appeal handed down on 31 December 2021, in a separate case (known as GELBOIM), a decision modifying its jurisprudence on the personal jurisdiction of US courts over foreign defendants. In order to avoid possible negative consequences of this reversal of jurisprudence on the ongoing appeal, Crédit Agricole S.A. and Crédit Agricole CIB had negotiated with the plaintiffs a settlement to permanently end the proceedings providing for the payment to the plaintiffs of 55 million US dollars, which was made in 2022. This settlement, which does not involve any admission of guilt from Crédit Agricole S.A. and Crédit Agricole CIB, was homologated by the New-York court on November 15, 2022, a decision that was not appealed. According to the usual cooperation provisions of such an agreement, a request for confirmatory discovery could possibly be submitted to Crédit Agricole S.A. and Crédit Agricole CIB by the plaintiffs in 2023 in the event that this would be necessary in the context of their discussions to reach an agreement with other parties that have not settled yet.

Since 1 July 2016, Crédit Agricole S.A. and Crédit Agricole CIB, together with other banks, are also party to a new class action suit in the United States (“Frontpoint”) relating to the SIBOR (Singapore Interbank Offered Rate) and SOR (Singapore Swap Offer Rate) indices. After having granted a first motion to dismiss filed by Crédit Agricole SA and Crédit Agricole CIB, the New York Federal District Court, ruling on a new request by the plaintiffs, excluded Crédit Agricole SA from the Frontpoint case on the grounds that it had not contributed to the relevant indexes. The Court considered, however, taking into account recent developments in case law, that its jurisdiction could apply to Crédit Agricole CIB, as well as to all the banks that are members of the SIBOR index panel. The allegations contained in the complaint regarding the SIBOR/USD index and the SOR index were also rejected by the court, therefore the index SIBOR/Singapore dollar alone is still taken into account. On 26 December, the plaintiffs filed a new complaint aimed at reintroducing into the scope of the Frontpoint case the alleged manipulations of the SIBOR and SOR indexes that affected the transactions in US dollars. Crédit Agricole CIB, alongside the other defendants, objected to this new complaint at the hearing held on 2 May 2019 before the New York Federal District Court. On July 26, 2019, the Federal Court granted the defendants' motion to dismiss. The plaintiffs filed a notice of appeal on August 26, 2019.

On March 17, 2021, a three-judge panel of the Court of Appeal of the 2nd Circuit reversed the dismissal and returned the case to the District Court. The defendants, including Crédit Agricole CIB, requested the Second Circuit Court to rehear the case "en banc" (all the active judges of the Court). This motion was denied by the Second Circuit Court on May 6, 2021. Another motion was filed on May 12, 2021 by the defendants seeking a stay of this decision remanding the case to the District Court, which was rejected on May 24, 2021. On October 1, 2021, the defendants filed a petition for writ of certiorari with the US Supreme Court, which decided on January 10, 2022 not to consider the case. A new petition, currently under review, has been filed by the defendants before the District Court in an attempt to stop this action.

On 27 May 2022, the 13 defendants entered into a settlement agreement with the plaintiffs to definitely dismiss this action. This agreement provides for payment of a fixed sum to the plaintiffs, with distribution plan for each plaintiff. It therefore provides for payment by Crédit Agricole CIB of $7.3 million (8.03% of the total amount). This agreement which includes no acknowledgement of culpability on the part of Crédit Agricole CIB, was homologated by the New York court on November 29, 2022, a decision that was not appealed.

Bonds SSA

Several regulators requested information to Crédit Agricole S.A. and to Crédit Agricole CIB for investigations relating to activities of different banks involved in the secondary trading of Bonds SSA (Supranational, Sub-Sovereign and Agencies) denominated in American dollars. Through the cooperation with these regulators, Crédit Agricole CIB proceeded to internal inquiries to gather the required information available. On 20 December 2018, the European Commission issued a Statement of Objections to a number of banks including Crédit Agricole S.A. and Crédit Agricole CIB within its inquiry on a possible infringement of rules of European Competition law in the secondary trading of Bonds SSA denominated in American dollars. Crédit Agricole S.A. and Crédit Agricole CIB became aware of these objections and issued a response on 29 March 2019, followed by an oral hearing on 10-11 July 2019.

In a decision dated 28 April 2021, the European Commission jointly fined Crédit Agricole S.A. and Crédit Agricole CIB € 3,993,000 for participating in a cartel in the secondary trading market of Bonds SSA denominated in American dollars. On 7 July 2021, Crédit Agricole S.A. and Crédit Agricole CIB appealed this decision to the General Court of the European Union. The appeal hearing took place on 16 June 2023 and judgment is pending.

Crédit Agricole CIB was included with other banks in a putative consolidated class action before the United States District Court for the Southern District of New York. That action was dismissed on 29 August 2018 on the basis that the plaintiffs failed to allege an injury sufficient to give them standing. However the plaintiffs were given an opportunity to attempt to remedy that defect. The plaintiffs filed an amended complaint on 7 November 2018. Crédit Agricole CIB as well as the other defendants filed motions to dismiss the amended complaint. An order issued on 30 September 2019 dismissed the class action against CACIB for lack of personal jurisdiction and, in a subsequent ruling, the Court held that the plaintiffs had in any event failed to state a claim for violation of US antitrust law. In June 2020, the plaintiffs took an appeal from both of the Court's orders. On 19 July 2021, the Second Circuit Court of Appeals affirmed the district court's holding that plaintiffs had failed to state a claim for violation of US antitrust law. Plaintiffs' deadline to seek further review of the district court's decision from the US Supreme Court passed on 2 December 2021 without plaintiffs seeking review by that Court. Plaintiffs subsequently sought leave to file a motion to vacate the trial court's judgment, on the basis that the trial court judge had not disclosed a conflict of interest at the outset of the action. The action was reassigned to a new judge for purposes of considering that request, and that new judge ordered the parties to brief the issue for her review. On 3 October 2022, that judge, District Judge Valerie Caproni, issued an opinion and order denying the plaintiffs' motion to vacate the judgment and instructing the Clerk of Court to close the case. Plaintiffs did not take an appeal from Judge Caproni's ruling.

On 7 February 2019, a second class action was filed against CACIB and the other defendants named in the class action already pending before the United States District Court for the Southern District of New York. In July 2020, the plaintiffs voluntarily discontinued the action but the claim could be revived.

On 11 July 2018, Crédit Agricole S.A. and Crédit Agricole CIB were notified with other banks of a class action filed in Canada, before the Ontario Superior Court of Justice. Another class action was filed in the Federal Court of Canada. The action before the Ontario Superior Court of Justice was dismissed on 19 February 2020. The Crédit Agricole defendants have reached an agreement in principle to resolve the proceedings before the Federal Court. The final agreement has yet to be negotiated, signed and approved by the court.

O'Sullivan and Tavera

On November 9, 2017, a group of individuals, (or their families or estates), who claimed to have been injured or killed in attacks in Iraq filed a complaint *("O'Sullivan I")* against several banks including Crédit Agricole S.A., and its subsidiary Crédit Agricole Corporate Investment Bank (Crédit Agricole CIB), in US Federal District Court in New York.

On December 29, 2018, the same group of individuals, together with 57 new plaintiffs, filed a separate action ("*O'Sullivan II*") against the same defendants.

On December 21, 2018, a different group of individuals filed a complaint (*"Tavera"*) against the same defendants.

All three complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants conspired with Iran and its agents to violate US sanctions and engage in transactions with Iranian entities in violation of the US Anti-Terrorism Act and the Justice Against Sponsors of Terrorism Act. Specifically, the complaints allege that Crédit Agricole S.A., Crédit Agricole CIB, and other defendants processed US dollar transactions on behalf of Iran and Iranian entities in violation of sanctions administered by the US Treasury Department's Office of Foreign Assets Control, which allegedly enabled Iran to fund terrorist organizations that, as is alleged, attacked plaintiffs. The plaintiffs are seeking an unspecified amount of compensatory damages.

On 2 March 2018, Crédit Agricole CIB and other defendants filed a motion to dismiss the *O' Sullivan I* Complaint. On 28 March 2019, the Court granted defendants' motion to dismiss. On 22 April 2019, the plaintiffs filed a motion to amend their complaint. Defendants submitted an opposition to that motion on 20 May 2019 and plaintiffs filed a reply on 10 June 2019. On 25 February 2020 the plaintiffs' motion to amend their complaint was denied and their original complaint dismissed with prejudice.

On 28 May 2020, plaintiffs filed a motion requesting that the court enter a final judgment against defendants to allow an appeal. On 11 June 2020, the defendants filed an opposition to plaintiffs' motion, and plaintiffs filed a reply brief on 18 June 2020. On June 29, 2021, the court denied plaintiffs' motion.

Concerning the proceures O'Sullivan: on July 28, 2021, the court stayed the O'Sullivan I action pending a decision in the appeal in a related case, Freeman v. HSBC Holdings, PLC, No. 19-3970 (2d. Cir.). (The O'Sullivan II and Tavera cases had been previously stayed pending that appeal.) On January 20, 2023, the court extended the stay in the O'Sullivan I and O'Sullivan II actions pending a decision in the appeal to the U.S. Supreme Court in Twitter, Inc. v. Taamneh, et al., which involves application of the Anti-Terrorism Act to social media companies. On June 5, 2023, the court extended the stay in the O'Sullivan I and O'Sullivan II actions pending a decision in the appeal to the U.S. Supreme Court of the Second Circuit's decision in Freeman.

In the Tavera case, on January 31, 2023, the parties requested that the court stay the case until after the Supreme Court's decision in the Twitter appeal. The Second Circuit Court of Appeals issued its decision in Freeman on January 5, 2023 and the U.S Supreme Court issued its decision in Twitter on May 18, 2023. On June 20, 2023, the plaintiffs in the Tavera case requested that the court stay the case until after the Supreme Court's decision in Freeman.

Crédit Agricole Consumer Finance Nederland B.V.

The conditions for the review of the interest rates of revolving loans marketed by Crédit Agricole Consumer Finance Nederland BV, a fully owned subsidiary of Crédit Agricole Consumer Finance SA, and its subsidiaries are the subject of borrowers' claims relating to the criteria for revising these rates and possible overpayments of interests.

On 21 January 2019, in 2 individual cases concerning two subsidiaries of Crédit Agricole Consumer Finance Nederland BV, the Appeals Committee of KIFID (the Financial Services Complaints Authority) in the Netherlands decided that in case the consumers had no or insufficient information on the specific factors that determine the interest rate, the individual interest rate needed to follow the movement of market interest rates on consumer loans.

Crédit Agricole Consumer Finance Nederland BV implemented a compensation plan for the benefit of the borrowers in May 2020 which takes into account the aforementioned decisions of KIFID. Other institutions in the Netherlands have implemented compensation plans. Crédit Agricole Consumer Finance Nederland B.V. Supervisory board decided to close this compensation plan on 1st March 2021.

CACEIS Germany

CACEIS Germany received from the Bavarian tax authorities on 30 April 2019 a claim for the repayment of the dividend tax refunded to a number of its customers in 2010.

This claim amounted to 312 million euros. It was accompanied by a demand for the payment of 148 million euros of interests (calculated at the rate of 6% per annum).

CACEIS Germany (CACEIS Bank SA) strongly challenge this claim that it finds to be totally unfounded. CACEIS Germany filed several claims before the Munich Tax office in order to, on the one hand, challenge the Munich Tax office's claim for the repayment of the dividend tax and, on the other hand, request a stay of enforcement of the payment obligation pending a final decision on the substance.The stay of enforcement was granted for the payment of 148 million euros of interests and rejected for the repayment of the amount of 312 million euros. CACEIS Bank SA appealed against the decision to reject. The rejection being enforceable, the sum of 312 million euros was paid by CACEIS Bank SA which, given the ongoing appeal proceedings, recorded a claim for an equivalent amount in its accounts. As CACEIS Bank SA's arguments have been rejected by the Munich Tax office on 25 November 2022, CACEIS Bank SA filed on 21 December 2022 a lawsuit with the Munich Tax Court against the said Munich Tax office's decision and against the claim for the repayment of the dividend tax. As CACEIS Bank SA is confident in its arguments, it has not made any modification to its accounts.

Binding agreements

Crédit Agricole S.A. does not depend on any industrial, commercial or financial patent, license or contract.

6. Non-compliance risks

Details about non-compliance risk prevention and control can be found in Crédit Agricole S.A.'s 2022 Universal Registration Document, Chapter 5, Section 2.10.

Evolution of governance bodies

At the publication date of the present document, the composition of the Board of Directors is the following:

Composition of the Board of Directors as of August, 3rd 2023

Dominique LEFEBVRE	Chairman of the Board of Directors Chairman of the Regional Bank of Val de France Chairman of Fédération nationale du Crédit Agricole Chairman of SAS Rue La Boétie
Raphaël APPERT representing SAS Rue La Boétie	Deputy Chairman of the Board of Directors Chief Executive Officer of the Regional Bank Centre-est First Deputy Chairman of Fédération nationale du Crédit Agricole Deputy Chairman of SAS Rue La Boétie
Agnès AUDIER	Senior Advisor Boston Consulting Group Independent Director
Olivier AUFFRAY	Chairman of the Regional Bank Ille et Vilaine
Sonia BONNET-BERNARD	Chairwoman of A2EF Independent Director
Hugues BRASSEUR	Chief Executive Officer of the Regional Bank Nord de l'Anjou et du Maine
Pierre CAMBEFORT	Chief Executive Officer of the Regional Bank Nord Midi-Pyrénées
Marie-Claire DAVEU	Executive Officer of Sustainable Development and International Institutional Affairs of Kering Independent director
Jean-Pierre GAILLARD	Chairman of the Regional Bank Sud Rhône-Alpes
Nicole GOURMELON	Chief Executive Officer of the Regional Bank of Atlantique-Vendée
Jean-Paul KERRIEN	Chairman of the Regional Bank Finistère
Christiane LAMBERT	Chairwoman of COPA and former President of FNSEA
Marianne LAIGNEAU	Chief Executive Officer of Enédis Independent Director
Christophe LESUR	Director representing employee shareholders
Pascal LHEUREUX	Chairman of the Regional Bank Normandie-Seine
Alessia MOSCA	Professor of International commerce in Sciences Po Paris Independent Director
Carol SIROU	Chief executive officer of Ethifinance Independent Director
Louis TERCINIER	Chairman of the Regional Bank Charente Maritime Deux Sèvres
Catherine Umbricht	Director representing employees
Eric VIAL	Chairman of the Regional Bank des Savoie
Eric WILSON	Director representing employees

On August, 3rd 2023 the Board of Directors of Crédit Agricole S.A. temporarily appointed **Mrs. Christine GANDON** as Director, following the resignation of Mr. Jean-Paul KERRIEN. Her appointment will be presented for confirmation to the next ordinary general meeting.

Following **Mr. Bernard DE DREE** expiry of his term of office on June, 19th 2023, **Mr. Guillaume MAITRE** was appointed, on June 21st 2023, as representative of the Social and economic Committee to the Board of Directors.

Finally, August, 3rd 2023 the Board of Directors of Crédit Agricole S.A. decide to create a new Committee, the Societal Commitment Committee as well as the modification of missions and name of the company's Strategy and corporate and social responsibility Committee in order to create a new Strategy Committee. It accordingly decided to adopt their respective Rules of Procedure and the Rules of Procedure of the Board of Directors, which are available on the website https://www.credit-agricole.com/.

Board's Specialised Committees

Risk Committee

Chief Executive Officer of Ethifinance	**Carol SIROU - Chairwoman**
A2EF Chairwoman	**Sonia BONNET-BERNARD**
Chief Executive Officer of a Crédit Agricole Regional Bank	**Pierre CAMBEFORT**
Director of Sustainable Development and International Institutional Relations at Kering Independent Director	**Marie Claire DAVEU**
Chairman of the Regional Bank Normandie-Seine	**Pascal LHEUREUX**

Audit Committee

Chairwoman of A2EF	**Sonia BONNET-BERNARD - Chairwoman**
Senior Advisor Boston Consulting Group Independent Director	**Agnès AUDIER**
Chief Executive Officer of a Crédit Agricole Regional Bank	**Hugues BRASSEUR**
Chairman of a Crédit Agricole Regional Bank	**Jean-Pierre GAILLARD**
Adjunct professor of international trade at Sciences Po Paris Independent Director	**Alessia MOSCA**
Chief Executive Officer of Ethifinance	**Carol SIROU**

US Risk Committee

Chief Executive Officer of Ethifinance	**Carol SIROU - Chairwoman**
Chief Executive Officer of a Crédit Agricole Regional Bank	**Pierre CAMBEFORT**
Adjunct professor of international trade at Sciences Po Paris Independent Director	**Alessia MOSCA**

Remuneration Committee

Senior Advisor Boston Consulting Group Independent Director	**Agnès AUDIER - Chairwoman**
Director of Sustainable Development and International Institutional Relations at Kering Independent Director	**Marie Claire DAVEU**
Chairman of a Crédit Agricole Regional Bank	**Olivier AUFFRAY**
Chairman of a Crédit Agricole Regional Bank	**Pascal LHEUREUX**
Adjunct professor of international trade at Sciences Po Paris Independent Director	**Alessia MOSCA**
Director representing employees	**Catherine UMBRICHT**

Appointments and Governance Committee

Independent Director Chairman of the Management Board of Enedis	**Marianne LAIGNEAU**
Deputy Chairman of the Board of Directors Chief Executive Officer of a Crédit Agricole Regional Bank	**Raphaël APPERT**
Adjunct professor of international trade at Sciences Po Paris Independent Director	**Alessia MOSCA**
Chairman of a Crédit Agricole Regional Bank	**Jean-Pierre GAILLARD**
Chairman of the Board of Directors Chairman of a Crédit Agricole Regional Bank	**Dominique LEFEBVRE**
Chairman of a Crédit Agricole Regional Bank	**Louis TERCINIER**

Strategy Committee

Chairman of the Board of Directors Chairman of a Crédit Agricole Regional Bank	**Dominique LEFEBVRE - Chairman**
Deputy Chairman of the Board of Directors Chief Executive Officer of a Crédit Agricole Regional Bank	**Raphaël APPERT**
Senior Advisor Boston Consulting Group Independent Director	**Agnès AUDIER**
Chief Executive Officer of a Crédit Agricole Regional Bank	**Nicole GOURMELON**
Chairman of a Crédit Agricole Regional Bank	**Louis TERCINIER**
Chairman of a Crédit Agricole Regional Bank	**Eric VIAL**
Director representing employees	**Eric WILSON**

Societal Commitment Committee

Chairman of the Board of Directors Chairman of a Crédit Agricole Regional Bank	**Dominique LEFEBVRE - Chairman**
Deputy Chairman of the Board of Directors Chief Executive Officer of a Crédit Agricole Regional Bank	**Raphaël APPERT**
Chairman of a Crédit Agricole Regional Bank	**Olivier AUFFRAY**
Chief Executive Officer of the Regional Bank Nord de l'Anjou et du Maine	**Hugues BRASSEUR**
Director of Sustainable Development and International Institutional Relations at Kering Independent Director	**Marie Claire DAVEU**
Independent Director Chairman of the Management Board of Enedis	**Marianne LAIGNEAU**

Composition of the Executive Committee as at July 1st, 2023

Chief Executive Officer	**Philippe Brassac**
Deputy Chief Executive Officer in charge of Universal Bank	**Olivier Gavalda**
Deputy Chief Executive Officer in charge of Steering and Control functions	**Jérôme Grivet**
Deputy Chief Executive Officer in charge of Major Clients	**Xavier Musca**
Deputy General Manager, Head of Asset Management	**Valérie Baudson**
Chief Risk Officer	**Alexandra Boleslawski**
Head of Compliance	**Martine Boutinet**
Head of Societal Commitment	**Éric CAMPOS**
Group Head of Human Resources	**Bénédicte Chrétien**
Deputy General Manager, Head of Insurance	**Philippe Dumont**
Corporate Secretary	**Véronique Faujour**
Deputy General Manager, Head of Customer and Development	**Gérald GRÉGOIRE**
Head of Crédit Agricole Italy	**Giampiero Maioli**
Deputy General Manager, Head of Retail Banking Subsidiaries	**Michel Mathieu**
Deputy General Manager, Head of Technology, Digital and Payments	**Jean-Paul Mazoyer**
Deputy General Manager, Head of Specialised Financial Services	**Stéphane Priami**
Head of Internal Audit	**Laurence Renoult**

Composition of the Management Committee as at July 1st, 2023

The Management Committee consists of the Executive Committee and the following:

Head of Public Affairs	**Alban Aucoin**
Deputy Chief Executive Officer of Crédit Agricole CIB – Funding	**Jean-François Balaÿ**
Head of the Institutional and Corporate Clients Division and ESG of Amundi	**Jean-Jacques Barbéris**
Deputy Chief Executive Officer and Finance Director of Crédit Agricole CIB	**Olivier Bélorgey**
Chief Executive Officer of CA-GIP	**Olivier Biton**
Deputy Chief Executive Officer and Head of Strategy, Finance and Control Division of Amundi	**Nicolas Calcoen**
Chief Executive Officer of CA Auto Bank and Head of International Partnerships of CACF	**Giacomo Carelli**
Head of Group Procurement	**Bertrand Chevallier**
Head of Communications	**Julie de La Palme**
Chief Executive Officer of Predica and Deputy CEO of Crédit Agricole Assurances	**Nicolas Denis**
Senior Regional Officer for Asia-Pacific	**Jean-François Deroche**
Chief Executive Officer of Agos Ducato	**François Édouard Drion**
Head of Strategic Research (As of July 17, 2023)	**Selma Drissi**
Senior Regional Officer for the Americas and Senior Country Officer for the United States	**Stéphane Ducroizet**
Head of Merchant Services	**Meriem Echcherfi**
Head of Group Finance	**Paul Foubert**
Head of Retail Development Division of LCL	**Laurent Fromageau**
Deputy General Manager and Head of Global Coverage & Investment Banking of Crédit Agricole CIB	**Didier Gaffinel**
Deputy Chief Executive Officer and Global Head of Global Markets of Crédit Agricole CIB	**Pierre Gay**
Deputy Chief Executive Officer of CA Italia and Chief Executive Officer of Creval	**Roberto Ghisellini**
Head of Customer Project	**Claire-Lise Hurlot**
Chief Economist	**Isabelle Job-Bazille**
Head of International Banking Development	**Michel Le Masson**
Chief Operating Officer of Amundi	**Guillaume Lesage**
Deputy Chief Executive Officer of Sofinco	**Laila Mamou**
Chief Executive Officer of Crédit Agricole Payment Services	**Philippe Marquetty**
Chief Executive Officer of BforBank	**Jean-Bernard Mas**
Head of Group Project Steering and Impulse	**Pierre Metge**
Chief Executive Officer of CACEIS	**Jean-Pierre Michalowski**
Chief Investment Officer of Amundi	**Vincent Mortier**
Chief Executive Officer of Crédit Agricole Bank Polska and Group Senior Country officer, Poland	**Bernard Muselet**
Head of Corporate, Institutional and Wealth Management Division of LCL	**Olivier Nicolas**
Head of Regional Banks Relations	**Guilhem Nouvel-Alaux**
Chief Executive Officer of Crédit Agricole Immobilier	**Marc Oppenheim**
Chief Executive Officer of Pacifica and Deputy CEO of Crédit Agricole Assurances	**Guillaume Oreckin**
Chief Executive Officer of CA Indosuez Wealth Management	**Jacques Prost**
Deputy Chief Executive Officer of CA Italia, in charge of Retail Banking, Private & Digital	**Vittorio Ratto**
Head of International Partner Networks Division and CEO Italy of Amundi	**Cinzia Tagliabue**
Head of Agri-Agro, Guarantee and Capital Development Division	**Jean-Pierre Touzet**
Managing Director of Crédit Agricole Egypt and Group Senior Country Officer, Egypt	**Jean-Pierre Trinelle**
Chief Executive Officer of Crédit Agricole Leasing & Factoring	**Hervé Varillon**
Head of Legal	**Francis Vicari**
Group Deputy General Manager - International, Insurance, Finance and Legal, and Executive Senior Manager of CACF	**Valérie Wanquet**

Other recent information

Press releases

The press releases mentioned hereunder can be found on the following website:

https://www.credit-agricole.com/en/finance/finance/financial-press-releases

Press release of 19 May 2023

General Shareholder's meeting of Crédit Agricole S.A.

General Shareholders' Meeting of Crédit Agricole S.A. | Crédit Agricole (credit-agricole.com)

Press release of 30 May 2023

2023 Capital increase reserved to employees of the Crédit Agricole Group

2023 Capital increase reserved to employees of the Crédit Agricole Group (credit-agricole.com)

Press release of 20 June 2023

Redemption of JPY 8,300,000,000 Callable Subordinated Fixed

Redemption of JPY 8,300,000,000 Callable Subordinated Fixed | Crédit Agricole (credit-agricole.com)

Press release of 28 July 2023

Crédit Agricole and Worldline sign a binding agreement to create a major player in merchant services in France

Crédit Agricole and Worldline sign a binding agreement to create a major (credit-agricole.com)

Press release of 3 August 2023

Crédit Agricole Consumer Finance finalizes, with Stellantis, the acquisition of ALD and LeasePlan activities in six European Countries and accelerate Credit Agricole Auto Bank and Leasys development

Crédit Agricole Consumer Finance finalizes, with Stellantis, the acquisition (credit-agricole.com)

Press release of 4 August 2023

2nd quarter and 1st half 2023 results

2nd quarter and 1st half 2023 results | Crédit Agricole (credit-agricole.com)

Indosuez Wealth Management majority stake in Bank Degroof Petercam

Indosuez Wealth Management majority stake in Bank Degroof Petercam | Crédit (credit-agricole.com)

Communication in accordance with Article 8, §1 of the Royal Decree of April 27, 2007 on Takeover Bids

Communication in accordance with Article 8, §1 of the Royal Decree of April (credit-agricole.com)

CRÉDIT AGRICOLE S.A.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2023

Approved by the Board of Directors of Credit Agricole S.A. on 3 August 2023

SOMMAIRE

GENERAL FRAMEWORK

LEGAL PRESENTATION OF THE ENTITY

Since the Extraordinary General Meeting of 29 November 2001, the Company's name has been: **Crédit Agricole S.A.**

The address of the Company's registered office is: 12, place des États- Unis, 92127 Montrouge Cedex, France.

Registration number: 784 608 416 Nanterre Trade and Companies Register

NAF code: 6419Z.

Crédit Agricole S.A. is a French Public Limited Company (Société Anonyme) with a Board of Directors governed by ordinary company law and more specifically by Book II of the French Commercial Code (Code de commerce).

Crédit Agricole S.A. is also subject to the provisions of the French Monetary and Financial Code (CMF — Code monétaire et financier) and more specifically Articles L.512-47 et seq. thereof.

Crédit Agricole S.A. was licensed as an authorised credit institution in the mutual and cooperative banks category on 17 November 1984. As such, it is subject to oversight by the banking regulatory authorities, and more particularly by the French Regulatory and Resolution Supervisory Authority (ACPR) and the European Central Bank.

Crédit Agricole S.A. shares are admitted for trading on Euronext Paris. Crédit Agricole S.A. is subject to the applicable stock market regulations particularly with respect to public disclosure obligations.

A bank with mutual roots

SAS Rue La Boétie, which is wholly owned by the Regional Banks, holds the majority of Crédit Agricole S.A.'s share capital. Shares in SAS Rue La Boétie may not be transferred outside the Regional Banks' network. Furthermore, any trading in these shares between Regional Banks is governed by a liquidity agreement that in particular sets out the procedures for determining the transaction price. This encompasses both disposals of shares between the Regional Banks and capital increases at SAS Rue La Boétie.

Fédération Nationale du Crédit Agricole (FNCA) acts as a consultative and representative body, and as a communication forum for the Regional Banks.

In accordance with the provisions of the French Monetary and Financial Code (Articles L. 511-31 and L. 511-32), as the corporate centre of the Crédit Agricole network, Crédit Agricole S.A. is responsible for exercising administrative, technical and financial control over the institutions affiliated to it in order to maintain a cohesive network (as defined in Article R. 512-18 of the French Monetary and Financial Code) and to ensure their proper functioning and compliance with all regulations and legislation governing them. In that regard, 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.

CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT

(in millions of euros)	Notes	30/06/2023	30/06/2022 Restated [3]
Interest and similar income	4.1	27,789	13,137
Interest and similar expenses	4.1	(20,951)	(6,492)
Fee and commission income	4.2	6,581	6,602
Fee and commission expenses	4.2	(2,449)	(2,154)
Net gains (losses) on financial instruments at fair value through profit or loss	4.3	6,715	(12,244)
Net gains (losses) on held for trading assets/liabilities		3,853	(3,805)
Net gains (losses) on other financial assets/liabilities at fair value through profit or loss		2,863	(8,439)
Net gains (losses) on financial instruments at fair value through other comprehensive income	4.4	(77)	52
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss		(201)	10
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)		123	42
Net gains (losses) arising from the derecognition of financial assets at amortised cost	4.5	(13)	20
Net gains (losses) arising from the reclassification of financial assets at amortised cost to financial assets at fair value through profit or loss		-	-
Net gains (losses) arising from the reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value through profit or loss		-	-
Net insurance revenue [2]		(5,017)	11,894
Insurance revenue		6,913	6,504
Insurance service expenses		(5,285)	(4,979)
Income or expenses related to reinsurance contracts held		(112)	(22)
Insurance finance income or expenses		(6,572)	10,366
Insurance finance income or expenses related to reinsurance contracts held		24	25
Credit cost of risk on insurance financial investments		15	-
Income on other activities	4.6	1,088	699
Expenses on other activities	4.6	(869)	(311)
Revenues		**12,797**	**11,203**
Operating expenses	4.7	(6,493)	(6,366)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	4.8	(562)	(537)
Gross operating income		**5,742**	**4,300**
Cost of risk	4.9	(908)	(943)
Operating income		**4,834**	**3,357**
Share of net income of equity-accounted entities		113	190
Net gains (losses) on other assets	4.10	32	20
Change in value of goodwill	6.7	-	-
Pre-tax income		**4,979**	**3,567**
Income tax charge	4.11	(1,199)	(950)
Net income from discontinued operations	6.5	6	24
Net income		**3,786**	**2,641**
Non-controlling interests		520	434
NET INCOME GROUP SHARE		**3,266**	**2,207**
Earnings per share (in euros) [1]	6.10	**1.002**	**0.674**
Diluted earnings per share (in euros) [1]	6.10	**1.002**	**0.674**

[1] Corresponds to income excluding interest on deeply subordinated notes and including Net Income from discontinued or held-for-sale operations.
[2] Net insurance financial result composed of Investment income net of expenses and Insurance finance income or expenses in Note 5.2 "Specific characteristics of insurance".
[3] The data at 30 June 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 10 "Impacts of accounting changes or other events".

NET INCOME AND OTHER COMPREHENSIVE INCOME

(in millions of euros)	Notes	30/06/2023	30/06/2022 Restated [1]
Net income		**3,786**	**2,641**
Actuarial gains and losses on post-employment benefits	4.12	(26)	300
Other comprehensive income on financial liabilities attributable to changes in own credit risk	4.12	105	791
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	4.12	93	96
Insurance finance income or expenses recognised in other comprehnsive income that will be reclassified to profit or loss	4.12	(242)	(52)
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(70)**	**1,135**
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**4.12**	**4**	**(3)**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**14**	**(266)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**4.12**	**(1)**	**-**
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**	**(53)**	**866**
Gains and losses on translation adjustments	4.12	(240)	598
Other comprehensive income on debt instruments that may be reclassified to profit or loss	4.12	2,779	(28,577)
Gains and losses on hedging derivative instruments	4.12	97	(1,951)
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss		(2,679)	26,408
Insurance finance income or expenses related to reinsurance contracts held recognised in other comprehensive income that will be reclassified to profit or loss		(4)	(184)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(47)**	**(3,706)**
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities, Group Share	**4.12**	**(26)**	**81**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**4.12**	**(55)**	**1,099**
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**	**6**	**8**
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax	**4.12**	**(122)**	**(2,518)**
Other comprehensive income net of income tax	**4.12**	**(175)**	**(1,652)**
NET INCOME AND OTHER COMPREHENSIVE INCOME		**3,611**	**989**
Of which Group share		3,133	535
Of which non-controlling interests		478	454

[2] The data at 30 June 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 10 "Impacts of accounting changes or other events".

BALANCE SHEET ASSETS

(in millions of euros)	Notes	30/06/2023	31/12/2022 Restated [1]	01/01/2022 Restated [1]
Cash, central banks		161,689	207,648	237,757
Financial assets at fair value through profit or loss	6.1	500,898	446,472	445,166
Held for trading financial assets		291,764	249,249	237,335
Other financial instruments at fair value through profit or loss		209,135	197,223	207,831
Hedging derivative Instruments		27,578	31,867	14,130
Financial assets at fair value through other comprehensive income	3 - 6.2	210,588	208,860	260,286
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss		204,531	206,093	257,867
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss		6,057	2,767	2,419
Financial assets at amortised cost	3 - 6.3	1,175,947	1,143,289	1,044,247
Loans and receivables due from credit institutions		582,192	567,512	501,295
Loans and receivables due from customers		510,936	488,571	458,877
Debt securities		82,819	87,206	84,075
Revaluation adjustment on interest rate hedged portfolios [2]		(10,206)	(10,871)	3,194
Current and deferred tax assets		6,747	6,379	5,753
Accruals, prepayments and sundry assets		65,722	67,504	34,841
Non-current assets held for sale and discontinued operations	6.5	101	134	2,909
Insurance contracts issued that are assets	5.2	-	-	78
Reinsurance contracts held that are assets	5.2	1,036	977	855
Investments in equity-accounted entities		2,526	4,300	3,850
Investment property	6.6	11,667	11,974	11,305
Property, plant and equipment		6,904	6,020	6,093
Intangible assets		3,063	3,094	3,180
Goodwill	6.7	15,681	15,682	15,632
TOTAL ASSETS		**2,179,942**	**2,143,329**	**2,089,275**

[1] The data at 31 December 2022 and 1 January 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 10 "Impacts of accounting changes or other events".

[2] The presentation on the balance sheet of the revaluation difference of rate hedged portfolios was reclassified between assets and liabilities as of December 31, 2022. Its net amount has not changed, and amounts to € -455 million as of December 31, 2022.

BALANCE SHEET LIABILITIES

(in millions of euros)	Notes	30/06/2023	31/12/2022 Restated [1]	01/01/2022 Restated [1]
Central banks		45	59	1,276
Financial liabilities at fair value through profit or loss	6.1	346,398	292,639	259,986
Held for trading financial liabilities		275,652	238,700	207,726
Financial liabilities designated at fair value through profit or loss		70,746	53,939	52,260
Hedging derivative Instruments		37,851	45,644	12,358
Financial liabilities at amortised cost	6.4	1,292,187	1,324,553	1,269,634
Due to credit institutions		243,033	284,231	314,845
Due to customers		807,005	825,607	778,845
Debt securities		242,150	214,715	175,944
Revaluation adjustment on interest rate hedged portfolios [2]		(9,524)	(10,416)	4,984
Current and deferred tax liabilities		2,569	2,207	2,260
Accruals, prepayments and sundry liabilities		66,787	54,707	52,530
Liabilities associated with non-current assets held for sale and discontinued operations	6.5	39	205	2,502
Insurance contracts issued that are liabilities	5.2	339,419	331,268	377,218
Reinsurance contracts held that are liabilities	5.2	123	92	67
Provisions	6.8	3,571	3,521	4,537
Subordinated debt	6.9	23,660	23,370	26,101
Total Liabilities		**2,103,126**	**2,067,849**	**2,013,455**
Equity		**76,816**	**75,480**	**75,820**
Equity - Group share		**67,879**	**66,519**	**66,978**
Share capital and reserves		30,904	29,603	28,495
Consolidated reserves		36,574	34,865	38,440
Other comprehensive income		(2,871)	(3,255)	69
Other comprehensive income on discontinued operations		6	-	(26)
Net income (loss) for the year		3,266	5,306	-
Non-controlling interests		**8,937**	**8,961**	**8,842**
TOTAL LIABILITIES AND EQUITY		**2,179,942**	**2,143,329**	**2,089,275**

[1] The data at 31 December 2022 and 1 January 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 10 "Impacts of accounting changes or other events".

[2] The presentation on the balance sheet of the revaluation difference of rate hedged portfolios was reclassified between assets and liabilities as of December 31, 2022. Its net amount has not changed, and amounts to € -455 million as of December 31, 2022.

STATEMENT OF CHANGES IN EQUITY

	Group share									
	Share and capital reserves					Other comprehensive income				
(in millions of euros)	Share capital	Share premium and consolidated reserves [1]	Elimination of treasury shares	Other equity instruments	**Total capital and consolidated reserves**	Other comprehensive income on items that may be reclassified to profit and loss	Other comprehensive income on items that will not be reclassified to profit and loss	**Total other comprehensive income**	**Net income**	**Total equity**
Equity at 1 January 2022 published	**9,341**	**53,507**	**(1,170)**	**4,888**	**66,566**	**2,952**	**(1,301)**	**1,651**	**-**	**68,217**
Impacts of of the application of IFRS 17 [2]	-	367	-	-	**367**	(1,634)	26	**(1,608)**	-	(1,241)
Equity at 1 January 2022	**9,341**	**53,874**	**(1,170)**	**4,888**	**66,933**	**1,318**	**(1,275)**	**43**	**-**	**66,976**
Capital increase	(263)	(796)	-	-	**(1,059)**	-	-	**-**	-	(1,059)
Changes in treasury shares held	-	-	1,036	-	**1,036**	-	-	**-**	-	1,036
Issuance / redemption of equity instruments	-	(8)	-	1,098	**1,090**	-	-	**-**	-	1,090
Remuneration of undated deeply subordinated notes at 1st semester 2022	-	(200)	-	-	**(200)**	-	-	**-**	-	(200)
Dividends paid in 1st semester 2022	-	(3,170)	-	-	**(3,170)**	-	-	**-**	-	(3,170)
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	**-**	-	-	**-**	-	-
Changes due to share-based payments	-	8	-	-	**8**	-	-	**-**	-	8
Changes due to transactions with shareholders	**(263)**	**(4,166)**	**1,036**	**1,098**	**(2,295)**	**-**	**-**	**-**	**-**	**(2,295)**
Changes in other comprehensive income	**-**	**(5)**	**-**	**-**	**(5)**	**(2,566)**	**829**	**(1,737)**	**-**	**(1,742)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	(3)	-	-	(3)	-	3	3	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	(2)	-	-	(2)	-	2	2	-	-
Share of changes in equity-accounted entities	-	-	-	-	**-**	67	(2)	**65**	-	65
Net income for 1st semester 2022	-	-	-	-	**-**	-	-	**-**	2,207	2,207
Other changes	-	40	-	-	**40**	-	-	**-**	-	40
Equity at 30 june 2022	**9,078**	**49,743**	**(134)**	**5,986**	**64,673**	**(1,180)**	**(449)**	**(1,629)**	**2,207**	**65,251**
Capital increase	50	78	-	-	**128**	-	-	**-**	-	128
Changes in treasury shares held	-	-	(153)	-	**(153)**	-	-	**-**	-	(153)
Issuance / redemption of equity instruments	-	-	-	3	**3**	-	-	**-**	-	3
Remuneration of undated deeply subordinated notes at 2nd semester 2022	-	(204)	-	-	**(204)**	-	-	**-**	-	(204)
Dividends paid in 2nd semester 2022	-	(3)	-	-	**(3)**	-	-	**-**	-	(3)
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	**-**	-	-	**-**	-	-
Changes due to share-based payments	-	10	-	-	**10**	-	-	**-**	-	10
Changes due to transactions with shareholders	**50**	**(119)**	**(153)**	**3**	**(219)**	**-**	**-**	**-**	**-**	**(219)**
Changes in other comprehensive income	**-**	**(12)**	**-**	**-**	**(12)**	**(1,652)**	**43**	**(1,609)**	**-**	**(1,621)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	(11)	-	-	(11)	-	11	11	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	(2)	-	-	(2)	-	2	2	-	-
Share of changes in equity-accounted entities	-	-	-	-	**-**	(23)	6	**(17)**	-	(17)
Net income for 2nd semester 2022	-	-	-	-	**-**	-	-	**-**	3,099	3,099
Other changes	-	26	-	-	**26**	-	-	**-**	-	26
Equity at 31 December 2022 2	**9,128**	**49,638**	**(287)**	**5,989**	**64,468**	**(2,856)**	**(399)**	**(3,255)**	**5,306**	**66,519**
Appropriation of 2022 net income	-	5,306	-	-	**5,306**	-	-	**-**	(5,306)	-
Equity at 1 January 2023	**9,128**	**54,944**	**(287)**	**5,989**	**69,774**	**(2,856)**	**(399)**	**(3,255)**	**-**	**66,519**
Impacts of new accounting standards [3]	-	(228)	-	-	**(228)**	375	148	**523**	-	295
Equity at 1 January 2023 published	**9,128**	**54,716**	**(287)**	**5,989**	**69,546**	**(2,481)**	**(251)**	**(2,732)**	**-**	**66,814**
Capital increase	(50)	(110)	-	-	**(160)**	-	-	**-**	-	(160)
Changes in treasury shares held	-	-	171	-	**171**	-	-	**-**	-	171
Issuance / redemption of equity instruments	-	(9)	-	1,246	**1,237**	-	-	**-**	-	1,237
Remuneration of undated deeply subordinated notes at 1st semester 2023	-	(226)	-	-	**(226)**	-	-	**-**	-	(226)
Dividends paid in 1st semester 2023	-	(3,172)	-	-	**(3,172)**	-	-	**-**	-	(3,172)
Dividends received from Regional Banks and their subsidiaries	-	-	-	-	**-**	-	-	**-**	-	-
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	**-**	-	-	**-**	-	-
Changes due to share-based payments	-	13	-	-	**13**	-	-	**-**	-	13
Changes due to transactions with shareholders	**(50)**	**(3,504)**	**171**	**1,246**	**(2,137)**	**-**	**-**	**-**	**-**	**(2,137)**
Changes in other comprehensive income	**-**	**74**	**-**	**-**	**74**	**(60)**	**(48)**	**(108)**	**-**	**(34)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	-	71	-	-	71	-	(71)	(71)	-	-
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	-	2	-	-	2	-	(2)	(2)	-	-
Share of changes in equity-accounted entities	-	-	-	-	**-**	(28)	3	**(25)**	-	(25)
Net income for 1st semester 2023	-	-	-	-	**-**	-	-	**-**	3,266	3,266
Other changes	-	(5)	-	-	**(5)**	-	-	**-**	-	(5)
EQUITY AT 30 JUNE 2023	**9,078**	**51,281**	**(116)**	**7,235**	**67,478**	**(2,569)**	**(296)**	**(2,865)**	**3,266**	**67,879**

1 Consolidated reserve before elimination of treasury shares.

² Details of the impact of the application of IFRS 17 on equity at the transition date of 1 January 2022 are presented in the note "Impact on equity of the application of IFRS 17 at 1 January 2022" below.

³ Details of the changes in designation and classification of financial assets made at 1 January 2023 under the transition requirements of IFRS 17 on the new designation of financial assets are presented in the note "New designation of financial assets" below.

	Non-controlling interests					
		Other comprehensive income				
(in millions of euros)	Capital, associated reserves and income	*Other comprehensive income on items that may be reclassified to profit and loss*	*Other comprehensive income on items that will not be reclassified to profit and loss*	Total other comprehensive income	Total equity	Total consolidated equity
Equity at 1 January 2022 published	**8,794**	**(64)**	**(31)**	**(95)**	**8,699**	**76,916**
Impacts of of the application of IFRS 17 [2]	143	-	-	-	143	(1,098)
Equity at 1 January 2022	**8,937**	**(64)**	**(31)**	**(95)**	**8,842**	**75,818**
Capital increase	-	-	-	-	-	(1,059)
Changes in treasury shares held	-	-	-	-	-	1,036
Issuance / redemption of equity instruments	-	-	-	-	-	1,090
Remuneration of undated deeply subordinated notes at 1st semester 2022	(55)	-	-	-	(55)	(255)
Dividends paid in 1st semester 2022	(466)	-	-	-	(466)	(3,636)
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	4	-	-	-	4	12
Changes due to transactions with shareholders	**(517)**	**-**	**-**	**-**	**(517)**	**(2,812)**
Changes in other comprehensive income	**(2)**	**(34)**	**40**	**6**	**4**	**(1,738)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	**(1)**	**-**	**1**	**1**	-	**-**
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	**-**	**-**	**-**	**-**	-	**-**
Share of changes in equity-accounted entities	-	14	-	14	14	79
Net income for 1st semester 2022	434	-	-	-	434	2,641
Other changes	(55)	-	-	-	(55)	(15)
Equity at 30 june 2022	**8,797**	**(84)**	**9**	**(75)**	**8,722**	**73,973**
Capital increase	-	-	-	-	-	128
Changes in treasury shares held	-	-	-	-	-	(153)
Issuance / redemption of equity instruments	-	-	-	-	-	3
Remuneration of undated deeply subordinated notes at 2nd semester 2022	(55)	-	-	-	(55)	(259)
Dividends paid in 2nd semester 2022	2	-	-	-	2	(1)
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	2	-	-	-	2	12
Changes due to transactions with shareholders	**(51)**	**-**	**-**	**-**	**(51)**	**(270)**
Changes in other comprehensive income	**(1)**	**(61)**	**(1)**	**(62)**	**(63)**	**(1,684)**
Of which other comprehensive income on equity instruments that will not be reclassified to profit or loss reclassified to consolidated reserves	**(1)**	**-**	**(1)**	**(1)**	(2)	**(2)**
Of which other comprehensive income attributable to changes in own credit risk reclassified to consolidated reserves	**-**	**-**	**-**	**-**	-	**-**
Share of changes in equity-accounted entities	(9)	(11)	-	(11)	(20)	(37)
Net income for 2nd semester 2022	445	-	-	-	445	3,544
Other changes	(72)	-	-	-	(72)	(46)
Equity at 31 December 2022 2	**9,109**	**(156)**	**8**	**(148)**	**8,961**	**75,480**
Appropriation of 2022 net income	-	-	-	-	-	-
Equity at 1 January 2023	**9,109**	**(156)**	**8**	**(148)**	**8,961**	**75,480**
Impacts of new accounting standards [3]	-	-	-	-	-	295
Equity at 1 January 2023 published	**9,109**	**(156)**	**8**	**(148)**	**8,961**	**75,775**
Capital increase	-	-	-	-	-	(160)
Changes in treasury shares held	-	-	-	-	-	171
Issuance / redemption of equity instruments	-	-	-	-	-	1,237
Remuneration of undated deeply subordinated notes at 1st semester 2023	(71)	-	-	-	(71)	(297)
Dividends paid in 1st semester 2023	(465)	-	-	-	(465)	(3,637)
Dividends received from Regional Banks and their subsidiaries	-	-	-	-	-	-
Impact of acquisitions/disposals on non-controlling interests	-	-	-	-	-	-
Changes due to share-based payments	6	-	-	-	6	19
Changes due to transactions with shareholders	**(530)**	**-**	**-**	**-**	**(530)**	**(2,667)**
Changes in other comprehensive income	**-**	**(36)**	**(8)**	**(44)**	**(44)**	**(78)**
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	-	2	-	2	2	(23)
Net income for 1st semester 2023	520	-	-	-	520	3,786
Other changes	28	-	-	-	28	23
EQUITY AT 30 JUNE 2023	**9,127**	**(190)**	**-**	**(190)**	**8,937**	**76,816**

[2] Details of the impact of the application of IFRS 17 on equity at the transition date of 1 January 2022 are presented in the note "Impact on equity of the application of IFRS 17 at 1 January 2022" below.

[3] Details of the changes in designation and classification of financial assets made at 1 January 2023 under the transition requirements of IFRS 17 on the new designation of financial assets are presented in the note "New designation of financial assets" below.

CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method.

Operating activities are representative of income-generating activities of Crédit Agricole S.A.

Tax inflows and outflows are included in full within operating activities.

Investment activities show the impact of cash inflows and outflows associated with purchases and disposal of investments in consolidated and non-consolidated corporates, property, plant & equipment and intangible assets. This section includes strategic equity investments classified as “Fair value through profit or loss” or “Fair value through other comprehensive income on items that cannot be reclassified”.

Financing activities show the impact of cash inflows and outflows associated with operations of financial structure concerning equity and long-term borrowing.

The **net cash flows** attributable to the operating, investment and financing activities **of discontinued operations** are presented on separate lines in the cash flow statement.

Net cash and cash equivalents include cash, debit and credit balances with central banks and debit and credit demand balances with credit institutions.

(in millions of euros)	Notes	30/06/2023	30/06/2022 Restated [6]
Pre-tax income		**4,979**	**3,567**
Net depreciation and impairment of property, plant & equipment and intangible assets		562	537
Impairment of goodwill and other fixed assets	6.7	-	-
Net addition to provisions		7,903	(6,858)
Share of net income (loss) of equity-accounted entities		(113)	(189)
Net income (loss) from investment activities		(32)	(19)
Net income (loss) from financing activities		1,593	1,222
Other movements		(1,122)	(2,533)
Total Non-cash and other adjustment items included in pre-tax income		**8,790**	**(7,840)**
Change in interbank items [1]		(56,241)	(3,109)
Change in customer items		(19,755)	2,920
Change in financial assets and liabilities		10,570	37,383
Change in non-financial assets and liabilities		11,877	(14,662)
Dividends received from equity-accounted entities [2]		570	17
Taxes paid		(922)	(420)
Net change in assets and liabilities used in operating activities		**(53,900)**	**22,129**
Cash provided (used) by discontinued operations		**-**	**(115)**
Total Net cash flows from (used by) operating activities (A)		**(40,131)**	**17,741**
Change in equity investments [3]		**805**	**(1,333)**
Change in property, plant & equipment and intangible assets		**(398)**	**(499)**
Cash provided (used) by discontinued operations		**-**	**(243)**
Total Net cash flows from (used by) investing activities (B)		**408**	**(2,075)**
Cash received from (paid to) shareholders [4]		**(2,687)**	**(2,916)**
Other cash provided (used) by financing activities [5]		**11,381**	**1,090**
Cash provided (used) by discontinued operations		**-**	**116**
Total Net cash flows from (used by) financing activities (C)		**8,694**	**(1,710)**
Impact of exchange rate changes on cash and cash equivalent (D)		**(3,961)**	**(1,761)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A + B + C + D)		**(34,989)**	**12,195**
Cash and cash equivalents at beginning of period		**155,431**	**159,678**
Net cash accounts and accounts with central banks *		207,577	236,696
Net demand loans and deposits with credit institutions **		(52,146)	(77,018)
Cash and cash equivalents at end of period		**120,441**	**171,873**
Net cash accounts and accounts with central banks *		161,625	249,219
Net demand loans and deposits with credit institutions **		(41,184)	(77,346)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(34,990)**	**12,195**

** Consisting of the net balance of the "Cash, central banks" item, excluding accrued interest and including the cash of entities reclassified as discontinued operations.*

***Consisting of the balance of the "Non doubtful current accounts in debit" and "Non doubtful overnight accounts and advances" items as detailed in Note 6.3 and the "Current accounts in credit" and "Overnight accounts and deposits" items as detailed in Note 6.4 (excluding accrued interest and including Crédit Agricole internal transactions).*

[1] Change in interbank items:

At 30 June 2023, TLTRO 3 repayments amounted to -€49 billion.

[2] Dividends received from equity-accounted entities:

At 30 June 2023, this amount included the payment of dividends from FCA Bank for +€550 million from Amundi subsidiaries for +€15 million.

[3] Change in equity investments:

This line shows the net effects on cash of acquisitions and disposals of equity investments.
The net impact on Group cash of acquisitions and disposals of consolidated equity investments (subsidiaries and equity-accounted entities) at 30 June 2023 is +€910 million. The major transactions were the net impact of the acquisition of CA Auto Bank for +€912 million and a cash payment of -€31 million for the acquisition of Watea by Crédit Agricole Leasing & Factoring.
During the same period, the net impact on the Group cash position of acquisitions and disposals of non-consolidated equity investments came to -€104 million, essentially from insurance investments.

[4] Cash received from (paid to) shareholders:

This amount mainly corresponds to -€3,934 million in dividends, excluding dividends paid in shares, distributed by the Crédit Agricole Group. It breaks down as follows:
– Dividends paid by Crédit Agricole S.A. for -€3,172 million;
– Dividends paid by non-controlling interests for -€465 million; and
– Interest, equivalent to dividends on undated financial instruments treated as equity for -€297 million.
This amount also corresponds to issues and repayments of equity instruments for +€1,250 million.

[5] Other net cash flows from financing activities:

At 30 June 2023, bond issues totalled +€26,877 million and redemptions -€14,643 million. Subordinated debt issues stood at +€454 million.
This line also includes cash flows from interest payments on subordinated debt and bonds for -€1,593 million.

[6] The data at 30 June 2022 was restated following the entry into force of IFRS 17. The impacts are presented in Note 10 “Impacts of accounting changes or other events”.

NOTES RELATING TO THE EFFECTS OF THE APPLICATION OF IFRS 17 AT 1 JANUARY 2023

IMPACT ON EQUITY OF THE APPLICATION OF IFRS 17 AT 1 JANUARY 2022

IFRS 17 must be applied retrospectively with mandatory restatement of comparative information.

The impact of the application of this new standard on the Group's equity at the transition date of 1 January 2022 is broken down in the table below:

(in millions of euros)	Consolidated equity
EQUITY AT 31/12/2021 - IFRS 4	76,916
Impact on reserves	**510**
Derecognition of the overlay reserve	3,626
Remeasurement of investment property at fair value through profit or loss (IAS 40 modified by IFRS 17)	2,761
Remeasurement of investments in associates and joint ventures at fair value through profit or loss (IAS 28 modified by IFRS 17)	208
Derecognition of existing balances that would not exist had IFRS 17 always applied	262,090
Measurement and recognition of assets and liabilities applying IFRS 17	(277,989)
Recognition of insurance finance income or expenses recognised in equity	9,814
Impact on other comprehensive income that will be reclassified to profit or loss	**(1,634)**
Derecognition of the overlay reserve	(3,626)
Derecognition of existing balances that would not exist had IFRS 17 always applied	11,805
Recognition of insurance finance income or expenses recognised in equity	(9,813)
Impact on other comprehensive income that will not be reclassified to profit or loss	**26**
Derecognition of existing balances that would not exist had IFRS 17 always applied	27
Recognition of insurance finance income or expenses recognised in equity	(1)
Total - Impact on equity of the first application of IFRS 17	(1,098)
EQUITY AT 01/01/2022 - IFRS 17	75,818

NEW DESIGNATION OF FINANCIAL ASSETS

Under the transition requirements of IFRS 17, entities that applied IFRS 9 before IFRS 17 (as is the case with the Group) are allowed – and in some cases are required – to change their previously applied classifications and designations of financial assets (under the classification requirements of IFRS 9) at the date of first-time adoption of IFRS 17.

In application of these provisions, the Group made changes to the designation and classification of certain financial assets, retrospectively at the date of initial application of IFRS 17 (1 January 2023). The Group chose not to restate the figures of previous periods to reflect these designation or classification changes. The Group therefore recognised in the equity opening balance at 1 January 2023 all differences between the previous carrying amount of these financial assets and their carrying amount at the date of initial application.

The following table summarises the measurement category and carrying amount of the financial assets concerned, determined immediately before and after the application of the IFRS 17 transitional provisions for the new designation of financial assets:

Financial assets (in millions of euros)	31/12/2022	01/01/2023									
		Financial assets at fair value through profit or loss						Financial assets at fair value through other comprehensive income		Financial assets at amortised cost	
			Other financial assets at fair value through profit or loss								
	Carrying amount	Financial assets held for trading	Equity instruments	Debt instruments not fulfilling the SPPI criteria	Assets backing unit-linked contracts	Financial assets designated at fair value through profit or loss	Other debt instruments at fair value through profit or loss	Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	Loans and receivables	Debt securities
Financial assets at fair value through profit or loss	**190,999**	**-**	**38,665**	**66,750**	**81,939**	**-**	**-**	**-**	**3,645**	**-**	**-**
Financial assets held for trading	-	-	-	-	-	-	-	-	-	-	-
Other financial assets at fair value through profit or loss	190,999	-	38,665	66,750	81,939	-	-	-	3,645	-	-
Equity instruments	42,310	-	38,665	-	-	-	-	-	3,645	-	-
Debt instruments not fulfilling the SPPI criteria	66,750	-	-	66,750	-	-	-	-	-	-	-
Assets backing unit-linked contracts	81,939	-	-	-	81,939	-	-	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-
Other debt instruments at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	**175,458**	**-**	**-**	**-**	**-**	**-**	**2,837**	**171,879**	**119**	**-**	**623**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	175,339	-	-	-	-	-	2,837	171,879	-	-	623
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	119	-	-	-	-	-	-	-	119	-	-
Financial assets at amortised cost	**2,310**	**-**	**-**	**-**	**-**	**-**	**30**	**-**	**-**	**828**	**1,452**
Loans and receivables	828	-	-	-	-	-	-	-	-	828	-
Debt securities	1,482	-	-	-	-	-	30	-	-	-	1,452
Carrying amount of financial assets immediately before the date of initial application of IFRS 17	**368,767**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Restatement of the carrying amount	-	-	-	-	-	-	(5)	-	-	-	384
Carrying amount of financial assets at the date of initial application of IFRS 17 (after applying paragraph C29)	**-**	**-**	**38,665**	**66,750**	**81,939**	**-**	**2,862**	**171,879**	**3,764**	**828**	**2,459**

The reclassifications made by the Group at 1 January 2023 concern, on the one hand, the designation of certain equity instruments as measured at fair value through other comprehensive income and, on the other hand, the reassessment of the business model for some debt instruments. The latter were eligible for this reassessment as they were held for the purpose of an activity related to contracts falling under the scope of application of IFRS 17. The Group remeasured at fair value through profit or loss certain debt instruments that were previously measured at fair value through other comprehensive income or at amortised cost, considering that the business model they fell under was the model by default (other/sell model); these are only bonds issued by Crédit Agricole SA and underwritten by Crédit Agricole Assurances. Furthermore, the Group remeasured at amortised cost some debt instruments that were previously measured at fair value through other comprehensive income, considering that they were held under a business model whose main objective is to hold financial assets to collect their contractual cash flows (hold to collect); these are assets that were allocated as ring-fenced to equity and death and disability assets (and therefore no longer constitute underlying items for contracts measured using the VFA model) as part of the ring-fencing of Predica's assets.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 Group accounting policies and principles, assessments and estimates applied

1.1 Applicable standards and comparability

Crédit Agricole S.A.'s condensed consolidated financial statements for the six months ended 30 June 2023 have been prepared, and are presented, in accordance with IAS 34 Interim Financial Reporting.

Unless otherwise stated, all amounts in this financial report are expressed in euros and shown in millions, with no decimal places. Rounding amounts to the nearest million euros may occasionally result in negligible differences in the totals and subtotals shown in the tables.

The standards and interpretations used to prepare the condensed interim consolidated financial statements are the same as those used by Crédit Agricole S.A. to prepare the consolidated financial statements for the year ended 31 December 2022. Under EC Regulation 1606/2002, these were prepared in accordance with IAS/IFRS and IFRIC interpretations as adopted by the European Union ("carved out" version) and therefore make use of certain exemptions in the application of IAS 39 for macro-hedge accounting.

For ease of reference, Crédit Agricole Group has opted to present its income statement and cash flow statement in accordance with IAS 34.8, with a comparative period limited to the same interim period one year earlier.

They have been supplemented by the IFRS standards as adopted by the European Union at 30 June 2023 and for which application is mandatory for the first time during financial year 2023.

These cover the following:

Standards, Amendments or Interpretations	Date of first-time application: financial years from	Material impact on the Group
IFRS 17 Insurance Contracts IFRS 17 replaces IFRS 4 "Insurance Contracts"	1 January 2023	Yes
Amendment to IFRS 17 Comparative information relating to the joint first-time application of IFRS 17 and IFRS 9	1 January 2023	No [1]
IAS 1 Disclosures of accounting policies	1 January 2023	No
IAS 8 Definition of accounting estimates	1 January 2023	No
IAS 12 Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023	No

[1] The Crédit Agricole Group has applied IFRS 9 for its insurance activities since 1 January 2018. It is therefore not affected by §C28A to C28E of these amendments. In addition, it has not applied the option offered by §C33A of these amendments (classification overlay) concerning the presentation of comparative information for financial assets derecognised between the date of transition to IFRS 17 and the date of first-time application of IFRS 17.

STANDARDS AND INTERPRETATIONS ADOPTED BY THE EUROPEAN UNION AND APPLIED BY THE GROUP AT 30 JUNE 2023

IFRS 17: Insurance contracts

IFRS 17 replaces IFRS 4. It must be applied for financial years beginning on or after 1 January 2023.

IFRS 17, as adopted by the European Union on 19 November 2021, contains an optional exemption from the standard's annual cohort requirements for intergenerationally mutualised and cash flow matched contracts.

The Group applied IFRS 17, as well as the changes made by IFRS 17 to other IFRS standards, to its financial statements for the first time from 1 January 2023. The main changes to other IFRS standards affecting the Group are the amendments to IAS 28 and IAS 40, which allow the measurement at fair value through profit or loss of investment properties and investments in associates and joint ventures that are underlying items of insurance contracts with direct participation features. The accounting policies and principles for investment properties falling outside this definition remained unchanged, i.e. they have been recognised at acquisition cost less accumulated depreciation and impairment losses since the time they were placed in service.

IFRS 17 must be applied retrospectively with mandatory restatement of comparative information. Consequently, comparative information relating to the 2022 financial year has been restated in the financial statements for the 2023 financial year and a balance sheet at the transition date (1 January 2022) has been provided.

The effects of the entry into force of IFRS 17 on the Group's consolidated financial statements at 1 January 2022 are shown in the statement of changes in equity and the note "Impact on equity of the application of IFRS 17 at 1 January 2022" above.

Additional information on the methods used to measure insurance contracts at the transition date, and the effect of the application of the modified retrospective approach on the CSM and insurance revenue, is provided below in the table in Note 5.2 on transitional amounts.

IFRS 17 establishes principles for the recognition, measurement and presentation of contracts within its scope of application (i.e. insurance contracts issued, reinsurance contracts issued and held, and investment contracts with discretionary participation features issued, provided the entity also issues insurance contracts), as well as provisions relating to disclosure of the information about them.

Its application has resulted in significant changes on these points.

Changes in recognition and measurement

The Group, as permitted under IFRS 4, previously recognised insurance contracts and investment contracts with discretionary participation features according to French accounting standards, except for specific requirements introduced by IFRS 4 for equalisation provisions, shadow accounting and the liability adequacy test.

These principles no longer apply with the implementation of IFRS 17, which sets out new principles for the measurement and recognition of insurance contracts. IFRS 17 introduces a prospective General Measurement Model for insurance contracts, whereby groups of contracts are measured based on estimates of the present value of future expected cash flows as the services under the insurance contract are provided, an explicit risk adjustment for non-financial risk, and a contractual service margin representing unearned profit.

In summary, the application of the main requirements of IFRS 17 regarding the recognition and measurement of insurance contracts has entailed the following for the Group:

- identifying insurance contracts as those under which it accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder;
- separating from insurance contracts specific embedded derivatives, distinct investment components and distinct goods or services other than the services under the insurance contract and accounting for them under the standards applicable to them;
- aggregating insurance contracts based on their characteristics and estimated profitability, which consists, at initial recognition, of identifying portfolios of insurance contracts (contracts that are subject to similar risks and managed together) and then dividing each of these portfolios into three groups (onerous contracts, contracts that have no significant possibility of becoming onerous subsequently, and remaining contracts), knowing that it is not possible to include contracts issued more than one year apart in the same group (except, optionally, for intergenerationally mutualised and cash-flow matched contracts, which are exempt from this requirement under the EU exemption);

- on initial recognition, recognising and measuring the groups of contracts at the total of:

fulfilment cash flows (i.e. an estimate of future cash flows, adjusted to reflect the time value of money and financial risks and adjusted for non-financial risk, and which must include all available information in a manner consistent with observable market data);

and the Contractual Service Margin (CSM), which represents the unearned profit that will be recognised in profit or loss as the services under the insurance contract are provided to policyholders; if a group of contracts is expected to be onerous over the remaining period of coverage, a loss is immediately recognised in profit or loss;

- recognising and measuring groups of contracts at each subsequent reporting period at the total of:

the liability for the remaining coverage, comprising the fulfilment cash flows relating to future services and the contractual service margin at that date;

and the liability for incurred claims, comprising the fulfilment cash flows relating to past services;

- recognising an asset for insurance acquisition cash flows representing acquisition cash flows paid, or incurred, before the related group of insurance contracts is recognised; such an asset is derecognised when these cash flows are included in the measurement of the related group of insurance contracts.

The General Measurement Model for contracts is adapted for certain contracts with specific characteristics.

Thus, for insurance contracts with direct participation features, the standard requires the application of a measurement model known as the Variable Fee Approach (VFA). For such contracts, the General Measurement Model's subsequent measurement requirements are modified in order to reflect the fact that the contracts establish an obligation for the entity to pay policyholders an amount equal to the fair value of specified underlying items less variable fees that compensate for the services provided and are determined on the basis of the underlying items.

In addition, the standard allows a simplified measurement model, known as the Premium Allocation Approach (PAA), to be applied to measure the liability for the remaining coverage of a group of contracts, provided that this measurement is not materially different from that which would result from the application of the General Measurement Model, or that the period of coverage of each of the contracts in the group does not exceed one year.

Changes in presentation and disclosure requirements in the notes

In accordance with the presentation requirements under IFRS 17 (and IAS 1 as amended by IFRS 17), the presentation of items relating to insurance contracts in the balance sheet, income statement (statement of profit or loss) and statement of net income and other comprehensive income results in significant changes from the current presentation.

As a result, the balance sheet items under which the various items relating to the measurement of insurance contracts under IFRS 4 were previously recognised are no longer presented (policyholders' deferred profit sharing, insurance company technical reserves).

Similarly, the income statement items in which income and expenses relating to insurance contracts were previously recognised are no longer presented (in particular the amount reclassified as other comprehensive income under the overlay approach).

Lastly, the statement of profit or loss and other comprehensive income sees the removal of the items relating to shadow accounting and the overlay approach (as these mechanisms are specific to IFRS 4) and the creation of line items relating to insurance finance income or expenses directly recognised in equity under the OCI option.

IFRS 17 also introduces new requirements regarding qualitative and quantitative disclosures that must be provided in the notes to the financial statements. They concern recognised amounts, judgements and risks relating to the contracts that fall within the standard's scope of application.

Provisions relating to the recognition, measurement and presentation of contracts that fall within the scope of application of IFRS 17 are detailed in the section "Accounting policies and principles" below.

1.2 Accounting policies and principles

USE OF ASSESSMENTS AND ESTIMATES TO PREPARE THE FINANCIAL STATEMENTS

Estimates made to draw up the financial statements are by nature based on certain assumptions and involve risks and uncertainties as to whether they will be achieved in the future.

Future results may be influenced by many factors, including:

- activity in domestic and international financial markets;
- fluctuations in interest and foreign exchange rates;
- the economic and political climate in certain business sectors or countries;
- changes in regulations or legislation;
- policyholder behaviour;
- demographic changes;

This list is not exhaustive.

The year 2022 and the first half of 2023 were marked by a unique geopolitical environment, with the crisis in Ukraine and tensions over commodities and energy. Crédit Agricole S.A. had to adapt to the macroeconomic context, which had not been seen for several years and which resulted in the return of inflation, rising interest rates, a fall in the equity market and a disruption in the foreign exchange market. These various elements may have had an impact on the main accounting estimates at 30 June 2023.

Accounting estimates based on assumptions are principally used in the following assessments:

- financial instruments measured at fair value (including non-consolidated equity investments);
- insurance contract assets and liabilities;
- reinsurance contract assets and liabilities;
- liabilities under investment contracts without discretionary participation features;
- pension schemes and other post-employment benefits;
- stock option plans;
- impairment of debt instruments at amortised cost or at fair value through other comprehensive income that can be reclassified to profit or loss;
- provisions;
- impairment of goodwill;
- deferred tax assets

The procedures for the use of assessments or estimates are described in the relevant sections below.

In particular, the measurement of insurance contracts under IFRS 17 requires important judgements to be made. The main matters requiring judgement in the Group's application of IFRS 17 are as follows, and information about them is provided in the sections and notes referred to below:

- the estimation of future cash flows, in particular the projection of these cash flows and the determination of the contract boundary: in the sections "Measurement of insurance contracts/Estimation of future cash flows" and "Measurement of insurance contracts/Contract boundary";
- the technique used to determine the adjustment for non-financial risk: in the section "Measurement of insurance contracts/Adjustment for non-financial risk";
- the approach used to determine discount rates: in the section entitled "Measurement of insurance contracts/Discount rates";
- the definition of coverage units and the determination of the amount of CSM allocated to profit or loss in each period to reflect the services provided under insurance contracts: in the section entitled "Recognition of the contractual service margin in profit or loss";

- the determination of transitional amounts relating to groups of contracts existing at the transition date: in the note entitled "Insurance specialities/Transitional amounts".
- the Internal Margin, which is the level of margin achieved by banking distributors when selling insurance contracts within the Group

INSURANCE CONTRACTS

DEFINITION AND CLASSIFICATION OF CONTRACTS

Contracts issued by Group entities fall into the following categories:

- insurance contracts (including reinsurance contracts) issued, which fall within the scope of IFRS 17; and
- investment contracts, which are subject to either IFRS 17 or IFRS 9 depending on whether or not they include discretionary participation features.

Reinsurance contracts held by Group entities are also subject to IFRS 17.

Any reference below to insurance contracts also includes investment contracts with discretionary participation features and reinsurance contracts held, except where these are explicitly mentioned.

Insurance contracts

An insurance contract is a contract under which one party (the issuer) accepts a significant insurance risk for another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

A reinsurance contract is an insurance contract issued by one entity (the reinsurer) to compensate another entity for claims arising from one or more insurance contracts issued by that other entity (underlying contracts).

Insurance and reinsurance contracts also expose the Group to financial risk.

Insurance risk is defined as the risk, other than financial risk, transferred from the holder to the issuer of a contract. Financial risk is defined as the risk of a possible future change in one or more of the following: a specified interest rate, financial instrument price, commodity price, foreign exchange rate, price or rate index, credit rating or credit index or other variable, provided that, in the case of a non-financial variable, the variable is not specific to a party to the contract.

The main insurance risks relate to mortality (guarantees in the event of death), longevity (guarantees in the event of survival, e.g. life annuities), morbidity (guarantees in the event of disability), incapacity, health (medical cover) or unemployment of individuals, as well as civil liability and property damage.

In application of the principles of IFRS 17, insurance contracts may be insurance contracts with direct participation features or insurance contracts without direct participation features.

Insurance contracts with direct participation features are insurance contracts that are, in substance, investment-related service contracts under which the entity promises a return based on underlying items. They are defined as insurance contracts for which, at inception:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the entity expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

Compliance with these three conditions is assessed at inception of the contract and is not reassessed subsequently, unless the contract is modified substantially.

Other insurance contracts issued and all reinsurance contracts (issued as well as held) constitute insurance contracts without direct participation features.

Investment contracts

Contracts that do not expose the insurer to significant insurance risk are known as investment contracts. They include investment contracts with discretionary participation features and investment contracts without discretionary participation features.

An investment contract with discretionary participation features is defined as a financial instrument that confers on a given investor the contractual right to receive additional sums over and above a sum that is not at the discretion of the issuer:

- which are likely to represent a significant portion of the total contractual benefits;
- the timing or amount of which is contractually at the issuer's discretion; and
- are contractually based on:

returns from a specified pool of contracts or a specified type of contract;

realised and/or unrealised investment returns on a specified pool of assets held by the issuer; or

the profit or loss of the entity or fund that issues the contract.

Investment contracts with discretionary participation features mainly cover savings contracts in euros. In the case of a multi-support contract, where the policyholder has the option to transfer all or part of its savings to a euro fund with discretionary participation at any time (under conditions that do not hinder such transfers), the Group considers that the contract as a whole is a contract with discretionary participation features, whether or not this option has been exercised by the policyholder.

Investment contracts that do not meet the above definition are investment contracts without discretionary participation features and fall within the scope of IFRS 9.

RECOGNITION OF INSURANCE CONTRACTS

Separation of the components of an insurance contract

At inception, the Group separates embedded derivatives, distinct investment components and any promise to provide the policyholder with distinct goods or services other than insurance contract services, and accounts for them as stand-alone components in accordance with the applicable IFRS standards.

Once the distinct stand-alone components have been separated where appropriate, the Group applies IFRS 17 to account for all the remaining components of the insurance contract.

Level of aggregation of insurance contracts

Based on the requirements of the standard regarding the level of aggregation, contracts must be grouped into portfolios of contracts, which are then divided into three groups based on the expected profitability of the contracts at the time of initial recognition and must not contain contracts issued more than one year apart (annual cohort principle).

A portfolio of insurance contracts comprises insurance contracts subject to similar risks and managed together.

A portfolio must be divided into a minimum of the following groups:

- a group of contracts that are onerous at initial recognition, if any;
- a group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently, if any; and
- a group of the remaining contracts in the portfolio, if any.

These groups represent the level of aggregation at which insurance contracts are initially measured and recognised.

In order to apply the general principles of the standard concerning the identification of portfolios, the Group carried out various analyses based on the guarantees identified and the way in which the contracts are managed (for example, according to the financial portfolios to which they relate for retirement savings products, according to the grid used for the prospective assessment of risks and solvency for risk products, or according to business lines for property and casualty insurance products). The splitting of these portfolios into groups based on the expected profitability of the contracts has been done on the basis of different information such as contract pricing, past profitability of similar contracts, or forward-looking plans.

As permitted by Article 2 of European Commission Regulation (EU) 2021-2036 of 19 November 2021, the Crédit Agricole Assurances Group intends to use the exemption from the standard's annual cohort requirement for intergenerationally mutualised contracts. This accounting policy choice is applied to the portfolios relating to the Group's savings and retirement activities eligible for exemption.

The Group does not apply the provisions of the standard which allow these contracts to be classified in the same group if contracts in the same portfolio fall into different groups solely because legal or regulatory provisions limit the entity's practical ability to set a price or benefit level that differs according to the characteristics of the policyholders.

Recognition date for insurance contracts

A group of insurance contracts issued must be recognised from the earliest of the following dates:

- the start date of the coverage period of the group of contracts;
- the date when the first payment from a policyholder becomes due or, if there is no due date, the date when that first payment is received; and
- for a group of onerous contracts, the date when the group becomes onerous.

Insurance acquisition cost cash flows

Insurance acquisition cost cash flows are cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs. Such cash flows include cash flows that are not directly attributable to individual contracts or groups of insurance contracts within the portfolio.

With the exception of certain groups of contracts measured using the premium-allocation approach, where the decision has been made to recognise them directly as expenses, insurance acquisition cash flows paid prior to the recognition of the corresponding group of insurance contracts are recognised as an asset. This insurance acquisition cost cash flows asset is derecognised, in whole or in part, when the insurance acquisition cost cash flows are included in the measurement of the corresponding group of insurance contracts.

At the end of each reporting period, the Group assesses whether an insurance acquisition cost cash flow asset is recoverable if facts and circumstances indicate that the asset may be impaired. At 30 June 2023, the insurance acquisition cost cash flow assets identified by the Group were fully impaired and their carrying amount was therefore zero.

Measurement of insurance contracts

Contracts falling within the scope of application of IFRS 17 can be measured using three models:

- the general model, or BBA (Building Block Approach) model, which is the default valuation model;
- the VFA (Variable Fee Approach) model, which is mandatory for insurance contracts with direct participation features;
- the PAA (Premium Allocation Approach) model, a simplified model that is optional when certain criteria are met.

The Group measures its contracts using these three models.

The general model is mainly used for the Group's borrower, long-term care, death & disability, sick leave, term life and certain healthcare activities.

The Group analysed compliance with the three conditions needing to be met in order to be classified as an insurance contract with direct participation features (see section on contract classification above), in order to determine which of its contracts met these criteria. Therefore, the Group's savings, retirement and funeral business activities are valued using the VFA model.

The Group chose to apply the PAA model to its property and casualty insurance activities (insurance contracts issued and reinsurance contracts held).

Measurement of contracts using the standard model and the VFA model

Initial recognition

On initial recognition, the Group measures a group of insurance contracts at the total of:

- the fulfilment cash flows, which comprise:

estimates of future cash flows;

an adjustment to reflect the time value of money and the financial risks related to the future cash flows, to the extent that the financial risks are not included in the estimates of the future cash flows;

a risk adjustment for non-financial risk;

- the Contractual Service Margin (CSM).

Estimation of future cash flows

The purpose of estimating future cash flows is to determine the expected value of a set of scenarios that reflects the full range of possible outcomes. The cash flows of each scenario are discounted and weighted by the estimated probability of the corresponding outcome to obtain the expected present value.

The estimates of future cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows at the end of the reporting period. This information includes historical internal and external data on claims and other features of insurance contracts, updated to reflect conditions prevailing at the valuation date, including assumptions at that date about the future.

The estimates of future cash flows reflect the Group's view of current conditions at the end of the reporting period, provided that the estimates of the relevant market variables are consistent with observable market prices. The estimation of market variables is determined by maximising the use of observable market parameters.

In life insurance, the projection of future cash flows incorporates assumptions about policyholder behaviour and management decisions. These assumptions relate in particular to surrenders, the policyholders' profit-sharing policy and the asset allocation policy.

The estimation of the expected present value includes the impact of financial options and guarantees where these are material. Stochastic simulation methods are used for this estimation. Stochastic modelling involves projecting future cash flows under a large number of possible economic scenarios for market variables such as interest rates and equity returns.

The main options valued by the Group are the surrender option in savings or retirement contracts, guaranteed minimum rates and technical rates, contractual profit-sharing clauses and the minimum guaranteed benefit in respect of unit-linked contracts.

Modelled policyholders' profit sharing complies with local and contractual regulatory constraints and is subject to strategic assumptions reviewed by the entities' management.

Where contracts include a significant mortality (or longevity) risk, projections are also estimated by reference to regulatory mortality tables or experience tables where these are deemed more prudent.

Where a minimum guaranteed benefit in the event of death is included in a unit-linked contract, in order to ensure that the beneficiary of the contract receives at least the initial capital invested irrespective of changes in the value of the units of account, this is determined using an economic method (stochastic scenarios).

In non-life insurance, the Group estimates the ultimate cost of settling claims incurred but unpaid at the end of the reporting period and the value of expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. They are determined by applying deterministic statistical methods based on historical data and by using actuarial assumptions based on expert judgement to estimate the ultimate cost. Changes in the parameters used are likely to have a significant impact on the value of these estimates at the end of the reporting period, particularly for long-tail liability claims across insurance lines, where the uncertainty inherent in the realisation of forecasts is generally greater. These parameters relate in particular to the uncertainty surrounding the classification and quantification of losses, the scales (table and rates) that will be applied at the time of compensation and the probability of annuitisation of bodily injury claims. For the Group, the insurance lines concerned are motor liability, general liability, personal accident cover and professional medical liability.

Contract boundary

The measurement of a group of contracts includes all future cash flows included in the scope (the "boundary") of each of the group's contracts, i.e. all future cash flows that arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay premiums or in which it has a substantive obligation to provide the policyholder with services under the insurance contract.

The determination of the contract boundary requires that judgement be exercised and that the Group's substantial rights and obligations under the contract be taken into account. To this end, the Group has conducted a detailed analysis of the characteristics of its contracts and, in particular, the possibility of revising their pricing. For example, it considered free or scheduled future payments of savings and retirement contracts, and the payment phase of retirement contracts with mandatory annuity drawdown, as being included in the contract boundary; however, renewals of non-life insurance contracts related to the automatic renewal clause are not included in the contract boundary.

Cash flows taken into account in measuring contracts

The cash flows within the insurance contract boundary are those that are directly linked to the performance of the contract. In particular, they include premiums paid by the policyholder, payments to the policyholder, insurance acquisition cost cash flows allocated to the portfolio to which the contract belongs, claims management costs, and allocations of fixed or variable overheads that are directly attributable to the fulfilment of insurance contracts.

Cash flows are allocated by function (acquisition activities, other activities related to the performance of insurance contracts, and other activities) at the level of each legal entity using activity-based cost allocation methods.

Insurance acquisition and fulfilment cash flows are allocated to groups of contracts using systematic and rational methods applied uniformly to all costs with similar characteristics. They include both direct costs and an allocation of fixed and variable overheads.

The Group did not identify any insurance contracts without direct participation features that give it discretion over the cash flows it will pay to policyholders.

Discount rates

The Group adjusts the estimates of future cash flows to reflect the time value of money and the financial risks related to the future cash flows, to the extent that the financial risks were not included in the cash flow estimates.

Under IFRS 17, discount rates are a key parameter for measuring insurance contracts. In particular, they are used to measure fulfilment cash flows and, in respect of insurance contracts without direct participation features, to determine the interest to be capitalised on the Contractual Service Margin (CSM), to measure changes in the CSM and to determine the amount of insurance finance income or expense recognised in profit or loss when the Other Comprehensive Income (OCI) option is applied (see section on subsequent measurement below).

IFRS 17 does not require a specific estimation method for the determination of discount rates, but it does require that the method takes into account factors that arise from the time value of money, cash flow characteristics and liquidity characteristics of insurance contracts, and maximises the use of observable inputs. The methodology used by the Group to define the discount rate curve is a bottom-up approach that is based on a risk-free yield curve with an adjustment for an illiquidity premium reflecting the cash flow characteristics and liquidity of the insurance contracts. The Group determines the risk-free yield curve using observable swap rates in the relevant currency, adjusted for credit risk. This curve is extrapolated between the last liquid point and an ultimate forward rate that reflects expectations of the long-term real interest rate and inflation. The yield curve extrapolation method used by the Group is the smoothing points method: rates beyond the first smoothing point (FSP) are extrapolated through a function that takes into account the ultimate forward rate (UFR), the last liquid forward rate (LLFR) and a speed of convergence parameter. The illiquidity premiums are determined based on a reference portfolio corresponding to the assets held to cover contracts. Illiquidity premiums for bond assets are determined by comparing bond portfolio spreads with credit risk compensation. The illiquidity premiums for non-bond assets are obtained using a method derived from the Sharpe ratio, which quantifies the excess return attributable to illiquidity in these asset classes. The illiquidity premiums calculated in this way for the assets in the reference portfolio are then used to calculate the illiquidity premiums for the corresponding insurance liabilities, using a coefficient based on the comparison between the respective maturities of the assets and liabilities in order to reflect the increase in illiquidity premiums with the maturity.

The table below shows the yield curves used to discount the cash flows of insurance contracts:

As at 30 June 2023	30/06/2023						31/12/2022					
	1 year	5 years	10 years	15 years	20 years	30 years	1 year	5 years	10 years	15 years	20 years	30 years
Life France												
EUR	5.11%	4.25%	4.00%	3.93%	3.77%	3.53%	4.16%	4.11%	4.07%	4.00%	3.74%	3.43%
Property and casualty France												
EUR	4.53%	3.66%	3.46%	3.44%	3.30%	3.13%	3.68%	3.64%	3.60%	3.53%	3.27%	3.02%
International												
EUR	4.92%	4.06%	3.80%	3.74%	3.58%	3.37%	4.22%	4.17%	4.13%	4.06%	3.80%	3.48%
USD	5.73%	4.21%	3.84%	3.77%	3.72%	3.40%	5.40%	4.27%	4.07%	4.02%	3.94%	3.61%
JPY	(0.01%)	0.22%	0.57%	0.81%	0.98%	1.07%	(0.10%)	0.16%	0.49%	0.97%	1.26%	1.56%

<u>Risk adjustment for non-financial risk</u>

The estimate of the present value of future cash flows is subject to an explicit risk adjustment for non-financial risk in order to reflect the compensation required by the Group for the uncertainty about the amount and timing of cash flows that arises from non-financial risk.

The Group makes use of the confidence level technique for determining the risk adjustment for all of its contracts. The Group's valuation metric is VaR (Value at Risk), with a quantile of 80% for life insurance activities and 85% for non-life insurance activities, and an ultimate term (approximated by the maturity of liabilities for life insurance activities). This adjustment reflects the benefits of risk diversification at the entity level, determined using a correlation matrix. Diversification between entities is also taken into account.

<u>Contractual service margin</u>

The CSM of a group of contracts represents the unearned profit that the Group will recognise as it provides insurance contract services in the future.

On initial recognition of a group of contracts, if the aggregate of the fulfilment cash flows measured at the date of initial recognition, any cash flows arising at that date, and any amount arising from the derecognition at that date of any asset or liability previously recognised in respect of the cash flows relating to that group (including any insurance acquisition cost cash flow asset) is a net cash inflow, then the group of contracts is profitable. In this case, the CSM is measured as the equal and opposite amount of this net cash inflow, with the result that there is no income or expense on initial recognition.

If the total calculated above is a net cash outflow, then the group of contracts is onerous. In this case, the net cash outflow is immediately recognised as a loss in profit or loss, such that the carrying amount of the liability relating to the group is equal to the fulfilment cash flows and the group's contractual service margin is therefore zero.

Subsequent measurement

The carrying amount of a group of contracts at the end of each reporting period is the sum of the Liability for Remaining Coverage (LRC) and the Liability for Incurred Claims (LIC).

The liability for remaining coverage comprises the fulfilment cash flows relating to future services allocated to the Group at that date and the Group's contractual service margin at that date.

The liability for incurred claims comprises the fulfilment cash flows for claims incurred and other related expenses that have not yet been paid, including claims incurred but not yet reported.

The fulfilment cash flows of groups of contracts are measured at the end of the reporting period using the discounted estimates of the value of future cash flows, current discount rates and the discounted estimates of the risk adjustment for non-financial risks. Changes in fulfilment cash flows are recognised as follows:

Changes relating to future service	Recognised against the CSM (or recognised as insurance revenue if the group is onerous)
Changes relating to current or past services	Recognised in insurance service result
Effect of the time value of money, financial risk and changes therein on future cash flows	Recognised in insurance finance income or expenses

The CSM of each group of contracts is calculated at the end of each reporting period as follows, depending on whether the contracts are those without direct participation features (standard model) or those with direct participation features (VFA model).

Insurance contracts without direct participation features measured using the general model

For insurance contracts without direct participation features, the carrying amount of the contractual service margin of a group of contracts at the end of the reporting period equals the carrying amount at the start of the reporting period adjusted for:

- the effect of any new contracts added to the group during the period;
- interest accreted on the carrying amount of the contractual service margin during the reporting period, measured at the discount rates at initial recognition;
- the changes in fulfilment cash flows relating to future service, except to the extent that:

such increases in the fulfilment cash flows exceed the carrying amount of the contractual service margin, in which case the surplus is recognised as a loss in profit or loss and constitutes a loss component; or

such decreases in fulfilment cash flows are allocated to the loss component, leading to a reversal of the loss previously recognised in profit or loss;

- the effect of any foreign exchange impact on the contractual service margin; and
- the amount recognised in insurance revenue as a result of the provision of insurance contract services during the period, determined after all the other adjustments described above (see "Recognition of the contractual services margin in profit or loss" below).

Changes in fulfilment cash flows that relate to future service and that adjust the CSM include:

- experience adjustments arising from premiums received in the period that relate to future service, and related cash flows such as insurance acquisition cost cash flows and premium-based taxes, measured at the discount rates determined at initial recognition;
- changes in estimates of the present value of the future cash flows in the liability for remaining coverage, measured using discount rates determined at initial recognition, except those resulting from the effects of the time value of money, financial risk and changes therein;
- differences between investment components and loans granted to policyholders;
- changes in the risk adjustment for non-financial risk that relate to future service, measured using discount rates determined at initial recognition.

Insurance contracts with direct participation features measured using the VFA model

The variable fee approach (VFA model) reflects the specific nature of the services rendered by insurance contracts with direct participation features. These are insurance contracts which, in substance, are investment-related service contracts under which the entity promises a return based on underlying items.

The underlying items are those that determine a portion of the amounts to be paid to policyholders. Within the Group, they mainly comprise financial asset portfolios and, in the case of French savings contracts denominated in euros, the technical result of these contracts. The Group's policy is to hold the underlying financial assets.

Insurance contracts with direct participation features are contracts under which the Group's obligation to the policyholder is the net of:

- the obligation to pay the policyholder an amount equal to the fair value of the underlying items; and
- a variable fee in exchange for the future services provided by the insurance contract, which corresponds to the difference between the amount of the entity's share of the fair value of the underlying items and the fulfilment cash flows that do not vary based on the returns on the underlying items.

Changes in the obligation to pay the policyholder an amount equal to the fair value of the underlying items are not related to future service and therefore do not result in an adjustment to the CSM: they are recognised in profit or loss.

Changes in the amount equal to the entity's share of the fair value of the underlying items are related to future service and result in an adjustment to the CSM.

The carrying amount of the CSM of a group of insurance contracts with direct participation features at the end of the reporting period is therefore the carrying amount at the opening of the period, adjusted for the following items:

- the effect of any new contracts added to the group during the period;
- the change in the amount equal to the entity's share of the fair value of the underlying items and changes in fulfilment cash flows relating to future service, except to the extent that:

the risk mitigation option is applied to exclude changes in the effect of the time value of money and financial risk on the amount of its share of the underlying items or fulfilment cash flows from the CSM (option not applied by the Group);

the decrease in the amount of the entity's share of the fair value of the underlying items, or the increase in fulfilment cash flows relating to future service, exceeds the carrying amount of the CSM, giving rise to a loss in profit or loss and constituting a loss component; or

the increase in the amount equal to the entity's share of the fair value of the underlying items, or the decrease in fulfilment cash flows relating to future service, is allocated to the loss component, leading to a reversal of the loss previously recognised in profit or loss;

- the effect of any foreign exchange impact on the contractual service margin; and
- the amount recognised in insurance revenue as a result of the provision of insurance contract services during the period, determined after all the other adjustments described above (see "Recognition of the contractual services margin in profit or loss" below).

The changes in fulfilment cash flows relating to future service that adjust the CSM include the changes specified above for insurance contracts without direct participation features (valued at current discount rates) and changes in the effect of the time value of money and financial risks that do not result from the underlying items, for example, the effect of financial guarantees.

Loss component

For contracts measured using the standard model and the VFA model, the Group establishes a loss element of the liability for remaining coverage for onerous groups of contracts. It is on the basis of this loss element that the amounts subsequently presented in profit or loss as reversals of losses on onerous groups of contracts are determined, and which are consequently excluded from insurance revenue (see section on presentation below).

When fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

Any subsequent decrease in fulfilment cash flows relating to future service, and any subsequent increase in the amount of the Group share of the fair value of the underlying items, for contracts with direct participation features, are allocated solely to the loss component.

If the loss component is reduced to zero, then any excess over the amount allocated to the loss component constitutes a new CSM for the group of contracts in question.

Measurement of contracts using the PAA model

The premium allocation approach (PAA model) is an optional measurement model that makes it possible to measure the liability for remaining coverage of a group of insurance contracts in a simplified manner if one of the following two eligibility criteria is met at the date the group is established:

- the Group reasonably expects that the measurement of the liability for remaining coverage of the group obtained using this simplified method will not differ materially from that which would be obtained by applying the provisions of the standard model; or
- the coverage period of each of the contracts in the group of contracts does not exceed one year.

The Group opted to apply this approach to its property and casualty insurance activities (insurance contracts issued and reinsurance contracts held). Most of the relevant groups of contracts meet the second eligibility condition, i.e. the period of coverage of each contract in the group is less than or equal to one year.

On initial recognition of a group of insurance contracts, the carrying amount of the liability for remaining coverage is measured at the amount of premiums received at the date of initial recognition minus any insurance acquisition cost cash flows allocated to the group at that date and plus or minus any amount arising from the derecognition at that date of any asset or liability previously recognised for cash flows relating to the group of contracts (including any insurance acquisition cost cash flow asset).

For a group of contracts measured under the PAA, the Group may make the accounting policy choice whereby insurance acquisition cost cash flows, if any, are recognised as expenses at the time these costs are incurred, provided that the coverage period for each of the contracts in the group at initial recognition is no more than one year. The Group opted not to use this option for the measurement of groups of contracts measured using the PAA model.

Upon subsequent measurement, the carrying amount of the liability for remaining coverage is increased by premiums received in the period plus any amounts relating to the amortisation of insurance acquisition cost cash flows recognised as an expense, minus the amount recognised as insurance revenue for insurance services provided in that period and insurance acquisition cost cash flows paid in that period.

On initial recognition of each group of contracts, the Group expects that the time between the provision of the services and the due date of the related premium will not exceed one year. Accordingly, the Group opted not to adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If, at any time during the coverage period, facts and circumstances indicate that a group of insurance contracts measured using the PAA model is onerous, the Group recognises a loss in profit or loss and increases the liability for remaining coverage to the extent that current estimates of fulfilment cash flows relating to the remaining coverage of the group exceed the carrying amount of the liability for that coverage. The fulfilment cash flows for these groups of contracts are discounted (at current rates) to the extent that the liability for incurred claims is also discounted.

For contracts measured using the PAA model, the loss component arising in the event of an onerous group of contracts is allocated to the liability for remaining coverage; reversals of this loss component cannot result in a liability for remaining coverage that is less than that which would be determined in the absence of the loss component.

The Group measures the liability for incurred claims of a group of insurance contracts measured using the PAA model as the amount of fulfilment cash flows relating to incurred claims, in accordance with the applicable provisions of the standard model. However, it is not required to adjust future cash flows for the time value of money and the effect of financial risk if the payment or receipt of these cash flows is expected within a period not exceeding one year from the date of the claim. The Group did not make use of this option. Future cash flows are therefore discounted (at current rates).

RECOGNITION OF REINSURANCE CONTRACTS HELD

Reinsurance contracts held are accounted for in accordance with the provisions applicable to insurance contracts without direct participation features presented above, modified to take account of their specific characteristics.

Level of aggregation

Portfolios of reinsurance contracts held are divided in accordance with the provisions of IFRS 17 applicable to insurance contracts issued. However, since reinsurance contracts held cannot be onerous, the Group considers, for the purposes of applying these provisions to reinsurance contracts held, that any reference to onerous contracts refers to reinsurance contracts held giving rise to a net gain on initial recognition.

Recognition date

A group of reinsurance contracts held is recognised at the beginning of the coverage period of the group. As an exception to this principle, for a group of reinsurance contracts held that provide proportional coverage, the Group defers the recognition date until the initial recognition date of any underlying insurance contract, if this date is later than the beginning of the coverage period of the group of reinsurance contracts held.

However, if the Group recognises an onerous group of underlying insurance contracts at an earlier date and the corresponding reinsurance contract was entered into on or before that earlier date, the group of reinsurance contracts held is recognised at that earlier date.

Contract boundary

The application of the contract boundary provisions set out above for insurance contracts issued to reinsurance contracts held implies that cash flows are included within the boundary of a group of reinsurance contracts held if they arise from substantive rights and obligations that exist during the reporting period in which the ceding company is obliged to pay amounts to the reinsurer or in which the ceding company has a substantive right to receive services from the reinsurer.

The cash flows within the boundary of the reinsurance contracts held are thus determined as those arising from the underlying contracts issued or expected to be issued and ceded by the Group under the reinsurance contract until the earliest possible termination date of the reinsurance contract.

Measurement

The Group measures estimates of the present value of future cash flows of a group of reinsurance contracts held using assumptions consistent with those used to measure estimates of the present value of future cash flows of the underlying group or groups of insurance contracts, with an adjustment to reflect the non-performance risk on the part of the reinsurer, including the effect of guarantees and losses arising from litigation.

The risk adjustment for non-financial risk corresponds to the amount of risk transferred by the ceding company to the reinsurer.

If the reinsurance contract held is entered into on or before the recognition of the onerous underlying contracts, when the Group recognises a loss on the initial recognition of an onerous group of underlying insurance contracts or on the addition of onerous underlying insurance contracts to an existing group, the Group adjusts the CSM of the group to which the onerous reinsurance contract belongs, and recognises income accordingly. This adjustment constitutes a loss-recovery component of the asset for remaining coverage for the group of reinsurance contracts held, depicting the recovery of losses on the onerous underlying insurance contracts. The loss-recovery component determines the amounts that are presented in profit or loss as reversals of recoveries of losses from reinsurance contracts held and are consequently excluded from the allocation of premiums paid.

DERECOGNITION AND MODIFICATION OF CONTRACTS

The Group derecognises an insurance contract:

- when it is no longer in force, i.e. when the obligation specified therein expires, or is discharged, or cancelled;
- when it is transferred to a third party; or
- if its terms are modified in a way that would have substantially changed the accounting for the contract if the new terms had always existed (e.g. different classification, or different measurement model), in which case a new contract based on the modified terms is recognised.

EFFECT OF ACCOUNTING ESTIMATES MADE IN THE INTERIM FINANCIAL STATEMENTS

The Group prepares interim financial statements in accordance with IAS 34. It opted to modify the treatment of accounting estimates made in its previous interim financial statements when applying IFRS 17 in its subsequent interim financial statements and in its annual financial statements.

PRESENTATION

Presentation in the balance sheet

The Group presents the carrying amount for the following items separately in the balance sheet:

- portfolios of insurance contracts issued that are assets;
- portfolios of insurance contracts issued that are liabilities;
- portfolios of reinsurance contracts held that are assets;
- portfolios of reinsurance contracts held that are liabilities.

Assets and liabilities recognised for cash flows arising prior to the recognition of the related group of contracts (including insurance acquisition cost cash flows) are included in the carrying amount of the related portfolios of contracts.

Presentation in the income statement and the statement of other comprehensive income

The Group recognises income and expenses relating to contracts within the scope of application of IFRS 17 under the following income statement items:

- insurance service result, comprising the following aggregates:

insurance revenue;

insurance service expenses;

income and expenses relating to reinsurance contracts held;

- insurance finance income or expenses;
- insurance finance income or expense related to reinsurance contracts held.

Income and expenses relating to reinsurance contracts held are presented separately from income and expenses relating to insurance contracts issued.

The Group opted to present income and expenses from reinsurance contracts held, other than insurance finance income or expenses, as a single amount within insurance service result.

The Group chose to allocate changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses for insurance contracts without direct participation features, and to include these changes in full in insurance service result for insurance contracts with direct participation features.

Insurance revenue and insurance service expenses exclude investment components.

Amounts recognised in comprehensive income

Insurance revenue – Contracts measured using the general model and the VFA model

Insurance revenue recognised in the period reflects the provision of services relating to a group of insurance contracts by an amount that reflects the consideration to which the Group expects to be entitled in exchange for these services.

This includes:

- amounts relating to changes in the liability for remaining coverage related to the provision of services in exchange for which the Group expects to receive consideration:

insurance service expenses incurred during the period (measured at the amounts expected at the beginning of the reporting period), excluding any amounts allocated to the loss element of the liability for remaining coverage, investment component reimbursements, amounts relating to transactional taxes collected on behalf of third parties, acquisition costs and the amount relating to the risk adjustment for non-financial risk;

changes in the risk adjustment for non-financial risk, excluding changes included in insurance finance income or expenses, changes related to future service, and amounts allocated to the loss component of the liability for remaining coverage;

the amount of the contractual service margin recognised in profit or loss as a result of the provision of insurance contract services during the period;

other amounts, where appropriate, for example experience adjustments arising from premium receipts other than those related to future service;

- the amount of the portion of premiums allocated to the recovery of insurance acquisition cost cash flows.

The Group allocates the portion of premiums allocated to the recovery of insurance acquisition cost cash flows to each period in a systematic manner that reflects the passage of time. The Group adopted a straight-line allocation method without taking into account the capitalisation of interest. The same amount is recognised as insurance service expenses.

Recognition of the contractual service margin in profit or loss

The amount of the contractual service margin for a group of insurance contracts, which is recognised in each period in insurance revenue to reflect the insurance contract services provided in respect of that group during the period, is determined by identifying the coverage units in the group, allocating the CSM at the end of the reporting period (before recognition in profit or loss) equally to each coverage unit provided in the current period and expected to be provided in the future, and recognising in profit or loss the amount allocated to coverage units provided in the current period.

The number of coverage units in the group of contracts corresponds to the volume of insurance contract services provided by the contracts in the group, determined by taking into account, for each contract, the volume of benefits provided and the expected period of coverage. Coverage units are reviewed and updated at the end of each reporting period.

Insurance contract services include coverage in respect of an insured event (insurance coverage) as well as, in the case of insurance contracts with direct participation features, the management of the underlying items on behalf of the policyholder (investment-related services) and, in the case of insurance contracts without direct participation features, the generation of an investment return for the policyholder (investment-return services), where applicable.

The period over which the investment-return or investment-related services are provided ends no later than the date on which all amounts due to existing policyholders in respect of those services have been paid.

The Group's contracts measured using the general model do not include investment-return services.

The standard does not specify the appropriate indicator to be used to reflect the volume of services provided in the period, and judgement is therefore required in this regard. The methodology used by the Group to identify the coverage units and consequently the expected timing of recognition of the CSM in profit or loss is adapted to the characteristics of the relevant contracts. For insurance contracts with direct participation features, measured under the VFA, the methodology used to allocate the CSM to profit or loss aims to reflect economically the asset management service provided by the insurer during each period; thus, in addition to the risk-neutral returns on assets projected in the actuarial models used to measure these types of contracts, it also takes into account the additional return corresponding to the actual performance of these assets. For other contracts, measured under the general model, the coverage units have been defined based on various indicators adapted to the type of guarantee (such as the death benefit or outstanding principal).

Insurance revenue – Contracts measured using the PAA model

For groups of contracts measured using the PAA model, insurance revenue for the period is the amount of expected premium receipts allocated to the period (excluding investment components).

The Group allocates the amount of these expected premium receipts to the insurance contract services periods on the basis of the passage of time for all its contracts measured using the PAA model.

Insurance service expenses

Insurance service expenses arising from insurance contracts issued are generally recognised in profit or loss as incurred. They exclude reimbursements of investment components and include the following items:

- claims expenses (excluding investment components) and other insurance service expenses incurred;
- amortisation of insurance acquisition cost cash flows;
- losses on onerous groups of contracts and reversals of such losses;
- changes in the liability for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein;
- impairment losses on insurance acquisition cost cash flow assets and reversals of such impairment losses.

Income and expenses related to reinsurance contracts held

Income and expenses related to reinsurance contracts held include:

- the allocation of premiums paid, which includes amounts relating to changes in the asset for remaining coverage related to the provision of services for which the Group expects to pay a consideration;
- amounts recovered from the reinsurer;
- the effect of changes in the non-fulfilment risk on the part of the issuer of reinsurance contracts held.

Insurance finance income or expenses

Insurance finance income or expenses consist of changes in the carrying amount of groups of insurance and reinsurance contracts resulting from the effects of the time value of money, financial risk and changes therein.

For groups of insurance contracts measured using the VFA model, these changes exclude changes allocated to the loss element (which are included in insurance service expenses) and include changes in the measurement of groups of contracts attributable to changes in the value of the underlying items (excluding additions and withdrawals).

Insurance financial income or expense for the period may be presented either in full in the income statement or broken down between the income statement and other comprehensive income ("OCI option").

For insurance contracts other than insurance contracts with direct participation features for which the entity holds the underlying items, the amount presented in profit or loss is determined by systematic allocation of the total expected insurance finance income or expense over the duration of the group of contracts:

- for groups of insurance contracts measured using the general model for which changes in financial risk assumptions do not have a material impact on the amounts paid to policyholders: using the discount rates determined at the date of initial recognition of the group of contracts;
- for groups of contracts measured using the PAA model: using the discount rates determined at the date of the occurrence of the claim.

For insurance contracts with direct participation features, for which the Group holds the underlying items, the amount recognised in profit or loss is the amount that eliminates accounting mismatches with the income or expenses included in profit or loss on the underlying items held. Under this option, the Group recognises income or expenses in profit or loss that correspond exactly to the income or expenses recognised in profit or loss for the underlying items, with the result that the sum of the items presented separately is zero.

For most of its insurance portfolios, the Group chose to apply the accounting method ("OCI option") which allows insurance finance income or expenses for the period to be allocated between profit and loss and other comprehensive income. For insurance contracts with direct participation features for which the entity holds the underlying items, application of this option results in the presentation in profit or loss of an amount that eliminates accounting mismatches with the income or expenses recognised in profit or loss on the underlying items held; for other contracts, the impact of changes in discount rates on the value of the contracts is presented in other comprehensive income.

Investment components

The provisions of the standard require the identification of investment components, which are defined as the amounts the Group must repay to the insured under all circumstances, whether or not the insured event occurs; they should not be recognised in insurance revenue or insurance service expenses.

The main investment components identified by the Group relate to savings and retirement contracts with an explicit surrender or transfer value.

Internal margin

IFRS 17 requires an estimate of future costs when measuring insurance liabilities on the balance sheet. The income statement shows the actual costs and the release of the estimated costs for the period.

Crédit Agricole's banking network markets insurance contracts issued and managed by the Group's insurance entities. These entities remunerate the banking network through commissions.

The Group adjusts the insurance liabilities and the income statement for the amount of the internal margin contained in intra-group commissions. Overheads incurred by the banking network when distributing insurance contracts are shown as insurance service expenses. The affected captions are:

- on the balance sheet: insurance liabilities for the VFA and BBA models;
- on the income statement: recognition of the CSM for the VFA and BBA models, and actual costs for all models.

The Group uses its banking networks normalised management data to determine the margin on distributed insurance contracts.

These restatements are included in the Corporate Centre operating segment, Note 5.

NOTE 2 Major structural transactions and material events during the period

2.1 Information on the scope of consolidation as at 30 June 2023

The consolidated financial statements include the financial statements of Crédit Agricole S.A. and those of all companies over which, in compliance with IFRS 10, IFRS 11 and IAS 28, Crédit Agricole S.A. exercises control, joint control or significant influence, except for those that are not material in relation to all the companies included in the scope of consolidation.

2.1.1 Entities in the scope of consolidation for which the percentage of control or interest changed by more than 10% in the first half of 2023 with no change in consolidation method

There was no change in the percentage of control or interest of more than 10% during the first half of 2023, and no change in the consolidation method.

2.1.2 Changes in the scope of consolidation that led to a change in the scope or method of consolidation

Principal place of business	Crédit Agricole Group Scope of consolidation	Consolidation method (1)	Scope changes (a)	Nature of control (b)	Activity (c)	% control		% interest	
						30/06/2023	31/12/2022	30/06/2023	31/12/2022
Austria									
	CA AUTO BANK GMBH	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
Belgium									
	CA AUTO BANK S.P.A BELGIAN BRANCH	Full	O1/O2	*Branch*	SFS	100.0	50.0	100.0	50.0
	DRIVALIA LEASE BELGIUM S.A.	Full	I2	Subsidiary	SFS	100.0	-	100.0	-
Colombia									
	S3 CACEIS COLOMBIA S.A, SOCIEDAD FIDUCIARIA	Equity Accounted	O1	Joint venture	LC	50.0	50.0	34.7	34.7
Denmark									
	ALEASE&MOBILITY BRANCH DANISH	Equity Accounted	O1	*Branch*	SFS	50.0	50.0	50.0	50.0
	CA AUTO FINANCE DANMARK A/S	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
	CREDIT AGRICOLE CIB DENMARK BRANCH	Full	I2	*Branch*	LC	100.0	-	97.8	-
	DRIVALIA LEASE DANMARK A/S	Full	O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
Finland									
	CA AUTO FINANCE DANMARK A/S, FINLAND BRANCH	Full	O1/O2	*Branch*	SFS	100.0	50.0	100.0	50.0
France									
	AMUNDI IT SERVICES SNC	Full	O1	Subsidiary	AG	100.0	100.0	67.7	67.7
	CA AUTO BANK S.P.A FRENCH BRANCH	Full	O1/O2	*Branch*	SFS	100.0	50.0	100.0	50.0
	COTOIT	Equity Accounted	I1	Joint venture	CC	50.0	-	35.2	-
	CREDIT AGRICOLE CASTALIE	Full	I2	Subsidiary	CC	100.0	-	100.0	-
	DRIVALIA FRANCE SAS	Full	O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
	DRIVALIA LEASE FRANCE S.A.	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
	Etoile Gestion	Full	E4	Subsidiary	AG	-	100.0	-	67.7
	LEASYS SAS	Equity Accounted	O1	Joint venture	SFS	50.0	50.0	50.0	50.0
	SCI LYON TONY GARNIER [1]	Full	O1	Subsidiary	AG	90.0	90.0	90.0	90.0
	SCI VILLEURBANNE LA SOIE ILOT H [1]	Full	O1	Subsidiary	AG	90.0	90.0	90.0	90.0
	SQUARE HABITAT ALPES PROVENCE	Equity Accounted	O1	Joint venture	CC	50.0	50.0	35.2	33.2
	SQUARE HABITAT CABINET LIEUTAUD	Equity Accounted	O1	*Joint venture*	CC	50.0	50.0	35.2	33.2
	SQUARE HABITAT CABINET LIEUTAUD GESTION	Equity Accounted	O1	*Joint venture*	CC	50.0	50.0	35.2	33.2

Principal place of business	Crédit Agricole Group Scope of consolidation	Consolidation method (1)	Scope changes (a)	Nature of control (b)	Activity (c)	% control		% interest	
						30/06/2023	31/12/2022	30/06/2023	31/12/2022
	SQUARE HABITAT HAUTES ALPES	Equity Accounted	O1	*Joint venture*	CC	50.0	50.0	35.2	33.2
	SQUARE HABITAT VAUCLUSE	Equity Accounted	O1	*Joint venture*	CC	50.0	50.0	35.2	33.2
	SUDECO	Equity Accounted	I3	Joint venture	CC	50.0	-	50.0	-
	UPTEVIA	Equity Accounted	O1/O2	Joint venture	LC	50.0	100.0	34.8	69.5
	WATEA	Equity Accounted	I3	Joint venture	SFS	30.0	-	30.0	-
Germany									
	CA AUTO BANK S.P.A. GERMAN BRANCH	Full	O1/O2	*Branch*	SFS	100.0	50.0	100.0	50.0
	CA VERSICHERUNGSSERVICE GMBH	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
Greece									
	CA AUTO BANK GMBH HELLENIC BRANCH	Full	O1/O2	*Branch*	SFS	100.0	50.0	100.0	50.0
	CA AUTO INSURANCE HELLAS S.A	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
	DRIVALIA LEASE HELLAS SM S.A	Full	O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
Ireland									
	CA AUTO BANK S.P.A IRISH BRANCH	Full	O1/O2	*Branch*	SFS	100.0	50.0	100.0	50.0
	CA AUTO REINSURANCE DAC	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
	KBI Fund Managers Limited	Full	E1	Subsidiary	AG	-	87.5	-	67.7
Italy									
	CA AUTO BANK	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
	DRIVALIA SPA	Full	O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
	LEASYS ITALIA SPA	Equity Accounted	O1	Joint venture	SFS	50.0	50.0	50.0	50.0
Morocco									
	Crédit du Maroc	Equity Accounted	O4	Joint venture	IRB	15.0	15.0	15.0	15.0
	Crédit du Maroc Leasing et Factoring	Equity Accounted	O4	Joint venture	SFS	33.3	33.3	33.3	33.3
	DRIVALIA LEASE ESPANA SAU, MOROCCO BRANCH	Full	O1/O2	*Branch*	SFS	100.0	50.0	100.0	50.0
Netherlands									
	CA AUTO FINANCE NEDERLAND BV	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
	DRIVALIA LEASE NEDERLAND B.V.	Full	I2	Subsidiary	SFS	100.0	-	100.0	-
	Financierings Data Netwerk B.V.	Equity Accounted	E1	Joint venture	SFS	-	46.7	-	46.7
	Finata Zuid-Nederland B.V.	Full	E1	Subsidiary	SFS	-	98.1	-	98.1
	FINDIO N.V	Full	O1/O2	Subsidiary	SFS	100.0	100.0	100.0	100.0
	RICARE DIRECT BV	Full	O1	Subsidiary	SFS	100.0	100.0	100.0	100.0
Norway									
	CA AUTO FINANCE NORGE A/S	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
Poland									
	CA AUTO BANK S.P.A POLSKA BRANCH	Full	O1/O2	*Branch*	SFS	100.0	50.0	100.0	50.0
	Crédit Agricole Bank Polska S.A.	Full	O1	Subsidiary	IRB	100.0	100.0	100.0	100.0
	Crédit Agricole Polska S.A.	Full	O1	Subsidiary	IRB	100.0	100.0	100.0	100.0
	Credit Agricole Service sp z o.o.	Full	O1	Subsidiary	IRB	100.0	100.0	100.0	100.0
	DRIVALIA LEASE POLSKA SP Z O O	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
Portugal									
	CA AUTO BANK S.P.A PORTUGUESE BRANCH	Full	O1/O2	*Branch*	SFS	100.0	50.0	100.0	50.0
	DRIVALIA PORTUGAL S.A	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
Spain									
	CA AUTO BANK S.P.A. SPANISH BRANCH	Full	O1/O2	*Branch*	SFS	100.0	50.0	100.0	50.0
	DRIVALIA ESPANA S.L.U.	Full	O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
	DRIVALIA LEASE ESPANA S.A.U.	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0

Principal place of business	Crédit Agricole Group Scope of consolidation	Consolidation method (1)	Scope changes (a)	Nature of control (b)	Activity (c)	% control		% interest	
						30/06/2023	31/12/2022	30/06/2023	31/12/2022
Sweden									
	CA AUTO FINANCE SVERIGE AB	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
Switzerland									
	CA AUTO FINANCE SUISSE SA	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
Ukraine									
	CREDIT AGRICOLE UKRAINE	Full	O1	Subsidiary	IRB	100.0	100.0	100.0	100.0
United Kingdom									
	CA AUTO FINANCE UK LTD	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
	DRIVALIA LEASE UK LTD	Full	O1/O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
	DRIVALIA UK LTD	Full	O2	Subsidiary	SFS	100.0	50.0	100.0	50.0
United States									
	Vanderbilt Capital Advisors LLC	Full	E1	Subsidiary	AG	-	100.0	-	67.7

* Excluding Entities, joint ventures and structured associates

2.1.3 Entities at fair value following the transition to IFRS 17

Principal place of business	Crédit Agricole Group Scope of consolidation	Consolidation method [1]	Scope changes (a)	Nature of control (b)	Activity (c)	% control		% interest	
						30/06/2023	31/12/2022	30/06/2023	31/12/2022
Austria	URI GmbH	Fair Value	-	Structured joint venture	AG	45.0	45.0	45.0	45.0
Belgium	FLUXDUNE	Fair Value	-	Joint venture	AG	25.0	25.0	25.0	25.0
France	ADL PARTICIPATIONS	Fair Value	-	Joint venture	AG	25.0	25.0	25.0	25.0
France	ALTAREA	Fair Value	-	Associate	AG	24.6	24.6	24.6	24.6
France	ALTAT BLUE	Fair Value	-	Joint venture	AG	33.3	33.3	33.3	33.3
France	ARCAPARK SAS	Fair Value	-	Joint venture	AG	50.0	50.0	50.0	50.0
France	CASSINI SAS	Fair Value	-	Joint venture	AG	49.0	49.0	49.0	49.0
France	ELL HOLDCO SARL	Fair Value	-	Joint venture	AG	49.0	49.0	49.0	49.0
France	EUROWATT ENERGIE	Fair Value	-	Joint venture	AG	75.0	75.0	75.0	75.0
France	FONCIERE HYPERSUD	Fair Value	-	Joint venture	AG	51.4	51.4	51.4	51.4
France	FREY	Fair Value	-	Associate	AG	19.7	19.7	19.7	19.7
France	FREY RETAIL VILLEBON	Fair Value	-	Joint venture	AG	47.5	47.5	47.5	47.5
France	FUTURES ENERGIES INVESTISSEMENTS HOLDING	Fair Value	-	Joint venture	AG	30.0	30.0	30.0	30.0
France	FUTURES ENERGIES INVESTISSEMENTS HOLDING 2	Fair Value	-	Joint venture	AG	48.0	48.0	48.0	48.0
France	FUTURES ENERGIES INVESTISSEMENTS HOLDING 3	Fair Value	-	Joint venture	AG	80.0	80.0	80.0	80.0
France	Icade	Fair Value	-	Associate	AG	19.1	19.1	19.1	19.1
France	INFRA FOCH TOPCO	Fair Value	-	Associate	AG	35.9	35.9	35.9	35.9
France	KORIAN	Fair Value	-	Associate	AG	25.0	25.0	25.0	25.0
France	PATRIMOINE ET COMMERCE	Fair Value	-	Associate	AG	20.2	20.2	20.2	20.2
France	RAMSAY – GENERALE DE SANTE	Fair Value	-	Associate	AG	39.8	39.8	39.8	39.8
France	RUE DU BAC (SCI)	Fair Value	-	Joint venture	AG	50.0	50.0	50.0	50.0
France	SAS CRISTAL	Fair Value	-	Associate	AG	46.0	46.0	46.0	46.0
France	SAS DEFENSE CB3	Fair Value	-	Joint venture	AG	25.0	25.0	25.0	25.0
France	SCI 1 TERRASSE BELLINI	Fair Value	-	Joint venture	AG	33.3	33.3	33.3	33.3
France	SCI ACADEMIE MONTROUGE	Fair Value	-	Joint venture	AG	50.0	50.0	50.0	50.0
France	SCI CARPE DIEM	Fair Value	-	Joint venture	AG	50.0	50.0	50.0	50.0

Principal place of business	Crédit Agricole Group Scope of consolidation	Consolidation method [1]	Scope changes (a)	Nature of control (b)	Activity (c)	% control		% interest	
						30/06/2023	31/12/2022	30/06/2023	31/12/2022
France	SCI EUROMARSEILLE 1	Fair Value	-	Joint venture	AG	50.0	50.0	50.0	50.0
France	SCI EUROMARSEILLE 2	Fair Value	-	Joint venture	AG	50.0	50.0	50.0	50.0
France	SCI FONDIS	Fair Value	-	Associate	AG	25.0	25.0	25.0	25.0
France	SCI HEART OF LA DEFENSE	Fair Value	-	Associate	AG	33.3	33.3	33.3	33.3
France	SCI ILOT 13	Fair Value	-	Joint venture	AG	50.0	50.0	50.0	50.0
France	SCI Paul Cézanne	Fair Value	-	Joint venture	AG	49.0	49.0	49.0	49.0
France	SCI WAGRAM 22/30	Fair Value	-	Joint venture	AG	50.0	50.0	50.0	50.0
France	SEMMARIS	Fair Value	-	Joint venture	AG	38.0	38.0	38.0	38.0
France	TOUR MERLE (SCI)	Fair Value	-	Joint venture	AG	50.0	50.0	50.0	50.0
Italy	CENTRAL SICAF	Fair Value	-	Joint venture	AG	25.0	25.0	25.0	25.0
Italy	EDISON RENEWABLES	Fair Value	-	Joint venture	AG	49.0	49.0	49.0	49.0
Italy	EF SOLARE ITALIA	Fair Value	-	Joint venture	AG	30.0	30.0	30.0	30.0
Italy	IEIH	Fair Value	-	Joint venture	AG	80.0	80.0	80.0	80.0
Luxembourg	ALTALUXCO	Fair Value	-	Subsidiary	AG	50.0	50.0	50.0	50.0
Luxembourg	CAVOUR AERO SA	Fair Value	-	Joint venture	AG	37.0	37.0	37.0	37.0
Luxembourg	CIRRUS SCA A1	Fair Value	-	Joint venture	AG	20.0	20.0	20.0	20.0
Luxembourg	EUROPEAN MOTORWAY INVESTMENTS	Fair Value	-	Joint venture	AG	60.0	60.0	60.0	60.0
Luxembourg	LUXEMBOURG INVESTMENT COMPANY 296 SARL	Fair Value	-	Joint venture	AG	50.0	50.0	50.0	50.0
Luxembourg	MACQAURIE STRATEGIC STORAGE FACILITIES HOLDINGS SARL	Fair Value	-	Joint venture	AG	40.0	40.0	40.0	40.0
Luxembourg	SARL IMPULSE	Fair Value	-	Joint venture	AG	38.0	38.0	38.0	38.0
Poland	ALTAMIRA	Fair Value	-	Joint venture	AG	22.5	22.5	22.5	22.5
Portugal	AGUAS PROFUNDAS SA	Fair Value	-	Joint venture	AG	35.0	35.0	35.0	35.0
Spain	JANUS RENEWABLES	Fair Value	-	Subsidiary	AG	50.0	50.0	50.0	50.0
Spain	ORDESA SERVICIOS EMPRESARIALES	Fair Value	-	Joint venture	AG	60.0	60.0	60.0	60.0
Spain	REPSOL RENOVABLES	Fair Value	-	Subsidiary	AG	12.5	12.5	12.5	12.5
Spain	TUNELS DE BARCELONA	Fair Value	-	Joint venture	AG	50.0	50.0	50.0	50.0
United Kingdom	HORNSEA 2	Fair Value	-	Structured joint venture	AG	25.0	25.0	25.0	25.0

[1] The Group now measures at fair value through profit or loss, as permitted by IAS 40 and IAS 28 as amended by IFRS 17, investments in associates and joint ventures that are elements underlying insurance contracts with direct participation features, in order to avoid accounting mismatches with the measurement of this type of insurance contracts under IFRS 17.

(1) Full

Equity Accounted

Fair Value*

*Fair Value through Profit or Loss is a method of consolidation only for associated entities and joint ventures subject to IAS 28 (choice of Fair Value through Profit or Loss rather than the equity method under IAS 28.18).

Branches are mentioned in italic

Scope changes (a)

Inclusions (I) into the scope of consolidation

I1 : Breach of threshold

I2 : Creation

I3 : Acquisition (including controlling interests)

Exclusions (E) from the scope of consolidation :

E1 : Discontinuation of business (inclunding dissolution and liquidation)

E2 : Sale to non Group companies or deconsolidation following loss of control

E3 : Deconsolidated due to non-materiality

E4 : Meger or takeover

E5 : Transfer of all assets and liabilities

Other (O) :

O1 : Change of company name

O2 : Change in consolidation method

O3 : First time listed in the Note on scope of consolidation

O4 : Entities classified as Non-current Assets Held for Sale and Discontinued Operations

Type of entity and control nature (b)

Subsidiary

Branch

Consolidated structured entity

Joint venture

Structured joint venture

Joint operation

Associate

Structured associate

Type of activity (c)

FRB : French retail banking

IRB : International retail banking

AG : Asset gathering

LC : Large customers

SFS : Specialised financial services

CC : Corporate centre

2.2 Main changes in the scope of consolidation

2.2.1 Merger by CACEIS and BNP Paribas of their issuer services divisions in France into Uptevia, a joint venture to which CACEIS contributed CACEIS Corporate Trust

On 1 January 2023, CACEIS S.A. and BNP Paribas created the joint venture Uptevia, equally owned by the two banks and merging their issuer services divisions in France.

Issuer services were previously conducted within CACEIS Group by its subsidiary CACEIS Corporate Trust, which was subject to IFRS 5 on 31 December 2022 and to a loss of control following two capital increases underwritten by BNP Paribas Securities Services on 1 January 2023. After those capital increases, CACEIS Corporate Trust was equally owned by CACEIS S.A. and BNP Paribas Securities Services and consolidated by the Group using the equity accounting method (vs full consolidation method at 31 December 2022). At the same time, CACEIS Corporate Trust changed its company name to UPTEVIA.

A €5-million disposal gain was recognised for the share of the entity that was sold to the joint venture under "Net gains (losses) on other assets". Its share of earnings in equity-accounted associates was €0.2 million and its contribution under investments in equity-accounted associates on the balance sheet was €14 million.

2.2.2 Completion of the creation of a European leader in long-term car rental with Crédit Agricole Consumer Finance's 100% takeover of FCA Bank and Drivalia

On 3 April 2023, Crédit Agricole Consumer Finance S.A., a wholly owned subsidiary of Crédit Agricole S.A., took over the FCA Bank Group after acquiring 50% of the shares previously held by Stellantis. As at 30 June 2023, Crédit Agricole Auto Bank (formerly FCA Bank) was accounted for in Crédit Agricole S.A. Group's financial statements using the full consolidation method (vs the equity method at 31 March 2023).

For the record, on 19 December 2022, Crédit Agricole Consumer Finance (CACF) and Stellantis signed a master agreement aimed at creating a 50/50-owned pan-European leader in long-term car rental.

The first stage of this agreement involved creating a long-term car rental subsidiary, which led to the disposal by FCA Bank on 31 December 2022 of its subsidiary Leasys, now the new subsidiary jointly owned by CACF and Stellantis. This new company consolidates the business of Leasys and Free2move Lease. Leasys was consolidated as an equity-accounted associate at 30 June.

The second stage of the master agreement was implemented on 1 April 2023. When CACF acquired the remaining 50% of FCA Bank shares held by Stellantis. When the transaction was completed, FCA Bank was wholly owned by CACF and became Crédit Agricole Auto Bank.

The reorganisation of the CA Consumer Finance Group's Mobility business had a one-time impact on the second quarter of 2023, affecting all Intermediate Management Balances related to transfers of goodwill, compensatory payments received or paid, accounting treatment for the full consolidation of CA Auto Bank (formerly FCA Bank) and the reorganisation of the CA Consumer Finance Group's car financing activities within the CA Consumer Finance Group (especially the review of application solutions). In all, those items had a €140-million impact on net income at 30 June 2023.

2.3 Application of the new IFRS 17

The application of IFRS 17 for insurance contracts is mandatory for financial years starting on or after 1 January 2023. This standard replaces the previous IFRS 4.

Standardised procedures for implementing IFRS 17 in the Group's consolidated financial statements are presented in Note 1, "Applicable standards and comparability".

The impacts of the first-time application of IFRS 17 at 1 January 2023 and the profit or loss for the 2022 comparative period are described in Note 10 to the Group's consolidated financial statements at 30 June 2023.

NOTE 3 Credit risk and hedging transactions

(See Chapter "Risk factors – Credit risk")

Credit risk measurement

In order to take into account any changes in the economic environment, the Group updated its forward-looking macroeconomic projections for determination of the credit risk estimate for the end of the second quarter of 2023.

Information on the macroeconomic scenarios used in the second quarter of 2023

The Group used four scenarios for calculating IFRS 9 provisioning parameters in production on June 2023 with the following projections for 2026.

These four scenarios include different assumptions about the effects of the Covid-19 crisis and the effects of the Russian-Ukrainian conflict and its repercussions on the economy (rising inflation, downward revision of GDP growth).

First scenario: "Central" scenario

The central scenario, weighted à 50%, remains characterised by the escalation of the Russia-Ukraine war and a still seemingly distant peace outcome. This scenario sees a drop in eurozone inflation in 2023, which will nevertheless remain high, a very marked slowdown in the economy and continued monetary tightening.

Lower inflation but still at a high level in the eurozone:

Eurozone inflation peaked in October 2022 (+10.6%) and has dropped gradually since, while remaining at a still high level (9.6% in Q1-2023). Supply difficulties have eased since China ended its zero-Covid policy and world trade got back to normal. Favourable base effects for energy prices, a drop in market energy prices at the start of 2023 as well as a milder winter and high gas inventories also put favourable downwards pressure on inflation. In 2023-2024, energy prices remain high but are nevertheless contained. The oil price works out at $98/b and $103/b, respectively (yearly average), and gas at €75/MWh and €90/MWh. Wages grow more rapidly than usual, but without triggering a wage-price spiral. Eurozone inflation (HICP) is expected at 5.9% (on average) in 2023 and 3.7% at the end of the year. In France, the CPI is expected at 5.4% on average in 2023 and 5.1% at the end of the year. The price cap has enabled France to smooth the rise in energy prices over time, but the drop in inflation is more gradual than elsewhere.

This environment propels the eurozone into a low growth regime. The supply effect is waning but there is a marked slowdown in demand, impacted by the high inflation and the reduction in fiscal support measures, while the higher interest rates penalise lending. Corporate margins deteriorate under the combined effect of the rise in production costs, wages, and lower demand, which weighs somewhat on investment. There is a decline in household purchasing power due to the persistent inflation and reduced support measures. The labour market remains solid but employment growth slows nevertheless. The residential and commercial real estate markets undergo significant corrections, as a result of the rise in interest rates increasing the cost of credit.

Growth is set to be very moderate, at +0.6% for both the eurozone and France in 2023, with the expected recovery not starting until H2, and then only to a fairly limited extent.

The fight against inflation remains the priority of the central banks

The central banks continue to implement a restrictive monetary policy in order to significantly curb inflation, at the risk of hampering growth. They nevertheless do not exclude the use of specific tools to ensure the refinancing of the banking system in the event of difficulties.

In the United States, the Fed raises its rates by 25 basis points to bring its target range to 5.00-5.25% then maintains this terminal rate up to the end of 2023. Rates are expected to start coming back down in 2024 with a gradual 100 bp cut over the year (25 bp each quarter). The rise in long-term rates peaks in summer 2023 before starting on a slow decline in the second half of 2023, characterised by a steepening of the curve that will become sharper in 2024.

In the eurozone, the monetary tightening intensifies with the refinancing rate raised to 4.25% before the summer and maintained at this level until mid-2024. The first cuts will not come until the second half of 2024, ending with a rate of 3.75% at the end of 2024. Long-term rates will continue to rise more sharply at the short end of the yield curve (2-year swap) between now and the end of 2023, with a gradual flattening of the curve. The spreads of "semi-core" or peripheral countries widen only slightly despite the rise in rates and the quantitative tightening. From the second half of 2023 then in 2024, long-term rates drop gradually but the profile of the curve remains inverted and sovereign spreads to the Bund narrow slightly.

Second scenario: “Moderate adverse” scenario

This scenario, weighted at 35%, includes a new marked rebound in energy prices over a concentrated period between the second half of 2022 and the first half of 2023.

Triggering of the crisis: A significantly stronger recovery of activity in China is assumed, consisting of an acceleration in consumption, investment and exports. The US economy is also more dynamic than in the central scenario. More difficult climate conditions with a harsher winter in 2024 and a hotter summer in 2023 result in greater electricity demand. The competition between Asia and Europe on LNG demand intensifies, putting pressure on oil and gas prices, notably in Europe.

Another inflation shock:

Oil and gas prices rise significantly compared to the start of 2023. The difficulties of the French nuclear industry continue and increase the pressure on gas prices that is passed on to electricity prices. Second-round effect on inflation, which returns to high levels at the end of 2023 and beginning of 2024.

Very weak growth in 2023-2024, with a technical recession

The rebound of energy prices weakens production once again, in particular the most energy-consuming sectors. Corporate margins are squeezed by the rise in costs and weakness of demand, leading to a stagnation of investment. Household purchasing power declines sharply and employment is lower in comparison to the central scenario. The eurozone GDP is close to zero on average in 2023 and 2024, even slightly negative in some countries. It seems likely that there will be a technical recession.

Further monetary tightening by the ECB to stop inflation

The ECB raises its refinancing rate a little more (+125 bp in 2023) than in the central scenario (+75 bp). The easing of inflation in 2024 allows for a limited cut of 50 bp. The normalisation process does not really start until 2025 and takes place gradually up to 2026. Long-term rates rise rapidly in 2023 in reaction to the previous price shock, which sparks fears over the consequences on the inflation outcome. Sovereign rates rise and risk premiums widen. With the drop in inflation, long-term rates fall sharply in 2024 and continue their normalisation in the following two years but nevertheless remain higher than those of the central scenario.

Third scenario: “Favourable” scenario

In this scenario, weighted at 5%, it is assumed that the economic situation in the eurozone will be more favourable than in the central scenario from the second half of 2023. Oil and gas prices are not as high in 2023-2024 due to better climate conditions, greater energy sobriety and less competition in LNG with Asia. In addition, massive investment plans in Europe support activity from 2024.

In the eurozone, inflation is brought back to 2.5% on average in 2024 and around 2% in 2025-2026. Household and business expectations pick up under the effect of an improvement in purchasing power and consumption that comes with greater use of the excess savings accumulated during 2020-2021. The improvement in confidence, the drop in energy costs and measures to stimulate public and private investment lead to a recovery in investment spending from 2024.

Financial changes

The ECB starts with a timid decrease in its key rates at the end of 2023 and continues with bigger cuts in 2024. Long-term rates decrease at the end of 2023 in anticipation of lower inflation and key rates. The yield on the Bund and 10-yr swap gradually trend downwards to settle at levels slighter lower than in the central scenario. French and Italian spreads are slightly more moderate than in the central scenario. The stock market and real estate markets continue to trend upwards.

Fourth scenario: “Severe adverse” scenario: budgetary stress (drawn up in July 2022)

This scenario weighted at 10%.

A new accumulation of shocks in 2023: The Russia-Ukraine war drags on with tougher sanctions on Russia (total stop on oil imports and massive reduction of gas imports). Stronger support for Russia from China pushes the United States and the eurozone to place sanctions on China (embargo on high technology products), which responds with retaliatory trade sanctions. Moreover, winter is harsh in Q1-2023, penalising the agriculture and agri-food sector. In addition, France experiences a specific crisis, with major protests against certain reforms (retirement reform and financing the energy transition through higher taxes) and very marked social conflicts such as the yellow vests crisis, bringing the country to a standstill. Italy is also shaken by a political crisis, with the victory of the right-wing coalition in 2023, challenging the European treaties and leading to a stand-off with the European Commission.

Persistent inflationary shock in 2023: the pressure on energy prices continues and intensifies for both oil and gas. Europe is unable to fully offset the shortfall in gas supply with greater sobriety and/or other suppliers, unless at much higher prices (sharp rise in gas prices). Food prices are also under major pressure. The inflationary process at work in 2022 in the "central" scenario is repeated in 2023 in this "stress" scenario. Inflation is very high in 2023 in the eurozone, at around 8% on average, and is the same in France.

Weak fiscal response: the European governments react to this new inflation shock with more limited support measures (wishing to avoid new budget gaps) and do not provide a coordinated response (like the EU recovery plan). In France, the price cap scheme is reduced and more targeted.

Strong response from the central banks and upwards pressure on long-term rates

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 raises rates rather significantly in 2023 (deposit rate at 2.75% and refi at 3.25% at the end of 2023). Long-term rates rise faster in the face of the risk of an inflationary spiral (10-year swap rate at 3.25% and Bund at 2.75%). The spreads in France and Italy widen more significantly in 2023 due to fears over the sustainability of their debt and specific crises in these two countries (OAT Bund spread at 185 bp and BTP Bund at 360 bp).

Recession in the eurozone in 2023

Cumulative shocks (production penalised by the rise in production costs, the disruption of value chains and shortage problems in certain sectors, decline in corporate profits and household purchasing power) leads the eurozone into recession in 2023 (drop in GDP of 1.5%) with a marked increase in the unemployment rate. The stock markets record substantial declines (-35% for the CAC in 2023) and residential real estate contracts (between -10% and -20% cumulatively over three years) while commercial real estate is hit harder (cumulative -30%) in France and Italy due to the sharp rise in rates and recession underway.

By assumption, the stress is concentrated in 2023, and a gradual recovery takes place in 2024-2025 with a "normalisation" at the end of the period.

There is a lull in the Ukraine conflict, a decline in energy prices and drop in interest rates, improving the growth outlook for 2024 and 2025, especially with a less restrictive fiscal policy in order to stem the recessive spiral.

Focus on the changes in the main macroeconomic variables in the four scenarios:

	Ref.	*Central scenario*				*Moderate adverse*				*Budgetary stress*				*Favourable*			
	2022	**2023**	**2024**	**2025**	**2026**	**2023**	**2024**	**2025**	**2026**	**2023**	**2024**	**2025**	**2026**	**2023**	**2024**	**2025**	**2026**
GDP – Eurozone	3.5	0.6	1.2	1.1	1.1	-0.2	-0.1	1.1	1.2	-1.5	1.7	1.6	1.3	0.8	1.9	1.6	1.4
Unemployment rate – Eurozone	6.8	6.9	7.0	6.9	6.9	7.2	7.5	7.3	7.2	8.1	7.7	7.5	7.4	6.8	6.7	6.4	6.3
Inflation rate – Eurozone	8.4	5.9	3.2	2.3	2.2	7.2	4.1	2.5	2.0	8.0	2.4	1.8	1.8	5.4	2.5	2.0	1.8
GDP – France	2.6	0.6	1.1	1.2	1.0	0.1	-0.1	1.0	1.4	-1.6	2.0	1.8	1.4	1.0	2.4	2.4	2.1
Unemployment rate – France	7.3	7.5	7.7	8.0	8.0	7.9	8.3	8.5	8.3	8.6	8.9	8.2	8.0	7.2	7.0	6.7	6.5
Inflation rate – France	5.2	5.4	3.2	2.3	2.0	6.4	4.7	2.4	1.8	7.5	1.5	1.6	1.6	4.7	2.6	1.9	1.6
10-year OAT	3.1	3.3	3.0	2.8	2.6	4.1	3.3	3.0	2.8	4.6	2.0	1.8	1.8	3.1	2.7	2.5	2.3

At the end of June 2023, including local forward-looking scenarios, the share of Stage 1/Stage 2 provisions on the one hand (provisions for performing customer loans) and Stage 3 provisions on the other (provisions for proven risks) represented 36% and 64% of hedging inventories for the Crédit Agricole S.A. Group (P3).

At the end of June 2023, net additions to Stage 1/Stage 2 provisions represented -2% of the Crédit Agricole S.A. Group's half-yearly cost of risk compared to 102% for the Stage 3 share of proven risks and other provisions, based on a presentation excluding restated exceptional items.

Sensitivity analysis of the macroeconomic scenarios in the calculation of IFRS 9 provisions (ECL Stages 1 and 2) on the basis of the central parameters

The central scenario is currently weighted at 50% for the calculation of the central IFRS 9 ECL of the second quarter of 2023.

Scope: Crédit Agricole S.A.:

Variation of ECL in passage to 100% of the scenario (scope is Crédit Agricole S.A.)			
Central scenario	**Moderate adverse**	**Severe adverse**	**Favourable scenario**
-2.3%	+2.0%	+7.3%	-5.8%

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 Change in carrying amounts and value corrections for losses over the period

Value adjustments for losses correspond to the impairment of assets and to provisions for off-balance sheet commitments recognised in net income (Cost of risk) relating to credit risk.

The following tables present a reconciliation of the opening and closing balances of value adjustments for losses recognised under Cost of risk and associated carrying amounts, by accounting category and type of instrument.

FINANCIAL ASSETS AT AMORTISED COST: DEBT SECURITIES

	Performing assets				Credit-impaired assets (Stage 3)		Total		
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)						
(in millions of euros)	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)
Balance at 31 december 2022	**87,147**	**(53)**	**112**	**(4)**	**54**	**(49)**	**87,313**	**(107)**	**87,206**
Transfers between stages during the period	**(52)**	**-**	**52**	**-**	**-**	**-**	**-**	**-**	
Transfers from Stage 1 to Stage 2	(52)	-	52	-	-		-	-	
Return to Stage 2 from Stage 1	-	-	-	-	-		-	-	
Transfers to Stage 3 [1]	-	-	-	-	-	-	-	-	
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-	
Total after transfers	**87,094**	**(52)**	**162**	**(3)**	**54**	**(48)**	**87,311**	**(104)**	**87,206**
Changes in gross carrying amounts and loss allowances	**(4,497)**	**(17)**	**23**	**-**	**1**	**(1)**	**(4,473)**	**(18)**	
New financial production : purchase, granting, origination,… [2]	21,742	(1,425)	30	(1)	-		21,772	(1,425)	
Derecognition : disposal, repayment, maturity...	(26,750)	1,441	(6)	-	-	-	(26,756)	1,441	
Write-offs						-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	(2)	-	-	-	-	-	(2)	
Changes in models' credit risk parameters during the period		1		-		(1)	-	1	
Changes in model / methodology		-		-		-	-	-	
Changes in scope	9	-	-	-	-	-	9	-	
Other [3]	502	(32)	(1)	-	1	(1)	502	(33)	
Total	**82,597**	**(69)**	**185**	**(4)**	**56**	**(50)**	**82,838**	**(122)**	**82,715**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [4]	107		(4)		-		103		
Balance at 30 june 2023	**82,704**	**(69)**	**182**	**(4)**	**56**	**(50)**	**82,941**	**(122)**	**82,819**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.

[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.

[3] The items in the "Others" line are mainly translation adjustments.

[4] Includes the changes in fair value revaluations of micro-hedged instruments, the changes relating to the use of the EIR method (notably the amortisation of premiums/discounts), the changes relating to the accretion of discounts recorded on restructured loans (recovered as revenues over the remaining term of the asset) and changes in accrued interests.

FINANCIAL ASSETS AT AMORTISED COST: LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS (EXCLUDING CRÉDIT AGRICOLE INTERNAL TRANSACTIONS)

	Performing assets				Credit-impaired assets (Stage 3)		Total		
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)						
(in millions of euros)	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	**Gross carrying amount (a)**	**Loss allowance (b)**	**Net carrying amount (a) + (b)**
Balance at 31 december 2022	**122,888**	**(39)**	**126**	**(18)**	**495**	**(387)**	**123,508**	**(444)**	**123,064**
Transfers between stages during the period	**1**	**-**	**(1)**	**-**	**-**	**-**	**-**	**-**	
Transfers from Stage 1 to Stage 2	-	-	-	-			-	-	
Return to Stage 2 from Stage 1	1	-	(1)	-	-	-	-	-	
Transfers to Stage 3 [1]	-	-	-	-	-	-	-	-	
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-	
Total after transfers	**122,889**	**(39)**	**125**	**(19)**	**495**	**(387)**	**123,508**	**(445)**	**123,064**
Changes in gross carrying amounts and loss allowances	**11,113**	**1**	**28**	**6**	**(8)**	**6**	**11,133**	**13**	
New financial production : purchase, granting, origination,… [2]	35,147	(17)	199	-			35,345	(18)	
Derecognition : disposal, repayment, maturity...	(25,424)	7	(156)	10	-	-	(25,581)	16	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	(3)	-	-	-	-	-	(3)	
Changes in models' credit risk parameters during the period		14		(6)		-	-	7	
Changes in model / methodology		-		-		-	-	-	
Changes in scope	1,505	-	-	-	-	-	1,505	-	
Other [3]	(114)	1	(15)	3	(8)	6	(138)	10	
Total	**134,002**	**(37)**	**152**	**(12)**	**486**	**(381)**	**134,641**	**(431)**	**134,210**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [4]	(2,014)		(2)		-		(2,017)		
Balance at 30 june 2023	**131,988**	**(37)**	**150**	**(12)**	**486**	**(381)**	**132,624**	**(431)**	**132,193**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.

[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.

[3] The items in the "Others" line are mainly translation adjustments.

[4] Includes the changes in fair value revaluations of micro-hedged instruments, the changes relating to the use of the EIR method (notably the amortisation of premiums/discounts), the changes relating to the accretion of discounts recorded on restructured loans (recovered as revenues over the remaining term of the asset) and changes in accrued interests.

FINANCIAL ASSETS AT AMORTISED COST: LOANS AND RECEIVABLES DUE FROM CUSTOMERS

	Performing assets				Credit-impaired assets (Stage 3)		Total		
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)						
(in millions of euros)	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	**Gross carrying amount (a)**	**Loss allowance (b)**	**Net carrying amount (a) + (b)**
Balance at 31 december 2022	**428,609**	**(959)**	**55,965**	**(2,339)**	**13,336**	**(6,041)**	**497,910**	**(9,339)**	**488,571**
Transfers between stages during the period	**(3,216)**	**(55)**	**1,998**	**87**	**1,218**	**(481)**	**-**	**(449)**	
Transfers from Stage 1 to Stage 2	(12,299)	67	12,299	(332)			-	(265)	
Return to Stage 2 from Stage 1	9,693	(126)	(9,693)	332	-	-	-	206	
Transfers to Stage 3 [1]	(740)	23	(1,107)	123	1,846	(599)	-	(452)	
Return from Stage 3 to Stage 2 / Stage 1	130	(20)	498	(36)	(629)	118	-	62	
Total after transfers	**425,392**	**(1,016)**	**57,961**	**(2,252)**	**14,557**	**(6,521)**	**497,910**	**(9,788)**	**488,122**
Changes in gross carrying amounts and loss allowances	**27,114**	**(62)**	**(3,530)**	**(149)**	**(1,826)**	**290**	**21,758**	**79**	
New financial production : purchase, granting, origination,… [2]	108,683	(362)	9,310	(586)			117,993	(947)	
Derecognition : disposal, repayment, maturity...	(101,996)	319	(13,504)	570	(1,387)	390	(116,887)	1,279	
Write-offs					(760)	686	(760)	686	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	(4)	-	(3)	-	(7)	1	
Changes in models' credit risk parameters during the period [4]		54		(59)		(681)	-	(686)	
Changes in model / methodology		1		(35)		-	-	(34)	
Changes in scope [7]	21,920	(105)	884	(60)	366	(175)	23,170	(342)	
Other [5]	(1,494)	32	(216)	20	(42)	71	(1,752)	123	
Total	**452,506**	**(1,078)**	**54,432**	**(2,400)**	**12,731**	**(6,231)**	**519,668**	**(9,709)**	**509,959**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [3]	219		(116)		875		978		
Balance at 30 june 2023 [6]	**452,725**	**(1,078)**	**54,316**	**(2,400)**	**13,605**	**(6,231)**	**520,646**	**(9,709)**	**510,936**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-		

[1] Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.

[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.

[3] Includes the changes in fair value revaluations of micro-hedged instruments, the changes relating to the use of the EIR method (notably the amortisation of premiums/discounts), the changes relating to the accretion of discounts recorded on restructured loans (recovered as revenues over the remaining term of the asset) and changes in accrued interests.

[4] Concerning Stage 3 – this line corresponds to the change in the assessment of the credit risk on files already in default.

[5] The items in the "Others" line are mainly translation adjustments.

[6] At 30 June 2023, Stage 3 integrates the impaired assets of Crédit Agricole Italia acquired from Credito Valtellinese for a gross carrying amount of €727 million and a value correction for losses of €393 million, i.e. a net carrying amount of €333 million.

[7] Assets impaired upon acquisition have been recognized among financial assets at amortized cost directly in stage 3 for their gross amount and the associated impairment loss correction. The net value of these impaired loans upon acquisition amounts to €196 million.

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: DEBT SECURITIES

	Performing assets							
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)		Credit-impaired assets (Stage 3)		Total	
(in millions of euros)	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance
Balance at 31 december 2022	**202,965**	**(138)**	**3,128**	**(44)**	**-**	**(4)**	**206,093**	**(186)**
Transfers between stages during the period	**(145)**	**-**	**142**	**(3)**			**(3)**	**(3)**
Transfers from Stage 1 to Stage 2	(145)	-	142	(3)			(3)	(3)
Return to Stage 2 from Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 3 [1]	-	-	-	-	-	-	-	-
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-
Total after transfers	**202,821**	**(138)**	**3,269**	**(47)**	**-**	**(5)**	**206,090**	**(190)**
Changes in gross carrying amounts and loss allowances	**(2,105)**	**11**	**82**	**10**	**-**	**-**	**(2,023)**	**21**
Fair value revaluation during the period	2,923		84		-		3,006	
New financial production : purchase, granting, origination,... [2]	21,283	(20)	5,001	(6)			26,283	(26)
Derecognition : disposal, repayment, maturity...	(22,468)	11	(4,910)	5	-	-	(27,378)	16
Write-offs					-	-	-	-
Changes of cash flows resulting in restructuring due to financial difficulties	5	5	1	1	-	-	5	5
Changes in models' credit risk parameters during the period		14		9		-	-	23
Changes in model / methodology		-		-		-	-	-
Changes in scope	-	-	-	-	-	-	-	-
Other [4]	(3,847)	2	(93)	1	-	-	(3,940)	3
Total	**200,716**	**(127)**	**3,351**	**(37)**	**-**	**(5)**	**204,067**	**(169)**
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) [3]	53		(26)		-		27	
Balance at 30 june 2023	**200,769**	**(127)**	**3,325**	**(37)**	**-**	**(5)**	**204,094**	**(169)**
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-		-		-		-	

[1] Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.

[2] Originations in Stage 2 could include some originated loans in Stage 1 reclassified in Stage 2 during the period.

[3] Includes the impacts of the use of the EIR method (notably the amortisation of premiums/discounts).

[4] The items in the "Others" line are mainly translation adjustments.

Financial assets at fair value through equity of loans and receivables amounted to €437 million, classified as stage 1 as of 30 June 2023.

FINANCING COMMITMENTS (EXCLUDING CRÉDIT AGRICOLE INTERNAL OPERATIONS)

	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 2022	**166,212**	**(175)**	**9,662**	**(283)**	**307**	**(32)**	**176,181**	**(491)**	**175,690**
Transfers between stages during the period	**(302)**	**(13)**	**108**	**14**	**194**	**(8)**	**-**	**(7)**	
Transfers from Stage 1 to Stage 2	(1,528)	5	1,528	(29)			-	(24)	
Return to Stage 2 from Stage 1	1,290	(18)	(1,290)	41			-	22	
Transfers to Stage 3 [1]	(66)	1	(153)	3	220	(13)	-	(10)	
Return from Stage 3 to Stage 2 / Stage 1	2	-	24	(1)	(26)	5	-	4	
Total after transfers	**165,911**	**(188)**	**9,770**	**(269)**	**500**	**(41)**	**176,181**	**(499)**	**175,682**
Changes in commitments and loss allowances	**9,999**	**2**	**(1,153)**	**12**	**(71)**	**10**	**8,775**	**24**	
New commitments given [2]	73,856	(145)	2,020	(146)			75,876	(291)	
End of commitments	(54,844)	122	(3,150)	151	(171)	14	(58,165)	287	
Write-offs					-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	(16)	-	-	-	(16)	-	
Changes in models' credit risk parameters during the period		27		9		(4)		31	
Changes in model / methodology		-		(12)		-		(12)	
Changes in scope	-	-	-	-	-	-	-	-	
Other [3]	(9,014)	(2)	(6)	10	101	-	(8,919)	8	
Balance at 30 june 2023	**175,910**	**(187)**	**8,617**	**(257)**	**429**	**(31)**	**184,956**	**(475)**	**184,481**

[1] Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.

[2] New commitments given in Stage 2 could include some originations in Stage 1 reclassified in Stage 2 during the period.

[3] The items in the "Others" line are mainly translation adjustments.

GUARANTEE COMMITMENTS (EXCLUDING CRÉDIT AGRICOLE INTERNAL OPERATIONS)

	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 2022	**101,405**	**(67)**	**7,875**	**(134)**	**1,670**	**(261)**	**110,950**	**(463)**	**110,487**
Transfers between stages during the period	**(526)**	**(17)**	**409**	**20**	**116**	**(3)**	**(1)**	**-**	
Transfers from Stage 1 to Stage 2	(1,854)	4	1,854	(7)	-		(1)	(2)	
Return to Stage 2 from Stage 1	1,361	(23)	(1,361)	25	-		-	3	
Transfers to Stage 3 [1]	(72)	1	(88)	1	160	(3)	-	(1)	
Return from Stage 3 to Stage 2 / Stage 1	40	-	4	-	(44)	1	-	1	
Total after transfers	**100,880**	**(85)**	**8,285**	**(113)**	**1,785**	**(264)**	**110,948**	**(463)**	**110,486**
Changes in commitments and loss allowances	**1,626**	**16**	**(62)**	**(16)**	**(745)**	**(13)**	**819**	**(13)**	
New commitments given [2]	54,317	(25)	1,449	(30)			55,767	(55)	
End of commitments	(50,947)	23	(1,566)	19	(789)	20	(53,302)	62	
Write-offs					(4)	4	(4)	4	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	(1)	-	-	
Changes in models' credit risk parameters during the period		17		(5)		(38)	-	(26)	
Changes in model / methodology		-		(2)		-	-	(2)	
Changes in scope	-	-	-	-	-	-	-	-	
Other [3]	(1,745)	1	55	2	48	1	(1,642)	4	
Balance at 30 june 2023	**102,505**	**(70)**	**8,223**	**(129)**	**1,039**	**(277)**	**111,767**	**(475)**	**111,292**

[1] Transfers to Stage 3 correspond to outstanding amounts initially classified as Stage 1 which, during the year, were downgraded directly to Stage 3, or to Stage 2 and later to Stage 3.

[2] New commitments given in Stage 2 could include some originations in Stage 1 reclassified in Stage 2 during the period.

[3] The items in the "Others" line are mainly translation adjustments.

3.2 Exposure to sovereign risk

The scope of sovereign exposures recorded covers exposures to Governments, but does not include local authorities. Tax debt is excluded from these amounts.

Exposure to sovereign debt corresponds to an exposure net of impairment (carrying amount) presented both gross and net of hedging.

Crédit Agricole S.A.'s exposure to sovereign risk is as follows:

BANKING ACTIVITY

30/06/2023	Exposures Banking activity net of impairment						
	Financial assets 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
(in millions of euros)	*Held-for-trading financial assets*	*Other financial instruments at fair value through profit or loss*					
Germany	-	-	29	-	29	-	**29**
Saudi Arabia	-	-	-	355	355	-	**355**
Austria	-	-	-	179	179	9	**188**
Belgium	-	-	29	1,135	1,164	170	**1,334**
Brazil	26	-	175	88	289	-	**289**
China	202	-	-	483	685	-	**685**
Egypt	-	-	520	344	864	-	**864**
Spain	-	15	67	924	1,006	63	**1,069**
United States	3,959	-	123	2,038	6,120	224	**6,344**
France	-	138	2,876	12,184	15,198	369	**15,567**
Hong Kong	49	-	-	1,294	1,343	11	**1,354**
Italy	-	-	3,620	8,239	11,859	154	**12,013**
Japan	81	-	1,250	956	2,287	-	**2,287**
Poland	-	-	987	320	1,307	-	**1,307**
United Kingdom	-	-	-	-	-	-	**-**
Russia	-	-	-	-	-	-	**-**
Taiwan	-	-	9	59	68	-	**68**
Turkey	-	-	-	-	-	-	**-**
Ukraine	-	-	85	955	1,040	-	**1,040**
Other sovereign countries	2,032	-	1,033	5,674	8,725	13	**8,739**
TOTAL	**6,349**	**153**	**10,803**	**35,227**	**52,518**	**1,013**	**53,532**

31/12/2022	Exposures Banking activity net of impairment						
	Financial assets 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
(in millions of euros)	*Held-for-trading financial assets*	*Other financial instruments at fair value through profit or loss*					
Germany	-	6	-	63	69	-	**69**
Saudi Arabia	-	-	-	1,337	1,337	-	**1,337**
Austria	-	-	-	168	168	10	**178**
Belgium	-	8	9	1,012	1,029	192	**1,221**
Brazil	21	-	203	104	328	-	**328**
China	152	22	-	433	607	-	**607**
Egypt	-	-	507	369	876	-	**876**
Spain	-	21	67	1,093	1,181	69	**1,250**
United States	827	-	116	1,930	2,873	211	**3,084**
France	-	136	2,910	11,323	14,369	337	**14,706**
Hong Kong	44	-	-	1,347	1,391	12	**1,403**
Italy	-	-	3,241	11,777	15,018	54	**15,072**
Japan	226	-	1,079	1,273	2,578	(3)	**2,575**
Poland	1	-	930	249	1,180	-	**1,180**
United Kingdom	-	-	-	-	-	-	**-**
Russia	-	-	-	-	-	-	**-**
Taiwan	-	-	-	-	-	-	**-**
Turkey	-	-	-	-	-	-	**-**
Ukraine	-	-	61	677	738	-	**738**
Other sovereign countries	897	12	771	5,556	7,236	13	**7,249**
TOTAL	**2,168**	**205**	**9,894**	**38,711**	**50,978**	**895**	**51,873**

INSURANCE ACTIVITY

For the insurance activity, exposure to sovereign debt is presented as net of impairment, before hedging, and corresponds to an exposure before application of sharing mechanisms between insurer and policyholder specific to life insurance.

Gross exposures *(in millions of euros)*	**30/06/2023**	**31/12/2022**
Germany	314	291
Saudi Arabia	-	-
Austria	463	463
Belgium	2,926	2,610
Brazil	4	2
China	1	2
Egypt	-	-
Spain	6,533	4,788
United States	65	76
France	36,825	38,321
Hong Kong	1	-
Italy	7,410	7,152
Japan	179	201
Poland	173	305
United Kingdom	5	2
Russia	-	-
Taiwan	-	-
Turkey	6	6
Ukraine	1	2
Other sovereign countries	1,442	1,404
TOTAL EXPOSURES	**56,349**	**55,626**

3.3 Hedge accounting

As specified in our notes to the consolidated financial statements for the year ended 31 December 2022, Crédit Agricole S.A. has set up different types of hedges:

- Fair value hedges: fair value hedges modify the risk resulting from changes in the fair value of a financial instrument
- Cash flow hedges: a cash flow hedge modifies the risk related to variability in cash flows arising from floating-rate financial instruments or highly probable future transactions
- Hedge of net investment in foreign currency: a hedge of a net investment in foreign currency modifies the risk inherent in exchange rate fluctuations connected with foreign currency investments in subsidiaries.

As at 30 June 2023, the fair value of hedging derivatives was €27,578 million in assets and €37,851 million in liabilities (compared to €31,867 million and €45,644 million at 31 December 2022, respectively).

The fair value hedging derivatives mainly involve hedging of the interest rate risk. These 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. Fair value hedges transform fixed-rate assets or liabilities into floating-rate assets or liabilities. Items hedged are principally fixed-rate loans, securities, deposits and subordinated debt.

Changes in the fair value of hedging derivatives are recognised under “Net gains (losses) on financial instruments at fair value through profit or loss” in the income statement.

The fair value of the hedged portions of micro-hedged financial instruments at fair value is recognised in the balance sheet item to which it relates. Changes in the fair value of the hedged portions of micro-hedged financial instruments at fair value are recognised under “Net gains (losses) on financial instruments at fair value through profit or loss” in the income statement.

The fair value of the hedged portions of macro-hedged financial instruments at fair value is recognised under “Revaluation adjustment on interest rate hedged portfolios” on the balance sheet. Changes in the fair value of the hedged portions of micro-hedged financial instruments at fair value are recognised under “Net gains (losses) on financial instruments at fair value through profit or loss” in the income statement.

Gains (losses) from hedge accounting in the income statement are detailed in Note 4.3 of these financial statements, in particular the effects of hedge ineffectiveness, which stood at €43 million at 30 June 2023 (compared to -€101 million at 30 June 2022), including €38 million in micro-hedging and €5 million in macro-hedging.

It should be noted that the net revaluation adjustment on interest rate hedged portfolios stood at € -682 million at 30 June 2023 (compared to € -455 million at 31 December 2022). The change in this adjustment is mainly due to the change in the interest rate environment observed in the first half of 2023, leading to an adjustment of the Fair Value of the hedged portion of the fixed-rate financial instruments belonging to the hedged portfolio.

NOTE 4 Notes on comprehensive income

4.1 Interest income and expenses

(in millions of euros)	30/06/2023	30/06/2022
On financial assets at amortised cost	**23,462**	**9,514**
Interbank transactions	6,276	1,652
Crédit Agricole internal transactions	5,545	1,347
Customer transactions	9,616	5,449
Finance leases	1,027	438
Debt securities	997	628
On financial assets recognised at fair value through other comprehensive income	**2,330**	**2,510**
Interbank transactions	-	-
Customer transactions	-	-
Debt securities	2,330	2,510
Accrued interest receivable on hedging instruments	**1,958**	**1,082**
Other interest income	**40**	**31**
Interest and similar income [1] [2]	**27,789**	**13,137**
On financial liabilities at amortised cost	**(19,145)**	**(5,844)**
Interbank transactions	(3,668)	(789)
Crédit Agricole internal transactions	(1,836)	(839)
Customer transactions	(9,224)	(2,667)
Finance leases	(407)	(127)
Debt securities	(3,814)	(1,144)
Subordinated debt	(196)	(278)
Accrued interest receivable on hedging instruments	**(1,799)**	**(589)**
Other interest expenses	**(7)**	**(59)**
INTEREST AND SIMILAR EXPENSES [3]	**(20,951)**	**(6,492)**

[1] €138 million of which for impaired loans (Stage 3) as at 30 June 2023 versus €82 million as at 30 June 2022.

[2] Includes €311 million in negative interest on financial liabilities at 30 June 2023 (€936 million at 30 June 2022).

[3] Includes -€89 million in negative interest on financial assets at 30 June 2023 (-€819 million at 30 June 2022).

4.2 Fee and commission income and expenses

(in millions of euros)	30/06/2023			30/06/2022		
	Income	Expense	Net	Income	Expense	Net
Interbank transactions	179	(38)	141	187	(35)	**152**
Crédit Agricole internal transactions	614	(485)	129	656	(212)	**444**
Customer transactions	744	(124)	620	727	(116)	**611**
Securities transactions	31	(98)	(66)	35	(72)	**(37)**
Foreign exchange transactions	26	(28)	(1)	21	(21)	**-**
Derivative instruments and other off-balance sheet items	193	(140)	53	148	(102)	**46**
Payment instruments and other banking and financial services	1,957	(715)	1,242	1,786	(661)	**1,125**
Mutual funds management, fiduciary and similar operations	2,835	(822)	2,014	3,042	(935)	**2,107**
TOTAL FEES AND COMMISSIONS INCOME AND EXPENSE	**6,581**	**(2,449)**	4,132	**6,602**	**(2,154)**	**4,448**

Asset gathering is the main contributor of the fee and commission income from customer transactions and transactions involving payment instruments and other banking and financial services.

Fee and commission income from managing UCITS, trusts and similar activities are mainly related to Asset gathering.

4.3 Net gains (losses) on financial instruments at fair value through profit or loss

(in millions of euros)	30/06/2023	30/06/2022
Dividends received	883	928
Unrealised or realised gains (losses) on held for trading assets/liabilities	1,823	(4,477)
Unrealised or realised gains (losses) on equity instruments at fair value through profit or loss	402	(2,908)
Unrealised or realised gains (losses) on debt instruments that do not meet the conditions of the “SPPI” test	1,640	(3,375)
Unrealised or realised gains (losses) on other debt instruments measered by definitiion at fair value through profit or loss	38	-
Net gains (losses) on assets backing unit-linked contracts	2,667	(8,255)
Unrealised or realised gains (losses) on assets/liabilities designated at fair value through profit or loss [1]	(2,157)	4,509
Net gains (losses) on Foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	1,376	1,435
Gains (losses) from hedge accounting	43	(101)
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**6,715**	**(12,244)**

[1] *Excluding issuer credit spread for liabilities designated at fair value through profit or loss (unless the standard allows for an exception to eliminate or reduce a mismatch in the income statement).*

Analysis of net gains (losses) from hedge accounting:

(in millions of euros)	30/06/2023 Gains	Losses	Net
Fair value hedges	**4,550**	**(4,512)**	**38**
Changes in fair value of hedged items attributable to hedged risks	1,878	(2,524)	(647)
Changes in fair value of hedging derivatives (including termination of hedges)	2,672	(1,988)	684
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	**4,591**	**(4,586)**	**6**
Changes in fair value of hedged items	2,442	(2,203)	240
Changes in fair value of hedging derivatives	2,149	(2,383)	(234)
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	**-**	**(1)**	**(1)**
Changes in fair value of hedging instrument - ineffective portion	-	(1)	(1)
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**9,141**	**(9,098)**	**43**

(in millions of euros)	30/06/2022 Gains	Losses	Net
Fair value hedges	**21,700**	**(21,670)**	**30**
Changes in fair value of hedged items attributable to hedged risks	13,751	(8,012)	5,739
Changes in fair value of hedging derivatives (including termination of hedges)	7,949	(13,658)	(5,709)
Cash flow hedges	2	-	2
Changes in fair value of hedging derivatives - ineffective portion	2	-	2
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	**25,513**	**(25,647)**	**(134)**
Changes in fair value of hedged items	14,229	(11,255)	2,974
Changes in fair value of hedging derivatives	11,284	(14,392)	(3,108)
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments	**1**	**-**	**1**
Changes in fair value of hedging instrument - ineffective portion	1	-	1
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**47,216**	**(47,317)**	**(101)**

4.4 Net gains (losses) on financial instruments at fair value through other comprehensive income

(in millions of euros)	30/06/2023	30/06/2022
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss [1]	(201)	10
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends) [2]	123	42
NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	**(77)**	**52**

[1] *Excluding realised gains or losses from the disposal of impaired debt instruments (Stage 3) mentioned in Note 4.9 “Cost of risk”.*

[2] *Including no dividends on equity instruments at fair value through equity that cannot be reclassified and derecognised during the period.*

4.5 Net gains (losses) arising from the derecognition of financial assets at amortised cost

(in millions of euros)	30/06/2023	30/06/2022
Debt securities	106	45
Loans and receivables due from credit institutions	-	-
Loans and receivables due from customers	-	-
Gains arising from the derecognition of financial assets at amortised cost	**106**	**45**
Debt securities	(115)	(21)
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	**(119)**	**(25)**
NET GAINS (LOSSES) ARISING FROM THE DERECOGNITION OF FINANCIAL ASSETS AT AMORTISED COST [1]	**(13)**	**20**

[1] *Excluding realised gains or losses from the derecognition of impaired debt instruments (Stage 3) mentioned in Note 4.9 “Cost of risk”.*

4.6 Net income (expenses) on other activities

(in millions of euros)	30/06/2023	30/06/2022 Restated
Gains (losses) on fixed assets not used in operations	57	(18)
Net income from investment property	(200)	353
Other net income (expense)	362	53
INCOME (EXPENSE) RELATED TO OTHER ACTIVITIES	**219**	**388**

4.7 Operating expenses

(in millions of euros)	30/06/2023			30/06/2022 Restated		
	Operating expenses [1] (a)	Expenses related to insurance contracts (deducted from revenues) (b)	Total Operating expenses in the period (c) = (a) + (b)	Operating expenses [1] (a)	Expenses related to insurance contracts (deducted from revenues) (b)	Total Operating expenses in the period (c) = (a) + (b)
Employee expenses	(4,248)	(127)	(4,375)	(3,921)	(115)	(4,036)
Taxes other than on income, payroll-related and regulatory contributions [2]	(745)	(28)	(773)	(853)	(33)	(886)
External services and other operating expenses	(1,897)	(196)	(2,092)	(2,003)	(163)	(2,166)
Expenses incurred for the distribution of insurance contracts	396	(396)	-	411	(411)	-
OPERATING EXPENSES	**(6,493)**	**(747)**	**(7,240)**	**(6,366)**	**(723)**	**(7,088)**

[1] *Amounts corresponding to the heading "Operating expenses" of the Income statement.*

[2] *Including -€508 million recognised for the Single Resolution Fund at 30 June 2023 (versus -€646 million at 30 June 2022).*

The retirement reform adopted in France via finance law 2023-270 of 14 April 2023 amending social security for 2023 (published in the Journal Officiel of 15 April 2023) and the implementing decrees 2023-435 and 2023-436 of 3 June 2023 (published in the Journal Officiel of 4 June 2023) were taken into account in the consolidated financial statements for the first half of 2023. The impact of this reform was considered a change of régime and is recognised as a past service cost, under operating expenses.

At 30 June 2023, the impact of this reform was +€14.5 million on pre-tax income.

4.8 Depreciation, amortisation and impairment of property, plant & equipment and intangible assets

	30/06/2023			30/06/2022 Restated		
(en millions d'euros)	Depreciation, amortisation and impairment [1] [3] (a)	Expenses related to insurance contracts (deducted from revenues) (b)	Total Depreciation, amortisation and impairment in the period (c) = (a) + (b)	Depreciation, amortisation and impairment [1] [3] (a)	Expenses related to insurance contracts (deducted from revenues) (b)	Total Depreciation, amortisation and impairment in the period (c) = (a) + (b)
Depreciation and amortisation	**(559)**	**(26)**	**(585)**	**(538)**	**(24)**	**(562)**
Property, plant and equipment [1]	(337)	(2)	(339)	(353)	(3)	(356)
Intangible assets	(222)	(24)	(246)	(185)	(21)	(206)
Impairment losses / reversals	**(4)**	**-**	**(4)**	**1**	**(1)**	**-**
Property, plant and equipment	(2)	-	(2)	1	(1)	-
Intangible assets [2]	(1)	-	(2)	-	-	-
DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS	**(562)**	**(26)**	**(589)**	**(537)**	**(25)**	**(562)**

[1] *Including -€169 million recognised for the depreciation of the right-of-use at 30 June 2023 versus -€187 million at 30 June 2022.*

[2] *Including -€2 million recognised for right-of-use impairment (reversals) at 30 June 2023 versus €0 million at 30 June 2022.*

[3] *Amounts corresponding to the heading "Depreciation, amortisation and impairment of property, plant & equipment and intangible assets" in the Income statement*

4.9 Cost of risk

(in millions of euros)	30/06/2023	30/06/2022
Charges net of reversals to impairments on performing assets (Stage 1 or Stage 2) (A)	**(145)**	**(474)**
Stage 1 : Loss allowance measured at an amount equal to 12-month expected credit loss	**(151)**	**2**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	(3)	1
Debt instruments at amortised cost	(136)	(12)
Commitments by signature	(12)	13
Stage 2 : Loss allowance measured at an amount equal to lifetime expected credit loss	**6**	**(476)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	(2)	-
Debt instruments at amortised cost	(11)	(507)
Commitments by signature	19	31
Charges net of reversals to impairments on credit-impaired assets (Stage 3) (B)	**(717)**	**(526)**
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	-	-
Debt instruments at amortised cost	(697)	(571)
Commitments by signature	(20)	45
Other assets (C)	(2)	(2)
Risks and expenses (D)	(9)	2
Charges net of reversals to impairment losses and provisions (E) = (A)+(B)+(C)+(D)	**(873)**	**(1,000)**
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	3	-
Losses on non-impaired loans and bad debt	(115)	(82)
Recoveries on loans and receivables written off	109	159
recognised at amortised cost	109	159
recognised in other comprehensive income that may be reclassified to profit or loss	-	-
Discounts on restructured loans	(7)	(9)
Losses on commitments by signature	-	-
Other losses	(51)	(15)
Other gains	25	4
COST OF RISK	**(908)**	**(943)**

4.10 Net gains (losses) on other assets

(in millions of euros)	30/06/2023	30/06/2022
Property, plant & equipment and intangible assets used in operations	**92**	**11**
Gains on disposals	101	13
Losses on disposals	(9)	(2)
Consolidated equity investments	**5**	**11**
Gains on disposals	5	15
Losses on disposals	-	(4)
Net income (expense) on combinations	**(65)**	**(2)**
NET GAINS (LOSSES) ON OTHER ASSETS	**32**	**20**

4.11 Income tax

The effective tax rate for the first half of 2023 works out at 24.6% on the basis of a positive pre-tax income of €4,866 million (before income from equity-accounted entities and income from discontinued operations) vs. 28.1% at 30 June 2022.

4.11.1 Pillar 2 – GLOBE (Global Anti-Base Erosion)

The OECD has released new international tax rules aimed at requiring large Multinational Enterprises (MNEs) to pay a "top-up tax" whenever the Effective Tax Rate (ETR) in each jurisdiction in which they operate is below 15%. The purpose of the new rules is to combat competition between countries based on tax rates.

The rules will have to be transposed into domestic law by each country.

A European Directive was adopted within the EU at the end of 2022 (it is currently being transposed into member countries' domestic law) and stipulates financial year 2024 as the first financial year for the application of the GloBE rules in the EU. As of now, the information is not reasonably estimable, but the Group has begun looking into it. The implication is that a GloBE top-up tax might have to be recognised in the Group's 2024 financial statements.

4.12 Changes in other comprehensive income

The breakdown of income and expenses recognised for the period is presented below:

BREAKDOWN OF TOTAL OTHER COMPREHENSIVE INCOME

(in millions of euros)	30/06/2023	30/06/2022
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax		
Gains and losses on translation adjustments	**(240)**	**598**
Revaluation adjustment of the period	(240)	598
Reclassified to profit or loss	-	-
Other changes	-	-
Other comprehensive income on debt instruments that may be reclassified to profit or loss	**2,779**	**(28,577)**
Revaluation adjustment of the period	2,578	(28,565)
Reclassified to profit or loss	201	(12)
Other changes	-	-
Gains and losses on hedging derivative instruments	**97**	**(1,951)**
Revaluation adjustment of the period	96	(1,951)
Reclassified to profit or loss	1	-
Other changes	-	-
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss	(2,679)	26,408
Insurance finance income or expenses related to reinsurance contracts held recognised in other comprehensive income that will be reclassified to profit or loss	(4)	(185)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	**(26)**	**81**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**(55)**	**1,100**
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	**6**	**8**
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax	**(122)**	**(2,518)**
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	(26)	300
Other comprehensive income on financial liabilities attributable to changes in own credit risk	**105**	**791**
Revaluation adjustment of the period	108	788
Reclassified to reserves	(3)	3
Other changes	-	-
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	**93**	**96**
Revaluation adjustment of the period	164	91
Reclassified to reserves	(71)	5
Other changes	-	-
Insurance finance income or expenses recognised directly in other comprehensive income that will not be reclassified to profit or loss	(242)	(52)
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**4**	**(3)**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**14**	**(266)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**(1)**	**-**
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	**(53)**	**866**
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX	**(175)**	**(1,652)**
Of which Group share	(133)	(1,672)
Of which non-controlling interests	(42)	20

NOTE 5 Segment information

DEFINITION OF OPERATING SEGMENTS

According to IFRS 8, information disclosed is based on the internal reporting that is used by the Executive Committee to manage Crédit Agricole S.A., to assess performance, and to make decisions about resources to be allocated to the identified operating segments.

Operating segments according to the internal reporting consist of the business lines of the Group.

At 30 June 2023, Crédit Agricole S.A.'s business activities were organised into six operating segments:

- the following five business lines:
  - Asset Gathering,
  - Large Customers,
  - Specialised Financial Services,
  - French Retail Banking – LCL,
  - International Retail Banking,
- as well as the "Corporate Centre".

PRESENTATION OF BUSINESS LINES

Asset Gathering

This business line brings together:

- the insurance activities of Crédit Agricole Assurances Group companies to support customers at every stage of their lives and cover all their property & casualty and life insurance needs in France and abroad, via the following three business lines:
  - Savings and retirement,
  - Death & disability/creditor/group insurance;
  - Property and casualty insurance.

  In December 2022, Crédit Agricole Assurances announced the launch of its supplemental professional retirement fund, named Crédit Agricole Assurances Retraite (Retirement Insurance), which will offer comprehensive and dedicated solutions, including individual and group retirement savings plans (plans d'épargne retraite, or PER).
- the asset management activities of the Amundi Group, offering savings solutions for retail clients and investment and technology solutions for institutional investors in Europe, Asia and the Americas through a full range of active and passive management services in traditional or real assets. The acquisition of Lyxor on 31 December 2021, which was finalised in 2022, strengthened Amundi's positioning.
- as well as wealth management activities conducted mainly by Indosuez Wealth Management subsidiaries (CA Indosuez (Switzerland) S.A., CA Indosuez Wealth (Europe), CFM Indosuez Wealth and CA Indosuez).

Large Customers

The Large Customers division includes corporate and investment banking, which itself consists of two main lines of business most of which are carried out by Crédit Agricole CIB, and asset servicing for institutions and issuers carried out by CACEIS:

- financing activities, which include corporate banking and structured finance in France and internationally. Structured finance consists of originating, structuring and financing investment transactions often collateralised by physical assets (planes, boats, office buildings, commodities etc.) and complex and structured credit instruments;
- capital markets and investment banking activities bring together capital market activities (treasury, foreign exchange, interest rate derivatives, bond markets), and investment banking activities (mergers and acquisitions consulting and primary equity advisory);

- asset servicing for institutional investors and issuers: CACEIS Bank for custody and depositary services, CACEIS Fund Administration for fund administration services and Uptevia (formerly CACEIS Corporate Trust[1]) for issuer services.

Specialised Financial Services

Specialised Financial Services comprises the Group entities that provide financial products and services to individual customers, small businesses, corporates, farmers and local authorities in France and abroad. These are:

- companies offering consumer finance, car leasing and mobility solutions around Crédit Agricole Consumer Finance in France (Sofinco, as well as the management of the consumer finance activity on behalf of the Regional Banks and LCL) and through its international subsidiaries or partnerships (Agos, Creditplus Bank, Credibom, CACF Spain, CA Auto Bank[2], GAC Sofinco and Wafasalaf).
- specialised financial services for corporates, such as factoring and lease finance (Crédit Agricole Leasing & Factoring Group, EFL) and financing specifically for energy and the regions, for corporates, local authorities and farmers, who are actors in the energy transition (through Unifergie, a subsidiary of Crédit Agricole Leasing & Factoring).

French Retail Banking – LCL

LCL is a French Retail Banking network with a strong presence in urban areas. It is organised into four business lines: retail banking for individual customers, retail banking for small businesses, private banking and corporate banking.

LCL offers a full range of banking products and services, together with asset management, insurance and wealth management products.

International Retail Banking

This business line encompasses international subsidiaries and equity investments that are mainly involved in retail banking.

These subsidiaries and equity investments are primarily located in Europe: Crédit Agricole Italia in Italy, Crédit Agricole Polska in Poland, as well as in Ukraine, but also in the Mediterranean region with Crédit Agricole Egypt and a 15% stake in Crédit du Maroc.

The international consumer credit, leasing and factoring subsidiaries (subsidiaries of Crédit Agricole Consumer Finance, Crédit Agricole Leasing & Factoring and EFL in Poland etc.) are not included in this segment, but in “Specialised Financial Services”, except Calit in Italy, which is part of International Retail Banking.

Corporate Centre

This segment encompasses:

- Crédit Agricole S.A.’s corporate centre function, asset and liability management and management of debt connected with acquisitions of subsidiaries or equity investments and the net impact of tax consolidation for Crédit Agricole S.A.;
- the results of the private equity business and results of various other Crédit Agricole S.A. companies (notably CA Immobilier, Uni- médias, Foncaris, BForBank etc.);
- the results from services companies including IT and payment companies (CA-GIP and CAPS) and real-estate companies.

The division also includes the technical and volatile impacts related to intragroup transactions.

[1] As of 01/01/2023, the Issuer Services activities of CACEIS and BNP Paribas in France are grouped together within a new structure, Uptevia, which is owned equally by these two banks.

[2] Since 3 April 2023, CACF acquired 100% of CA Auto Bank (formerly FCA Bank) and created, along with Stellantis, a joint venture formed from the merger of Leasys and Freetomove, in which it holds 50%.

5.1 Operating segment information

Transactions between operating segments are effected at arm's length.

	30/06/2023						
(in millions of euros)	Asset gathering	Large customers	Specialised financial services	French retail banking - LCL	International retail banking	Corporate center	Total
Revenues	3,478	3,957	1,834	1,895	1,951	(318)	**12,797**
Operating expenses	(1,436)	(2,471)	(829)	(1,197)	(1,027)	(95)	**(7,055)**
Gross operating income	**2,042**	**1,486**	**1,005**	**698**	**924**	**(413)**	**5,742**
Cost of risk	(1)	(68)	(463)	(135)	(241)	-	**(908)**
Operating income	**2,041**	**1,418**	**542**	**563**	**683**	**(413)**	**4,834**
Share of net income of equity-accounted entities	49	11	85	-	1	(33)	**113**
Net gains (losses) on other assets	-	5	25	2	-	-	**32**
Change in value of goodwill	-	-	-	-	-	-	**-**
Pre-tax income	**2,090**	**1,434**	**652**	**565**	**684**	**(446)**	**4,979**
Income tax charge	(478)	(358)	(177)	(138)	(201)	153	**(1,199)**
Net income from discontinued operations	1	-	-	-	5	-	**6**
Net income	**1,613**	**1,076**	**475**	**427**	**488**	**(293)**	**3,786**
Non-controlling interests	239	77	44	19	113	28	**520**
NET INCOME GROUP SHARE	**1,374**	**999**	**431**	**408**	**375**	**(321)**	**3,266**

(in millions of euros)	30/06/2022						
	Asset gathering	**Large customers**	**Specialised financial services**	**French retail banking - LCL**	**International retail banking**	**Corporate center**	**Total**
Revenues	2,744	3,694	1,372	1,995	1,599	(201)	**11,203**
Operating expenses	(1,434)	(2,368)	(759)	(1,237)	(1,026)	(79)	**(6,903)**
Gross operating income	**1,310**	**1,326**	**613**	**758**	**573**	**(280)**	**4,300**
Cost of risk	(5)	(202)	(237)	(104)	(390)	(5)	**(943)**
Operating income	**1,305**	**1,124**	**376**	**654**	**183**	**(285)**	**3,357**
Share of net income of equity-accounted entities	41	6	158	-	1	(16)	**190**
Net gains (losses) on other assets	3	(1)	(2)	14	6	-	**20**
Change in value of goodwill	-	-	-	-	-	-	**-**
Pre-tax income	**1,349**	**1,129**	**532**	**668**	**190**	**(301)**	**3,567**
Income tax charge	(326)	(280)	(114)	(175)	(112)	57	**(950)**
Net income from discontinued operations	10	-	2	-	12	-	**24**
Net income	**1,033**	**849**	**420**	**493**	**90**	**(244)**	**2,641**
Non-controlling interests	213	49	56	20	77	19	**434**
NET INCOME GROUP SHARE	**820**	**800**	**364**	**473**	**13**	**(263)**	**2,207**

5.2 Specific characteristics of insurance

(See Chapter on “Risk factors – Insurance sector risks” on managing the insurance sector risk)

GROSS INCOME OF THE INSURANCE COMPANIES

(in millions of euros)	30/06/2023	30/06/2022
Insurance revenue	6,914	6,972
Insurance service expenses	(5,542)	(5,711)
Income or expenses related to reinsurance contracts held	(112)	(21)
Insurance service result	**1,261**	**1,240**
Revenue or income from other activities	**34**	**45**
Investment income	3,911	4,248
Investment expenses	(394)	(498)
Gains (losses) on disposals of investments net of impairment and amortisation reversals	(82)	3
Change in fair value of investments at fair value through profit or loss	3,351	(15,137)
Change in impairment on investments	15	-
Investment income net of expenses	**6,802**	**(11,385)**
Insurance finance income or expenses	(6,572)	10,366
Insurance finance income or expenses related to reinsurance contracts held	24	25
Change in investment contracts without discretionary participation features	(87)	584
Net financial income	**167**	**(409)**
Other current operating income (expense)	**(164)**	**(164)**
Other operating income (expense)	**-**	**(7)**
Operating income	**1,298**	**704**
Financing expenses	**(73)**	**(93)**
Income tax charge	**(279)**	**(154)**
Net income from discontinued operations	**-**	**8**
Consolidated net income	**946**	**465**
Non-controlling interests	**38**	**38**
Net income Group share	**908**	**426**

INSURANCE AND REINSURANCE CONTRACTS

The carrying amount of the portfolios of insurance contracts issued and reinsurance contracts held, broken down by their position on the balance sheet and detailed according to their components, are presented in the following table.

(in millions of euros)	30/06/2023	31/12/2022
Insurance contracts issued	**339,419**	**331,268**
Insurance contracts issued that are assets	**-**	**-**
Remaining coverage	-	-
Incurred claims	-	-
Assets for insurance acquisition cash flows	-	-
Insurance contracts issued that are liabilities	**339,419**	**331,268**
Remaining coverage	328,763	319,881
Incurred claims	10,656	11,387
Assets for insurance acquisition cash flows	-	-
Reinsurance contracts held	**(913)**	**(885)**
Reinsurance contracts held that are assets	**(1,036)**	**(977)**
Remaining coverage	(312)	(226)
Incurred claims	(724)	(751)
Reinsurance contracts held that are liabilities	**123**	**92**
Remaining coverage	148	145
Incurred claims	(25)	(53)
Investment contracts without discretionary participation features	**3,167**	**3,239**

Reconciliations of the opening and closing balances of the contracts that enter into the scope of application of IFRS 17 are presented below.

These reconciliations show how the net carrying amounts of the insurance contracts issued and reinsurance contracts held, respectively, varied over the period due to cash flows as well as income and expenses recognised in profit or loss and in OCI.

An initial reconciliation (by type of liability) separately analyses the changes in the liability for remaining coverage and changes in the liability for incurred claims and reconciles these changes with the items of the income statement and statement of net income and other comprehensive income recognised directly in equity.

A second reconciliation (by measurement component of the contracts) analyses separately, for contracts that are not measured using the PAA model, the changes in estimates of the present value of future expected cash flow, adjustment for non-financial risk, and a contractual service margin.

RECONCILIATIONS OF THE OPENING AND CLOSING BALANCES OF THE CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED BY TYPE OF LIABILITY

	30/06/2023						31/12/2022					
	Liability for remaining coverage		Liability for incurred claims			TOTAL	Liability for remaining coverage		Liability for incurred claims			TOTAL
				Contracts measured under PAA						Contracts measured under PAA		
(in millions of euros)	Excl. loss component	Loss component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Excl. loss component	Excl. loss component	Loss component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	
OPENING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	**319,790**	**91**	**6,338**	**4,916**	**133**	**331,268**	**365,373**	**98**	**6,976**	**4,575**	**118**	**377,140**
Opening carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	(473)	-	395	-	-	(78)
Opening carrying amounts of portfolios of insurance contracts issued that are liabilities	319,790	91	6,338	4,916	133	331,268	365,846	98	6,581	4,575	118	377,218
Insurance revenue	**(6,913)**					**(6,913)**	**(13,190)**					**(13,190)**
Insurance service expenses	**854**	**10**	**2,181**	**2,240**	**-**	**5,285**	**1,586**	**(7)**	**3,954**	**4,544**	**24**	**10,101**
Incurred claims (excluding investment components) and other incurred insurance service expenses	-	(11)	2,275	2,338	35	4,636	-	(34)	4,024	4,602	53	8,646
Amortisation of insurance acquisition cash flows	854					**854**	1,586					**1,586**
Changes in fulfilment cash flows relating to the liability for incurred claims			(95)	(98)	(35)	(227)			(70)	(59)	(29)	(158)
Losses on onerous groups of contracts and reversals of such losses		22			-	22		27			-	27
Insurance service result	**(6,059)**	**10**	**2,181**	**2,240**	**-**	**(1,628)**	**(11,604)**	**(7)**	**3,954**	**4,544**	**24**	**(3,090)**
Insurance finance income or expenses	**9,380**	**-**	**47**	**63**	**2**	**9,492**	**(45,440)**	**1**	**(2)**	**(348)**	**(8)**	**(45,798)**
Total changes recognised in profit or loss and other comprehensive income	**3,321**	**11**	**2,228**	**2,303**	**2**	**7,864**	**(57,044)**	**(6)**	**3,951**	**4,195**	**16**	**(48,887)**
Investment components	**(14,648)**		**14,648**	**-**		**-**	**(23,194)**		**23,194**	**-**		**-**
Other changes	**(198)**	**4**	**16**	**(5)**	**(1)**	**(185)**	**373**	**(1)**	**(124)**	**2**	**(1)**	**249**
Cash flows in the period	**20,394**		**(17,622)**	**(2,300)**	**-**	**472**	**34,282**		**(27,660)**	**(3,856)**	**-**	**2,766**
Premiums received for insurance contracts issued	21,328					21,328	35,756					35,756
Insurance acquisition cash flows	(934)			(7)		(941)	(1,474)			(14)		(1,488)
Incurred claims paid and other insurance service expenses paid for insurance contracts issued, excluding insurance acquisition cash flows – including investment components			(17,622)	(2,293)		(19,915)			(27,660)	(3,842)		(31,502)
CLOSING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	**328,659**	**105**	**5,608**	**4,914**	**134**	**339,419**	**319,790**	**91**	**6,338**	**4,916**	**133**	**331,268**
Closing carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	-	-	-	-	-	-
Closing carrying amounts of portfolios of insurance contracts issued that are liabilities	328,659	105	5,608	4,914	134	339,419	319,790	91	6,338	4,916	133	331,268

RECONCILIATIONS OF THE OPENING AND CLOSING BALANCES OF THE INSURANCE CONTRACTS ISSUED BY MEASUREMENT COMPONENT OF THE CONTRACTS EXCLUDING PREMIUM ALLOCATION APPROACH CONTRACTS

	30/06/2023				31/12/2022			
(in millions of euros)	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	TOTAL	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	TOTAL
OPENING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	**298,691**	**3,521**	**23,597**	**325,809**	**346,632**	**3,340**	**22,140**	**372,112**
Opening carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	(1,011)	390	543	(78)
Opening carrying amounts of portfolios of insurance contracts issued that are liabilities	298,691	3,521	23,597	325,809	347,643	2,949	21,597	372,189
Changes that relate to future service	**(3,298)**	**251**	**3,071**	**24**	**(4,456)**	**562**	**3,919**	**24**
Changes in estimates that adjust the contractual service margin	(1,405)	64	1,341	-	(1,751)	272	1,479	-
Changes in estimates that do not adjust the contractual service margin	14	1	-	15	7	2		9
Effects of contracts initially recognised in the period	(1,907)	185	1,730	9	(2,712)	288	2,440	16
Changes that relate to current service	**167**	**(152)**	**(1,299)**	**(1,284)**	**(123)**	**(239)**	**(2,527)**	**(2,889)**
Contractual service margin recognised in profit or loss to reflect the transfer of services	-	-	(1,299)	(1,299)			(2,527)	(2,527)
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	-	(152)	-	(152)		(239)		(239)
Experience adjustments, excluding amounts relating to the risk adjustment for non-financial risk	167	-	-	167	(123)			(123)
Changes that relate to past service	**(95)**	**-**	**-**	**(95)**	**(64)**	**(7)**		**(71)**
Changes in fulfilment cash flows relating to incurred claims	(95)	-	-	(95)	(64)	(7)		(71)
Insurance service result	**(3,226)**	**99**	**1,772**	**(1,355)**	**(4,643)**	**316**	**1,392**	**(2,935)**
Insurance finance income or expenses	**9,382**	**15**	**31**	**9,428**	**(45,368)**	**(134)**	**62**	**(45,441)**
Total changes recognised in profit or loss and other comprehensive income	**6,156**	**114**	**1,803**	**8,073**	**(50,011)**	**182**	**1,454**	**(48,376)**
Other changes	**(171)**	**(1)**	**(5)**	**(177)**	**245**	**-**	**3**	**248**
Cash flows in the period	**218**	**-**	**-**	**218**	**1,825**			**1,825**
Premiums received for insurance contracts issued	18,441	-	-	18,441	30,369			30,369
Insurance acquisition cash flows	(601)	-	-	(601)	(884)			(884)
Incurred claims paid and other insurance service expenses paid for insurance contracts issued, excluding insurance acquisition cash flows – including investment components	(17,622)	-	-	(17,622)	(27,660)			(27,660)
CLOSING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	**304,894**	**3,634**	**25,395**	**333,923**	**298,691**	**3,521**	**23,597**	**325,809**
Closing carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	-	-
Closing carrying amounts of portfolios of insurance contracts issued that are liabilities	304,894	3,634	25,395	333,923	298,691	3,521	23,597	325,809

RECONCILIATIONS OF THE OPENING AND CLOSING BALANCES OF THE CARRYING AMOUNTS OF THE REINSURANCE CONTRACTS HELD BY TYPE OF ASSET

	30/06/2023					TOTAL	31/12/2022					TOTAL
	Assets for remaining coverage		Assets for incurred claims				Assets for remaining coverage		Assets for incurred claims			
				Contracts measured under PAA						Contracts measured under PAA		
(in millions of euros)	Excl. loss-recovery component	Loss-recovery component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Excl. loss-recovery component	Excl. loss-recovery component	Loss-recovery component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	
OPENING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD	**76**	**5**	**104**	**676**	**24**	**885**	**71**	**9**	**240**	**450**	**17**	**787**
Opening carrying amounts of portfolios of reinsurance contracts held that are assets	221	5	50	676	24	977	139	9	240	474	17	879
Opening carrying amounts of portfolios of reinsurance contracts held that are liabilities	(145)	-	53	-	-	(92)	(68)	-	-	(24)	-	(92)
Allocation of the premiums paid	**(352)**					**(352)**	**(763)**					**(763)**
Amounts recovered from the reinsurer	**-**	**(1)**	**136**	**111**	**(2)**	**243**	**1**	**(4)**	**363**	**555**	**8**	**923**
Amounts recovered for claims and other expenses incurred in the period	-	-	65	103	2	171	1	-	369	551	12	933
Changes in fulfilment cash flows relating to the assets for incurred claims			70	8	(4)	73			(6)	4	(4)	(6)
Changes in the loss-recovery component relating to onerous underlying contracts		(1)				(1)		(4)				(4)
Effect of changes in the risk of non-performance by the issuer of reinsurance contracts held	**(3)**	**-**	**-**	**-**	**-**	**(3)**	**2**	**-**	**-**	**-**	**-**	**2**
Income or expenses related to reinsurance contracts held	**(355)**	**(1)**	**135**	**111**	**(2)**	**(112)**	**(760)**	**(4)**	**364**	**555**	**8**	**163**
Insurance finance income or expenses related to reinsurance contracts held	**8**	**-**	**1**	**10**	**-**	**20**	**(167)**	**-**	**(6)**	**(27)**	**(1)**	**(201)**
Total changes recognised in profit or loss and other comprehensive income	**(347)**	**(1)**	**137**	**121**	**(2)**	**(92)**	**(927)**	**(4)**	**357**	**529**	**7**	**(38)**
Investment components	**(4)**		**3**	**1**		**-**	**(11)**		**9**	**2**		**-**
Other changes	**7**	**(1)**	**(21)**	**38**	**-**	**23**	**71**	**-**	**(119)**	**(99)**	**-**	**(147)**
Cash flows for the period	**429**		**(99)**	**(233)**	**-**	**97**	**872**		**(385)**	**(206)**	**-**	**281**
Premiums paid for reinsurance contracts held	429					429	872					872
Amounts recovered from the reinsurer – including investment components			(99)	(233)		(332)			(385)	(206)		(591)
CLOSING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD	**161**	**3**	**124**	**602**	**23**	**913**	**76**	**5**	**103**	**676**	**24**	**884**
Closing carrying amounts of portfolios of reinsurance contracts held that are assets	309	3	99	602	23	1,036	221	5	50	676	24	976
Closing carrying amounts of portfolios of reinsurance contracts held that are liabilities	(148)	-	25	-	-	(123)	(145)	-	53	-	-	(92)

RECONCILIATIONS OF THE OPENING AND CLOSING BALANCES OF THE CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD BY MEASUREMENT COMPONENT OF THE CONTRACTS EXCLUDING PREMIUM ALLOCATION APPROACH CONTRACTS

	30/06/2023				31/12/2022			
(in millions of euros)	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	TOTAL	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	TOTAL
OPENING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD	**(226)**	**103**	**251**	**128**	**(46)**	**124**	**238**	**316**
Opening carrying amounts of portfolios of reinsurance contracts held that are assets	75	46	99	220	49	122	212	383
Opening carrying amounts of portfolios of reinsurance contracts held that are liabilities	(301)	57	152	(92)	(95)	2	26	(67)
Changes that relate to future service	**(87)**	**3**	**84**	**-**	**(48)**	**21**	**27**	**-**
Changes in estimates that adjust the contractual service margin	(88)	2	86	-	(24)	18	6	-
Changes in estimates that do not adjust the contractual service margin	-	-		-	-	-		-
Increase in the loss-recovery component on onerous underlying contracts that adjust the contractual service margin			-	-			-	-
Effects of contracts initially recognised in the period	1	1	(2)	-	(24)	3	21	-
Changes that relate to current service	**4**	**(7)**	**(104)**	**(107)**	**(4)**	**(18)**	**(26)**	**(48)**
Contractual service margin recognised in profit or loss to reflect services received			(104)	(104)			(26)	(26)
Reversals of the loss-recovery component excluded from the allocation of premiums paid			-	-			-	-
Change in the risk adjustment for non-financial risk that does not relate to future service or past service		(7)		(7)		(18)		(18)
Experience adjustments, excluding amounts relating to the risk adjustment for non-financial risk	4			4	(4)			(4)
Changes that relate to past service	**70**	**-**		**70**	**(5)**	**-**		**(5)**
Changes in fulfilment cash flows relating to incurred claims	70	-		70	(5)	-		(5)
Effect of changes in the risk of non-performance by the issuer of reinsurance contracts held	**(3)**			**(3)**	**2**			**2**
Income or expenses from reinsurance contracts held	**(16)**	**(3)**	**(21)**	**(40)**	**(55)**	**3**	**1**	**(51)**
Insurance finance income or expenses related to reinsurance contracts held	**2**	**3**	**5**	**10**	**(160)**	**(24)**	**10**	**(174)**
Total changes recognised in profit or loss and other comprehensive income	**(14)**	**-**	**(16)**	**(30)**	**(215)**	**(21)**	**11**	**(225)**
Other changes	**10**	**(1)**	**(3)**	**6**	**(50)**	**-**	**2**	**(48)**
Cash flows in the period	**12**			**12**	**85**			**85**
Premiums paid for reinsurance contracts held	111			111	466			466
Amounts recovered from the reinsurer – including investment components	(99)			(99)	(381)			(381)
CLOSING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD	**(218)**	**102**	**232**	**116**	**(226)**	**103**	**251**	**128**
Closing carrying amounts of portfolios of reinsurance contracts held that are assets	110	45	84	239	75	46	99	220
Closing carrying amounts of portfolios of reinsurance contracts held that are liabilities	(328)	57	148	(123)	(301)	57	152	(92)

INSURANCE REVENUE

A breakdown of insurance revenue recognised over the period is presented in the following table:

(in millions of euros)	30/06/2023	30/06/2022
Changes in the liability for remaining coverage	**3,547**	**3,469**
Insurance service expenses incurred during the period	2,086	2,134
Change in the risk adjustment for non-financial risk	154	136
Contractual service margin recognised in profit or loss because of the transfer of insurance contract services in the period	1,299	1,182
Other amounts (including experience adjustments for premium receipts)	**8**	**17**
Allocation of the portion of the premiums that relate to the recovery of insurance acquisition cash flows	**561**	**434**
Insurance revenue from contracts not measured applying the PAA	**4,108**	**3 903**
Insurance revenue from contracts measured applying the PAA	**2,805**	**2,601**
INSURANCE REVENUE	**6,913**	**6 504**
of which Insurance contracts to which the modified retrospective approach has been applied	3,324	4 179
of which Insurance contracts to which the fair value approach has been applied	-	-

INSURANCE FINANCE INCOME OR EXPENSES

The following table presents a breakdown of the total amount of insurance finance income or expenses and net investment income recognised in profit or loss and in OCI over the period:

	30/06/2023			30/06/2022		
(in millions of euros)	Insurance contracts with direct participation features	Other contracts and own funds	TOTAL	Insurance contracts with direct participation features	Other contracts and own funds	TOTAL
INVESTMENT INCOME NET OF INVESTMENT EXPENSES	**8 733**	**876**	**9 609**	**(36 455)**	**(3 375)**	**(39 829)**
Investment income net of investment expenses recognised in profit or loss	**6 219**	**492**	**6 711**	**(10 578)**	**(875)**	**(11 453)**
Investment income	3 471	300	3 771	3 787	347	4 134
Investment expenses	(372)	(5)	(377)	(459)	(25)	(484)
Gains and losses on disposal of investments net of reversals of impairment and amortisation	(76)	0	(76)	3	-	3
Change in fair value of investments recognised at fair value through profit or loss	3 184	194	3 378	(13 908)	(1 198)	(15 106)
Change in impairment of investments	12	3	15	(1)	1	-
Gains and losses on investments recognised in other comprehensive income	2 514	384	2 898	(25 877)	(2 500)	(28 376)
Gains and losses on debt instruments at fair value through other comprehensive income that will be reclassified to profit or loss	2 366	408	2 774	(25 877)	(2 497)	(28 374)
Gains and losses on equity instruments measured at fair value through other comprehensive income that will not be reclassified	148	(24)	124	-	(3)	(3)
INSURANCE FINANCE INCOME OR EXPENSES	**(9 392)**	**(81)**	**(9 473)**	**36 230**	**333**	**36 563**
Insurance finance income or expenses recognised in profit or loss	**(6 456)**	**(92)**	**(6 548)**	**10 318**	**74**	**10 392**
Insurance finance income or expenses from insurance contracts issued recognised in profit or loss	(6 456)	(116)	(6 572)	10 318	49	10 367
Effect of unwinding of the discount rate	-	(152)	(152)	-	(16)	(16)
Effect of changes in interest rates and other financial assumptions	-	51	51	-	508	508
Insurance finance income or expenses for contracts with direct participation features	(9 391)	-	(9 391)	36 282	-	36 282
Disaggregation option	2 935	(15)	2 920	(25 964)	(443)	(26 407)
Amount recognised in profit or loss applying the risk mitigation option	0	-	0	-	-	-
Exchange differences on changes in the carrying amount of insurance contracts issued recognised in profit or loss	0	0	0	-	-	-
Insurance finance income or expenses from reinsurance contracts held recognised in profit or loss	-	24	24	-	25	25
Effect of unwinding of the discount rate	-	26	26	-	5	5
Effect of changes in interest rates and other financial assumptions	-	(6)	(6)	-	(164)	(164)
Disaggregation option	-	4	4	-	184	184
Exchange differences on changes in the carrying amount of reinsurance contracts held recognised in profit or loss	-	0	0	-	-	-
Insurance finance income or expenses recognised in other comprehensive income	**(2 936)**	**11**	**(2 925)**	**25 912**	**259**	**26 171**
Insurance finance income or expenses from insurance contracts issued recognised in other comprehensive income	(2 936)	15	(2 921)	25 912	444	26 356
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss	(2 694)	15	(2 679)	25 964	444	26 408
Insurance finance income or expenses recognised in other comprehensive income that will not be reclassified to	(242)	-	(242)	(52)	-	(52)
Insurance finance income or expenses from reinsurance contracts held recognised in other comprehensive income	-	(4)	(4)	-	(185)	(185)
Insurance finance income or expenses related to reinsurance contracts held recognised in other	-	(4)	(4)	-	(185)	(185)
CHANGES IN VALUE OF INVESTMENT CONTRACTS WITHOUT DISCRETIONARY PARTICIPATION FEATURES	-	**(87)**	**(87)**	-	**584**	**584**

INSURANCE CONTRACTS – TRANSITIONAL AMOUNTS

Under the transition requirements of IFRS 17, the changes in accounting policies resulting from the application of IFRS 17 must be applied using a full retrospective approach at the date of transition, where practicable. Under the full retrospective approach, the Group must, at the transition date (1 January 2022):

- identify, recognise and measure each group of insurance contracts as if it had always applied IFRS 17;
- identify, recognise and measure assets for insurance acquisition cash flows, if any, as if it had always applied IFRS 17 (but without being required to make an assessment of their recoverability before the date of transition);
- derecognise balances that would not exist if it had always applied IFRS 17;
- recognise any remaining net difference in equity.

If and only if the retrospective application of the standard is impracticable for the measurement of a group of insurance contracts or an asset for insurance acquisition cash flows, the Group may choose either of the two alternative approaches provided by the transition provisions of the standard (modified retrospective approach or fair value approach).

At the transition date, i.e. 1 January 2022, the Group applied the full retrospective approach to measure the most recent property and casualty insurance contracts (measured according to the PAA model), as well as the retirement insurance contracts of the Crédit Agricole Assurances Retraite (Retirement insurance) general fund.

The Group used the modified retrospective approach to measure the groups of insurance contracts recognised at the date of transition. The Group has not used the fair value approach. The Group determined that the full retrospective approach was impracticable for the relevant groups of contracts due to the unavailability of all the information necessary for a full retrospective application of the standard (not only in terms of data collected, but also in terms of assumptions or estimates made in prior accounting periods).

The objective of the modified retrospective approach (MRA) is to achieve the closest outcome to full retrospective application possible using reasonable and supportable information available without undue cost or effort.

To that end, this approach includes a list of modifications in several areas; each of these modifications may be used only to the extent that reasonable and supportable information necessary to apply a full retrospective approach is not available.

The main changes to the modified retrospective approach that the Group has used for the measurement of certain groups of contracts at the transition date are as follows:

- the identification of groups of insurance contracts and determination of which contracts qualify as insurance contracts with direct participation features based on the information available at the date of transition;
- the exemption from the requirement to form groups in such a way that they do not include contracts issued more than one year apart;
- the determination of the CSM (or of the loss component, where applicable) for groups of insurance contracts without direct participation features at the transition date, notably:

the estimate of the future cash flows at the date of initial recognition as the amount of the future cash flows at the transition date, adjusted by the cash flows that are known to have occurred between the date of initial recognition and the transition date;

the determination of the discount rates that applied at the date of initial recognition using an estimated yield curve at the date corresponding to the average age of the contracts in the group;

the determination of the risk adjustment for non-financial risk at the date of initial recognition by adjusting the risk adjustment for non-financial risk at the transition date by the expected release of risk before the transition date;

the use of the discount rates at the date of initial recognition as determined above to accrete interest on the CSM;

the determination of the amount of the CSM recognised in profit or loss because of the transfer of services before the transition date, by comparing the remaining coverage units at that date with the coverage units provided under the group of contracts before the transition date;

- the determination of the CSM (or of the loss component, where applicable) for groups of insurance contracts with direct participation features at the transition date, by calculating a proxy for the total CSM for all services to be provided under the group of contracts (fair value of the underlying items minus fulfilment cash flows at that date, and adjusted for amounts charged to the policyholders before that date, amounts paid before that date that would not have varied based on the underlying items, the change in the risk adjustment for non-financial risk caused by the release from risk before that date, and insurance acquisition cash flows incurred before the transition date that are allocated to the group), and by deducting from the latter the amount of the CSM that relates to services provided before that date;

- the determination, in the event that the OCI option is applied, of the cumulative amount of insurance finance income or expenses recognised in equity at the date of transition:

for groups of insurance contracts without direct participation features: either by using the discount rates at the date of initial recognition as determined above, or by considering it as nil;

for groups of insurance contracts with direct participation features for which the entity holds the underlying items: by considering it as equal to the cumulative amount recognised in equity on the underlying items.

At the transition date, the Group did not apply the modified retrospective approach or the approach based on fair value to identify and measure assets for insurance acquisition cash flows.

RECONCILIATION OF THE OPENING AND CLOSING BALANCES OF THE CONTRACTUAL SERVICE MARGIN – INSURANCE CONTRACTS ISSUED

A reconciliation of the opening and closing balances of the contractual service margin of insurance contracts issued under the measurement approach used at the transition date is presented in the following table:

(in millions of euros)	30/06/2023					31/12/2022				
	Insurance contracts recognised at the transition date			Insurance contracts recognised after the transition date	TOTAL	Insurance contracts recognised at the transition date			Insurance contracts recognised after the transition date	TOTAL
	Insurance contracts to which the full retrospective approach has been applied	Insurance contracts to which the modified retrospective approach has been applied	Insurance contracts to which the fair value approach has been applied			Insurance contracts to which the full retrospective approach has been applied	Insurance contracts to which the modified retrospective approach has been applied	Insurance contracts to which the fair value approach has been applied		
OPENING CONTRACTUAL SERVICE MARGIN	**856**	**20 456**	**-**	**2 285**	**23 597**	**771**	**21 369**	**-**	**-**	**22 140**
Opening contractual service margin of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	543	-	-	543
Opening contractual service margin of portfolios of insurance contracts issued that are liabilities	856	20 456	-	2 285	23 597	771	20 826	-	-	21 597
Changes that relate to future service	**57**	**1 362**	**-**	**1 652**	**3 071**	**133**	**1 385**	**-**	**2 401**	**3 919**
Changes in estimates that adjust the contractual service margin	57	1 362	-	(78)	1 341	133	1 385	-	(39)	1 479
Effects of contracts initially recognised in the period	-	-	-	1 730	1 730	-	-	-	2 440	2 440
Changes that relate to current service	**(24)**	**(1 147)**	**-**	**(128)**	**(1 299)**	**(47)**	**(2 358)**	**-**	**(121)**	**(2 527)**
Contractual service margin recognised in profit or loss to reflect the transfer of services	(24)	(1 147)	-	(128)	(1 299)	(47)	(2 358)	-	(121)	(2 527)
Insurance service result	**33**	**215**	**-**	**1 525**	**1 772**	**85**	**(973)**	**-**	**2 280**	**1 392**
Insurance finance income or expenses	**-**	**28**	**-**	**3**	**31**		**57**	**-**	**5**	**62**
Total changes recognised in profit or loss and other comprehensive income	**33**	**243**	**-**	**1 527**	**1 803**	**85**	**(917)**	**-**	**2 285**	**1 454**
Other changes	**-**	**(6)**	**-**	**1**	**(5)**	**-**	**4**	**-**	**-**	**4**
CLOSING CONTRACTUAL SERVICE MARGIN	**889**	**20 693**	**-**	**3 813**	**25 395**	**856**	**20 456**	**-**	**2 285**	**23 597**
Closing contractual service margin of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	-	-	-	-
Closing contractual service margin of portfolios of insurance contracts issued that are liabilities	889	20 693	-	3 813	25 395	856	20 456	-	2 285	23 597

INSURANCE REVENUE

A breakdown of insurance revenue (for insurance contracts issued) under the measurement approach used at the transition date is presented in Note 5.2 below.

RECONCILIATION OF THE OPENING AND CLOSING BALANCES OF THE CONTRACTUAL SERVICE MARGIN – REINSURANCE CONTRACTS HELD

A reconciliation of the opening and closing balances of the contractual service margin of reinsurance contracts held under the measurement approach used at the transition date is presented in the following table:

(in millions of euros)	30/06/2023					31/12/2022				
	Reinsurance contracts recognised at the transition date					Reinsurance contracts recognised at the transition date				
	Reinsurance contracts to which the full retrospective approach has been applied	Reinsurance contracts to which the modified retrospective approach has been	Reinsurance contracts to which the fair value approach has been applied	Reinsurance contracts recognised after the transition date	TOTAL	Reinsurance contracts to which the full retrospective approach has been applied	Reinsurance contracts to which the modified retrospective approach has been	Reinsurance contracts to which the fair value approach has been applied	Reinsurance contracts recognised after the transition date	TOTAL
OPENING CONTRACTUAL SERVICE MARGIN	**-**	**245**	**-**	**7**	**251**		**238**			**238**
Opening contractual service margin of portfolios of reinsurance contracts held that are assets	-	94	-	5	99		212			212
Opening contractual service margin of portfolios of reinsurance contracts held that are liabilities	-	151	-	2	152		26			26
Changes that relate to future service	**-**	**84**	**-**	**-**	**84**		**6**		**21**	**27**
Changes in estimates that adjust the contractual service margin	-	84	-	1	85		6			6
Increase in the loss-recovery component on onerous underlying contracts that adjust the contractual service margin	-	-	-	-	-		-			-
Effects of contracts initially recognised in the period	-	-	-	(2)	(2)				21	21
Changes that relate to current service	-	(106)	-	3	(104)		(11)		(14)	(26)
Contractual service margin recognised in profit or loss to reflect services received	-	(106)	-	3	(104)		(11)		(14)	(26)
Reversals of the loss-recovery component excluded from the allocation of premiums paid	-	-	-	-	-		-			-
Income or expenses from reinsurance contracts held	**-**	**(22)**	**-**	**2**	**(20)**		**(5)**		**7**	**1**
Insurance finance income or expenses related to reinsurance contracts held	-	5	-	-	5		10		-	10
Total changes recognised in profit or loss and other comprehensive income	**-**	**(17)**	**-**	**2**	**(15)**		**5**		**7**	**12**
Other changes	-	(4)	-	-	(4)		3		-	3
CLOSING CONTRACTUAL SERVICE MARGIN	**-**	**223**	**-**	**9**	**232**		**245**		**7**	**252**
Closing contractual service margin of portfolios of reinsurance contracts held that are assets	-	77	-	7	84		94		5	99
Closing contractual service margin of portfolios of reinsurance contracts held that are liabilities	-	146	-	2	148		151		2	153

NOTE 6 Notes to the balance sheet

6.1 Financial assets and liabilities at fair value through profit or loss

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	30/06/2023	31/12/2022
Held for trading financial assets	291,764	249,249
Other financial instruments at fair value through profit or loss	209,135	197,223
Equity instruments	42,015	46,093
Debt instruments that do not meet the conditions of the "SPPI" test [1]	73,986	69,191
Other debt instruments measured by definition at fair value through profit or loss	3,170	-
Assets backing unit-linked contracts	89,964	81,939
Financial assets designated at fair value through profit or loss	-	-
CARRYING AMOUNT	**500,898**	**446,472**
Of which lent securities	5	214

[1] Including €62,793 million in UCITS at 30 June 2023 versus €57,606 million at 31 December 2022

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	30/06/2023	31/12/2022
Held for trading financial liabilities	275,652	238,700
Financial liabilities designated at fair value through profit or loss [1]	70,746	53,939
CARRYING AMOUNT [2]	**346,398**	**292,639**

[1] Including -€515 million relating to the issuer spread, the changes of which are recognised in other comprehensive income that cannot be reclassified at 30 June 2023 vs. an issuer spread of -€411 million at 31 December 2022

[2] Including €8 million in securities borrowed as at 30 June 2023, compared to €8 million as at 31 December 2022

Pursuant to IFRS 9, Crédit Agricole S.A. calculates changes in fair value attributable to changes in own credit risk using a methodology that allows for them to be separated from changes in value attributable to changes in market conditions.

- Basis for calculating own credit risk

The source taken into account for the calculation of own credit risk may vary from one issuer to another. Within Crédit Agricole S.A., the source used is the change in its cost of market refinancing based on the type of issuance.

- Calculation of unrealised gains/losses on own credit adjustment (recognised in other comprehensive income)

Crédit Agricole S.A.'s preferred approach is based on the liquidity component of issues. All issues are replicated by a group of vanilla loans/borrowings. Changes in fair value attributable to changes in own credit risk of all issues therefore correspond to those of said loans. These are equal to the changes in fair value of the loan book caused by changes in the cost of refinancing.

- Calculation of realised gains/losses on own credit risk (recognised in consolidated reserves)

Crédit Agricole S.A. has elected to transfer fair value changes attributable to changes in own credit risk upon unwinding to consolidated reserves. Accordingly, when there is a total or partial early redemption, a sensitivity-based calculation is done. This consists of measuring the change in fair value attributable to the changes in own credit risk of a given issuance as being the sum of the credit spread sensitivities multiplied by the change in this spread between the issuance date and the redemption date.

6.2 Financial assets at fair value through other comprehensive income

	30/06/2023		
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	204,531	726	(23,359)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	6,057	1,315	(1,088)
TOTAL	**210,588**	**2,041**	**(24,447)**

	31/12/2022		
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	206,093	705	(26,621)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	2,767	554	(910)
TOTAL	**208,860**	**1,259**	**(27,531)**

DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS

	30/06/2023		
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	65,267	446	(9,448)
Bonds and other fixed income securities	138,827	280	(13,890)
Total Debt securities	**204,094**	**726**	**(23,338)**
Loans and receivables due from credit institutions	-	-	-
Loans and receivables due from customers	437	-	(21)
Total Loans and receivables	**437**	**-**	**(21)**
Total Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**204,531**	**726**	**(23,359)**
Income tax charge		(153)	6,127
OTHER COMPREHENSIVE INCOME ON DEBT INSTRUMENTS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**573**	**(17,232)**

	31/12/2022		
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	64,570	366	(11,071)
Bonds and other fixed income securities	141,522	339	(15,550)
Total Debt securities	**206,093**	**705**	**(26,621)**
Loans and receivables due from credit institutions	-	-	-
Loans and receivables due from customers	-	-	-
Total Loans and receivables	**-**	**-**	**-**
Total Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	**206,093**	**705**	**(26,621)**
Income tax charge		(121)	6,992
OTHER COMPREHENSIVE INCOME ON DEBT INSTRUMENTS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**584**	**(19,629)**

EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS

OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT CANNOT BE RECLASSIFIED

	30/06/2023		
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Equities and other variable income securities	3,742	457	(250)
Non-consolidated equity investments	2,315	858	(838)
Total Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**6,057**	**1,315**	**(1,088)**
Income tax charge		(75)	45
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**1,240**	**(1,043)**

	31/12/2022		
(in millions of euros)	Carrying amount	Unrealised gains	Unrealised losses
Equities and other variable income securities	671	17	(99)
Non-consolidated equity investments	2,097	536	(811)
Total Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	**2,767**	**554**	**(910)**
Income tax charge		(24)	8
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**529**	**(902)**

EQUITY INSTRUMENTS DERECOGNISED DURING THE PERIOD

	30/06/2023		
(in millions of euros)	Fair value at the date of derecognition	Cumulative gains realised [1]	Cumulative losses realised [1]
Equities and other variable income securities	673	92	(19)
Non-consolidated equity investments	17	-	(2)
Total Investments in equity instruments	**690**	**92**	**(21)**
Income tax charge		-	-
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**92**	**(21)**

[1] Realised gains and losses are transferred to consolidated reserves when the instrument in question is derecognised.

	31/12/2022		
(in thousands of euros)	Fair value at the date of derecognition	Cumulative gains realised [1]	Cumulative losses realised [1]
Equities and other variable income securities	5	2	(9)
Non-consolidated equity investments	77	7	(14)
Total Investments in equity instruments	**82**	**9**	**(23)**
Income tax charge		-	-
OTHER COMPREHENSIVE INCOME ON EQUITY INSTRUMENTS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF INCOME TAX)		**9**	**(23)**

[1] Realised gains and losses are transferred to consolidated reserves when the instrument in question is derecognised.

6.3 Financial assets at amortised cost

(in millions of euros)	30/06/2023	31/12/2022
Loans and receivables due from credit institutions	582,192	567,512
Loans and receivables due from customers	510,936	488,571
Debt securities	82,819	87,206
CARRYING AMOUNT	**1,175,947**	**1,143,289**

LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS

(in millions of euros)	30/06/2023	31/12/2022
Credit institutions		
Loans and receivables	114,929	107,927
of which non doubtful current accounts in debit [1]	*14,243*	*7,882*
of which non doubtful overnight accounts and advances [1]	*315*	*391*
Pledged securities	-	-
Securities bought under repurchase agreements	17,454	15,012
Subordinated loans	171	503
Other loans and receivables	70	66
Gross amount	**132,624**	**123,508**
Impairment	(431)	(445)
Net value of loans and receivables due from credit institutions	**132,192**	**123,063**
Crédit Agricole internal transactions		
Current accounts	1	1
Securities bought under repurchase agreements	9	48
Term deposits and advances	449,723	444,133
Subordinated loans	267	267
Total Crédit Agricole internal transactions	**450,000**	**444,449**
CARRYING AMOUNT	**582,192**	**567,512**

[1] These transactions are partly comprised of the item "Net demand loans and deposits with credit institutions" on the Cash Flow Statement.

LOANS AND RECEIVABLES DUE FROM CUSTOMERS

(in millions of euros)	30/06/2023	31/12/2022
Customer transactions		
Trade receivables	42,366	43,805
Other customer loans	430,654	413,541
Pledged securities	-	-
Securities bought under repurchase agreements	5,332	5,726
Subordinated loans	52	55
Insurance receivables	-	-
Reinsurance receivables	-	-
Advances in associates' current accounts	59	39
Current accounts in debit	13,422	14,815
Gross amount	**491,885**	**477,981**
Impairment	(9,159)	(8,869)
Net value of loans and receivables due from customers	**482,726**	**469,112**
Finance leases		
Property leasing	5,812	5,744
Equipment leases, operating leases and similar transactions	22,948	14,185
Gross amount	**28,761**	**19,929**
Impairment	(551)	(470)
Net value of lease financing operations	**28,210**	**19,459**
CARRYING AMOUNT [1]	**510,936**	**488,571**

[1] As at 30 June 2023, the amount of French State-guaranteed loans (SGL) [i.e. capital remaining due] granted to customers by Crédit Agricole S.A. in the context of the measures to support the economy in the wake of the COVID-19 health crisis was €4.8 billion (compared to €6.1 billion as at 31 December 2022).

DEBT SECURITIES

(in millions of euros)	30/06/2023	31/12/2022
Treasury bills and similar securities	32,126	34,188
Bonds and other fixed income securities	50,815	53,122
Total	**82,941**	**87,310**
Impairment	(122)	(104)
CARRYING AMOUNT	**82,819**	**87,206**

6.4 Financial liabilities at amortised cost

(in millions of euros)	30/06/2023	31/12/2022
Due to credit institutions	243,033	284,231
Due to customers	807,005	825,607
Debt securities	242,150	214,715
CARRYING AMOUNT	**1,292,187**	**1,324,553**

DUE TO CREDIT INSTITUTIONS

(in millions of euros)	30/06/2023	31/12/2022
Credit institutions		
Accounts and borrowings	98,842	137,595
of which current accounts in credit [1]	*19,492*	*17,579*
of which overnight accounts and deposits [1]	*3,367*	*684*
Pledged securities	-	-
Securities sold under repurchase agreements	22,948	21,436
Total	**121,790**	**159,031**
Crédit Agricole internal transactions		
Current accounts in credit	32,949	42,210
Term deposits and advances	88,294	82,943
Securities sold under repurchase agreements	-	48
Total	**121,243**	**125,201**
CARRYING AMOUNT	**243,033**	**284,231**

[1] These transactions are partly comprised of the item "Net demand loans and deposits with credit institutions" on the Cash Flow Statement

As at 30 June 2023, the residual outstanding amount of TLTRO III loans from the ECB is €45.5 billion.

DUE TO CUSTOMERS

(in millions of euros)	30/06/2023	31/12/2022
Current accounts in credit	272,313	308,492
Special savings accounts	370,322	365,034
Other amounts due to customers	161,053	150,032
Securities sold under repurchase agreements	3,317	2,049
CARRYING AMOUNT	**807,005**	**825,607**

DEBT SECURITIES

(in millions of euros)	30/06/2023	31/12/2022
Interest bearing notes	-	-
Interbank securities	6,136	5,906
Negotiable debt securities	110,562	104,558
Bonds	120,926	101,736
Other debt securities	4,525	2,515
CARRYING AMOUNT	**242,150**	**214,715**

6.5 Non-current assets held for sale and discontinued operations

BALANCE SHEET OF NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

(in millions of euros)	30/06/2023	31/12/2022
Cash, central banks	-	-
Financial assets at fair value through profit or loss	-	-
Hedging derivative Instruments	-	-
Financial assets at fair value through other comprehensive income	-	-
Financial assets at amortised cost	-	3
Revaluation adjustment on interest rate hedged portfolios	-	-
Current and deferred tax assets	-	1
Accruals, prepayments and sundry assets	-	31
Insurance contracts issued that are assets	-	-
Reinsurance contracts held that are assets	-	-
Investments in equity-accounted entities	101	98
Investment property	-	-
Property, plant and equipment	-	-
Intangible assets	-	1
Goodwill	-	-
Total Assets	**101**	**134**
Central banks	-	-
Financial liabilities at fair value through profit or loss	-	-
Hedging derivative Instruments	-	-
Financial liabilities at amortised cost	-	10
Revaluation adjustment on interest rate hedged portfolios	-	-
Current and deferred tax liabilities	-	-
Accruals, prepayments and sundry liabilities	-	153
Insurance contracts issued that are liabilities	-	-
Reinsurance contracts held that are liabilities	-	-
Provisions	-	3
Subordinated debt	-	-
Adjustment to fair value of non-current assets held for sale and discontinued operations (excluding taxes)	39	39
Total Liabilities	**39**	**205**
NET ASSET FROM NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS	**62**	**(71)**

INCOME STATEMENT FROM DISCONTINUED OPERATIONS

(in millions of euros)	30/06/2023	30/06/2022
Revenues	-	180
Operating expenses	-	(84)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	-	(17)
Cost of risk	-	(7)
Pre-tax income	**-**	**72**
Share of net income of equity-accounted entities	5	-
Net gains (losses) on other assets	-	2
Change in value of goodwill	-	-
Income tax charge	-	(30)
Net income	**5**	**44**
Income associated with fair value adjustments of discontinued operations	1	(20)
Net income from discontinued operations	**6**	**24**
Non-controlling interests	-	-
NET INCOME FROM DISCONTINUED OPERATIONS - GROUP SHARE	**6**	**24**

DISCONTINUED OPERATIONS CASH FLOW STATEMENT

(in millions of euros)	30/06/2023	30/06/2022
Net cash flows from (used by) operating activities	-	(115)
Net cash flows from (used by) investment activities	-	(243)
Net cash flows from (used by) financing activities	-	116
TOTAL	**-**	**(242)**

6.6 Investment property

(in millions of euros)	30/06/2023	31/12/2022 Restated
Investment property measured at cost	889	894
Investment property measured at fair value	10,778	11,080
Total investment property	**11,667**	**11,974**

INVESTMENT PROPERTIES MEASURED AT COST

Investment properties measured at cost in the Group's financial statements are properties, including those let to third parties, that are not underlying items of insurance contracts.

(in millions of euros)	31/12/2022	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Transfers in non-current assets held for sale and discontinued operations	Other movements	30/06/2023
Gross amount	1,040	-	13	(11)	-	-	(7)	**1,037**
Depreciation and impairment	(146)	-	(3)	1	-	-	1	**(148)**
INVESTMENT PROPERTY MEASURED	**894**	**-**	**11**	**(10)**	**-**	**-**	**(5)**	**889**

[1] Including investment property let to third parties.

(in millions of euros)	31/12/2021	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Transfers in non-current assets held for sale and discontinued operations	Other movements	31/12/2022
Gross amount	1,116	87	(6)	(185)	-	-	28	**1,040**
Depreciation and impairment	(158)	(37)	(10)	54	-	-	5	**(146)**
INVESTMENT PROPERTY MEASURED	**958**	**50**	**(16)**	**(131)**	**-**	**-**	**33**	**894**

[1] Including investment property let to third parties.

INVESTMENT PROPERTIES MEASURED AT FAIR VALUE

Investment properties measured at fair value in the Group's financial statements are properties that constitute underlying items of insurance contracts with direct participation features.

(in millions of euros)	31/12/2022 Restated	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Change in fair value	Other movements	30/06/2023
Investment property measured at fair value	11,080	-	145	(150)	-	(300)	3	10,778

(in millions of euros)	31/12/2021 Restated	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Change in fair value	Other movements	31/12/2022 Restated
Investment property measured at fair value	10,346	-	1,142	(585)	-	178	(1)	11,080

6.7 Goodwill

(in millions of euros)	31/12/2022 GROSS	31/12/2022 NET	Increases (acquisitions)	Decreases (Divestments)	Impairment losses during the period	Translation adjustments	Other movements	30/06/2023 GROSS	30/06/2023 NET
Asset gathering	**7,999**	**7,999**	**-**	**-**	**-**	**(3)**	**-**	**7,996**	**7,996**
of which insurance	1,214	1,214	-	-	-	-	-	1,214	1,214
of which asset management	5,888	5,888	-	-	-	(10)	-	5,878	5,878
of which international wealth management	897	897	-	-	-	7	-	904	904
French Retail Banking	**5,263**	**4,161**	**-**	**-**	**-**	**-**	**-**	**5,263**	**4,161**
International retail banking	**3,153**	**784**	**-**	**-**	**-**	**(5)**	**-**	**3,153**	**779**
of which Italy	2,871	757	-	-	-	-	-	2,871	757
of which Poland	201	-	-	-	-	-	-	212	-
of which Ukraine	33	-	-	-	-	-	-	33	-
of which other countries	48	27	-	-	-	(5)	-	37	22
Specialised financial services	**3,080**	**1,333**	**7**	**-**	**-**	**1**	**-**	**3,088**	**1,341**
of which Consumer finance (excl.Agos) [1]	1,755	962	7	-	-	-	-	1,762	969
of which Consumer finance-Agos	672	103	-	-	-	-	-	672	103
of which Factoring	653	268	-	-	-	1	-	654	269
Large customers	**2,621**	**1,396**	**-**	**-**	**-**	**(1)**	**-**	**2,621**	**1,395**
of which Corporate and investment banking	1,712	487	-	-	-	(1)	-	1,712	486
of which Asset servicing	909	909	-	-	-	-	-	909	909
Corporate Centre	**9**	**9**	**-**	**-**	**-**	**-**	**-**	**9**	**9**
TOTAL	**22,125**	**15,682**	**7**	**-**	**-**	**(8)**	**-**	**22,130**	**15,681**
Group Share	**19,933**	**13,763**	**7**	**-**	**-**	**(6)**	**-**	**19,941**	**13,764**
Non-controlling interests	**2,192**	**1,919**	**-**	**-**	**-**	**(2)**	**-**	**2,189**	**1,917**

[1] Increase in the goodwill of Specialised Financial Services in the amount of +€7 million at 30 June 2023 in connection with the incremental acquisition of CA Auto Bank shares

Goodwill is tested for impairment whenever there is objective evidence of a loss of value and at least once a year. Even if the rise in rates and uncertainties arising from the Russia-Ukraine conflict are not the only indicators of loss of value, the consequences impact all economic sectors, and particularly the financial sector. The impact of these factors of uncertainty is reflected in the financial trajectories of the different business lines updated in the review at 30 June 2023 of the budget validated on 31 December 2022.

During the second quarter of 2023, Crédit Agricole S.A. ensured that there was no major deviation to the trajectories used for the work carried out at 31 December 2022. Additional work was carried out on the Consumer Finance CGU (excluding Agos) to check the impact of implementing the agreement entered into with Stellantis. For the preparation of the financial statements for the six months ended 30 June 2023, that work involved making a simplified estimate of the impact on the Consumer Finance CGU of the inclusion of CAAB – now wholly owned (fully consolidated) – in the CACF CGU and the corresponding reallocation of part of the goodwill previously allocated to FCA Bank, the balance being allocated to Leasys, now an equity-accounted associate.

Following this work, Crédit Agricole S.A. did not see any evidence of impairment of goodwill for any of its CGUs at 30 June 2023.

Furthermore, sensitivity analyses were conducted on goodwill – Group share of the French Retail Banking CGU – LCL:

- With regard to operational parameters:
  - A 50-basis point increase in discount rates would not result in a negative difference between value in use and the consolidated carrying amount. On the assumption of a more significant increase of 100 basis points in discount rates, the difference would be negative.
  - A 100-basis point increase in the level of CET1 equity allocated to the CGUs would still result in a positive difference.
- With regard to operational parameters:

- The simulated deterioration assumptions, namely a scenario of a 10% increase in the cost of risk in the last year of the projection combined with a +100 basis point change in the cost/income ratio for the same year, would not result in a negative difference between value in use and the consolidated carrying amount.

Sensitivity of the value in use of the French Retail Banking CGU – LCL to the main valuation parameters

	Sensitivity to capital allocated	Sensitivity to the discount rate		Sensitivity to cost of risk in the final year		Sensitivity to the cost/income ratio in the final year	
As at 30 June 2023	**+100 bp**	**-50 bp**	**50 bp**	**-10%**	**+10%**	**-100 bp**	**+100 bp**
French Retail Banking – LCL	(3%)	8%	(6%)	2%	(2%)	3%	(3%)

6.8 Provisions

(in millions of euros)	31/12/2022	Changes in scope	Additions	Reversals, amounts used	Reversals, amounts not used	Translation adjustments	Other movements	30/06/2023
Home purchase schemes risks	335	-	-	-	-	-	-	**335**
Execution risks of commitments by signature	954	-	406	(4)	(394)	(12)	-	**950**
Operational risks	182	-	14	(6)	(68)	-	-	**121**
Employee retirement and similar benefits	1,214	50	71	(90)	(15)	(17)	14	**1,228**
Litigation	361	1	37	(21)	(34)	-	3	**347**
Equity investments	-	-	-	-	-	-	-	**-**
Restructuring	13	-	-	(2)	-	-	-	**11**
Other risks	462	78	95	(11)	(38)	(7)	(1)	**578**
TOTAL	**3,521**	**129**	**622**	**(134)**	**(548)**	**(36)**	**16**	**3,571**

At 30 June 2023, employee retirement schemes and similar benefits included €191 million (€223 million at 30 December 2022) of provisions arising from social costs of the restructuring plans. The provision for restructuring includes the non-social costs of those plans.

(in millions of euros)	31/12/2021	Changes in scope	Additions	Reversals, amounts used	Reversals, amounts unused	Translation adjustments	Other movements	31/12/2022
Home purchase schemes risks	423	-	-	-	(88)	-	-	**335**
Execution risks of commitments by signature	1,060	(26)	761	(9)	(865)	25	8	**954**
Operational risks	201	(1)	48	(53)	(20)	3	4	**182**
Employee retirement and similar benefits [1]	1,674	(9)	145	(155)	(83)	3	(361)	**1,214**
Litigation	558	(13)	77	(101)	(163)	1	2	**361**
Equity investments	-	-	-	-	-	-	-	**-**
Restructuring	22	-	2	(5)	(6)	-	-	**13**
Other risks	599	(6)	89	(106)	(112)	2	(3)	**462**
TOTAL	**4,537**	**(55)**	**1,122**	**(429)**	**(1,337)**	**34**	**(350)**	**3,521**

[1] Of which €717 million for post-employment benefits under defined-benefit schemes, including €115 million for the provision for long-service awards.

REGULATORY INQUIRIES AND INFORMATION REQUESTS

The principal cases associated with regulatory inquiries and information requests are:

Cheque Image Exchange (CIE) case

LCL and Crédit Agricole S.A. and ten other banks were served notice of grievances in March 2008 on behalf of the Conseil de la concurrence i.e. the French Competition Council, which has since been replaced by the French Competition Authority.

They were accused of colluding to implement and apply interchange fees for cashing cheques, since the passage of the Cheque Image Exchange system, i.e. between 2002 and 2007. In the opinion of the French Competition Authority, these fees constituted anti-competitive price agreements in the meaning of Articles 81 paragraph 1 of the treaty establishing the European Community and Article L.420-1 of the French Commercial Code (Code de commerce), and allegedly caused damage to the economy.

In their defence, the banks categorically refuted the anti-competitiveness of the fees and contested the legality of the proceedings.

In its decision published on 20 September 2010, the French Competition Authority ruled that the Cheque Image Exchange fee (CEIC) was anti-competitive by its very purpose. Concerning one of the fees for related services, the fee for cancellation of wrongly cleared transactions (AOCT), the French Competition Authority called on the banks to revise their amount within six months of the notification of the decision.

The accused banks were sanctioned for an overall amount of €384.92 million.

LCL and Crédit Agricole were respectively sentenced to pay €20.7 million and €82.1 million for the CEIC and €0.2 million and €0.8 million for the AOCT fee.

All of the banks appealed the decision to the Paris Court of Appeal. By a decree of 23 February 2012, the Court overruled the decision, stating that the French Competition Authority had not proven the existence of competition restrictions establishing the agreement as having an anti-competitive purpose.

On appeal by the French Competition Authority, on 14 April 2015, the French Supreme Court (Cour de cassation) overruled the Paris Court of Appeal's decision dated 23 February 2012 and remanded the case to the Paris Court of Appeal, on the sole ground that the Paris Court of Appeal declared the UFC-Que Choisir and ADUMPE's interventions in the proceedings devoid of purpose without having considered their arguments.

The French Supreme Court did not rule on the merits of the case and Crédit Agricole brought the case before the Paris Court of Appeal.

In its ruling on 21 December 2017, the Paris Court of Appeal confirmed the decision of the French Competition Authority dated 20 September 2010 but reduced the sanction on Crédit Agricole from €82,940,000 to €76,560,000. LCL's sanction remains unchanged, at an amount of €20,930,000.

As well as the other banks party to this procedure, LCL and Crédit Agricole filed an appeal with the Supreme Court.

On 29 January 2020, the French Supreme Court (Cour de cassation) overruled the Paris Court of Appeal's decision dated 21 December 2017 and referred the case to the same Court on the ground that the Paris Court of Appeal had not characterized the existence of restrictions of competition by object.

In a decision dated 2 December 2021, the Paris Court of Appeal overturned the decision of the French Competition Authority and ruled that it is not established that the introduction of the CEIC and the AOCT fee constituted any anti-competitive practices by their object or by their effects.

On 31 December 2021, the French Competition Authority appealed to the French Supreme Court (Cour de cassation) against this decision.

In its ruling dated 28 June 2023, the French Supreme Court (Cour de Cassation) dismissed the French Competition Authority's appeal, definitively confirming that the CEIC and the AOCT fees did not constitute a restriction of competition by object, and that it had not been established that the CEIC had resulted in the effect of distorting, restricting or preventing normal competition between banks. This decision puts a definitive end to the case.

Home Savings provisions

As indicated in our consolidated financial statements at 31 December 2022, the update according to the current models for calculating the Home Savings provision, which are highly sensitive to rate and liquidity parameters and to the projection of outstandings at risk, would have led, in the second half of 2022, to a mechanical reversal of 55% of the amount provisioned at 30 June 2022.

In the context of interest rate volatility, and especially the rapid increase beginning in 2022 to levels not seen for more than 10 years, it appears relevant not to recognise such a provision reversal in order to assess the impacts of this new environment, in particular on the behavioural models for calculating the provision. The market conditions observed in the first half of 2023 led us to extend the decision taken on 31 December 2022. The amount provisioned at 30 June 2023 has therefore been frozen at its level of 30 June 2022 (after a reversal of €88 million during the first half of 2022) and seems to us to best represent the reality of the risks at the end of the year.

These models are being worked on in 2023 to assess their robustness in this new context. This work will be finalised during the second half of 2023 and will result in the Home Savings provision by 31 December 2023 being adjusted to better represent our assessment of the risks incurred with these regulated savings products, taking into account market conditions and the new economic and financial environment.

6.9 Subordinated debt

(in millions of euros)	**30/06/2023**	**31/12/2022**
Dated subordinated debt [1]	23,341	23,062
Undated subordinated debt [2]	108	106
Mutual security deposits	210	201
Participating securities and loans	1	1
CARRYING AMOUNT	**23,660**	**23,370**

[1] Includes issues of dated subordinated notes (TSR).

[2] Includes issues of deeply subordinated notes (TSS) and undated subordinated notes (TSDI).

6.10 Total equity

OWNERSHIP STRUCTURE AT 30 JUNE 2023

At 30 June 2023, to the knowledge of Crédit Agricole S.A., the distribution of capital and voting rights is as follows:

Shareholders	Number of shares at 30/06/2023	% of the share capital	% of voting rights
SAS Rue La Boétie	1,822,030,012	60.21%	60.24%
Treasury shares	1,225,578	0.04%	-
Employees (ESOP)	191,495,431	6.33%	6.33%
Public	1,011,151,329	33.42%	33.43%
TOTAL	**3,025,902,350**	**100.00%**	**100.00%**

At 30 June 2023, Crédit Agricole S.A.'s share capital stood at €9,077,707,050 divided into 3,025,902,350 fully paid up ordinary shares each with a par value of €3.

SAS Rue La Boétie is wholly owned by the Crédit Agricole Regional Banks. As a reminder, in December 2022, SAS Rue La Boétie announced its intention to acquire up to €1 billion of Crédit Agricole S.A. shares, with no intention of increasing its stake beyond 65%. This transaction took place in the first half of 2023.

Concerning Crédit Agricole S.A. stock, a market-making agreement was signed on 25 October 2006 with Crédit Agricole Cheuvreux S.A., purchased by Kepler, and renamed Kepler Cheuvreux in 2013.

This agreement is automatically renewed every year. So that the operator can conduct the operations stipulated in the agreement with complete independence, and in accordance with the provisions of Regulations EU 596/2014 and 2016/908 and AMF Decision No. 2021-01, the agreement has been allocated a maximum amount of €50 million.

To the Company's knowledge, no other shareholder owns 5% or more of the share capital or voting rights, either directly or indirectly or with others.

EARNINGS PER SHARE

		30/06/2023	30/06/2022
Net income Group share during the period	*(in millions of euros)*	3,266	2,207
Interests paid to undated deeply subordinated securities	*(in millions of euros)*	(235)	(208)
Net income attributable to holders of ordinary shares	***(in millions of euros)***	**3,031**	**1,999**
Weighted average number of ordinary shares in circulation during the period		3,024,431,947	2,964,718,994
Adjustment ratio		1.000	1.000
Weighted average number of ordinary shares for calculation of diluted earnings per share		3,024,431,947	2,964,718,994
BASIC EARNINGS PER SHARE	*(in euros)*	**1.002**	**0.674**
Basic earnings per share from ongoing activities	*(in euros)*	**1.000**	**0.668**
Basic earnings per share from discontinued operations	*(in euros)*	**0.002**	**0.007**
DILUTED EARNINGS PER SHARE (IN EUROS)	*(in euros)*	**1.002**	**0.674**
Diluted earnings per share from ongoing activities	*(in euros)*	**1.000**	**0.668**
Diluted earnings per share from discontinued operations	*(in euros)*	**0.002**	**0.007**

Net income attributable to subordinated and deeply subordinated securities corresponds to the issuance costs and interest accrued on subordinated and deeply subordinated Additional Tier 1 bond issues. This amounted to - 235 million at 30 June 2023.

Taking into consideration the change in the average price of the Crédit Agricole S.A. share, all Crédit Agricole S.A. stock option plans are non- dilutive.

In the absence of any dilutive issue by Crédit Agricole S.A., basic earnings per share are identical to diluted earnings per share.

DIVIDENDS

For the 2022 financial year, Crédit Agricole S.A.'s Board of Directors' Meeting of 8 February 2023 decided to recommend to the General Meeting of Shareholders of 17 May 2023 the payment of a cash dividend of €1.05 per share with a payment date of 1 June 2023.

(in euros)	2022	2021	2020	2019	2018
Dividend	1.05	1.05	0.80	-	0.69

DIVIDENDS PAID DURING THE FINANCIAL YEAR

The Crédit Agricole S.A. General Meeting of Shareholders of 17 May 2023 approved the payment of a cash dividend of €1.05 per share. Dividends totalling €3.2 billion were therefore paid.

APPROPRIATION OF NET INCOME

The appropriation of net income proposed by the Board of Directors was approved by the Crédit Agricole S.A. Combined General Meeting of 17 May 2023.

Crédit Agricole S.A.'s net income for the 2022 financial year was €5,232,728,532.

The Combined General Meeting has decided:

- to record that the profit for the financial year amounts to €5,232,728,532;
- to record that distributable income amounts to €18,968,549,713 given (i) the absence of allocation to the legal reserve, which has already reached one-tenth of the capital and (ii) retained earnings of €13,735,821,181;
- to establish the amount of the regular dividend at €1.05 per share;
- to distribute the dividend paid out of distributable income in the amount of €3,174,744,443*;
- to allocate the undistributed earnings balance of €15,793,805,270* to retained earnings.

* This amount, established on the basis of the number of shares eligible for dividends as at 31 December 2022, will be adjusted, as applicable, in the event of a change in the number of shares eligible for dividends. As applicable, the amount allocated to the retained earnings account would then be determined on the basis of the dividend actually paid.

UNDATED FINANCIAL INSTRUMENTS

The main issues of undated subordinated and deeply subordinated debt classified in Equity – Group share are:

					At 30 june 2023			
Issue date	Currency	Amount in currency at 31 december 2022 *(in millions of units)*	Partial repurchases and redemptions *(in millions of units)*	Amount in currency at 30 june 2023 *(in millions of units)*	Amount in euros at inception rate *(in millions of euros)*	Interests paid Group share *(in millions of euros)*	Issuance costs net of taxes *(in millions of euros)*	Shareholders' equity Group share *(in millions of euros)*
23/01/2014	USD	1,750	-	1,750	1,283	(1,140)	(8)	135
08/04/2014	GBP	103	-	103	126	(84)	(1)	41
19/01/2016	USD	1,250	-	1,250	1,150	(670)	(8)	472
26/02/2019	USD	1,250	-	1,250	1,098	(317)	(7)	774
14/10/2020	EUR	750	-	750	750	(81)	(5)	664
23/06/2021	GBP	397	-	397	481	(70)	(1)	410
04/01/2022	USD	1,102	-	1,102	1,102	(81)	(8)	1,013
10/01/2023	EUR	-	-	1,250	1,250	(41)	(9)	1,200
Crédit Agricole S.A. Issues	-	-	-	**-**	**7,240**	**(2,484)**	**(47)**	**4,709**
Issues subscribed in-house								
Group share / Non controlling interests effect		-	-	-	-	150	-	150
TOTAL		-	-	-	**7,240**	**(2,334)**	**(47)**	**4,859**

The main issues of undated subordinated and deeply subordinated debt classified in shareholder's equity – Non controlling interests share (insurance) are:

					At 30 June 2023	
Issue date	Currency	Amount in currency at 31 december 2022 *(in millions of units)*	Partial repurchases and redemptions *(in millions of units)*	Amount in currency at 30 june 2023 *(in millions of units)*	Amount in euros at inception rate *(in millions of euros)*	Income – Non controlling interests *(in millions of euros)*
14/10/2014	EUR	745	-	745	745	(270)
13/01/2015	EUR	1,000	-	1,000	1,000	(340)
Insurance Issues					**1,745**	**(610)**
TOTAL	-	-	-	-	**1,745**	**(610)**

Changes relating to undated subordinated and deeply subordinated debt affecting shareholders' Equity Group share and non-controlling interests share are as follows:

	Equity-Group share		Non-controlling interests	
(in millions of euros)	30/06/2023	31/12/2022	30/06/2023	31/12/2022
Undated deeply subordinated notes				
Interests paid accounted as reserves	(226)	(404)	(28)	(34)
Changes in nominal amounts	1,246	1,101	-	-
Income tax savings related to interest paid to security holders recognised in net income	68	113	-	-
Issuance costs (net of tax) accounted as reserves	(9)	(8)	-	-
Other	-	-	-	-
Undated subordinated notes				
Interests paid accounted as reserves	-	-	(43)	(76)
Changes in nominal amounts	-	-	-	-
Income tax savings related to interest paid to security holders recognised in net income	11	20	-	-
Issuance costs (net of tax) accounted as reserves	-	-	-	-
Other	-	-	-	-

As undated subordinated and deeply subordinated financial instruments are considered equity instruments issued, the tax effects on the compensation paid are recognised as income tax in the income statement.

NOTE 7 Financing and guarantee commitments and other guarantees

Financing and guarantee commitments and other guarantees include discontinued operations.

COMMITMENTS GIVEN AND RECEIVED

(in millions of euros)	30/06/2023	31/12/2022
Commitments given		
Financing commitments	**185,301**	**176,526**
Commitments given to credit institutions	7,356	11,218
Commitments given to customers	177,945	165,308
Guarantee commitments	**111,856**	**111,036**
Credit institutions	9,306	10,073
Customers	102,551	100,963
Securities commitments	**21,394**	**7,117**
Securities to be delivered	21,394	7,117
Commitments received		
Financing commitments	**65,660**	**160,930**
Commitments received from credit institutions	59,749	156,348
Commitments received from customers	5,911	4,582
Guarantee commitments	**377,945**	**379,011**
Commitments received from credit institutions	103,732	103,596
Commitments received from customers	274,213	275,415
Securities commitments	**17,355**	**5,985**
Securities to be received	17,355	5,985

As part of the economic support measures in the wake of the COVID-19 health crisis, Crédit Agricole S.A. granted loans for which it received guarantee commitments from the French State (PGE). At 30 June 2023, these guarantee commitments received amounted to €4.6 billion.

FINANCIAL INSTRUMENTS GIVEN AND RECEIVED AS COLLATERAL

(in millions of euros)	30/06/2023	31/12/2022
Carrying amount of financial assets provided as collateral (including transferred assets)		
Securities and receivables provided as collateral for the refinancing structures (Banque de France, CRH, etc.)	224,004	384,765
Securities lent	6,494	6,485
Security deposits on market transactions	38,226	43,321
Other security deposits	-	-
Securities sold under repurchase agreements	138,432	105,225
TOTAL CARRYING AMOUNT OF FINANCIAL ASSETS PROVIDED AS COLLATERAL	**407,156**	**539,796**
Carrying amount of financial assets received in garantee		
Other security deposits	-	-
Fair value of instruments received as reusable and reused collateral		
Securities borrowed	8	8
Secutities bought under repurchase agreements	348,405	447,521
Securities sold short	52,345	37,179
TOTAL FAIR VALUE OF INSTRUMENTS RECEIVED AS REUSABLE AND REUSED COLLATERAL	**400,759**	**484,708**

RECEIVABLES PLEDGED AS COLLATERAL

At 30 June 2023, Crédit Agricole S.A. deposited €113.4 billion of receivables (mainly on behalf of the Regional Banks and subsidiaries) for refinancing transactions to the Banque de France, compared to €278.0 billion at 31 December 2022 and €288.6 billion at 30 June 2022.

At 30 June 2023, Crédit Agricole S.A. deposited €8.0 billion of receivables for refinancing transactions to the Caisse de Refinancement de l'Habitat on behalf of the Regional Banks, compared to €8.2 billion at 31 December 2022 and €8.1 billion at 30 June 2022, and €1.1 billion of receivables were deposited directly by LCL.

At 30 June 2023, €43.2 billion of Regional Bank receivables and €10.7 billion of LCL receivables were pledged as collateral for the secured bond issues of Crédit Agricole Home Loan SFH, a financial company wholly owned by Crédit Agricole S.A.

As at 30 June 2023, in the context of transactions with EIB/CEB supranationals, Crédit Agricole S.A. deposited €2.6 billion in receivables on behalf of the Regional Banks.

As at 30 June 2023, in the context of refinancing transactions with CDC, Crédit Agricole S.A. deposited €2.4 billion in receivables on behalf of the Regional Banks.

GUARANTEES HELD

Guarantees held and assets received as collateral by the Crédit Agricole S.A. Group, which it is allowed to sell or to use as collateral are mostly held within Crédit Agricole S.A. The majority of these are receivables pledged as collateral by the Regional Banks and their main bank subsidiaries to Crédit Agricole S.A., the latter acting as the central body with regard to the external refinancing organisations, in order to obtain refinancing. These receivables (property-related, or loans to corporates or local authorities) are selected and rated for their quality and retained on the balance sheet of the contributing entities.

The majority of these guarantees consist of mortgage liens, collateral or guarantees received, regardless of the quality of the assets guaranteed. They are mainly related to repurchase agreements and securities pledged to guarantee brokerage transactions.

Crédit Agricole S.A. Group policy is to sell seized collateral as soon as possible. Crédit Agricole S.A. had no such assets at 30 June 2023.

NOTE 8 Reclassifications of financial instruments

PRINCIPLES APPLIED BY CRÉDIT AGRICOLE S.A. GROUP

Reclassifications are performed only under exceptional circumstances and following a decision by the Executive Management of the entity as a result of internal or external changes: significant changes in the entity's activity.

RECLASSIFICATION PERFORMED BY CRÉDIT AGRICOLE S.A. GROUP

In 2023, Crédit Agricole S.A. did not carry out any reclassification pursuant to paragraph 4.4.1 of IFRS 9.

NOTE 9 Fair value of financial instruments and miscellaneous information

Fair value is the price that would be received at the sale of an asset or paid to transfer a liability in a standard transaction between market participants at the valuation date.

Fair value is defined on the basis of the exit price.

The fair values shown below are estimates made on the reporting date using observable market data wherever possible. These are subject to change in subsequent periods due to developments in market conditions or other factors.

The calculations represent best estimates. They are based on a number of assumptions. It is assumed that market participants act in their best economic interest.

To the extent that these models contain uncertainties, the fair values shown may not be achieved upon actual sale or immediate settlement of the financial instruments concerned.

The fair value hierarchy of financial assets and liabilities is broken down according to the general observability criteria of the valuation inputs, pursuant to the principles defined under IFRS 13.

Level 1 of the hierarchy applies to the fair value of financial assets and liabilities quoted in active markets.

Level 2 of the hierarchy applies to the fair value of financial assets and liabilities with observable inputs. This agreement includes market data relating to interest rate risk or credit risk when the latter can be revalued based on observable Credit Default Swap (CDS) spreads. Securities bought or sold under repurchase agreements subject of an active market, depending on the underlying and the maturity of the transaction are also included in Level 2 of the hierarchy, as are financial assets and liabilities with a demand component for which fair value is measured at unadjusted amortised cost.

Level 3 of the hierarchy indicates the fair value of financial assets and financial liabilities for which there is no observable data or for which some parameters can be remeasured based on internal models that use historical data.

In some cases, market values are close to carrying amounts. These include:

- variable-rate assets or liabilities for which changes in interest rates do not significantly affect fair value since the interest rates for these instruments adjust frequently to market rates;
- short-term assets or liabilities where the redemption value is considered to be close to the market value;
- demand assets and liabilities;
- transactions for which there is no reliable observable data.

9.1 Information on financial instruments measured at fair value

VALUATION MECHANISM

Market transactions are valued by management information systems and checked by a team that reports to the Risk Management department and is independent from the market operators.

Valuations are based on the following:

- prices or inputs obtained from independent sources and/or controlled by the Market Risk department using a series of available sources (market data providers, market consensus and broker data etc.);
- models approved by the quantitative teams in the Market Risk department.

The valuation produced for each instrument is a mid-market valuation, which does not take account of the direction of the trade, the bank's aggregate exposure, market liquidity or counterparty quality. Adjustments are then made to the market valuations to incorporate those factors, as well as the potential uncertainties inherent in the models or inputs used.

The main types of valuation adjustments are the following:

Mark-to-market adjustments: These adjustments correct any potential variance between the mid-market valuation of an instrument obtained using internal valuation models and the associated inputs and the valuation obtained from external sources or market consensus data. This adjustment can be either positive or negative;

Bid/ask reserves: these adjustments incorporate the bid/ask spread for a given instrument in order to reflect the price at which the position could be reversed. These adjustments are always negative:

Uncertainty reserves: these adjustments constitute a risk premium taken into consideration by any market participant. These adjustments are always negative:

- input uncertainty reserves seek to incorporate in the valuation of an instrument any uncertainty that might exist as regards one or more of the inputs used;
- model uncertainty reserves seek to incorporate in the valuation of an instrument any uncertainty that might exist due to the choice of model used.

In addition, in accordance with IFRS 13 "Fair value measurement", Crédit Agricole S.A. prices in to the fair value calculated for its OTC derivatives (i.e. those traded over the counter) various adjustments linked to:

- default risk or credit rating (Credit Valuation Adjustment/Debit Valuation Adjustment)
- future funding costs and benefits (Funding Valuation Adjustment)
- liquidity risk associated with collateral (Liquidity Valuation Adjustment).

Liquidity Valuation Adjustment (CVA)

The CVA (Credit Valuation Adjustment) is a mark-to-market adjustment to incorporate the market value of the default risk (risk of non-payment of amounts due in the event of default or deterioration in credit quality) in the value of OTC derivatives of our counterparties. This adjustment is calculated per counterparty based on the positive future exposure of the trading portfolio (taking into account any netting or collateral agreements, where such exist) weighted by the probabilities of default and losses given default.

The methodology used maximises the use of market inputs/prices (probabilities of default are derived in priority directly from any existing listed CDS, proxies of listed CDS and other credit instruments where these are deemed sufficiently liquid). This adjustment is always negative and reduces the fair value of the OTC derivative assets held in the portfolio.

Liquidity Valuation Adjustment (DVA)

The Debit Valuation Adjustment (DVA) is a mark-to-market adjustment that aims to incorporate the market value of the default risk (potential losses to which Crédit Agricole S.A. may expose its counterparties in the event of default or a deterioration in its creditworthiness) in the value of perfectly collateralised OTC derivatives. This adjustment is calculated by collateral contract type on the basis of negative future exposure profiles of the trading portfolio weighted by default probabilities (Crédit Agricole S.A.) and losses incurred in the event of default.

The methodology used maximises the use of market inputs/prices (use of CASA CDS to determine default probabilities). This adjustment is always positive and reduces the fair value of the OTC derivative liabilities held in the portfolio.

Liquidity Valuation Adjustment (FVA)

The Funding Valuation Adjustment (FVA) is a mark-to-market adjustment that aims to incorporate the additional future funding costs and benefits based on ALM (Asset & Liability Management) funding costs in the value of not collateralised or imperfectly collateralised OTC derivatives. This adjustment is calculated per counterparty based on the future exposure of the trading portfolio (taking into account any netting or collateral agreements, where such exist) weighted by ALM funding spreads.

As regards the scope of "cleared" derivatives, an FVA adjustment called IMVA (Initial Margin Value Adjustment) is calculated to take into account the future financing costs and gains of the initial margins to be posted with the main derivatives clearing houses until the portfolio matures.

Liquidity Valuation Adjustment (LVA)

The LVA (Liquidity Valuation Adjustment) is the positive or negative valuation adjustment intended to reflect both the potential absence of collateral payments for counterparties with a CSA (Credit Support Annex), as well as the non-standard compensation of CSAs.

Therefore, the LVA reflects the profit or loss resulting from additional liquidity costs. It is calculated on the scope of OTC derivatives with CSAs.

Breakdown of financial instruments at fair value by valuation model

Amounts presented below include accruals and prepayments and are net of impairment.

Financial assets measured at fair value

(in millions of euros)	30/06/2023	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Held for trading financial assets	**291,764**	**39,139**	**240,176**	**12,448**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	849	-	-	849
Securities bought under repurchase agreements	133,550	-	127,657	5,894
Pledged securities	-	-	-	-
Held for trading securities	43,257	39,008	4,012	237
Derivative instruments	114,108	131	108,508	5,469
Other financial instruments at fair value through profit or loss	**209,135**	**114,003**	**77,102**	**18,030**
Equity instruments at fair value through profit or loss	**42,015**	**21,006**	**10,059**	**10,950**
Debt instruments that do not meet the conditions of the "SPPI" test	**73,986**	**41,528**	**25,642**	**6,816**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	2,228	-	2,228	-
Debt securities	71,758	41,528	23,414	6,816
Other debt instruments measured by definition at fair value through profit or loss	**3,170**	**-**	**3,170**	**-**
Assets backing unit-linked contracts	**89,964**	**51,469**	**38,231**	**264**
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	**210,588**	**188,991**	**20,309**	**1,288**
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss [1]	6,057	3,673	1,533	851
Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	204,531	185,318	18,776	437
Hedging derivative Instruments	**27,578**	**-**	**27,578**	**-**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**739,065**	**342,133**	**365,165**	**31,766**
Transfers from Level 1: Quoted prices in active markets for identical instruments			371	38
Transfers from Level 2: Valuation based on observable data		1,072		818
Transfers from Level 3: Valuation based on unobservable data		6	637	
TOTAL TRANSFERS TO EACH LEVEL		**1,078**	**1,007**	**855**

[1] SAS Rue La Boétie shares held by the Caisse régionale de la Corse have been included in equity instruments that will not be reclassified to profit or loss through other comprehensive income that will not be reclassified to profit or loss in Level 2 for €81 million.

Transfers between Level 1 and Level 2 mainly involve Treasury bills, bonds and other fixed-income securities.

Transfers from Level 1 to Level 3 mainly involve trading securities.

Transfers from Level 2 to Level 3 mainly involve trading derivative instruments.

Transfers from Level 3 to Level 2 mainly involve securities bought/sold under repurchase agreements of customers and credit institutions and trading derivative instruments.

(in millions of euros)	31/12/2022	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Held for trading financial assets	**249,249**	**23,229**	**216,071**	**9,948**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	1,647	-	1	1,646
Securities bought under repurchase agreements	103,164	-	99,881	3,283
Pledged securities	-	-	-	-
Held for trading securities	24,864	22,980	1,687	197
Derivative instruments	119,573	249	114,502	4,822
Other financial instruments at fair value through profit or loss	**197,223**	**110,273**	**68,503**	**18,447**
Equity instruments at fair value through profit or loss	**46,093**	**24,366**	**10,600**	**11,127**
Debt instruments that do not meet the conditions of the "SPPI" test	**69,191**	**38,266**	**23,819**	**7,106**
Loans and receivables due from credit institutions	-	-	-	-
Loans and receivables due from customers	2,597	-	2,435	162
Debt securities	66,594	38,266	21,384	6,945
Other debt instruments meesered by definitiion at fair value through profit or loss	**-**	**-**	**-**	**-**
Assets backing unit-linked contracts	**81,939**	**47,641**	**34,085**	**213**
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	**208,860**	**185,987**	**22,381**	**492**
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss [1]	2,767	475	1,736	557
Debt instruments at fair value through other comprehensive income that may be reclassified to profit and loss	206,093	185,513	20,645	(65)
Hedging derivative Instruments	**31,867**	**4**	**31,863**	**-**
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**687,199**	**319,493**	**338,818**	**28,887**
Transfers from Level 1: Quoted prices in active markets for identical instruments			1,199	6
Transfers from Level 2: Valuation based on observable data		875		195
Transfers from Level 3: Valuation based on unobservable data		-	599	
TOTAL TRANSFERS TO EACH LEVEL		**875**	**1,798**	**201**

[1] *SAS Rue La Boétie shares held by the Caisse régionale de la Corse have been included in equity instruments that will not be reclassified to profit or loss through other comprehensive income that will not be reclassified to profit or loss in Level 2 for €71 million.*

Transfers from Level 1 to Level 3 mainly involve trading securities.

Transfers between Level 1 and Level 2 mainly involve Treasury bills, bonds and other fixed-income securities.

Transfers from Level 2 to Level 3 mainly involve trading derivative instruments.

Transfers from Level 3 to Level 2 mainly involve securities bought/sold under repurchase agreements of customers and credit institutions and trading derivative instruments.

Financial liabilities measured at fair value

(in millions of euros)	30/06/2023	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Held for trading financial liabilities	**275,652**	**52,406**	**216,979**	**6,267**
Securities sold short	52,354	52,321	8	25
Securities sold under repurchase agreements	112,167	-	108,667	3,500
Debt securities	2	-	2	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	111,130	85	108,302	2,742
Financial liabilities designated at fair value through profit or loss [1]	**67,579**	**12,092**	**41,725**	**13,762**
Hedging derivative Instruments	**37,851**	**-**	**37,281**	**569**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**381,081**	**64,498**	**295,985**	**20,598**
Transfers from Level 1: Quoted prices in active markets for identical instruments			-	9
Transfers from Level 2: Valuation based on observable data		32		966
Transfers from Level 3: Valuation based on unobservable data		-	496	
TOTAL TRANSFERS TO EACH LEVEL		**32**	**496**	**975**

[1] The balance sheet item "financial liabilities designated at fair value through profit or loss" includes liabilities arising from investment contracts without discretionary participation features for €3.167 billion at 30 June 2023. These liabilities are not broken down by valuation model in the table above, but they are measured according to Levels 1 and 2.

Liability transfers to and from Level 3 mainly involve securities bought/sold under repurchase agreements from credit institutions, trading derivative instruments and financial liabilities at fair value through profit or loss.

Transfers between Level 1 and Level 2 mainly involve short sales.

(in millions of euros)	31/12/2022	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	**238,700**	**37,314**	**197,228**	**4,158**
Securities sold short	37,187	37,116	71	-
Securities sold under repurchase agreements	81,691	-	79,929	1,762
Debt securities	2	-	2	-
Due to credit institutions	-	-	-	-
Due to customers	-	-	-	-
Derivative instruments	119,821	199	117,227	2,396
Financial liabilities designated at fair value through profit or loss [1]	**50,700**	**10,619**	**31,249**	**8,832**
Hedging derivative Instruments	**45,644**	**1**	**44,873**	**770**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**335,044**	**47,934**	**273,351**	**13,759**
Transfers from Level 1: Quoted prices in active markets for identical instruments			5	-
Transfers from Level 2: Valuation based on observable data		24		458
Transfers from Level 3: Valuation based on unobservable data		11	989	
TOTAL TRANSFERS TO EACH LEVEL		**35**	**994**	**458**

[1] The balance sheet item "financial liabilities designated at fair value through profit or loss" includes liabilities arising from investment contracts without discretionary participation features for €3.239 billion at 31 December 2022. These liabilities are not broken down by valuation model in the table above, but they are measured according to Levels 1 and 2.

Liability transfers to and from Level 3 mainly involve securities bought/sold under repurchase agreements from credit institutions, trading derivative instruments and financial liabilities at fair value through profit or loss.

Transfers between Level 1 and Level 2 mainly involve short sales.

Financial instruments classified in Level 1

Level 1 comprises all derivatives quoted in an active market (options, futures etc.), regardless of their underlying (interest rate, exchange rate, precious metals, major stock indexes), as well as equities and bonds quoted in an active market.

A market is considered as being active if quoted prices are readily and regularly available from exchange, brokers, dealers, pricing services or regulatory agencies, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Corporate, government and agency bonds that are valued on the basis of prices obtained from independent sources, deemed to be enforceable and updated regularly, are classified in Level 1. This represents the bulk of the Sovereign and Agency Bonds and Corporate securities held. Issuers whose bonds are not quoted are classified in Level 3.

Financial instruments classified in Level 2

The main financial instruments classified in Level 2 are:

- Liabilities designated at fair value

Financial liabilities designated at fair value are classified in Level 2 when their embedded derivative is deemed to be classified in Level 2.

- Over-the-counter derivatives

The main OTC derivatives classified in Level 2 are those valued using inputs considered to be observable and where the valuation technique does not generate any significant exposure to a model risk.

Level 2 therefore mainly includes:

- linear derivative products such as interest rate swaps, currency swaps and forward FX. They are valued using simple models widely used in the market, based either on directly observable inputs (foreign exchange rates, interest rates), or inputs derived from observable market prices (currency swaps);
- non-linear vanilla instruments such as caps, floors, swaptions, currency options, equity options and credit default swaps, including digital options. They are valued using simple models widely used in the market, based either on directly observable inputs (foreign exchange rates, interest rates, share prices) or inputs that can be derived from observable market prices (volatilities);
- the usual mono-underlying exotic products of the voidable swap type and currency baskets on major currencies;

These products are valued using models that are sometimes slightly more complex, but are shared by the market. The material valuation parameters are observable. Prices are observable in the market, primarily via brokers' prices. Market consensus, if applicable, allow corroboration of internal valuations;

- securities, equity options and future shares listed on a market deemed inactive and for which independent valuation data are available.

Financial instruments classified in Level 3

Financial instruments classified in Level 3 are those which do not meet the conditions for classification in Level 1 or 2. They are therefore mainly financial instruments with a high model risk whose valuation requires substantial use of unobservable inputs.

The initial margin on all new transactions classified in Level 3 is reserved at the date of initial recognition. It is spread into profit or loss either over the period considered to be unobservable or on the maturity of the deal when the unobservability of the factors is not linked to maturity.

Level 3 therefore mainly includes:

- Securities bought/sold under repurchase agreements
- Loans and receivables due from customers

- Securities

Securities classified in Level 3 mainly include:

- unlisted shares or bonds for which no independent valuation is available;
- ABSs for which there are indicative independent valuations, but which are not necessarily executable;
- ABSs, super senior and mezzanine CDO tranches where it cannot be demonstrated that the market is active.

- Liabilities designated at fair value

Financial liabilities designated at fair value are classified in Level 3 when their embedded derivative is deemed to be classified in Level 3.

- Over-the-counter derivatives

Unobservable income includes complex financial instruments that are significantly exposed to model risk or that involve parameters that are considered unobservable.

The aggregate of these principles is mapped for observability map by risk factor/product, underlying (currency, index etc.) and maturity indicating the classification used.

The following are classified primarily in Level 3:

- linear rate or foreign exchange products for very long maturities in the case of major currencies, and for lower maturities in the case of emerging currencies; this may include repurchase transactions depending on the maturity of the transactions in question and their underlying assets;
- non-linear rate or foreign exchange products for very long maturities in the case of major currencies, and for lower maturities in the case of emerging currencies;
- the complex derivatives listed below:
  - certain equity derivative products: options on markets that are insufficiently deep, or options with a very long maturity or products the valuation of which depends on non-observable correlations between different underlying shares;
  - certain exotic rate products in which the underlying element is the difference between two interest rates (structured products based on rate differences, or products for which correlations are not observable);
  - certain products for which the underlying element is the future volatility of an index. These products are not considered to be observable because of a significant model risk and a reduced liquidity that does not permit a regular and precise estimation of the valuation parameters;
  - securitisation swaps generating an exposure to the prepayment rate. The prepayment rate is determined on the basis of historical data on similar portfolios;
  - long-term rate/forex hybrid products of the Power Reverse Dual Currency type, or products for which the underlying is a basket of currencies. The parameters for correlation between the interest rates and the currencies, and between the two interest rates are determined on the basis of an internal methodology based on historical data. Observation of market consensus ensures the overall coherence of the process;
  - multi-underlying products that generate exposures to correlations among several risk classes (rates, credit, foreign exchange, inflation and shares).

9.2 Net change in financial instruments measured at fair value according to Level 3

Financial assets measured at fair value according to Level 3

		Held for trading financial assets					
(in millions of euros)	Total Financial assets measured at fair value according to level 3	Loans and receivables due from credit institutions	Loans and receivables due from customers	Securities bought under repurchase agreements	Pledged securities	Held for trading securities	Derivative instruments
Closing balance (31/12/2022)	**28,887**	**-**	**1,646**	**3,283**	**-**	**197**	**4,822**
Gains or losses during the period [1]	**191**	-	-	123	-	(4)	29
Recognised in profit or loss	***156***	-	*31*	*123*	-	*(4)*	*49*
Recognised in other comprehensive income	***35***	-	*(31)*	-	-	-	*(20)*
Purchases	**6,818**	-	448	3,167	-	70	642
Sales	**(2,261)**	-	(1,132)	-	-	(54)	(2)
Issues	**-**	-	-	-	-	-	-
Settlements	**(822)**	-	(68)	(187)	-	-	(508)
Reclassifications	**(47)**	-	(46)	-	-	-	-
Changes associated with scope during the period	**(1,212)**	-	-	-	-	-	-
Transfers	**211**	-	-	(492)	-	29	486
Transfers to Level 3	***855***	-	-	-	-	*38*	*528*
Transfers from Level 3	***(643)***	-	-	*(492)*	-	*(9)*	*(41)*
CLOSING BALANCE (30/06/2023)	**31,766**		**849**	**5,894**		**237**	**5,469**

	Other financial instruments at fair value through profit or loss								
	Equity instruments at fair value through profit or loss	Debt instruments that do not meet the conditions of the "SPPI" test			Other debt instruments measered by definitiion at fair value through profit or loss	Assets backing unit-linked contracts	Financial assets designated at fair value through profit or loss		
(in millions of euros)	Equity and other variable income securities and non-consolidated equity investments	Loans and receivables due from credit institutions	Loans and receivables due from customers	Debt securities			Loans and receivables due from credit institutions	Loans and receivables due from customers	Debt securities
Closing balance (31/12/2022)	**11,127**	**-**	**162**	**6,945**	**-**	**214**	**-**	**-**	**-**
Gains or losses during the period [1]	36	-	-	(86)	-	5	-	-	-
Recognised in profit or loss	*38*	*-*	*-*	*(86)*	*-*	*5*	*-*	*-*	*-*
Recognised in other comprehensive income	*(3)*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Purchases	1,017	-	-	874	-	47	-	-	-
Sales	(33)	-	(114)	(920)	-	(1)	-	-	-
Issues	-	-	-	-	-	-	-	-	-
Settlements	-	-	(59)	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Changes associated with scope during the period	(1,212)	-	-	-	-	-	-	-	-
Transfers	15	-	11	4	-	-	-	-	-
Transfers to Level 3	*82*	*-*	*-*	*(2)*	*-*	*-*	*-*	*-*	*-*
Transfers from Level 3	*(67)*	*-*	*11*	*7*	*-*	*-*	*-*	*-*	*-*
CLOSING BALANCE (30/06/2023)	**10,950**	**-**	**-**	**6,816**	**-**	**264**	**-**	**-**	**-**

(in millions of euros)	Financial assets at fair value through other comprehensive income: Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	Financial assets at fair value through other comprehensive income: Debt instruments at fair value through other comprehensive income that may be reclassified to profit or los	Hedging derivative instruments
Closing balance (31/12/2022)	**557**	**(64)**	**-**
Gains or losses during the period [1]	88	-	-
Recognised in profit or loss	-	-	-
Recognised in other comprehensive income	*88*	-	-
Purchases	42	512	-
Sales	(5)	-	-
Issues	-	-	-
Settlements	-	-	-
Reclassifications	-	-	-
Changes associated with scope during the period	-	-	-
Transfers	169	(10)	-
Transfers to Level 3	*210*	-	-
Transfers from Level 3	*(41)*	*(10)*	-
CLOSING BALANCE (30/06/2023)	**851**	**437**	**-**

[1] This balance includes the gains and losses of the period made on assets reported on the balance sheet at the reporting period, for the following amounts:

Gains/ losses for the period from level 3 assets held at the end of the period	**198**
Recognised in profit or loss	158
Recognised in other comprehensive income	40

Financial liabilities measured at fair value according to Level 3

(in millions of euros)	Total	Held for trading financial liabilities: 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 (31/12/2022)	**13,759**	**-**	**1,762**	**-**	**-**	**-**	**2,395**	**8,832**	**770**
Gains or losses during the period [1]	**585**	-	156	-	-	-	(50)	481	(2)
Recognised in profit or loss	***771***	-	*156*	-	-	-	*(35)*	*652*	*(2)*
Recognised in other comprehensive income	***(186)***	-	-	-	-	-	*(15)*	*(171)*	-
Purchases	**5,252**	16	2,291	-	-	-	168	2,778	-
Sales	**(23)**	-	-	-	-	-	(15)	(8)	-
Issues	**2,799**	-	-	-	-	-	-	2,799	-
Settlements	**(2,692)**	-	(837)	-	-	-	(205)	(1,450)	(199)
Reclassifications	**439**	-	-	-	-	-	-	439	-
Changes associated with scope during the period	**-**	-	-	-	-	-	-	-	-
Transfers	**479**	9	126	-	-	-	451	(107)	-
Transfers to Level 3	***975***	9	*281*	-	-	-	*581*	*103*	-
Transfers from Level 3	***(496)***	-	*(155)*	-	-	-	*(130)*	*(211)*	-
CLOSING BALANCE (30/06/2023)	**20,598**	**25**	**3,500**	**-**	**-**	**-**	**2,742**	**13,762**	**569**

[1] This balance includes the gains and losses of the period made on liabilities reported on the balance sheet at the reporting period, for the following amounts:

Gains/ losses for the period from level 3 assets held at the end of the period	**771**
Recognised in profit or loss	771
Recognised in other comprehensive income	-

Gains and losses recognised in profit or loss relating to financial instruments held for trading and designated at fair value through profit or loss and derivative instruments are recognised in “Net gains (losses) on financial instruments at fair value through profit or loss”; gains and losses recognised in profit or loss relating to financial assets at fair value through equity are recognised in “Net gains (losses) on financial instruments at fair value through profit or loss through other comprehensive income”.

9.3 Fair value of debt securities recognised as assets at amortised cost

At 30 June 2023, the net carrying amount of debt securities recognised as assets at amortised cost was €82.819 billion. The estimated fair value of these assets was €81.819 billion.

The estimated fair value of these assets recognised at amortised costs for the purposes of IFRS financial reporting in the consolidated financial statements is not used to manage the bank's activities and risks.

9.4 Assessment of the impact of inclusion of the margin at inception

(in millions of euros)	30/06/2023	31/12/2022
Deferred margin at beginning of period	**241**	**185**
Margin generated by new transactions during the period	119	180
Margin recognised in net income during the period	(95)	(124)
DEFERRED MARGIN AT END OF PERIOD	**265**	**241**

The first day margin on market transactions falling within Level 3 of fair value is reserved on the balance sheet and recognised in profit or loss as time passes or when unobservable parameters become observable again.

9.5 Benchmark index reforms

Reminders on the rate index reform and implications for the Crédit Agricole Group

The reform of the IBOR (InterBank Offered Rates) rates indexes initiated by the Financial Stability Council in 2014 is designed to replace these indexes with alternative rates, and more specifically with Risk Free Rates (RFR).

This reform accelerated on 5 March 2021 when the IBA – the LIBOR administrator – confirmed the important milestone at year-end 2021 for the end of the publication or the non-representativeness of the LIBOR rates, except on the most used tenors of the USD LIBOR (overnight, one, three, six and twelve months) for which the date is set at 30 June 2023.

Other announcements have been made since that date:

- The end of the publication of several indexes calculated on the basis of swaps referencing the USD LIBOR planned for end of June 2023: ICE SWAP RATE USD, MIFOR (India), SOR (Singapore) and THBFIX (Thailand);
- The cessation of MosPrime (Russia) as of 30 June 2023, CDOR (Canada) as of 28 June 2024 on the tenors not yet ended (one, two and three months) and, more recently, the end of the WIBOR (the Polish benchmark classified as critical by the European Commission) by the end of 2024.

Since 2019, the Crédit Agricole Group has been organising itself to prepare for and manage the transition of interest rate indexes for all its activities. These transitions are in line with the timetables and standards defined by the market – some of which Crédit Agricole is involved in – and the European regulatory framework (BMR).

In accordance with the recommendations of the national working groups and the authorities, Crédit Agricole Group recommends and gives priority to the switch to alternative indexes ahead of the disappearance of the benchmarks, working to comply with the deadlines set by the market or imposed by the authorities.

Generally speaking, the orderly and controlled completion of transitions is now guaranteed by the efforts made by the Group to upgrade its tools and processes, as well as by the strong mobilisation of support teams and business lines to absorb the workload induced by the transitions, particularly for the renegotiation of contracts. All the actions undertaken since 2019 thus enable the Group's entities to ensure the continuity of their activity after the disappearance of the IBOR and to be able to manage the new product offers referencing RFRs or certain forward RFRs.

USD LIBOR transition

This transition primarily affects the CACIB investment bank, the Group entity most exposed to the USD LIBOR for which the transition of contract inventories began in 2022.

As a result of the strong commitment of the teams and the structure put in place, the transition of almost all contracts was successfully completed and the use of synthetic USD LIBOR was kept to a minimum. As such:

- The loans, credit lines and associated hedging instruments have been switched to an alternative index on a priority basis through early renegotiation;
- Most of the non-offset derivatives covered by the ISDA protocol have been transitioned by activation of the fallback clause upon the disappearance of the index, and the customers that have not signed the protocol have been contacted in order to initiate bilateral renegotiations. The clearing chambers have transitioned the offset derivatives in the second half of 2023;
- Current accounts and other similar products have been migrated by an update of their general terms and conditions at the start of the year;
- For the other classes of assets, subject to exceptions, the contracts have been migrated proactively or by activation of the fallback clause.

The operational migration of the contracts relies on all the processes and tools previously developed for the transition of the contracts indexed to the IBOR rates, the publication or non-representativeness of which ended at the end of 2021. For some of these contracts and financial instruments, the Group has also been able to benefit from the system implemented by the US authorities, which validated the designation of a statutory replacement rate for the USD LIBOR for American contracts.

The transition will continue in the second half of 2023 for some contracts, with the aim of completing the switchover before the first period of interest based on the replacement index. This concerns, more specifically, the leasing activity of CAL&F

and certain CACIB contracts and financial instruments for which discussions with counterparties were not fully finalised at the end of June.

Following the consultation launched in November 2022, the UK's Financial Conduct Authority (FCA) confirmed the implementation of a synthetic USD LIBOR for the one-, three- and six-month tenors. While the Crédit Agricole Group is structured in such a way as to make very limited use of the synthetic USD LIBOR, it supported, through its CACIB investment bank, the addition of an option for a synthetic LIBOR that could be activated beyond 30 September 2024, if the situation so required.

The Group remains very vigilant to the market's use of the Term SOFR and has implemented strict rules to ensure compliance with the recommendations issued by the Alternative Reference Rates Committee (ARRC) to limit its use on derivatives.

Transition of the other indexes (MIFOR, SOR, THBFIX, MosPrime, CDOR, WIBOR)

With the exception of WIBOR, which is also used within the Crédit Agricole Group by CA Poland (retail banking) and CAL&F through the EFL entity (leasing), the transition to indexes other than the USD LIBOR almost exclusively concern the investment bank.

The challenges are proving to be fairly insignificant at the Crédit Agricole Group level, including for the MIFOR, SOR, MosPrime and THBFIX indexes, whose contract inventories are mainly composed of cleared derivatives. The transition of the contracts was finalised on 30 June 2023, when these indexes were published for the last time.

For the remaining transitions, preliminary actions have already been taken by the entities affected in order to establish an initial inventory of customers and transactions exposed to the WIBOR and CDOR indexes.

Management of the risks associated with the rate reform

In addition to preparing for and implementing the replacement of the reference indexes, since 2019 the work performed by the Group has covered the management and control of the risks inherent in the transitions of the reference indexes, particularly the financial, operational, legal and compliance aspects, and the customer protection aspect in particular (conduct risk prevention).

Until June 2023, the risks related to the reform of the interbank rates were focused on the transition of the USD LIBOR, for which the market had a more 'wait-and-see' attitude than it did for the transition of the GBP, JPY and CHF LIBOR.

As of the second half of 2023, the risks associated with the rate reform primarily concern the transition of the WIBOR and CDOR indexes, for which the challenges are very localised and deemed immaterial for the Crédit Agricole Group. However, in order to minimise the operational and commercial risks inherent to transitions, the entities affected will organise proactive transitions wherever possible, in compliance with the recommendations and steps defined by the authorities.

In order to ensure that the hedge accounting relationships affected by this benchmark reform can be maintained despite the uncertainties over the timetable and terms of transition between the current interest rate indexes and the new indexes, the IASB published amendments to IAS 39, IFRS 9 and IFRS 7 in September 2019, which were adopted by the European Union on 15 January 2020. The Group applies these amendments as long as uncertainties about the benchmarks will concern the timings and amounts of interest rate benchmark-based cash flows and considers, in this respect, that all its hedging contracts, related to the indexes in question are eligible for hedge accounting.

Other amendments, published by the IASB in August 2020, supplement those published in 2019 and focus on the accounting consequences of replacing the former reference interest rates with other reference rates following the reforms. These amendments, known as "Phase 2", mainly are changes in contractual cash flows. They allow entities not to de-recognise or adjust the carrying amount of financial instruments to reflect the changes required by the reform, but rather to update the effective interest rate to reflect the change in the alternative reference rate.

With regard to hedge accounting, entities will not have to de-designate their hedging relationships when making the changes required by the reform, subject to economic equivalence.

At 30 June 2023, the breakdown by USD LIBOR benchmark index and instruments, based on the old benchmark rates and which must move to the new rates before maturity, is as follows:

In millions of euros	LIBOR USD	Others
Total non-derivative assets	7,809	2,081
Total non-derivative liabilities	204	124
Total notional amount of derivatives	5,382	54,538

The outstandings carried forward are those whose maturity date is later than the date of cessation or non-representativeness of the benchmark index. For LIBOR USD, for example, 30 June 2023 is the date of disappearance or non-representativeness of the tenors DD, 1 month, 3 months, 6 months and 12 months.

For the benchmark indexes for which the cessation or non-representativeness was fixed at 30 June 2023, the exposure recorded corresponds to the remaining stock of operations/contracts not effectively transitioned at this date, not switched by activation of the fallback clause at the start of July 2023 and not falling within the scope of application of the legislative measures implemented by the competent authorities.

For non-derivative financial instruments, the exposures correspond to the nominal value of the securities and the outstanding capital of depreciable instruments.

NOTE 10 Impact of accounting developments and other events

Income statement

Impacts: IFRS 17 at 31 December 2022

(in millions of euros)	31/12/2022 Restated	Impact of IFRS17	31/12/2022 Stated
Interest and similar income	30,013	146	29,867
Interest and similar expenses	(16,966)	37	(17,003)
Fee and commission income	13,127	(190)	13,317
Fee and commission expenses	(4,366)	3,476	(7,842)
Net gains (losses) on financial instruments at fair value through profit or loss	(11,217)	(631)	(10,586)
Net gains (losses) on held for trading assets/liabilities	(4,376)	15	(4,391)
Net gains (losses) on other financial assets/liabilities at fair value through profit or loss	(6,841)	(646)	(6,195)
Net gains (losses) on financial instruments at fair value through other comprehensive income	(57)	-	(57)
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss	(105)	-	(105)
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)	48	-	48
Net gains (losses) arising from the derecognition of financial assets at amortised cost	2	-	2
Net gains (losses) arising from the reclassification of financial assets at amortised cost to financial assets at fair value through profit or loss	-	-	-
Net gains (losses) arising from the reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value through profit or loss	-	-	-
Net insurance revenue	11,648	11,648	
Insurance revenue	13,190	13,190	
Insurance service expenses	(10,100)	(10,100)	
Income or expenses related to reinsurance contracts held	164	164	
Insurance finance income or expenses	8,348	8,348	
Insurance finance income or expenses related to reinsurance contracts held	46	46	
Credit cost of risk on insurance financial investments	-	-	
Income on other activities	1,183	(48,435)	49,618
Expenses on other activities	(876)	33,165	(34,041)
Reclassification of net gains (losses) of designated financial assets applying the overlay approach		(526)	526
REVENUES	**22,491**	**(1,310)**	**23,801**
Operating expenses	(12,156)	1,248	(13,404)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	(1,104)	71	(1,175)
GROSS OPERATING INCOME	**9,231**	**9**	**9,222**
Cost of risk	(1,746)	-	(1,746)
OPERATING INCOME	**7,485**	**9**	**7,476**
Share of net income of equity-accounted entities	371	-	371
Net gains (losses) on other assets	15	-	15
Change in value of goodwill	-	-	-
PRE-TAX INCOME	**7,871**	**9**	**7,862**
Income tax charge	(1,806)	(144)	(1,662)
Net income from discontinued operations	121	5	116
NET INCOME	**6,186**	**(131)**	**6,317**
Non-controlling interests	880	1	879
NET INCOME GROUP SHARE	**5,306**	**(131)**	**5,437**
Earnings per share (in euros) [1]	**1.638**	**(0.043)**	**1.681**
Diluted earnings per share (in euros) [1]	**1.638**	**(0.043)**	**1.681**

[1] *Corresponds to income excluding interest on deeply subordinated notes and including Net Income from discontinued or held-for-sale operations.*

Impacts: IFRS 17 at 30 June 2022

(in millions of euros)	**30/06/2022 Restated**	**Impact of IFRS17**	**30/06/2022 Stated**
Interest and similar income	13,137	31	13,106
Interest and similar expenses	(6,492)	77	(6,569)
Fee and commission income	6,602	(103)	6,705
Fee and commission expenses	(2,154)	1,725	(3,879)
Net gains (losses) on financial instruments at fair value through profit or loss	(12,244)	(247)	(11,997)
Net gains (losses) on held for trading assets/liabilities	(3,805)	5	(3,810)
Net gains (losses) on other financial assets/liabilities at fair value through profit or loss	(8,439)	(252)	(8,187)
Net gains (losses) on financial instruments at fair value through other comprehensive income	52	1	51
Net gains (losses) on debt instruments at fair value through other comprehensive income that may be reclassified subsequently to profit or loss	10	-	10
Remuneration of equity instruments measured at fair value through other comprehensive income that will not be reclassified subsequently to profit or loss (dividends)	42	1	41
Net gains (losses) arising from the derecognition of financial assets at amortised cost	20	-	20
Net gains (losses) arising from the reclassification of financial assets at amortised cost to financial assets at fair value through profit or loss	-	-	-
Net gains (losses) arising from the reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value through profit or loss	-	-	-
Net insurance revenue	11,894	11,894	
Insurance revenue	6,504	6,504	
Insurance service expenses	(4,979)	(4,979)	
Income or expenses related to reinsurance contracts held	(22)	(22)	
Insurance finance income or expenses	10,366	10,366	
Insurance finance income or expenses related to reinsurance contracts held	25	25	
Credit cost of risk on insurance financial investments	-	-	
Income on other activities	699	(28,931)	29,630
Expenses on other activities	(311)	15,034	(15,345)
Reclassification of net gains (losses) of designated financial assets applying the overlay approach		(546)	546
REVENUES	**11,203**	**(1,065)**	**12,268**
Operating expenses	(6,366)	677	(7,043)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	(537)	35	(572)
GROSS OPERATING INCOME	**4,300**	**(353)**	**4,653**
Cost of risk	(943)	-	(943)
OPERATING INCOME	**3,357**	**(353)**	**3,710**
Share of net income of equity-accounted entities	190	1	189
Net gains (losses) on other assets	20	-	20
Change in value of goodwill	-	-	-
PRE-TAX INCOME	**3,567**	**(352)**	**3,919**
Income tax charge	(950)	28	(978)
Net income from discontinued operations	24	4	20
NET INCOME	**2,641**	**(320)**	**2,961**
Non-controlling interests	434	1	433
NET INCOME GROUP SHARE	**2,207**	**(321)**	**2,528**
Earnings per share (in euros) [1]	**0.674**	**(0.109)**	**0.783**
Diluted earnings per share (in euros) [1]	**0.674**	**(0.109)**	**0.783**

[1] *Corresponds to income excluding interest on deeply subordinated notes and including Net Income from discontinued or held-for-sale operations.*

NET INCOME AND OTHER COMPREHENSIVE INCOME

Impacts: IFRS 17 at 31 December 2022

(in millions of euros)	31/12/2022 Restated	Impact of IFRS17	31/12/2022 Stated
Net income	**6,186**	**(131)**	**6,317**
Actuarial gains and losses on post-employment benefits	325	-	325
Other comprehensive income on financial liabilities attributable to changes in own credit risk	793	15	778
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	58	-	58
Insurance finance income or expenses recognised in other comprehnsive income that will be reclassified to profit or loss	34	34	
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**1,210**	**49**	**1,161**
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**7**	**(18)**	**25**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**(298)**	**(11)**	**(287)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**(3)**	**7**	**(10)**
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	**915**	**26**	**889**
Gains and losses on translation adjustments	182	-	182
Other comprehensive income on debt instruments that may be reclassified to profit or loss	(40,384)	(33,294)	(7,090)
Gains and losses on hedging derivative instruments	(2,865)	(99)	(2,766)
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss	37,416	37,416	
Insurance finance income or expenses related to reinsurance contracts held recognised in other comprehensive income that will be reclassified to profit or loss	(247)	(247)	
Reclassification of net gains (losses) of designated financial assets applying the overlay approach		569	(569)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**(5,898)**	**4,345**	**(10,243)**
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities, Group Share	**47**	**-**	**47**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**1,559**	**(1,084)**	**2,643**
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities	**-**	**-**	**-**
Other comprehensive income on items that may be reclassified to profit or loss from discontinued operations	**26**	**-**	**26**
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax	**(4,266)**	**3,261**	**(7,527)**
Other comprehensive income net of income tax	**(3,351)**	**3,287**	**(6,638)**
Net income and other comprehensive income	**2,834**	**3,155**	**(321)**
Of which Group share	2,008	3,156	(1,148)
Of which non-controlling interests	826	(1)	827

Impacts: IFRS 17 at 30 June 2022

(in millions of euros)	30/06/2022 Restated	Impact of IFRS17	30/06/2022 Stated
Net income	**2,641**	**(320)**	**2,961**
Actuarial gains and losses on post-employment benefits	300	-	300
Other comprehensive income on financial liabilities attributable to changes in own credit risk	791	17	774
Other comprehensive income on equity instruments that will not be reclassified to profit or loss	96	-	96
Insurance finance income or expenses recognised in other comprehnsive income that will be reclassified to profit or loss	(52)	(52)	
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss excluding equity-accounted entities	**1,135**	**(35)**	**1,170**
Pre-tax other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities	**(3)**	**(15)**	**12**
Income tax related to items that will not be reclassified to profit or loss excluding equity-accounted entities	**(266)**	**9**	**(275)**
Income tax related to items that will not be reclassified to profit or loss on equity-accounted entities	**-**	**4**	**(4)**
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	**866**	**(37)**	**903**
Gains and losses on translation adjustments	598	(1)	599
Other comprehensive income on debt instruments that may be reclassified to profit or loss	(28,577)	(23,548)	(5,029)
Gains and losses on hedging derivative instruments	(1,951)	(76)	(1,875)
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss	26,408	26,408	
Insurance finance income or expenses related to reinsurance contracts held recognised in other comprehensive income that will be reclassified to profit or loss	(184)	(184)	
Reclassification of net gains (losses) of designated financial assets applying the overlay approach		578	(578)
Pre-tax other comprehensive income on items that may be reclassified to profit or loss excluding equity-accounted entities	**(3,706)**	**3,177**	**(6,883)**
Pre-tax other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities, Group Share	**81**	**-**	**81**
Income tax related to items that may be reclassified to profit or loss excluding equity-accounted entities	**1,099**	**(758)**	**1,857**
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	**8**	**11**	**(3)**
Other comprehensive income on items that may be reclassified subsequently to profit or loss net of income tax	**(2,518)**	**2,430**	**(4,948)**
Other comprehensive income net of income tax	**(1,652)**	**2,393**	**(4,045)**
Net income and other comprehensive income	**989**	**2,073**	**(1,084)**
Of which Group share	535	2,072	(1,537)
Of which non-controlling interests	454	1	453

BALANCE SHEET ASSETS

Impacts: IFRS 17 at 31 December 2022

(in millions of euros)	**31/12/2022 Restated**	**Impact of IFRS17**	**31/12/2022 Stated**
Cash, central banks	207,648	-	207,648
Financial assets at fair value through profit or loss	446,472	14,384	432,088
Held for trading financial assets	249,249	1	249,248
Other financial instruments at fair value through profit or loss	197,223	14,383	182,840
Hedging derivative Instruments	31,867	-	31,867
Financial assets at fair value through other comprehensive income	208,860	2,090	206,770
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	206,093	2,091	204,002
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	2,767	(1)	2,768
Financial assets at amortised cost	1,143,289	(1,316)	1,144,605
Loans and receivables due from credit institutions	567,512	(130)	567,642
Loans and receivables due from customers	488,571	(1,186)	489,757
Debt securities	87,206	-	87,206
Revaluation adjustment on interest rate hedged portfolios [1]	(10,871)	-	(10,871)
Current and deferred tax assets	6,379	(911)	7,290
Accruals, prepayments and sundry assets	67,504	(4,094)	71,598
Non-current assets held for sale and discontinued operations	134	-	134
Insurance contracts issued that are assets	-	-	
Reinsurance contracts held that are assets	977	977	
Deferred participation benefits		(16,767)	16,767
Investments in equity-accounted entities	4,300	(4,423)	8,723
Investment property	11,974	4,162	7,812
Property, plant and equipment	6,020	(3)	6,023
Intangible assets	3,094	(110)	3,204
Goodwill	15,682	-	15,682
TOTAL ASSETS	**2,143,329**	**(6,011)**	**2,149,340**

[1] The presentation on the balance sheet of the revaluation difference of rate hedged portfolios was reclassified between assets and liabilities as of December 31, 2022. Its net amount has not changed, and amounts to € -455 million as of December 31, 2022.

Impacts: IFRS 17 at 1 January 2022

(in millions of euros)	**01/01/2022 Restated**	**Impact of IFRS17**	**01/01/2022 Stated**
Cash, central banks	237,757	-	237,757
Financial assets at fair value through profit or loss	445,166	15,772	429,394
Held for trading financial assets	237,335	(6)	237,341
Other financial instruments at fair value through profit or loss	207,831	15,778	192,053
Hedging derivative Instruments	14,130	5	14,125
Financial assets at fair value through other comprehensive income	260,286	4,025	256,261
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	257,867	4,025	253,842
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	2,419	-	2,419
Financial assets at amortised cost	1,044,247	(1,079)	1,045,326
Loans and receivables due from credit institutions	501,295	(52)	501,347
Loans and receivables due from customers	458,877	(1,028)	459,905
Debt securities	84,075	1	84,074
Revaluation adjustment on interest rate hedged portfolios	3,194	-	3,194
Current and deferred tax assets	5,753	(111)	5,864
Accruals, prepayments and sundry assets	34,841	(3,606)	38,447
Non-current assets held for sale and discontinued operations	2,909	(56)	2,965
Insurance contracts issued that are assets	78	78	
Reinsurance contracts held that are assets	855	855	
Deferred participation benefits		(7)	7
Investments in equity-accounted entities	3,850	(4,467)	8,317
Investment property	11,305	3,998	7,307
Property, plant and equipment	6,093	(3)	6,096
Intangible assets	3,180	(83)	3,263
Goodwill	15,632	-	15,632
TOTAL ASSETS	**2,089,275**	**15,320**	**2,073,955**

BALANCE SHEET LIABILITIES

Impacts: IFRS 17 at 31 December 2022

(in millions of euros)	**31/12/2022 Restated**	**Impact of IFRS17**	**31/12/2022 Stated**
Central banks	59	-	59
Financial liabilities at fair value through profit or loss	292,639	13,266	279,373
Held for trading financial liabilities	238,700	(8)	238,708
Financial liabilities designated at fair value through profit or loss	53,939	13,274	40,665
Hedging derivative Instruments	45,644	8	45,636
Financial liabilities at amortised cost	1,324,553	(129)	1,324,682
Due to credit institutions	284,231	64	284,167
Due to customers	825,607	(2,370)	827,977
Debt securities	214,715	2,177	212,538
Revaluation adjustment on interest rate hedged portfolios [1]	(10,416)	54	(10,470)
Current and deferred tax liabilities	2,207	(202)	2,409
Accruals, prepayments and sundry liabilities	54,707	(586)	55,293
Liabilities associated with non-current assets held for sale and discontinued operations	205	-	205
Insurance contracts issued that are liabilities	331,268	331,268	
Reinsurance contracts held that are liabilities	92	92	
Insurance company technical reserves		(351,780)	351,780
Provisions	3,521	(2)	3,523
Subordinated debt	23,370	-	23,370
Total Liabilities	**2,067,849**	**(8,011)**	**2,075,860**
Equity	**75,480**	**2,000**	**73,480**
Equity - Group share	**66,519**	**1,886**	**64,633**
Share capital and reserves	29,603	-	29,603
Consolidated reserves	34,865	338	34,527
Other comprehensive income	(3,255)	1,682	(4,937)
Other comprehensive income on discontinued operations	-	(3)	3
Net income (loss) for the year	5,306	(131)	5,437
Non-controlling interests	**8,961**	**114**	**8,847**
TOTAL LIABILITIES AND EQUITY	**2,143,329**	**(6,011)**	**2,149,340**

[1] The presentation on the balance sheet of the revaluation difference of rate hedged portfolios was reclassified between assets and liabilities as of December 31, 2022. Its net amount has not changed, and amounts to € -455 million as of December 31, 2022.

Impacts: IFRS 17 at 1 January 2022

(in millions of euros)	01/01/2022 Restated	Impact of IFRS17	01/01/2022 Stated
Central banks	1,276	-	1,276
Financial liabilities at fair value through profit or loss	259,986	13,598	246,388
Held for trading financial liabilities	207,726	1	207,725
Financial liabilities designated at fair value through profit or loss	52,260	13,597	38,663
Hedging derivative Instruments	12,358	-	12,358
Financial liabilities at amortised cost	1,269,634	2,281	1,267,353
Due to credit institutions	314,845	62	314,783
Due to customers	778,845	(2,332)	781,177
Debt securities	175,944	4,551	171,393
Revaluation adjustment on interest rate hedged portfolios	4,984	(121)	5,105
Current and deferred tax liabilities	2,260	(672)	2,932
Accruals, prepayments and sundry liabilities	52,530	(792)	53,322
Liabilities associated with non-current assets held for sale and discontinued operations	2,502	(64)	2,566
Insurance contracts issued that are liabilities	377,218	377,218	
Reinsurance contracts held that are liabilities	67	67	
Insurance company technical reserves		(375,091)	375,091
Provisions	4,537	(10)	4,547
Subordinated debt	26,101	-	26,101
Total Liabilities	**2,013,455**	**16,416**	**1,997,039**
Equity	**75,820**	**(1,096)**	**76,916**
Equity - Group share	**66,978**	**(1,239)**	**68,217**
Share capital and reserves	28,495	-	28,495
Consolidated reserves	38,440	369	38,071
Other comprehensive income	69	(1,608)	1,677
Other comprehensive income on discontinued operations	(26)	-	(26)
Net income (loss) for the year	-	-	-
Non-controlling interests	**8,842**	**143**	**8,699**
TOTAL LIABILITIES AND EQUITY	**2,089,275**	**15,320**	**2,073,955**

CASH FLOW STATEMENT

Impacts: IFRS 17 at 31 December 2022

(in millions of euros)	31/12/2022 Restated	Impact of IFRS17	31/12/2022 Stated
Pre-tax income	**7,871**	**9**	**7,862**
Net depreciation and impairment of property, plant & equipment and intangible assets	1,104	(71)	1,175
Impairment of goodwill and other fixed assets	-	-	-
Net addition to provisions	(6,882)	7,775	193
Share of net income of equity-accounted entities	(371)	166	(537)
Net income (loss) from investment activities	(14)	1	(15)
Net income (loss) from financing activities	2,497	(38)	2,535
Other movements	(203)	6,742	(6,945)
Total Non-cash and other adjustment items included in pre-tax income	**(3,869)**	**(275)**	**(3,594)**
Change in interbank items	(66,705)	1	(66,706)
Change in customer items	14,154	(334)	14,488
Change in financial assets and liabilities	80,677	1,365	79,312
Change in non-financial assets and liabilities	(30,004)	349	(30,353)
Dividends received from equity-accounted entities	679	(255)	934
Taxes paid	(1,213)	20	(1,233)
Net change in assets and liabilities used in operating activities	**(2,412)**	**1,145**	**(3,557)**
Cash provided (used) by discontinued operations	**(127)**	**(11)**	**(116)**
Total Net cash flows from (used by) operating activities (A)	**1,463**	**868**	**595**
Change in equity investments	**(3,606)**	**(23)**	**(3,583)**
Change in property, plant & equipment and intangible assets	**(1,042)**	**47**	**(1,089)**
Cash provided (used) by discontinued operations	**(387)**	**(1)**	**(386)**
Total Net cash flows from (used by) investing activities (B)	**(5,035)**	**23**	**(5,058)**
Cash received from (paid to) shareholders	**(3,226)**	**(4)**	**(3,222)**
Other cash provided (used) by financing activities	**3,706**	**(972)**	**4,678**
Cash provided (used) by discontinued operations	**118**	**4**	**114**
Total Net cash flows from (used by) financing activities (C)	**598**	**(972)**	**1,570**
Impact of exchange rate changes on cash and cash equivalent (D)	**(1,273)**	**5**	**(1,278)**
Net increase/(decrease) in cash and cash equivalent (A + B + C + D)	**(4,247)**	**(79)**	**(4,168)**
Cash and cash equivalents at beginning of period	**159,678**	**(51)**	**159,729**
Net cash accounts and accounts with central banks	236,696	-	236,696
Net demand loans and deposits with credit institutions	(77,018)	(51)	(76,967)
Cash and cash equivalents at end of period	**155,431**	**(130)**	**155,561**
Net cash accounts and accounts with central banks	207,577	-	207,577
Net demand loans and deposits with credit institutions	(52,146)	(130)	(52,016)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(4,247)**	**(79)**	**(4,168)**

** Consisting of the net balance of the "Cash and central banks" item, excluding accrued interest (and including the cash of entities reclassified as non-current assets held for sale)*

*** Consisting of the balance of the "Non doubtful current accounts in debit" and "Non doubtful overnight accounts and advances" items as detailed in Note 6.3 and the "Current accounts in credit" and "Overnight accounts and deposits" items as detailed in Note 6.4 (excluding accrued interest and including Crédit Agricole internal transactions)*

Impacts: IFRS 17 at 30 June 2022

(in millions of euros)	30/06/2022 Restated	Impact of IFRS17	30/06/2022 Stated
Pre-tax income	**3,567**	**(352)**	**3,919**
Net depreciation and impairment of property, plant & equipment and intangible assets	537	(35)	572
Impairment of goodwill and other fixed assets	-	-	-
Net addition to provisions	(6,858)	(6,141)	(717)
Share of net income of equity-accounted entities	(189)	214	(403)
Net income (loss) from investment activities	(19)	1	(20)
Net income (loss) from financing activities	1,222	(79)	1,301
Other movements	(2,533)	7,027	(9,560)
Total Non-cash and other adjustment items included in pre-tax income	**(7,840)**	**987**	**(8,827)**
Change in interbank items	(3,109)	3	(3,112)
Change in customer items	2,920	(591)	3,511
Change in financial assets and liabilities	37,383	652	36,731
Change in non-financial assets and liabilities	(14,662)	136	(14,798)
Dividends received from equity-accounted entities	17	(194)	211
Taxes paid	(420)	12	(432)
Net change in assets and liabilities used in operating activities	**22,129**	**18**	**22,111**
Cash provided (used) by discontinued operations	**(115)**	**7**	**(122)**
Total Net cash flows from (used by) operating activities (A)	**17,741**	**660**	**17,081**
Change in equity investments	**(1,333)**	**16**	**(1,349)**
Change in property, plant & equipment and intangible assets	**(499)**	**17**	**(516)**
Cash provided (used) by discontinued operations	**(243)**	**(6)**	**(237)**
Total Net cash flows from (used by) investing activities (B)	**(2,075)**	**27**	**(2,102)**
Cash received from (paid to) shareholders	**(2,916)**	**(5)**	**(2,911)**
Other cash provided (used) by financing activities	**1,090**	**(716)**	**1,806**
Cash provided (used) by discontinued operations	**116**	**4**	**112**
Total Net cash flows from (used by) financing activities (C)	**(1,710)**	**(717)**	**(993)**
Impact of exchange rate changes on cash and cash equivalent (D)	**(1,761)**	**5**	**(1,766)**
Net increase/(decrease) in cash and cash equivalent (A + B + C + D)	**12,195**	**(25)**	**12,220**
Cash and cash equivalents at beginning of period	**159,678**	**(51)**	**159,729**
Net cash accounts and accounts with central banks	236,696	-	236,696
Net demand loans and deposits with credit institutions	(77,018)	(51)	(76,967)
Cash and cash equivalents at end of period	**171,873**	**(76)**	**171,949**
Net cash accounts and accounts with central banks	249,219	-	249,219
Net demand loans and deposits with credit institutions	(77,346)	(76)	(77,270)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**12,195**	**(25)**	**12,220**

** Consisting of the net balance of the "Cash and central banks" item, excluding accrued interest (and including the cash of entities reclassified as non-current assets held for sale)*

*** Consisting of the balance of the "Non doubtful current accounts in debit" and "Non doubtful overnight accounts and advances" items as detailed in Note 6.3 and the "Current accounts in credit" and "Overnight accounts and deposits" items as detailed in Note 6.4 (excluding accrued interest and including Crédit Agricole internal transactions)*

NOTE 11 Related parties

The related parties of Crédit Agricole S.A. are the consolidated companies, including equity-accounted entities, the Group's Senior Executives and the Regional Banks, given the Group's legal structure and due to the fact that Crédit Agricole S.A. is the corporate centre of the Crédit Agricole network.

In accordance with Crédit Agricole internal financial mechanisms, transactions between Crédit Agricole S.A. and the Regional Banks[3] are presented on the balance sheet and income statement as Crédit Agricole internal transactions (Note 4.1 "Interest income and expenses", Note 4.2 "Net fees and commissions", Note 6.3 "Financial assets at amortised cost" and Note 6.4 "Financial liabilities at amortised cost").

OTHER SHAREHOLDERS' AGREEMENTS

Shareholder agreements signed during the financial year are detailed in Note 2 "Major structural transactions and material events during the period".

RELATIONS AMONG CONSOLIDATED COMPANIES AFFECTING THE CONSOLIDATED BALANCE SHEET

Since, at year-end, the existing transactions and outstandings between the Group's fully consolidated companies are eliminated on consolidation, only transactions with companies consolidated by the equity method affect the Group's consolidated financial statements.

The main corresponding outstandings and commitments in the consolidated balance sheet at 30 June 2023 relate to transactions with the equity-accounted entities for the following amounts:

- Loans and receivables due from credit institutions: €365 million (€8,062 million at 31 December 2022);
- Loans and receivables due from customers: €2,855 million (€2,852 million at 31 December 2022);
- Due to credit institutions: €2,672 million (€5,823 million at 31 December 2022);
- Due to customers: €379 million (€183 million at 31 December 2022);
- commitments given on financial instruments: €579 million (€6,309 million at 31 December 2022);
- commitments received on financial instruments: €3,965 million (€4,887 million at 31 December 2022).

The transactions entered into with these entities did not have a material effect on the income statement for the period.

[3] With the exception of Caisse régionale de la Corse, which is fully consolidated.

NOTE 12 Events after 30 June 2023

Acquisition by CACEIS of the activities of RBC Investor Services in Europe

On 3 July 2023, CACEIS completed the acquisition of the European asset servicing activities of RBC Investor Services and its associated Malaysian centre of excellence. The conditions required to close the transaction were met, including regulatory and antitrust approvals.

The transaction combines two major asset servicing operations in Europe and strengthens CACEIS' position as one of the global leaders in this market, covering the entire value chain and offering current and future customers an expanded offering.

CACEIS gains broader international coverage allowing it to strengthen its competitive position and target new customer segments and markets.

The acquisition of the business of the UK branch of RBC Investor Services Trust and RBC Investor Services business in Jersey is still subject to applicable regulatory and antitrust approvals.

CREDIT AGRICOLE S.A.

Statutory auditors' review report on the half-yearly financial information

(Period from January 1st, 2023 to June 30th, 2023)

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
Registered with the Versailles and
Centre Institute of Statutory Auditors

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
Registered with the Versailles and
Centre Institute of Statutory Auditors

Statutory auditors' review report
on the half-yearly financial information

(Period from January 1st, 2023 to June 30th, 2023)

CREDIT AGRICOLE S.A.
12, place des Etats-Unis
92127 Montrouge cedex

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Crédit Agricole S.A., for the period from January 1st, 2023 to June 30th, 2023;
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of half-yearly financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34- standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying the above conclusion, we draw your attention to the change in accounting method relating to the application as of January 1st, 2023 of IFRS 17 "Insurance Contracts" as described in note 1.1 "Applicable standards and comparability" and in note 1.2 “Accounting policies and principles”, as well as in the other notes of the condensed half-yearly consolidated financial statements presenting figures relating to the impact of this change.

II - Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, August 8th, 2023

The statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Agnès Hussherr	Vanessa Jolivalt

Risk factors of the Crédit Agricole Group

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

Other parts of this chapter discuss the Crédit Agricole Group's risk appetite and the systems employed to manage these risks. Information on the management of risks to which the Crédit Agricole Group is exposed is presented in accordance with IFRS 7 on disclosures on financial instruments.

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

1. RISK FACTORS RELATED TO THE CRÉDIT AGRICOLE GROUP AND ITS ACTIVITY

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

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

These risk factors are described below.

1.1 Credit and counterparty risk

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

The risk of insolvency of its customers and counterparties is one of the main risks to which the Crédit Agricole Group is exposed. Credit risk impacts the Crédit Agricole Group's consolidated financial statements when counterparties are unable to honour their obligations and when the carrying amount of these obligations in the bank's records is positive. Counterparties may be banks, financial institutions, industrial or commercial companies, governments and their various entities, investment funds, or individuals. The level of counterparty defaults may increase compared to recent historically low levels;

the Crédit Agricole Group may be required to record significant charges and provisions for possible bad and doubtful loans, affecting its profitability.

While the Crédit Agricole Group seeks to reduce its exposure to credit risk by using risk mitigation techniques such as collateralisation, obtaining guarantees, entering into credit derivatives and entering into netting contracts, it cannot be certain that these techniques will be effective to offset losses resulting from counterparty defaults that are covered by these techniques. Moreover, the Crédit Agricole Group is exposed to the risk of default by any party providing the credit risk hedge (such as a counterparty in derivatives) or to the risk of loss of value of the collateral. In addition, only a portion of the Crédit Agricole Group's overall credit risk is covered by these techniques. Accordingly, the Crédit Agricole Group has significant exposure to the risk of counterparty default.

As at 30 June 2023, the exposure of the Crédit Agricole Group to credit and counterparty risk (including dilution risk and settlement delivery risk) was €2,064.5 billion before taking into account risk mitigation methods. This is distributed as follows: 38% retail customers, 28% corporates, 20% governments and 7% credit institutions and investment firms. Moreover, the amounts of risk-weighted assets (RWAs) relating to credit risk and counterparty risk to which the Crédit Agricole Group is exposed were €486.9 billion and €25.2 billion, respectively, as at 30 June 2023. At that period-end, the gross amount of loans and receivables in default was €25.4 billion.

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

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

As at 30 June 2023, the gross outstanding loans, receivables and debt securities of the Crédit Agricole Group were €1,422.3 billion. With regard to credit risk, the amounts of reserves, accumulated impairments and related adjustments amounted to €21.3 billion. The cost of risk on outstandings of the Crédit Agricole Group for the second quarter of 2023[1] was 25 basis points.

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

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

The credit quality of corporate borrowers could deteriorate significantly, primarily from increased economic uncertainty and, in certain sectors, the risks associated with trade policies of major economic powers. The risks could be exacerbated by the recent practice by which lending institutions have reduced the level of covenant protection in their loan documentation, making it more difficult for lenders to intervene at an early stage to protect assets and limit the risk of non-payment. If a trend towards deterioration in credit quality were to appear, the Crédit Agricole Group may be required to record asset impairment charges or to write off the value of its corporate debt portfolio, which would in turn significantly impact the Crédit Agricole Group's profitability and financial position.

As at 30 June 2023, the Crédit Agricole Group's gross exposure to sectors other than financial and insurance activities; public administration and defence, compulsory social security; and administrative and support service activities amounted to €410.6 billion (of which €14.1 billion in default) and were subject to accumulated impairments of €11.4 billion.

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

The Crédit Agricole Group's credit exposures are very diversified due to its comprehensive customer-focused universal banking model activities. The Crédit Agricole Group is mainly exposed to retail banking through the Regional Bank network, the LCL network and Crédit Agricole Italia. At end-June 2023, the share of retail customers in the Crédit Agricole Group's total portfolio of commercial lending was 46%, or €817 billion. Moreover, the Crédit Agricole Group is subject to the risk that certain events may have a disproportionately large impact on a particular sector to which it is significantly exposed. As at 30 June 2023, 16% of the Crédit Agricole Group's commercial lending involved borrowers in the public sector (including local authorities), representing an amount of approximately €289.3 billion, and 5% of borrowers in the energy sector, representing an amount of approximately €90.6 billion. Public sector borrowers can be affected by national and local budgetary policies and spending priorities. Borrowers in the energy sector are exposed to energy price volatility. If these sectors were to experience adverse conditions, the Crédit Agricole Group's profitability and financial position could be adversely affected.

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

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

As at 30 June 2023, the total amount of the Crédit Agricole Group's gross exposure to counterparties that are credit institutions and related entities was €131 billion, of which €97.4 billion was using the internal ratings-based method.

f) The Crédit Agricole Group is exposed to country risk and counterparty risk concentrated in the countries where it operates

The Crédit Agricole Group is subject to country risk, meaning the risk that economic, financial, political or social conditions in a given country in which it operates will affect its financial interests. The Crédit Agricole Group monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environments may require to record additional charges or losses beyond the amounts previously written down in its financial statements. The Crédit Agricole Group is especially exposed in absolute value to the country risk for France and Italy. At 30 June 2023, the Crédit Agricole Group's commercial lending amounted to €1,231.6 billion in France and €152.3 billion in Italy, representing 70% and 9%, respectively, of the Crédit Agricole Group's total exposure over the period.

Worsening economic conditions in these countries would impact the Crédit Agricole Group. In addition, the Crédit Agricole Group has significant exposures in countries outside the OECD, which are subject to risks that include political instability, unpredictable regulation and taxation, expropriation and other risks that are less present in more developed economies.

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

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

■ In Ukraine, Crédit Agricole Ukraine's commercial lending amounted to €852 million at 30 June 2023, financed locally for the most part. The risks on these exposures were provisioned up to 47% of outstandings as at 30 June 2023. Exposure has steadily declined since the start of the conflict (€1.7 billion as at 31 March 2022 then €961 million at the end of 2022) with a policy of partially redeploying portfolio amortisation in favour of strategic customers and sectors.

■ In Russia, the Group has stopped all financing of Russian corporates since the start of the conflict as well as all commercial activity in the country. However, the Group is directly and indirectly exposed in Russia due to its pre-conflict activities and has recorded provisions on performing loans in the first quarter of 2022 in accordance with IFRS.

Exposures booked in the subsidiary Crédit Agricole CIB AO (onshore exposures) represented the equivalent of €0.2 billion as at 30 June 2023, a stable amount compared with 31 December 2022. The subsidiary's equity amounted to around €144 million equivalent, including around €64 million in equity and €80 million in subordinated debt as at 30 June 2023 (€74 million and €77 million respectively as at 31 December 2022).

Exposures booked outside Crédit Agricole CIB AO (offshore exposures[1]) represented the equivalent of €2.3 billion as at 30 June 2023 (almost all of which is recorded on the balance sheet[2]). They were down -€0.6 billion from 31 December 2022 and down -€2.3 billion from the start of the conflict in February 2022. The off-balance-sheet portion of the offshore exposures (documentary credits, financial guarantees and, to a lesser extent, undrawn confirmed credit facilities) amounted to €0.1 billion as at 30 June 2023, down by -€1.4 billion since the outbreak of the conflict.

As a result of the conflict and the international sanctions that followed, the quality of the portfolio (rated at 96% Investment Grade at 31 December 2022, consisting mainly of large Russian corporates, including commodities producers and exporters) was downgraded in the Group's internal rating scale at 31 March 2022. From the first quarter of 2022, exposures were subject to significant provisioning,

[1] On- and off-balance sheet commercial lending of customers and banks, net of the guarantees of export credit agencies, excluding the fluctuation risk.
[2] Used portion of credit facilities.

mainly on performing exposures, which was then updated at each reporting date. In the first half of 2023, the cost of risk relating to Russian exposures was limited to €7.7 million, including €4.3 million relating to performing exposures (Stages 1 and 2) and €3.4 million relating to specific provisions (Stage 3).

The Russian exposure of Crédit Agricole Indosuez Wealth Management represented €152 million at 30 June 2023, a significant decrease from 31 December 2022 (equivalent to €220 million).

Overall, these exposures, of limited size (less than 1% of the total exposures of Crédit Agricole CIB at 30 June 2023) continue to be closely monitored.

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

The Crédit Agricole Group could suffer losses in the event of a counterparty defaulting in its securities, currency, commodities and other market activities. When the Crédit Agricole Group holds portfolios of debt securities, including in the context of its market making activities, it is subject to the risk of deterioration in the credit quality of issuers or default. As part of its trading activities, the Crédit Agricole Group is exposed to the risk of a counterparty defaulting in the execution of its transaction settlement obligations. The Crédit Agricole Group's derivatives activities are also subject to the risk of a counterparty default, as well as to significant uncertainty regarding the amounts due in the event of such a default. The risk-weighted assets (RWAs) corresponding to the counterparty risk on derivatives and deferred settlement transactions and indicated in Pillar 3 were €11.5 billion at 30 June 2023. Although the Crédit Agricole Group often obtains collateral or makes use of compensation rights to deal with these risks, these techniques may not be sufficient to ensure complete protection, and the Crédit Agricole Group may incur significant losses due to the failure of major counterparties.

1.2 Financial risks

a) The Crédit Agricole Group's profitability and financial position may be impacted by the rapid tightening of monetary policy

Due to the surge in inflation, the ECB has been rapidly tightening its monetary policy since July 2022: it has raised its key rates by 400 basis points (bp) in eleven months and has reduced and then stopped reinvesting the proceeds of its Asset Purchase Programme (APP) from July 2023. The two-year swap rate has thus gained 245 bp in one year (to the end of June 2023) and 415 bp since the end of 2021, while the ten-year swap rate has gained 80 bp in one year and 280 bp in 18 months; the yield curve has been inverted since the end of 2022, a trend which has intensified in 2023 with expectations of a more permanently restrictive monetary policy and a significant slowdown in the economy. At the same time, TLTRO outstandings, which provided banks with long-term financing at a reduced cost, fell by €1,500 billion in one year (-72%).

These movements led to a rapid increase in banks' financing terms, both on the markets and with customers. Customer deposit outstandings in France (source: Banque de France) have slowed significantly (+0.7% year-on-year in May 2023) and the rise in interest rates has led to a rapid reallocation of deposits away from low-interest demand deposits towards term deposits with maturities of less than two years and regulated passbook deposits. The average interest rate on deposits has risen by 100 bp in one year (at May 23), and the rate on new term deposits with maturities of less than two years has risen by more than 300 bp.

At the same time, loan outstandings slowed as a result of the rise in interest rates (+1.6%), but less so than deposits. New lending (cumulative over 12 months) was down 11% year-on-year (-27% for housing loans to households). The rise in the interest rate on outstandings is slow due to the high proportion of fixed-rate loans. On new loans, the increase is limited by the usury rate (+250 bp for new loans to non-financial corporations and +170 bp for new loans to households over one year).

The ECB is expected to continue raising rates in 2023 and to maintain them there for several quarters, while continuing to reduce its balance sheet, which will keep pressure on interest rates.

In this context, the Crédit Agricole Group's results have been and could continue to be significantly affected by the increased cost of its resources (increased compensation of deposits in a context of increased competition in the collection of deposits and an increase in the cost of market resources and substitution for higher-cost TLTROs), and by the risk of the increase in market rates being passed on partially or in a deferred manner to originated loans under the combined effect of a decrease in new production and increased competition, and the usury rate mechanism impacting the net interest margin.

In addition, inflation remains a major concern and risk. Although it has fallen sharply since autumn 2022, largely due to base effects on energy prices – which rose sharply a year ago – and also to the easing of supply constraints, the ECB is keeping a close eye on "underlying" inflation (excluding volatile prices), which is proving more resilient and reflects the spread of the rise in energy prices and other inputs affected by the war in Ukraine to all prices and wages. The ECB is particularly concerned about the risk of triggering a wage-price spiral, which would lead to self-sustaining inflation and a complete shift in expectations. In addition to the indirect impacts relating to their consequences on monetary policy and interest rates, inflation-related pressures that last longer than expected could have a significant direct effect on the Crédit Agricole Group's expenses (salaries, purchases) and consequently on its financial results.

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

The Crédit Agricole Group is one of the leaders[1] in retail banking and, through its Regional Banks and LCL, is exposed to changes in interest rates, with a combined market share of over 29.7%[2] in France.

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

The sensitivity figures for net interest income below are calculated, on the one hand, using a pass-through rate[3] of 100%, i.e. an immediate pass-through of interest rate changes to assets and liabilities (for all variable rate instruments already on the balance sheet, and only for new transactions in the case of fixed rate instruments) and, on the other hand, demand deposits maintained at their current high level without interest; in fact, the change in the net interest margin would materialise more progressively than the results presented below suggest.

Analysis in terms of economic value

As at the end of December 2022, if interest rates in the main areas in which the Crédit Agricole Group is exposed[4] were to fall, this would have a positive impact of €3.2 billion on the economic value[5] of the Crédit Agricole Group; conversely, an increase in interest rates in the main areas in which the Crédit Agricole Group is exposed would have a negative impact of -€10.2 billion on its economic value.

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

These impacts are calculated based on a balance sheet phased out over the next 30 years, meaning they do not take into account future production and do not include any dynamic impact from a change of positions on the balance sheet. The average maturity of deposits without contractual maturity (demand deposits and savings books) outside financial institutions is limited to five years. The balance sheet being used excludes equity and shareholdings in compliance with regulations governing interest rate risk (Supervisory Outlier Test).

Net interest margin analysis

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

With a pass-through rate of 100% applied to housing loans and a 50 basis point change in interest rates, the sensitivities in year one, year two and year three would respectively be -€0.6 billion, -€1.1 billion and -€1.5 billion for a parallel downward shock scenario, and respectively +€0.7 billion, +€1.1 billion and +€1.5 billion for a parallel upward shock scenario.

These impacts do not capture delayed effects of past interest rates increases. Moreover, in France, in the context of high interest rates observed in 2022, the pass-through rate on the asset side has been limited by the fixed interest rate model and the usuary rate. In practice, the pass-through rate stood at 20% (instead of 50%). Besides, on the liability side, rates on regulated saving accounts have increased non only based on interest rate increase but as well based on inflation, and the ALM of the bank cannot hedge entirely this latter risk. In such context, the sensitivity of revenues to rate increase has been significantly lower in 2022 than the estimated figure presented in 2021.

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

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

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

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

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

In 2022, market downturns have reduced the value of customer portfolios with subsidiaries specialised in asset management, insurance, asset servicing and wealth management and reduced the amount of inflows, thus reducing the Crédit Agricole Group's revenues from these activities. At end-June 2023, 11%, 7% and 4% of the revenues of the Crédit Agricole Group were generated from its asset and wealth management, insurance and asset servicing businesses, respectively. The Crédit Agricole Group is the leading insurer in France, through Crédit Agricole Assurances[1]. Amundi's assets under management stood at €1,961 billion at the end of June 2023, and Crédit Agricole Assurances' assets under management stood at €326 billion at the end of June 2023. Future downturns could have similar effects on the results and financial position of the Crédit Agricole Group.

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

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

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

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

The carrying amount of the Crédit Agricole Group's securities and derivatives portfolios and certain other assets, as well as that of its own debt, in its balance sheet are adjusted as at each financial statement date. The carrying amount adjustments reflect, among other things, the credit risk inherent in the Crédit Agricole Group's own debt and variations in value in the fixed income and equity markets. Most of the adjustments are made on the basis of changes in fair value of the assets or liabilities of the Crédit Agricole Group during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. Changes that are recognised in the income statement, to the extent not offset by opposite changes in the fair value of other assets, affect the consolidated net income of the Crédit Agricole Group. All fair value adjustments affect shareholders' equity and, as a result, the capital adequacy ratios of the Crédit Agricole Group. The fact that fair value adjustments are recognised in one accounting period does not mean that further adjustments will not be necessary in subsequent periods.

As at 30 June 2023, the gross outstanding debt securities held by the Crédit Agricole Group were €146.2 billion. Accumulated impairments and reserves and negative fair value adjustments due to credit risk were €217 million.

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

[1] Source: *L'Argus de l'assurance.*

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

The Crédit Agricole Group's businesses are materially affected by conditions in the financial markets, which in turn are impacted by current and anticipated future economic conditions in France, Europe and in the other regions around the world where the Crédit Agricole Group operates. Adverse changes in market, economic or geopolitical conditions could create a challenging operating environment for financial institutions. The Crédit Agricole Group is therefore highly exposed to the following risks: fluctuations in interest rates, share prices, foreign exchange rates, the premium applicable to bond issues (including those of the Crédit Agricole Group) and the price of oil and precious metals.

To measure the potential losses associated with these risks, the Crédit Agricole Group uses a Value at Risk (VaR) model detailed in Risk management – Market risk of the 2022 Universal Registration Document Amendment A01. The VaR of the Group as at 30 June 2023 was €16 million.

The Crédit Agricole Group also carries out stress tests in order to quantify its potential exposure in extreme scenarios, as described and quantified in paragraphs 2.5.III.1 "Methodology for measuring and managing market risks – Indicators" and 2.5.IV "Exposures" in Chapter 3 of the 2022 URD Amendment 01. These techniques are based on hypothetical or historical approaches from which future market conditions may differ significantly. Accordingly, the Crédit Agricole Group's exposure to market risk in extreme scenarios could be greater than the exposures predicted by its quantification techniques.

The amount of risk-weighted assets (RWAs) relating to the market risk to which the Crédit Agricole Group is exposed was €13.3 billion as at 30 June 2023.

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

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

Equity securities held by the Crédit Agricole Group could decline in value, causing losses for the Crédit Agricole Group. The Crédit Agricole Group bears the risk of a decline in value of equity securities in connection with its market-making and trading activities, mainly with respect to listed equity securities, in its private equity business, and in connection with transactions in which it acquires strategic equity investments in a company with a view to exercising control and influencing the management policies of the Group. In the case of strategic equity investments, the Crédit Agricole Group's degree of control may be limited, and any disagreement with other shareholders or with management of the entity concerned may adversely impact the ability of the Crédit Agricole Group to influence the policies of this entity. If the Crédit Agricole Group's equity securities decline in value significantly, the Crédit Agricole Group may be required to record fair value adjustments or recognise asset impairment charges in its consolidated financial statements, which could negatively impact its results of operations and financial position.

As at 30 June 2023, the Crédit Agricole Group held €58.9 billion in equity instruments, of which €43.5 billion were recorded at fair value through profit or loss; €7.3 billion were held for trading purposes and €8.1 billion were recognised at fair value through equity.

g) The Crédit Agricole Group must implement appropriate asset and liability management in order to control the exposure to losses Prolonged market downturns could reduce liquidity, making it more difficult to dispose of assets and could result in significant losses

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

The Crédit Agricole Group's primary objective in managing liquidity is to ensure that it has sufficient resources to meet its requirements in the event of any type of severe, prolonged liquidity crisis. As at 30 June 2023, the Crédit Agricole Group had an LCR (Liquidity Coverage Ratio – the regulatory prudential ratio to ensure the short-term resilience of the liquidity risk profile) of 157.3[1], higher than the regulatory minimum of 100% and exceeding the Medium-Term Plan target of 110%.

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

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

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

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

At 30 June 2023, the notional amount of protection bought in the form of credit derivatives was €5.7 billion (€6.5 billion at 31 December 2022), the notional amount of short positions was zero (the same at 31 December 2022).

[1] Average LCR over 12 rolling months at end-June 2023.

1.3 Operational risks and associated risks

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

Over the period from 2021 to 2023, operational risk incidents for the Crédit Agricole Group were divided as follows: the “Implementation, delivery and process management” category represents 36% of the operational loss, the “Customers, products and business practices” category represents 14% of the operational loss, and the “External fraud” category represents 39% of the operational loss. Other operational risk incidents can be broken down into employment and safety practice (5%), internal fraud (3%), business disruptions and system failures (3%).

In addition, the amount of risk-weighted assets (RWAs) relating to operational risk to which the Crédit Agricole Group is exposed was €61.5 billion as at 30 June 2023.

a) The Crédit Agricole Group is exposed to the risk fraud

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

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

Consumer finance, Retail Banking in France (LCL and Regional Banks) and International Retail Banking accounted for 92% of total fraud.

The risk breakdown for fraud is as follows:

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

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

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

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

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

The Crédit Agricole Group is also exposed to the risk of an operational failure or interruption of one of its clearing agents, foreign exchange markets, clearing houses, custodians or other financial intermediaries or external service providers that it uses to execute or facilitate its securities transactions. It is also at risk in the event of a failure of an external information technology service provider, such as a cloud data storage company. As its interconnectivity with its customers grows, the Crédit Agricole Group may also become increasingly exposed to the risk of operational failure of its customers' information systems. The Crédit Agricole Group's communications and information systems, and those of its customers, service providers and counterparties, may also be subject to failures or interruptions resulting from cyber-crime or cyber-terrorism. The Crédit Agricole Group cannot guarantee that failures or interruptions in its systems or in those of other parties will not occur or, if they do occur, that they will be adequately resolved. Over the period from 2021 to 2023, operational losses due to the risk of business disruptions and system failures accounted for between 2% and 3% of operational losses.

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

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

At 30 June 2023, the Crédit Agricole Group had a regulatory prudential capital requirement of €4.9 billion in order to cover the operational risk, including €3.7 billion as calculated by the advanced measurement approach (AMA) based on past losses and medium- and long-term loss assumptions, and €1.2 billion using the standardised approach (TSA).

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

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

Reputational risk is a key element for the Crédit Agricole Group and is managed by the Compliance department of Crédit Agricole Group and the Compliance departments of the member entities of the Crédit Agricole Group, which notably ensure the prevention and control of the risks of non-compliance with, in this context, the prevention of money laundering, the fight against the financing of terrorism, the prevention of fraud and corruption, compliance with embargoes and asset freezing obligations.

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

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

Organised as a business line, the Legal Affairs department has two main objectives: to control legal risk, which can give rise to disputes and liabilities, whether civil, disciplinary or criminal, and to provide the legal support needed by entities to enable them to carry out their activities. At end-June 2023, provisions for legal risks amounted to €521 million, compared with €646 million at 31 December 2022.

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

Due to its international scope, the Crédit Agricole Group's operations are exposed to risks inherent to foreign operations, including the need to comply with multiple and often complex laws and regulations applicable to activities in each of the countries where the Crédit Agricole Group is active, such as local banking laws and regulations, internal control and disclosure requirements, data privacy restrictions, European, U.S. and local anti-money laundering and anti-corruption laws and regulations, international sanctions and other rules and requirements. Violations of these laws and regulations could harm the reputation of the Crédit Agricole Group, result in litigation, civil or criminal penalties, or otherwise have a material adverse effect on its business.

To illustrate, in October 2015, Crédit Agricole S.A. and its subsidiary Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) reached agreements with the US federal and New York State authorities that had been conducting investigations regarding US dollar transactions with countries subject to US economic sanctions. The events covered by this agreement took place between 2003 and 2008. Crédit Agricole CIB and Crédit Agricole S.A., which cooperated with the US 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).

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

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

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

a) Persistent inflation and, as a result, persistently high interest rates could negatively affect the Crédit Agricole Group's business activities, operations and financial performance.

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

- Geopolitical developments, in particular the war in Ukraine, the future of which is highly uncertain, and the risks they entail with regard to prices, particularly energy and food prices, and supply chains
- Weather conditions, which also affect prices, and climatic events such as drought, floods or a difficult winter, can lead to renewed price tensions
- In more structural terms, the Covid crisis and the war in Ukraine have clearly brought to light the major issues of sovereignty, preserving strategic sectors and protecting key supplies, in order to not be dependent on a hostile power or a single supplier. Combined with the accelerating challenges of climate transition, developments in countries' industrial strategies are leading to an economic reconfiguration of global value chains and giving rise to forms of protectionism, such as the American Inflation Reduction Act. These movements are likely to create additional price tensions and destabilise the economic sectors and players concerned.

Higher inflation could lead central banks to adopt even more restrictive monetary policies, leading to persistently high interest rates, further eroding household purchasing power and worsening corporate conditions. Business failures, which fell sharply in 2020 (unrelated to the macroeconomic context) as a result of massive public support, are gradually returning to normal, but the number of failures could rise more rapidly than expected, leading to a rise in the unemployment rate. These various factors not only increase the risk of default by the Crédit Agricole Group's customers, but also the risk of financial instability and a downturn in the financial markets, which have an impact on the Crédit Agricole Group's business activities and cost of risk.

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

At 30 June 2023, the Crédit Agricole Group's exposures to sectors regarded as "sensitive" to inflation and rising interest rates were as follows: (a) real estate (excluding housing loans) with EAD[1] of €67.7 billion, of which 1.6% in default; (b) non-food goods and retail, with EAD of €30.8 billion, of which 2.8% in default; (c) automotive, with EAD of €28.3 billion, of which 0.7% in default; (d) heavy industries with EAD of €25.2 billion, of which 3% in default; and (e) construction and public works with EAD of €13.5 billion, of which 2.5% in default.

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

In the operation of its activities, the Crédit Agricole Group is significantly exposed to changes in the financial markets and to the development of the economic conditions in France, Europe and the rest of the world, as well as to the global geopolitical situation. In the financial year ended 31 December 2022, 52% of Crédit Agricole S.A.'s revenues were generated in France, 17% in Italy, 20% in the rest of Europe and 11% in the rest of the world. A deterioration in economic conditions in the markets where the Crédit Agricole Group operates could have one or several of the following impacts:

- more-adverse economic conditions would affect the business and operations of customers of the Crédit Agricole Group, which could decrease revenues and increase the rate of default on loans and other receivables
- macro-economic policies adopted in response to actual or anticipated economic conditions could have unintended effects, and are likely to impact market parameters such as interest rates and foreign exchange rates, which in turn could affect the businesses of the Crédit Agricole Group that are most exposed to market risk
- perceived favourable economic conditions generally or in specific business sectors, and the indiscriminate quest for profitability, could result in asset price bubbles, which could in turn exacerbate the impact of corrections when conditions become less favourable
- a significant economic disruption (such as the global financial crisis of 2008, the European sovereign debt crisis of 2011, the Covid crisis of 2020 or the war in Ukraine and the energy crisis it caused in 2022) could have a severe impact on all of the activities of the Crédit Agricole Group, particularly if the disruption is characterised by an absence of market liquidity that makes it difficult to sell certain categories of assets at their estimated market value or at all
- On the broader front, events of a geopolitical nature may occur and cause the relationship between governments and the organisation of the global economy to change more or less abruptly, in such a way that there is a major impact on the Bank's activities in the short or long term Major geopolitical risks can have major macroeconomic impacts on countries, sectors, value chains and companies. For example, uncertainties linked to the outcome of the war in Ukraine or intensified tensions between the United States and China and their desire for economic decoupling, especially in the technology sectors,

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

could give rise to multiple scenarios and trigger a number of risks: trade war and sanctions, military tensions around Taiwan and in the South China Sea, and nuclear risk

■ a decline in the prices of bonds, equities and commodities could impact a significant portion of the business of the Crédit Agricole Group, including in particular trading, investment banking and asset management revenues

■ More generally, greater uncertainties and significant market disruptions may increase volatility. This could have a significant adverse impact on the Crédit Agricole Group's trading and investment activities in the bond, foreign exchange, commodities and equity markets, as well as on its positions in other investments. In recent years, the financial markets have experienced significant disruption and volatility, which could reoccur, exposing the Crédit Agricole Group to significant losses. Such losses could extend to many trading and hedging instruments used by the Crédit Agricole Group, including swaps, forwards, futures, options and structured products. In addition, financial market volatility makes it difficult to anticipate trends and implement effective trading strategies.

In addition, in a context of declining global growth in 2023 and tighter monetary policies, a deterioration in economic conditions would increase the difficulties and failures of businesses and the unemployment rate could start rising again, increasing the probability of customer default. The heightened economic, geopolitical and climatic uncertainty could have a strong negative impact on the valuation of risky assets, on the currencies of countries in difficulty, and on the price of commodities

■ The succession of unprecedented exogenous shocks and the resulting difficulties in assessing the economic situation may lead central banks to adopt inappropriate monetary policies: a premature end to monetary tightening could lead to self-sustaining inflation and a loss of the central bank's credibility, while a policy that is too restrictive for too long could lead to a pronounced recession in activity

■ The political and geopolitical context – more conflictual and tenser – induces greater uncertainty and increases the overall level of risk. In the event of rising tensions or the materialisation of latent risks, this could lead to major market movements and have a negative impact on economies

■ in France, there could also be a significant drop in confidence in the event of a more marked deterioration of the social context which could lead households to consume less and save more as a precaution, and companies to delay investments, which could be harmful to growth and to the quality of private debt, which has increased more than in the rest of Europe

■ in France, a political and social crisis, against the backdrop of weak growth and high public debt, would have a negative impact on confidence and investors, and could cause an additional rise in interest rates and in the cost of refinancing for the government, companies and the banks It could also lead to losses on the sovereign portfolios of banks and insurers. For example, Crédit Agricole S.A.'s exposure to French sovereign debt was €137.3 billion at the end of December 2022 (Pillar 3), which represents 7.3% of Crédit Agricole S.A. exposures.

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

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

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

To illustrate, such regulations pertain to, in particular:

■ regulatory prudential requirements applicable to credit institutions, including prudential rules in terms of adequacy and minimum capital and liquidity requirements, risk diversification, governance, restrictions in terms of equity investments and compensation as defined in particular by (i) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (as amended, in particular, by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 and by Regulation (EU) 2020/873 of the European Parliament and the Council of 24 June 2020) and (ii) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the regulatory prudential supervision of credit institutions and investment firms (as modified, notably, by the Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019) as transposed into domestic law; under these regulations, credit institutions such as the Crédit Agricole Group must notably meet the requirements regarding minimum capital ratio, risk diversification and liquidity, monetary policy, reporting/disclosures, as well as restrictions on equity investments. At 30 June 2023, the Crédit Agricole Group's phased-in Common Equity Tier 1 (CET1) ratio was 17.6% and the Crédit Agricole Group's overall phased-in ratio was 21.5%;

■ the rules applicable to bank recovery and resolution as defined notably by (i) Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms), as transposed into domestic law and (ii) Regulation (EU) 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund (as modified, notably, by Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019); accordingly, the Crédit Agricole Group is placed under the supervision of the ECB, to which a Crédit Agricole Group recovery plan is submitted each year in accordance with the applicable regulations (for more information, see the "Risk Management" section in Chapter 3 of the 2022 URD Amendment 01). In addition, the contribution of the Crédit Agricole Group to the annual financing of the Single Resolution Fund can be significant. Thus, at the end of June 2023, the Crédit Agricole Group's contribution to the Single Resolution Fund stood at €619 million

■ the regulations applicable to financial instruments (including shares and other securities issued by Crédit Agricole S.A.), as well as the rules relating to financial reporting, information disclosure and market abuse (Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse), which in particular increases the obligations of the Crédit Agricole Group in terms of transparency and reporting

■ the monetary, liquidity, interest rate and other policies of Central Banks and regulatory authorities;

■ the regulations governing certain types of transactions and investments, such as derivatives and securities financing transactions and money market funds (Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 over-the-counter derivatives, central counterparties and trade repositories);

■ regulations of market infrastructures, such as trading platforms, central counterparties, central securities depositories and securities settlement systems;

■ tax and accounting legislation in the jurisdictions where the Crédit Agricole Group operates and

■ the rules and procedures relating to internal control, anti-money laundering and combating terrorist financing, risk management and compliance.

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

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

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

■ The measures relating to the banking and financial sector in which Crédit Agricole S.A. operates could be amended again, expanded or strengthened, and new measures could be introduced, further affecting the predictability of the regulatory regimes to which Crédit Agricole S.A. is subject and requiring rapid implementation likely to mobilise significant resources within Crédit Agricole S.A. In addition, the adoption of these new measures could increase the constraints on Crédit Agricole S.A. and require a strengthening of the actions carried out by Crédit Agricole S.A. presented above in response to the existing regulatory context.

■ In addition, the general political environment has evolved unfavourably for banks and the financial industry, resulting in additional pressure on legislative and regulatory bodies to adopt more stringent regulatory measures, despite the fact that these measures can have adverse consequences on lending and other financial activities, and on the economy.

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

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

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

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

The 2025 Medium-Term Plan includes a number of financial targets relating to revenues, expenses, net revenues and capital adequacy ratios. These financial targets were established primarily for purposes of internal planning and allocation of resources, and are based on a number of assumptions with regard to the economic climate and the activity of the business lines of the Crédit Agricole Group. The financial targets do not constitute projections or forecasts of anticipated results. The actual results of the Crédit Agricole Group are likely to vary (and could vary significantly) from these targets for a number of reasons, particularly if one or more of the risk factors described elsewhere in this section materialise. For example, the Crédit Agricole Group expects to have a solvency greater than or equal to 17% for its Common Equity Tier (CET1) ratio, a TLAC[1] ratio greater than or equal to 26% (excluding senior non-preferred debt) and a SRP[2] of between €110 billion and €130 billion.

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

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

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

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

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

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

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

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

[1] TLAC (Total Loss Absorbing Capacity).
[2] PRS (stable resource position).

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

Revenues from the insurance activities of the Subsidiaries specialising in this field significantly depend upon the extent to which the actual claims experience is consistent with the assumptions used in setting the prices for their products and establishing technical reserves. Crédit Agricole Assurances uses both its own empirical analysis and industry data to develop its products and estimate future policy benefits, including information used in pricing the insurance products and establishing the related actuarial liabilities. However, there can be no insurance that there could be more claims than the hypothesis used for pricing and provisioning anticipated. Unanticipated risks, such as a pandemic or a natural disaster, could result in loss inconsistent with the hypothesis used to price these products and provision. If the actual claims paid by Crédit Agricole Assurances to policyholders were higher than the underlying assumptions used in initially establishing the future policy reserves, or if events or trends should lead Crédit Agricole Assurances to change the underlying assumptions, Crédit Agricole Assurances may be exposed to greater liabilities than expected, which may adversely affect Crédit Agricole S.A.'s insurance business, results of operations and financial position.

Crédit Agricole Assurances continues to adapt its strategy to changes in interest rates, in particular by strengthening its policy of redirecting funds to unit-linked policies and by increasing its profit-sharing reserves (provision pour participation aux excédents – PPE), which were €11.9 billion at 30 June 2023 (compared with €12.0 billion at 31 December 2022), i.e. 5.5% of outstanding euro-denominated policies, which represents several years' worth of interest rates provided to policyholders and which constitutes a level of coverage higher than the market average in France. Moreover, the unit-linked portion in assets under management of Crédit Agricole Assurances reached 27.9% at 30 June 2023, up 2.7 points year-on-year. In Property and Casualty insurance the combined ratio remained well under control. It achieved 97.8%[1].

Finally, Crédit Agricole Assurances maintains a high level of solvency, posting a ratio of 222%[2] at 30 June 2023.

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

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

[1] Ratio (claims experience + overheads + fee and commission income) / premiums, net of reinsurance, Pacifica scope, restated for climate events

[2] Standard formula without transitory measures, except for the grandfathering of subordinated debt

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

Environmental risks can affect the Crédit Agricole Group in two ways. Firstly, they can have direct impacts on its operating tools in terms of physical risks: these risks are components of operational risk, and should remain marginal at the level of the Crédit Agricole Group. The Crédit Agricole Group is also exposed to reputational risk related to its compliance with public commitments, particularly environmental. The Crédit Agricole Group may thus face controversy by being challenged by third parties if they believe that these commitments are not being met.

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

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

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

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

Furthermore, it may not fully achieve the targets set in the 2025 Medium-Term Plan with regard to pursuing its managerial, cultural and human transformation. This could result in a failure to achieve the quality of the working conditions and framework it has set out.

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

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

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

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

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

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

f) The Crédit Agricole Group faces intense competition

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

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

[1] This market share applies to household bank deposits. The market share for household loans is 23.9% (source: Banque de France, December 2022).

1.6 Risks related to the structure of Crédit Agricole Group

a) If any member of the Crédit Agricole Network encounters future financial difficulties, Crédit Agricole S.A. would be required to mobilise the resources of the Crédit Agricole Network (including its own resources) to support such member

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

Under the statutory financial support mechanism provided for in Article L. 511-31 of the French Monetary and Financial Code, Crédit Agricole S.A., as the central body of the Network, must take all necessary measures to guarantee the liquidity and solvency of each member of the Network, as well as the Network as a whole. As a result, each member of the Network benefits from the statutory financial support mechanism and contributes thereto. The general provisions of the French Monetary and Financial Code are transposed into internal provisions setting out the operational measures required for this legal mechanism for internal financial solidarity. Specifically, they have established a Fund for bank liquidity and solvency risks (fonds pour risques bancaires de liquidité et de solvabilité – FRBLS) designed to enable Crédit Agricole S.A. to fulfil its role as corporate centre by providing assistance to any member of the Network that may be experiencing difficulties.

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

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

The European banking crisis management framework was adopted in 2014 by EU Directive 2014/59 (known as the "Bank Recovery and Resolution Directive – BRRD"), transposed into French law by the French Decree-Law No. 2015-1024 of 20 August 2015 (Ordonnance n° 2015-1024 portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière), which also adapted French law to take into account the provisions of European Regulation 806/2014 of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund. The Directive (EU) 2019/879 of 20 May 2019, known as "BRRD2", amended the BRRD and was transposed into French law by the French Decree-Law No. 2020-1636 of 21 December 2020.

This framework, which includes measures to prevent and to resolve banking crises, is intended to preserve financial stability, to ensure the continuity of activities, services and operations of institutions whose failure could significantly impact the economy, to protect depositors, and to avoid or limit the use of public financial support as much as possible. In this context, the European Resolution Authorities, including the Single Resolution Board, have been granted extensive powers to take all necessary measures in connection with the resolution of all or part of a credit institution or the group to which it belongs.

For cooperative banking groups, the "extended single point of entry" ("extended SPE") resolution strategy is preferred by the resolution authorities, whereby resolution tools would be applied simultaneously at the level of Crédit Agricole S.A. and its affiliated members. In this respect, and in the event of a resolution of the Crédit Agricole Group, the perimeter comprising Crédit Agricole S.A. (in its capacity as the corporate centre) and all its affiliated members would be considered, as a whole, as the extended single entry point. Given the foregoing and the financial support mechanism that exist within the Network, a member of the Network cannot be placed individually in resolution.

The resolution authorities may initiate resolution proceedings against a credit institution when it determines that: the institution has failed or is likely to fail, there is no reasonable prospect that another private measure will prevent the failure within a reasonable time, a resolution measure is required, and a liquidation procedure would fail, to achieve the objectives of the resolution mentioned above.

The resolution authorities may use one or more resolution tools, as described below, with the objective of recapitalising or restoring the viability of the institution. The resolution tools should be implemented in such a way that shareholders (shares, mutual shares, CCIs, CCAs) bear losses first, then the other creditors bear losses, provided that they are not legally excluded from bail-in or excluded form bail-in by a decision of the resolution authorities. French law also provides for safeguard when certain resolution tools or decisions are implemented, including the principle according to which equity holders and creditors of an institution in resolution should not incur greater losses than they would have incurred had the institution been wound-up under a judicial liquidation proceeding under the French Commercial Code ("no creditor worse off than under normal insolvency proceedings" principle referred to in Article L. 613-57-I of the French Monetary and Financial Code). Thus, investors are entitled to claim compensation if the treatment they receive in resolution is less favourable than the treatment they would have received if the institution had been subject to normal insolvency proceedings.

In the event that the resolution authorities decide to open a resolution proceeding against Crédit Agricole Group, they will first write down the CET1 instruments (shares, mutual shares, CCI and CCA), Additional Tier 1 instruments, and Tier 2 instruments, in order to absorb losses, and possibly convert the Additional Tier 1 instruments and Tier 2[1] instruments into equity. Then, if the resolution authorities decide to use the bail-in tool, such bail-in tool would be applied to other debt instruments[2], resulting in the partial or total write-down of these instruments or their conversion into equity in order to absorb losses.

The resolution authorities may decide to implement, on the corporate centre and its affiliated members in a coordinated manner, write-down or conversion measures and, where applicable, bail-ins. In such an event, write-down or conversion measures and, where applicable, bail-in measures would apply to all entities of the Network, irrespective of the concerned entity and of the root of the losses.

The creditor hierarchy in resolution is defined by the provisions of Article L.613-55-5 of the French Monetary and Financial Code, applicable as at the date of implementation of the resolution.

The holders of equity and any creditors of the same rank or with identical rights in liquidation will then be treated equally, irrespective of which entity of Crédit Agricole Group they are creditors.

The extent of this bail-in, which also aims to recapitalise the Crédit Agricole Group, is based on own funds requirements at the consolidated level.

Therefore, investors must then be aware that there is a significant risk, for the holders of shares, mutual shares, CCI and CCA, and for the holders of debt instruments issued or implemented by any member of the Network to lose all or part of their investment if a resolution proceeding is implemented on the Crédit Agricole Group, irrespective of which entity they are a creditor.

The other banking resolution tools available to the resolution authorities are essentially the total or partial transfer of the activities of the institution to a third party or to a bridge institution, and the institution's assets separation tool.

This resolution framework does not affect the statutory financial support mechanism provided for in Article L.511-31 of the French Monetary and Financial Code, which applies to the Network, as defined in Article R.512-18 of the same Code. Crédit Agricole S.A. considers that, in practice, this mechanism should be implemented prior to any resolution measures.

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

[1] Articles L.613-48 and L.613-48-3 of the French Monetary and Financial Code.
[2] Articles L.613-55 and L.613-55-1 of the French Monetary and Financial Code.

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

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

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

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

PERSON RESPONSIBLE FOR THE AMENDMENT TO THE UNIVERSAL REGISTRATION DOCUMENT

Philippe Brassac, Chief Executive Officer Crédit Agricole S.A.

STATEMENT BY THE PERSON RESPONSIBLE

I hereby certify that, to my knowledge, the information contained in this Amendement of the 2022 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 condensed consolidated financial statements for the semester ended have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all entities included in the consolidated Group, and that the half-year management report, made up of the sections indicated in the cross-reference table at the end of this document, presents a fair view of the important events which have occurred during the first six months of the financial year, their impact on the accounts, the major related parties transactions and a description of the main risks and uncertainties for the remaining six months of the financial year.

Montrouge, 10 August 2023

Chief Executive Officer of Crédit Agricole S.A.

Philippe BRASSAC

Siège social : 12 place des Etats-Unis – 92127 MONTROUGE CEDEX
Tél. 01 43 23 52 02

STATUTORY AUDITORS

Statutory Auditors

Ernst & Young et Autres	**PricewaterhouseCoopers Audit**
Company represented by Vanessa Jolivalt	Company represented by Agnès Hussherr
1-2, place des Saisons 92400 Courbevoie, Paris – La Défense 1	63, rue de Villiers 92208 Neuilly-sur-Seine
Statutory Auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre	Statutory Auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre

Ernst & Young et Autres was appointed Statutory Auditor under the name Barbier Frinault et Autres by the Ordinary General Meeting of 31 May 1994. This term of office was renewed for a further six years at the Combined General Meeting of 16 May 2018.

Since 2023, Ernst & Young et Autres is represented by Vanessa Jolivalt.

PricewaterhouseCoopers Audit was appointed Statutory Auditor by the Ordinary General Meeting of 19 May 2004. This term of office was renewed for a further six years at the Combined General Meeting of 16 May 2018.

Since 2021, PricewaterhouseCoopers Audit is represented by Agnès Hussherr.

Alternate Statutory Auditors

Picarle et Associés	**Jean-Baptiste Deschryver**
Company represented by Béatrice Delaunay	
1-2, place des Saisons 92400 Courbevoie, Paris – La Défense 1	63, rue de Villiers 92208 Neuilly-sur-Seine
Statutory Auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre	Statutory Auditors, Member, Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre

Picarle et Associés was appointed Alternate Statutory Auditor for Ernst & Young et Autres by the Combined General Meeting of 17 May 2006. This term of office was renewed for a further six years at the Combined General Meeting of 16 May 2018.

Jean-Baptiste Deschryver was appointed Alternate Statutory Auditor for PricewaterhouseCoopers Audit for a term of six financial years by the Combined General Meeting of 16 May 2018.

Alternative Performance Indicators[1]

NBV Net Book Value not re-evaluated

The Net Book Value not re-evaluated corresponds to the shareholders' equity Group share from which the amount of the AT1 issues, the unrealised gains and/or losses on OCI Group share and the pay-out assumption on annual results have been deducted.

NBV per share Net Book Value per share - NTBV per share Net Tangible Book Value per share

One of the methods for calculating the value of a share. This represents the Net Book Value divided by the number of shares in issue at end of period, excluding treasury shares.

Net Tangible Book Value per share represents the Net Book Value after deduction of intangible assets and goodwill, divided by the number of shares in issue at end of period, excluding treasury shares.

EPS Earnings per Share

This is the net income Group share, from which the AT1 coupon has been deducted, divided by the average number of shares in issue excluding treasury shares. It indicates the portion of profit attributable to each share (not the portion of earnings paid out to each shareholder, which is the dividend). It may decrease, assuming the net income Group share remains unchanged, if the number of shares increases.

Cost/income ratio

The cost/income ratio is calculated by dividing operating expenses by revenues, indicating the proportion of revenues needed to cover operating expenses.

Cost of risk/outstandings

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). It 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.

Doubtful loan

Defaulting loan. The debtor is considered to be in default when at least one of the following conditions has been met:

- a payment generally more than 90 days past due, unless specific circumstances point to the fact that the delay is due to reasons independent of the debtor's financial situation;
- the entity believes that the debtor is unlikely to settle its credit obligations unless it avails itself of certain measures such as enforcement of collateral security right.

Impaired loan

Loan which has been provisioned due to a risk of non-repayment.

MREL

The MREL (Minimum Requirement for Own Funds and Eligible Liabilities) ratio is defined in the European "Bank Recovery and Resolution Directive" (BRRD). This Directive establishes a framework for the resolution of banks throughout the European Union, with the aim to provide resolution authorities

[1] APMs are financial indicators not presented in the financial statements or defined in accounting standards but used in the context of financial communications, such as underlying net income Group share or RoTE. They are used to facilitate the understanding of the company's actual performance. Each APM indicator is matched in its definition to accounting data.

with shared instruments and powers to pre-emptively tackle banking crises, preserve financial stability and reduce taxpayers' exposure to losses. Directive (EU) 2019/879 of 20 May 2019 known as "BRRD2" amended the BRRD and was transposed into French law by Order 2020-1636 of 21 December 2020.

The MREL ratio corresponds to an own funds and eligible liabilities buffer required to absorb losses in the event of resolution. Under BRRD2, the MREL ratio is calculated as the amount of eligible capital and liabilities expressed as a percentage of risk weighted assets (RWA), as well as a leverage ratio exposure (LRE). Are eligible for the numerator of the total MREL ratio the Group's regulatory capital, as well as eligible liabilities issued by the central body and the Crédit Agricole network affiliated entities, i.e. subordinated notes, senior non-preferred debt instruments and certain senior preferred debt instruments with residual maturities of more than one year.

Impaired (or doubtful) loan coverage ratio

This ratio divides the outstanding provisions by the impaired gross customer outstandings.

Impaired (or doubtful) loan ratio

This ratio divides the gross customer outstandings depreciated on an individual basis, before provisions, by the total gross customer outstandings.

TLAC

The Financial Stability Board (FSB) has defined the calculation of a ratio aimed at estimating the adequacy of the bail-in and recapitalisation capacity of Global Systemically Important Banks (G-SIBs). This Total Loss Absorbing Capacity (TLAC) ratio provides resolution authorities with the means to assess whether G-SIBs have sufficient bail-in and recapitalisation capacity before and during resolution. It applies to Global Systemically Important Banks, and therefore to Crédit Agricole Group.

The Group's regulatory capital as well as subordinated notes and eligible senior non-preferred debt with residual maturities of more than one year issued by Crédit Agricole S.A. are eligible for the numerator of the TLAC ratio.

Net income Group share

Net income/(loss) for the financial year (after corporate income tax). Equal to net income Group share, less the share attributable to non-controlling interests in fully consolidated subsidiaries.

Underlying Net income Group share

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) in order to facilitate the understanding of the company's actual earnings.

Net income Group share attributable to ordinary shares

The net income Group share attributable to ordinary shares represents the net income Group share from which the AT1 coupon has been deducted, including issuance costs before tax.

RoTE Return on Tangible Equity

The RoTE (Return on Tangible Equity) measures the return on tangible capital by dividing the Net income Group share annualised by the group's NBV net of intangibles and goodwill. The annualised Net income Group share corresponds to the annualisation of the Net income Group share (Q1x4; H1x2; 9Mx4/3) excluding impairments of intangible assets and restating each period of the IFRIC impacts in order to linearise them over the year.

Financial Agenda

8 November 2023	Publication of the 2023 third quarter and first 9 months results
8 February 2024	Publication of the 2023 fourth quarter and full year results
03 May 2024	Publication of the 2024 first quarter results
22 May 2024	General Meeting
1 August 2024	Publication of the 2024 second quarter and the first half year results
6 November 2024	Publication of the 2024 third quarter and first 9 months results

CROSS-REFERENCE TABLES

Incorporation by reference

This amendment to the Universal registration document has to be read and interpreted together with the following documents. These documents are incorporated and are part of this registration document:

- 2022 Universal Registration Document filed with the French Financial Markets Authority (Autorité des marchés financiers) on 27 March 2023 under the registration number D.22-0142 (see « URD 2022 ») which includes the full-year financial report, available on the website of Crédit Agricole S.A.: https://www.credit-agricole.com/en/pdfPreview/197620
- the A01 update document filed with the French Financial Markets Authority (Autorité des marches financiers) on 4th April 2023 under the registration number D.22-0142-A01 (see « A01»), which is available on the website of Crédit Agricole S.A.: https://www.credit-agricole.com/en/pdfPreview/197771
- the A02 update document filed with the French Financial Markets Authority (Autorité des marches financiers) on 13 May 2022 under the registration number D.22-0142-A02 (see « A02»), which is available on the website of Crédit Agricole S.A.: https://www.credit-agricole.com/en/pdfPreview/193815

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 free of charge at the usual opening hours of the office at the headquarters of the issuer as indicated at the end of this registration document. These documents are available on the website of the issuer (https://www.credit-agricole.com/en/finance/finance/financial-publications) and on the website of the AMF (www.amf-france.org).

The incorporated information 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.

Cross reference table

Pursuant to Article 212-13 of the AMF's General Regulation, this Universal Registration Document comprises the information of the first half-year financial report referred to in Article L. 451-12 of the French Monetary and Financial Code and Article 222-4 of the AMF's General Regulation.

First half-year financial report	**Page number**
First half-year management report	3 à 52
Analysis of major risks and description of the main risks and principal uncertainties for the remaining six months of this year	39 à 43
Financial statements as at 30 June 2022	187 à 321
Statutory auditor's report on the financial statements for the first half-year 2022	322 à 324
Articles of association	NA
Statement by the person responsible and Statutory auditors	350 et 351

This cross-reference table contains the headings provided for in Annex 1 (as referred to in Annex 2) of the Commission Delegated Regulation (EU) 2019/980 of the Commission as of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council and repealing Commission Regulation (EC) No 809/2004 (Annex I), in application of the Directive, said "Prospectus". It refers to the pages of the Universal registration document 2021 (URD 2022), its A01 update in the second column as well as the present Amendment in the last column.

		Page number of the Universal Registration Document	**Page number of Amendment A01 to the Universal registration document**	**Page number of present Amendment to the Universal registration document (A02)**	**Page number of present Amendment to the Universal registration document (A03)**
Section 1	**Persons responsible**				
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1.2	Declaration of the persons responsible	771	431	204	**350**
1.3	Statement or report of the persons acting as experts	N/A	N/A	N/A	**N/A**
1.4	Information from a third party	N/A	N/A	N/A	**N/A**
1.5	Declaration concerning the competent authority	N/A	N/A	N/A	**N/A**
Section 2	**Statutory auditors**				
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2.2	Change, if any	762	431	205	**351**
Section 3	**Risk factors**	**312-326**	**45 - 59**	**N/A**	**133 à 157**
Section 4	**Information about the issuer**				
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		Page number of the Universal Registration Document	Page number of Amendment A01 to the Universal registration document	Page number of present Amendment to the Universal registration document (A02)	Page number of present Amendment to the Universal registration document (A03)
4.2	Location, registration number and legal entity identifier ("LEI")	530; 750	N/A	N/A	190 ; 363
4.3	Date of incorporation and lifespan	530; 750	N/A	N/A	190
4.4	Registered office and legal form, legislation governing the business activities, country of origin, address and telephone number of the legal registered office, website with a warning notice	42; 750-757; 780	N/A	N/A	190
Section 5	**Business overview**				
5.1	Principal activities	14-28 ; 288-298 ; 615-617	7-15 ; 17-20 ; 343-347	5-24 ; 44 - 74	252 à 255
5.2	Principal markets	11 ; 14-28 ; 615-617 ; 716-717	6 ; 10-15 ; 343-345	13-24 ; 62-74	252 à 255
5.3	Major events in the development of the business	16-28 ; 29 ; 30-31	10-15 ; 296-297	5 - 6 ; 48 - 49	3 à 5
5.4	Strategy and targets	303-307	36-42	6 ; 49	150 à 155
5.5	Dependence on patents, licenses, contracts and manufacturing processes	373	102	174	N/A
5.6	Statement on competitive position	9	5	N/A	N/A
5.7	Investments				
5.7.1	Major investments made	29-31 ; 542-543 ; 568-569 ; 673-684 ; 758	296-297	N/A	N/A
5.7.2	Main current or future investments	758	N/A	N/A	N/A
5.7.3	Information on joint ventures and partner companies	635-638	363-366	N/A	N/A
5.7.4	Environmental issues that may impact the use of property, plant and equipment	47-53	N/A	N/A	N/A
Section 6	**Organisational structure**				
6.1	Brief description of the Group	7	3		252 à 255
6.2	List of important subsidiaries	534-535 ; 676-686 ; 720-721	403-414		252 à 255
Section 7	**Review of the financial position and performance**				

		Page number of the Universal Registration Document	Page number of Amendment A01 to the Universal registration document	Page number of present Amendment to the Universal registration document (A02)	Page number of present Amendment to the Universal registration document (A03)
7.1	Financial position	536-543 ; 700-701	265-271	7-12 ; 44-60	10 à 31 ; 118 à 120 ; 190 à 199
7.1.1	Changes in results and financial position containing key indicators of financial and, if applicable, extra-financial performance	282-301	18-36	7-12 ; 44-60	10 à 31 ; 57 à 65
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7.2	Operating income	536 ; 701	265	7-12 ; 44-60	10 à 21 ; 57 à 65
7.2.1	Major factors, unusual or infrequent events or new developments	282-288	18-23	6 ; 49	
7.2.2	Reasons for major changes in revenues or net income	N/A	N/A	N/A	N/A
Section 8	**Capital resources**				
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8.3	Financing needs and structure	287-288 ; 356-359 ; 599-601	22 ; 87-92 ; 327-329 ;	158-167	122 à 132
8.4	Restrictions on the use of capital	378-384 ; 673	107-126 ; 400	158-167	122 à 132
8.5	Expected sources of financing	758	N/A	158-167	122 à 132
Section 9	**Regulatory environment**				
	Description of the regulatory environment that could impact the Company's business activities	321-322 ; 545; 567 ; 568-569	54 ; 272-293 ; 297	N/A	146 à 150 ; 204 à 222
Section 10	**Trend information**			N/A	
10.1	Description of the main trends and any material change in the Group's financial performance since the end of the financial year	301-303 ;759	36-42	N/A	12 à 31
10.2	Events that could materially impact the outlook	301-303 ;759	36-42	N/A	39 à 43
Section 11	**Profit projections or estimates**				
11.1	Profit projections or estimates reported	N/A	N/A	N/A	N/A
11.2	Statement describing the main assumptions for projections	N/A	N/A	N/A	N/A

		Page number of the Universal Registration Document	Page number of Amendment A01 to the Universal registration document	Page number of present Amendment to the Universal registration document (A02)	Page number of present Amendment to the Universal registration document (A03)
11.3	Declaration of comparability with the historical financial information and compliance of the accounting methods	N/A	N/A	N/A	N/A
Section 12	**Administrative, management, supervisory and executive management bodies**				
12.1	Information on the members	157-170 ; 192-222	N/A	175-180	181 à 185
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13.1	Remuneration paid and benefits in kind	162 ; 224-270 ;654-657	381-384	183-194	N/A
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Section 14	**Board practices**				
14.1	Expiry date of terms of office	160 ; 164 ; 192-193 ; 194-220; 221; 222	N/A	N/A	
14.2	Service agreements binding members of the administrative and management bodies	223	N/A	N/A	
14.3	Information on Audit and Remuneration committees	174-179	N/A	N/A	
14.4	Declaration of compliance with the corporate governance system in force	158-191; 271-277	N/A	N/A	N/A
14.5	Potential future changes in corporate governance	N/A	N/A	N/A	N/A
Section 15	**Employees**				
15.1	Number of employees	101 ; 134-136 ; 273 ; 741 ; 760-761	8 ; 9 ; 381	N/A	N/A
15.2	Profit-sharing and stock options	194-220 ; 227-228 ; 245-246 ; 247-267 ; 715	384	N/A	N/A
15.3	Agreement stipulating employee shareholding	38-39 ; 715	N/A	N/A	N/A
Section 16	**Major shareholders**				
16.1	Shareholders holding more than 5% of share capital	34-35 ; 650	N/A	N/A	286

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16.2	Existence of different voting rights	34-35 ; 752	N/A	N/A	N/A
16.3	Direct or indirect control	7 ; 34-35	3	N/A	N/A
16.4	Agreements that if implemented could result in a change of control	N/A	N/A	N/A	N/A
Section 17	**Transactions with related parties**	**532-533 ; 635-638 ; 703-706 ; 734**	261-264 ; 363-366 ; 430	N/A	**320**
Section 18	**Financial information concerning the Company's assets and liabilities, financial position and profits and losses**				
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18.1.1	Audited historical financial information for the past three financial years and audit report	309 ; 528-696 ; 698-746	261-427	2-40 ; 41-108 ; 109-157 ; 158-167	187 à 324
18.1.2	Change of accounting reference date	N/A	N/A	N/A	**N/A**
18.1.3	Accounting standards	545-567 ; 707-709	273-295	N/A	**204 à 222**
18.1.4	Change of accounting standards	N/A	N/A	N/A	**N/A**
18.1.5	Balance sheet, income statement, changes in equity, cash flow, accounting methods and explanatory notes	11 ; 700-742	6 ; 267-418	N/A	**191 0 324**
18.1.6	Consolidated financial statements	528-688	261-427	N/A	**187 à 324**
18.1.7	Age of financial information	536-543 ; 700-701	265-271	N/A	**187 à 324**
18.2	Interim and other financial information (audit or review reports, as applicable)	N/A	N/A	2-40 ; 41-108 ; 109-157 ; 158-167	187 à 324
18.3	Audit of historical annual financial information			N/A	
18.3.1	Independent audit of historical annual financial information	689-696	419-426	N/A	
18.3.2	Other audited information	N/A	N/A	N/A	N/A
18.3.3	Unaudited financial information	N/A	N/A	N/A	N/A
18.4	Pro forma financial information	N/A	N/A	N/A	N/A
18.5	Dividend policy				
18.5.1	Description of the dividend distribution policy and any applicable restriction	36	N/A	N/A	**287 à 288**

		Page number of the Universal Registration Document	Page number of Amendment A01 to the Universal registration document	Page number of present Amendment to the Universal registration document (A02)	Page number of present Amendment to the Universal registration document (A03)
18.5.2	Amount of the dividend per share	2 ; 10 ; 36 ; 298 ; 309 ; 322 ; 651	N/A	N/A	287 à 288
18.6	Administrative, legal and arbitration proceedings	370-373; 632; 644-648; 727-731	372-377	N/A	173 à 180
18.7	Significant change in financial position.	N/A	N/A	N/A	N/A
Section 19	**Additional information**				
19.1	Information on share capital		N/A	N/A	
19.1.1	Amount of capital subscribed, number of shares issued and fully paid up and par value per share, number of shares authorised	34-37 ; 650 ; 733; 734 ; 750-752	N/A	N/A	87 -88 ; 286-287
19.1.2	Information on non-equity shares	N/A	N/A	N/A	N/A
19.1.3	Number, carrying value and nominal value of the shares held by the Company	34-35 ; 38-39	N/A	N/A	87 -88 ; 286-287
19.1.4	Convertible or exchangeable securities or securities with subscription warrants attached	N/A	N/A	N/A	N/A
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	N/A	N/A	N/A	N/A
19.1.6	Option or conditional or unconditional agreement of any member of the Group	N/A	N/A	N/A	N/A
19.1.7	History of share capital	34-35	N/A	N/A	N/A
19.2	Memorandum and Articles of Association		N/A	N/A	
19.2.1	Register and company purpose	750-757	N/A	N/A	
19.2.2	Rights, privileges and restrictions attached to each class of shares	N/A	N/A	N/A	N/A
19.2.3	Provisions with the effect of delaying, deferring or preventing a change in control	35 ; 750-757	N/A	N/A	
Section 20	**Material contracts**	**759**	**N/A**	**N/A**	**N/A**
Section 21	**Documents available**	**759**	**N/A**	**208**	**357**
N.A.: not applicable.					

(1) In accordance with Annex I of European Regulation 2017/1129 the following are incorporated by reference:

- the annual and consolidated financial statements for the year ended 31 December 2019 and the corresponding Statutory Auditors' Reports, as well as the Group's management report, appearing respectively on 566 to 614 and 388 to 556, on pages 612 to 615 and 557 to 564 and on pages 216 to 239 of the Crédit Agricole S.A. Registration document 2019 registered by the AMF on 25 March 2020 under number D.19-0198. The information is available via the following link: https://www.credit-agricole.com/en/pdfPreview/180684;

- the annual and consolidated financial statements for the year ended 31 December 2020 and the corresponding Statutory Auditors' Reports, as well as the Group's management report, appearing respectively on pages 594 to 646 and 408 to 591, on pages 644 to 647 and 585 to 592 and on pages 226 to 253 of the Crédit Agricole S.A. Registration document 2020 registered by the AMF on 25 March 2020 under number D.20-0168. The information is available via the following link: https://www.credit-agricole.com/en/pdfPreview/187401.

The sections of the Registration documents number D. 20-0168 and number D. 21-0184 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 (https://www.credit-agricole.com/en/finance/finance/financial-publications) and on the website of the AMF (www.amf-france.org).

The information incorporated by reference has to be read according to the 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.

This document is available on the Crédit Agricole S.A. website

https://www.credit-agricole.com/en/finance/finance

Crédit Agricole S.A.

A French limited company with share capital of €9,077,707,050

Nanterre Trade and Company Registry No. 784 608 416 RCS

12 place des Etats-Unis - 92127 Montrouge Cedex - France

Tél.+ 33 (0) 1 43 23 52 02

Individual shareholders (France only): 0 800 000 777

Institutional shareholders: + 33 (0) 1 43 23 04 31

www.credit-agricole.com