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GLOSSARY

Crédit Agricole CIB, the Corporate and Investment Bank of the Crédit Agricole Group, offers its clients – corporates and financial institutions – a wide range of products and services in global markets, investment banking, structured finance, international trade and transaction banking business lines.

The Bank has a global presence – Europe, Americas, Asia-Pacific, Middle East and North Africa -, with staff of nearly 100 different nationalities. Crédit Agricole CIB provides all the know-how of an international corporate and investment bank. These diverse areas of expertise allow the teams to support their clients and meet their financial requirements in the major international markets.

Indosuez Wealth Management is a subsidiary of Crédit Agricole CIB and is in charge of global wealth management for the Crédit Agricole Group. With 140 years of experience in serving families and entrepreneurs throughout the world, Indosuez Wealth Management offers tailor-made solutions allowing its clients to manage, protect and transmit their wealth according to their specific needs.

4,999 M€

NBI in 2017

1,156 M€

net income Group
share in 2017

LOCATED IN 36 COUNTRIES



EUROPE - 16 COUNTRIES

- Austria
- Belgium
- Finland
- France
- Germany
- Greece
- Italy
- Luxembourg
- Netherlands
- Norway
- Portugal
- Russia
- Spain
- Sweden
- Switzerland
- United Kingdom

AMERICAS - 8 COUNTRIES

- Argentina
- Brazil
- Canada
- Chile (2018)
- Colombia (2018)
- Mexico
- United States
- Uruguay*

MIDDLE EAST & NORTH AFRICA - 3 COUNTRIES

- Algeria
- Lebanon*
- United Arab Emirates

ASIA PACIFIC - 9 COUNTRIES

- Australia
- China
- Hong Kong
- India
- Indonesia
- Japan
- Singapore
- South Korea
- Taiwan

* Indosuez Wealth Management only

10,700

employees (EFT),
of which 8,000 for the CIB

7,700

corporate and financial
institution clients
(CIB only)

36

locations
around the world

A WHOLE BANK JUST FOR YOU

Crédit Agricole serves **52 million customers worldwide**, with customer focus, accountability and community support, the enduring values that have been its hallmark for 120 years. Led by its **139,000 engaged employees**, the bank forges genuine partnerships with its customers.

Thanks to its **universal customer-focused banking model** – based on close cooperation between its retail banks and its specialised business lines – reaffirmed by its “A whole bank just for you” brand signature, Crédit Agricole helps its customers to realise all their personal and business projects. It does so by offering them an extensive range of services consisting of day-to-day banking, loans, savings products, insurance, asset management, real estate, leasing and factoring, corporate and investment banking, and issuer and investor services.

Crédit Agricole’s **corporate social responsibility policy** lies at the heart of its identity. This is reflected in its products and services and informs the actions of all its business lines. This commitment is a key factor contributing to overall performance and a powerful innovation driver.

Built on strong cooperative foundations and led by its **9.7 million mutual shareholders** and **more than 30,000 directors** of its Local and Regional Banks, Crédit Agricole’s robust organisational model gives it stability and staying power as a European group open to the wider world.

Crédit Agricole Group extends its **leadership** year after year. It is the number one provider of financing to the French economy and the number one insurer in France. It is also the leading bancassurer in Europe, the top-ranked European asset manager and the world’s largest green, social and sustainability bonds bookrunner.


52 M
Customers


49
Countries

139,000
Employees


9.7M
Mutual
shareholders

30,000+
Directors
of local and regional
banks

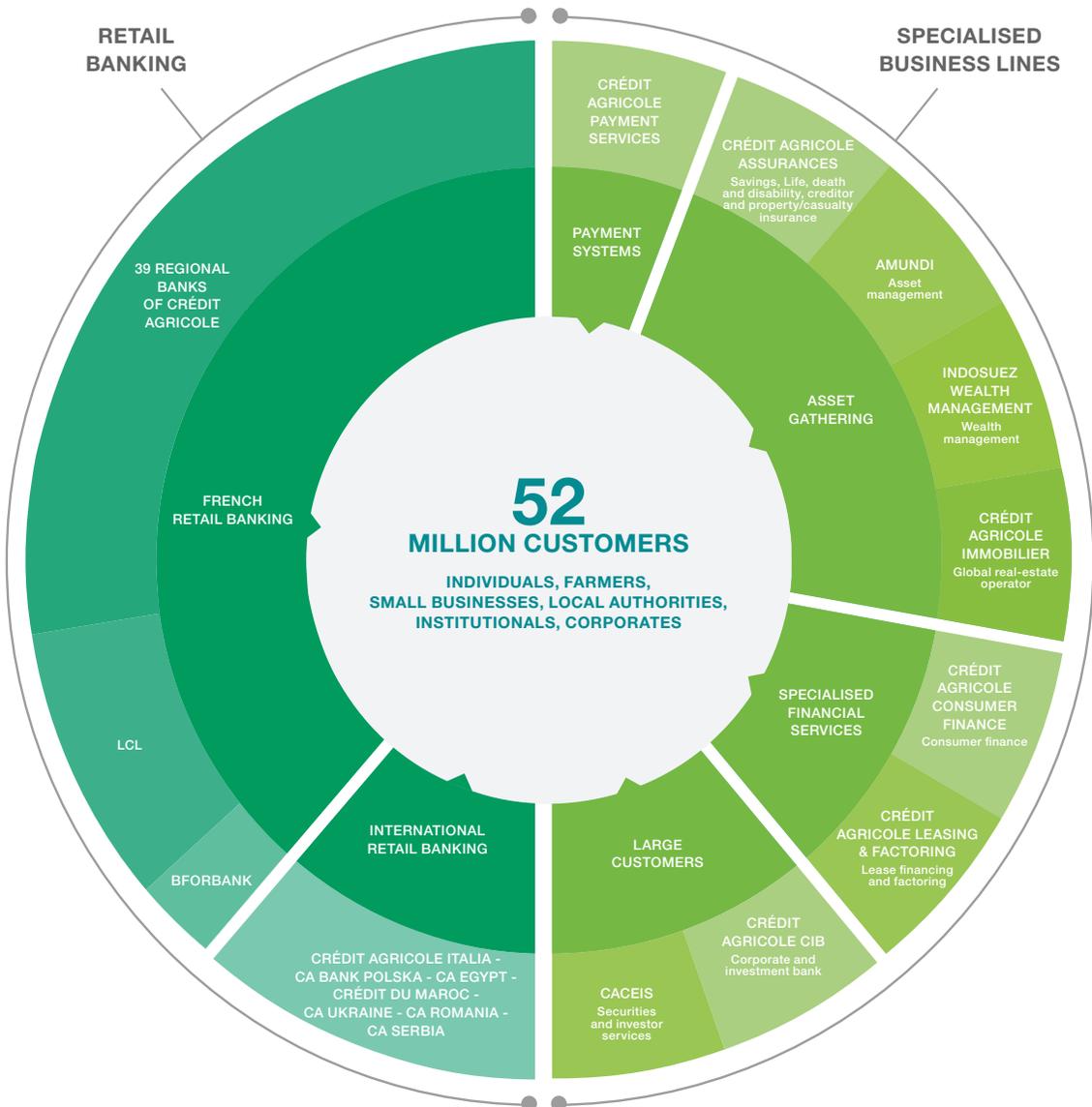
Group Organisation

9.7 million mutual shareholders underpin Crédit Agricole's cooperative organisational structure. They own the capital of the 2,447 Local Banks in the form of mutual shares and they elect their representatives each year. More than 30,000 directors work in their best interests.

The Local Banks own the majority of the 39 Regional Banks' share capital.

The Regional Banks are cooperative regional banks that offer their customers a comprehensive range of products and services. Their sounding board is the Fédération Nationale du Crédit Agricole, where the Group's strategic vision and policies are discussed.

The Regional Banks together own, via SAS Rue La Boétie, the majority (56.6%) of the share capital of Crédit Agricole S.A. Working with its specialist subsidiaries, Crédit Agricole S.A. coordinates the various business lines' strategies in France and abroad.



Other specialised subsidiaries:
 Crédit Agricole Capital
 Investissement & Finance
 (Idia, Sodica), Uni-éditions

OUR RESPONSIBILITY: TO CONSTANTLY INNOVATE



PHILIPPE BRASSAC
Chairman of Crédit Agricole CIB's Board of Directors

“Our results reflect a high level of activity in the Group’s various business lines – savings management and insurance, retail banking, specialised financial services and Premium Client Solutions.”

Our results reflect a high level of activity in the Group’s various business lines – savings management and insurance, retail banking, specialised financial services and Premium Client Solutions. These are even the best results for the last ten years for both Crédit Agricole S.A. and the Group perimeter which includes the Regional Banks. They were achieved in spite of exceptional items, taxes in particular, such as the surtax imposed by the government at the end of the year. These results confirm and validate the relevance of our strategy.

We continue to refocus on our core activities with for instance the sale of part of our stake in Bank Saudi Fransi. Our diversified and profitable business model encourages solid organic growth in all our business lines and allows us to maintain a high level of operational efficiency while creating flexibility for growth investments.

In addition to the business lines commercial and financial performance as well as our profitability, I would like to emphasize the Group’s overall ability to adapt and innovate within an environment whose regulations and practices are constantly changing,

and which is welcoming new players, something I view as a positive development. Indeed, these newcomers stimulate our own capacity to innovate and to stand out from the competition. By highlighting our ability to partner with clients and offer a global variety of services from which to choose, we distinguish ourselves from these new players whose offering is restricted to a single channel. This is a central aspect of our Client Project.

Our cooperative model allows us both to innovate and to capitalise on our values of solidarity, loyalty, responsibility and collective interest. Our ideas about transforming the Group are guided by the search for efficiency in serving our stakeholders: shareholders, institutional and private investors, clients, employees.

JEAN-YVES HOCHER
Crédit Agricole CIB Chief Executive Officer

Our results for 2017 are in line with the road map of Strategic Ambition 2020, Crédit Agricole Group's strategic plan. Revenues are higher thanks to the good performance of all business lines. With costs under control, a lower cost of risk and a prudent management of our risk weighted assets, our net result for the year is on the rise.

In 2017 the Bank took steps to meet regulatory challenges and to deal with changes in the banking environment. Our teams are mobilised to comply with the MiFID II Directive aimed at strengthening investor protection and increasing transparency in the financial markets. A wide-ranging collaborative approach to innovation was also launched by the Group with the support of our top management to encourage the new ideas that will lead to the bank of the future.

In the coming years we must gradually adapt our model to the requirements of Basel IV which will apply fully in 2027. Our goal is to continue to originate many loans but to distribute them even more, while defining the business lines' trajectory which must acquire a new dimension.

In the area of climate finance, we have made new commitments that are in line with what we have undertaken during the last few years. We are committed to increase the green investments we arrange to 100 billion euros globally by 2020. Our priority remains to provide innovative and useful solutions to support the energy transition. We will achieve this thanks to our conviction, determination and expertise.

“A wide-ranging collaborative approach to innovation was launched to encourage the new ideas that will lead to the bank of the future.”



04—05

**A BALANCED
BUSINESS MODEL**

06—07

**“STRATEGIC
AMBITION
2020”**

08—10

**2017
HIGHLIGHTS**

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**CONDENSED
CONSOLIDATED
INCOME
STATEMENT**

THE FUNDAMENTALS **A BALANCED BUSINESS MODEL**

**A STRONG
CORPORATE
AND INVESTMENT BANK**

SERVING ITS GLOBAL CLIENTS

**Its clients in France and abroad
are multinational companies, medium-sized
companies and financial institutions.**

7,700

**CORPORATE CLIENTS
AND FINANCIAL INSTITUTIONS**

Among which 1,600

PRIORITY CLIENTS

(1,100 corporates and 500 financial institutions)

WEALTH MANAGEMENT

Indosuez Wealth Management is the global wealth management subsidiary of the Crédit Agricole Group. With 140 years of experience in serving families and entrepreneurs throughout the world, Indosuez Wealth Management offers tailor-made solutions allowing its clients to manage, protect and transmit their wealth according to their specific needs.

For several years, Crédit Agricole CIB has changed considerably and has become more efficient and profitable. Its strategy was redefined following a business model that combines a coordinated and selective commercial approach, a moderate risk strategy and greater synergies with the Crédit Agricole Group.

	Standard & Poor's October 2017	Fitch Ratings December 2017	Moody's July 2017
short term	A-1	F1	P-1
long term	A positive outlook	A+ stable outlook	A1 stable outlook

BUILDING ON STRONG EXPERTISE

- **4th** for corporate syndicated loans in EMEA countries
(Thomson Financial - 12.31.2017)
- **7th worldwide** for project finance and 2nd in EMEA
(Thomson Financial - 12.31.2017)
- **5th** for LBO financings in Western Europe
(Thomson Financial - 12.31.2017)
- **6th** for international trade finance
(Dealogic - 12.31.2017)
- **1st worldwide** for green bond issues
(Bloomberg - 12.31.2017)
- **3rd worldwide** for financial bond issues
(Thomson Financial - 12.31.2017)
- **5th** for M&A in France
(Thomson Financial - 12.31.2017)

WITH A MODERATE RISK

AVERAGE VAR IN 2017:

8 M€
for Crédit Agricole CIB

AVERAGE VAR FOR FRENCH PEERS

19 M€

<p>3,110 wealth management specialists</p>	<p>14 countries</p>	<p>118 B€ in assets under management</p>
<p>55 nationalities represented within the teams</p>	<p>31 offices</p>	<p>140 years of expertise</p>

➔ For more details, **visit** our website:
About us > Our profile

WAYPOINT

“STRATEGIC AMBITION 2020”

In March 2016, the Crédit Agricole Group unveiled its new strategic plan - “Strategic Ambition 2020” - which revolves around 4 priorities: rolling out an ambitious client project, strengthening the Group’s growth dynamics, improving industrial efficiency and simplifying the Group’s capital structure. Throughout 2017, Crédit Agricole CIB’s teams contributed through their expertise and their commitment to the 3 first priorities.

ROLLING OUT AN AMBITIOUS CLIENT PROJECT

In 2017, in a constrained economic environment, market activities continued to support the Bank’s clients (Corporates, Crédit Agricole Group clients and Financial Institutions), while improving their product offering.

To accompany their clients in their international development, Global Investment Banking teams reinforced their international presence, in particular in the United States and in Asia. The Equity Capital Markets teams were very involved in the capital increases of European financial institutions, thus strengthening their presence with these clients.

The Structured Finance business line maintained its leading positions in its various activities.

The teams in charge of Debt Optimisation and Distribution were particularly active in 2017 in the area of green financings and set up the very first Green Loan in Europe.

The International Trade and Transaction bank pursued the deployment of a range of innovative solutions to meet the working capital needs of our clients. It relies for this on a team specialised in optimising short-term assets and liabilities management. An automated Supply Chain platform

was set up and the joint offering launched by CACEIS and Indosuez Wealth Management for the financing of Private Equity funds was a great success.

As for the new Global Coverage organisation, it allows a harmonised management of coverage entities on a global scale and encourages the sharing of good practices and the development of common tools and processes.

17

SECTORS COVERED
by Crédit Agricole CIB Senior Bankers

STRENGTHENING THE GROUP'S GROWTH DYNAMICS

In 2017, a closer cooperation with the Group's network of international retail banks allowed Crédit Agricole CIB to better serve clients, in particular in meeting their needs in Egypt, Ukraine and Morocco in the Cash Management and Trade Finance business lines. Also, Crédit Agricole's Regional Banks and LCL continue to rely on Crédit Agricole CIB's expertise to meet the international needs of an increasing number of their clients.

Market activities strengthened their cooperation with the Group which led to an increase in the number of transactions and the launch of innovative solutions for the clients of other Group entities.

The teams in charge of debt optimisation and distribution arranged their first green private placement in euros. With the help of several other Group entities, the Regional Banks of Languedoc and Nord Midi-Pyrénées arranged for French and international investors to invest in this "Climate Bond Initiative" certified private placement.

Created in 2016, the Private Equity Services line brings together the skills of Crédit Agricole CIB, CACEIS and Indosuez Wealth Management. In 2017, the teams arranged many transactions to meet the needs of private equity, real estate and infrastructure funds.

**STRATEGIC
AMBITION
2020**

CRÉDIT
AGRICOLE
GROUP



TRANSFORMING OUR GROUP TO DURABLY IMPROVE OUR INDUSTRIAL EFFICIENCY

In 2017, work was launched to change the Bank's IT system to be able to cover all the needs created by the transfer of Crédit Agricole SA's correspondent banking activities to Crédit Agricole CIB.

2017 was an important year in the transformation of market activities because of the entry into force of MiFID II regulations. A real transformation of processes and digitalization plan was launched and will continue in 2018. This transformation will in particular increase the transparency of market transactions for clients.

The digital transformation of the Bank's CRM tool continued with several innovations in particular in the area of information analysis and sharing.



For more details, **visit** Crédit Agricole Group website:
Group > Strategic Ambition 2020

2017

HIGHLIGHTS

Awards, successes, development in France and abroad, CSR commitments... the year 2017 has been punctuated by many remarkable events for Crédit Agricole CIB, under the sign of performance.

Credit Portfolio Manager of the year

Crédit Agricole CIB was appointed Credit Portfolio Manager of the year by Risk Magazine for its expertise in managing credit risks, in particular as part of an innovative transaction carried out with Mariner Investment Group.

For the second consecutive year, Crédit Agricole CIB is ranked number 1 by Dealogic in the European Private Placement category (Euro PP). This success stems from its strong expertise and from the good cooperation between the various teams involved in these transactions.

#1 in the European Private Placement category

European Bank of the Year

During the "Airline Economics Growth Frontiers London 2017" conference Crédit Agricole CIB was elected "European Bank of the Year" and received the "European Overall Deal of the Year" award for the financing of a Boeing operated by Norwegian Air Shuttle

For the 4th consecutive year Crédit Agricole CIB received the award for the Best Bank in green capital and socially responsible investment by GlobalCapital magazine. This performance demonstrates our customers trust and the full commitment of all Crédit Agricole CIB's teams in favour of climate finance.

Best Bank in green capital and socially responsible investment

Global Adviser of the Year 2017

As part of its project finance activity, the Bank won the Global Adviser of the Year 2017 prize given by Project Finance International (PFI) magazine, the sector's leading global publication.

Crédit Agricole CIB confirmed its good performance in the international trade business by receiving the « Best Western European Bank in Trade Finance » award for the 3rd time (from Global Trade Review), and by ranking 6th in the global market for financings covered by export credit agencies (according to Dealogic and Trade & Export Finance Review).

Best Western European Bank in Trade Finance



DEVELOPMENT

400

EMPLOYEES

Indosuez Wealth Management finalised the acquisition of CIC's private banking activities in Singapore and of the total paid-up share capital of CIC Investor Services in Hong Kong. These transactions strengthen Indosuez Wealth Management's presence in Asia and increase assets under management in the region to approximately 12 billion euros. The Bank's headcount in Asia also increases from 250 people to more than 400.

EVENT

At the end of January, Crédit Agricole CIB and CACEIS were present at the IPEM fair, the annual international meeting of Private Equity professionals.

With more than 6.5 billion euros in equity bridge financings for 2016 / 2017, the Group is a major Private Equity player.

PHILANTHROPY

Since 2016, the Bank has sponsored "Les Arts Florissants", now one of the most well-known baroque ensembles in the world. Established in 1979 by the Franco-American director William Christie, "Les Arts Florissants" trains and supports young talents all over the world and shares its passion for baroque music with young people.

INNOVATION

Crédit Agricole CIB took a stake in the capital of the Fintech SETL, a specialist of the private blockchain applied to the financial industry.

INTERNATIONAL RELATIONSHIPS

During the annual assembly of the IMF in Washington DC, a delegation of 19 Crédit Agricole Group representatives, including the Group's Executive management and top managers from Crédit Agricole CIB, Amundi and CACEIS met nearly 190 financial institutions.

CSR

In 2017 Crédit Agricole CIB set up a certification process for its client relationship managers in the form of an internal exam. This exam aims to improve their knowledge of clients and of business ethics.

DEVELOPMENT

Indosuez Wealth Management signed an agreement to purchase Banca Leonardo, one of the leaders in Italian wealth management, thus strengthening its wealth management activities and offering in the Italian market with the acquisition of an additional 5.9 billion euros in assets under management (as of June 30, 2017).

SURVEY

72%

According to the results of the survey conducted with all members of staff, Crédit Agricole CIB's commitment and recommendation index is 72% (+3 points compared with 2016).



Follow us on our social networks,
LinkedIn and Twitter



PHILANTHROPY

8
YEARS

In 2017 the bank became a “Major Sponsor” of the quai Branly-Jacques Chirac museum in Paris following eight consecutive years of support.



DEVELOPMENT

In 2017, Crédit Agricole CIB opened a representative office in Indonesia, one of the most dynamic countries in the region, which was very quickly successful. Crédit Agricole CIB was for instance selected to be part of the 2018 panel for International Government Debt Securities Issuance.

CSR

Two years after the Paris Climate agreement, the Group has decided to amplify the commitments made in 2015. Crédit Agricole CIB has a major role in these commitments and in particular:

- The commitment to structure 100 billion euros in Green Bonds and Green Loans by 2020
- Taking into account, starting in 2017, the Climate dimension in evaluating the risk profiles of our large clients and of their projects.
- Excluding oils with low energy performance and with a high impact on the environment.

EVENT

The first worldwide event dedicated to Financial Institutions’ services, the SIBOS 2017 was for Crédit Agricole CIB and CACEIS – the Group’s asset servicing subsidiary – an opportunity to meet many clients on the theme of innovation.

STAKE

16.2%

Crédit Agricole CIB sold a 16.2% stake in Banque Saudi Fransi to Kingdom Holding Company, a Saudi holding company listed on the Tadawul. After this sale Crédit Agricole CIB’s stake in Banque Saudi Fransi is 14.9%.

DEVELOPMENT

In 2017, Investment Banking teams acted as advisers for Crédit Agricole CIB and Crédit Agricole Group’s large clients in more than 60 transactions such as the acquisition of Aricent by Altran and of Gemalto by Thales, the increase of Group Arnault’s stake in Christian Dior’s capital, Safran’s public offer for Zodiac and the acquisition in the United States of Ready Pac Foods by the Bonduelle Group.

EVENT

In mid-March, Crédit Agricole CIB teams participated, with Amundi Immobilier and Crédit Agricole Immobilier, in the largest international trade fair for real estate professionals in Cannes. With nearly 30,000 professionals from all real estate sectors, it was an opportunity for the Group’s experts to discuss major real estate development projects - especially international projects - and their financing.

CONDENSED CONSOLIDATED INCOME STATEMENT

€ million	CIB	Non-recurring ⁽¹⁾	Underlying CIB ⁽¹⁾	Wealth Management	Corporate Center ⁽²⁾	Crédit Agricole CIB	Change ⁽³⁾ 2017/2016
Net banking income	4,454	(133)	4,587	765	(220)	4,999	+4%
Operating expenses	(2,560)		(2,560)	(625)	0	(3,185)	+1%
Gross operating income	1,894	(133)	2,027	140	(220)	1,814	+7%
Cost of risk ⁽⁴⁾	(319)		(319)	(11)		(330)	-43%
Share of net income of equity-accounted entities	277	102	175			277	-17%
Gain/losses on other assets	12		12	6		18	ns
Pre-tax income	1,864	(31)	1,895	135	(220)	1,779	+22%
Corporate income tax	(660)	(49)	(611)	(15)	61	(614)	+79%
Net income	1,204	(80)	1,284	120	(159)	1,165	+5%
Non-controlling interests	(2)	0	(2)	11	0	9	
Net income – Group share	1,206	(80)	1,286	109	(159)	1,156	+5%

(1) Restated for loan hedges and debt value adjustment (DVA) impacts on NBI for -€57 million and -€76 million, respectively, for gains on the disposal of BSF as a proportion of equity method (EM) net income for +€102 million and for tax (exceptional for -€95 million and net income tax effect on DVA and loan hedges of +€46 million).

(2) Including a debt revaluation for -€220 million in NBI.

(3) Change calculated on restated CIB scope.

(4) Including legal provisions for -€115 million.

488.6 BN€

CRÉDIT AGRICOLE CIB'S TOTAL ASSETS, AT 12.31.2017

18.9 BN€

CRÉDIT AGRICOLE CIB'S SHAREHOLDER'S EQUITY
(INCLUDING NET INCOME; 12.31.2017)



For more details, **read our** Registration Document, Chapter 6: Consolidated financial statements at 31 December 2017

12–13

**CHALLENGES
THAT CREATE
OPPORTUNITIES**

14–15

**INNOVATING
FOR AND
WITH CLIENTS**

CHALLENGES THAT CREATE OPPORTUNITIES

A TRANSFORMED FINANCIAL LANDSCAPE

The various financial crises of the last years have completely changed the global financial landscape and obliged corporate and investment banks to refocus their businesses and adapt to an ever-changing environment. Indeed, the decade has witnessed the arrival of new players, - online banks, non-banking operators, FinTechs (technology start-ups) – that impact part or all of the Bank’s value chain. Stricter regulations have also appeared: in Europe the Basel III and IV agreements, the Dodd-Franck act in the United States, the MiF2 European directive... Banks must also play a driving role in the energy transition, amplified by the Paris climate agreement ratified during the COP21 in 2015. Finally, Brexit creates a new situation in Europe. When the United Kingdom leaves the European Union on 29 March 2019 the City of London will become an offshore financial centre. London however plays a major role in financing the European economy.

350

BILLION \$ PER YEAR

According to the latest report of the Intergovernmental Panel on Climate Change (IPCC), climate financing will require 350 billion dollars a year, mostly for measures to mitigate the impacts of global warming. The private sector’s share represents approximately two thirds of this amount.

FOCUS ON THE EARLY DETECTION PROGRAMME

The *Early* detection programme was implemented by Crédit Agricole CIB in 2017 to identify the first signs of a deterioration in the situation of the Bank's clients and therefore to contribute to proactive risk management. In addition to existing systems, the use of big data creates many new ways to analyse risk and to define new advanced risk indicators. According to the client's profile and to the intensity of the signals, several initiatives can be launched and applied in transverse ways to all the departments concerned.

MAJOR CHALLENGES MUST BE MET

For corporate and investment banks like Crédit Agricole CIB, the answer to the crisis and to these changes was to mobilise everybody's energy to define the appropriate solutions and take up new challenges.

To meet the challenges of Brexit, the Bank set up at the beginning of 2016 an ad hoc working group. Its mission: to prepare and anticipate the strategic, organisational, regulatory and IT impacts linked to the United Kingdom's departure from the European Union. Crédit Agricole CIB is now ready, as it was yesterday, and will continue to serve its clients.

To meet the challenge of digitalisation — faster innovation, new competition from FinTechs and non-banking players and the emergence of new models that rely on disruptive technologies, — Crédit Agricole CIB took an early interest in new technologies (Blockchain, Artificial Intelligence, Big data, etc.) to create opportunities for its business lines. Some of these technologies are already used by the Bank, Blockchain for instance (more information on page 15).

To meet the **climate challenge** Crédit Agricole CIB introduced ambitious sector policies several years ago. In 2010 the Bank created a Sustainable Banking team. Its main mission is to meet clients' growing needs in terms of financial advice for projects that are focused both on financial profitability and on creating a positive social and/or environmental impact: reducing poverty, creating jobs in underprivileged neighbourhoods, developing renewable energies, minimising the carbon footprint...

INSIGHT: THE BLOCKCHAIN

The blockchain is a secure, transparent technology for storing and exchanging information without the necessity of a central supervisory body. By extension, a blockchain is a database that contains records of all transactions carried out between its users since its creation. It is a secure distributed database meaning it is shared between its users with no intermediaries. Each user can check the validity of the chain. There are public blockchains that are open to all and private blockchains that can only be accessed and used by a limited number of users.

INNOVATING FOR AND WITH CLIENTS

With IDEA, an initiative set up in 2016 to promote and support innovation, Crédit Agricole CIB mobilises its capacity to innovate and offers new value-added products and services with an improved client experience.

IDEA, AN INNOVATION ACCELERATOR

IDEA's strategy revolves around participative innovation, an active technological watch, experimenting and co-creating with clients. Alongside the central IDEA team running the Bank's innovation approach with the support of General management, there are sixty Innovation Relays in the business lines and support functions. Their mission is to promote and stimulate innovation in the field, in France and in the international network. To support this organisation, several tools are designed to free the power of the imagination.

- The "Ruche" is a place dedicated to creativity, to discussions and workshops. Located in Crédit Agricole CIB's head office it is a simulation tool for employees, internal or external partners and clients.
- The "Innovation Funnel" supports employee's innovative ideas, from inception to experimentation (help in developing ideas, value analysis, pitch preparation...).
- The "Factory" which was set up in 2017 is a laboratory to speed up innovation and transform an idea into a prototype (proof of concept) or into the first version of a product (minimum viable product).
- The Innovation Committee meets once a month with IDEA sponsors and General management to review current and future initiatives.
- Each one of Crédit Agricole CIB's hubs – Paris, New York, Hong Kong and London develops its innovation organisation in line with the whole Bank and the rest of the Group.

560 IDEAS FOR THE 1ST IDEATION CAMPAIGN

All Crédit Agricole CIB members of staff in France were invited at the beginning of 2018 to express their ideas to co-build the Bank's digital transformation approach. The finals selected 10 ideas that will receive specific support and

will be experimented within Crédit Agricole CIB. This pilot campaign, which relies on CALab, Crédit Agricole Group's dedicated ideation platform, will then be deployed in the international network.

690

Employees registered on the ideation platform

560

Ideas

7,600

Likes

1,200

Comments

INNOVATION FOR ALL

At the end of 2017 the top 100 managers met during a whole day dedicated to digital transformation. This was an opportunity for clients to give their point of view on the new needs and expectations created by the digital world. A Design Thinking workshop also allowed participants to suggest new ideas to improve client and employee experience.

Members of staff are offered participative innovation opportunities such as Startboxes (step by step support offered to an innovator) and can take part in events such as Innovation Days and Ideation workshops... They can also become involved in several communities, among which the Blockchain and Smart Data communities. With approximately 100 members these communities encourage acculturation and inspiration and organise a technological watch.

81%

of staff want to be involved in the Bank's digital transformation

Source: internal survey.

OPEN INNOVATION

For its competitive watch focused on innovation, Crédit Agricole CIB met more than a hundred start-ups in 2017. The extraordinary feedback from these meetings was an opportunity to fuel and challenge the strategic vision of the Bank's various business lines: innovation trends, disruptions, new business models and new players ... Some of these start-ups are part of the Village by CA incubator, of which Crédit Agricole CIB is a partner. The Bank lets several of these start-ups use office space in its international network. Crédit Agricole CIB is testing the Blockchain technology with three other entities of the Crédit Agricole Group to facilitate money transfers with a foreign exchange transaction. Backed by a private Blockchain developed by Ripple, a Californian FinTech, this offer will allow the execution of financial transfers in just a few minutes.

CLOSER TO OUR CLIENTS

Our digital transformation is only possible through a strengthened dialogue with our clients. This is why IDEA regularly accompanies our commercial teams to meetings dedicated to innovation.

clients were conducted in 2017, often organized in the Village by CA (Crédit Agricole Group's incubator), with Crédit Agricole CIB's senior bankers, the IDEA team and experts from Crédit Agricole S.A.'s Research.

Several exceptional meetings and co-creation workshops with the Bank's

"PANOPTES" INTERNAL INDIVIDUAL INNOVATION

The "Panoptes" project, a Crédit Agricole CIB Client Information web portal, was created by an employee of the capital markets department. Based on big data and collective intelligence, Panoptes offers in one click the most recent and relevant information on a client, giving Crédit Agricole CIB a headstart in the commercial relationship. The solution, deployed since the end of 2017 is now accessible to all users of the CRM tool (Client relationship management). "Panoptes" is developed in Agile mode using the "Lean start-up" method. The project's sponsor also benefited from the support of Village by CA. This model paves the way for other employees who would like to develop their project within Crédit Agricole CIB.



For more details, **visit** the Digital Activity Report online.

16–17
AGENCE FRANCE TRÉSOR

18–19
BEACON RAIL LEASING

20–21
BONDUELLE

22–23
LVMH

24–25
WINDTRE

26–27
OTHER SIGNIFICANT TRANSACTIONS

WITH
 AGENCE FRANCE TRÉSOR

FOR THE LARGEST SOVEREIGN GREEN BOND

By becoming the first State in the world to issue a large green bond – 7 billion euros, France has confirmed it is a driving force in implementing the ambitions of the Paris Climate agreement of December 2015.

For its first green bond issue, the French State raised 7 billion euros with a 22-year maturity and broke several records. *“It is the largest amount raised with a green bond, in addition to which it is the longest maturity at issuance”*, explains Henri Kuppens, Head of the central banks, States and supranational clients sector at Crédit Agricole CIB. *“By its size and the liquidity it brings to the market, this transaction is the first real significant issue by a State in the green bond market”*, says Anthony Requin, General Manager of the Agence France Trésor (AFT).

FRANCE’S AMBITION

France’s ambition to be the first State to carry out a very large sovereign bond issue in the green bond market was at the centre of discussions. In line with the December 2015 Paris Climate Agreement, the sovereign bond issue confirmed France’s role as a driving force in responsible investment issues. France’s green bond will target the expenditure of the State’s budget and of the “Investing for the Future” Programme (PIA) in fighting and adapting to climate change, protecting biodiversity and fighting pollution.



FINANCE AND THE CLIMATE

For the Bank, one of the issues was to show that capital markets can support a State in the energy transition, the other was to firmly establish its expertise both in responsible finance and in issuing bonds, for sovereigns, supranational clients and agencies. Crédit Agricole CIB, the worldwide leader in arranging green bonds both in terms of volume and of the number of transactions (source: Bloomberg), thus confirmed its position. Pioneering in this sector, the Bank was involved in drafting the Green Bond Principles in 2014 and has never ceased to develop its expertise since then by supporting many of its clients all over the world.

“We retained Crédit Agricole CIB for three main reasons: the excellent expertise of its sustainable finance team and the very good understanding between both of our teams, the Bank’s top ranking in the league tables of specialists in Treasury issues, and finally the original ideas suggested by the Bank which we found particularly attractive.”

ANTHONY REQUIN, AGENCE FRANCE TRÉSOR GENERAL MANAGER

EVALUATION COMMITTEE

In addition to its exceptional size and maturity, this transaction is also unusual because of the green bond’s evaluation committee which was formed to follow the transaction over time. Composed of independent international experts in green finance, the committee’s mission is to study over the long-term the environmental impact of the projects financed with the proceeds of this transaction. Generally, issuers decide for themselves the focus of their reporting. The independence of this evaluation committee de facto improves the quality of the information provided to investors.

 **BN €**

Total amount raised by Agence France Trésor

GREEN BONDS

Green bonds offer the same financial characteristics as standard bonds, the only difference is in the allocation of funds which is exclusively dedicated to financing environmental projects or activities. In the present transaction, the funds raised will, unlike traditional OATs, be followed by the green bond’s evaluation committee composed of independent experts. The Green Bonds market is thriving. The credit rating agency Standard & Poor’s expects green bond issues to reach a record 200 billion euros in 2018, a 30% increase compared with 2017.

ALONGSIDE BEACON RAIL LEASING FOR A COMPREHENSIVE AND INTEGRATED ADVISORY EXPERTISE IN THE RAIL SECTOR

It all started with an M&A sell side mandate given by the owner of Beacon Rail Leasing, a leasing company based in Europe, who appointed Crédit Agricole CIB as its financial adviser. Subsequently, Beacon Rail Leasing mandated the Bank to refinance and optimize its capital structure.

The Bank has acquired a leading market position in the rail sector by providing its clients with an integrated expert service offering and thus strongly differentiating itself from its competitors. “When we approached Beacon Rail Leasing, we knew we could help them get the best out of the market and make the difference”, said Sophie Loiodice, Head of Rail Finance Paris for Crédit Agricole CIB.

SETTING THE SCENE

“The challenge for us was to execute a full refinancing, implement a new debt platform with the flexibility needed to easily and efficiently finance future growth, and diversify our sources of capital, in the context of the sale of the company by our shareholder”, described Richard Thompson, Chief Financial Officer of Beacon Rail Leasing.

The refinancing of Beacon Rail Leasing would result in improving the new shareholder’s visibility on the business and make the new financing transferable and compatible with the acquisition. Hence, in conjunction with the sale of Beacon Rail Leasing, the Company raised 850 million euros in the banks and capital markets to refinance its existing debt and support its future growth.



**BEACON RAIL LEASING AND CRÉDIT AGRICOLE CIB TEAMS
IN THE BANK’S LONDON OFFICE**

AN EXCLUSIVE ADVISER

The comprehensive range of expertise provided by the Bank ensured a fluid and optimized process.

On the M&A side, US-based Pamplona Capital Management retained Crédit Agricole CIB as sole financial adviser for the sale of Beacon Rail Leasing given the Bank's track record in selling rail assets and the long-term dialogue of the New York-based Crédit Agricole CIB coverage team with Pamplona. The auction sale of Beacon Rail Leasing was positioned towards infrastructure funds resulting in an acquisition by institutional investors and securing for the company appropriate long term investors to expand and diversify its business.

As one of the leading houses for advising M&A transactions in the Rail sector, the Bank's comprehensive knowledge of the European rail leasing infrastructure characteristics was a key success factor in engaging bidders that were infrastructure investors, some of which had no previous experience in the rail-leasing sector.

On the debt side, the Bank's role as financial adviser was to help Beacon Rail Leasing obtain the best execution possible in both the banking and institutional markets. The transaction was very well received by the banking market (Crédit Agricole CIB participated as Mandated Lead Arranger and Facility Agent), leading to oversubscription. Thanks to the strength of an international franchise in private placements*, the Bank was able to lead the marketing efforts for the notes issuance simultaneously in Europe and in the US. Beacon Rail Leasing successfully made its first private placement issuance with 200 million euros issued with 12 to 15-year maturities in Europe, and 30 million pounds sterling issued with a 15-year maturity in the US. *"We were very happy to have successfully raised capital from both the European and US institutional private placement markets"*, added Richard Thompson.

*Crédit Agricole CIB ranked nb. 1 among Euro PP bookrunners in market shares in 2016 and again in 2017 (Source: Dealogic)

AN INTEGRATED OFFER FOR AN INTERNATIONAL COMPANY

Headquartered in Luxembourg with additional offices in London and Boston, Beacon Rail Leasing's portfolio includes locomotives, freight wagons, passenger train units and sets of intercity carriages on lease in the UK and Continental Europe.

The closing on the acquisition of Beacon Rail Leasing and the completion of the debt financing illustrates the power of origination of a worldwide sector leveraging on the expertise of several product lines (M&A and debt) of Crédit Agricole CIB, strengthening our long-term relationship for tomorrow.

“Crédit Agricole CIB has versatile teams active across many product lines (M&A, debt advisory, debt capital market), who all have a deep understanding of the rail sector. This helped us optimize our capital structure as we were progressing in the debt raising and M&A processes.”

**THEODORE GAFFNEY,
CHIEF EXECUTIVE OFFICER,
BEACON RAIL LEASING**

CRÉDIT AGRICOLE CIB SUPPORTS BONDUELLE IN ITS CONTINUING AMERICAN ADVENTURE

Bonduelle and Crédit Agricole Group have created close links over a long-term relationship. So when the world leader in ready-to-eat vegetables decided to buy Ready Pac Foods, Crédit Agricole CIB, with the Crédit Agricole Nord de France Regional Bank, was appointed sole financial adviser.

Crédit Agricole Groupe has supported Bonduelle in its development projects for many years. Thanks to this trusting relationship and to the constant strategic dialogue with Bonduelle, in particular on the issue of its US external growth, the Bank naturally became a major player of this transformative acquisition.

THE ACQUISITION OF A LEADER

The transaction allowed the Bonduelle Group to acquire a well-known and innovative brand and to develop its presence in market segments defined by new consumption trends. In the process they became number one in this market in the US, a position they already hold in Europe. The acquisition also strengthens their presence in North America and in particular in the US, becoming the market leader in the individual salad portions segment. This major transaction paid off, allowing Bonduelle to attract new international investors in its capital.

“ This transaction and our exclusive advisor role are the result of continuous and strategic dialogue between our teams, in particular those of the sector and the American, and Bonduelle Group. We are especially proud of actively taking part in the major transaction for Bonduelle, the most important ever closed by the Group. Our relationship has been strengthened de facto.”, said Laurent Leriche, Managing Director in charge of the agro-food sector within Global Investment teams at Crédit Agricole CIB.

AN EXPERTISE IN THE AMERICAN AGRIFOOD SECTOR

“As part of this very transformative acquisition, Bonduelle could count on the multiple expertises from the Bank. Thanks to our very good knowledge of the US agro-food sector, our teams were able to provide Bonduelle, which is already established locally but in other markets, with the analysis they needed of market forces and of the US competitive environment allowing them to cast a critical eye on the target’s business plan”, explains Alban Astier, Regional Director of Crédit Agricole CIB’s French Regions department (DRF).

A MULTI-SCENARIOS' TRANSACTION

The size of this acquisition required several financing scenarios. “Crédit Agricole CIB’s teams allowed us to simulate well ahead of the transaction the impact of the target on Bonduelle’s financial profile and to consider several financial instruments”, says Grégory Sanson, Chief Financial Officer of Bonduelle.

The transaction took place in a very competitive environment with many potential strategic and financial buyers. It was crucial to define the right valuation taking into account the target’s potential and market valuations. Crédit Agricole CIB’s teams rationalised this valuation and allowed Bonduelle to win the auction without over-paying.



“The very close relationship between Bonduelle’s teams, those of Crédit Agricole CIB and of our legal adviser created a fluid and efficient process. The execution quality demonstrated by the Bank’s teams throughout the project was a key success factor in this transaction.”

**GRÉGORY SANSON’S,
CHIEF FINANCIAL OFFICER OF BONDUELLE**

TEAM WORK

Various Crédit Agricole CIB business lines (M&A, Equity Capital Markets, Distribution and Origination, Debt Capital Markets), and the Nord de France Regional Bank worked in perfect harmony to support the client in this strategic transaction.

+70%

**A FEW MONTHS AFTER
THE TRANSACTION,
the share price reached the historic level of 40€**

TOGETHER WITH GROUPE FAMILIAL ARNAULT FOR THE ACQUISITION BY LVMH OF CHRISTIAN DIOR COUTURE

The series of transactions carried out by Groupe Familial Arnault in 2017 were for the Bank like a long-distance run lasting several years and ending with a final sprint. The experience was very intense.

The transaction is a significant step in Groupe Familial Arnault's development and had two goals. The first was to allow Groupe Familial Arnault to increase its stake in Christian Dior SE thanks in particular to the monetization of their Hermès shares and the sale of Christian Dior Couture to LVMH. By acquiring Christian Dior Couture LVMH also created synergies with Christian Dior's perfume business which is already part of LVMH.

THE LONG DISTANCE RUN SPEEDS UP

When the transaction was made public on April 25, 2017, there were only a few days left there were only a few days to submit proposals on the different parts of the transaction and position the Bank in a very competitive process. Less than three months went by between the announcement of the public tender offer and the results of the offer.

THE FINAL SPRINT

"Thanks to the mobilisation of all the Bank's teams up to the highest level, we were able to obtain a preliminary agreement for the acquisition finance of Christian Dior SE's shares in exactly 24 hours", explains Didier Gaffinel, Crédit Agricole CIB Senior Banker for Groupe Familial Arnault and LVMH.

Another highlight of the transaction was the very competitive process through which the Bank obtained from LVMH the bond mandate to finance the acquisition of Christian Dior Couture.



HISTORIC TRANSACTIONS

These are major transactions for Groupe Familial Arnault and also the largest carried out in France in 2017:

The 12 billion euro public tender offer by Groupe Familial Arnault on the shares they did not own in Christian Dior SE was the largest takeover bid in France in 2017.

The 9 billion euro acquisition financing of the takeover bid by Groupe Familial Arnault was the largest acquisition financing carried out in France in 2017.

Finally, the financing of the acquisition of Dior Couture by LVMH for 4.5 billion euros in the bond market was the largest bond issue in euros launched in France in 2017.

“It was essential for Crédit Agricole CIB to take part at the highest level in all these transactions to materialize our long-term support for this historic, prestigious and demanding client, but also to be in a favourable position for the next steps of Groupe Familial Arnault / LVMH’s future development.”

**DIDIER GAFFIINEL, CREDIT AGRICOLE CIB
SENIOR BANKER FOR GROUPE FAMILIAL
ARNAULT AND LVMH**

THE GROUPE FAMILIAL ARNAULT / LVMH CLIENT TEAM

Composed of representatives of each of the Bank’s business lines used to working on issues involving LVMH and its Holding companies for many years, the Groupe Familial Arnault / LVMH client team was ready to react very quickly and in a coordinated manner. It was thus able to make a complete and very competitive proposal to Groupe Familial Arnault in 24 hours. This cohesion clearly helped the Bank position itself at the highest level. The very good relationship with CACEIS also helped the Group stand out and carry out these transactions.

THE BANK’S ROLES:

**Sponsoring Bank and underwriter
of the tender offer on Christian
Dior SE shares owned by minority
shareholders**

**MLA and Bookrunner of the
acquisition Financing of the
Christian Dior SE shares**

**Bookrunner for the bond issue
launched by LVMH**

INGENUITY AND AUDACITY

GIVE BIRTH TO A TELECOMMUNICATIONS LEADER: WINDTRE

This is the story of the merger of two Italian telecommunications giants, Wind and H3G, both of which were Crédit Agricole CIB clients. It is also the story of the unexpected intervention of the European Commission in the transaction.

Some ideas really make a difference, especially when they are driven by ingenuity, determination and vision. While the Italian operators Wind and H3G were discussing a merger, Crédit Agricole CIB's teams mobilized during the two years before the merger, among many other advisers, to offer their clients the most suitable solutions. To stand out among so many competitors it was essential to come up with innovative solutions.

A CLOSE SUPPORT

From the very beginning Crédit Agricole CIB became an essential player for Wind and H3G: during two years, the teams met the clients and their shareholders, Veon and CK Hutchinson, also clients of the Bank, every quarter, refining along the way their understanding of the issues at stake and their solution.

1ST ITALIAN MOBILE MARKET OPERATOR

By merging, Wind and H3G, the two Italian telecommunications giants, became WindTre, significantly improving their credit profile in the process and creating the perfect situation to refinance their 10.7 billion-euro debt. The refinancing of this debt took place in November 2017 with Crédit Agricole CIB acting as joint Bookrunner and Mandated Lead Arranger.

WindTre thus carried out the largest high yield issuance of euro notes in one go by a single borrower and the third largest cross border high yield issue. A bank loan completed the bond issues. In spite of the large volume, there was a massive oversubscription on both notes and term loan, allowing the company to achieve very attractive terms and save 270 million euros a year in interest.



“Our role in this series of transactions perfectly illustrates the strength of our franchise: our sector expertise in the TMT sector; the perseverance and highly recognised technical expertise of our product lines: structured finance, investment banking, high yield capital markets, hedging, rating advisory, syndication; the constant presence of our Senior Bankers with WindTre, CK Hutchison and Veon; and our capacity to deploy our international network in London, Paris, Milan, Moscow, Hong Kong and New York. All these entities played a crucial role in the successful outcome of these transactions.”

ANTONIO COSMA,

GLOBAL HEAD OF THE TELECOM, MEDIA ET TECHNOLOGY SECTOR (TMT) AT CRÉDIT AGRICOLE CIB

THE ARRIVAL OF 2 NEW PLAYERS: THE EUROPEAN COMMISSION AND ILIAD

Considering WindTre’s size, the European Commission required that certain conditions facilitating the entry of a new operator in the Italian market be met before the merger could take place.

Among other conditions, WindTre had to free and sell certain mobile frequencies to the newcomer, Iliad Italy, by December 31st, 2019.

Crédit Agricole CIB’s teams then came up with an idea that made all the difference. The Bank offered to buy the 400M€ in outstanding receivables owed to WindTre by Iliad Italy for the transfer of the frequencies. The transaction immediately lowered WindTre’s debt ratio, thus making its global refinancing much easier.

This off-balance sheet monetization was executed by Crédit Agricole CIB as sole underwriter and arranger, demonstrating its capacity to offer a vision and innovative, global and perfectly executed solutions.

THE EUROPEAN COMMISSION’S INTERVENTION

The European Commission is a major institution of the European Union (EU). Its mission is to propose and implement common policies in the general interest of the EU. One of its prerogatives is to carry out the competition policy by controlling and banning restrictive agreements, abuse of dominant positions, monopolies, concentrations and State subsidies.

TRANSACTION SUMMARY

- Crédit Agricole CIB Joint Bookrunner and Mandated Lead Arranger
- The largest high yield issuance of euro notes in one go by a single borrower
- The 3rd largest cross border high yield issuance
- Massive oversubscription on both notes and term loan, allowing WindTre to achieve very attractive terms and save 270 million euros interests per year
- Crédit Agricole CIB Sole Arranger of the innovative receivables monetization transaction linked to the remedies plan required by the European Commission



For more details, **visit**
the Digital Activity Report online

OTHER SIGNIFICANT TRANSACTIONS

SOFTBANK REFINANCES ITS DEBT

SoftBank Group Corp, the giant Japanese telecommunications company, seized the opportunity offered by favourable conditions in the financial markets to ask Crédit Agricole CIB to help it refinance some of its debt instruments. To pursue its growth strategy, it lengthened its debt's maturity, rebalanced its debt instruments and improved its flexibility. For this transaction, the Bank was able to combine its strong Japanese local presence, efficient teamwork throughout the transaction and its excellent platforms: High Yield, Debt Market, Hybrid Bonds and the dedicated Telecommunications, Media and Technology team.

MARINER INVESTS IN THE ENVIRONMENT

Mariner Investment Group, the US asset manager, launched the first socially responsible synthetic securitization and achieved two goals in the process: it invested with Crédit Agricole CIB in a portfolio of eco-friendly projects and asset-based financings, thereby strengthening its status as a responsible investor.

Crédit Agricole CIB's expertise in synthetic securitization was useful with this complex asset class which is exposed to the upcoming regulatory reforms of Basel IV. The Credit Portfolio Management and Sustainable Banking teams innovated by including in the transaction a commitment to reallocate the funds released to financings that support the energy transition (renewable energy,

infrastructure and collective transport, green buildings, water and waste management...). An approach in line with Crédit Agricole CIB's CSR policy.

2 BN \$

The amount reallocated
by Crédit Agricole CIB
to green financings

KUWAIT NATIONAL PETROLEUM COMPANY'S (KNPC) – CLEAN FUEL PROJECT

In 2017, KNPC - a subsidiary of Kuwait Petroleum Corporation (KPC) - secured the largest Export Credit Agency corporate borrowing in Kuwait, totaling 6,245 million US dollars that included 7 ECAs. The Clean Fuel Project will upgrade and expand two of KNPC's refineries and will offer a new product slate to enhance specifications with a greatly reduced environmental impact. Crédit Agricole CIB is an Initial Mandated Lead Arranger in the financing tranche that includes K-Sure, UKEF, SACE and Atradius. Our leading role in this landmark financing demonstrates our commitment to KPC, KNPC and is a testament of the depth of Crédit Agricole CIB's relationship with Export Credit agencies around the world.

KORIAN STRENGTHENS ITS CAPITAL

Korian, the French leader in "quality ageing" successfully placed 300 million euros in open-ended bonds to strengthen its capital. Crédit Agricole CIB acted as a global coordinator to help the company structure these two bond issues. For Korian the benefits of this transaction are twofold: it covers its general financing needs, possible external growth projects in line with its current focused acquisition strategy and it strengthens its balance sheet as these two instruments are considered as equi-

ty. These two transactions demonstrate the Bank's close relationship with Korian's management and the expertise of the Structured Financial Solutions & Equity Capital Markets teams in developing tailor-made solutions.

300 M€

in open-ended bonds

BAIDU SELLS PEIXE URBANO: AN AUDACIOUS DEAL

Baidu, the world's most regarded internet company and the Chinese equivalent of Google, mandated Crédit Agricole CIB for the sale of Peixe Urbano, its Brazilian e-commerce subsidiary. Acting as sole M&A adviser, the bank convinced the Chinese giant with the quality of its suggestions. For Crédit Agricole CIB, this remarkable Sino-Brazilian cross-border transaction demonstrates both the Bank's international reach and its expertise in the buoyant e-commerce sector.

UNICREDIT, RECORD CAPITAL INCREASE

UniCredit, the largest Italian bank in terms of assets, completed the most significant European capital increase in the last five years: 13 billion euros.

13 BN€

capital increase

The transaction was instrumental for UniCredit's Transform 2019 Strategic Plan, which will position the group among the top European players in terms of capital position, asset quality and profitability.

A longstanding partner of UniCredit, Crédit Agricole CIB acted as a joint book runner in the transaction. The offer was considered subscribed, with 99.8% of the subscription rights exercised during the subscription period, while the remaining unexercised rights were promptly sold in the first available trading session.

28–29

A USEFUL AND RESPONSIBLE BANK

30–31

IN FAVOUR OF THE ENERGY TRANSITION

32–33

BOOSTS INNOVATION AND PERFORMANCE

34–35

IN THEIR CHARITABLE COMMITMENTS

CRÉDIT AGRICOLE CIB

A USEFUL AND RESPONSIBLE BANK

Crédit Agricole CIB is convinced that Corporate Social Responsibility (CSR) is a source of value creation for all its stakeholders - employees, clients, suppliers, civil society, etc. - and its decisions take into account the social and environmental risks created by its clients' and by its own activities.

The Bank has gathered its commitments and procedures in a CSR policy that is part of a continuous improvement process involving employees and management bodies.

THE MAIN PILLARS OF THE BANK'S CSR POLICY

Responsible financing and investment policy

Protection of client interests and business ethics

Commitments and initiatives as a responsible employer

Efficient management of the impacts linked to the Bank's operations

Contribution to the economic, cultural and social development of the territories in which it is active and support for academic research

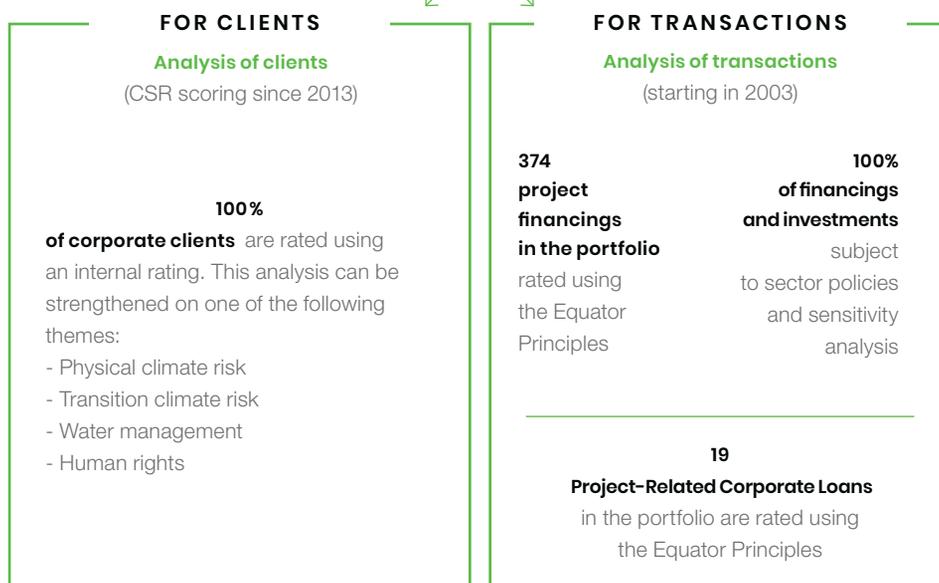
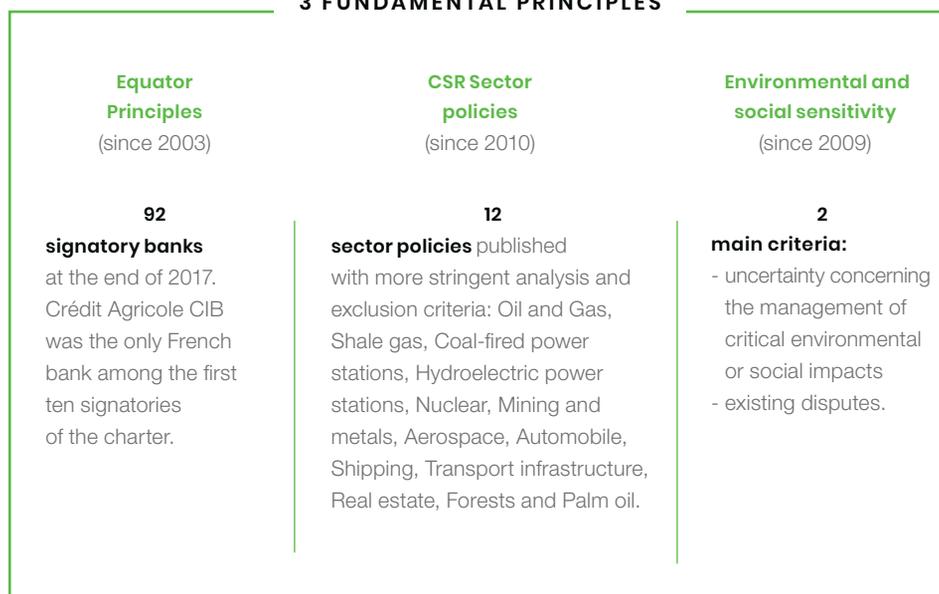
Commitment to transparency and measurement of direct and indirect impacts



For more details, **visit** our website: About us > Committed and Responsible > Our sustainability financing policy

PUTTING CSR AT THE HEART OF THE BANK'S DECISIONS: CSR ANALYSIS SCHEME

3 FUNDAMENTAL PRINCIPLES



GOVERNANCE



For more details, **read** the Registration Document, Chapters:
2.1.1 General environmental policy (indicator 2A)
2.4.4 Assessing and Managing the risks arising from the environmental and social impacts of our financing

PROMOTING RESPONSIBLE FINANCE IN FAVOUR OF THE ENERGY TRANSITION

Climate finance is at the heart of Crédit Agricole CIB's business model. The Bank is a pioneer in this field and fully aware of the key role it must play in the fight against climate change. Three axes define its strategy to meet the challenges of climate finance: financing the energy transition, managing climate risks and optimising its carbon footprint.

A DRIVING FORCE IN ENERGY TRANSITION FINANCING

Crédit Agricole CIB is a recognised expert in green finance and funded the first wind and solar farms in 1997. In 2017, renewable energies accounted for 50% of the electricity generation project financing activity in terms of the number of files. The Bank is also a leading arranger in the market for green bonds, social bonds and sustainability bonds. Crédit Agricole CIB arranged 70 billion dollars between December 2015 and December 2017, including 42.5 billion dollars in 2017 alone. The Bank thus exceeded, a year in advance, the initial goal it had set on the sidelines of the COP21 to structure 60 billion dollars in green financings between December 2015 and the end of 2018. Crédit Agricole CIB is also innovative in its financial management by taking responsible financing commitments for its synthetic securitisations. In 2017, the Bank set up a synthetic securitization of a 3 billion-dollar structured finance portfolio and committed to reallocate the capital released to financings with a positive environmental impact for an amount of 2 billion dollars.

100
BILLION EUROS

For the COP23, Crédit Agricole CIB has defined more demanding goals with the structuring of 100 billion euros in green financings between December 2015 and the end of 2020

4

is the number of scenarios defined by Crédit Agricole CIB to assess the reality of physical or transition climate risks.

EVALUATING AND MANAGING CLIMATE RISKS

Crédit Agricole CIB has been working for several years to better understand and manage climate risks. The Bank is trying to reduce the carbon footprint of its financing and investment portfolio by calculating its impact and by defining sector policies for the sectors that represent a large share of this footprint (more than 80% altogether). Crédit Agricole CIB has set up 12 sector policies that could evolve according to climate challenges. It was also the first commercial bank to withdraw from coal financing in 2015, which it stopped completely a year later. In 2017 it decided to no longer finance the least energy-efficient oils and the most dangerous ones for the environment (oil sands and extra-heavy oil). The Bank also evaluates climate risks and is gradually introducing additional analyses for clients with the highest risks.

IMPROVING THE DIRECT FOOTPRINT

Crédit Agricole CIB pursues its efforts to reduce its direct carbon footprint. It contributes to Crédit Agricole Group's goal to reduce its impact by 15% over the next three years. The Bank is also increasingly offsetting its direct greenhouse gas emissions. It supports the Livelihoods Carbon Fund for which investors receive carbon credits with high social impacts in return for their financial contributions.



For more details, **read** the Registration Document, Chapter 2.3 Incorporating climate change priorities (indicator 2D)

MAIN CLIMATE FINANCE COMMITMENTS

2003

Crédit Agricole S.A. signs the UN's Global Compact

Crédit Agricole CIB, co-founding member of the Equator principles

2008

Membership to the Climate Principles

2009

Charter of Human Rights based on OECD guidelines

Sustainable Banking team created within Crédit Agricole CIB

2010

First sector policies with analysis and exclusion criteria for the most sensitive sectors

2011

Development of an innovative methodology to quantify greenhouse gas emissions created by the Bank's loans and investments thanks to the partnership established in 2006, with the Finance and Sustainable Development Chair of Paris-Dauphine University

2013

Crédit Agricole CIB, n°1 worldwide for green bond issues in euros

2014

Co-author of the Green Bond Principles

Crédit Agricole CIB, number 1 worldwide for green and sustainable bonds in euros and in dollars and remains among the leaders ever since

2015

First European bank to have made the commitment to cease financing coal mines or coal-fired power plants in high revenue countries

Commitment made on the side-lines of the COP 21 to structure 60 billion dollars in green loans between the end of 2015 and the end of 2018

2016

Co-author of the Social Bonds Principles

Commitment to cease financing new coal-fired power plants in all countries

2017

Oil and gas sector policy strengthened

Climate dimension taken into account in the CSR scoring of corporate clients

Commitment taken on the side-lines of the COP23 to structure 100 billion euros in green financings between the end of 2015 and the end of 2020

Commitment to no longer finance the least energy-efficient oils and the most dangerous ones for the environment

GENDER EQUALITY BOOSTS INNOVATION AND PERFORMANCE

For several years, Crédit Agricole CIB has been pursuing a proactive policy in favour of gender diversity, a real performance and innovation driver for both the Bank and its clients.

CRÉDIT AGRICOLE CIB, A GENDER BOND PIONEER

As part of its ongoing efforts to support the development of the global sustainable finance market, Crédit Agricole CIB has mobilised in the Asia-Pacific region with bond issues dedicated to gender equality called “Gender Bonds”.

Crédit Agricole CIB acted as sole arranger for the Asian Development Bank’s (ADB) first-ever private placement of gender-focused bonds, entirely subscribed by Dai-ichi Life, a major Japanese life insurance company. Dai-ichi Life was the only investor in this 130 million New-Zealand dollars (about 76 million euros) transaction with a 10-year maturity. Funds raised through the issuance of these bonds will enable the ADB to fund projects that promote gender equality.

The Bank also acted as joint bookrunner for QBE Insurance Group (one of Australia’s largest insurance groups) as part of the first gender-equality subordinate bond issued by an insurance company. The proceeds of this USD 400 million transaction (approximately EUR 325 million) will be used to finance or refinance assets that meet gender equality principles.

“Gender equality can be a source of innovation for our clients, as shown by our role as sole arranger for the Asian Development Bank’s first private placement of gender-focused bonds.”

**DOMINIQUE DUVAL,
HEAD OF SUSTAINABLE FINANCE FOR ASIA-PACIFIC,
CREDIT AGRICOLE CIB**



For more details, follow us on our social networks, LinkedIn and Twitter

“Our responsibility is to make every effort to attract, recruit, develop and appoint the best talent, regardless of gender, at all levels of our companies.”

**JEAN-YVES HOCHER,
CRÉDIT AGRICOLE CIB CHIEF EXECUTIVE OFFICER**

AMBITIONS SHARED BY ALL BUSINESS LINES

Women represent 43% of Crédit Agricole CIB’s workforce and 28% of its Executive Committee. General Management played a leading role to promote greater diversity at all levels of the organisation, and each department head has defined quantitative goals to be reached by the end of 2019. Taking into account the specific demographics and challenges of each business line, these goals might apply to recruitment, talent pools and the men-women balance of their management committees.

A GLOBAL MENTORING PROGRAMME TO SUPPORT GENDER EQUALITY...

As part of its career management policy and its efforts to promote gender equality, the bank launched in 2017 a global mentoring programme in France and abroad. The goal is to support 40 members of staff - “the mentees” - in their development and to help them increase their visibility through discussions with their mentors, who are members of the business lines’ Executive Committees or Management Committees. Initial feedback is very positive and Crédit Agricole CIB intends to deploy this system on a long-term basis.

... AND LOCAL INITIATIVES

In its various entities Crédit Agricole CIB supports its six networks created by women to promote gender equality: CWEEN launched in 2008 in India, Potentielles created in 2010 in France, Crédit Agricole CIB Women’s Network (CWN) also in 2010 in New York, Spring in 2015 in London, RISE in 2016 in Hong Kong and WING in Tokyo in 2017. These networks launched many initiatives such as the local mentoring schemes in France and in Hong Kong.

25 women selected

by the global markets department were part in 2017 of the first class of the ELLEvate programme. Its goals are to improve their skills, widen their network and break silos. During six months, participants follow professional and personal development training programmes and are supported by tutors from various departments. The programme also allows them to increase their visibility thanks to many interactions with the business line’s Executive Committee.



For more details, **read** the Registration Document, Chapter 2.5 Developing people and the social ecosystem, and **watch** Jean-Yves Hocher’s video on diversity on youtube

SUPPORTING MEMBERS OF STAFF IN THEIR CHARITABLE COMMITMENTS

The men and women of its organisation are of great importance for Crédit Agricole CIB. Its employees' commitment and responsibility are essential to achieve the Bank's goals and to meet current and future strategic challenges. Crédit Agricole CIB also encourages the involvement of its employees in the voluntary sector.

AN INDUCTION PROGRAMME FOR EVERYONE

900

is the number of employees who took part in the events of the induction programme since they were set up in 2016.

To encourage the integration and development of its employees, the Bank has deployed the «Crédit Agricole CIB Global Induction Program». This program allows new joiners to discover the Bank's business lines and make its culture their own. This mechanism is part of the action plans launched following the engagement surveys.

INCREASINGLY COMMITTED

In 2017, Crédit Agricole CIB participated in Crédit Agricole Group's Engagement and Recommendation Index (ERI), which was sent to all its employees around the world. This measurement initiative is in line with the surveys already conducted in 2015 and 2016 by the Bank. The results of the 2017 ERI will identify initiatives which, in addition to the nine global action plans developed in 2016, will further strengthen employee commitment and company performance.



For more information, read the Registration Document, Chapter 2.5 Developing people and the social ecosystem

IN 2017:

72%

Crédit Agricole CIB's ERI*
(+3 points vs 2016)

84%

of Crédit Agricole CIB employees are proud to work for the Bank
(+11 points vs 2015)

69%

Indosuez Wealth Management's ERI*
(stable vs 2016)

* Average of favourable answers to 21 questions asked in the survey and used to measure the ERI

SOLIDARITY BETWEEN MEMBERS OF STAFF – DONATING DAYS TO COLLEAGUES

Because the donation of days is consistent with its values and with the social issues it supports, Crédit Agricole CIB has set up in France a system by which days off can be donated between colleagues to care for a child, spouse or parent who is seriously ill.

INVOLVED IN SOLIDARITY INITIATIVES...

As part of the “Solidaires by Crédit Agricole CIB” programme promoting its employees’ voluntary commitments, the Bank launched “Helping hands” in 2013. The goal is to offer financial support to a charity in which an employee is personally invested. Since it was launched, nearly 210 projects related to solidarity, social integration, the environment, education or health have been supported in France and abroad. In 2017, “Helping Hands” supported 36 initiatives in France, 12 in the United Kingdom, 1 in Hong Kong and 1 in Singapore.

... ALL OVER THE WORLD



Other initiatives were conducted in India, Singapore, Hong Kong, Korea, Japan, Switzerland and Germany.



For more details, **read** the Registration Document, Chapter 2.6.2 Employee involvement in solidarity initiatives (indicator 3B)

RISK **POLICY**



Crédit Agricole CIB has reduced its risk appetite, in particular by discontinuing or reducing some of its market activities, drawing lessons from the 2008 crisis. The main strategic axes and the monitoring and control systems were redefined in order to keep the risk profile under control, and to ensure it is adapted to reasonable commercial ambitions and to a considerably more rigorous regulatory environment.

FOCUS ON CREDIT RISKS

The vast majority of the Bank's activity is focused on debt business lines: credit risk is therefore at the heart of its activities and by far the most significant risk.

In spite of the refocusing strategy adopted after the 2008 crisis, Crédit Agricole CIB's credit risks remain diversified both from a sector and geographical point of view.

The wealth management business, because of its activities and of its clients, has low credit risks. Its loans are systematically guaranteed by tangible assets.

Analysis criteria:
performance
history,
competitive
position
and current
economic cycle

**SETTING
COMMERCIAL
AND FINANCIAL
GOALS AND
DEFINING A RISK
APPETITE THAT
IS CONSISTENT
WITH BOTH**

Analysis criteria:
regulatory
requirements,
in particular
concerning
solvency and
liquidity

**Indicators set up
FOR 3 RISK LEVELS**

APPETITE

= level of risk desired and anticipated in order to reach the budget, everyday risk management

TOLERANCE

= exceptional management for deteriorated risk levels

CAPACITY

= maximum level of risk the Bank could theoretically take

General Management presents the risk appetite and budget for the following year to the Board of Directors. The Board acknowledges the budget and formally approves the risk appetite. The Board checks at least every quarter that the Bank's risk profile remains in line with its risk appetite.

Risk-strategies for each country, business line and sector with significant risks.
Identification, analysis and if need be monitoring of:

Credit risks
Market risks

Liquidity risks
Operational risks

Non-compliance risks

Periodically updated and approved by the Strategy and Portfolio Committee, by the Group Risk Committee for the most significant risk-strategies, and then by the Board of Directors

SECTOR POLICIES ON REPUTATIONAL RISKS LINKED TO THE ENVIRONMENTAL AND SOCIAL IMPACTS OF TRANSACTIONS

Approved by the Strategy and Portfolio Committee then by the Board of Directors



For more details, read the Registration Document, Chapter 5 Risk factors and pillar 3 - Concise statement on risks

THE BOARD OF DIRECTORS

MEMBERS AND GOVERNANCE

An appointment committee examines the applications of new directors, evaluates the candidate's contribution in terms of individual and collective expertise, the time they will be able to devote to their mission, and checks that provisions on the number of directorships an individual can hold are respected.

WHERE DO THE 16 DIRECTORS COME FROM?

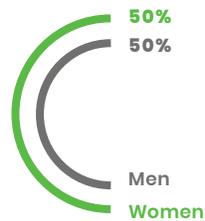


The composition of the Board of Directors reflects Crédit Agricole S.A.'s wish to see chairmen or CEOs and Executive Managers of Crédit Agricole Regional Banks be part of it. It also complies with the provisions of the AFEP MEDEF Code on independent directors, with the Bank's by-laws and with the Commercial Code concerning directors elected by employees.

WHO SITS ON THE BOARD?

- 16 directors with voting rights and 1 non-voting director
- The representative of the Works Council
- Executive Management
- The Board's secretary
- The Statutory Auditors
- The head of Risks and Permanent Control
- The Chief Financial Officer
- The head of Corporate Governance
- Guest participants

Or more than 30 people altogether. From 2018, it will meet at least six times a year.



57
YEARS-OLD
Average age

4 SPECIALISED COMMITTEES

Created by the Board of Directors, four committees (risks, audit, compensation and appointments) assist the board in its missions and in preparing proceedings. Each committee is chaired by an independent director and is composed of 3 to 6 members, mostly independent, chosen among the directors.

A NEW EUROPEAN PRUDENTIAL FRAMEWORK

In accordance with CRD IV provisions, each nomination or renewal of a director is subject to a ratification procedure by the European Central Bank's Prudential Control and Resolution Authority, which ensures compliance with the aptitude criteria, in particular in terms of honourability, independent judgment, availability and collective and individual competence of board members.

THE TRAINING OF DIRECTORS

- A specific welcome is organised for newcomers: handouts of key documents, meetings with executive management and with the heads of key functions;
- An annual seminar is dedicated to strategy and to client relations;
- An annual meeting is organised to investigate in greater detail certain technical or regulatory aspects;
- Permanent access is given to e-learning training sessions on compliance issues;
- Directors elected by employees are given specific training programmes in accordance with the provisions of the French Commercial Code.

5

AREAS OF EXPERTISE

RISKS

Risk appetite with approval of global risk limits and risk strategies

-
- Examining reporting documents that present a comprehensive view of the Bank's risks including Compliance
-
- Capital and liquidity management: annual approval of their adequacy in view of the Bank's strategy, its risk appetite and stress tests.

ACCOUNTS & BUDGET

Examination of quarterly accounts and closing of annual accounts

STRATEGY

Defining the Bank's strategic orientations and supervising their implementation

-
- Approving significant growth transactions or significant disposals

COMPENSATION

Defining the compensation policy for members of staff and approving variable compensation and Executive Management's compensation

GOVERNANCE

Appointing the Chairman and members of Executive Management

-
- Examining the effectiveness of control systems



For more details, **read** the Registration Document, Chapters:
3.1.1 Structure of the corporate governance bodies and
3.1.2 Functioning and conditions for preparing and organising the board's work

INTERNAL CONTROL

This term covers all the systems set up within the Bank to better control all its activities and risks whatever their nature and thus to ensure the regularity, security and efficiency of its operations. In this normative environment these systems provide many means of evaluation – tools and reporting documents – to the Board of Directors, to general management and to management. It is their responsibility to measure the quality and adequacy of internal control.

AUTHORITIES OF CONTROL

CHAired BY THE BOARD OF DIRECTORS

Declined in business lines/support functions, subsidiaries/branches

INTERNAL CONTROL COMMITTEE

**3 times a year in the branches,
business lines and support functions
in Head Office**

To ensure that the internal control organisation is consistent, efficient and comprehensive.

Ensures the coordination of Crédit Agricole CIB's Periodic control, Permanent Control and Compliance Control organisation.

**UMBRELLA INTERNAL
CONTROL COMMITTEE
(QUARTERLY)**

PERMANENT CONTROL COMMITTEE

**7 times a year in the branches,
business lines and support functions
in head office**

To supervise the proper functioning of the Permanent Control organisation.

Examines any issue related to this mission, whether for information purposes or to reach a decision.

**UMBRELLA PERMANENT
CONTROL COMMITTEE
(QUARTERLY)**

CONTROL RUN

PERIODIC CONTROL

WHEN?

Spot checks, based on records and executed in situ, of all the Group's activities, functions and entities

BY WHO?

By the *inspection générale* and local audit units in the branches and in the subsidiaries

PERMANENT CONTROL

WHEN?

When a transaction is initiated and during the approval process

BY WHO?

The operational unit - Automated processing systems

1ST DEGREE Operational level

2ND DEGREE

After the transaction is launched

**1ST LEVEL
SPECIALISED**
Operational teams distinct from those who launched the transaction

**2ND LEVEL
SUPERVISION**
Independent controllers without an operational mandate

INTERNAL CONTROL REPORT TO THE BOARD OF DIRECTORS AND ITS SPECIALISED COMMITTEES

For more details, **read** the Registration Document, Chapter 3.4 Main characteristics of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information

GLOSSARY

A

AGREEMENT – PARIS CLIMATE AGREEMENT

The new global agreement on the climate reached at the Paris Conference of the Parties/COP21 (December 2015), where 195 parties made the commitment to contain global climate warming to 2° above the preindustrial temperature.

AGILE (MODE)

Agile refers to a set of product creation approaches that challenges the traditional sequential methods based on the V model. Agile focuses strongly on the creation of value for the customer and search for continuous feedbacks. It provides flexibility and speed by involving the end-user in an iterative, collaborative and incremental process. The Agile approach uses the addition of several tools and methods.

B

BASEL (AGREEMENT OR COMMITTEE)

The Basel Committee is an institution grouping the governors of G20 central banks in charge of reinforcing the strength of the global financial system, the effectiveness of prudential supervision and cooperation between banking regulators. The Basel Agreements (Basel I, II, III), have built a prudential organization established in 1988 whose goal is to strengthen the solvency and stability of the international banking system by setting a minimum and internationally standardised level for banks' capital.

BIG DATA

“Big Data” (the term appeared in 1997). This term refers to a huge amount of data – 2.5 trillion bytes of data created every day (videos published, weather information, GPS signals, data for online transactions...) – that no other traditional database management tool or IT management tool can deal with. By extension, big data represents a set of technologies, architectures, tools and procedures that allow an organisation to capture, process and analyse large volumes of various data in various formats, changing very rapidly, in order to extract relevant information at a reasonable cost.

C

CLIMATE PRINCIPLES

The Climate Principles Financial Institutions (CPFI) are working to embed an understanding of climate change, and the solutions to it, into their research, asset management, retail banking, insurance and reinsurance, corporate banking, investment banking and markets, and project finance businesses. As an early signatory of the Equator Principles, the Bank is one of the leading members of the Climate Principles with several other international financial institutions.

CLIMATE TRANSITION RISKS

Risks linked to the transition between two production models tending towards a low carbon economy. This can create significant and rapid adjustments, especially in the most exposed sectors. For financial players climate risks are mainly created by their clients' and other counterparties' vulnerability to these new risks.

COP – CONFÉRENCE DES PARTIES

In 1992, during the Rio de Janeiro Earth Summit the UN created a framework of action to fight against global warming: the UNFCCC (United Nations framework Convention on Climate Change). This convention groups almost all the countries in the world, called “Parties”. Their representatives meet once a year since 1995 during the COPs (Conferences of the Parties).

CRD 4

The directive 2013/36/UE (CRD4) and the rule (EU) n°575/2013 (CRR) are the regulatory texts that transpose Basel III in Europe. They define the European rules concerning solvency, large risks, leverage and liquidity ratios and are supplemented by the technical standards of the European Banking Authority (EBA).

CSR – CORPORATE AND SOCIAL RESPONSIBILITY

Taking into account the need for each company to integrate social and environmental considerations in its strategy and to continuously improve its practices in these areas. CSR covers the company's responsibility and its accountability.

D

DATA SCIENCE

Data science is an interdisciplinary field of scientific methods, processes, algorithms and systems to extract knowledge or insights from data in various forms. In its most advanced form, data science techniques allow to shift from explaining what happened to predicting and prescribing.

E

EQUATOR PRINCIPLES

By voluntarily signing the Equator Principles a bank makes the commitment to take into consideration a certain number of social and environmental evaluation criteria in selecting the projects it finances. The Equator Principles can be taken as an application of CSR to finance. It is a list of 10 principles that commit the signatory banks to choose their investments according to social and environmental criteria.

F

FINTECH

A fintech, which combines the words “Finance” and “Technology”, is a non-banking company using information technology and communications to deliver financial services.

FUNNEL

The innovation funnel represents the process followed by an idea from the invention to the production. The idea follows several steps and milestones (go/no go): ideation, feasibility assessment, experimentation and production. The “funnel” is also the process set up by Crédit Agricole CIB to identify and select innovative ideas put forward by employees and businesses.

G

GENDER BOND

The objective of these bonds is to finance projects or activities in favour of gender equality.

GREEN BOND

This “environmental” bond is issued by a qualified organism (company, local authority or international organisation). It is meant to finance a project or activity with an environmental goal and/or with a sustainable design.

GREEN BOND PRINCIPLES

Published in January 2014, and currently supported by more than 52 banks, 22 issuers and 21 investors active in the Green Bond market, the Green Bond principles provide issuers with guidelines on the components required to issue a Green Bond, help investors obtain the information required to assess the environmental impact of their investments and facilitate the structuring of transactions for arranging banks via the promotion of market standards.

I

IDEATION

Ideation covers all the stages of an original thought process, from inception of the innovative idea to its development and completion.

INDEX - COMMITMENT AND RECOMMENDATION INDEX (CRI)

Since 2014 the CRI measures the commitment of all Crédit Agricole Group's members of staff.

L

LEAN START-UP

This expression refers to the strategy adopted by a start-up that wants to check as quickly as possible whether its concept is a good idea, and more practically, if the various assumptions on which the execution of this idea is based, in particular the business model, are realistic.

LBO

Leveraged Buyout, or acquisition using leverage.

P

PHYSICAL CLIMATE RISKS

Risks linked to the negative physical impacts of global warming, which stem from damage caused by weather and climate phenomena.

PRIVATE EQUITY FUNDS

Private Equity funds invest in private or non-listed companies to encourage their growth and development. They can

invest in the early stages of a company's development (typical activity of risk capital investors or business angels) or at any other stage of their growth cycle.

PRIVATE PLACEMENT

Medium or long-term financing transaction between a company and a limited number of institutional investors, based on an ad hoc documentation negotiated between the borrower and the investors.

R

RISK

In Finance, the notion of risk is very similar to the notion of uncertainty. There are economic risks (policy, natural and inflation risks etc.) that threaten flows linked to securities and are part of the economic world, and financial risks (liquidity, foreign exchange, interest rates etc.) which are not directly linked to these flows and are specific to the financial sphere.

RISK APPETITE

Risk appetite is the level of risk, by nature and by business line, that the Bank is ready to take considering its strategic goals. It is expressed both through quantitative and qualitative criteria. The risk appetite exercise is one of the strategic steering tools available to the Group's management bodies.

ROE (RETURN ON NET EQUITY)

This ratio expresses the annual amount of net income returned as a percentage of shareholders equity. It indicates how much profit the company can generate each year for one euro in equity invested by shareholders. The higher the ROE, the more profitable the equity.

RWA (RISK-WEIGHTED ASSETS)

Are the assets (loans...) on a bank's balance sheet, prudentially weighted according to the risk of loss they carry, the total of which is the denominator used to determine various solvency ratios.

S

SECURITISATION

A transaction consisting in the transfer of a credit risk (loan receivables) to an organism that issues tradeable securities underwritten by investors. This transaction might lead to the transfer of the receivables or to the sole transfer of the risks. Securitisation transactions can in certain cases lead to the subordination of the securities (tranches).

SUPPLY CHAIN

This refers to all the links of the supply logistics chain: purchasing, inventory management, handling, storage, distribution, delivery... This network groups organisations that are upstream and downstream in the production process and that share a common goal: to be part of a value creation process represented by the product or service delivered to the client.

T

TADAWUL

Tadawul is the stock market of Saudi Arabia, the largest financial centre in the Gulf which is open to foreign investors since 2015.

V

VAR (VALUE-AT-RISK)

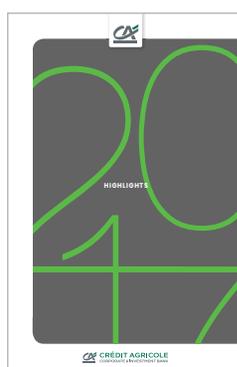
VaR is a synthetic indicator that monitors on a daily basis the market risks taken by the Bank, in particular in its trading activities (VaR of 99% in compliance with the internal regulatory model). It represents the largest risk obtained after eliminating the 1% least favorable events over one year.

MORE INFORMATION

PRINTED MATERIALS



ACTIVITY REPORT 2017



HIGHLIGHTS 2017

WEB PAGES



INTRODUCING CRÉDIT AGRICOLE CIB
IN 2017

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