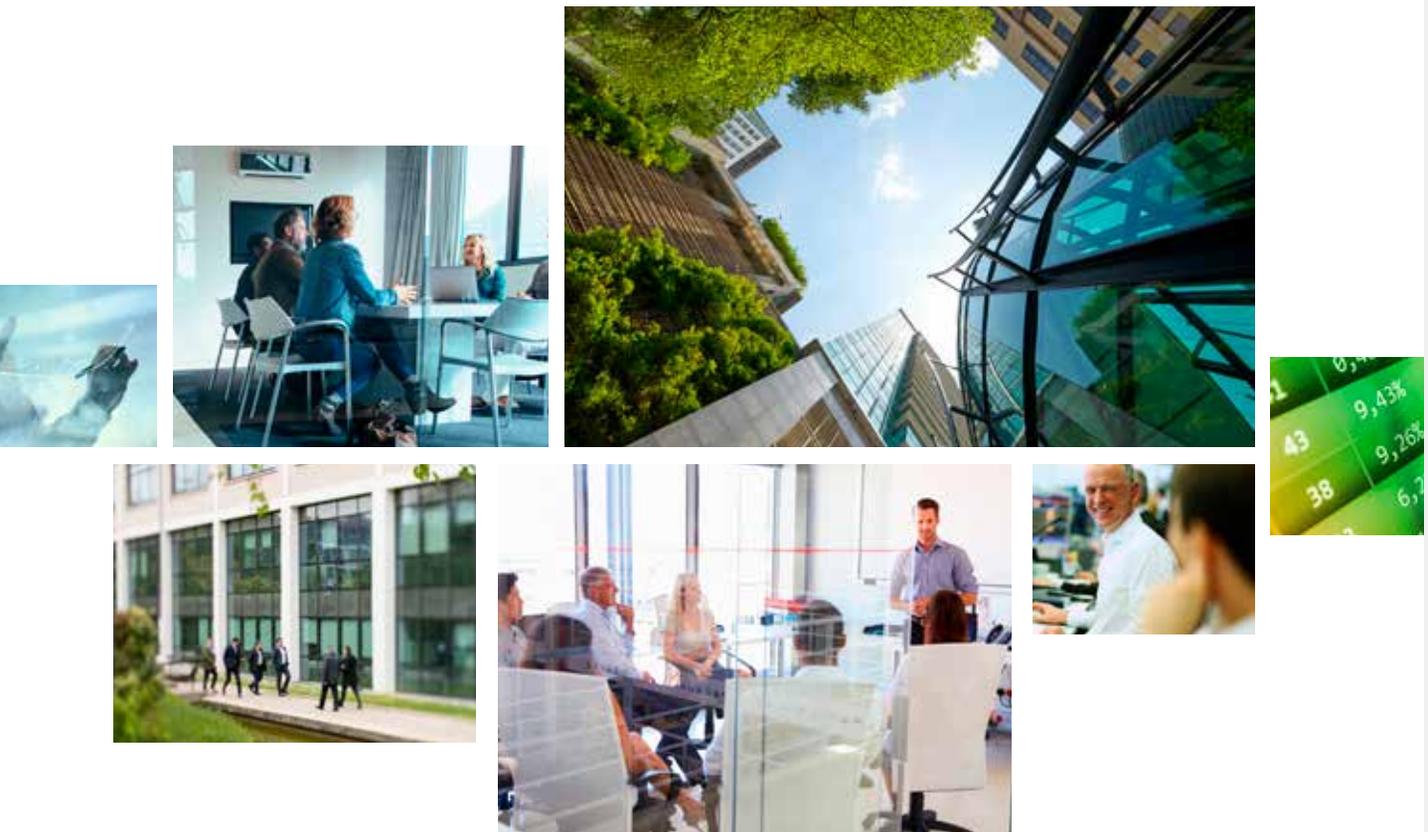




Working

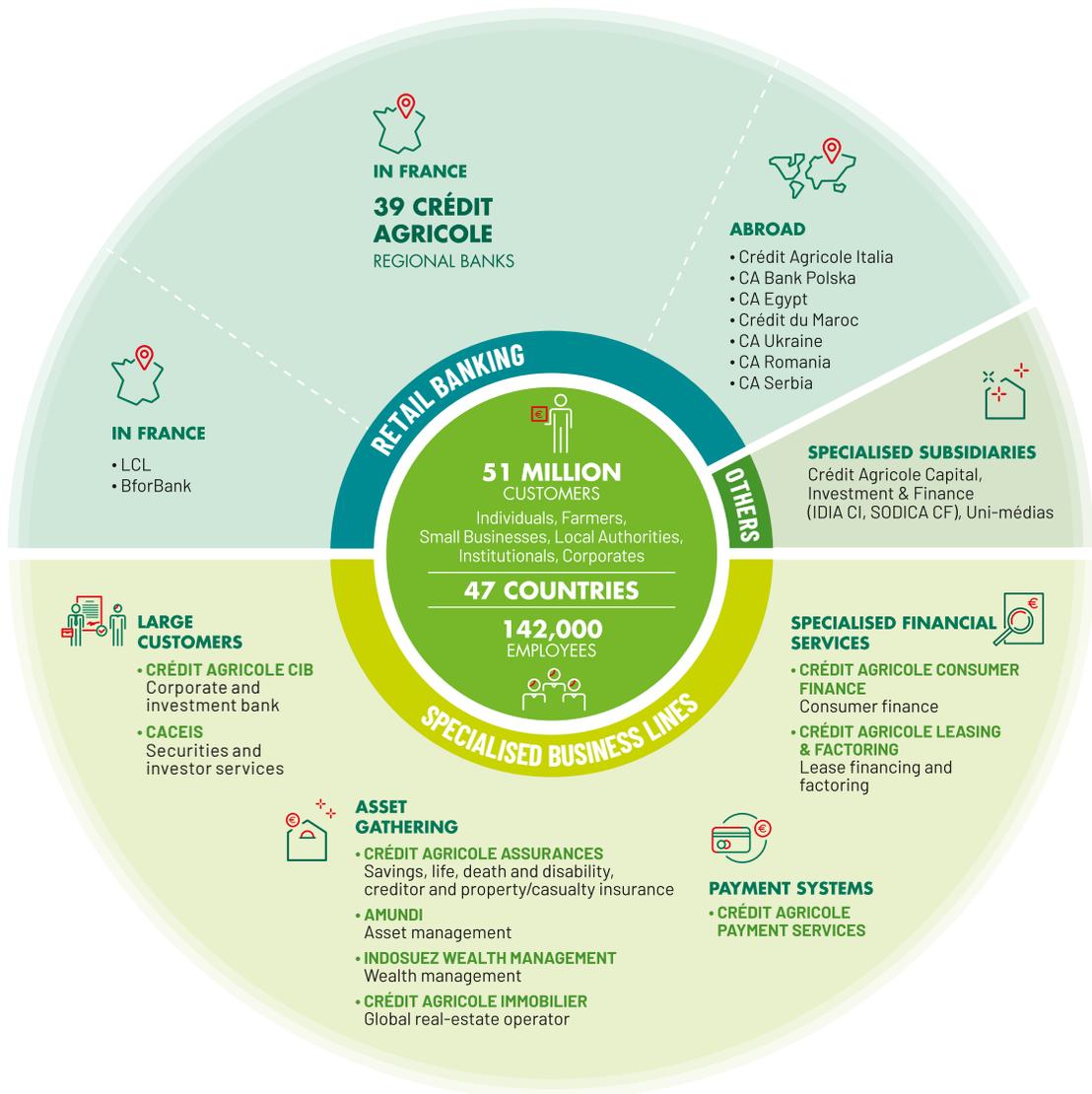
every day in the interest
of our customers and society



2019
Integrated Report

CUSTOMER-FOCUSED UNIVERSAL BANKING

Crédit Agricole has rolled out a unique customer-focused universal banking model based on the group's complementary activities. As such, its local networks offer all customers a complete range of banking and non-banking services suited to their needs, through all channels and created with specialised business lines, leading in their respective fields in France as well as internationally.



CRÉDIT AGRICOLE GROUP'S RAISON D'ÊTRE

WORKING EVERY DAY IN THE INTEREST OF OUR CUSTOMERS AND SOCIETY

**Crédit Agricole's end purpose,
is to be a trusted partner to all its customers:**

Its solid position and the diversity of its expertise enable CA to offer all its customers ongoing support on a daily basis and for their projects in life, in particular by helping them to guard against uncertainties and to plan for the long term.

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

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

**Proud of its cooperative and mutualist identity
and drawing on a governance representing its customers, Crédit Agricole:**

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

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

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

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

10th
bank
worldwide

1st
cooperative
worldwide

1st
bank
in France

1st
insurer
in France

1st
European
asset manager

Content

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2019
Integrated Report

MESSAGE FROM THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

In June 2019, Crédit Agricole Group announced a new Medium Term Plan, "Ambitions 2022". It is a demanding plan based on our mission statement "Working every day in the interest of our customers and society". This new plan revolves around three major pillars: a Customer Project aiming to reach excellence in our relationships, a Human Project focusing on the responsibility of the Group's employees, and a Societal Project based on our commitments in terms of social inclusion and energy transition.

Today, the unprecedented crisis that we are experiencing is for each one of us a reminder of our duty to act in a responsible way. The duty of banks is clearly to fulfil their crucial role, which is to support the economy and its various players.

Crédit Agricole Group, the 10th largest banking group worldwide, will stand by its clients to help them overcome this crisis whose economic impacts will be significant.

Crédit Agricole CIB, our corporate and investment bank, is and will remain available to accompany its clients everywhere in the world.

It is our mission. It is shared by all the Group's employees, and more than ever, I am convinced it will guide us in the future.



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

“Crédit Agricole CIB,
our corporate and
investment bank,
is and will remain
available to accompany
its clients everywhere
in the world.”

With its corporate and investment banking (CIB) and wealth management activities, Crédit Agricole CIB announced strong results for the fiscal year 2019. The Corporate and Investment Bank's revenues reached 4.7 billion euros (a significant increase of +7% compared to 2018). Wealth Management revenues are stable at 825 million euros with assets under management up 9.3 billion euros to 132.2 billion euros at year-end 2019.

In June 2019, Crédit Agricole Group announced its new Medium Term Plan, "Ambitions 2022". In line with these announcements Crédit Agricole CIB defined its new strategic plan which aims to pursue its business plan focused on its clients and the real economy, by leveraging on its expertise and social commitments. The major crisis we are experiencing today with the COVID-19 pandemic will have significant impacts on the world economy and therefore on our clients. True to its commitments and values, Crédit Agricole CIB will be there to help them overcome this crisis.

More than ever alongside its clients all over the world - medium size companies, large corporates and financial institutions - Crédit Agricole CIB will serve them every day with all the skills of its employees and their full commitment.



Jacques RIPOLL
Crédit Agricole CIB
Chief Executive Officer

“Crédit Agricole CIB
defined its new strategic
plan which aims to pursue
its business plan focused
on its clients and the real
economy, by leveraging
on its expertise and social
commitments.”



THE MANAGEMENT COMMITTEE

- Executive Management**
Jacques RIPOLL*
François MARION*
- Deputy General Manager**
Jean-Francois BALAY*
- Senior Coverage & Investment Banking Officer**
Régis MONFRONT
- Senior Regional Officer Americas**
Marc-André POIRIER
- Senior Regional Officer Asia-Pacific**
Michel ROY
- Senior Regional Officer Middle-East / Africa**
Thierry SIMON
- Senior Country Officer Germany**
Frank SCHÖNHERR
- Senior Country Officer Italy**
Ivana BONNET
- Senior Country Officer United Kingdom**
Hubert REYNIER
- Corporate Secretary & Communication**
Bertrand HUGONET
- Debt Optimisation & Distribution**
Jamie MABILAT
- Debt restructuring & Advisory Services**
Julian HARRIS
- Finance**
Olivier BELORGEY*
- Global Compliance**
François CAVAYÉ (interim)
- Global Coverage & Investment Banking**
Didier GAFFINEL*
- Global Investment Banking**
Hélène COMBE-GUILLEMET
- Global IT**
Frédéric COUDREAU
- Global Markets Division**
Pierre GAY*
Arnaud D'INTIGNANO
Thomas SPITZ
- Human Resources**
Anne-Catherine ROPERS*
- Inspection Générale**
Arnaud CHUPIN
- International Trade & Transaction Banking**
Laurent CHENAIN
- Legal**
Bruno FONTAINE
- Operations & Country C00s**
Eric LECHAUDEL
- Risk & Permanent Control**
Stéphane DUCROIZET*
- Structured Finance**
Jacques de VILLAINES

THE BOARD OF DIRECTORS

As of December 31ST 2019

16

DIRECTORS

- 2 Crédit Agricole S.A.
- 5 independant
- 2 elected by employees
- 7 Crédit Agricole Regional Banks

43% WOMEN

57% MEN

57 IS THE AVERAGE AGE

From left to right,
Left page

- Jacques Boyer**
Director
- Lahouari Naceur**
Director
- Claire Dorland**
Director and Chairman of the Appointments Committee
- Françoise Gri**
Director
- Jacques Ducerf**
Non-voting member
- Christian Rouchon**
Non-voting member
- Marie-Claire Daveu**
Director and Chairman of the Risks Committee
- Philippe Brassac**
Chairman
- Paul Carite**
Director
- Laurence Renoult**
Director
- Bertrand Corbeau**
Director

Right page

- Jean de Dieu Batina**
Director
- Odet Triquet**
Director
- Anne-Laure Noat**
Director, Chairman of the Audit Committee and Chairman of the Compensation Committee
- Catherine Pourre**
Director
- Luc Janneau**
Director
- Olivier Gavalda**
Director
- François Thibault**
Director



A SUSTAINED PARTICIPATION AND FREQUENT MEETINGS

- 16 directors with voting rights and 2 non-voting advisory members
- The Representative of the Works Council
- Executive Management
- The Board's Secretary
- The Statutory Auditors
- The Head of Risk and Permanent Control
- The Chief Financial Officer
- The Head of Corporate Governance
- Guest participants

In total, more than 30 people participate on the Board. The Board meets at least six times a year, with a participation rate of 92%.



THE COMMITTEES

Created by the Board of Directors, **four committees (risk, audit, compensation and appointments)** assist the Board in its missions and in preparing proceedings.

Each committee is **chaired by an independent director and is comprised of 3 to 6 members**, mostly independent, chosen among the directors.

For more details, read our [Universal Registration Document](#) P.66 to 111.

* Also member of the Executive Committee

BUSINESS MODEL

OUR STRATEGIC CHOICES

A CORPORATE AND INVESTMENT BANK...

GENERATING MORE REVENUES from Corporates than financial institutions,...

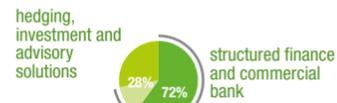
Distribution of 2019 commercial revenues by client segment



● Financial institutions
● Corporates

... with MORE FINANCING ACTIVITIES than pure Capital Markets ones...

Distribution of 2019 commercial revenues by solution type



capital markets financing

... and which has developed a strong & coordinated INTERNATIONAL NETWORK



Wide international presence with more than **30 markets covered**

A WEALTH MANAGEMENT BANK

...PROPOSING A TAILOR-MADE APPROACH that enables each of our customers to manage, protect and transmit their wealth as closely as possible to their aspirations



€ 132 BILLION assets under management

OUR RESOURCES



AN AFFILIATION WITH A STRONG BANKING GROUP

15,9 %

Group's CET1

€ 22.1 bn

Crédit Agricole CIB equity



RECOGNISED EXPERTISE

- Historical franchise in real-asset financing activities: shipping, infra, real estate,...

- Euro bond issues

- Leader in securitisation
- Green and social bonds
- Syndicated loans
- Leading positions in distribution
- Advisory and discretionary management



STRONG VALUES

Leader in sustainable finance activities and a desire for increasing commitment : strong CSR commitments

Long-term support for our clients on real-economy projects

Our employees: our key asset



A HIGHLY DIVERSE STAFF

11,524

including 3,169 in private banking

44%

women

57%

international



SATISFACTORY LONG-TERM RATINGS

S&P

A+

Stable, 10/18/2019

Moody's

Aa3

Stable, 09/19/2019

Fitch

A+

Stable, 11/20/2019

OUR VALUE CREATION



OUR ROLE

Supporting our clients' asset-backed financing projects.

Meeting their needs in cash management, international trade and Receivable & Supply Chain finance solutions.

Offering risk hedging, financing and investment solutions involving the market or private investors.

Advising our clients on their balance sheet management.

Supporting our clients in managing, structuring, protecting, and transferring their wealth.



OUR AMBITIONS (2022 STRATEGIC AMBITIONS)

Strong ambitions aligned with Crédit Agricole Group's project.

Strengthen our presence with financial institutions.

Be the reference bank for sustainable banking.

Have an embedded digital and innovation strategy through an ambitious data plan.

Put employees at the core of the client strategy in line with the Group's DNA.

Implement a realistic growth strategy with ambitious financial targets.

Strengthen our advisory capacity in asset structuring, asset allocation and discretionary management mandates to help our clients in the construction and transfer of their assets.

OUR ACHIEVEMENTS WITH OUR STAKEHOLDERS



CLIENTS

4,020 clients

(in Corporate and Investment Banking)

2,200

Corporate clients

1,820

Financial institution clients

€ 217 bn

in real-asset financing



AWARDS

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

Global Bank of the Year (Infrastructure Investor)

MTN Dealer of the year (MTN-I)

ESG House of the Year (IFR Awards)

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



EMPLOYEES

COMMITMENT AND RESPONSIBILITY (ERI)

86 %

of respondents to the ERI are proud to work for Crédit Agricole CIB

82 %

recommend Crédit Agricole CIB as employer

72 %

feel that they have a good work/life balance

source : ERI (Engagement and Recommendation Index)

127,035

HOURS OF TRAINING IN FRANCE IN 2019

COMMUNITY-MINDED PHILANTHROPY

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

ACTIVE POLICY

FOR YOUNG PEOPLE AND WORK/STUDY PARTICIPANTS

255

work/study contracts

165

VIes



Crédit Agricole Group

SOLID FINANCIAL RESULTS...

NBI
€ 5,459m

Net income group share
€ 1,553m

Contribution to CASA net income group share (33%)

€ 1,502m

...AND A MODERATE RISK PROFILE

Average VaR of

€ 7m

STRONG GROUP SYNERGIES

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



Civil society

MUTUAL ENRICHMENT with the Village by CA START-UPS

2nd

bookrunner on green, social and sustainable obligations

100 %

of corporate clients awarded a CSR score

AN INNOVATIVE APPROACH SERVICING OUR CUSTOMERS: strengthening customer relations and their relevance

The 2022 Medium Term Plan

In 2019, Crédit Agricole CIB presented its new strategy and its goals for 2022. They are part of the Group's Project and its 2022 Medium Term Plan. The purpose of the Group's Project and its 2022 Ambitions are to guide the Bank's commitments and actions in the coming years. They are based on the Group's mission statement which is "Working every day in the interest of our customers and society" and on three pillars: Client, Human and Societal.

“Capitalising on a model that is focused on our clients, expert teams and a strong commitment to society, our strategy aims to make Crédit Agricole CIB the trusted partner of the Group's clients in matters of financing and investment throughout the world.”

Jacques Ripoll
Chief Executive Officer of
Crédit Agricole CIB

Our mission statement

working
every day
in the interest
of our customers
and society

Our strategic plan



Three main pillars

THE
CLIENT
PROJECT

Our commercial approach
to serve our clients

P.10

THE
HUMAN
PROJECT

Our employees at the centre
of our strategy

P.14

THE
SOCIETAL
PROJECT

Acting for the energy
transition

P.18

Goals for 2022

+3%
per year

Ambitious revenue growth

+1.3%
per year

A significant effort on expenses
(excluding SRF) C/I ratio < 55%

20 to 25
bp

Normalising
the cost of risk

stables
RWA

Weighted assets
under control at ~123 Bn€

RoNe
>10%

A satisfactory
profitability

*excluding regulatory impacts, Bank Saudi Fransi and foreign exchange



THE CLIENT PROJECT

4,020
clients

330
Senior bankers

220
Investment bankers

INTERVIEW

A commercial approach that serves our clients

Didier Gaffinel
Global Head of Coverage and Investment Banking



“For several years we have been changing our Coverage organisation to ensure a more fluid and harmonious relationship with our clients all over the world. In 2019, the regrouping of Coverage teams within a single entity was a new step in setting up a client-focused organisation. Within this framework, and to strengthen the strategic dialogue we have with our clients, we reinforced links with the investment banking teams. With our new 2022 strategic plan we defined 8 sectors in which we stand out thanks to our longstanding and widely recognised expertise: infrastructure, construction and concessions, power, utilities and renewables, telecom, media and technology, insurance, real estate, transport, automotive, agri-food. These sectors, which already account for nearly half of our revenues, are targeted to grow by 5% a year over the course of the Medium Term Plan. We also plan to strengthen our presence in the Asia-Pacific region, which currently accounts for nearly 20% of our commercial revenues. As part of our strategic plan, we

aim to accelerate our development in this region and increase our revenues by an ambitious 6.4% a year. Our efforts will mainly focus on China to leverage on our more than 100-year presence in the country.

“We defined sectors in which we stand out thanks to our longstanding and widely recognised expertise.”

Indeed, since 1898 we have been supporting our Chinese clients in their international development and our international clients who want to set up in China. Over the period of this plan, our goal is to develop our product offering in capital markets, cash management and M&A advisory activities in China.

Our ambition: to finance the real economy

Since the 2008 financial crisis, we have focused on our clients' projects in the real economy. Thanks to our expertise gained over the years in financing real assets, we support our clients at every step of their projects, from strategic planning to providing suitable financial solutions.



We therefore have a complete range of solutions to meet the needs of different types of investors, whether they prefer to invest directly via credit sub-participation agreements or through specific vehicles such as funds, trusts, bonds or synthetic securitisations.

A widely recognised expertise in financing real assets
Our expertise is widely recognised in this field as evidenced by our rankings in the league tables and the awards we received in 2019. These are testament to the commitment and professionalism of our teams at all levels of the company: back and middle offices, risk, finance, compliance, legal, sector experts, and front office.

Significant distribution capacities
Our experience in structured finance, combined with our strong distribution capabilities, allows us to offer quality investments to our investor clients.

In line with our distribution-origination model set up in 2008 to increase our capacity to finance our clients, we created the Private Debt Solutions team to improve our offer for investor clients. In connection with the Coverage, this team structures and distributes all kinds of transactions giving investor clients access to Crédit Agricole CIB's expertise in terms of origination, management and collection of loans in portfolios ranging from several hundred million to several billion euros.



#2

AIRCRAFT FINANCE
WORLDWIDE 2019
336 aircrafts financed this year
and more than 1,089 in portfolio
(source: Airfinance journal)



#4

TELECOM FINANCE
WORLDWIDE 2019
(source: Refinitiv)



#9

PROJECT FINANCE LOAN
WORLDWIDE 2019
100 new financings
completed per year
(source: Refinitiv)

RANKINGS AND KEY FIGURES FOR 2019

#2
SYNDICATED LOANS, EMEA
(SOURCE : REFINITIV R17)

#2
CORPORATE SYNDICATED
LOANS, EMEA
(SOURCE : REFINITIV T78)

41%
PRIMARY
DISTRIBUTION RATE
(SOURCE : CRÉDIT AGRICOLE CIB)

Market activities that serve the real economy

The new organisation of our market activities reflects our clients' needs and includes market financing solutions (credit and securitisation) and hedging and investment products.

Our ambition is to reach revenues of approximately € 2 billion with Fixed Income and Treasury activities by 2022. Improving our organisation will reduce direct costs by approximately 10% over the same period.

3%

GROWTH IN REVENUES FROM STRUCTURED
FINANCE ACTIVITIES OVER THE 2018-2022
PERIOD

€ 2 BILLION

IN REVENUES FROM FIXED INCOME AND
TREASURY ACTIVITIES BY 2022

A NEW OFFER FOR FAMILY HOLDINGS

The ambition of the new Private Investment Banking Unit is to combine the strengths of Indosuez Wealth Management and Crédit Agricole CIB to provide a suitable offer to family holding companies. This team will be comprised of bankers with a good knowledge of the needs of these family holding companies in order to establish a strategic dialogue and mobilise Crédit Agricole Group's expertise to help them achieve their projects.

Data at the heart of our digital strategy



With our new strategic plan we defined a 3-year transformation plan that will put data at the centre of our digital strategy. This ambitious plan will re-examine the Bank's data architecture. It is called the Data Architecture Convergence programme.

Today, data is a priority issue for the Bank, in particular to meet our clients' new expectations and their increased demand for more personalised products and services. Data is all around us: client data (identity, history of activities, etc.), employee data but also transactional data or regulatory data. Data is the Bank's raw material to serve its clients. The aim of this programme is to develop new products and services, while improving the efficiency of our data management, the steering of our activities and the management of our risks. This process involves the entire Bank.



For more details, read our
[Universal Registration Document](#)
P.24 to 26 and P.36 to 42.



THE HUMAN PROJECT

8,400
employees serving more than 4,000 clients in more than 30 countries

46.8 %
of international staff

102
nationalities

23
training academies

INTERVIEW

Our employees at the heart of our strategy

Anne-Catherine Ropers
Global Head of Human Resources



“By putting our employees at the heart of our strategy we want every member of staff to become a key player in Crédit Agricole CIB’s performance and transformation, to build our future together in the interests of our clients and society.

Because our people are our strength, we invest in our teams and integrate new generations to improve our expertise, the diversity of our skills and knowledge sharing. By developing each employee’s talents, we want to promote an inclusive culture that reflects our clients’ diversity. To further strengthen the commitment of our teams we want to continue to improve

“Through a process of empowerment, we want each one of us to be able to make decisions, take initiatives and be actively involved in our transformation.”

our managerial culture which values authenticity and individual empowerment, to better meet the needs and expectations of our clients and stakeholders.”



Building the future together

Crédit Agricole CIB made a commitment to its employees and clients to prepare for the future.

Integrating and developing new talents within our teams

To promote its human project among its future employees, Crédit Agricole CIB reviewed its employer brand at the end of 2019: "Everything starts here". Closer to the expectations of today's candidates who are in search of authenticity and meaning, this message highlights three major commitments of the 2022 MTP: green finance, empowerment and innovation.

As professional experience is crucial to integrating junior people, Crédit Agricole CIB's teams welcomed 800 trainees, 255 work-study students and 165 VIEs in 2019. These experiences often offer great opportunities: in France, 50% of junior positions are filled by young graduates who began their careers with one of these contracts within the Group.

To help integrate new generations, Crédit Agricole CIB has also created privileged partnerships with schools and universities. In 2019, the Bank launched an M&A certificate with HEC Paris, business school, and a mentoring programme for female students of HEC Paris and ESCP business schools. To welcome new employees regardless of their location, the Bank has deployed a worldwide induction programme.

In addition to the digital induction set-up, all new employees are invited to an Induction Day the year of their arrival. This event is an opportunity to discover the life of a landmark deal and understand how teams collaborate to meet our clients' challenges. It also encourages networking and transversal cooperation between teams.

In 2019, Crédit Agricole CIB brought together in Paris 340 employees from Europe, the Middle East and Africa, and 230 employees from the Asia-Pacific region for events organised in Singapore and Hong Kong.

Engaging employees

Annual engagement surveys measure the impact of our strategies and policies on our employees. Within Crédit Agricole CIB, employees express great pride to be part of

the Group, appreciate the stimulating work environment, a management approach that values responsibility and express their desire to contribute to Crédit Agricole CIB and the Group's success. One of the key levers of this commitment is to develop the skills that enable each employee to adapt to technological, regulatory and business transformations. Supporting and improving employability are therefore at the heart of our strategy. All employees thus benefit from digital training opportunities throughout the year, complemented by classroom training sessions.

In 2019, the global portal which already offers thousands of open access training modules in banking, finance, office automation, personal development and management, now includes new courses. Employees can now learn five languages and improve their intercultural skills, but also learn how to manage change. All employees are also made aware of the fight against discrimination and the need for mutual respect through a new digital module.

The Coverage Academy, a 10-day course designed to develop business know-how and interpersonal skills, was also redesigned in 2019. This training path is dedicated to bankers working with corporate clients or financial institutions, thus encouraging communication and cross-selling.

To prepare for the future, Crédit Agricole CIB is also developing specific initiatives. In 2019, the third edition of the global mentoring programme was launched. This initiative gave approximately 50 employees the opportunity to benefit from the experience of members of the business lines' management committees. To better promote diver-

73%

THE ENGAGEMENT AND RECOMMENDATION INDEX (ERI) OF CRÉDIT AGRICOLE CIB'S EMPLOYEES IN 2019.

sity, particularly at the highest levels, 53% of those mentored are women and 47% of mentor-mentee pairs are employees working in the international network.

In 2019, the third edition of the global mentoring programme was launched, giving approximately 50 employees the opportunity to benefit from the experience of members of the business lines' management committees.

A new deal

To spread an entrepreneurial spirit, Crédit Agricole CIB is exploring more agile and innovative ways of working.

In 2019, the Bank launched Start-up Mission, its skills sponsorship programme which gives employees the opportunity to experience a one-month immersion in the start-ups of the Village by CA. This programme aims at sharing skills and expertise with young companies at crucial stages of their development, while discovering a more agile start-up culture by other ways than traditional training.

Since it was launched, the programme gave 20 members of staff an opportunity to support Village by CA start-ups on topics such as artificial intelligence, fund raising and business plan review.

The bank also offers new forms of organisation that benefit both the company and its employees. Working from home is the most obvious form of this within Crédit Agricole CIB. In France, more than 1,000 employees work from home one day a week.

In 2019 this set-up was extended to the United States, the United Kingdom and Germany. Negotiations are underway in other entities.

By reducing work-related journeys and demands that interfere with concentration, remote working increases employees' efficiency and well-being. Employees are also empowered and gain autonomy thanks to greater control over their activity and organisation.





THE SOCIETAL PROJECT

MTP goal
to double
the green loan portfolio
to € 13 billion by 2022

More than
€ 13 billion
in green, social and sustainable
bonds arranged in 2019
(source Bloomberg)

INTERVIEW

Taking action for the energy transition

Jean-François Balajé
Deputy Chief Executive Officer



“Crédit Agricole CIB has been a responsible and socially committed player for many years and puts green and sustainable development at the centre of its societal commitments.

Accordingly, as part of “Ambitions 2022”, Crédit Agricole’s new strategic plan, we have defined ambitious goals in terms of green and sustainable finance because of our leading position in this area. In 2019 Crédit Agricole introduced a climate strategy that aims to comply with the Paris Agreement, including in particular a complete withdrawal from the coal sector in EU and OECD countries by 2030.

We will also introduce a transition rating for our clients that will measure their commitment and their ability to adapt their business model to the challenges of the energy transition and the fight against climate change.

“In 2019 Crédit Agricole introduced a climate strategy that aims to comply with the Paris Agreement, including in particular a complete withdrawal from the coal sector in EU and OECD countries by 2030.”

Finally, our ambition is to improve our offer of innovative solutions focused on sustainable development and to extend it to all our business lines, by creating for instance Green Transaction Banking and Green Equities and Equity Solutions. In practical terms our goal is to double the size of our green loan portfolio to reach € 13 billion by 2022.”

Strong new commitments for the climate

Since 2003, Crédit Agricole CIB has been actively involved in many international discussions on climate change and takes part in defining the rules and standards for the energy transition. In 2019, and at the beginning of 2020, we made new commitments with the Poseidon Principles and the Hydrogen Council.



“The Poseidon Principles are a pioneering initiative of the main international financing banks with a major presence in the shipping sector that support the transition towards a low-carbon and climate-resilient economy. The decarbonisation of the shipping sector is a fundamental requirement but also a major challenge that can only be met with coordinated efforts like these.”

Thibaud Escoffier
Global Head of Shipping



For more details, read our [Universal Registration Document](#) P.31 to 35 and P.56 to 60.

Towards a complete withdrawal from the coal sector

Through our climate strategy introduced in 2019, we made the commitment to gradually reallocate our financing and investment portfolios in line with the Paris Agreement, including in particular a complete withdrawal from thermal coal in the long term.

Poseidon Principles: a pioneering shipping initiative

In June 2019, by signing the Poseidon Principles, Crédit Agricole CIB and ten other large banks involved in ship finance, made the commitment to follow the decarbonisation goals defined by the International Maritime Organisation. The Bank is also strengthening its commitments in favour of the energy transition.

The Hydrogen Council encourages the development of hydrogen as a source of energy.

At the beginning of 2020, Crédit Agricole CIB joined the Hydrogen Council, a global initiative dedicated to hydrogen energy which brings together 80 players from the energy, transport, industrial and financial sectors.

This involvement allows the Bank to contribute, by supporting its clients, to the development of this transitional energy and



thus meet Crédit Agricole Group's climate objectives in line with the Paris Agreement. A worldwide multi-product sector team dedicated to hydrogen energy was set up within Crédit Agricole CIB. It brings together experts in sustainable finance, infrastructure, energy, oil & gas and mergers & acquisitions.

“Joining the Hydrogen Council will allow us to increase our support to our clients and help them adopt this clean energy and share best market practices.

This decision is a natural extension of our long-standing commitment to climate finance.”

Jacques Ripoll
Chief Executive Officer of Crédit Agricole CIB

Innovating to encourage the energy transition

Crédit Agricole CIB offers its clients innovative and tailor-made solutions that are perfectly suited to their green and sustainable finance projects.

In 2019 the Bank participated in several innovative transactions in this area.

Enel launches first ever SDG Linked Bond

Crédit Agricole CIB acted as joint bookrunner on two offerings of Sustainable Development Goals Linked Bonds by Enel SpA, the world's first ever issue in this format. SDG Linked Bonds are a new general-purpose sustainable financing product whose coupon cost will remain unchanged to maturity, subject to achievement of the predefined renewable generation capacity target.

AXA underwrites a first Transition Bond

In November 2019, Crédit Agricole CIB was the first commercial bank to issue a Transition Bond, which was fully underwritten by AXA Group to help finance the energy transition. Like green and sustainable bonds, transition bonds are used to fund projects that contribute to the environmental transition of carbon-intensive industrial sectors, such as ships fuelled by liquefied natural gas (LNG), energy efficiency investments in industry, and gas assets in countries where energy production currently relies on coal.

A transition rating to measure our clients' commitment

Crédit Agricole CIB is involved in the development of the transition rating announced by the Group in the June 2019 Climate strategy. It is both a tool to discuss with our clients and to support them. It will allow us to measure their commitment and evaluate their capacity to adapt their business model to the challenges of the energy transition and the fight against climate change. This rating will complement the financial rating and gradually improve our analysis tools in 2020.

A leader in green and sustainable finance

Crédit Agricole CIB has a leading position in sustainable and green finance, clearly demonstrated by the awards we continue to receive in this field.



Green Bond Pioneer Award

Most important arranger of green bonds
Climate Bonds Initiative



Best Lead Manager 2019

For green bonds for banks and social bonds for the public sector
Environmental Finance



ESG Bond House of the Year

For the 5th consecutive year
IFR



Most Impressive Bank for Green/SRI Capital Markets

For the 6th consecutive year
GlobalCapital



CRÉDIT AGRICOLE CIB STEERING

A continuous
reinforcement
of our organisation

A close
monitoring
of activities

A moderate
risk appetite

Monitoring risks: a daily requirement

In line with its business model which is based on a moderate risk profile, Crédit Agricole CIB has introduced a close monitoring of its activities.

In this context, compliance is a crucial topic and the Bank's existing internal control systems help control all kinds of risks.

Compliance P24

Internal control P26

A controlled risk policy p28

Compliance: constantly strengthening our organisation

In an increasingly stringent regulatory environment, compliance is a key challenge for corporate and investment banks.



Against this background, the missions of Crédit Agricole CIB's Compliance cover a very wide perimeter. They range from client protection to business line support, staff awareness and training, and the supervision of regulatory compliance.

Protecting our clients

In line with the Client strategic pillar of the 2022 Medium Term Plan, Compliance aims at protecting the Bank's interests, but also and above all our clients' legitimate interests and confidential data.

Crédit Agricole CIB participates in the Group project "Smart Compliance". This project focuses on two areas: complying with regulations and protecting the Bank's image on one hand, and ensuring operational efficiency and loyalty towards our clients on the other.

Supporting front-office business lines

Our ambition is, to create, as often as possible, a close collaboration between Compliance and front office teams when structuring projects and transactions. Reactivity, relevant analyses and fluid processes can make a difference in our client relationships.

Training and staff awareness

Employee training programmes are a priority for us. For several years our goal has been to increase employee awareness of compliance issues and to develop a compliance culture. In 2019, among the new training sessions, one was dedicated to the Benchmark transition (preparing business lines and supporting our clients in the transition towards new benchmark indices) and another one to preventing market abuse.

Dealing with regulatory requirements

Crédit Agricole CIB obtained the renewal of its ISO 37001 international certification for its anti-corruption procedures. This certification is in line with the approach of Crédit Agricole Group, the first French banking group to have this ISO 37001 certification since July 2017.

DIGITAL TRANSFORMATION

The digital transformation of Compliance is part of a wider approach to improve efficiency: Compliance teams deal each day with significant amounts of data.

Several initiatives were completed in 2019, in particular a new voice to text transcription system and the launch of a KYC data visualisation tool for Financial Security, senior bankers and relationship managers. In 2019, a cognitive reading tool capable of analysing a 300-page annual report in 10 minutes was also launched. It detects direct and indirect relationships between clients, the countries where they are located and activities.

COMPLIANCE TRAINING (available in France)



These training programmes cover all subjects: combatting money laundering and terrorism financing, international sanctions, external fraud prevention, client protection, fight against corruption, prevention of conflicts of interest and market abuse.

22
e-LEARNING
COURSES

9
GENERAL
COURSES

13
SPECIALISED
COURSES

In 2019, a portal for whistle-blowers was created. This external tool is shared within the Crédit Agricole Group. It is accessible to members of staff but also to non-employees and is part of a prevention programme that goes beyond compliance, as it covers un-ethical, delinquent and criminal behaviours.

Complying with international sanctions and fighting against money laundering are two major priorities for Crédit Agricole CIB, and we have been improving our procedures in these high-stake areas for years.

Finally, Crédit Agricole CIB is constantly improving its regulatory compliance control organisation to ensure the effectiveness of its prevention efforts and compliance with applicable regulations.



For more details, read our [Universal Registration Document](#) P.27 to 30.

A central team based in Paris and more than 20 Local Compliance Officers

The Local Compliance Officer (LCO) is close to local employees and ensures the entity concerned complies not only with policies and procedures defined by Crédit Agricole CIB's head office Compliance and Crédit Agricole Group Compliance, but also with local laws and regulations.

If advice or instructions are required, head office experts are available to assist.

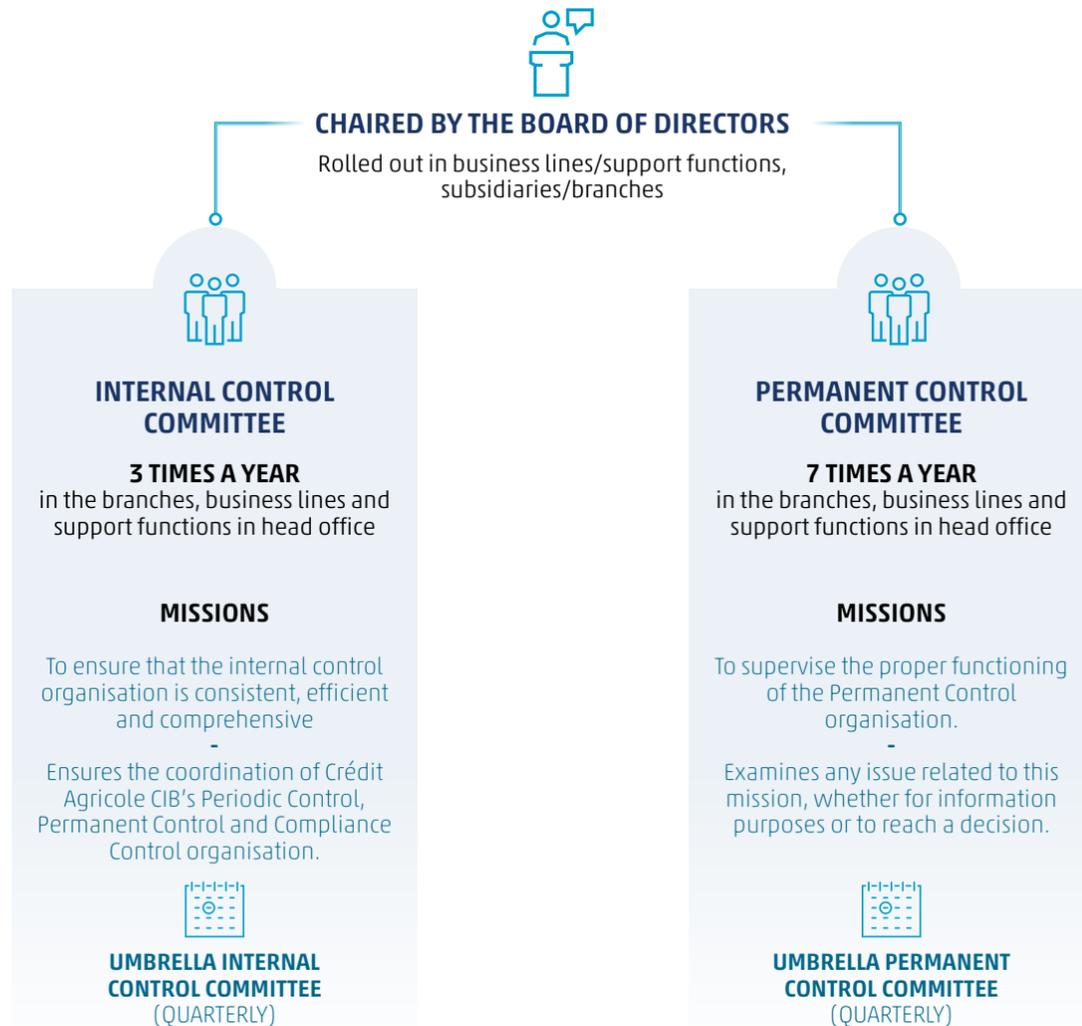
LCOs liaise with regulators and local authorities and must have a good knowledge of the corporate and investment bank's activities and all its business lines, on the one hand, and of the various compliance fields, such as financial security, fraud or data protection, on the other hand.



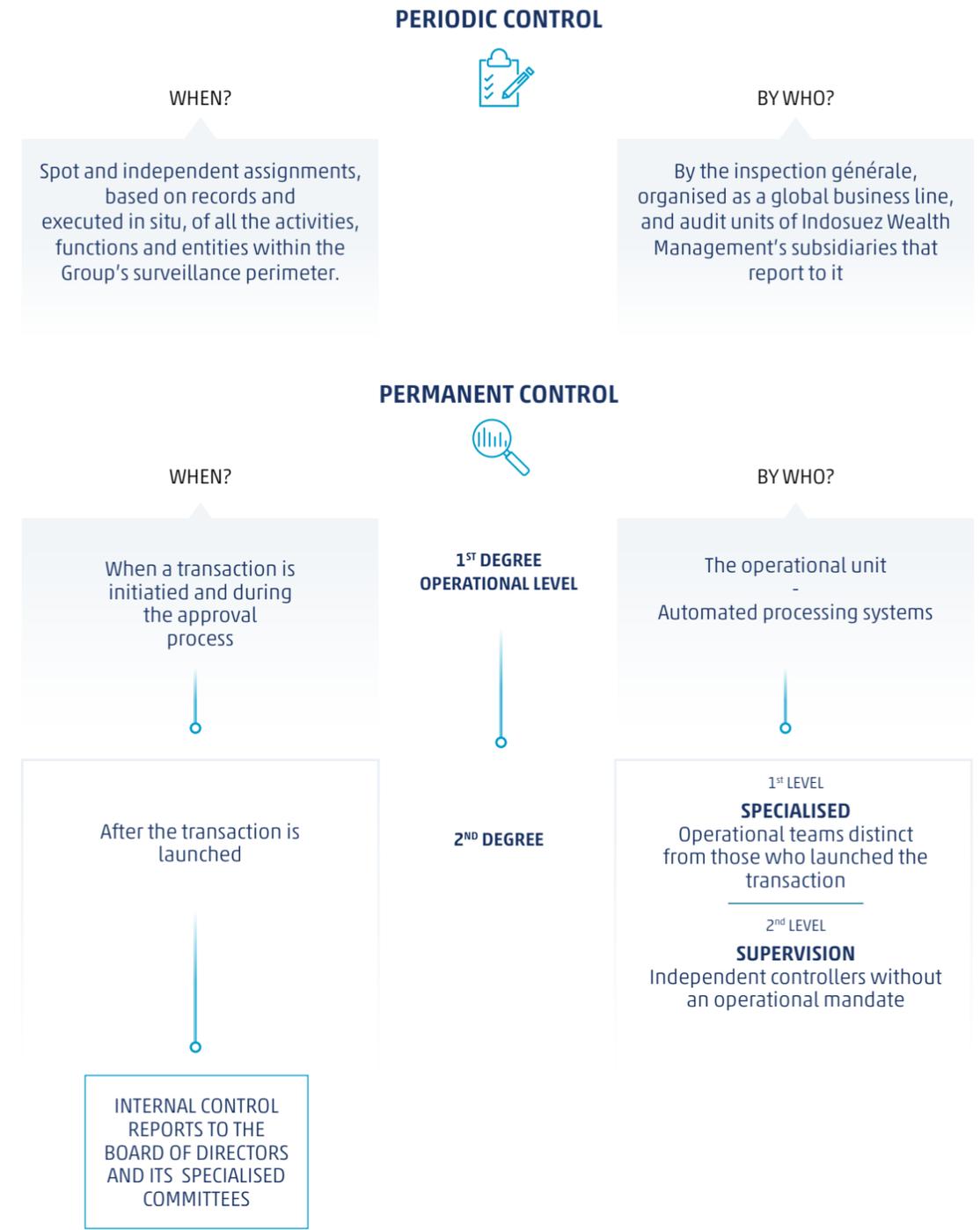
INTERNAL CONTROL

Internal control 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.

THE AUTHORITIES OF CONTROL



Steering



A CONTROLLED RISK POLICY

In 2019, Crédit Agricole CIB confirmed its capacity to create sustainable profitability, with recurring revenues, expenses under control and a moderate risk appetite. Over the 2019-2022 period, Crédit Agricole CIB's strategy is in line with Crédit Agricole group's medium-term plan. In a market that is changing considerably (new regulatory requirements, increased competition, technological change) and in a complex macro-economic environment, the corporate and investment bank's business lines are aiming for a balanced business growth with financial goals in line with a moderate risk appetite.



Liquidity risk

For a bank, liquidity risk is defined as the risk of not having the cash resources required to meet its payment obligations. This risk arises in cases of a massive withdrawal of client deposits due to a confidence crisis, or of a global liquidity crisis in money markets or bond markets.

Crédit Agricole CIB defines its appetite for liquidity risk using several indicators: the Liquidity Coverage Ratio (LCR), a regulatory ratio measuring its capacity to face a liquidity crisis during 30 days, three stress-tests measuring respectively a liquidity crisis specific to the Crédit Agricole Group, a crisis impacting the whole market, and a crisis combining the two events, and finally the Stable Resources Position (SRP) which measures the excess of stable funding over stable assets.

The contingent liquidity risk linked to Crédit Agricole CIB's securitisation activities is also included. On December 31st 2019, all these indicators are below their appetite thresholds. The management of liquidity risk is based on maintaining significant liquidity reserves, implementing sound funding policies (containing short-term refinancings, spreading long-term refinancing maturities over time, diversifying sources of refinancings) and a balanced development of funded assets and liabilities.



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.



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.



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



GLOSSARY

→ A

Abuse - Market Abuse

The notion of market abuse covers any unlawful activity involving a financial instrument, a financial market or an index, such as insider trading, the unlawful disclosure of inside information and market manipulation. On June 12th 2014, the European Union published the Market Abuse Regulation (MAR) and related technical standards that apply since July 3rd 2016 to financial institutions and any other participant.

Agreement – Paris Agreement

The Paris Agreement is the first universal and legally binding agreement on the climate and global warming adopted by 195 countries and territories. It concluded negotiations held during the 2015 Paris conference (COP 21) on climate change and came into force on November 4th 2016.

Assets - Real assets

Real assets financing involves assets such as real estate, energy or transport infrastructure, aircraft, ships or rail.

→ C

Coal - Thermal coal

Thermal coal, also known as steam coal, is used in power stations to produce electricity.

Conflict of interest

A conflict of interest can arise when a situation might harm the interests of a client or the Bank. The main categories of potential conflicts of interest are:

- i) Conflicts involving two clients;
- ii) Those involving the Bank (or the Group to which it belongs) and its clients;
- iii) Those involving the Bank's employees and the Bank, or the interests of its clients.

CSR – Corporate Social Responsibility

CSR requires each company to integrate social and environmental issues in its strategy and to continuously improve its practices in these areas. CSR covers the company's responsibility and accountability.

→ D

Data visualisation

Data visualisation is a method of graphical representation used to illustrate data in an educational way and to better analyse them.

Decarbonisation

Decarbonisation covers all the measures and techniques aiming to reduce greenhouse gases produced by human activities (transport, energy production, agriculture...) or by the whole economy. This involves reducing or giving up the use of fossil fuels such as oil and coal and replacing them with energies that emit less CO₂ or none at all. Decarbonising human activities is an essential aspect of the energy transition.

Distribution capacity

The capacity to sell loans to banks and non-banking institutional investors in the primary and secondary markets through several solutions. The aim is to comply with regulatory requirements and allow Crédit Agricole CIB to maintain an origination capacity for its financing business lines.

Distribution-origination (model)

Crédit Agricole CIB has implemented a model that identifies during the origination stage potential distribution channels, and increases the turnover of assets on the balance sheet by developing their distribution via a suitable product offering (bonds, partnerships with institutional investors, institutional tranches, secondary sales, credit risk insurance, etc.)

Distribution (Primary distribution rate)

The annual average percentage of the decrease between the commitment amount signed by Crédit Agricole CIB (through a mandate or a commitment letter with a client) and the amount allocated to Crédit Agricole CIB at the end of the primary syndication.

→ G

Green Bond

These "environmental" bonds are issued by a qualified institution (company, local authority or international organisation) to finance green and/or sustainable projects or activities.

→ H

Hydrogen energy

Hydrogen is a light gas naturally present in the universe. The H₂ dihydrogen molecule, made up of two hydrogen atoms, commonly referred to as «hydrogen», is promising both as a source of energy and for its storage possibilities. It can indeed be used to generate electricity and heat without CO₂ emissions if it is produced from non-carbon sources.

→ I

Index – Engagement and Recommendation Index

Since 2014, the Engagement and recommendation Index (ERI) measures the commitment level of all Crédit Agricole Group employees.

→ K

Know your customer – KYC

Name given to the process that verifies the identity of a bank's clients. The term also refers to the regulations governing these activities.

→ L

League table

A league table is a ranking of companies according to specific criteria (revenues, etc.). In finance, league tables rank banks according to the transactions they have conducted with a given type of product.

→ P

Poseidon Principles

The Poseidon Principles are a new global framework for responsible shipping finance. Launched on June 18th 2019 by 17 international banks active in shipping finance, this framework promotes a common approach to measure and monitor the carbon impact of their activity and thus reach the goals of the International Maritime Organisation (IMO) to reduce by 50% the greenhouse gas emissions of maritime transport by 2050 compared with 2008.

→ R

Receivable and supply chain

"Receivable and Supply Chain finance solutions" are a set of financing solutions that allow our clients who buy or provide goods and services to optimise their working capital and secure their supplies.

Risk appetite

Risk appetite is the level of risk, by nature and by business line, that the Bank is ready to take given 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 top management.

Risk profile

The risk profile expresses the level of risk that a company or an investor is ready to take.

→ S

Social bonds

A social bond is a bond that exclusively finances projects with a positive social impact on one or several target populations.

Special Purpose Vehicle

A Special Purpose Vehicle is a legal entity specifically created to manage a transaction, to serve the financing needs of a project or to carry an asset requiring financing.

Sustainability Linked Bond

A new product in the green debt market, Sustainability Linked Bonds are bonds whose financing cost can be increased if sustainable performance goals are not reached.

Synthetic securitisation

A synthetic securitisation uses financial derivatives to transfer the credit risk linked to assets to investors (without legally transferring the portfolio of assets).

→ T

Transition bond

Like green or sustainable bonds, transition bonds channel funds towards projects that support the environmental transition of carbon intensive industrial sectors. These projects include for instance liquified natural gas (LNG) fuelled ships, energy efficiency investments and gas assets in countries in which energy production currently relies on coal.

Trust

A trust segregates an estate dedicated to a specific purpose. The wealth in the trust is safely in care of the trustee who becomes its owner. The assets in the trust are thus beyond the reach of the settlor's creditors and cut off from potential collective insolvency proceedings of the settlor and the trustee.

→ V

VaR - Value-at-Risk

VaR is a synthetic indicator to monitor on a daily basis the Bank's market risks, in particular in trading activities (99% VaR in line with the internal regulatory model). It represents the highest risk obtained after eliminating 1% of the most unfavourable events over a one-year historical period.

Villages by CA

Within the Crédit Agricole Group, Villages by CA is a network of start-up accelerators grouping 33 villages open in France and in the international network and more than 700 start-ups.

→ W

Whistle-blower

A whistle-blower is someone who reveals or reports a crime / an offence / facts / serious acts that contravene regulations or the general interest.

The following document is available on the website of Crédit Agricole CIB:

www.ca-cib.com.

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